



CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended December 31, 2024 and the year ended

June 30, 2024

(Expressed in US Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Volt Lithium Corp.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Volt Lithium Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024, June 30, 2024 and July 1, 2023, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the six months ended December 31, 2024 and the year ended June 30, 2024, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, June 30, 2024 and July 1, 2023 and its financial performance and its cash flows for the six months ended December 31, 2024 and the year ended June 30, 2024 in accordance with IFRS Accounting 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 Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has incurred losses to date resulting in a cumulative deficit of \$17,032,328 as at December 31, 2024 and the business of extraction of lithium from oilfield brines involves a high degree of risk. There can be no assurance that current extraction methods will result in profitable operations and the Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are the following key audit matters to communicate in our auditor's report.

Key audit matter:	How our audit addressed the key audit matter:
Assessment of impairment indicators of Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
<i>Refer to note 3(c) – Mining property and rights acquisition costs, and note 8 Mining property and rights acquisition</i>	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following:

costs

Management assesses at each reporting period whether there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the properties; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.

We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.

- Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment.
- Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.
- Confirmed that the Company's right to explore the properties had not expired.
- Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets.
- Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Impairment assessment of intangible assets

Refer to note 3(a) Estimates and critical judgements by management – Intangible assets, note 3(e) Impairment of assets, and note 7 – Intangible asset amortization

As disclosed in the consolidated statements of financial position, the Company had \$2.4 million of intangible asset as of December 31, 2024. The intangible asset relates to the proprietary direct lithium extraction (DLE) technology. An impairment assessment is conducted annually at year-end date or earlier if events or circumstances dictate. An impairment loss is recognized if the carrying amount of intangible asset exceeds its recoverable amount.

We considered this a key audit matter due to the significant judgements made by management in developing the assumptions to determine the recoverable amount as at December 31, 2024.

Our approach to addressing the matter included the following procedures, among others:

Evaluated the reasonableness of recoverable amount of intangible asset, which included the following:

- Evaluated the appropriateness of the model developed by management in determining the recoverable amount of the asset.
- Tested the reasonableness of the inputs used in determining the recoverable amount of the asset to external third-party information as well as industry forecasts for the lithium industry.
- Examined the disclosure made in the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is G. Cameron Dong.

The image shows a handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Vancouver, BC, Canada
April 30, 2025

VOLT LITHIUM CORP.**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

As at December 31, 2024 and June 30, 2024

(Expressed in US dollars)

	Note	December 31, 2024	June 30, 2024 (restated - note 2(c))	July 1, 2023 (restated - note 2(c))
ASSETS				
Cash		\$2,372,121	\$923,506	\$655,739
Accounts Receivable	5	154,968	123,370	85,989
Goods and services tax receivable		149,627	95,561	326,236
Prepaid expenses		322,332	66,226	134,657
		2,999,048	1,208,663	1,202,621
Intangible asset	7	2,411,047	2,557,171	2,849,419
Right of use asset	4	329,672	375,131	-
Royalty interest	9	351,781	394,679	456,881
Property, plant and equipment	6	1,791,342	804,317	-
Restricted deposit		48,731	21,005	-
Mining property and rights acquisition costs	8	3,330,874	3,327,731	2,600,736
Total assets		11,262,495	8,688,697	7,109,657
LIABILITIES				
Accounts payable and accrued liabilities	10,14	633,918	266,504	562,645
Flow through share premium liability	11	-	153,245	-
Current lease liability	4	83,086	79,839	-
		717,004	499,588	562,645
Derivative liabilities	12	1,981,064	265,185	-
Long term lease liability	4	257,229	299,600	-
Total liabilities		2,955,297	1,064,373	562,645
SHAREHOLDERS' EQUITY				
Share capital (net of issuance costs)	13	22,516,715	17,867,304	13,820,137
Subscription receipts		-	-	4,590
Share-based payments reserve	13	1,632,746	1,633,154	946,104
Warrants reserve	13	265,185	1,306,152	644,359
Contributed surplus	13	924,880	761,046	78,424
Deficit		(17,032,328)	(13,943,332)	(8,946,602)
		8,307,198	7,624,324	6,547,012
Total Liabilities and Shareholders' Equity		\$11,262,495	\$8,688,697	\$7,109,657
Nature of Operations and Going Concern	1			
Subsequent Events	18			
Approved on behalf of the Board of Directors by				
<u>"Alex Wylie"</u> , CEO		<u>"Andrew Leslie"</u> , Chairman		
Alex Wylie		Andrew Leslie		

VOLT LITHIUM CORP.**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

For the six months ended December 31, 2024 and the year ended June 30, 2024

(Expressed in US dollars, except number of shares)

	Note	For the six months ended December 31, 2024	For the year ended June 30, 2024 (restated - note 2(c))
Expenses			
Management fees	14	\$400,446	\$348,710
Consulting fees		441,419	1,453,809
Salary and wages		88,409	-
Exploration and evaluation expenditures		-	25,917
Field supplies		56,602	-
Filing and transfer fees		90,459	67,704
General and administrative	4	229,296	224,061
Amortization on intangible asset	7	146,124	292,248
Depreciation on property, plant and equipment	6	69,709	11,770
Insurance		88,409	38,227
Share-based compensation	13,14	145,602	766,131
Marketing and promotion		143,268	335,612
Research and development	14	1,412,355	1,421,423
Storage		-	29,860
Travel		105,149	98,124
Professional fees		226,524	192,071
Loss before other items		3,643,771	5,305,667
Other income/(expense)			
Interest income		745	77,981
Royalty income	9	92,365	132,712
Amortization of royalty interest	9	(42,898)	(62,202)
Change in fair value of derivative liabilities	12	351,318	145,223
Recovery of flow-through premium liability	11	153,245	15,223
		554,775	308,937
Loss and Comprehensive Loss		\$3,088,996	\$4,996,730
Loss per share			
Basic and diluted		\$(0.02)	\$(0.04)
Weighted average common shares outstanding			
Basic and diluted		146,276,314	128,686,023

VOLT LITHIUM CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in US dollars, except number of shares)

	Note	Common Shares	Share Capital	Subscription receipts	Share-based payments reserve	Warrants reserve	Contributed surplus	Deficit	Total Shareholders' Equity
		#	\$	\$	\$	\$	\$	\$	\$
As at July 1, 2023 (restated - note 2(c))		100,372,416	13,820,137	4,590	946,104	644,359	78,424	(8,946,602)	6,547,012
Shares issued - flow through	11,13	11,529,166	1,584,548	-	-	437,078	-	-	2,021,626
Flow-through share premium liability	11	-	(168,468)	-	-	-	-	-	(168,468)
Shares issued - private placement	13	25,062,703	3,802,893	-	-	634,022	-	-	4,436,915
Derivative liabilities	12	-	(410,408)	-	-	-	-	-	(410,408)
Share issuance costs	13	-	(656,312)	-	-	-	-	-	(656,312)
Broker warrants issued	13	-	(200,489)	-	-	200,489	-	-	-
Subscription receipts returned to investors	13	-	-	(4,590)	-	-	-	-	(4,590)
Options granted	13	-	-	-	766,131	-	-	-	766,131
Warrants exercised	13	398,472	95,403	-	-	(6,255)	-	-	89,148
Options expired	13	-	-	-	(79,081)	-	79,081	-	-
Warrants expired	13	-	-	-	-	(603,541)	603,541	-	-
Net loss for the year		-	-	-	-	-	-	(4,996,730)	(4,996,730)
As at June 30, 2024		137,362,757	17,867,304	-	1,633,154	1,306,152	761,046	(13,943,332)	7,624,324
Options granted	13	-	-	-	145,602	-	-	-	145,602
Effect of change in functional currency	12, 13	-	-	-	-	(1,040,967)	105,930	-	(935,037)
Shares issued - private placement	13	1,559,354	255,659	-	-	-	-	-	255,659
Shares issued - prospectus placement	13	19,930,000	3,267,567	-	-	-	-	-	3,267,567
Share issuance costs	13	-	(493,209)	-	-	-	-	-	(493,209)
Warrants exercised	13	5,372,289	1,447,572	-	-	-	-	-	1,447,572
Options exercised	13	500,000	171,822	-	(88,106)	-	-	-	83,716
Options expired		-	-	-	(57,904)	-	57,904	-	-
Net loss for the period		-	-	-	-	-	-	(3,088,996)	(3,088,996)
As at December 31, 2024		164,724,400	22,516,715	-	1,632,746	265,185	924,880	(17,032,328)	8,307,198

VOLT LITHIUM CORP.**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the six months ended December 31, 2024 and the year ended June 30, 2024

(Expressed in US dollars)

	For the six months ended December 31, 2024	For the year ended June 30, 2024 (restated - note 2(c))
OPERATING ACTIVITIES		
Net loss	(\$3,088,996)	(\$4,996,730)
Items not affecting cash		
Share-based compensation	145,602	766,131
Recovery of flow-through premium liability	(153,245)	(15,223)
Amortization of royalty interest	42,898	62,202
Amortization on intangible asset	146,124	292,248
Depreciation on property, plant and equipment	69,709	11,770
Interest on lease liability	14,531	18,546
Depreciation on right of use asset	45,459	53,036
Foreign exchange loss	2,280	-
Interest income	(749)	-
Change in fair value of derivative liabilities	(351,318)	(145,223)
Changes in non-cash working capital		
Prepaid expenses and deposits	(256,106)	68,431
Accounts receivable	(14,224)	(37,381)
Goods and services tax receivable	(54,066)	230,675
Accounts payable and accrued liabilities	236,246	(27,035)
Net cash provided used in operating activities	(3,215,855)	(3,718,553)
INVESTING ACTIVITIES		
Mining property and rights acquisition and exploration costs	(3,143)	(1,037,802)
Property, plant and equipment costs	(925,566)	(783,303)
Right of use asset	-	(6,210)
Restricted deposit	(28,750)	(21,006)
Net cash provided used in investing activities	(957,459)	(1,848,321)
FINANCING ACTIVITIES		
Shares issued - private placement (net of issuance costs)	4,397,344	5,811,146
Subscription receipts returned to investors	-	(4,590)
Cash received on exercise of options	83,715	-
Cash received on exercise of warrants	1,194,525	89,148
Principal payment on lease	(53,655)	(61,063)
Net cash provided by financing activities	5,621,929	5,834,641
Increase in cash	1,448,615	267,767
Cash, beginning of year	923,506	655,739
Cash, end of year	\$2,372,121	\$923,506
Supplemental disclosure of non-cash activities		
Reclassification of fair value of warrants from derivative liabilities on exercise	253,046	-
Reclassification of fair value of options on exercise	88,106	-
Accounts payable related to property, plant and equipment costs	163,952	32,784
Accounts payable related to share issue costs	-	8,916

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of Operations and Going Concern

Volt Lithium Corp. (the "Company") is an emerging lithium producer and lithium extraction technology innovator aiming to initiate commercial production of lithium hydroxide monohydrate and lithium carbonates by utilizing oilfield brine sources in North America.

The Company trades on the TSX Venture Exchange under the symbol "VLT", the OTCQB under the symbol "VLTLF" and the Frankfurt Exchange under the symbol "I2D". The address of the Company's corporate office and principal place of business is Suite 1925, 639 5th Avenue SW, Calgary, Alberta, Canada T2P 0M9.

The Company is an early-stage company with no revenues from operations and its activities currently include acquiring mineral exploration properties and developing lithium extraction technology. The mineral exploration and lithium extraction businesses are considered risky, and most projects will not result in producing assets.

These consolidated annual financial statements (the "consolidated financial statements") have been prepared on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The business of extraction of lithium from oilfield brines involves a high degree of risk and there can be no assurance that current extraction methods will result in profitable operations. The Company has incurred losses to date resulting in a cumulative deficit of \$17,032,328 as at December 31, 2024 (June 30, 2024 - \$13,943,332). The recoverability of the carrying value of its long-lived assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interest on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

The Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Company's funding initiatives will continue to be successful, and these consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Company expects to finance its property acquisitions, exploration activities and extraction technologies primarily through the issuance of Common Shares. The Company will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no certainty that the Company will be able to obtain necessary financing or that such financing will be available in a timely manner or on terms acceptable to the Company. As of December 31, 2024, the Company had current assets of \$2,999,048 (June 30, 2024 - \$1,208,663) to cover current liabilities of \$717,004 (June 30, 2024 - \$499,588). The Company's ability to obtain financing depends on numerous factors including, but not limited to, a positive mineral exploration environment, positive stock market conditions, the Company's track record and experience of management. The Company has no proven history of performance, earnings or success. These conditions raise material uncertainties which cast significant doubt as to

whether the Company will be able to continue as a going concern over the next twelve months should it not be able to obtain the necessary financing to fund exploration programs and working capital requirements.

2. Basis of Presentation

(a) Statement of compliance

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

These consolidated financial statements were approved and authorized for issuance by the Board of Directors of the Company on April 30, 2025.

(b) Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis except for those financial instruments which have been classified at fair value through profit or loss. In addition, except for cash flow information, these consolidated financial statements have been prepared using the accrual method of accounting.

(c) Functional and presentation currency

Effective July 1, 2024, the Company reassessed its functional currency due to changes in underlying transactions, events, and conditions. As a result of this reassessment, the Company determined that its functional currency changed from the Canadian dollar ("C\$") to the United States dollar ("US\$"). This change reflects the Company's increased operations in the United States (the "US") and the planned scale-up of activities in the US, which will represent the primary focus of the business going forward. The change in functional currency was accounted for prospectively from July 1, 2024, with no impact on prior year comparative information. Determining the functional currency involved significant judgments to assess the primary economic environment in which the Company operates, including factors such as the currency of underlying transactions, the location of key operations, and the currency of expected cash flows.

Concurrent with the change in functional currency, the Company also elected to change its presentation currency from C\$ to US\$, effective July 1, 2024. The change in presentation currency was made to better reflect the Company's business activities, provide consistency with its functional currency, and improve comparability of its financial results with other publicly traded businesses in the industry.

The change in presentation currency was accounted for retrospectively. Comparative financial information for prior periods has been restated to reflect the US\$ presentation currency. Balance sheet and profit and loss amounts previously reported in Canadian dollars were translated into US dollars as at June 30, 2024 and July 1, 2023 using the foreign exchange rate of 1.3687 C\$/US\$, which was the rate prevailing on July 1, 2024.

A reconciliation of the prior period comparative amounts restated to reflect the US\$ presentation currency is provided below:

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30, 2024		July 1, 2023	
	<u>As reported</u>	<u>Restated</u>	<u>As reported</u>	<u>Restated</u>
	<u>C\$</u>	<u>US\$</u>	<u>C\$</u>	<u>US\$</u>
ASSETS				
Cash	\$ 1,264,002	\$ 923,506	\$ 897,510	\$ 655,739
Accounts Receivable	168,856	123,370	117,693	85,989
Goods and services tax receivable	130,794	95,561	446,519	326,236
Prepaid expenses	90,644	66,226	184,306	134,657
	<u>1,654,296</u>	<u>1,208,663</u>	<u>1,646,028</u>	<u>1,202,621</u>
Intangible asset	3,500,000	2,557,171	3,900,000	2,849,419
Right of use asset	513,442	375,131	-	-
Royalty interest	540,197	394,679	625,333	456,881
Property, plant and equipment	1,100,869	804,317	-	-
Restricted deposit	28,750	21,005	-	-
Mining property and rights acquisition costs	4,554,666	3,327,731	3,559,627	2,600,736
Total Assets	<u>11,892,220</u>	<u>8,688,697</u>	<u>9,730,988</u>	<u>7,109,657</u>
LIABILITIES				
Accounts payable and accrued liabilities	364,763	266,504	770,092	562,645
Flow through share premium liability	209,747	153,245	-	-
Current lease liability	109,276	79,839	-	-
	<u>683,786</u>	<u>499,588</u>	<u>770,092</u>	<u>562,645</u>
Derivative liabilities	362,959	265,185	-	-
Long term lease liability	410,063	299,600	-	-
Total Liabilities	<u>1,456,808</u>	<u>1,064,373</u>	<u>770,092</u>	<u>562,645</u>
SHAREHOLDERS' EQUITY				
Share Capital (net of issuance costs)	24,454,979	17,867,304	18,915,621	13,820,137
Subscription receipts	-	-	6,283	4,590
Share-based payments reserve	2,235,298	1,633,154	1,294,933	946,104
Warrants reserve	1,787,730	1,306,152	881,934	644,359
Contributed Surplus	1,041,643	761,046	107,339	78,424
Deficit	(19,084,238)	(13,943,332)	(12,245,214)	(8,946,602)
	<u>10,435,412</u>	<u>7,624,324</u>	<u>8,960,896</u>	<u>6,547,012</u>
Total Liabilities and Shareholders' Equity	<u>\$ 11,892,220</u>	<u>\$ 8,688,697</u>	<u>\$ 9,730,988</u>	<u>\$ 7,109,657</u>

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

	<u>Year ended June 30, 2024</u>	
	<u>As reported</u>	<u>Restated</u>
	<u>C\$</u>	<u>US\$</u>
Expenses		
Management fees	\$ 477,279	\$ 348,710
Consulting fees	1,989,829	1,453,809
Exploration and evaluation expenditures	35,472	25,917
Filing and transfer fees	92,667	67,704
General and administrative	306,673	224,061
Amortization on intangible asset	400,000	292,248
Depreciation on property, plant and equipment	16,109	11,770
Insurance	52,321	38,227
Share-based compensation	1,048,603	766,131
Marketing and promotion	459,352	335,612
Research and development	1,945,502	1,421,423
Storage	40,870	29,860
Travel	134,302	98,124
Professional fees	262,887	192,071
Loss before other items	7,261,866	5,305,667
Other income/(expense)		
Interest income	106,732	77,981
Royalty income	181,643	132,712
Amortization of royalty interest	(85,136)	(62,202)
Change in fair value of derivative liabilities	198,767	145,223
Recovery of flow-through premium liability	20,836	15,223
	422,842	308,937
Loss and Comprehensive Loss	\$ 6,839,024	\$ 4,996,730
Loss per share		
Basic and diluted	\$(0.05)	\$(0.04)

(d) Basis of consolidation

Subsidiaries are entities controlled by the Company and are included in these consolidated financial statements from the date that control commences until the date that control ceases. Control exists when the Company has the power, directly and indirectly, to govern the financial operating policies of an entity and be exposed to the variable returns from its activities.

All intercompany balances, transactions, revenues and expenses have been eliminated on consolidation. These consolidated financial statements incorporate the accounts of the Company and the following subsidiaries:

Name of subsidiary	Country of incorporation	Percentage of ownership	Functional currency
Volt Lithium Operations Corp.	Canada	100%	USD
1330340 B.C. Ltd.	Canada	100%	USD
Gold Rush Caribou Inc.	Canada	100%	USD
Red Bluff VLT LLC	USA	100%	USD
Volt Management Services USA LLC	USA	100%	USD
Volt Nevada Inc.	USA	100%	USD

3. Material Accounting Policy Information

(a) Estimates and critical judgements by management

The preparation of these consolidated financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgments, which may cause a material adjustment to the carrying amounts of assets and liabilities.

The areas which require management to make critical judgments include:

Going concern

These audited financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption was not appropriate for the consolidated financial statements, then adjustments to the carrying value of assets and liabilities, the reported expenses and the consolidated statements of financial position would be necessary (see Note 1).

The areas which require management to make significant estimates and assumptions include:

Common Share purchase warrants

The Company determines the fair value of Common Share purchase warrants issued using the Black Scholes option pricing model. This option pricing model requires the development of market-based subjective inputs, including the risk-free interest rate, expected price volatility and expected life of the warrant. Changes in these inputs and the underlying assumption used to develop them can materially affect the fair value estimate.

Deferred tax assets and liabilities

Management judgment and estimates are required in assessing whether deferred tax assets and deferred tax liabilities are recognized in the consolidated statements of financial position. Judgments are made as to whether future taxable profits will be available in order to recognize deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, commodity prices, reserves, operating costs, and other capital management transactions. These judgments and assumptions are subject to risk and uncertainty and changes in circumstances may alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognized on the consolidated statements of financial position and the benefit of other tax losses and temporary differences not yet recognized.

Intangible assets

The Company acquired an intangible asset, being Volt Operations' proprietary direct lithium extraction (DLE) technology (the "DLE Technology"), as a result of the Volt Transaction. Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets acquired in connection with an asset acquisition are initially recorded at fair value. Following initial recognition, intangible assets are carried at initial carrying value less any accumulated amortization and any accumulated impairment losses. Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognized in profit or loss as incurred.

The Company does not hold any intangible assets with indefinite lives. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Research costs are charged to operations when they are incurred. Development costs are capitalized as intangible assets when the Company can demonstrate that the technical feasibility of the project has been established; the Company intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development, and the Company can reliably measure the expenditure attributable to the intangible assets during its development. The amortization method of an intangible asset with a finite life is reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Amortization is recognized in profit or loss on a straight-line basis or units of production method over the estimated useful lives of intangible assets.

Royalty Interest

The valuation of royalty interest necessitates significant judgment and estimation.

Initial Recognition and Measurement: Upon recognition, the royalty interest is taken up at its fair value. This value is arrived at by calculating the net present value (NPV) of the projected future cash flows arising from the royalty agreement. An 8% discount rate is employed to determine the NPV. This rate mirrors current market evaluations of both the time value of money and the specific uncertainties tied to the royalty agreement.

Subsequent Measurement – Amortization: After its initial recognition, the royalty interest's value is reduced in proportion to the actual royalty amounts that are received or receivable. This ensures that the book value of the royalty interest consistently represents the expected future receipts, and these consolidated financial statements provide a true representation of the outstanding potential income from the royalty agreement.

Derecognition - The royalty interest is derecognized when the contractual rights to the cash flows from the royalty expire or when the royalty interest is transferred, and the transfer qualifies for derecognition under IFRS.

Impairment - At each reporting date, an assessment is made to determine whether there is objective evidence that the royalty interest is impaired. If such evidence exists, an impairment loss is recognized in profit or loss. The impairment loss is calculated as the difference between the royalty interest's carrying amount and the present value of the estimated future cash flows, discounted using the original effective interest rate.

Functional currency

The determination of an entity's functional currency requires judgment where the operations of the Company are changing or current indicators are mixed. Additionally, the timing of a change in functional currency is a judgment as the balance of currency indicators may change over time.

(b) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and cash held in trust.

(c) Mining property and rights acquisition costs

Costs directly related to exploration and evaluation expenditures prior to the determination of the feasibility of mining operations are expensed as incurred. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs and share-based payments to employees and consultants, are also expended in the period in which they occur. The acquisitions of mineral property and rights are initially measured at cost. Mining property and right acquisitions costs and development expenditures incurred subsequent to the determination of the feasibility of mining operations and approval of development by the Company are capitalized until the property to which they relate is placed in production, sold or allowed to lapse.

Mining property and right acquisition costs include the cash consideration and the fair market value of shares issued for mineral property interest pursuant to the terms of the relevant agreements. These costs will be amortized over the estimated life of the property following commencement of commercial production, or writing off if the property is sold, allowed to lapse, or when an impairment of value has been determined to have occurred, together with the related exploration and evaluation expenditures.

Management annually assesses the carrying values of its properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if (i) the property has been abandoned; (ii) there are unfavourable changes in the property economics; (iii) there are restrictions on

development; or (iv) when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written down to the estimated recoverable amount.

(d) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

(e) Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there are any indicators of impairment. If any such indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Where the asset does not generate cash inflows that are independent of other assets, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. An asset's recoverable amount is the higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount and an impairment loss is recognized immediately in the consolidated statements of loss and comprehensive loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of the recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal of impairment is recognized in the consolidated statements of loss and comprehensive loss.

(f) Leases

Upon lease commencement, a right-of-use asset and lease liability is recognized. The right-of-use asset is initially measured at the amount of lease liability plus any initial direct costs incurred by the lessee. After lease commencement, the right-of-use asset is measured at cost less accumulated amortization. Right-of-use assets are amortized over the term of the life, including the term of likely extensions.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease. Subsequently, the lease liability is measured on an amortized cost basis using an effective interest method.

(g) Share capital

Common shares are classified as share capital. Costs directly attributable to the issue of common shares are recognized as a deduction from share capital, net of any tax effects.

(h) Common share purchase warrants

Share purchase warrants are classified as a component of equity. Share purchase warrants are recognized based on their relative fair value using the Black-Scholes option pricing model at the date of issue. Share purchase warrants are initially recorded as a part of warrant reserves in equity at their proportional fair value. Upon exercise of the share purchase warrants the previously recognized fair value of the warrants exercised is reallocated to share capital from warrant reserves. The proceeds generated from the payment of the exercise price are also allocated to share capital.

On expiry the recognized fair value of the warrants is reallocated from warrant reserves to contributed surplus.

(i) Income taxes

Income tax reported in the consolidated statements of loss and comprehensive loss for the period presented comprises current and deferred income tax. Income tax is recognized in the consolidated statements of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax for each taxable entity in the Company is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the reporting date and includes any adjustments to tax payable or recoverable with regards to previous periods.

Deferred income tax is determined using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the expected future tax rates enacted or substantively enacted at the reporting date.

A deferred income 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 are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

(j) Loss per share

Basic loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. The diluted loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of shares outstanding on a diluted basis. The weighted average number of shares outstanding on a diluted basis takes into account the additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting period.

(k) 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 operational 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 related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

(l) Share-based payment transactions

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of the options is credited to share capital. Upon expiration, the fair value of the expired options is transferred to contributed surplus.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

(m) Financial instrumentsClassification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at

FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial assets/liabilities	Classification IFRS 9
Cash	FVTPL
Accounts receivable	Amortized cost
Royalty interest	FVTPL
Restricted deposit	Amortized cost
Derivative liabilities	FVTPL
Lease liability	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Accounts receivable, restricted deposit, lease liability and accounts payable and accrued liabilities are classified in this category.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss in the period in which they arise. Cash, royalty interest and derivative liabilities are classified in this category.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss. There are no financial instruments classified in this category as at December 31, 2024 and June 30, 2024.

Impairment of financial assets at amortized cost

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

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

Financial liabilities

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

(n) Foreign currency translation

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of loss and comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive loss to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive loss. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

(o) Property, Plant, and Equipment

Recognition and Measurement

Property, Plant, and Equipment (PP&E) are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes the purchase price, import duties, non-refundable purchase taxes, and any directly attributable costs of bringing the asset to its working condition for its intended use. This includes the cost of materials, labor, site preparation, installation costs, and professional fees.

Where an item of PP&E comprises of major components having different useful lives, each part is accounted for as a separate item of PP&E and is depreciated separately.

Subsequent Costs

Subsequent expenditure on an item of PP&E is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. This could involve enhancements or improvements that lead to increased capacity, efficiency, or extended life. The carrying amount of any replaced component is derecognized. All other repairs and maintenance are charged to the statement of loss and comprehensive loss during the financial period in which they are incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, beginning when the asset is available for use. The estimated useful lives, residual values, and depreciation methods are reviewed annually at the end of each reporting period and adjusted if necessary to reflect the actual pattern of consumption of the future economic benefits embodied in the asset.

Derecognition

An item of PP&E is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognized within "Other income" or "Other expenses" in the statement of loss and comprehensive loss.

Impairment of Assets

PP&E are reviewed for impairment at the end of each reporting period, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount, where the recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Revaluation

The company applies the cost model to all classes of PP&E, where items are carried at cost less accumulated depreciation and impairment losses, if any. The company does not revalue its PP&E.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(p) Flow-Through Shares

Recognition and Measurement

Flow-through shares are a type of equity instrument issued by the Company that provide investors with the ability to claim tax deductions for qualifying expenditures incurred by the Company. The proceeds from the issuance of flow-through shares are allocated between share capital and a flow-through share premium liability.

At the time of issuance, the proceeds received are allocated as follows:

1. Share Capital: The fair value of the common shares issued is recognized in share capital.
2. Flow-Through Share Premium Liability: The difference between the proceeds received and the fair value of the shares issued is recognized as a liability. This liability represents the Company's obligation to incur the qualifying expenditures and renounce the associated tax benefits to the investors.

Income Recognition

As the Company incurs qualifying expenditures, the flow-through share premium liability is reduced, with a corresponding amount recognized as income in the statement of comprehensive income under "Other Income." This recognition is done on a pro-rata basis as the qualifying expenditures are incurred.

Presentation

- Share Capital: The portion of proceeds allocated to share capital is presented as equity in the statement of financial position.
- Flow-Through Share Premium Liability: The flow-through share premium liability is presented under current liabilities in the statement of financial position until the qualifying expenditures are incurred and renounced.
- Other Income: The reduction of the liability is recognized as "Other Income" in the statement of comprehensive income as the qualifying expenditures are incurred.

(q) Government Grants

Income Recognition

The Company accounts for government grants in accordance with IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance. Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to the grant and that the grant will be received.

Presentation

Grants that compensate for expenses incurred are recognized in profit or loss over the same period in which the related expenses are recognized, and are presented as a reduction in the related expense. Grants related to the acquisition or construction of assets are recognized as deferred income in the statement of financial position and amortized to income over the useful life of the related assets.

North Dakota Field Study Grant

On November 27, 2024, the Company entered into a field study agreement with Triple 8 LLC dba Wellspring Hydro (“WSH”) to deploy and test Volt’s proprietary direct lithium extraction (“DLE”) field unit in North Dakota’s Bakken formation. As part of this initiative, the State of North Dakota, through the Industrial Commission’s Research and Renewable Energy Program, provided grant funding to support equipment procurement and operational testing.

The Company has received an initial cash grant of \$450,000 (the “Grant”) through WSH, with an additional \$50,000 expected upon submission and approval of a final deployment report. The total funding of \$500,000 is designated to support the assessment of DLE technology viability in field operations and promote the use of renewable energy and development of the North Dakota workforce. The grant proceeds are being applied toward both capital expenditures and operating costs.

In accordance with *IAS 20*, the portion of the grant related to capital equipment has been recognized as deferred income and will be amortized over the useful life of the related assets. The portion relating to testing and field operations has been recognized as a reduction to research and development expenses in the period in which the related costs were incurred.

Management has assessed that all grant conditions have been met or are expected to be met, and there is reasonable assurance of full entitlement to the grant.

4. Leases

Commencing December 1, 2023, the Company entered into a lease agreement for the Demonstration Plant for a term of five years at a monthly base rent of \$7,408 for the first three years of the lease and \$7,847 for the fourth and fifth years of the lease.

On December 6, 2023, the Company entered into another lease agreement for a skid steer for a term of three years at a lease payment of \$1,534 per month.

(a) Right-of-Use Asset

As at December 31, 2024, \$329,672 of right-of-use assets is recorded as follows:

	\$
As at July 1, 2023	-
Cash downpayment	6,210
Inception of leases	421,957
Depreciation	(53,036)
As at June 30, 2024	375,131
Depreciation	(45,459)
As at December 31, 2024	329,672

(b) Lease Liability

Minimum lease payments in respect of lease liability and the effect of discounting is as follows:

	\$
Undiscounted minimum lease payments:	
Less than one year	107,309
Two to five years	288,225
	395,534
Effect of discounting	(55,219)
Present value of minimum lease payments	340,315
Less current portion	(83,086)
Long-term portion	257,229

(c) Lease Liability Continuity

The lease liability continuity is as follows:

	\$
As at July 1, 2023	-
Inception of leases	421,956
Cash flows:	
Principal payments	(61,063)
Interest	18,546
As at June 30, 2024	\$379,439
Cash flows:	
Principal payments	(53,655)
Interest	14,531
As at December 31, 2024	340,315

During the six months ended December 31, 2024, interest of \$14,531 (year ended June 30, 2024 - \$18,546) and depreciation of \$45,459 (year ended June 30, 2024 - \$53,036) is included in the general and administrative expense on the consolidated statements of loss and comprehensive loss.

5. Accounts Receivable

The Company's accounts receivable was comprised of the following as at December 31, 2024 and June 30, 2024:

	December 31, 2024	June 30, 2024
	\$	\$
Subscriptions receivable (Note 13)	17,374	-
Royalty receivable (Note 9)	115,083	123,370
Other receivables	22,511	-
	154,968	123,370

6. Property, Plant and Equipment

The Demonstration Plant was commissioned on November 22, 2023, and is depreciated on a straight-line basis for an estimated useful life of 10 years. The DLE field units were installed and ready for use during the year ended December 31, 2024 and have been depreciated on a straight-line basis over 5 years. The Company also purchased a motor vehicle which has been depreciated on a straight-line basis over 5 years.

The Carbonation unit and the BPED unit are not installed and have not been depreciated during the six months ended December 31, 2024. In addition, DLE Field units costing \$581,207 are also not installed and therefore, have not been depreciated.

	Motor Vehicles	Demonstration Plant Units	Carbonation Unit	BPED Unit	DLE Field Units	Total
	\$	\$	\$	\$	\$	\$
Cost as at July 1, 2023	-	-	-	-	-	-
Additions	-	201,765	-	-	614,322	816,087
Depreciation	-	(11,770)	-	-	-	(11,770)
Net Book Value, June 30, 2024	-	189,995	-	-	614,322	804,317
Additions	54,343	-	124,500	68,299	809,582	1,056,734
Depreciation	(3,564)	(9,920)	-	-	(56,225)	(69,709)
Net Book Value, December 31, 2024	50,779	180,075	124,500	68,299	1,367,689	1,791,342

7. Intangible Asset Amortization

As of April 1, 2023, after the successful conclusion of bench scale testing, the Company initiated the amortization of the DLE Technology as an intangible asset. The amortization is being carried out on a straight-line basis, spanning an estimated 10-year useful life for the DLE Technology based on current assumptions and considering the prevailing technological landscape. Given the rapid pace of technological advancements, it is anticipated that the effectiveness of the present DLE Technology may diminish after this 10-year period, rendering it potentially obsolete.

	\$
As at June 30, 2023	2,849,419
Amortization	(292,248)
As at June 30, 2024	2,557,171
Amortization	(146,124)
As at December 31, 2024	2,411,047

8. Mining Property and Rights Acquisition Costs

	Rainbow Lake Property
As at June 30, 2023	\$ 2,600,736
Exploration expenditures	726,995
As at June 30, 2024	\$ 3,327,731
Exploration expenditures	3,143
As at December 31, 2024	\$ 3,330,874

Rainbow Lake

The Rainbow Lake property is in northwest Alberta and is defined by 20 contiguous Alberta Metallic and Industrial Mineral Permits (173,990 hectares) for which the Company has 100% mineral interest ownership (the "Rainbow Lake Property").

As of December 31, 2024, the Company has incurred exploration and evaluation expenditures of \$3,330,874 related to the Rainbow Lake Property (June 30, 2024 - \$3,327,731).

9. Royalty Agreement

On December 9, 2022, the Company entered into an amending agreement to the overriding royalty agreement, which was previously entered into on September 19, 2022, by Volt Operations. The overriding royalty agreement with a producing oil and gas is calculated at 3% of the production. The rate will be reduced to a non-convertible 2% overriding royalty subsequent to the Company receiving 100% of its original investment. Once the Company receives 300% of its original investment the royalty agreement is terminated. As part of this agreement, the Company agreed to, and has made, the following payments:

- CAD\$125,000 on execution of the agreement;
- CAD\$125,000 upon execution of the definitive agreement; and
- CAD\$250,000 is due within 5 business days of the Volt Operations shares being listed on the TSX Venture Exchange.

At December 31, 2024, the Company has accrued royalty receivables of \$115,083 (June 30, 2024 - \$123,370) and recognized the royalty income of \$92,365 for the six months ended December 31, 2024 (year ended June 30, 2024 - \$132,712).

	\$
Balance, June 30, 2023	456,881
Amortization expense	(62,202)
Balance, June 30, 2024	394,679
Amortization expense	(42,898)
Balance, December 31, 2024	351,781

10. Accounts Payable and Accrued Liabilities

As at December 31, 2024 and June 30, 2024, the Company's accounts payable and accrued liabilities were composed of the following:

	December 31, 2024	June 30, 2024
	\$	\$
Accounts payable	603,928	251,891
Accrued liabilities	29,990	14,613
	633,918	266,504

11. Liability and Income Tax Effect on Flow-through Shares

Funds raised through the issuance of flow-through common shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

In August 2023, in connection with the Unit Financing (as defined below in Note 13), the Company issued 11,529,166 flow-through common shares at C\$0.24 per share for gross proceeds of \$2,021,626 and recognized a liability for the flow-through common shares of \$168,468. As of December 31, 2024, the Company spent all of the flow-through funds raised in the Unit Financing and has recognized \$153,245 as recovery of flow-through premium liability during the period ended December 31, 2024 (year ended June 30, 2024 - \$15,223).

12. Derivative Liabilities

- (a) On May 1, 2024, the Company issued 3,409,091 warrants (for a period of two years) with an exercise price of \$0.35 in connection with the non-brokered private placement. Prior to July 1, 2024, the Company's functional currency was the C\$; as such, the Company recorded a derivative liability on the warrants outstanding with US\$ exercise prices. This derivative liability was being revalued at each reporting period.

The Company revalued its derivative liability upon the change in functional currency, which resulted in a loss on revaluation of \$145,223.

Due to the change in functional currency on July 1, 2024, the derivative liability was measured at fair value using the Black-Scholes Option Pricing Model with a valuation date of July 1, 2024. The derivative liability of the Company on that date was \$265,185, which upon reclassification, was charged to equity as an increase in warrant reserves of \$265,185.

As a result of change in functional currency from C\$ to US\$, the following table summarizes the changes in the derivative liabilities during the six months ended December 31, 2024 and the year ended June 30, 2024:

	\$
Balance, June 30, 2023	-
Fair value of derivative liabilities on issuance	410,408
Change in fair value of derivative liabilities	(145,223)
Balance, June 30, 2024	265,185
Reclassification of derivative liabilities per change in functional currency	(265,185)
Balance, December 31, 2024	-

A summary of the warrants with US\$ exercise prices outstanding and exercisable as at July 1, 2024, upon the change in functional currency was as follows:

Warrants outstanding	Exercise Price	Expiry Date
3,409,091	0.35	May 1, 2026

The following weighted average assumptions were used in the Black-Scholes option-pricing model for the initial recognition and the revaluations of the warrants priced in US\$:

	July 1, 2024	May 1, 2024
Risk-free interest rate	3.99%	4.25%
Expected life	1.84 years	2 years
Expected volatility	127%	131%
Forfeiture rate	0%	0%
Dividend rate	0%	0%

- (b) On July 1, 2024, the Company's functional currency changed to the US\$ from the C\$; as such, the Company recorded derivative liabilities on the warrants outstanding with previously issued C\$ exercise prices. The derivative liabilities are being revalued at each reporting period.

As at July 1, 2024, the Company charged \$1,200,222 to warrants reserve to reclassify the derivative liabilities for the warrants with exercise prices denominated in C\$ using the Black-Scholes Option Pricing Model. On July 1, 2024, 30,058,422 warrants were re-valued which resulted in \$1,200,222 of the derivative liabilities being reclassified from warrants reserve.

Upon warrant exercise, the fair value previously recognized in the derivative liabilities is transferred to share capital. During the six months ended December 31, 2024, the Company exercised warrants with a value of \$253,046, and revalued the remaining derivative liabilities to \$1,981,064 and recorded a loss on revaluation of \$351,318.

The following table summarizes the continuity of the derivative liabilities for the C\$ denominated warrants for the six months ended December 31, 2024:

	Number of warrants	\$
Balance, June 30, 2024	-	-
Reclassification of derivative liabilities per change in functional currency	26,649,331	1,200,222
Warrants issued	12,366,245	1,385,206
Warrants exercised	(5,372,289)	(253,046)
Change in fair value of derivative liabilities	-	(351,318)
Balance, December 31, 2024	33,643,287	1,981,064

A summary of the warrants with C\$ exercise prices outstanding and exercisable as at December 31, 2024 is as follows:

Warrants outstanding	Exercise Price	Expiry Date
8,400,623	C\$0.30	February 24, 2025
12,497,433	C\$0.33	August 4, 2025
757,973	C\$0.22	August 4, 2025
10,744,677	C\$0.44	November 19, 2026
1,242,581	C\$0.31	November 19, 2026
33,643,287		

The following weighted average assumptions were used in the Black-Scholes option-pricing model for the initial recognition and revaluations of the warrants denominated in C\$:

	December 31, 2024	November 19, August 12 and August 22, 2024	July 1, 2024
Risk-free interest rate	2.92%	3.21% - 3.41%	2.94% - 4.02%
Expected life	0.15 – 1.90 years	0.95 – 2 years	0.65 – 1.09 years
Expected volatility	65% - 112%	119% - 205%	100% - 105%
Forfeiture rate	0%	0%	0%
Dividend rate	0%	0%	0%

13. Share Capital

(a) Authorized

An unlimited number of voting common shares without par value.

(b) Issued and outstanding

Date	Details	Shares Issued	Shares Outstanding	Share Price (C\$)	Gross Proceeds (\$)
October 8, 2020	Incorporation shares	1,000	1,000	0.01	7
March 11, 2021	Seed shares	6,690,000	6,691,000	0.006	29,327
October 27, 2021	Shares issued through RTO	18,308,748	24,999,748	0.30	4,013,023

October 27, 2021	Conversion of subscription receipts	13,076,004	38,075,752	0.30	2,866,078
February 3, 2022	Issue of shares - mineral property (<i>Klondike Option Agreement</i>)	2,000,000	40,075,752	0.225	-
September 9, 2022	Issue of shares - mineral property (<i>Klondike Option Agreement</i>)	500,000	40,575,752	0.17	-
December 9, 2022	Issue of Shares - Volt Acquisition	38,880,000	79,455,752	0.15	-
February 24, 2023	Issue of Shares - Private Placement	20,000,000	99,455,752	0.20	2,922,481
April 10, 2023	Warrant exercise	111,111	99,566,863	0.30	24,354
April 12, 2023	Warrant exercise	166,666	99,733,529	0.45	54,797
April 20, 2023	Option exercise	150,000	99,883,529	0.155	16,987
April 28, 2023	Warrant exercise	133,333	100,016,862	0.45	43,837
May 17, 2023	Warrant exercise	44,444	100,061,306	0.30	9,741
May 19, 2023	Warrant exercise	66,666	100,127,972	0.30	14,612
May 19, 2023	Warrant exercise	200,000	100,327,972	0.45	65,756
May 26, 2023	Warrant exercise	44,444	100,372,416	0.30	9,741
July 19, 2023	Warrant exercise	75,000	100,447,416	0.30	16,439
August 4, 2023	Issue of Shares – Prospectus HD Units	14,956,590	115,404,006	0.22	2,404,070
August 4, 2023	Issue of Shares – Prospectus FT Units	11,262,500	126,666,506	0.24	1,974,867
August 4, 2023	Issue of Shares – Private Placement HD Units	3,287,931	129,954,437	0.22	528,491
August 4, 2023	Issue of Shares – Private Placement FT Units	266,666	130,221,103	0.24	46,760
September 13, 2023	Warrant exercise	82,500	130,303,603	0.33	19,891
April 1, 2024	Warrant exercise	195,555	130,499,158	0.30	42,863
April 26, 2024	Warrant exercise	45,417	130,544,575	0.30	9,955
May 1, 2024	Issue of Shares – Private Placement	6,818,182	137,362,757	0.31	1,500,000
July 25, 2024	Warrant Exercise	75,000	137,437,757	0.33	17,910
July 25, 2024	Warrant Exercise	475,000	137,912,757	0.30	103,119
July 26, 2024	Warrant Exercise	100,000	138,012,757	0.33	23,861
July 26, 2024	Warrant Exercise	349,666	138,362,423	0.30	75,849
July 29, 2024	Warrant Exercise	50,000	138,412,423	0.33	11,912
July 30, 2024	Warrant Exercise	85,500	138,497,923	0.30	18,519
July 30, 2024	Warrant Exercise	364,000	138,861,923	0.33	86,723
August 1, 2024	Warrant Exercise	37,500	138,899,423	0.30	8,125
August 12, 2024	Warrant Exercise	237,500	133,136,923	0.33	57,050
August 12, 2024	Warrant Exercise	357,973	139,494,896	0.22	57,326
August 14, 2024	Warrant Exercise	50,000	139,544,896	0.30	10,940
August 15, 2024	Warrant Exercise	38,500	139,583,396	0.33	9,264
August 16, 2024	Warrant Exercise	90,400	139,673,796	0.33	21,764
August 19, 2024	Warrant Exercise	137,500	139,811,296	0.33	33,239
August 20, 2024	Warrant Exercise	35,400	139,846,696	0.33	8,573
August 21, 2024	Warrant Exercise	50,000	139,896,696	0.30	11,036
August 21, 2024	Warrant Exercise	133,600	140,030,296	0.33	32,437
August 22, 2024	Warrant Exercise	50,000	140,080,296	0.30	11,028
August 22, 2024	Warrant Exercise	200,000	140,280,296	0.33	48,522

August 22, 2024	Warrant Exercise	400,000	140,680,296	0.22	64,696
August 26, 2024	Warrant Exercise	75,000	140,755,296	0.30	16,690
August 27, 2024	Warrant Exercise	200,000	140,955,296	0.33	49,034
August 28, 2024	Warrant Exercise	425,000	141,380,296	0.33	104,113
August 28, 2024	Warrant Exercise	115,000	141,495,296	0.30	25,610
August 29, 2024	Warrant Exercise	68,750	141,564,046	0.30	15,307
August 30, 2024	Warrant Exercise	250,000	141,814,046	0.33	61,152
September 10, 2024	Option Exercise	100,000	141,914,046	0.155	11,398
September 13, 2024	Warrant Exercise	37,500	141,951,546	0.30	8,280
September 24, 2024	Warrant Exercise	159,500	142,111,046	0.30	35,529
September 27, 2024	Warrant Exercise	114,000	142,225,046	0.33	27,869
September 30, 2024	Warrant Exercise	10,000	142,235,046	0.33	2,445
October 1, 2024	Warrant Exercise	200,000	142,435,046	0.30	44,431
October 2, 2024	Warrant Exercise	100,000	142,535,046	0.33	24,461
October 2, 2024	Option Exercise	100,000	142,635,046	0.25	18,531
October 3, 2024	Warrant Exercise	25,000	142,660,046	0.33	6,093
October 24, 2024	Warrant Exercise	50,000	142,710,046	0.30	10,834
October 24, 2024	Warrant Exercise	100,000	142,810,046	0.33	23,835
October 30, 2024	Warrant Exercise	125,000	142,935,046	0.30	26,949
November 12, 2024	Option Exercise	300,000	143,235,046	0.25	53,786
November 19, 2024	Issue of Shares – Prospectus Units	19,930,000	163,165,046	0.31	4,419,069
November 19, 2024	Issue of Shares – Private Placement Units	1,559,354	164,724,400	0.31	345,755

On November 19, 2024, the Company closed its upsized marketed public offering of units ("Units") and concurrent private placement (the "Offering"). Pursuant to the marketed public offering, the Company issued a total of 19,930,000 Units at a price of C\$0.31 per Unit, raising aggregate gross proceeds of \$4,419,069 (C\$6,178,300). Each Unit consists of one common share of the Company and one-half of one common share purchase warrant, with each whole warrant exercisable into one common share of the Company C\$0.44 and expiring on November 19, 2026.

The Company paid a total of \$265,144 (C\$370,698) in broker fees to Canaccord Genuity Corp. ("Canaccord Genuity") for the public offering, representing 6% of the gross proceeds, and issued 1,195,800 broker warrants, representing 6% of the Units issued. Each broker warrant is exercisable for one Unit at C\$0.31 per Unit and expires on November 19, 2026. The Company also incurred additional share issue costs of \$74,082 in connection the marketed public offering.

Pursuant to the concurrent private placement, the Company issued a total of 1,559,354 Units at a price of C\$0.31 per Unit, raising aggregate gross proceeds of \$345,755 (C\$483,400) and paid \$10,373 (C\$14,502) in broker fees, representing 3% of gross proceeds to Canaccord Genuity and issued 46,781 broker warrants, representing 3% of Units issued under the private placement. Each broker warrant issued under the private placement is exercisable for one Unit at C\$0.31 per unit and expires on November 19, 2026. A total of \$17,374 of the subscriptions are receivable as at December 31, 2024.

On May 1, 2024, the company closed a non brokered private placement for 6,818,182 units priced at \$0.22 per unit for total gross proceeds of \$1,500,000. Each unit comprises of one common share and one-half warrant. Each warrant is exercisable into one common share at a price of \$0.35 per share and expires May 1, 2026. The Company also incurred share issue costs of \$28,170 in connection with the private placement.

On August 4, 2023, the Company closed a prospectus offering of flow-through units ("FT Units") and units ("HD Units") under a supplement to its short form base shelf prospectus (the "Prospectus Offering"). Pursuant to the Prospectus Offering, the Company issued an aggregate of 11,262,500 FT Units and 14,956,590 HD Units at a price of C\$0.24 per FT Unit (the "FT Offering Price") and C\$0.22 per HD Unit (the "HD Offering Price" and, together with the FT Offering Price, the "Offering Prices") for aggregate gross proceeds of approximately \$4.4 million. Concurrent with the closing of the Prospectus Offering, certain subscribers purchased, and the Company issued, on a private placement basis, a total of 266,666 FT Units and 3,287,931 HD Units at the respective Offering Prices for aggregate gross proceeds of \$575,250 (the "Concurrent Financing" and, together with the Prospectus Offering, the "Unit Financing"). Under the Unit Financing, each FT Unit consisted of one Common Share issued as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) (the "Tax Act") and one-half of one common share purchase warrant (each whole warrant, a "Warrant") issued as a "flow-through share" within the meaning of the Tax Act. Each HD Unit consisted of one Common Share and one-half of one Warrant (without the benefit of any flow-through tax consequences under the Tax Act). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of C\$0.33 for a period of 24 months from closing of the Unit Financing. The 9,122,262 HD warrants and the 5,764,584 FT warrants were fair valued using the Black-Scholes Option Pricing Model.

In connection with the Unit Financing, the Company paid to a syndicate of agents an aggregate cash commission of \$253,414, which was equal to 6.0% of the gross proceeds from the Prospectus Offering, and issued an aggregate of 1,515,946 broker warrants ("Broker Warrants"), which was equal to 6.0% of the total FT Units and HD Units (together, the "Units"), collectively, sold under the Prospectus Offering, subject to a reduction to 3.0% cash commission and 3.0% broker warrants for up to C\$2,000,000 of Units sold to purchasers under the president's list of the Prospectus Offering and in respect of all Units sold under the Concurrent Private Placement. Each Broker Warrant is exercisable into one HD Unit at the offering price of the HD Units until August 4, 2025. The Company also paid legal fees and other share issue costs of \$374,726 in connection with the Unit Financing. The 1,515,946 broker warrants were fair valued using the Black-Scholes Option Pricing Model.

During the year ended June 30, 2024, 398,472 warrants were exercised into 398,472 common shares for gross proceeds of \$89,148.

During the six months ended December 31, 2024, 5,372,289 warrants and 500,000 stock options were exercised for total gross proceeds of \$1,278,240.

(c) Share purchase warrants

The continuity of the Company's share purchase warrants is as follows:

	Warrants outstanding	Weighted average exercise price	Weighted average contractual remaining life
	#	\$	(years)
Balance, June 30, 2023	24,387,689	0.25	1.02
Issued	14,886,846	C\$0.33	
Issued (broker warrants)*	1,515,946	C\$0.22	
Expired	(22,222)	C\$0.30	
Exercised	(75,000)	C\$0.30	
Exercised	(82,500)	C\$0.33	
Exercised	(195,555)	C\$0.30	
Expired	(6,848,877)	C\$0.30	
Expired	(6,871,579)	C\$0.45	
Exercised	(45,417)	C\$0.30	
Issued	3,409,091	\$0.35	
Balance, June 30, 2024	30,058,422	0.20	1.01
Exercised (includes 70,000 Broker warrants)	(1,928,416)	C\$0.30	
Exercised (FT Units)	(497,900)	C\$0.33	
Exercised (HD Units)	(2,188,000)	C\$0.33	
Exercised (Broker Warrants)	(757,973)	C\$0.22	
Issued on exercise of broker warrants	378,987	C\$0.33	
Issued	10,744,677	C\$0.44	
Issued (broker warrants)**	1,242,581	C\$0.31	
Balance, December 31, 2024	37,052,378	0.22	0.98

*These broker warrants are exercisable into one HD Unit.

**These broker warrants are exercisable into one unit. Each unit consists of one common share of the Company and one-half of one common share purchase warrant, with each whole warrant exercisable into one common share of the Company C\$0.44 and expiring on November 19, 2026.

The Company's share purchase warrants outstanding and exercisable as at December 31, 2024 and June 30, 2024 are as follows:

Expiry date	Exercise price	December 31, 2024	June 30, 2024
	\$	#	#
February 24, 2025 ⁽¹⁾	C\$0.30	8,400,623	10,329,039
August 4, 2025	C\$0.33	12,497,433	14,804,346
August 4, 2025	C\$0.22	757,973	1,515,946
May 1, 2026	0.35	3,409,091	3,409,091
November 19, 2026	C\$0.44	10,744,677	-
November 19, 2026	C\$0.31	1,242,581	-
Total		37,052,378	30,058,422
Weighted average remaining contractual life		0.98 years	1.01 years

⁽¹⁾ Subsequent to the year-end, 4,400,209 of these warrants expired unexercised.

The weighted average share price of warrants exercised during the six months ended December 31, 2024 and the year ended June 30, 2024 are detailed below:

	Exercise Date	Exercise Price	Number of warrants exercised	Weighted average share price on exercise date
		\$	#	\$
Exercised	July 19, 2023	C\$ 0.30	75,000	0.036
Exercised	September 13, 2023	C\$ 0.33	82,500	0.046
Exercised	April 1, 2024	C\$ 0.30	195,555	0.099
Exercised	April 26, 2024	C\$ 0.30	45,417	0.030
Balance, June 30, 2024			398,472	0.21
Exercised	July 25, 2024	C\$ 0.33	75,000	0.005
Exercised	July 25, 2024	C\$ 0.30	475,000	0.029
Exercised	July 26, 2024	C\$ 0.33	100,000	0.006
Exercised	July 26, 2024	C\$ 0.30	349,666	0.022
Exercised	July 29, 2024	C\$ 0.33	50,000	0.003
Exercised	July 30, 2024	C\$ 0.33	364,000	0.023
Exercised	July 30, 2024	C\$ 0.30	85,500	0.005
Exercised	August 1, 2024	C\$ 0.30	37,500	0.002
Exercised	August 12, 2024	C\$ 0.33	237,500	0.015
Exercised	August 12, 2024	C\$ 0.22	357,973	0.022
Exercised	August 14, 2024	C\$ 0.30	50,000	0.003
Exercised	August 15, 2024	C\$ 0.33	38,500	0.002
Exercised	August 16, 2024	C\$ 0.33	90,400	0.006
Exercised	August 19, 2024	C\$ 0.33	137,500	0.008
Exercised	August 20, 2024	C\$ 0.33	35,400	0.002
Exercised	August 21, 2024	C\$ 0.33	133,600	0.009
Exercised	August 21, 2024	C\$ 0.30	50,000	0.003
Exercised	August 22, 2024	C\$ 0.33	200,000	0.014
Exercised	August 22, 2024	C\$ 0.22	400,000	0.027
Exercised	August 22, 2024	C\$ 0.30	50,000	0.003
Exercised	August 26, 2024	C\$ 0.30	75,000	0.006
Exercised	August 27, 2024	C\$ 0.33	200,000	0.015
Exercised	August 28, 2024	C\$ 0.33	425,000	0.029
Exercised	August 28, 2024	C\$ 0.30	115,000	0.008
Exercised	August 29, 2024	C\$ 0.30	68,750	0.004
Exercised	August 30, 2024	C\$ 0.33	250,000	0.017
Exercised	September 13, 2024	C\$ 0.30	37,500	0.002
Exercised	September 24, 2024	C\$ 0.30	159,500	0.009
Exercised	September 27, 2024	C\$ 0.33	114,000	0.009
Exercised	September 30, 2024	C\$ 0.33	10,000	0.001
Exercised	October 1, 2024	C\$ 0.30	200,000	0.013
Exercised	October 2, 2024	C\$ 0.33	100,000	0.006
Exercised	October 3, 2024	C\$ 0.33	25,000	0.002
Exercised	October 24, 2024	C\$ 0.30	50,000	0.003
Exercised	October 24, 2024	C\$ 0.33	100,000	0.006
Exercised	October 30, 2024	C\$ 0.30	125,000	0.007
Balance, December 31, 2024			5,372,289	0.31

(d) Stock options

The Company has a stock option plan (the "Option Plan") to provide employees, directors, officers and consultants with options to purchase Common Shares. Under the Option Plan, options are issued at an exercise price equal to the market price of the Common Shares on the day of grant and expire a maximum five years from the date of grant. The maximum number of Common Shares that may be issued under the Option Plan shall not exceed 10% of the issued and outstanding Common Shares.

The continuity of the Company's stock options is as follows:

	Stock Options outstanding	Weighted average exercise price	Weighted average contractual remaining life
	#	\$	(years)
Balance, June 30, 2023	7,765,000	0.17	3.00
Issued	3,855,000	C\$ 0.30	
Expired	(1,050,000)	C\$ 0.405	
Expired	(100,000)	C\$ 0.155	
Expired	(10,000)	C\$ 0.25	
Granted	600,000	C\$ 0.20	
Granted	800,000	C\$ 0.25	
Balance, June 30, 2024	11,860,000	0.17	2.79
Exercised	(100,000)	C\$ 0.155	
Exercised	(400,000)	C\$ 0.25	
Expired	(300,000)	C\$ 0.25	
Granted	425,000	C\$ 0.44	
Balance, December 31, 2024	11,485,000	0.17	2.34

- On August 23, 2024, the Company granted a total of 425,000 stock options ("Options") to new employees under the Company's stock option plan. Each Option entitles the holder to purchase one common share of the Company at an exercise price of C\$0.44 per Share. The Options vest over a six-month period and are exercisable for a period of four years, expiring on August 23, 2028.
- On June 13, 2024, the Company granted 800,000 stock options to various key employees and contractors, which are exercisable at a price of C\$0.25 per share for a period of four years from the date of grant, expiring on June 13, 2028. These options will vest in two tranches, with 400,000 vesting immediately upon grant and 400,000 vesting on December 13, 2024.
- On February 21, 2024, the company granted 600,000 stock options to a consultant of the company which are exercisable at a price of C\$0.20 per share for a period of four years from the date of grant, expiring on February 21, 2028. These options will vest in equal tranches every six months over an 18-month period, with the first vesting date being August 21, 2024.
- On September 5, 2023, the company granted 3,855,000 stock options to certain directors, officers and consultants which are exercisable at a price of C\$0.30 per share for a period of four years from the date of grant, expiring on September 5, 2027.

The fair value of stock options is estimated by the Company using the Black-Scholes option-pricing model. The assumptions used during the six months ended December 31, 2024 and the year ended June 30, 2024 are as follows:

	August 23, 2024	June 13, 2024	February 21, 2024	September 5, 2023
Risk-free interest rate	3.35%	3.35%	3.72%	4.63%
Expected life	4 years	4 years	4 years	4 years
Expected volatility	125%	123%	125%	132%
Forfeiture rate	0%	0%	0%	0%
Dividend rate	0%	0%	0%	0%

The weighted average exercise price of the stock options exercised during the six months ended December 31, 2024 and the year ended June 30, 2024 are detailed below:

	Exercise Date	Exercise Price	Number of options exercised	Weighted average share price on exercise date
		\$	#	\$
Exercised	September 10, 2024	C\$ 0.155	100,000	0.05
Exercised	October 2, 2024	C\$ 0.25	100,000	0.07
Exercised	November 12, 2024	C\$ 0.25	300,000	0.14
				0.25

The Company's stock options outstanding and exercisable as at December 31, 2024 and June 30, 2024, are as follows:

Expiry date	Exercise price	December 31, 2024	June 30, 2024
	\$		
October 27, 2025	C\$ 0.405	650,000	650,000
January 11, 2026	C\$ 0.405	400,000	400,000
December 15, 2026	C\$ 0.155	4,450,000	4,550,000
March 24, 2027	C\$ 0.25	305,000	1,005,000
September 5, 2027	C\$ 0.30	3,855,000	3,855,000
February 14, 2028	C\$ 0.20	600,000	600,000
June 13, 2028	C\$ 0.25	800,000	800,000
August 23, 2028	C\$ 0.44	425,000	-
Total outstanding		11,485,000	11,860,000
Total exercisable		10,660,000	10,860,000
Weighted average remaining contractual life		2.34 years	2.79 years

14. Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company or its subsidiaries, directly or indirectly. Key management personnel include the Company's directors and executive officers.

Compensation to key management for the six months ended December 31, 2024 and the year ended June 30, 2024 is comprised as follows:

	December 31, 2024	June 30, 2024
	\$	\$
Stock-based compensation	-	617,633
Management Services	277,250	354,899
Consulting Fees	-	7,306
Technical Services	1,371,583	1,701,056

Management fees for the six months ended December 31, 2024 were allocated for services rendered by the Chief Executive Officer and Chief Financial Officer.

Sterling Chemicals Ltd. ("Sterling"), a wholly owned subsidiary of Camber Resources Services Ltd ("Camber"), provides certain technical services to the Company pursuant to a technical services agreement dated April 12, 2022, as amended on September 1, 2023 (the "Services Agreement"). The technical services provided under the Services Agreement by Sterling are considered by the Board to be material to the Company's operations.

Payments categorized under 'Technical Services' were made to Sterling. \$477,845 of this amount was in conjunction with the Services Agreement. In addition, \$893,738 was paid to Sterling for reimbursement of media/consumables, equipment and additional personnel outside the scope of the Services Agreement. Alex Wylie, the Company's Chief Executive Officer, holds in excess of 10% of the issued and outstanding shares of Camber, and Martin Scase, a director of the Company, holds in excess of 10% of the issued and outstanding shares of Camber, is a director and officer of Camber and is a director and officer of Sterling.

Outstanding balances as of December 31, 2024, included, \$40,943 receivable from Sterling (June 30, 2024 – \$100,622 (payable to Sterling)), \$2,580 payable to Alex Wylie (June 30, 2024 – \$17,951) and \$4,865 payable to Martin Scase (June 30, 2024 - \$5,114). These payables are non-interest-bearing, due on demand, and are included under the 'Accounts Payable and Accrued Liabilities' line item on the consolidated statements of financial position.

15. Financial Instruments and Risk Management

(a) Fair value of financial instruments

The Company's financial instruments consist of cash, accounts receivable, restricted deposit, royalty interest, accounts payable and accrued liabilities, lease liability and derivative liabilities. Cash, royalty interest and derivative liabilities are measured at FVTPL. Accounts receivable, restricted deposit, lease liability and accounts payable and accrued liabilities are measured at amortized cost.

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value including their classification within a hierarchy that prioritized the inputs to fair value measurement. The three-level hierarchy is:

Level 1 – Quote prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) for similar items in active markets; and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company believes that the carrying values of cash, accounts receivable, accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or duration.

(b) Financial instruments risk

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board of Directors approves and monitors the risk management processes:

i. Credit risk

Credit risk exposure primarily arises with respect to the Company's cash and receivables. The risk exposure is limited because the Company places its instruments in banks of high creditworthiness within Canada and continuously monitors the collection of other receivables.

ii. Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to settle obligations and liabilities when they become due. At December 31, 2024, the Company had cash of \$2,372,121 and a working capital surplus of \$2,282,044 with total liabilities of \$2,955,297.

iii. Market risk

- a. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. A change of 100 basis points in the interest rates would not be material to the consolidated financial statements.
- b. Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. Assuming all other variables constant, due to an increase or a decrease of 10% of the U.S. dollar against the Canadian dollar, the net loss of the Company and the equity for the period ended December 31, 2024, would have varied by a negligible amount.
- c. The Company had no hedging agreements in place with respect to foreign exchange rates.

16. Capital Management

The Company's objectives when managing capital are:

- i. To safeguard the Company's financial capacity and liquidity for future earnings in order to continue to provide an appropriate return to shareholders and other stakeholders.
- ii. To maintain a flexible capital structure that optimizes the cost of capital at an acceptable risk.
- iii. To enable the Company to maximize growth by meeting its capital expenditure budget, to expand its budget to accelerate projects, and to take advantage of acquisition opportunities.

The Company regularly monitors and reviews the amount of capital in proportion to the risk and future development and exploration opportunities.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new debt, equity or similar instruments to reduce debt levels or make adjustments to its capital expenditure program.

There were no changes in the Company's approach to capital management during the period ended December 31, 2024, and capital management is consistent with the year ended June 30, 2024. The Company is not subject to any externally imposed capital requirements.

17. Income Taxes

The tax effects of temporary differences between amounts recorded in the Company's accounts and the corresponding amounts as computed for income tax purposes give rise to deferred tax assets as follows:

	December 31, 2024	June 31, 2024
Non-capital loss carryforwards	12,804,606	12,061,080
Capital loss carryforwards	78,864	82,909
Mineral properties and deferred exploration costs	2,747,550	2,907,307
Property, plant and equipment	77,595	11,770
Share issue costs	850,796	670,733
Unrecognized benefit of tax assets	(16,559,411)	(15,733,799)
Net deferred income tax assets	-	-

A reconciliation of the income tax expense for the year is as follows:

	2024	2023
Net loss for the year	3,088,996	4,996,730
Expected income tax rate	27.00%	27.00%
Expected income tax recovery	797,924	1,425,943
True up of prior year differences	(1,567)	387,582
Net effect of deductible and non-deductible amounts	(796,357)	(1,813,525)
Income tax expense for the year	-	-

As at December 31, 2024, the Company has accumulated Canadian non-capital losses totaling approximately \$12.8 million (June 30, 2024 - C\$12 million). The losses expire in the following periods:

Year of origin	Year of expiry	Non-capital losses
2006	2026	245,755
2007	2027	221,468
2008	2028	199,913
2009	2029	832,473
2010	2030	76,147
2011	2031	105,569
2012	2032	10,525
2013	2033	187,145
2014	2034	172,318
2015	2035	61,758
2016	2036	145,896
2017	2037	341,714
2018	2038	309,064
2019	2039	268,385
2020	2040	-
2021	2041	323,674
2022	2042	1,398,109
2023	2043	2,523,209
2024	2044	3,979,269
2024	2044	1,222,987
		12,625,378

As at December 31, 2024, the Company also has accumulated US non-capital losses totaling approximately \$179,000 (June 30, 2024 - \$Nil) available for possible deduction against future years and can be carried forward indefinitely.

18. Subsequent Events

On January 16, 2025, the Company granted a total of 250,000 stock options to two optionees under its stock option plan, as follows:

- 200,000 options at an exercise price of \$0.30 per share, expiring on January 16, 2029. The options will vest in two equal tranches of 100,000 options each on July 16, 2025 and January 16, 2026; and
- 50,000 options at an exercise price of \$0.30 per share, expiring on January 16, 2029. The options will vest in two equal tranches of 25,000 options each on April 16, 2025 and July 16, 2025.

On March 18, 2025, the Company entered into a Development Agreement with Wellspring Hydro, a North Dakota-based company. This agreement is supported by a follow-on government grant of \$2,028,493 awarded by the State of North Dakota through the Clean Sustainable Energy Authority Program and Renewable Energy Program. The funding was provided to support the deployment and scaling of Volt's proprietary Direct Lithium Extraction ("DLE") technology in the Bakken formation.

Subsequent to December 31, 2024, 4,000,414 warrants were exercised at an exercise price of \$0.30 for total proceeds of \$1,200,124, resulting in the issuance of additional common shares. In addition, 750,000 options were exercised for total proceeds of \$134,750. The exercise of these options occurred at various strike prices, leading to an increase in share capital.