POWER METALS CORP.
FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
SIX MONTHS ENDED MAY 31, 2025

This management discussion and analysis of financial position and results of operations ("MD&A") is prepared as of July 30, 2025 and should be read in conjunction with the unaudited condensed interim financial statements for the period ended May 31, 2025 and audited financial statements for the year ended November 30, 2024 of Power Metals Corp. ("Power Metals" or the "Company") with the related notes thereto. All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. Readers may also want to refer to the November 30, 2024 audited financial statements and the accompanying notes.

Forward looking statements

Certain statements contained in this document constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially.

Additional information related to the Company is available for view on SEDAR+ at www.sedarplus.ca.

Description of Business

The Company is an exploration company engaged in the acquisition and exploration of resource properties. The Company is a reporting issuer in British Columbia, Alberta and Ontario. The Company trades on the TSX Venture Exchange under the symbol "PWM".

Risks and Uncertainties

The Company's principal activity is resource exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, fluctuating resource price, social, political, financial and economical. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not listed in order of importance nor are they inclusive of all the risks and uncertainties the Company may be subject to as other risks may apply.

- Any resource property interests of the Company are or will be, in the near term, in the exploration stage only and consequently, exploration of the Company's resource property interests may not result in any discoveries of commercial levels of resources. If the Company's efforts do not result in any discovery of commercial resource level, the Company will be forced to look for other exploration projects or cease operations.

- The Company's current assets and activities are subject to extensive Canadian federal, provincial, territorial and local laws and regulations. The costs associated with compliance with these laws and regulations are substantial and possible future laws and regulations, changes to existing laws and regulations or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties.

- In the ordinary course of business, the Company is required to obtain and renew governmental permits for existing operations and any ultimate development, construction and commencement of new resource or mining operations. The Company may not be able to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can recover from a given resource property once in production. Any unexpected delays or costs associated with the permitting process could delay the development or impede the operation of a resource or mine, which could adversely impact the Company's operations and profitability.

- The Company competes with many companies possessing greater financial resources and technical abilities than itself for the acquisition of resource properties including mineral concessions, claims, leases, other mineral interests, and equipment required to conduct its activities as well as for the recruitment and retention of qualified employees.

- Substantial expenditures are required to be made by the Company to establish mineral reserves and the Company may not either discover minerals in sufficient quantities or grade to be economically feasible, or may not have the necessary required funds. Estimates of mineral reserves and mineral resources can also be affected by environmental factors, unforeseen technical difficulties and unusual or unexpected geological formations. Material changes in mineral reserve or mineral resource estimates, grades, stripping ratio or recovery rates may affect the economic viability of any project.

- The lack of available infrastructure may adversely affect the Company's operations and profitability. If adequate infrastructure is not available in a timely manner, there can be no assurance that the development of the Company's projects will be commenced or completed on a timely basis, if at all; the Company's operations will achieve anticipated results; or the construction costs and ongoing operating costs associated with the development of the Company's advanced stage exploration projects will not be higher than anticipated. In addition, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations and profitability.

- The Company currently has limited insurance covering its assets or operations and as a consequence, could incur considerable costs. As a result of having limited insurance, the Company could incur significant costs that could have a materially adverse effect upon its financial condition and even cause the Company to cease operations. To date, the Company has not experienced any material losses due to hazards arising from its operations.

- Although the Company has sought and received such representations as it has been able to achieve from vendors in connection with the acquisition of or options to acquire an interest in its mining or resource properties and has conducted limited investigations of legal title to each such property, the resource and /or mining properties in which the Company has an interest may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

- The price of cesium, lithium, tantalum or other metals may adversely affect the economic viability of any of the Company's resource and/or mineral properties. The price of cesium, lithium and tantalum is affected by numerous factors beyond the control of the Company including producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, demand, political and economic conditions and production levels. In addition, the price of cesium, lithium and tantalum have been volatile over short periods of time due to speculative activities. The price of other metals and mineral products that the Company may explore for have the same or similar price risk factors.

- The Company is authorized to issue an unlimited number of common shares without par value. It is the Company's intention to issue more common shares. Sales of substantial amounts of common shares (including shares issuable upon the exercise of stock options and the exercise of warrants), or the perception that such sales could occur, could materially adversely affect prevailing market prices for the common shares and the ability of the Company to raise equity capital in the future.

- The Company's future performance on the development of any mineral properties is dependent on key personnel. The loss of the services of any of the Company's executives or directors could have a material adverse effect on the Company's business.

- The Company does not generate sufficient cash flow from operations to adequately fund its future exploration activities and has relied principally upon issuance of securities and loans from related parties to fund its exploration and administrative expenditures. The Company may also seek to option out its properties in order to generate cash flows. These conditions raise substantial doubt regarding the Company's ability to continue as a going concern.

- The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

Exploration Projects

Case Lake

Case Lake Property is located 80 km east of Cochrane, northeastern Ontario close to the Ontario - Quebec border (Figure 1). The Property consists of 586 cell claims in Steele, Case, Scapa, Pliny, Abbotsford and Challies townships, Larder Lake Mining Division. The Property is 10km by 9.5km in size with 14 granitic domes (Figure 2). The Case Lake pegmatite swarm consists of six Lithium-Cesium-Tantalum (LCT) dykes known as the North, Main, South, East and Northeast dykes on the Henry Dome, and the West Joe dyke on a new dome, collectively forming mineralization trend that extends for approximately 10km (Figure 3).

The Case Lake pegmatite swarm occurs along a subprovincial boundary between the metasedimentary Quetico Subprovince to the north and greenstone Abitibi Subprovince to the south. The Quetico Subprovince consists of the granitic Case Batholith, and the Abitibi Subprovince consists of the Scapa metasedimentary rocks (metagraywacke and garnet schist) and the Steele volcanic rocks (amphibolite) in the Case Lake area. The Case Batholith is an extensive 50 by 85 km ovoid granitic complex.

In June 2019, Power Metals completed its option agreement requirements with a third party and ownership of cell claims in the option agreement was 100% transferred to Power Metals on Ontario government’s Mining Lands Administration System (MLAS).

Case Lake Property is owned 100% by Power Metals Corp. A National Instrument 43-101 Technical Report has been prepared on Case Lake Property and filed on July 18, 2017

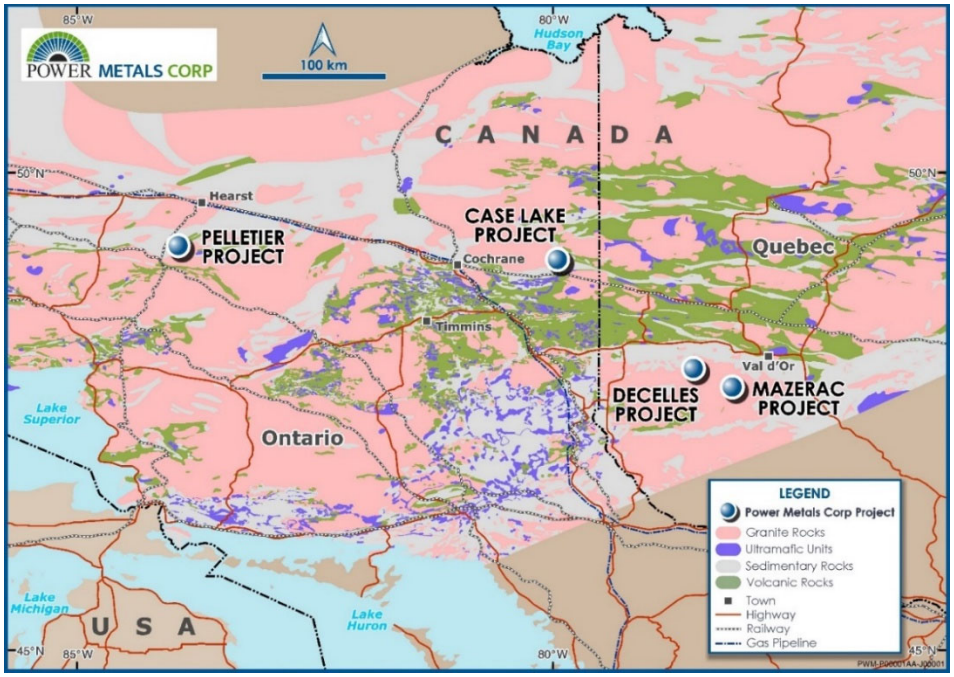

Figure 1 – Power Metals Corp Project Locations Map in Ontario and Quebec Canada

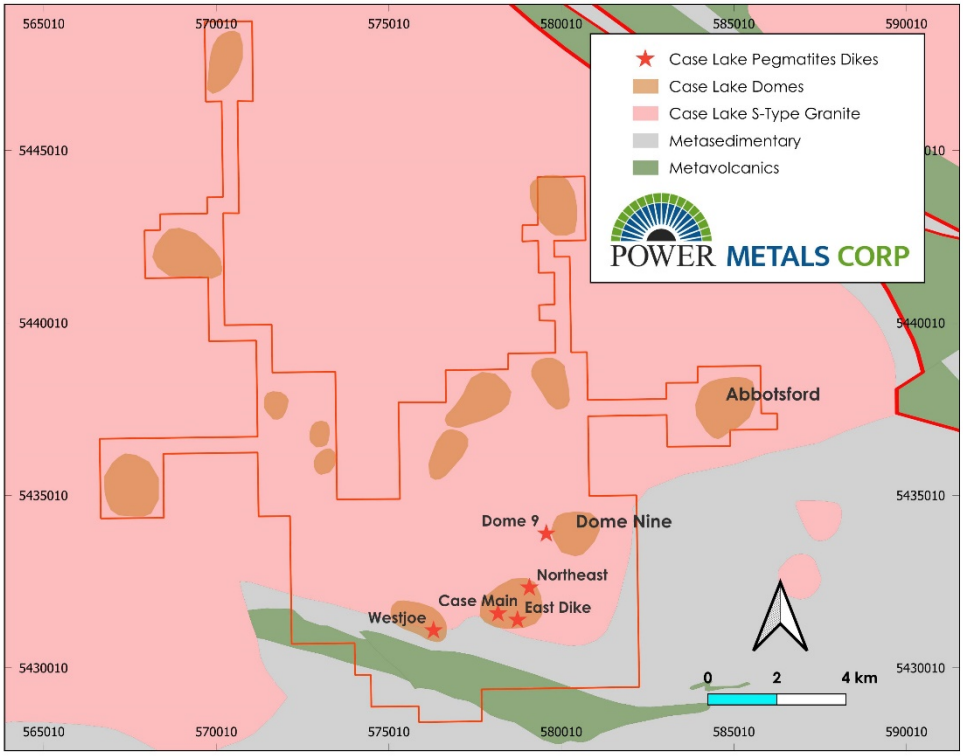

Figure 2 – Power Metals Corp Case Lake Project in Northeast Ontario

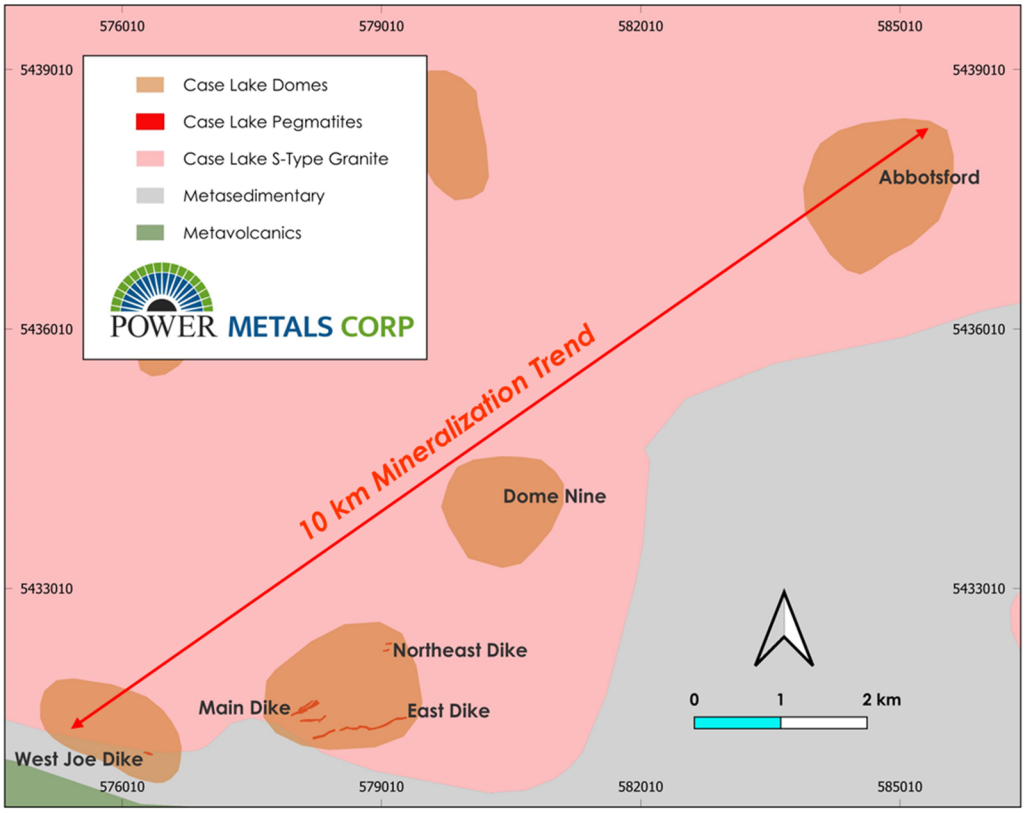

Figure 3 – Power Metals Corp Case Lake Project in Northeast Ontario

Power Metals have completed several exploration campaigns that have led to the discovery and expansion of new and historic spodumene bearing LCT pegmatites at Case Lake. The Company has drilled a total of 23,976 meters of core between 2017 and 2024 at the Property.

2017 Summer Drill Program

The 2017 summer drill program consisted of 5405.08 m and 50 drill holes. The drill holes intersected the North, Main, South and new Dykes. The drill holes had 30 m spacing along section and 30 m between sections. The hole length ranged from 60-150 m, azimuth of 150°C and dip 45°C.

Assay highlights on Main Dyke include:

- PWM-17-08: 1.94 % Li_2O and 323.75 ppm Ta over 26.0 m
- PWM-17-09: 1.23 % Li_2O and148.0 ppm Ta over 16.0 m
- PWM-17-10: 1.74 % Li_2O and 245.96 ppm Ta over 15.06 m
- PWM-17-40: 2.07 % Li_2O and 213.96 ppm Ta over 18.0 m
- PWM-17-40: 2.81 % Li_2O and 143.33 ppm Ta over 7.0 m
- PWM-17-50: 1.31 % Li_2O and 106.62 ppm Ta over 6.0 m
- PWM-17-50: 1.48 % Li_2O and 179.35 ppm Ta over 11.0 m

The 2017 drill program extended the Main Dyke spodumene pegmatite zone 250 m to the west of the historic drill holes. Drilling has also shown the Main Dyke Zone is typically 32-35 m wide close to surface and consists of multiple spodumene pegmatite dykes at depth.

Drilling also discovered two new spodumene pegmatite dykes located between the Main Dyke and the South Dyke. The dykes have similar mineralogy to the Main Dyke with aplite border zone, spodumene granite and quartz + spodumene core zone. The first new dyke was intersected in holes PWM-17-42 and PWM-17-43 and then targeted to intersect it again in holes PWM-17-44 and PWM-17-49. This new dyke is located 20-40 m down hole from the Main Dyke and 35-40 m vertical depth from the surface. The second new spodumene pegmatite dyke was intersected in holes PWM-17-42 and PWM-17-49. It is located 50 m down hole from the Main Dyke and 50-80 m vertical depth from surface.

Assay highlights for the first new dyke include:

- PWM-17-49: 1.61% Li_2O and 143.8 ppm Ta over 3.0 m
- PWM-17-49: 2.13% Li_2O and 265.0 ppm Ta over 1.0 m

2018 Winter Drill Program

The Northeast Dyke is located 900 m northeast of the Main Dyke, along the same strike as North and Main Dykes and within the same tonalite dome as North and Main Dykes. The Northeast Dyke has a pair of parallel pegmatite dykes (i.e., north and south outcrops) similar to North and Main Dykes. The Northeast Dyke is likely emplaced along the same deep-seated structure as North and Main Dykes.

Megacrysts of spodumene were discovered on the Northeast Dyke in the fall of 2017 and this discovery was followed up with a drill program in January 2018. The 2018 winter drill program consisted of 3020.0 m and 33 drill holes. The drill holes ranged in length from 44-209 m.

Assay highlights include:

- PWM-18-71: 1.09 % Li_2O and 118 ppm Ta over 6.0 m, from 25.0 to 31.0 m.
- PWM-18-71: 1.51 % Li_2O, 140 ppm Ta and 2.52 % Cs_2O over 1.0 m, from 25.0 to 26.0 m.

2018 Summer Drill Program

The 2018 summer drill program consisted of 4571 m and 44 drill holes. The drill holes range in length from 20 to 303 m. The drilling targets included: infill drilling on the Main Dyke, follow up drilling on the new dykes between Main and South Dykes found at the end of the 2017 drill program, East Dyke extension and discovery of West Joe Dyke.

Drill hole PWM-18-84 was a longitudinal hole designed to test the continuity of the Main Dyke along strike and down dip. The two high grade intervals for PWM-18-84 listed below are separated by a quartz core.

Assay highlights include:

- PWM-18-84: 1.42 % Li_2O and 158 ppm Ta over 19.17 m, from 2.00 to 21.17 m.
- PWM-18-84: 1.17 % Li_2O and 193 ppm Ta over 27.16 m, from 54.84 to 82.00 m.

Four separate spodumene pegmatite dykes were intersected in drill holes PWM-18-85, 86 and 87 in close proximity to the Main Dyke.

Assay highlights on the new dykes include:

- PWM-18-85: 1.92 % Li_2O over 1.05 m, from 68.62 to 69.67 m.
- PWM-48-86: 1.58 % Li_2O over 0.67 m, 63.63 to 64.30 m.
- PWM-18-87: 1.83 % Li_2O over 0.97 m, 30.43 to 31.40 m.

West Joe Dyke

In August 2018, Power Metals discovered West Joe spodumene pegmatite, 790 m west of Little Joe Lake, 1.6 km southwest of the western edge of the Main Dyke and 3.0 km southwest of the Northeast Dyke. Two days after the discovery, spodumene was intersected in drill hole PWM-18-111 at West Joe. Power Metals drilled 18 holes, 1195.73 m (PWM-18-111 to 127) on West Joe Dyke.

Assay highlights include:

- PWM-18-111: 3.88% Li_2O and 925 ppm Ta over 1.0 m, from 11.0 to 12.0 m.
- PWM-19-111B: 3.43% Li_2O and 264 ppm Ta over 1.05 m, from 7.63 to 8.07 m.
- PWM-18-116: 3.07% Li_2O, 611 ppm Ta, and 2.31% Cs_2O over 1.0 m from 46.68 to 47.68 m.
- PWM-18-124: 3.88% Li_2O and 232.0 ppm Ta over 0.82 m, from 42.18 to 43.00 m.
- PWM-18-123: 3.20% Li_2O and 468.93 ppm Ta over 2.10 m, from 26.60 to 28.70 m.
- PWM-18-123: 2.85% Li_2O and 207.0 ppm Ta over 0.30 m from 20.20 to 20.50 m.

Longitudinal drill holes PWM-18-123 and PWM-18-124 intersected high-grade Lithium (Li) and Tantalum (Ta) mineralization:

- PWM-18-123: 0.72% Li_2O and 126.43 ppm Ta over 20.43 m, from 0.07 to 20.50 m.
- PWM-18-123: 1.75% Li_2O and 385.38 ppm Ta over 10.91 m, from 23.42 to 34.33 m.
- PWM-18-124: 1.45% Li_2O and 481.38 ppm Ta over 17.00 m, 1.00 to 18.00 m.
- PWM-18-124: 1.87% Li_2O and 518.19 ppm Ta over 14.30 m, 37.50 to 51.80 m.

Power Metals drilled holes PWM-18-123 and 124 parallel to the West Joe Dyke to confirm the down dip continuity.

Cesium at Case Lake

In addition to Lithium and Tantalum mineralization, West Joe Dyke also contains Cesium (Cs) mineralization as shown by the presence of pollucite in drill core and exceptionally high-grade Cs intervals:

- PWM-18-112: 12.40% Cs_2O over 1.0 m, from 10.0 to 11.0 m.
- PWM-18-126: 6.74% Cs_2O over 5.0 m, from11.0 to 16.0 m.

Elevated Cs assays and pollucite has been previously identified in drill holes PWM-18-49 (Main Zone) and PWM-18-71 (Northeast Zone) at Case Lake.

- PWM-18-49: 2.00% Cs_2O over 2.0 m interval, from 32.45 to 34.45 m.
- PWM-18-71: 2.52% Cs_2O over 1.0 m interval, from 25.0 to 26.0 m.

The presence of Cesium mineralization in West Joe, Main and Northeast Dykes along the same strike suggests a common origin for these dykes and the possibility of more Li-Cs-Ta mineralization to be found.

Pollucite is a rare mineral that hosts high grade Cesium and is associated with highly fractionated, rare element pegmatites. The main source of Cesium known globally is pollucite $(Cs,Na)_2(Al_2Si_4O_{12})\cdot 2H_2O$, (*https://www.gov.mb.ca/iem/geo/industrial/pollucite.html*). Currently the Tanco mine in Manitoba, Canada is the only operating Cesium deposit and holds over 60% of the known reserves globally.

2018 Field Program

From May to September 2018, Power Metals also completed field exploration prospecting and geological mapping program at Case Lake. Exploration highlights include:

- Identified spodumene in pegmatite on Dome 9.
- Discovery of West Joe Dyke on a new dome, not previously identified.
- Completed DGPS survey to ± 20 cm accuracy of all 127 Power Metals drill holes on the Property.
- Three new spodumene occurrences were identified along the South Dyke.

Dome 9 occurs 2.7 km northeast of the Main Dyke and 1.6 km northeast of the Northwest Dyke. A beryl pegmatite 3 m wide with pale green beryl crystals 7 x 11 cm long was found in the central part of the dome. A 10 m wide pegmatite dyke with lepidolite, blocky K-feldspar and yellow muscovite was discovered near the beryl dyke. Seven other pegmatite dykes were also found on Dome 9. All of the pegmatite dykes found to date on Dome 9 have a strike similar to that of the Main Dyke in the Henry Dome.

2022 Drill Program

The 2022 drill program consisted of 2,784 m in 36 drill holes. The drill holes range from 29 to 177 m in length. The drilling targets included: exploration and infill drilling on Main Zone (PWM-22-132 to PAM-22-135) and West Joe (PWM-22-128 to PWM-22-131 and PWM-22-136 to PWM-22-163).

Highlights of significant assay results at Main Zone include:

- PWM-22-134: 1.58% Li_2O and 143.1 ppm Ta over 15.0 m, from 19.00 to 34.00 m.
- PWM-22-135: 1.86% Li_2O and 130.7 ppm Ta over 19.0 m, from 7.00 to 31.00 m.

Highlights of significant lithium assay results at West Joe include:

- PWM-22-149: 3.10% Li_2O, 0.09 % Cs_2O and 841 ppm Ta, 2.0 m interval, from 25.00 to 27.00 m.
- PWM-22-149: 2.88% Li_2O, 1.31 % Cs_2O and 682 ppm Ta, 2.0 m interval, from 20.00 to 22.00 m.
- PWM-22-149: 2.64% Li_2O, 0.08 % Cs_2O and 730.6 ppm Ta, 2.73 m interval, from 24.59 to 27.32 m.
- PWM-22-156: 2.56% Li_2O, 0.08 % Cs_2O and 348 ppm Ta, 0.28 m interval from 26.72 to 27.00 m.

Highlights of significant tantalum assay results at West Joe include:

- PWM-22-156: 1613 ppm Ta, 1.53% Li_2O and 3.69% Cs_2O, 1.0 m interval, from 29.00 to 30.0 m.
- PWM-22-152: 1422 ppm Ta, 0.72% Li_2O and 0.03% Cs_2O, 0.47 m interval, from 34.53 to 35.0 m.
- PWM-22-150: 1156 ppm Ta, 2.30% Li_2O and 1.33% Cs_2O, 3.0 m interval, from 28.0 to 31.0 m.

Highlights of significant cesium assay results at West Joe include:

- PWM-22-143: 7.65% Cs_2O, 1.45% Li_2O, and 247.1 ppm Ta over 7.09 m, from 11.96 to 19.05 m.
- PWM-22-143: 24.07% Cs_2O, 0.63% Li_2O, and 34.2 ppm Ta over 1.0 m, from 15.0 to 16.0 m.
- PWM-22-143: 20.36% Cs_2O, 2.28% Li_2O, and 15.7 ppm Ta over 1.0 m, from14.0 to 15.0 m.
- PWM-22-143: 22.22% Cs_2O, 1.46% Li_2O, and 25.1 ppm Ta over 2.00 m, from 14.0 to 16.0 m.
- PWM-22-144: 1.94% Cs_2O, 2.20% Li_2O, and 466.0 ppm Ta over 8.98 m, from 20.97 to 29.95 m.
- PWM-22-144: 2.71% Cs_2O, 4.75% Li_2O, and 396.0 ppm Ta over 2.00 m, from 24.00 to 26.00 m.
- PWM-22-147: 3.66% Cs_2O, 1.05% Li_2O, and 1440.0 ppm Ta over 1.0 m, from 48.00 to 49.00 m.
- PWM-22-150: 5.72% Cs_2O, 1.94% Li_2O, and 862 ppm Ta, over 4.24 m, from 27.76 to 32.0 m.
- PWM-22-150: 20.25% Cs_2O, 1.29% Li_2O, and 147 ppm Ta, over 1.0 m, from 31.0 to 32.0 m.
- PWM-22-149: 7.93% Cs_2O, 0.52% Li_2O, and 129 ppm Ta, over 0.67 m, from 22.0 to 22.67 m.
- PWM-22-148: 6.14% Cs_2O, 0.60% Li_2O, and 150 ppm Ta, over 0.70 m, from 18.0 to 18.70 m.
- PWM-22-156: 5.78% Cs_2O, 1.86% Li_2O, and 522 ppm Ta, over 1.0 m, from 32.0 to 33.0 m.

2023 Exploration Program

Power Metals completed exploration program that focussed on prospecting, geological mapping, and acquisition of high resolution airborne magnetic and LiDAR data between June and October of 2023 at Case Lake. Highlights of the exploration results include:

- Completed high resolution airborne magnetic and LIDAR surveys in June of 2023.
- The high-resolution magnetic and LiDAR data were used to map structures that control LTC mineralization.
- Completed prospecting, sampling, and mapping program in preparation for 2024 drill program.
- Identified new LCT pegmatite dykes at Dome 9.

2024 Drill Programs

Power Metals completed three drill programs (Phase I to Phase III) that produced a total of 8,147 meters of core in 96 drillholes between March and December of 2024. The primary goal of the drill programs was to delineate an extend cesium mineralization in pollucite at West Joe and Main Zone prospects.

Drillholes PWM-24-164 to PWM-24-206 were drilled during Phase I between March and May of 2024. Drillholes PWM-24-164 to PWM-24-170 were drilled at Main Zone whereas holes PWM-24-171 to PWM-24-206 were drilled at West Joe. All drillholes produced NQ core (48 mm in diameter) except PWM-24-203 to PWM-24-206 that produced HQ (64 mm in diameter) for metallurgical testing. A total of 4,042 meters core, 3,907 m NQ and 135 m HQ, were drilled in 43 holes during Phase I.

Highlights of significant assay results at Main Zone include:

- PWM-24-164: 6.3 m at 1.45% Li_2O and 89 ppm Ta from 7.0 m
- PWM-24-164: 8.0 m at 1.81% Li_2O and 152 ppm Ta from 22.0 m
- PWM-24-165: 10.3 m at 1.66% Li_2O and 122 ppm Ta from 25.0 m
- PWM-24-165: 7.5 m at 1.74% Li_2O and 177 ppm Ta from 9.0 m
- PWM-24-167: 13.3 m at 1.84% Li_2O and 139 ppm Ta from 45.5 m
- PWM-24-168: 16.8 m at 1.01% Li_2O and 93 ppm Ta from 32.9 m
- PWM-24-168: 7.3 m at 1.1% Li_2O and 105 ppm Ta from 5.6 m
- PWM-24-169: 4.00 m at 0.99% Li_2O and 186 ppm Ta from 54.0 m
    - Including 1.10 m @ 1.10 % Li_2O, 1.03% Cs_2O and 213 ppm Ta from 56.90 m
- PWM-24-170: 1.60 m at 1.17% Li_2O and 97 ppm Ta from 38.18 m

Highlights of significant assay results at West Joe include:

- PWM-24-171: 9.8 m at 1.27% Li_2O,1.30% Cs_2O and 149 ppm Ta from 9.8 m
  - Including 2 m @ 1.58% Li_2O, 5.60% Cs_2O and 266 ppm Ta from 12.0 m
- PWM-24-177: 6.4 m at 1.43% Li_2O, 5.95% Cs_2O and 311 ppm Ta from 21.9 m
  - Including 3.7m @ 1.50 % Li_2O, 10.40% Cs_2O and 355 ppm Ta from 24.0m
  - Including 2.0m @ 2.00 % Li_2O, 15.10% Cs_2O and 137 ppm Ta from 24.0m
- PWM-24-186: 32.44 m at 1.40% Li_2O, 0.58% Cs_2O and 248 ppm Ta from 10.41 m
  - Including 1.20 m @ 0.62% Li_2O, 8.13% Cs_2O and 575 ppm Ta from 39.80 m
- PWM-24-187: 6.32 m at 1.24% Li_2O, 0.07% Cs_2O and 157 ppm Ta from 13.28 m
- PWM-24-188: 3.47 m at 2.74% Li_2O, 4.91% Cs_2O and 250 ppm Ta from 23.03 m
  - Including 2.00 m @ 3.55% Li_2O, 7.46% Cs_2O and 196 ppm Ta from 24.00 m
- PWM-24-189: 8.70 m at 1.74% Li_2O, 4.98% Cs_2O and 782 ppm Ta from 14.25 m
  - Including 5.00 m @ 1.67% Li_2O, 8.59% Cs_2O and 1116 ppm Ta from 16.00 m
  - Including 1.00 m @ 2.20% Li_2O, 20.14% Cs_2O and 459 ppm Ta from 18.00 m
- PWM-24-191: 5.32 m at 1.01% Li_2O, 2.39% Cs_2O and 278 ppm Ta from 41.00 m
  - Including 2.00 m @ 0.61 % Li2O, 6.12% Cs2O and 367 ppm Ta from 41.00 m
- PWM-24-193: 5.65 m at 1.66% Li_2O, 0.07% Cs_2O and 143 ppm Ta from 19.35 m
- PWM-24-195: 3.53 m at 1.79% Li_2O, 0.03% Cs_2O and 387ppm Ta from 49.29 m
- PWM-24-198: 3.22 m at 1.76% Li_2O, 7.32% Cs_2O and 140 ppm Ta from 14.78 m
  - Including 2.45 m @ 2.27% Li_2O, 9.29% Cs_2O and 156 ppm Ta from 15.55 m
  - Including 0.80 m @ 0.36% Li_2O, 24.70% Cs_2O and 9 ppm Ta from 16.20 m
- PWM-24-199: 8.11 m at 1.42% Li_2O, 4.50% Cs_2O and 233 ppm Ta from 7.12 m
  - Including 4.50 m @ 1.42% Li_2O, 8.03% Cs_2O and 242 ppm Ta from 9.00 m
  - Including 1.00 m @ 1.25% Li_2O, 15.90% Cs_2O and 102 ppm Ta from 11.00 m
- PWM-24-201: 7.13 m at 1.21% Li_2O, 6.27% Cs_2O and 348 ppm Ta from 14.15 m
  - Including 5.00 m @ 1.31% Li_2O, 8.81% Cs_2O and 265 ppm Ta from 15.00 m
  - Including 1.00 m @ 1.02% Li_2O, 19.40% Cs_2O and 108 ppm Ta from 17.00 m
- PWM-24-202: 7.74 m at 1.82% Li_2O, 2.07% Cs_2O and 534 ppm Ta from 8.60 m
  - Including 5.00 m @ 1.97% Li_2O, 3.13% Cs_2O and 670 ppm Ta from 10.00 m

Drillholes PWM-24-207 to PWM-24-235 were drilled during Phase II between August and October of 2024. Drillholes PWM-24-207 to PWM-24-229 were drilled at West Joe whereas holes PWM-24-230 to PWM-24-235 were drilled at Main Zone. All drillholes produced NQ core (48 mm in diameter) except PWM-24-222 to PWM-24-225 and PWM-24-227 that produced HQ core (64 mm in diameter) for metallurgical testing. A total of 2,621 meters core, 2,471 m NQ and 150 m HQ, were drilled in 29 holes during Phase II.

Highlights of significant assay results include:

- PWM-24-207: 8.65 m at 1.60% Li_2O, 5.74% Cs_2O and 378 ppm Ta from 16.35m
  - Including 3.0m @ 1.67 % Li_2O, 15.86% Cs_2O and 119 ppm Ta from 18.35m
  - Including 1.0m @ 1.72 % Li_2O, 22.58% Cs_2O and 130 ppm Ta from 18.35m
- PWM-24-208: 7.02 m at 1.25% Li_2O,1.77% Cs_2O and 355 ppm Ta from 16.38m
  - Including 3.0m @ 0.77% Li_2O, 3.98% Cs_2O and 457 ppm Ta from 19.00m
- PWM-24-209: 5.71m at 1.19% Li_2O,1.42% Cs_2O and 287 ppm Ta from 20.07m
  - Including 2.5m @ 1.37 % Li_2O, 3.18% Cs_2O and 456 ppm Ta from 22.50m
- PWM-24-210: 9.09m at 0.98% Li_2O, 2.25% Cs_2O and 367 ppm Ta from 11.78m
  - Including 3.2m @ 1.39 % Li_2O, 5.06% Cs_2O and 634 ppm Ta from 13.80m
  - Including 1.0m @ 2.42 % Li_2O, 8.78% Cs_2O and 426 ppm Ta from 16.00m

- PWM-24-211: 7.90m @ 1.50% Li_2O, 4.05% Cs_2O and 423 ppm Ta from 19.20m
  - Including 3.9m @ 1.43% Li_2O, 7.83% Cs_2O and 410 ppm Ta from 20.07m
  - Including 1.0m @ 0.59% Li_2O, 12.72% Cs_2O and 521 ppm Ta from 22.00m
- PWM-24-212: 7.63m at 0.75% Li_2O, 4.09% Cs_2O and 249 ppm Ta from 25.50m
  - Including 4.0m @ 1.01 % Li_2O, 7.70% Cs_2O and 321 ppm Ta from 28.00m
  - Including 2.0m @ 1.08% Li_2O, 10.88% Cs_2O and 371.5 ppm Ta from 29.00m
- PWM-24-223: 8.45m at 1.96% Li_2O, 4.55% Cs_2O and 681 ppm Ta from 11.75m
  - Including 4.30m @ 2.09 % Li_2O, 8.38% Cs_2O and 1102 ppm Ta from 15.20m
  - Including 0.95m @ 1.83% Li_2O, 17.71% Cs_2O and 117 ppm Ta from 16.75m
- PWM-24-224: 6.20m @ 1.07% Li_2O, 3.67% Cs_2O and 339 ppm Ta from 19.60m
  - Including 2.00m @ 1.74% Li_2O, 10.52% Cs_2O and 306 ppm Ta from 22.40m
  - Including 0.60m @ 1.45% Li_2O, 20.67% Cs_2O and 7 ppm Ta from 22.40m
- PWM-24-225: 8.25m at 0.77% Li_2O, 4.18% Cs_2O and 344 ppm Ta from 6.50m
  - including 4.0m @ 1.02% Li_2O, 8.33% Cs_2O and 499 ppm Ta from 10.00m
  - including 1.0m @ 0.54% Li_2O, 20.04% Cs_2O and 481 ppm Ta from 10.00m
- PWM-24-227: 8.15m at 1.38% Li_2O, 4.21% Cs_2O and 340 ppm Ta from 13.85m
  - Including 3.00m @ 1.75% Li_2O, 10.61% Cs_2O and 238 ppm Ta from 17.00m
  - Including 1.00m @ 1.34% Li_2O, 15.37% Cs_2O and 110 ppm Ta from 18.00m

Drillholes PWM-24-236 to PWM-24-259 were drilled during Phase III between November and December of 2024 at West Joe. All Phase III drillholes produced a total of 1,484 NQ core (48 mm in diameter) in 24 holes.

Highlights of significant assay results include:

- PWM-24-236: 9.04m at 6.49% Cs_2O, 531 ppm Ta, and 1.68% Li_2O from 12.22m
  - Including 4.65m @ 12.33% Cs_2O, 825ppm Ta, and 1.47% Li_2O from 15.00m
  - Including 1.00m @ 20.40% Cs_2O, 121ppm Ta, and 0.88% Li_2O from 16.00m
- PWM-24-244: 8.15m @ 4.48% Cs_2O, 348 ppm Ta, and 1.52% Li_2O from 10.90m
  - Including 4.00m @ 8.98% Cs_2O, 345ppm Ta, and 1.70% Li_2O from 13.00m
  - Including 1.00m @ 14.40% Cs_2O, 323ppm Ta, and 1.43% Li_2O from 16.00m
- PWM-24-240: 6.55m @ 4.48% Cs_2O, 598 ppm Ta, and 1.42% Li_2O from 14.25m
  - Including 4.00m @ 7.27% Cs_2O, 630ppm Ta, and 1.37% Li_2O from 16.00m
  - Including 1.00m @ 12.50% Cs_2O, 302ppm Ta, and 0.83% Li_2O from 17.00m
- PWM-24-241: 8.00m @ 3.83% Cs_2O, 271 ppm Ta, and 1.89% Li_2O from 9.90m
  - Including 4.00m @ 7.38% Cs_2O, 300ppm Ta, and 1.59% Li_2O from 13.00m
  - Including 1.00m @ 16.00% Cs_2O, 58ppm Ta, and 0.68% Li_2O from 13.00m
- PWM-24-242: 8.07m at 5.19% Cs_2O, 1438 ppm Ta, and 2.19% Li_2O from 10.30m
  - Including 4.70m @ 8.72% Cs_2O, 2,435ppm Ta, & 2.50% Li_2O from 13.30m
  - Including 1.00m @ 11.70% Cs_2O, 208ppm Ta, & 1.85% Li_2O from 13.30m
- PWM-24-246: 9.95m @ 3.78% Cs_2O, 334ppm Ta, and 1.12% Li_2O from 11.25m
  - Including 5.55m @ 5.48% Cs_2O, 413ppm Ta, & 1.62% Li_2O from 11.25m
  - Including 0.75m @ 22.70% Cs_2O, 420ppm Ta, & 0.66% Li_2O from 15.05m
- PWM-24-259: 6.65m @ 3.56% Cs_2O, 290 ppm Ta, and 1.15% Li_2O from 19.75m
  - Including 5.70m @ 4.14% Cs_2O, 311ppm Ta, & 1.03% Li_2O from 20.70m
  - Including 1.53m @ 7.56% Cs_2O, 474ppm Ta, & 0.77% Li_2O from 22.07m
- PWM-24-252: 7.95m @ 2.85% Cs_2O, 351 ppm Ta, and 1.47% Li_2O from 18.35m
  - Including 5.10m @ 3.96% Cs_2O, 396ppm Ta, & 1.78% Li_2O from 20.20m
  - Including 0.60m @ 13.50% Cs_2O, 185ppm Ta, & 2.04% Li_2O from 20.20m

2024 Metallurgical Test Work

Power Metals completed metallurgical sampling from nine HQ drillholes (PWM-24-203 to PWM-24-206 and PWM-24-222 to PWM-24-225 and PWM-24-227) during 2024 Phase I and Phase II drilling. The company began a two-phase testing to produce pollucite concentrate using Tomra Mining's X-ray transmission ore sorting technology.

Phase I metallurgical testing produced three pollucite concentrates from over 60kg material, sourced from PWM-24-203 to PWM-24-206 that reported an average grade 3.72% Cs_2O, 1.04% Li_2O, and 412ppm Ta.

Below is a summary of reported assay results for the three concentrates.

- Sample 24-036-01P: 23.50% Cs2O, 0.43% Li2O, and 41 ppm Ta
- Sample 24-036-02P: 4.80% Cs2O, 2.11% Li2O, and 589 ppm Ta
- Sample 24-036-03P: 15.20% Cs2O, 1.03% Li2O, and 276 ppm Ta

The Company is continuing to advance metallurgical and cesium chemicals conversion test work with Tomra Mining and SGS Canada.

2024 Field Exploration Programs

Power Metals completed field exploration programs that focussed on acquiring high resolution drone-based magnetic and geochemical soil geochemical surveys. A two-phase drone-based magnetic survey was completed by Pioneer Exploration Consultants in June 2024 (Phase I) and November to December 2024 (Phase II). A total of 2,258 line-km high-resolution magnetic data was collected. The company also completed soil geochemical survey that collected 177 samples at West Joe.

Highlights of the exploration results from the drone-based magnetic and soil geochemical survey include:

- The high-resolution drone-based magnetic data was used to develop structural model for Case Lake
- Soil geochemistry show strong cesium & lithium anomalies at West Joe & target area 500 m north of west Joe.

Sampling and QAQC Procedures

Samples were taken across every pegmatite and 1.5 meter into the barren host rock on either side of dykes. Sample lengths were around 1-metre NQ (48 mm) and HQ (64 mm) core diameter, though individual sample length was determined based on internal zoning of the dykes and the locations of their contacts. The sampled core was cut in half with one half being sent for analysis and the other half remaining in the box for reference. All core is stored at Power Metals core storage facility in Cochrane, Ontario. Each sample was put into its own plastic sample bag with a sample tag and closed with zip ties. About 15% of the samples submitted SGS Canada ("SGS") for analysis were QAQC samples that were inserted into the sample stream and consist of a high- and low-grade lithium, Tantalum, and Cesium standards, blank material, and duplicates. Samples were dropped at SGS Cochrane, in Ontario. Samples submitted to SGS were prepped, crushed, and pulverized in Sudbury and were subsequently sent to SGS Burnaby and SGS Lakefield for multi element analysis using sodium peroxide fusion ICP-AES/ICP-MS and borate fusion XRF. All cesium results above 1% were analyzed using 4-Acid digest AAS at SGS Lakefield.

Decelles and Mazerac Properties

During the year ended November 30, 2023, the Company entered into purchase and sale agreement with Winsome Resource Limited to acquire a 100% interest in Winsome’s Decelles and Mazerac projects located in Quebec. To earn the interest, the Company will issue 17,650,000 common shares of the Company. The transaction is subject to the approval of the TSX Venture exchange.

During the period ended May 31, 2025, the Company incurred $10,546 of general exploration expenditures which have been expensed through the statement of loss and comprehensive loss as the Company has not yet acquired the legal tittle. The acquisition has not closed and remains subject to the final acceptance of the exchange. As part of the agreement, the Company has agreed to assume the NSR for both properties of 2% which can be repurchased at any time by the optionor for a cash payment of $1,000,000 each.

Agreement with Sinomine Resource Group Ltd.

On December 15, 2021, the Company entered into an agreement (the "Sinomine Agreement") with Sinomine (Hong Kong) Rare Metals Resources Co Limited ("Sinomine") which provides for an equity financing and an agreement to negotiate an offtake agreement with Sinomine. As a result of the agreement, the Company issued to Sinomine 7,500,000 units at $0.20 per unit for gross proceeds of $1,500,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of three years at a price of $0.40.

On March 16, 2022, the Company entered into the formal off-take agreement with Sinomine on all lithium, cesium and tantalum produced from the Company's Case Lake Property. Sinomine will pay the Company for all lithium and tantalum at 95% of the market value of such resources and pay for all cesium in accordance with an agreed upon grade scale schedule established between the two parties. The agreement remains in effect for a period of three years from closing date and continues thereafter as long as Sinomine holds not less than 2.5% of the Company’s shares on a non-diluted basis. Sinomine is also provided with an option to participate in future financings and share issuances to retain its minimum 2.5% share holdings. In the event of default under the agreement by either party, such party will be liable a total of $8,000,000.

On December 2, 2022, the Company announced that Winsome Resource Limited acquired shares in the Company currently owned by Sinomine. Winsome has also agreed to acquire Sinomine's offtake rights for the lithium, cesium and tantalum from the highly prospective Case Lake Project as a response to the Canadian Government forcing the divestment of Chinese companies in critical mineral companies.

Under the terms of the agreement, for a total cash consideration of CAD$2,000,000 (AUD$2,120,000) (CAD $0.27 per share of the Company) Winsome acquired Sinomine's total interests in the Company and the Case Lake Project, including:

- 7,500,000 common shares; and
- 7,500,000 share purchase warrants, which can be converted into shares on a one-for-one basis at $0.40 per share, expiring on January 25, 2025 (expired).

Winsome has also agreed to assume all of Sinomine's rights and obligations under the offtake agreement.

A former director of the Company was also a director of Winsome, therefore Winsome is considered a related party for accounting purposes.

Liquidity and Going Concern

The Company has financed its operations to date primarily through the issuance of common stock. The Company continues to seek capital through various means including the issuance of equity.

The financial statements are 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.

As at May 31, 2025, the Company had an accumulated deficit of $40,183,859 (November 30, 2024 - $39,365,855). In addition, the Company has not generated revenues from operations. These circumstances lend substantial doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

Although the financial statements have been prepared using with IFRS accounting standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to a going concern, the above noted conditions raise significant doubt regarding the Company's ability to continue as a going concern.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

The Company has a working capital deficiency of $481,743 at May 31, 2025 compared to working capital of $479,287 to November 30, 2024.

Net cash used in operating activities for the period ended May 31, 2025 was $1,079,363 compared to $1,493,278 in the period ended May 31, 2024 and consists primarily of the operating loss adjusted for changes in non-cash working capital items (see "Results of Operations" for information on operating loss differences for both periods).

Net cash used in investing activities for the period ended May 31, 2025 was $2,098,929 compared to $1,695,362 cash provided by in the period ended May 31, 2024 due to expenditures on exploration properties.

Net cash provided by financing activities for the period ended May 31, 2025 was $1,780,450 compared to $428,990 for the period ended May 31, 2024, as a result of proceeds from warrant and options exercises.

Share Capital & Reserves

During the period from December 1, 2024 to July 30, 2025, the Company:

- issued 4,252,000 common shares upon exercise of options for gross proceeds of $1,209,260, and accordingly, the Company reallocated $873,838 of its share-based payment reserve to share capital.

- issued 1,427,975 common shares upon exercise of warrants for gross proceeds of $571,190.

- granted 2,500,000 stock options to a consultant of the Company. The options are exercisable at a price of $0.80 per share expiring on July 8, 2027. The options will vest over a period of 12 months in four equal tranches, the first of which will vest 3 months after the date of grant.

Results of Operations

Three months ended May 31, 2025 and 2024

During the three months ended May 31, 2025, the Company recorded a loss and comprehensive loss of $810,406 (2024 – $46,020). Significant expenses during the period ended May 31, 2025 include the following:

- Consulting of $45,157 (2024 – $191,108) decreased due to the timing of consulting fees during the current period.

- Flow-through premium recovery of $Nil (2024 – $838,736) decreased due to higher exploration expenditures spent during the comparative period.

- Marketing, promotion and communication of $97,829 (2024 – $178,764) decreased due to the Company's efforts to enhance awareness of progress on the projects in the prior period.

- Office and miscellaneous expense of $17,322 (2024 – $85,304) decreased due to lower interest and penalties during the current period.

- Professional fees of $41,679 (2024 – $66,051) decreased due to the timing of accounting fees incurred during the current period.

- Unrealized loss on the marketable securities of $375,737 (2024 – $77,394) increased due to market value fluctuation in marketable securities held by Company in the current period.

Six months ended May 31, 2025 and 2024

During the six months ended May 31, 2025, the Company recorded a loss and comprehensive loss of $818,004 (2024 – $963,523). Significant expenses during the period ended May 31, 2025 include the following:

- Flow-through premium recovery of $487,438 (2024 – $962,455) decreased due to higher exploration expenditures spent during the comparative period.

- Flow-through penalties of $11,068 (2024 – $Nil) increased due to expenditures renounced under the lookback rule where the exploration commitment has not yet been met.

- General exploration expenses of $10,546 (2024 – $Nil) increased due to exploration expenditure on properties that the Company has not yet acquired the legal title.

- Marketing, promotion and communication of $180,354 (2024 – $240,095) decreased due to the Company's efforts to enhance awareness of progress on the projects in the prior period.

- Office and miscellaneous expense of $49,528 (2024 – $133,317) decreased due to lower interest and penalties during the current period.

- Share-based compensation of $3,967 (2024 – $587,848) decreased due to fewer options granted and vested in the current period.

- Travel of $81,666 (2024 – $128,778) decreased due to less trips taken in the current period.

- Unrealized loss on the marketable securities of $323,484 (2024 – $170,332) increased due to market value fluctuation in marketable securities held by Company in the current period.

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's audited financial statements. All dollar amounts are in Canadian dollars.

	Exploration and evaluation assets	Interest Income	Income (Loss)	Basic and Diluted Earnings (Loss)/Share
May 31, 2025	$ 11,203,291	$ 47	$ (810,406)	$ (0.01)
February 28, 2025	$ 10,675,295	$ 2,711	$ (7,598)	$ 0.00
November 30, 2024	$ 9,202,729	$ 8,030	$ (202,013)	$ (0.00)
August 31, 2024	$ 7,875,595	$ 30,451	$ 125,638	$ 0.00
May 31, 2024	$ 7,303,489	$ 20,350	$ (46,020)	$ (0.00)
February 29, 2024	$ 5,439,416	$ 67,813	$ (917,503)	$ (0.01)
November 30, 2023	$ 5,314,756	$ 66,065	$ (20,120)	$ (0.00)
August 31, 2023	$ 4,619,193	$ 60,559	$ (1,515,996)	$ (0.01)

During the three months ended May 31, 2025, the Company had a loss of $810,406, which was primarily attributable to management fees of $122,728, marketing, promotion and communication of $97,829 and unrealized loss on marketable securities of $375,737.

During the three months ended February 28, 2025, the Company had a loss of $7,598, which was primarily attributable to flow-through recovery of $487,438 and unrealized gain on marketable securities of $52,253.

During the three months ended November 30, 2024, the Company had a loss of $202,013, which was primarily attributable to flow-through penalties of $175,139 and unrealized loss on marketable securities of $158,040.

During the three months ended August 31, 2024, the Company had an income of $125,638, which was primarily attributable to flow-through premium recovery of $265,979 and unrealized gain on marketable securities of $326,961.

During the three months ended May 31, 2024, the Company incurred a loss of $46,020, which was primarily attributable to management fees of $187,916, consulting fees of $191,108, marketing and promotion of $178,764 and office and miscellaneous of $85,304, offset by flow-through premium recovery of $838,736.

During the three months ended February 29, 2024, the Company incurred a loss of $917,503, which was primarily attributable to management fees of $115,485, consulting fees of $91,715, share-based compensation of $574,302 and unrealized loss on marketable securities of $92,938.

During the three months ended November 30, 2023, the Company incurred a loss of $20,120, which was primarily attributable to management fees of $119,422, consulting fees of $25,764, travel of $15,962 and unrealized loss on marketable securities of $146,266, offset by flow-through premium recovery of $258,249.

During the three months ended August 31, 2023, the Company incurred a loss of $1,515,996, which was primarily attributable to management fees of $117,641, consulting fees of $182,607, professional fees of $167,502, travel of $81,985, share-based compensation of $986,569 and unrealized loss on marketable securities of $15,647.

Financial Instruments and Risk

Fair values

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

- Level 1 – quoted 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 or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of its financial assets and liabilities approximates their fair value as at May 31, 2025 due to their short term maturity

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is in its cash. Cash is held with major banks in Canada, which are high credit quality financial institutions as determined by rating agencies. As at May 31, 2025, the Company had $176,490 (November 30, 2024 – $147,077) receivable from government authorities in Canada. The Company believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2025, the Company had a cash balance of $742,728 (November 30, 2024 – $2,140,570) to settle current liabilities of $1,635,901 (November 30, 2024 – $2,448,248). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Market risk

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

(a) Interest rate risk

The Company has cash and cash equivalents balances and interest-bearing debt. The Company is satisfied with the credit ratings of its banks. Due to the short-term nature of the Company's financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of May 31, 2025.

(b) Foreign currency risk

As at May 31, 2025, the Company has a minimal balance of cash in US dollar and does not believe that the foreign currency risk related to the balance is significant. The Company is exposed to the risk that the fair value or future cash flows of investments denominated in other currencies will fluctuate due to changes in exchange rates. When the value of the Canadian dollar falls in relation to foreign currencies, then the value of foreign investments rise. When the value of the Canadian dollar rises, the value of foreign investments fall.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations may be significant. Much of this is out of the control of management and will be dealt with based on circumstances at any given time.

Related Party Balances and Transactions

Transactions with related parties and key management personnel are as follows:

	Nature of transactions	May 31, 2025	May 31, 2024
Key management personnel:			
Chairman and Director	Management fees	$ 170,943	$ 162,151
Chairman and Director	Share-based compensation	-	47,859
Chairman and Director	Rent (included within office and miscellaneous)	-	30,473
CEO	Geological and consulting (i)	147,768	-
CEO	Share-based compensation	-	191,434
CEO	Management fees	-	68,750
A company controlled by former CEO	Consulting fees	-	45,000
Former CEO	Share-based compensation	-	19,143
A company controlled by CFO and Director	Management fees	75,000	72,500
A company controlled by CFO and Director	Professional fees	27,500	51,900
A company controlled by CFO and Director	Share-based compensation	-	38,287
Former VP Exploration and a company controlled by former VP Exploration	Geological and consulting (i)	-	29,726
A company controlled by VP Exploration	Consulting fee (i)	96,000	96,000
A company controlled by VP Exploration	Share-based compensation	-	19,143
Directors	Consulting fee	12,000	12,000
Directors	Share-based compensation	-	38,287
Total		$ 529,211	$ 922,653

i) Capitalized in exploration and evaluation assets.

The amounts due to other related parties and key management personnel included in accounts payable and accrued liabilities are as follows:

	May 31, 2025	November 30, 2024
Due to a company controlled by the CFO and Director	$ -	$ 12,857
Due to former VP Exploration and a company controlled by former VP Exploration	9,208	-
	$ 9,208	$ 12,857

The amounts due to related parties are unsecured non-interest bearing and are due on demand.

The amounts advanced to key management personnel included in prepaids are as follows:

	May 31, 2025	November 30, 2024
Advances to the Chairman and Director	$ 39,076	$ 39,076
Advances to a company controlled by the VP Exploration	96,314	41,008
	$ 135,390	$ 80,084

Off-Balance Sheet Arrangements

The Company has not engaged in any off-balance sheet arrangements such as obligations under guarantee contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing or hedging services with the Company.

Capital Management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. share capital, reserves and deficit).

The Company sets the amount of capital in proportion to risk. 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 common shares through private placements. The Company is not exposed to any externally imposed capital requirements.

No changes were made to capital management during the period ended May 31, 2025.

Changes in Management

On March 7, 2025, the Company appointed Mr. Haydn Daxter as director to replace Mr. Chris Evans.

New Or Revised Standards and Amendments To Existing Standards Not Yet Effective

Please refer to the unaudited condensed interim financial statements for the period ended May 31, 2025 on www.sedarplus.ca.

Critical Accounting Estimates and judgements

The Company's material accounting policies are summarized in Note 3 of its condensed interim financial statements for the period ended May 31, 2025. The preparation of the condensed interim financial statements in accordance with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements.

The Company regularly reviews its judgements and estimates; however, actual amounts could differ and, accordingly, materially affect the results of operations.

Outstanding Share Data

As at July 30, 2025, the Company had the following securities issued and outstanding:

	Number	Exercise Price	Expiry Date
Common Shares	154,385,985		
Options			
	1,226,045	$0.30	August 23, 2025
	800,000	$0.22	August 18, 2026
	100,000	$0.39	October 15, 2026
	1,600,000	$0.29	March 24, 2027
	300,000	$0.20	May 30, 2027
	2,500,000	$0.80	July 8, 2027
	2,500,000	$0.255	June 15, 2028
	2,250,000	$0.27	February 12, 2029
	11,276,045		
Total diluted at July 30, 2025	**165,662,030**		