

## FORM 5A

### ANNUAL LISTING SUMMARY

#### Introduction

The requirement to file this Form 5A does not apply to NV Issuers. NV Issuers must file a Form 51-102F2 Annual Information Form.

This Annual Listing Summary must be posted on or before the day on which the Issuer's annual financial statements are to be filed under the Securities Act. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies.

#### **General Instructions**

- (a) Prepare this Annual Listing Summary using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

**Listed Issuer Name:** *Medaro Mining Corp. (the "Issuer")*

**Website:** <https://medaromining.com/>

**Listing Statement Date:** *March 30, 2021*

**Description(s) of listed securities(symbol/type):** *CSE: MEDA; OTC: MEDAF; FWB: IZY*

**Brief Description of the Issuer's Business:** *The Issuer, based in Vancouver, British Columbia, is a lithium exploration company, which holds options on the CYR South lithium property located in James Bay, Quebec, the Lac La Motte lithium property located in Abitibi, Quebec, the Rapide Lithium Property situated in Val-d'Or, Quebec, the Pontax property situated in Quebec, Canada, the Darlin Li-Be property located in Abitibi, Quebec, the Superb lake property situated in Ontario, and the Yurchison Uranium property in Northern Saskatchewan. The Issuer is also involved in the development and commercialization of a new process to extract lithium from spodumene concentrate through its Global Lithium Extraction Technologies joint venture.*

**Description of additional (unlisted) securities outstanding:** *Options, Warrants, and Restricted Share Rights*

**Jurisdiction of Incorporation:** *British Columbia, Canada*

**Fiscal Year End:** *September 30, 2023*

<b>Date of Last Shareholders' Meeting and Date of Next Shareholders' Meeting (if scheduled):</b> <i>October 25, 2022</i>		
<b>Financial Information as at:</b> <i>September 30, 2023</i>		
	<b>Current</b>	<b>Previous</b>
<b>Cash</b>	<i>\$157,835</i>	<i>\$2,579,910</i>
<b>Current Assets</b>	<i>\$1,651,459</i>	<i>\$3,231,966</i>
<b>Non-current Assets</b>	<i>\$1,946,150</i>	<i>\$1,142,800</i>
<b>Current Liabilities</b>	<i>\$1,232,156</i>	<i>\$559,035</i>
<b>Non-current Liabilities</b>	<i>N/A</i>	<i>N/A</i>
<b>Shareholders' equity</b>	<i>\$2,365,453</i>	<i>\$3,815,731</i>
<b>Revenue</b>	<i>N/A</i>	<i>N/A</i>
<b>Net Income</b>	<i>N/A</i>	<i>N/A</i>
<b>Net Cash Flow from Operations</b>	<i>N/A</i>	<i>N/A</i>

## SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in the Schedules. If the required details are included in Schedule A or B, provide specific reference to the page or note.

### 1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

*Refer to Note 10 of the audited annual Consolidated Financial Statements for the years ended September 30, 2023, and 2022 (the "Audited Annual Financial Statements"), attached hereto as Schedule A, and pages 19 & 20 of the related Management's Discussion and Analysis (the "Annual MD&A"), also attached hereto as Schedule B.*

- (b) A description of the transaction(s), including those for which no amount has been recorded.

*Refer to Note 10 of the Audited Annual Financial Statements and pages 19 & 20 of the Annual MD&A.*

- (c) The recorded amount of the transactions classified by financial statement category.

*Refer to Note 10 of the Audited Annual Financial Statements and pages 19 & 20 of the Annual MD&A.*

- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

*Refer to Note 10 of the Audited Annual Financial Statements and pages 19 & 20 of the Annual MD&A.*

- (e) Contractual obligations with Related Persons, separate from other contractual obligations.

*Not applicable - refer to Note 10 of the Audited Annual Financial Statements and pages 19 & 20 of the Annual MD&A.*

- (f) Contingencies involving Related Persons, separate from other contingencies.

*Not applicable - refer to Note 10 of the Audited Annual Financial Statements and pages 19 & 20 of the Annual MD&A.*

## 2. Summary of securities issued and options granted during the period.

Provide the following information for the Listed Issuer's fiscal year:

- (a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
October 31, 2022	Common shares	Common shares issued pursuant to property option agreement	400,000	\$0.029 (deemed)	N/A; Property Option Agreement	N/A	Not Related	N/A
November 1, 2022	Common shares	Common shares issued pursuant to property option agreement	2,400,384	\$0.2083 (deemed)	N/A; Property Option Agreement	N/A	Not Related	N/A
November 21, 2022	Units <sup>(1)</sup>	Common shares issued pursuant to the flow-through non-brokered private placement	16,080,078	\$0.18	\$2,894,414	Cash	Related Person; Insider acquired 55,000 Flow-Through Units	\$210,806 in finder's fees and 1,194,829 finder's warrants
November 21, 2022	Units <sup>(2)</sup>	Common shares issued pursuant to the non-brokered private placement	7,350,433	\$0.15	\$1,105,565	Cash		
November 21, 2022	Restricted Share Rights	Restricted Share Rights issued pursuant to Issuer's Equity Incentive Plan	500,000	N/A	N/A	N/A	Not Related: Consultant	N/A

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
February 22, 2023	Common shares	Common shares issued pursuant to conversion of RSRs	500,000	N/A; conversion of RSRs	N/A; conversion of RSRs	N/A	Not Related	N/A
March 2, 2023	Common shares	Common shares issued pursuant to exercise of stock options	50,000	\$0.25	\$12,500	Cash	Related; Officer of the Issuer	N/A
April 10, 2023	Stock Options	Stock options issued pursuant to equity incentive plan	675,000	\$0.15	N/A; Issuance of stock options	N/A	Not Related	N/A
May 3, 2023	Common Shares	Common shares issued in connection with the exercise of stock options	675,000	\$0.15	\$101,250.00	Cash	Not Related	N/A
June 16, 2023	Common Shares	Common shares issued in connection with property option agreement	50,000	\$0.125 (deemed)	N/A; Issuance of common shares pursuant to property option agreement	N/A	Not Related	N/A
Sept. 11, 2023	Common Shares	Common shares issued in connection with share purchase agreement	1,200,000	\$0.103 (deemed)	N/A; Issuance of common shares pursuant to share purchase agreement		Not Related	N/A

- (1) Each Unit consisted of one common flow-through share and one-half of one common share purchase warrant. Each warrant entitles the holder thereof to acquire an additional common share in the capital of the Issuer at a price of \$0.30 per common share for a period of 24 months from the date of the issuance.
- (2) Each Unit consisted of one common share and one-half of one common share purchase warrant. Each warrant entitles the holder thereof to acquire an additional common share in the capital of the Issuer at a price of \$0.30 per common share for a period of 24 months from the date of the issuance.

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and Relationship	Generic Description of Other Optionees	Exercise Price	Expiry Date	Market Price on Date of Grant
January 6, 2023	175,000	Michael Mulberry, CEO and Director	N/A	\$0.25	January 6, 2025	\$0.25 (January 5, 2023)
January 6, 2023	175,000	Faizaan Lalani, President and Director	N/A	\$0.25	January 6, 2025	\$0.25 (January 5, 2023)

Date	Number	Name of Optionee if Related Person and Relationship	Generic Description of Other Optionees	Exercise Price	Expiry Date	Market Price on Date of Grant
January 6, 2023	50,000	Alex McAulay, CFO	N/A	\$0.25	January 6, 2025	\$0.25 (January 5, 2023)
January 6, 2023	50,000	Charles Hugh Maddin, Director	N/A	\$0.25	January 6, 2025	\$0.25 (January 5, 2023)
January 6, 2023	50,000	Mark Ireton, Director	N/A	\$0.25	January 6, 2025	\$0.25 (January 5, 2023)
January 6, 2023	50,000	Shaun Mann, Director	N/A	\$0.25	January 6, 2025	\$0.25 (January 5, 2023)
April 10, 2023	675,000	Consultant	N/A	\$0.15	October 23, 2023	\$0.15

### 3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of securities outstanding for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

*At September 30, 2023, the Issuer is authorized to issue an unlimited number of common shares without par value. At September 30, 2023, the Issuer had 84,819,572 common shares issued and outstanding. Refer to Note 9(a) and 9(b) of the Audited Annual Financial Statements.*

- (b) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

*At September 30, 2023, a total of 500,000 options each exercisable at a price of \$0.25 until January 6, 2025, are outstanding. Refer to Note 9(c) of the Audited Annual Financial Statements.*

*At September 30, 2023, a total of 16,409,728 warrants are outstanding with a weighted average exercise price of \$0.43. Of these, 3,499,643 warrants are exercisable at a price of \$0.90 until November 16, 2023, and 12,910,085 warrants are exercisable at a price of \$0.30 until November 22, 2024. Refer to Note 9(d) of the Audited Annual Financial Statements.*

*At September 30, 2023, a total of 1,070,000 restricted share rights are outstanding and fully vested. Refer to Note 9(e) of the Audited Annual Financial Statements.*

*At September 30, 2023, there were no other convertible securities.*

- (c) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

*At September 30, 2023, a total of 1,350,001 common shares are subject to escrow - refer to Note 9(f) of the Audited Annual Financial Statements.*

4. List the names of the directors and officers and include the position(s) held and the date of appointment, as at the date this report is signed and filed.

Name	Position	Date Appointed
Faizaan Lalani	Director President	June 19, 2020 August 5, 2021
Charles Hugh Maddin	Director	July 3, 2020
Mark Ireton	Director	October 29, 2020
Shaun Mann	Director	April 14, 2021
Michael Mulberry	Director CEO	February 1, 2022 January 19, 2022
Alexander McAulay	CFO Corporate Secretary	August 5, 2021 February 18, 2022
Jim Blencoe	CTO	September 8, 2021

## 5. Financial Resources

- (a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;

*The Issuer's near-term focus is on the exploration, evaluation and resource development of its projects located Lac La Motte, Darlin, Rapide, Pontax and Cyr lithium properties in Quebec, the Superb lake property in Ontario, and the Yurchison uranium property in Northern Saskatchewan. The results of this work will allow the Issuer to determine the next steps and focus exploration plans moving forward. The Issuer will also focus on the development and commercialization of a new process to extract lithium from spodumene concentrate through its Global Lithium Extraction Technologies joint venture.*

*The Issuer continues to seek additional project opportunities for which the entry costs are as-yet undetermined. As such, management will continue to assess the costs of its currently planned and any future exploration programs at each of its projects and may revise the scope of planned programs.*

- (b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

*The Issuer has not made final decisions as to the allocations of capital to each project moving forward. As such, management will continue to assess the costs of its currently planned and any future exploration programs at each of its projects and may revise the scope of planned programs.*

*The Issuer's continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Issuer has been successful in raising funds to continue operations in the past, there is no assurance that future financing will be available or be available on favorable terms. The ability to secure financing may be impaired, or such financing may not be available on favorable terms due to conditions beyond the Issuer's control, such as uncertainty in capital markets, changes in commodity*

*prices or country specific risk factors. The timing of such an event, if required, is currently unknown.*

- (c) Disclose the total funds available to the Issuer and the following breakdown of those funds:
- (i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and

*Estimated working capital as at December 31, 2023, is \$175,915.*

- (ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and

*No other funds are currently available; however, the Issuer believes that in the event further financing is required, it has the ability to raise additional equity capital to meet future obligations and future planned/un-planned exploration programs. Although the Issuer has been successful in raising funds to continue operations in the past, there is no assurance that future financing will be available or be available on favorable terms. The ability to secure financing may be impaired, or such financing may not be available on favorable terms due to conditions beyond the Issuer's control, such as uncertainty in capital markets, changes in commodity prices or country-specific risk factors.*

- (iii) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

*The Issuer has not yet determined a need for, or a plan for, other funds. The Issuer will disclose that information at the time a decision / need is determined.*

## **6. Status of Operations**

During the fiscal year, did the Listed Issuer

- (a) reduce or impair its principal operating assets; or

*During the year ended September 30, 2023, the Issuer impaired its Superb Lake Property - refer to Note 6 of the Audited Financial Statements.*

- (b) cease or substantively reduce its business operations with respect to its stated business objectives in the most recent Listing Statement?

*Not applicable – No, the Issuer used funds raised to continue exploring its active exploration properties in Canada.*

## **7. Business Activity**

- (a) Activity for a mining or oil and gas Listed Issuer

- (i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, significant revenue from operations, or \$50,000 in exploration or development expenditures?

*The Issuer did not have positive cash flow, or significant revenue from operations as it is an exploration stage mining company. The Issuer incurred \$4,080,619 in exploration expenditures, across its active properties during the year.*

- (ii) If the response to (i) above is “no”, for the three most recent fiscal years did the Listed Issuer have an aggregate of \$100,000 in exploration or development expenditures?

Yes

- (b) Activity for industry segments other than mining or oil & gas

- (i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, or \$100,000 in revenue from operations or \$100,000 in development expenditures?

*Not applicable.*

- (ii) If the response to (i) above is “no”, for the three most recent fiscal years, did the Listed Issuer have either \$200,000 in operating revenues or \$200,000 in expenditures directly related to the development of the business?

*Not applicable.*

**SCHEDULE A: AUDITED ANNUAL FINANCIAL STATEMENTS**

**SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS**



## Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Annual Listing Summary.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated January 29, 2024

Alexander McAulay  
Name of Director or Senior Officer

/s/ Alexander McAulay  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b>	For Year Ended	Date of Report
Name of Issuer		YYYY/MM/DD
Medaro Mining Corp.	September 30, 2023	2024/01/29
Issuer Address		
220 - 333 Terminal Avenue		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, British Columbia, V6A 4C1	N/A	(604) 800-0203
Contact Name	Contact Position	Contact Telephone No.
Alexander McAulay	Chief Financial Officer	(604) 365-0425
Contact Email Address	Web Site Address	
<a href="mailto:alex.mcaulay@treewalk.com">alex.mcaulay@treewalk.com</a>	<a href="https://medarominig.com/">https://medarominig.com/</a>	

## **Schedule A**

**MEDARO MINING CORP.**  
CONSOLIDATED FINANCIAL STATEMENTS  
For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

## Independent Auditor's Report

To the Shareholders of Medaro Mining Corp.

### Opinion

We have audited the consolidated financial statements of Medaro Mining Corp. (the "Group"), which comprise the consolidated statements of financial position as at September 30, 2023 and September 30, 2022 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2023 and September 30, 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### Basis for Opinion

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

### Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group'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 year ended September 30, 2023. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be a key audit matter to be communicated in our report. 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.

### Recoverability of Exploration and Evaluation Assets

As disclosed in Note 6 to the consolidated financial statements, the carrying value of Exploration and Evaluation Assets represents a significant asset of the Group. Refer to Note 3 and Note 4 to the consolidated financial statements for a description of the accounting policy and significant judgments applied to Exploration and Evaluation Assets.

At each reporting period end, management applies judgment in assessing whether there are any indicators of impairment relating to mining claims and capitalized acquisition costs. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the mining claims and capitalized acquisition costs is unlikely to be recovered in full from successful development or by sale.

#### **Why the matter was determined to be a key audit matter**

We considered this a key audit matter due to (i) the significance of the mining claims and capitalized acquisition costs balance and (ii) the judgments made by management in its assessment of indicators of impairment related to mining claims and capitalized acquisition costs, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

#### **How the matter was addressed in our audit**

We have evaluated management's assessment of impairment indicators per IFRS 6 Exploration for and Evaluation of Mineral Resources, including but not limited to:

- Obtaining, by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates;
- Assessing compliance with option agreements by reviewing agreements, vouching cash payments and share issuances, and confirming status of certain agreements with an optionor;
- Considering the status of the relevant exploration areas by holding discussions with management, and reviewing the Group's exploration budget;
- Enquiring with management and reviewing its future plans and other documentation as evidence that further exploration and evaluation activities in the area of interest will be continued in the future;
- Assessing whether any data exists to suggest that the carrying value of the Exploration and Evaluation assets is unlikely to be recovered through development or sale; and
- Assessing the adequacy of the related disclosures in Note 3, Note 4 and Note 6 to the consolidated financial statements.

#### **Other Information**

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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 Group'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 Group'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including

the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current 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 Hilda Leung.

A handwritten signature in black ink that reads "Crowe Mackay LLP". The signature is written in a cursive, flowing style.

**Chartered Professional Accountants**  
**Vancouver, Canada**  
**January 29, 2024**

**MEDARO MINING CORP.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
As at September 30, 2023 and 2022  
(Expressed in Canadian Dollars)

As at		September 30, 2023	September 30, 2022
<b>ASSETS</b>	<b>Note</b>		
<b>Current assets</b>			
Cash		\$ 157,835	\$ 2,579,910
Receivables	8	1,289,715	415,568
Investments	6(a)	17,500	-
Prepaid expenses		186,409	236,488
<b>Total current assets</b>		<b>1,651,459</b>	<b>3,231,966</b>
Exploration and evaluation assets	6	1,875,521	1,142,800
Property and equipment		70,629	-
<b>Total assets</b>		<b>\$ 3,597,609</b>	<b>\$ 4,374,766</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	7,10	\$ 1,075,261	\$ 559,035
Flow-through liability	9	156,895	-
<b>Total liabilities</b>		<b>1,232,156</b>	<b>559,035</b>
<b>EQUITY</b>			
Share capital	9	20,047,472	15,796,079
Reserves	9	2,001,562	1,723,855
Non-controlling interest		(100,838)	-
Accumulated other comprehensive loss		(3,086)	-
Deficit		(19,579,657)	(13,704,203)
<b>Total equity</b>		<b>2,365,453</b>	<b>3,815,731</b>
<b>Total liabilities and equity</b>		<b>\$ 3,597,609</b>	<b>\$ 4,374,766</b>

Going concern (Note 2)  
Commitments (Note 6)  
Subsequent events (Notes 6(a) , 9(d) and 14)

APPROVED ON BEHALF OF THE BOARD:

“Faizaan Lalani” Director

“Charles Hugh Maddin” Director

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

**MEDARO MINING CORP.****CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars, except for the number of shares)

	Note	2023	2022
Operating and administrative expenses			
Consulting fees		\$ 129,725	\$ 131,248
Depreciation		34,049	-
Impairment of evaluation and exploration assets	6	205,000	-
Management fees	10	331,200	367,335
Exploration expenditures	6	4,080,619	2,359,154
Filing fees		23,747	24,398
Marketing and development		243,006	4,217,633
Office and general		71,398	40,825
Professional fees	10	287,197	311,743
Seed research and development	5	352,536	645,238
Share-based compensation	9,10	412,978	2,893,633
Travel		80,008	12,768
<b>Total operating and administrative expenses</b>		<b>(6,251,463)</b>	<b>(11,003,975)</b>
<b>Other items:</b>			
Foreign exchange gain		6,673	-
Changes in fair value of investment	6(a)	(20,000)	-
Flow-through premium liability recovery	9	325,507	-
Flow-through tax expense		(109,502)	-
Other income		2,550	-
<b>Net loss for the year</b>		<b>(6,046,235)</b>	<b>(11,003,975)</b>
Foreign currency translation		(5,143)	-
<b>Total comprehensive loss</b>		<b>\$ (6,051,378)</b>	<b>\$ (11,003,975)</b>
<b>Net loss attributable to:</b>			
Owners of the company		\$ (5,875,454)	\$ (11,003,075)
Non-controlling interest		(170,781)	-
		<b>\$ (6,046,235)</b>	<b>\$ (11,003,075)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of the company		\$ (5,878,540)	\$ (11,003,975)
Non-controlling interest		(172,838)	-
		<b>\$ (6,051,378)</b>	<b>\$ (11,003,975)</b>
Basic and diluted loss per share	9	\$ (0.07)	\$ (0.21)
Weighted average number of common shares outstanding – basic and diluted	9	<b>79,446,904</b>	53,042,185

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS



**MEDARO MINING CORP.**
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars, except for the number of shares)

	Note	Share capital			Non-controlling interest	Accumulated other comprehensive loss	Deficit	Total equity
		Number of shares	Capital stock	Reserves				
<b>Balance, September 30, 2021</b>		<b>40,757,808</b>	<b>\$ 6,453,331</b>	<b>\$ 898,093</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,700,228)</b>	<b>\$ 4,651,196</b>
Shares issued for exercise of warrants	9	5,591,745	2,590,758	(306,824)	-	-	-	2,283,934
Shares issued for Yurchison Uranium Property	6,9	704,225	500,000	-	-	-	-	500,000
Shares issued for Lac La Motte Property	6,9	110,000	52,800	-	-	-	-	52,800
Shares issued for Superb Lake Property	6,9	250,000	77,500	-	-	-	-	77,500
Shares issued for Darlin Li- Be Motte Property	6,9	100,000	27,500	-	-	-	-	27,500
Shares issued for flow-through private placement	9	6,459,899	4,521,929	-	-	-	-	4,521,929
Share issuance costs		-	(396,539)	207,753	-	-	-	(188,786)
Share-based compensation	9	-	-	2,893,633	-	-	-	2,893,633
Shares issued for settlement of RSRs		2,140,000	1,968,800	(1,968,800)	-	-	-	-
Net loss for the year		-	-	-	-	-	(11,003,975)	(11,003,975)
<b>Balance, September 30, 2022</b>		<b>56,113,677</b>	<b>15,796,079</b>	<b>1,723,855</b>	<b>-</b>	<b>-</b>	<b>(13,704,203)</b>	<b>3,815,731</b>
Shares issued for acquisition of Global Lithium	5,9	400,000	72,000	-	72,000	-	-	144,000
Shares issued for Yurchison Uranium Property	6,9	2,400,384	500,000	-	-	-	-	500,000
Shares issued for acquisition of 1411409 B.C. Ltd	6,9	1,200,000	123,641	-	-	-	-	123,641
Shares issued for Lac La Motte Property	6,9	50,000	6,000	-	-	-	-	6,000
Shares issued for flow-through private placement	9	16,080,078	2,894,414	-	-	-	-	2,894,414
Shares issued for non-flow-through private placement	9	7,350,433	1,102,565	-	-	-	-	1,102,565
Shares issued for settlement of RSRs	9	500,000	195,000	(195,000)	-	-	-	-
Shares issued for exercise of options	9	725,000	149,142	(35,392)	-	-	-	113,750
Flow-through premium liability	9	-	(482,402)	-	-	-	-	(482,402)
Share issuance costs		-	(308,967)	95,121	-	-	-	(213,846)
Share-based compensation	9	-	-	412,978	-	-	-	412,978
Foreign currency translation		-	-	-	(2,057)	(3,086)	-	(5,143)
Net loss for the year		-	-	-	(170,781)	-	(5,875,454)	(6,046,235)
<b>Balance, September 30, 2023</b>		<b>84,819,572</b>	<b>\$ 20,047,472</b>	<b>\$ 2,001,562</b>	<b>\$ (100,838)</b>	<b>\$ (3,086)</b>	<b>\$ (19,579,657)</b>	<b>\$ 2,365,453</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

**MEDARO MINING CORP.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
For the years ended September 30, 2023 and 2022  
(Expressed in Canadian Dollars)

	Note	2023	2022
<b>OPERATING ACTIVITIES</b>			
Net loss for the year		\$ (6,046,235)	\$ (11,003,975)
Adjustments for non-cash items:			
Share-based compensation	9	412,978	2,893,633
Depreciation		34,049	-
Changes in fair value of investment	6	20,000	-
Flow-through premium liability recovery	9	(325,507)	-
Foreign exchange gain		(6,673)	-
Impairment of evaluation and exploration assets	6	205,000	-
Seed research and development	5	111,305	-
Changes in non-cash working capital items related to operations:			
Receivables		(874,147)	(300,301)
Prepaid expenses		54,158	93,593
Accounts payable and accrued liabilities		499,667	260,065
<b>Cash used in operating activities</b>		<b>(5,915,405)</b>	<b>(8,056,985)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of equipment		(59,503)	-
Exploration and evaluation assets	6	(345,580)	(240,000)
<b>Cash used in investing activities</b>		<b>(405,083)</b>	<b>(240,000)</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from option exercise		113,750	-
Proceeds from private placements		3,996,979	4,521,929
Share issuance costs		(213,846)	(188,786)
Proceeds from warrants exercised		-	2,283,934
<b>Cash provided by financing activities</b>		<b>3,896,883</b>	<b>6,617,077</b>
Impact of currency translation on cash		1,530	-
Change in cash during the year		(2,422,075)	(1,679,908)
<b>Cash, beginning of the year</b>		<b>2,579,910</b>	<b>4,259,818</b>
<b>Cash, end of the year</b>		<b>\$ 157,835</b>	<b>\$ 2,579,910</b>

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:**

Non-cash investing and financing transactions:			
Shares issued for exploration and evaluation assets	\$	506,000	\$ 657,800
Shares received for exploration and evaluation assets	\$	37,500	\$ -
Shares issued for acquisition of Global Lithium	\$	72,000	\$ -
Shares issued for acquisition of 1411409 B.C. Ltd	\$	123,641	\$ -
Shares issued for exercised RSRs	\$	195,000	\$ 1,968,800
Fair value of options exercised	\$	35,392	\$ -
Warrants issued for share issuance costs	\$	95,121	\$ 207,753

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

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**1. CORPORATE INFORMATION**

Medaro Mining Corp. (the “Company”) was incorporated on June 19, 2020, in British Columbia. The registered and records office and head office of the Company is located at 220 – 333 Terminal Avenue, Vancouver, BC, V6A 4C1.

On March 24, 2021, the Company received a receipt from the British Columbia Securities Commission for its long-form prospectus dated March 24, 2021, was listed on April 6, 2021, and commenced trading on the Canadian Securities Exchange (“CSE”) on April 7, 2021 under the trading symbol “MEDA”.

The Company is in the business of acquiring, exploring, and evaluating mineral resource properties in Canada.

**2. BASIS OF PREPARATION****(a) Statement of Compliance**

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements were authorized for issue by the Board of Directors on January 29, 2024.

**(b) Basis of Measurement**

These consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars which is the functional currency of the Company. All amounts are rounded to the nearest dollar. The consolidated financial statements of the Company have been prepared on an accrual basis, except for cash flow information.

**(c) Going Concern**

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations.

The Company has not generated revenue from operations. The Company incurred a loss of \$6,046,235 for the year ended September 30, 2023 (2022 - \$11,003,975), and as of that date the Company’s accumulated deficit was \$19,579,657 (September 30, 2022 - \$13,704,203). The Company’s continuation as a going concern is contingent on the completion of financing to cover the Company’s planned exploration activities.

As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financial resources to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations.

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.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**2. BASIS OF PREPARATION – (continued)****(c) Going Concern – (continued)**

During the year ended September 30, 2023, the Company raised \$2,894,414 from a flow-through private placement and \$1,102,565 from a non-flow-through private placement (Note 9).

There can be no guarantee that the Company will be able to continue to secure additional financing in order to be able to continue operations for the foreseeable future, and if so, on terms that are favorable. These factors comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

**(d) Basis of Consolidation**

These consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are fully consolidated from the date the Company obtains control and continue to be consolidated until the date that control ceases. Control is achieved when the Company has the ability or right to cause variable returns from or is exposed to variable returns from its involvement with an entity and can affect those returns through its ability to direct the entity's activities. Details of controlled entities are as follows:

Entity	Country of Incorporation	Functional Currency	Percentage Owned	Percentage Owned
			September 30, 2023	September 30, 2022
Global Lithium Extraction Technologies, Inc. ("Global Lithium")	Canada	United States Dollars	60%	20%
1411409 B.C. Ltd.	Canada	Canadian Dollars	100%	Nil

The Company attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The significant policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently by the Company to all periods presented during the most recent fiscal year.

**Exploration and Evaluation Assets***Exploration and evaluation right to explore*

The Company capitalizes direct mineral property acquisition costs. Mineral property acquisition costs include cash consideration, option payment under an earn-in arrangement and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. Once the technical feasibility and commercial viability of extracting the mineral resources has been determined, the property is considered to be a mine under development and development costs are capitalized to "mines under construction" on the consolidated statement of financial position. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES – (continued)**Exploration and Evaluation Assets (continued)*Exploration and evaluation expenditures*

Exploration and evaluation expenditures are charged to operations in the year incurred until such time as it has been determined that a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property and equipment.

Impairment of Assets

The Company's assets are reviewed for an indication of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit or loss for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell 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 an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Financial Instruments*Financial Assets*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. These are the measurement categories under which the Company classifies its financial assets:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES – (continued)**Financial Instruments (continued)*Financial Assets (continued)*

- Fair value through OCI (“FVOCI”): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets classified at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income (loss). When the financial instrument is sold, the cumulative gain or loss remains in the accumulated other comprehensive income or loss and is not reclassified to profit or loss.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as other income in the consolidated statement of loss in the period which it arises.

The Company’s cash and receivables are measured at amortized cost and the investments are measured at fair value through profit and loss.

*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 of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of income (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.

*Financial Liabilities*

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities as financial liabilities held at amortized cost.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

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**3. SIGNIFICANT ACCOUNTING POLICIES – (continued)**Provisions*Rehabilitation Provision*

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the year in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur.

*Other 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 benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Basic and Diluted Loss Per Share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. There were no potentially dilutive common shares related to warrants or stock options outstanding at September 30, 2023 and 2022. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss), in which case the income tax is also recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising from the

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES – (continued)**Income Taxes (continued)

initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Deferred income tax assets and liabilities are presented as non-current.

Share Capital

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements is determined to be the more easily measurable component and is valued at their fair value, as determined by the closing quoted bid price on the date of issuance. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves and upon expiration of the warrants, the fair value remains in reserves.

Flow-Through Shares

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders and the premium is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a flow-through tax expense.

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where non-vesting condition is not satisfied. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is charged to profit or loss over the remaining vesting period.



**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES – (continued)**Share-based Payments (continued)

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods and services received or at the fair value of the equity instruments issued if it is determined the fair value of goods or services cannot be reliably measured and are recorded at the date the goods or services are received.

For restricted share rights (“RSRs”), the fair value of the grant is determined by multiplying the Company’s share price at grant date by the number of RSRs granted. The resulting fair value of the RSRs is then adjusted for an estimated forfeiture rate which is determined based on historical data and is recognized over the vesting period. Actual number of RSRs that will eventually vest is likely to be different from estimation.

All equity-settled share-based payments are reflected in reserves until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled and settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Where options are cancelled or expired, the fair value of the options is left in reserves.

Investments in Associates

Associates are all entities over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

Under the equity method, the investment is adjusted to recognize changes in the Company’s share of net assets of the associate since the acquisition date.

The consolidated statement of loss and comprehensive loss reflects the Company’s share of the results of operations of the associate. In addition, when there has been a change recognized directly in the equity of the associate, the Company recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss within ‘Share of profit of an associate’ in profit or loss.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES – (continued)**Foreign and Presentation Currency

The functional currency of the Company is determined based on the currency of the primary economic environment in which the Company operates. The functional currency of the Company and its wholly owned subsidiary 1411409 B.C. Ltd. is the Canadian dollar and the functional currency of the Company's other subsidiary Global Lithium Extraction Technologies, Inc. ("Global Lithium") is the United States dollar. The presentation currency of the Company is the Canadian dollar.

*Transactions and balances*

At the transaction date, each asset, liability, income and expense denominated in a foreign currency is translated into the relevant functional currency using the exchange rate in effect at that date. At the reporting period end date, monetary assets and liabilities are translated into the relevant functional currency using the exchange rate in effect at that date and the related translation differences are recognized in profit or loss.

Non-monetary assets and liabilities that are measured at historical cost are translated into the relevant functional currency by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated.

*Translation into the presentation currency*

The operating results and statements of financial position of entities with functional currencies different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities presented are translated at the year-end closing rate as at the date of the consolidated statements of financial position;
- Income and expenses for the statements of loss are translated at average exchange rates, unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the rate on the dates of the transactions; and
- All resulting exchange differences from translating the foreign operation are recognized in a separate component of shareholders' equity as other comprehensive income (loss).

Accounting Standards and Amendments issued but not yet adopted

• IAS 1, Presentation of Financial Statements ("IAS 1"): In October 2022, the IASB issued amendments to IAS 1 titled Non-current Liabilities with Covenants. These amendments seek to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 do not override but incorporate the previous amendments, Classification of Debt as Current or Non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. The Company does not expect these amendments to have a material effect on its consolidated financial statements.

• IAS 1 and IFRS Practice Statement 2: In February 2021, the IASB issued amendments to IAS 1 and the IFRS Practice Statement 2 Making Materiality Judgments to provide guidance on the application of materiality judgments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Guidance and illustrative examples are added in the Practice Statement to assist in the application of materiality concept when making judgments about accounting policy disclosures. The amendments are effective for periods beginning January 1, 2023, with early adoption permitted. Prospective application is required on adoption. The Company does not expect these amendments to have a material effect on its consolidated financial statements.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

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**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

In the preparation of these consolidated financial statements, management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. The following critical judgments can have an effect on the amounts recognized in the consolidated financial statements:

- At least annually or whenever there is an indicator for impairment, management evaluates the amount of its exploration and evaluation assets. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral property interests. The Company uses several criteria in its assessments of economic recoverability and profitability of future economic benefit, including geologic and metallurgic information, economics assessment/studies, accessible facilities, existing permits, and ability to continue development. The Company recognized an impairment in respect to its Superb Lake property. See note 6.
- At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired. When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized. Acquisition of Global Lithium and 1411409 B.C. Ltd. are considered to be asset acquisitions. See notes 5 and 6.
- The assessment of the Company's ability to continue as a going concern requires significant judgment. (Note 2(c)).
- Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title or interest therein. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

**5. ACQUISITION OF GLOBAL LITHIUM**

On June 30, 2021, the Company entered into an arrangement (the "Agreement") with Dr. James G. Blencoe, PhD of Tennessee, and Charn Deol ("the Partners") with respect to the formation and operation of a new corporation, Global Lithium, to develop and commercialize a new, low-cost process for extracting lithium from spodumene concentrate (the "Technology").

Pursuant to the Agreement, Dr. Blencoe will contribute his and his related companies' intellectual property, personnel, laboratory facilities and services to Global Lithium and the Company will fund the research and development costs through (i) the contribution of USD\$500,000 over the first ten months of the Joint Venture; (ii) the contribution of USD\$3,000,000 towards commission of a pre-commercial facility for the large-scale testing and implementation of the Technology and (iii) contribution of funds to cover costs and expenses related to the preparation, filing, and prosecution of any nonprovisional patent applications related to the Technology, and other reasonable expenses incurred in connection therewith, including reasonable fees and expenses paid to outside legal counsel, if and when Global Lithium pursues such applications. The Company will acquire an ownership interest in Global Lithium in stages, as certain cash contribution are made, as Global Lithium achieves certain operational and research milestones, and upon the Company issuing up to an aggregate of 1,850,000 common shares of the Company to Dr. Blencoe and Mr. Deol.

Once the Company owns 80% of Global Lithium's shares and the Technology has been completed, the Company will be entitled to acquire the remaining 20% interest in Global Lithium for USD\$10,000,000 payable in cash or shares.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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(Expressed in Canadian Dollars)

**5. ACQUISITION OF GLOBAL LITHIUM – (continued)**

On October 18, 2022 (the acquisition date), pursuant to the Agreement, the Company issued 400,000 common shares to partners on completion of two significant milestones and have been issued an aggregate of 2,875,000 common shares of Global Lithium, bringing the Company's total ownership interest to 60% as at September 30, 2023 (September 30, 2022 – 20%) ("the Transaction"). As a result, the Company obtained control over Global Lithium on that date, and Global Lithium became the Company's subsidiary. Prior to the acquisition of this additional ownership, the Company's interest in Global Lithium was accounted for using the equity method.

At the time of the Transaction, the Global Lithium did not meet the definition of a business as defined under IFRS 3 "Business Combinations". Hence, the Transaction was accounted for as an asset acquisition.

The following table summarizes the estimated fair values of consideration paid, previously held equity interest and non-controlling interest, as well as the assets acquired, and liabilities assumed at the acquisition date. The consideration paid is accounted for in accordance with IFRS 2 Share-based payments whereby the Company issued shares in exchange for the net assets of Global Lithium. The fair value of the shares issued were determined based on the share price of the Company on acquisition date. The fair value of the previously held equity interest and the fair value of the non-controlling interest were determined on a pro-rata basis based on the 40% interest acquired by the Company during the year.

Fair value of the consideration paid – 40%	\$ 72,000
Fair value of the previously held equity interest – 20%*	36,000
Fair value of the non-controlling equity interest – 40%	72,000
<b>Total consideration and non-controlling interest</b>	<b>\$ 180,000</b>
Property and equipment	\$ 45,175
Prepaid expenses	4,079
Accounts payable and accrued liabilities	(16,559)
Excess consideration*	147,305
<b>Total net assets</b>	<b>\$ 180,000</b>

\*The excess consideration and the remeasurement of the previously held equity interest were recorded to seed research and development on acquisition date.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**6. EXPLORATION AND EVALUATION ASSETS**

The following table represents expenditures incurred on the exploration and evaluation assets:

	Superb Lake Property	CYR South Lithium Property	Yurchison Uranium Property	Lac La Motte Lithium Property	Darlin Li- Be Property	James Bay Pontax Property	Total
Balance as at September 30, 2021	\$ 40,000	\$ 205,000	\$ -	\$ -	\$ -	\$ -	\$ 245,000
Options payments - cash	50,000	-	150,000	20,000	20,000	-	240,000
Options payments - shares issued	77,500	-	500,000	52,800	27,500	-	657,800
Balance as at September 30, 2022	167,500	205,000	650,000	72,800	47,500	-	1,142,800
Options payments - cash	75,000	-	150,000	60,000	45,000	15,580	345,580
Sale of options	(37,500)	-	-	-	-	-	(37,500)
Options payments - shares issued	-	-	500,000	6,000	-	123,641	629,641
Impairment	(205,000)	-	-	-	-	-	(205,000)
Balance as at September 30, 2023	\$ -	\$205,000	\$1,300,000	\$138,800	\$92,500	\$139,221	\$ 1,875,521

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**6. EXPLORATION AND EVALUATION ASSETS – (continued)**

The following tables represent exploration expenditures incurred during the years ended September 30, 2023 and 2022, which have been included in exploration expenditures in the consolidated statements of loss and comprehensive loss:

For the year ended September 30, 2023	Superb Lake Property	CYR South Lithium Property	Yurchison Uranium Property	Darlin Li-Be Property	Lac La Motte Lithium Property	Rapide Lithium Property	James Bay Pontax Property	Total
Consulting	\$ 5,250	\$ -	\$ 5,250	\$ 7,250	\$ 4,950	\$ 4,250	\$ 1,200	\$ 28,150
Community relations	-	1,750	-	-	-	-	-	1,750
Drilling	122,931	407,664	-	167,103	-	749,578	-	1,447,276
Field cost	80,650	46,950	-	308,818	9,500	91,800	-	537,718
Geological	21,175	64,500	-	231,085	2,400	144,800	-	463,960
Helicopter	6,000	-	-	9,000	-	1,500	-	16,500
Reports and admin	22,000	38,100	-	90,350	-	48,300	30,000	228,750
Surveys	329,780	50,713	113,464	113,713	55,713	135,141	219,998	1,018,522
Travel and accommodations	50,000	31,500	1,283	195,000	6,560	53,650	-	337,993
<b>Total</b>	<b>\$ 637,786</b>	<b>\$ 641,177</b>	<b>\$ 119,997</b>	<b>\$1,122,319</b>	<b>\$ 79,123</b>	<b>\$ 1,229,019</b>	<b>\$ 251,198</b>	<b>\$ 4,080,619</b>

For the year ended September 30, 2022	Superb Lake Property	CYR South Lithium Property	Yurchison Uranium Property	Lac La Motte Lithium Property	Darlin Li-Be Property	Total
Community relations	\$ 19,724	\$ -	\$ 9,095	\$ 30,000	\$ -	\$ 58,819
Consulting	-	14,000	42,340	8,260	63,475	128,075
Drilling	-	-	-	381,068	-	381,068
Field cost	50,830	4,800	155,098	34,050	-	244,778
Geological	190,204	187,700	179,000	77,108	-	634,012
Helicopter	-	-	189,593	-	-	189,593
Reports and admin	20,230	30,000	17,250	35,650	-	103,130
Surveys	89,205	-	315,564	-	-	404,769
Travel and accommodations	-	65,150	66,621	83,139	-	214,910
<b>Total</b>	<b>\$ 370,193</b>	<b>\$ 301,650</b>	<b>\$ 974,561</b>	<b>\$ 649,275</b>	<b>\$ 63,475</b>	<b>\$ 2,359,154</b>

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(Expressed in Canadian Dollars)

**6. EXPLORATION AND EVALUATION ASSETS – (continued)****(a) Superb Lake Property**

On September 11, 2020 (the “Effective Date”), the Company obtained an option to acquire up to a 100% interest in the Superb Lake Property. This property is located in the Thunder Bay Mining District, Northwestern Ontario. As consideration, the Company must make total cash payments of \$165,000, issue 750,000 common shares of the Company and incur \$370,000 in exploration expenditures as follows:

	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
Within seven days of signing on the Effective Date ( <i>paid</i> )	\$ 40,000	-	\$ -
Within one year of the Effective Date ( <i>incurred</i> )	-	-	120,000
Within one year of the date on which the Company’s shares become listed on the CSE (April 6, 2021, the “Listing Date”) ( <i>paid, issued</i> )	50,000	250,000	-
Within two years of the Effective Date ( <i>paid, incurred</i> )	75,000	-	250,000
Within two years of the Listing Date ( <i>not issued</i> )	-	500,000*	-
<b>Total</b>	<b>\$ 165,000</b>	<b>750,000</b>	<b>\$ 370,000</b>

Should the Company acquire 100% of the property, the optionor will retain a 3% net smelter return royalty (“NSR Royalty”). The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 2%.

\*During the year ended September 30, 2023, an impairment loss amounting to \$205,000 (2022-\$Nil) was recognized in respect of the Superb Lake property. The impairment loss was recognized as a result of the Company’s rights to continue exploring the property became doubtful.

On November 29, 2022, the Company entered into a property option agreement with Rock Edge Resources Ltd. (“Rock Edge”) to option 70% interest in the Superb Lake Property. The Company holds an option to acquire 100% of the property from the optionor and this option agreement is dependent upon the Company earning its interest. To earn its 70% interest in the property, Rock Edge is required to do the following over a two year period:

- Pay an aggregate of \$200,000 to the Company;
- Issue an aggregate of 2,200,000 of Rock Edge common shares to the Company; and
- Perform mining exploration and incur qualified expenditures on the property in an aggregate amount of \$700,000.

Upon earning its 70% interest, the Company and Rock Edge will enter into a joint venture with the goal of advancing the exploration and potential development of the property.

During the year ended September 30, 2023, the Company received 500,000 shares of Rock Edge valued at \$37,500. The investment in Rock Edge is summarized as shown below:

<b>Balance as at September 30, 2022 and 2021</b>	<b>\$</b>	<b>-</b>
Receipt of 500,000 shares on November 29, 2022		37,500
Fair value loss on investment		(20,000)
<b>Balance as at September 30, 2023</b>	<b>\$</b>	<b>17,500</b>

Subsequent to year end, the agreement between the Company and Rock Edge was terminated.

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**6. EXPLORATION AND EVALUATION ASSETS – (continued)****(b) CYR South Lithium Property**

On April 13, 2021 (the “Effective Date”), the Company obtained an option to acquire up to a 100% interest in the CYR South lithium property located in James Bay area of Quebec. As consideration, the Company agrees to pay the optionor cash of \$30,000, issue 250,000 common shares of the Company and incur \$250,000 in exploration expenditures as follows:

	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
Within five days of signing on the Effective Date ( <i>paid</i> )	\$ 30,000	-	\$ -
Subject to a pooling agreement providing for the release of the shares 8 months after the Company’s shares become DTC eligible ( <i>issued</i> )	-	250,000	-
Within one year of the Effective Date ( <i>incurred</i> )	-	-	250,000
<b>Total</b>	<b>\$ 30,000</b>	<b>250,000</b>	<b>\$ 250,000</b>

Should the Company acquire 100% of the property, the optionor will retain a 3% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 2%.



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**6. EXPLORATION AND EVALUATION ASSETS – (continued)****(c) Yurchison Uranium Property**

On November 1, 2021 (the “Effective Date”), the Company obtained an option to acquire up to a 70% interest in the Yurchison Uranium Property. This property is located in the Wollaston Domain, Northern Saskatchewan. As consideration, the Company must make total cash payments of \$800,000, issue common shares having a total value of \$3,000,000, and incur \$5,000,000 in exploration expenditures as follows:

	Cash	Common shares	Aggregate exploration expenditures
Within five days of signing on the Effective Date ( <i>paid and issued</i> )	\$ 150,000	\$ 500,000	\$ -
Within one year of the Effective Date ( <i>paid, issued and incurred</i> )	150,000	500,000	500,000
Within two years of the Effective Date (due date amended to May 1, 2024)	250,000	1,000,000	1,500,000
Within three years of the Effective Date	250,000	1,000,000	3,000,000
Total	\$ 800,000	\$ 3,000,000	\$ 5,000,000

The Company can acquire an additional 30% for a total 100% interest, subject to the NSR Royalty and an underlying NSR Royalty of 2% on one of the mining claims, by making an additional cash payment of \$7,500,000 and issuing common shares with a total value of \$7,500,000.

The optionor will retain a 2% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 1%.

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**6. EXPLORATION AND EVALUATION ASSETS – (continued)****(d) Lac La Motte Lithium Property**

On May 6, 2022 (the “Effective Date”), the Company obtained an option to acquire up to a 100% interest in the Lac La Motte Lithium Property. This property is located in northwestern Quebec, Canada. As consideration, the Company must make total cash payments of \$160,000, to issue 350,000 common shares of the Company, and incur an aggregate of \$800,000 in exploration expenditures on the Property as follows:

	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
On Effective Date <i>(paid and issued)</i>	\$ 20,000	100,000	\$ -
Within one year of the Effective Date <i>(Paid, issued and, incurred)</i>	45,000	50,000	150,000
Within two years of the Effective Date <i>(incurred)</i>	45,000	50,000	150,000
Within three years of the Effective Date	50,000	150,000	500,000
<b>Total</b>	<b>\$ 160,000</b>	<b>350,000</b>	<b>\$ 800,000</b>

The optionor will retain a 2% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,500,000 thereby reducing the NSR Royalty held to 1%. The Company has agreed to make a one-time payment of \$1,000,000 in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Property, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company’s discretion.

On May 27, 2022, in connection with the agreement, the Company issued 10,000 common shares with a fair value of \$5,300 as finder’s fees.

On September 7, 2023, the Company expanded its Lac La Motte property in Quebec (the “Property”) through the acquisition of 15 additional claims contiguous to its original western and northern boundaries. \$15,000 cash was paid for these additional claims.

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**6. EXPLORATION AND EVALUATION ASSETS – (continued)****(e) Darlin Li-Be Property**

On July 18, 2022 (the “Effective date”), the Company entered into an option agreement to acquire up to a 100% interest in and to the Darlin Li-Be property in northwestern Quebec, Canada. The Darlin Property is located in Abitibi, Quebec. Pursuant to the agreement, the Company may acquire up to a 100% interest in and to the Darlin Property by (i) making aggregate cash payments of \$160,000; (ii) issuing an aggregate of 350,000 common shares of the Company; and (iii) incurring an aggregate of \$800,000 in exploration expenditures on the Darlin Property:

	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
On Effective Date ( <i>paid, issued</i> )	\$ 20,000	100,000	\$ -
Within one year of the Effective Date ( <i>paid, incurred</i> )	45,000	50,000*	150,000
Within two years of the Effective Date	45,000	50,000	150,000
Within three years of the Effective Date	50,000	150,000	500,000
<b>Total</b>	<b>\$ 160,000</b>	<b>350,000</b>	<b>\$ 800,000</b>

Upon exercise of the Option by the Company, the Optionor will retain a 2.0% net smelter returns royalty on the Darlin Property, 1.0% of which may be purchased by the Company for \$1,500,000. Further, in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Darlin Property, the Company has agreed to make a one-time payment of \$1,000,000 to the Optionor, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company’s discretion.

\*The Company is in discussions with the optionor to amend the agreement and defer the payments which are due.

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**6. EXPLORATION AND EVALUATION ASSETS – (continued)****(f) Rapide Lithium Beryllium Property**

On October 17, 2022 (the “Effective Date”), the Company entered into an option agreement (the “Agreement”) to acquire a 100% interest in and to the Rapide Li-Be Property (the “Option”) in northwestern Quebec, Canada (the “Rapide Property”).

Pursuant to the Agreement, the Company will acquire a 100% interest in and to the Rapide Property by (i) making aggregate cash payments of \$160,000 over the first three years of the Agreement; (ii) issuing an aggregate of 350,000 common shares of the Company over the first three years of the Agreement; and (iii) incurring an aggregate of \$800,000 in exploration expenditures on the Rapide Property over the first three years of the Agreement.

	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
On Effective Date	\$ -	100,000*	\$ -
On the earlier of: (i) the date on which the Company completes an outside equity financing for gross proceeds of at least \$1,000,000; and (ii) December 31, 2022 (the "Cash date")	20,000*	-	-
1st anniversary of agreement date (October 17, 2023)	-	50,000*	150,000
1st anniversary of Cash Date	45,000*	-	-
2nd anniversary of agreement date (October 17, 2024)	-	50,000	150,000
2nd anniversary of Cash Date	45,000	-	-
3rd anniversary of agreement date (October 17, 2025)	-	150,000	500,000
3rd anniversary of Cash Date	50,000	-	-
<b>Total</b>	<b>\$ 160,000</b>	<b>350,000</b>	<b>\$ 800,000</b>

Upon exercise of the Option by the Company, the optionor will retain a 2.0% net smelter returns royalty on the Rapide Property, 1.0% of which may be purchased by the Company for \$1,500,000. Further, in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Rapide Property, the Company has agreed to make a one-time payment of \$1,000,000 to the Optionor, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company's discretion.

\*The Company is in discussions with the optionor to amend the agreement and defer the payments and exploration expenditures which are due.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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(Expressed in Canadian Dollars)

**6. EXPLORATION AND EVALUATION ASSETS – (continued)****(g) James Bay Pontax Property**

During the year ended September 30, 2023, the Company entered into a share purchase agreement to acquire 100% of the issued and outstanding shares of 1411409 B.C. Ltd., a company holding a 100% interest in the mining claims comprising the James Bay Pontax Property in Quebec, Canada. The shares of 1411409 B.C. Ltd were issued to the Company on August 17, 2023 (the “Closing date”), and from that date the Company obtained control over 1411409 B.C. Ltd which became its subsidiary.

The James Bay Property is located in the Eeyou Istchee James Bay Territory of Quebec.

Pursuant to the share purchase agreement, the Company acquired 100% of the issued and outstanding shares of the 1411409 B.C. Ltd in exchange for (i) 1,200,000 common shares in the capital of the Company (the “Consideration Shares”) (ii) a cash payment of \$7,500 and (iii) a commitment to incur \$150,000 in exploration expenditures over the twelve (12) months following the Closing date. The Consideration Shares are subject to resell restrictions, with 400,000 shares restricted for four months from the Closing date, 400,000 shares restricted for eight months from the Closing date, and 400,000 shares restricted for twelve months from the Closing date.

Furthermore, the Company will also pay a bonus of \$150,000 to the vendors of 1411409 B.C. Ltd (the “Contingent Consideration”) if, in carrying out exploration on the Project, the Company intersects five (5) intercepts of spodumene-bearing pegmatite dykes grading a minimum of 1.20% Li<sub>2</sub>O over a minimum of 1.5 meters (the “Milestone”). The Company has determined that meeting the milestone is not probable, therefore the Contingent Consideration was not recognized on acquisition date.

1411409 B.C. Ltd does not meet the definition of a business as defined under IFRS 3 “Business Combinations”. Hence, the Transaction was accounted for as an asset acquisition.

The following table summarizes the estimated fair values of consideration paid which is the value of the asset acquired, as at the acquisition date.

Consideration shares	\$	150,000
Discount on consideration shares		(26,359)
Cash payment		7,500
Transaction costs		8,080
<b>Total consideration</b>	<b>\$</b>	<b>139,221</b>

The fair value of the consideration shares was determined using the share price on issue date which was adjusted by a discount of \$26,359 as a result of the shares having hold periods. The discount was estimated based on the Black-Scholes Option Pricing Model using the following weighted average assumptions: expected dividend yield – 0%, expected volatility – 105%, risk-free interest rate – 5.27% and an expected remaining life – 0.5 years.

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

		<b>September 30, 2023</b>		<b>September 30, 2022</b>
Trade payables	\$	488,881	\$	254,459
Accrued liabilities		586,380		304,576
	\$	1,075,261	\$	559,035

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**8. RECEIVABLES**

		<b>September 30, 2023</b>		<b>September 30, 2022</b>
Goods and services tax	\$	821,893	\$	415,568
Supplier refund receivable*		403,951		-
Other receivable		63,871		-
	\$	1,289,715	\$	415,568

\*The supplier refund receivable relates to funds that were initially advanced to a supplier and refunded to the Company in the subsequent period.

**9. SHARE CAPITAL****(a) Authorized**

Unlimited common shares with no par value.

**(b) Issued**

As at September 30, 2023, there were 84,819,572 (September 30, 2022 – 56,113,677) common shares issued and outstanding.

*During the year ended September 30, 2023:*

On September 11, 2023, the Company issued 1,200,000 shares with a fair value of \$123,641 in accordance with the James Bay Pontax Property agreement (Note 6).

On June 16, 2023, the Company issued 50,000 common shares with a fair value of \$6,000 in accordance with the Lac La Motte Lithium Property option (Note 6).

On May 3, 2023, the Company issued 675,000 common shares as a result of the exercise of options for total gross proceeds of \$101,250. A total fair value of \$26,280 for the valuation of the 675,000 options was reallocated from reserves.

On March 2, 2023, the Company issued 50,000 common shares as a result of the exercise of options for total gross proceeds of \$12,500. A total fair value of \$9,112 for the valuation of the 50,000 options was reallocated from reserves.

On February 22, 2023, the Company issued 500,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized \$195,000 from reserves to share capital.

On November 21, 2022, the Company completed a flow-through and non-flow-through private placements of 16,080,078 flow-through units ("FT Unit") at a price of \$0.18 per FT Unit for gross proceeds of \$2,894,414 and 7,350,433 non-flow-through units ("NFT Unit") at a price of \$0.15 per NFT Unit for gross proceeds of \$1,102,565. Each FT and NFT Unit consists of one common flow-through share and common non-flow-through share, respectively, and one-half of one common share purchase warrant. All proceeds received were allocated to the common shares and no fair value was allocated to the attached warrants. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of \$0.30 per common share for a period of 24 months from the date of the issuance. In addition, the Company issued 1,194,829 finders' warrants as finders' fees with the same terms as the common share purchase warrants with a fair value of \$95,121. The Company also incurred cash share issuance costs of \$213,846 in connection with this financing. The premium received on the issuance of FT Units was recognized as a liability on the Company's consolidated statement of financial position. The continuity of flow-through premium liability was as follows:

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**9. SHARE CAPITAL – (continued)****(b) Issued – (continued)***During the year ended September 30, 2023 (continued):*

Balance as at September 30, 2022 and 2021	\$	-
Flow through premium liability recognized		482,402
Recognized in profit or loss upon incurring qualifying expenditures		(325,507)
<b>Balance as at September 30, 2023</b>	<b>\$</b>	<b>156,895</b>

At September 30, 2023, the Company had a remaining commitment to incur exploration expenditures of approximately \$941,000 (2022 - \$1,879,000).

During October 2022, the Company issued 400,000 common shares with a fair value of \$72,000 in accordance with the Global Lithium Agreement (Note 5).

On November 1, 2022, the Company issued 2,400,384 common shares with a fair value of \$500,000 in accordance with the Yurchison Uranium Property option (Note 6).

*During the year ended September 30, 2022:*

On September 12, 2022, the Company issued 100,000 common shares with a fair value of \$27,500 in accordance with the Darlin Li-Be Property option (Note 6).

On August 24, 2022, the Company issued 250,000 common shares with a fair value of \$77,500 in accordance with the Superb Lake Property option (Note 6).

On May 12, 2022, the Company issued 100,000 common shares with a fair value of \$47,500 in accordance with the Lac La Motte Lithium Property option (Note 6). In connection with the agreement, the Company issued an additional 10,000 common shares on May 27, 2022, with a fair value of \$5,300 as finder's fees.

On April 22, 2022, the Company issued 10,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized \$9,200 from reserves to share capital.

On March 17, 2022, the Company issued 130,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized \$119,600 from reserve to share capital.

On December 1, 2021, the Company issued 2,000,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized \$1,840,000 from reserve to share capital.

On November 16, 2021, the Company completed a non-brokered flow-through private placement of 6,459,899 flow-through units (each, "FT Unit") at a price of \$0.70 per FT Unit for aggregate gross proceeds of \$4,521,929. Each FT Unit consists of one common flow-through share (each, "FT Share") and one-half of one common share purchase warrant. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of \$0.90 per common share for a period of 24 months from the date of the issuance. All proceeds received were allocated to the common shares. No fair value was allocated to the attached warrants. No flow-through premium was recognized. In addition, the Company issued 269,694 finders' warrants (with the same terms as the common share purchase warrants) with a fair value of \$207,753 and paid total cash finders' fees of \$188,786. At September 30, 2022, the Company had a remaining commitment to incur exploration expenditures of \$1,879,466.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**9. SHARE CAPITAL – (continued)****(b) Issued – (continued)***During the year ended September 30, 2022 (continued):*

On November 15, 2021, the Company issued 704,225 common shares with a fair value of \$500,000 in accordance with the Yurchison Uranium Property option (Note 6).

During the year ended September 30, 2022, the Company issued 2,450,500 common shares at \$0.20 per warrant, 2,920,745 common shares at \$0.55 per warrant, and 220,500 common shares at \$0.85 per warrant as a result of the exercise of share purchase warrants for total gross proceeds of \$2,283,934. A total fair value of \$306,824 for the valuation of the 2,450,500 warrants and the 409,787 finders' warrants were reallocated from reserves.

**(c) Options**

The Company has a stock option plan included in the Company's Equity Incentive Plan (the "Plan") where the Board of Directors can grant stock options to directors, officers, employees, and consultants of the Company as performance incentives. The aggregate number of shares allocated and made available for issuance pursuant to stock options and RSRs granted under the Plan shall not exceed 20% of the issued and outstanding shares as at the date of the grant. The Plan shall remain in effect until it is terminated by the Board.

*During the year ended September 30, 2023:*

On January 6, 2023, the Company granted 550,000 stock options to its directors and officers. Each option is exercisable for one common share in the capital of the Company at an exercise price of \$0.25 per share. These options vested immediately on the date of grant and expire on January 6, 2025. The fair value of the options was estimated to be \$100,227 based on the Black-Scholes Option Pricing Model using the following assumptions: expected dividend yield - 0%, expected volatility - 132%, risk-free interest rate - 3.85% and an expected remaining life - 2 years.

On April 10, 2023, the Company granted 675,000 stock options to a consultant. Each option is exercisable for one common share in the capital of the Company at an exercise price of \$0.15 per share. These options vested immediately on the date of grant and expire on October 10, 2023. The fair value of the options was estimated to be \$26,282 based on the Black-Scholes Option Pricing Model using the following assumptions: expected dividend yield - 0%, expected volatility - 91%, risk-free interest rate - 4.54% and an expected remaining life - 0.5 years. These options were exercised on May 3, 2023 and the stock price on the date of exercise was \$0.08.

Expected stock price volatility was estimated based on stock price volatility of a group of publicly listed companies involved in mineral exploration.

*During the year ended September 30, 2022:*

No stock options were granted.



**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**9. SHARE CAPITAL – (continued)****(c) Options – (continued)**

The changes in stock options are summarized as follows:

	<b>Number</b>	<b>Weighted Average Exercise Price</b>
Balance as at September 30, 2021 and 2022	450,000	\$ 1.29
Issued	1,225,000	0.19
Expired	(450,000)	1.29
Exercised	(725,000)	0.16
Balance as at September 30, 2023	500,000	\$ 0.25

As at September 30, 2023 there were 500,000 stock options outstanding and exercisable (September 30, 2022-450,000), with the weighted average life of stock options outstanding being 1.27 years. The weighted average price on the date of the stock options exercised is \$0.09 (2022 - \$Nil).

Share-based payments relating to stock options vesting during the year ended September 30, 2023, was \$126,509 (2022 - \$ 266,320).

**(d) Share Purchase Warrants**

*During the year ended September 30, 2023:*

On November 21, 2022, the Company issued 11,715,256 share purchase warrants in connection with its November 2022 Private Placement. Each warrant is exercisable at a price of \$0.30 expiring on November 22, 2024, no value was allocated to these warrants based on the residual method. An additional 1,194,829 finders' warrants were issued in connection with the November 2022 Private Placement under the same terms. These warrants have a fair value of \$95,121 which has been recorded to reserves as a share issuance cost.

*During the year ended September 30, 2022:*

On November 16, 2021, the Company issued 3,229,949 share purchase warrants in connection with its November 2021 Private Placement. Each warrant is exercisable at a price of \$0.90 expiring on November 16, 2023. An additional 269,694 finders' warrants were issued in connection with the November 2021 Flow-Through Private Placement under the same terms. These warrants have a fair value of \$207,753 which has been recorded to reserves as a share issuance cost.

The fair value of the finders' warrants was determined by using the Black-Scholes method with the following assumptions:

	<b>November 2022 Private Placement</b>	<b>November 2021 Private Placement</b>
Risk-free interest rate	3.87%	1.02%
Estimated life	2 years	2 years
Expected volatility	131.05%	191.22%
Expected dividend yield	0.00%	0.00%
Forfeiture rate	0.00%	0.00%
Fair value of warrants issued	\$0.08	\$0.77

Expected stock price volatility was estimated based on stock price volatility of a group of publicly listed companies involved in mineral exploration.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**9. SHARE CAPITAL – (continued)****(d) Share Purchase Warrants – (continued)**

The changes in share purchase warrants are summarized as follows:

	<b>Number</b>	<b>Weighted Average Exercise Price</b>
Balance as at September 30, 2021	8,233,934	\$ 0.51
Issued	3,499,643	0.90
Exercised	(5,591,745)	0.41
Expired	(1,048,932)	0.55
Balance as at September 30, 2022	5,092,900	0.88
Issued	12,910,085	0.30
Expired	(1,593,257)	0.84
Balance as at September 30, 2023	16,409,728	\$ 0.43

As at September 30, 2023, the following warrants were outstanding and vested, entitling the holders thereof the right to purchase one common share for each warrant held as follows:

<b>Outstanding</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Vested</b>
3,499,643	\$0.90	November 16, 2023	3,499,643
12,910,085	\$0.30	November 22, 2024	12,910,085
16,409,728			16,409,728

As at September 30, 2023, there were 16,409,728 warrants outstanding and vested with the weighted average life of warrants outstanding of 0.93 years, 3,499,643 of the warrants expired during the subsequent period without being exercised.

**(e) Restricted Share Rights (“RSR”)**

The Company has RSRs included in the Plan where the Board of Directors can grant RSRs to directors, officers, employees, and consultants of the Company as performance incentives.

*During the year ended September 30, 2023:*

On January 6, 2023, the Company granted 200,000 RSRs with a fair value of \$54,000. The RSRs vested four months after the grant date.

On November 22, 2022, the Company granted 500,000 RSRs with a fair value of \$195,000. The RSRs vested three months from the grant date and were exercised.

*During the year ended September 30, 2022:*

On February 1, 2022, the Company granted 400,000 RSRs with a fair value of \$328,000. The RSRs vest evenly over four quarters starting three months from the grant date and \$37,469 of the fair value vested during the year ended September 30, 2023 (2022-\$290,531).

On November 15, 2021, the Company granted 2,320,000 RSRs with a fair value of \$2,134,400. The RSRs vest four months from the grant date.

On December 1, 2021, the Company amended 2,000,000 of the RSRs to vest and exercise immediately.

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**9. SHARE CAPITAL – (continued)****(e) Restricted Share Rights (“RSR”) – (continued)**

Share-based payments relating to RSRs vesting during the year ended September 30, 2023, was \$286,469 (2022 - \$2,627,313).

The changes in RSRs are summarized as follows:

	<b>Number</b>
Balance as at September 30, 2021	290,000
Issued	2,720,000
Settled	(2,140,000)
Balance as at September 30, 2022	870,000
Issued	700,000
Settled	(500,000)
Balance as at September 30, 2023	1,070,000

As at September 30, 2023, there were 1,070,000 RSRs outstanding and fully vested.

**(f) Escrow Shares**

Pursuant to the subscription agreements pursuant to which such shares were issued by the Company, the 4,500,001 common shares issued on July 17, 2020 will be pooled for twelve months from the Listing Date. In addition, pursuant to an escrow agreement entered into between the Company and the holders of such shares, such shares will be placed into escrow released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date. The second and third escrow releases took place during the year ended September 30, 2022, with another 30% combined released. As at September 30, 2023, 1,350,001 (2022- 2,700,001) remained in escrow.

**(g) Loss per Share**

The calculation of basic and diluted loss per share of \$0.07 (2022 - \$0.21) for the year ended September 30, 2023 was based on the net loss attributable to owners of the Company for the year of \$5,875,454 (2022 - \$11,003,975) divided by the total weighted average number of shares outstanding of 79,446,904 (2022 - 53,042,185).

**10. RELATED PARTY TRANSACTIONS AND BALANCES**

The following expenses were incurred by key management personnel of the Company. Key management personnel includes directors and key officers of the Company including the President, Chief Executive Officer (“CEO”), and Chief Financial Officer (“CFO”). During the year ended September 30, 2023 and 2022, the remuneration of directors and officers was as follows:

	<b>Year ended</b>	
	<b>September 30, 2023</b>	<b>September 30, 2022</b>
Management fees	\$ 331,200	\$ 367,335
Professional fees	128,772	156,212
Share-based compensation	191,697	904,441
	<b>\$ 651,669</b>	<b>\$ 1,427,988</b>

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**10. RELATED PARTY TRANSACTIONS AND BALANCES – (continued)**

As of September 30, 2023, there was a balance of \$100,477 (September 30, 2022 - \$36,320) owing to related parties, which is included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing and payable on demand.

**11. CAPITAL MANAGEMENT**

The Company manages its capital structure and makes adjustments to it to effectively support the acquisition of mineral exploration properties. In the definition of capital, the Company includes, as disclosed on its consolidated statement of financial position: working capital, share capital, and deficit.

The Company is dependent on external financing to fund its activities. In order to carry out the planned development and acquisitions and pay for general administrative costs, the Company will be using its existing working capital and will raise additional amounts as needed. The Company will continue to acquire and explore mineral exploration properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended September 30, 2023. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

**12. FINANCIAL INSTRUMENTS AND RISKS**

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include investments, cash, receivables, and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. The Company's investments are measured using level 1 inputs.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As of September 30, 2023,

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**12. FINANCIAL INSTRUMENTS AND RISKS – (continued)****Liquidity Risk (continued)**

the Company had a working capital of \$419,303 (September 30, 2022 – \$2,672,931).

**Credit Risk**

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

**Interest Rate Risk**

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

**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.

**13. INCOME TAXES**

The actual income tax provisions differ from the expected amounts calculated by applying the Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	<b>For the year ended September 30, 2023</b>	<b>For the year ended September 30, 2022</b>
Loss before taxes for the year	\$ (6,046,235)	\$ (11,003,975)
Canadian federal and provincial income tax rates	27%	27%
Expected income tax recovery based on the above rates	(1,632,500)	(2,971,100)
Permanent differences	(74,700)	72,000
Flow-through proceeds renounced	1,166,900	766,700
Changes in tax assets not recognized	540,300	2,132,400
	\$ -	\$ -

**MEDARO MINING CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

**13. INCOME TAXES – (continued)**

The significant components of the Company's deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised are as follows:

	<b>Expiry dates</b>	<b>September 30, 2023</b>	<b>September 30, 2022</b>
Non-capital losses	2039- 2043	\$ 10,300,300	\$ 9,202,900
Deferred equity compensation	No expiry	921,700	652,900
Investment in associate	No expiry	288,800	288,800
Share issuance costs and other	2024-2027	578,200	368,000
Unrecognized deductible temporary differences and unused tax losses		\$ 12,089,000	\$ 10,512,600

Due to the uncertainty of realization of these deductible temporary differences, the tax benefit is not reflected in the consolidated financial statements.

As of September 30, 2023, the Company has unrecognized deferred tax liability of \$40,193 (2022 - \$Nil) due to temporary differences arising on the initial recognition of the acquisition of 1411409 B.C. Ltd. and Global Lithium.

**14. SUBSEQUENT EVENTS**Flow-Through and Non-Flow-Through Private Placements

During November 2023, the Company completed a flow-through and non-flow-through private placement of 8,125,000 flow-through units ("FT Unit") at a price of \$0.08 per FT Unit for aggregate gross proceeds of \$650,000 and 500,000 non-flow-through units ("NFT Unit") at a price of \$0.06 per NFT Unit for aggregate gross proceeds of \$30,000. Each FT and NFT Unit consists of one common flow-through share and common non-flow-through share, respectively, and one common share purchase warrant. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of \$0.12 per common share for a period of 24 months from the date of the issuance. In connection with this private placement, the Company issued 253,750 finders' warrants as finders' fees with the same terms as the common share purchase warrants and incurred cash issuance costs amounting to \$47,600.

Restricted Share Rights

On November 10, 2023, the Company issued 1,070,000 common shares as a result of RSRs being settled at no cost to the holder. The RSRs have a fair value of \$921,700.

**Schedule B**

**MEDARO MINING CORP.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the year ended September 30, 2023

(Expressed in Canadian Dollars)

January 29, 2024

## **MEDARO MINING CORP.**

### **Management's Discussion and Analysis**

For the years ended September 30, 2023, and 2022

Dated: January 29, 2024

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*This Management's Discussion and Analysis ("MD&A") relates to the financial condition and results of operations of Medaro Mining Corp. as of January 29, 2024, and is intended to supplement and complement the Company's consolidated financial statements for the year ended September 30, 2023. Readers are cautioned that this MD&A contains forward-looking statements and that actual events may vary from management's expectations. The Company's public disclosure documents are available on SEDAR at [www.sedarplus.com](http://www.sedarplus.com). The consolidated financial statements and MD&A are presented in Canadian ("CAD") dollars, except where noted, and have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"). This discussion addresses matters we consider important for an understanding of our financial condition and results of operations as of and for the year ended September 30, 2023. Statements are subject to the risks and uncertainties identified in the "Risks and Uncertainties" and "Cautionary Note Regarding Forward-Looking Statements" sections of this document.*

### **Forward-Looking Information**

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

The Company's forward-looking statements are based on the Company's beliefs and assumptions, which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of January 29, 2024, and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information, or statements, may not be achieved and that the assumptions underlying such information or statements will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

### **Scientific and Technical Disclosure**

The scientific and technical information contained in this MD&A has been reviewed and approved by Afzaal Pirzada, M.Sc.(Geology), P.Geo., a consultant of the Company and a "Qualified Person" as defined in National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.



**MEDARO MINING CORP.**

Management's Discussion and Analysis

For the years ended September 30, 2023, and 2022

Dated: January 29, 2024

**The Company's Business**

Medaro Mining Corp. (the "Company" or "Medaro") was incorporated on June 19, 2020, in British Columbia. The registered and records office and head office of the Company is located at 220 – 333 Terminal Avenue, Vancouver, BC V6A 4C1. Medaro is in the business of acquiring, exploring, and evaluating mineral resource properties in Canada.

The Company received a receipt from the British Columbia Securities Commission for its long-form prospectus on March 24, 2021, was listed on April 6, 2021, and commenced trading on the Canadian Securities Exchange ("CSE") on April 7, 2021, under the trading symbol "MEDA".

**Superb Lake Property**

On September 11, 2020 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the Superb Lake Property. This property is located in the Thunder Bay Mining District, Northwestern Ontario. As consideration, the Company must make total cash payments of \$165,000, issue 750,000 common shares of the Company and incur \$370,000 in exploration expenditures as follows:

	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
Within seven days of signing on the Effective Date ( <i>paid</i> )	\$ 40,000	-	\$ -
Within one year of the Effective Date ( <i>incurred</i> )	-	-	120,000
Within one year of the date on which the Company's shares become listed on the CSE (April 6, 2021, the "Listing Date") ( <i>paid, issued</i> )	50,000	250,000	-
Within two years of the Effective Date ( <i>paid, incurred</i> )	75,000	-	250,000
Within two years of the Listing Date (not issued)	-	500,000*	-
<b>Total</b>	<b>\$ 165,000</b>	<b>750,000</b>	<b>\$ 370,000</b>

Should the Company acquire 100% of the property, the optionor will retain a 3% net smelter return royalty ("NSR Royalty"). The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 2%.

\*During the year ended September 30, 2023, an impairment loss amounting to \$205,000 (2022-\$Nil) was recognized in respect of the Superb Lake property. The impairment loss was recognized as a result of the Company's rights to continue exploring the property becoming doubtful.

On November 29, 2022, the Company entered into a property option agreement with Rock Edge Resources Ltd. ("Rock Edge") to option 70% interest in the Superb Lake Property. The Company holds an option to acquire 100% of the property from the optionor and this option agreement is dependent upon the Company earning its interest. To earn its 70% interest in the property, Rock Edge is required to do the following over a two year period:

- Pay an aggregate of \$200,000 to the Company;
- Issue an aggregate of 2,200,000 of Rock Edge common shares to the Company; and
- Perform mining exploration and incur qualified expenditures on the property in an aggregate amount of \$700,000.

Upon earning its 70% interest, the Company and Rock Edge will enter into a joint venture with the goal of advancing the exploration and potential development of the property.

During the year ended September 30, 2023, the Company received 500,000 shares of Rock Edge valued at \$37,500. The investment in Rock Edge is summarized as shown below:

# MEDARO MINING CORP.

## Management's Discussion and Analysis

For the years ended September 30, 2023, and 2022

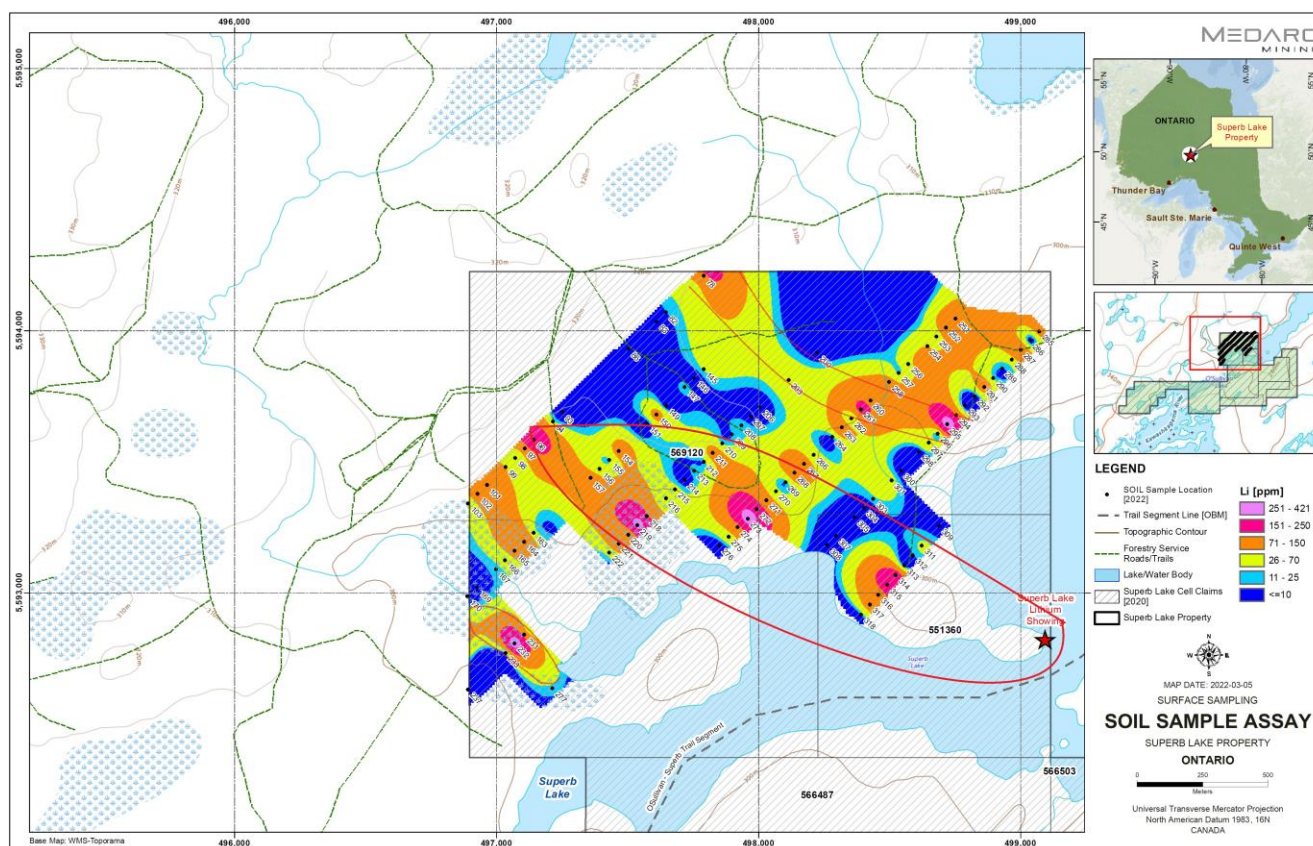
Dated: January 29, 2024

<b>Balance as at September 30, 2022 and 2021</b>	<b>\$</b>	<b>-</b>
Receipt of 500,000 shares on November 29, 2022		37,500
Fair value loss on investment		(20,000)
<b>Balance as at September 30, 2023</b>	<b>\$</b>	<b>17,500</b>

Subsequent to year end, the agreement between the Company and Rock Edge was terminated.

The Superb Lake pegmatite is known principally for its spodumene bearing lithium mineralization. The 2021 exploration work by Medaro was comprised of soil and rock sampling, and geological mapping. The work was aimed at defining the extension of lithium mineralization along strike of the known pegmatite as well as finding new target areas for further exploration. A total of 11 channel samples with a width range of 0.35 m to 1.1 m were cut. The results of channel samples indicated 0.86% Li<sub>2</sub>O over 8.8 m in the entire width of the channel, including a higher-grade intersection of 1.15% Li<sub>2</sub>O over 5.8 m.

Soil sampling was carried out by establishing soil grids of six lines at approximately 250m line-spacing and collecting a total of 319 soil samples which were analyzed using a SciAps Z-300 laser induced breakdown spectroscopy (LIBS) for elemental analysis. The interpretation of soil sampling results shows a main east - west trending soil anomaly in the extension of the Superb Lake lithium pegmatite with lithium values in the range of less than 10 parts per million (ppm) to 310 ppm over a strike length of 1250 m. The other two lithium anomalies are located to the north (109 ppm and 311 ppm over two lines) and south (up to 311 ppm) of the main lithium trend. These anomalies show a potential for discovery of more pegmatites in the area through further soil sampling, trenching and sampling program.



Superb Lake Property 2021 soil sampling map

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On October 11, 2022, the Company received results of soil sampling from Phase 2 exploration fieldwork program on its Superb Lake Lithium Property. The soil geochemical survey was conducted along three separate lines (Line 1-3 on the maps below) and a total of 161 soil samples were collected in June 2022. The soil survey identified additional lithium anomalies for further follow up.

In 2022, the Company contracted Geotech Ltd. of Ontario, Canada to complete a Versatile Time Domain Electromagnetic (VTEM™ Plus) and horizontal magnetic gradiometric survey on the Superb Lake Property. A total of 908-line kilometres of survey at 50 m line spacing was completed on the property. On March 2, 2023, the Company announced preliminary results of an airborne geophysical survey which indicate that lithium bearing spodumene mineralization on the Property is most likely controlled by structural trends in the NW- and NE-directions.

On August 10, 2023, the Company announced that Rock Edge Resources had contracted Ombabika Group Inc. (100% First Nations owned) to drill 4 holes along strike of Dyke #1 (discovery outcrop) at its recently optioned Superb Lake Property, situated in northwestern Ontario.

On October 19, 2023, the Company announced through Rock Edge Resources the results of 2023 field program which confirmed the potential of the spodumene-bearing trend located on the property. The trend is defined by 4 separate exposed pegmatite outcrop 3 of which have confirmed spodumene. These 4 outcrops follow an E-W trend over 125m with apparent width ranging from 0.80m to 3.70m wide with open width as only one contact is exposed at a time. Five samples were collected on the four outcrops of the trend with results with Li<sub>2</sub>O values in the range of 0.85 to 2.63%.

**CYR South Lithium Property**

On April 13, 2021 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the CYR South lithium property located in James Bay area of Quebec. As consideration, the Company agrees to pay the optionor cash of \$30,000, issue 250,000 common shares of the Company and incur \$250,000 in exploration expenditures as follows:

	Cash	Common shares	Aggregate exploration expenditures
Within five days of signing on the Effective Date ( <i>paid</i> )	\$ 30,000	-	\$ -
Subject to a pooling agreement providing for the release of the shares 8 months after the Company's shares become DTC eligible ( <i>issued</i> )	-	250,000	-
Within one year of the Effective Date ( <i>incurred</i> )	-	-	250,000
Total	\$ 30,000	250,000	\$ 250,000

Should the Company acquire 100% of the property, the optionor will retain a 3% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 2%.

The 2021 exploration work program comprised of soil and rock sampling and geological mapping, aimed at identifying a group of pegmatites for their potential to host lithium mineralization. A total of 190 samples were collected during this work out of which 150 are channel cut rock samples and 40 soil samples. The rock samples were collected from various pegmatites exposed on the Property along their strike extension. The soil samples were collected from quaternary deposits in the claim blocks and were aimed at identifying lithium targets for further exploration work. A 46-line kilometres of ground magnetic geophysical survey was also completed as part of this work program. The survey was completed at 100 m line spacing covering southwestern part of the claim blocks.

The rock and soil samples indicated anomalous values of lithium, beryllium, barium, boron, manganese, rubidium, cesium, and niobium. The soil sample results show consistent values of the targeted elements mentioned above in rock samples and no definite trend can be interpreted due to the limited number of samples taken. The geophysical survey

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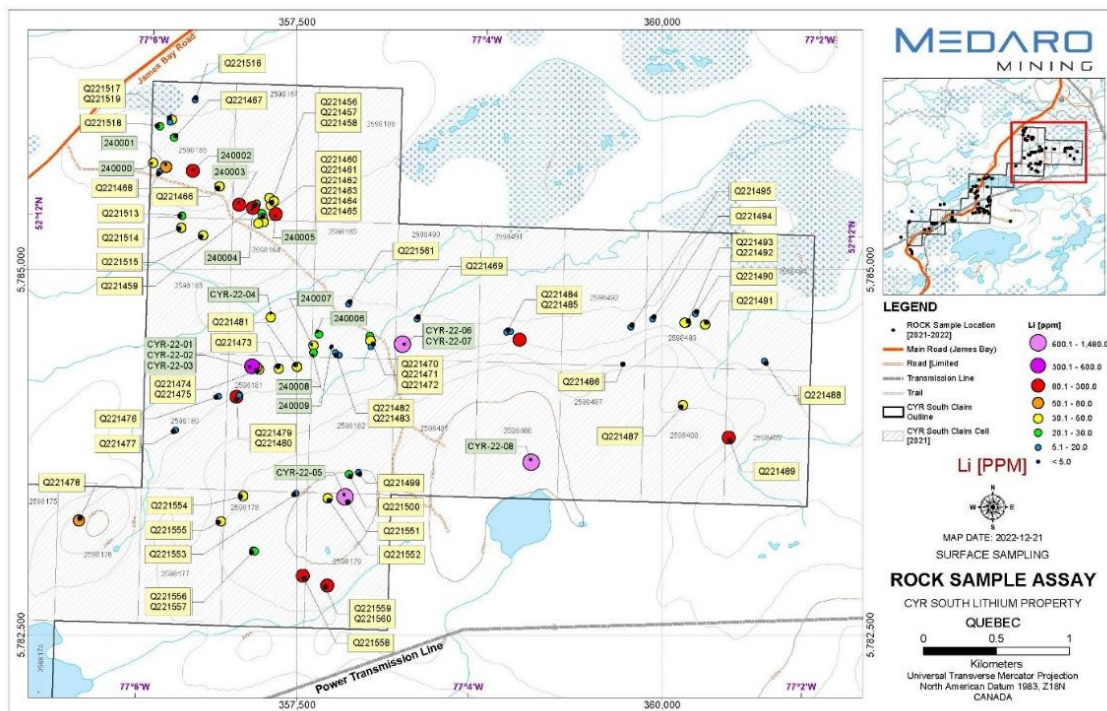
indicated some structures as a potential target for further exploration work.

During summer 2022, the Company completed exploration work comprised of soil and rock sampling and geological mapping, aimed at sampling, mapping and identifying a group of pegmatites for their potential to host lithium mineralization. A total of 600 soil samples and 18 rock samples were collected as part of the work program. 42.58-line kilometres of ground magnetic and VLF geophysical survey was also completed as part of this work program. The work program identified lithium exploration targets for further exploration.

On February 2, 2023, the Company announced results of soil and rock samples from 2022 exploration work on the CYR South Lithium Property. The results indicate higher lithium values in several pegmatites sampled. These pegmatites zones also show concurrent lithium anomalies in soil samples and will be further explored through trenching and drilling. There are anomalous values of other rare metals such as beryllium, cesium, niobium and tantalum in soil and rock samples.

The Company announced successful completion of 2023 exploration work which included 11 NQ size diamond drill holes with a total drilling of 1745 metres. The program identified pegmatites from surface to 95 m depth.

*Figure: 2023 diamond drill holes location map*



*Figure 2: Soil samples*



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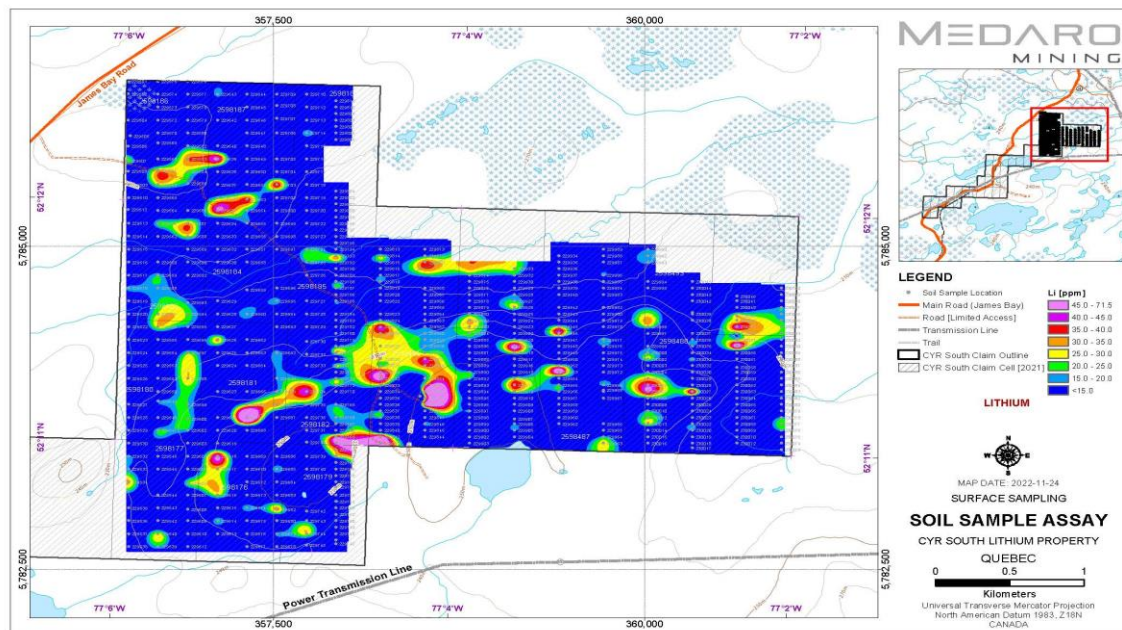
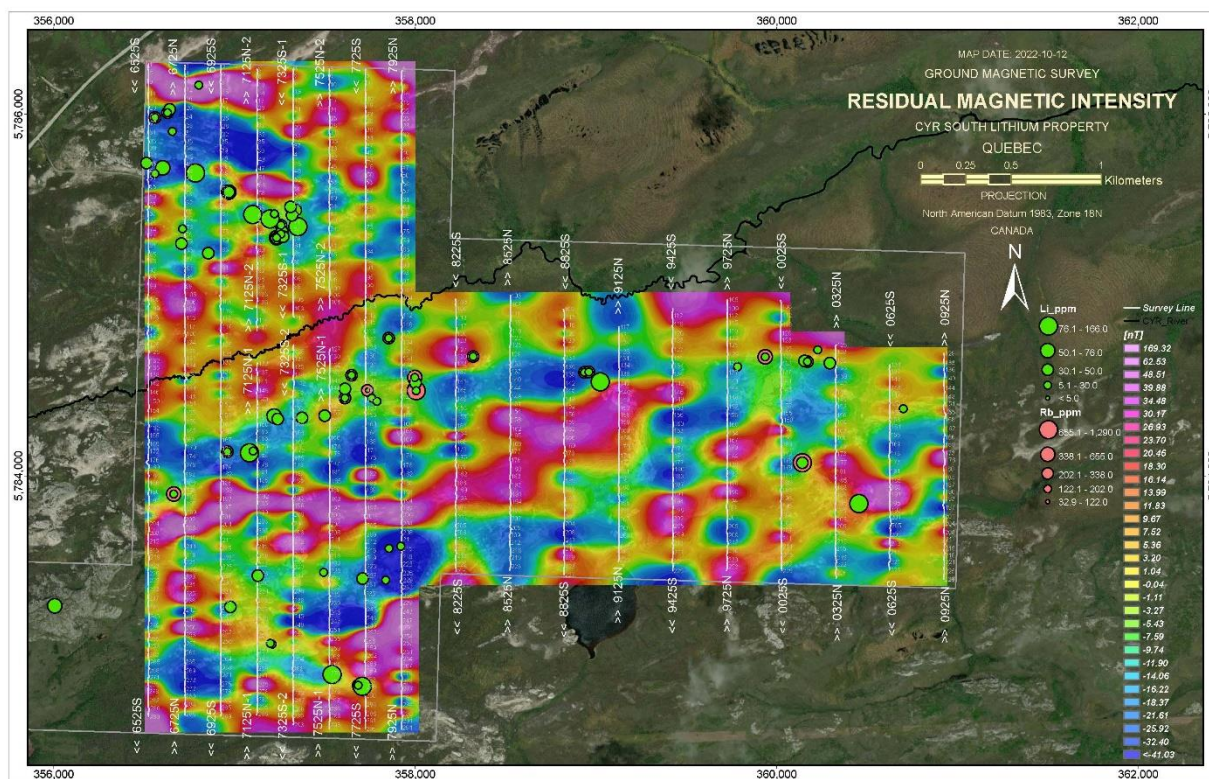


Figure 3: Lithium anomalies and ground geophysical survey interpretation map



### Yurchison Uranium Property

On November 1, 2021 (the "Effective Date"), the Company obtained an option to acquire up to a 70% interest in the Yurchison Uranium Property. This property is located in the Wollaston Domain, Northern Saskatchewan. As consideration, the Company must make total cash payments of \$800,000, issue common shares having a total value of \$3,000,000, and incur \$5,000,000 in exploration expenditures as follows:

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	Cash	Common shares	Aggregate exploration expenditures
Within five days of signing on the Effective Date ( <i>paid and issued</i> )	\$ 150,000	\$ 500,000	\$ -
Within one year of the Effective Date ( <i>paid, issued and incurred</i> )	150,000	500,000	500,000
Within two years of the Effective Date (due date amended to May 1, 2024)	250,000	1,000,000	1,500,000
Within three years of the Effective Date	250,000	1,000,000	3,000,000
Total	\$ 800,000	\$ 3,000,000	\$ 5,000,000

The Company can acquire an additional 30% for a total 100% interest, subject to the NSR Royalty and an underlying NSR Royalty of 2% on one of the mining claims, by making an additional cash payment of \$7,500,000 and issuing common shares with a total value of \$7,500,000.

The optionor will retain a 2% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 1%.

Medaro has contracted with a third party to complete a comprehensive data compilation on the Yurchison property. The scope of work will include the gathering of all previous assessment reports, government reports and maps on the property.

Medaro executed an extensive exploration program at Yurchison during 2022 that included, but is not limited to:

- Airborne magnetic, radiometric, and VLF survey
- Prospecting
- Mapping
- Soil and rock sampling

During March-April 2022 period, the Company completed an airborne geophysical survey at the Yurichson uranium Property. The Company contracted Geodata Solutions GDS Inc. of Laval, Quebec to complete a high-resolution helicopter-borne magnetic survey on mining claim MC00011054 of the Yurichson Property. A total of 1,424 line kilometers of survey is completed at 50 m line spacing using an AS 350 BA + helicopter.

The field exploration work at Yurchison was completed in a two-phase program, where Phase one of has been successfully completed on the 15<sup>th</sup> of July, which included a re-assessment of historical exploration data. The Company also completed a work program of ground prospecting, mapping, and sampling to confirm historical mineralization areas and their extensions, as well as sampling new zones and areas of interest with the aid of handheld Scintillometers and Spectrometers. To date 585 soil and rock samples have been collected for laboratory analysis.

In September 2022, the Company contracted Terraquest Ltd. of Markham, Ontario to complete a helicopter-borne aeromagnetic, horizontal gradiometric, radiometric, and VLF-EM surveys on the Property. A total of 7,117 line - kilometers of survey was completed at 50 m line spacing using a helicopter.

**Lac La Motte Lithium Property**

On May 6, 2022 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the Lac La Motte Lithium Property. This property is located in northwestern Quebec, Canada. As consideration, the Company must make total cash payments of \$160,000, to issue 350,000 common shares of the Company, and incur an aggregate of \$800,000 in exploration expenditures on the Property as follows:

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	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
On Effective Date ( <i>paid and issued</i> )	\$ 20,000	100,000	\$ Nil
Within one year of the Effective Date ( <i>Paid, issued and, incurred</i> )	45,000	50,000	150,000
Within two years of the Effective Date ( <i>incurred</i> )	45,000	50,000	150,000
Within three years of the Effective Date	50,000	150,000	500,000
<b>Total</b>	<b>\$ 160,000</b>	<b>350,000</b>	<b>\$ 800,000</b>

The optionor will retain a 2% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,500,000 thereby reducing the NSR Royalty held to 1%. The Company has agreed to make a one-time payment of \$1,000,000 in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Property, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company's discretion.

On May 27, 2022, in connection with the agreement, the Company issued 10,000 common shares with a fair value of \$5,300 as finder's fees.

On September 7, 2023, the Company expanded its Lac La Motte property in Quebec (the "Property") through the acquisition of 15 additional claims contiguous to its original western and northern boundaries. \$15,000 cash was paid for these additional claims.

The Company completed a work program during the months of May-June 2022 which included prospecting, mapping and sampling of known lithium showings and other areas on the Property. The surface samples result from the main La Motte showing indicated lithium oxide (Li<sub>2</sub>O) values in the range of less than 0.02% Li<sub>2</sub>O to 2.58% Li<sub>2</sub>O.

In June 2022, the Company contracted Forage Hebert Inc. drilling contractors to complete a total of 19 NQ size core drill holes with a cumulative drilling of 2,513 metres was completed as part of this drilling program. The results of drill holes show pegmatites of various widths and lithium (Li) grades in several drill holes.

On February 15, 2023, the Company announced results of 2022 diamond drilling which indicates pegmatites of various widths and lithium (Li) grades with significant intercepts reported below:

- Drill Hole MD22-02 Intersected a 0.7 m wide pegmatite with 0.89% lithium oxide (Li<sub>2</sub>O) at 72.7 m drilled depth.
- Drill Hole MD22-05 Intersected three pegmatites: top 0.79 m wide with 1.34% Li<sub>2</sub>O at 13.18 m depth; middle 0.7 m wide with 0.5% Li<sub>2</sub>O at 20 m depth; lower 0.81 m wide at 0.78% Li<sub>2</sub>O at 22.92 m depth.
- Drill Hole MD22-06 Intersected three pegmatites: top 0.11 m wide with 1.10% Li<sub>2</sub>O at 31.95 m depth; middle 0.87 m wide with 1.01% Li<sub>2</sub>O at 34.53 m depth; lower 0.80 m wide at 0.55% Li<sub>2</sub>O at 37.58 m depth.
- Drill Hole MD22-07 Intersected 1.76 m wide pegmatite with average 4,375 ppm Li / 0.94% Li<sub>2</sub>O.
- Drill Hole MD22-08 Intersected two pegmatites: Upper 1.33 m wide with 1.49% Li<sub>2</sub>O at 36 m depth; and lower 0.93 m wide at 88% Li<sub>2</sub>O at 41.2 m depth.
- Drill Hole MD22-17 Intersected 1.03 m wide pegmatite with 1,080 ppm Li at 46.9 m depth.

All intersections reported are based on drilled widths and have not been converted to the true width.



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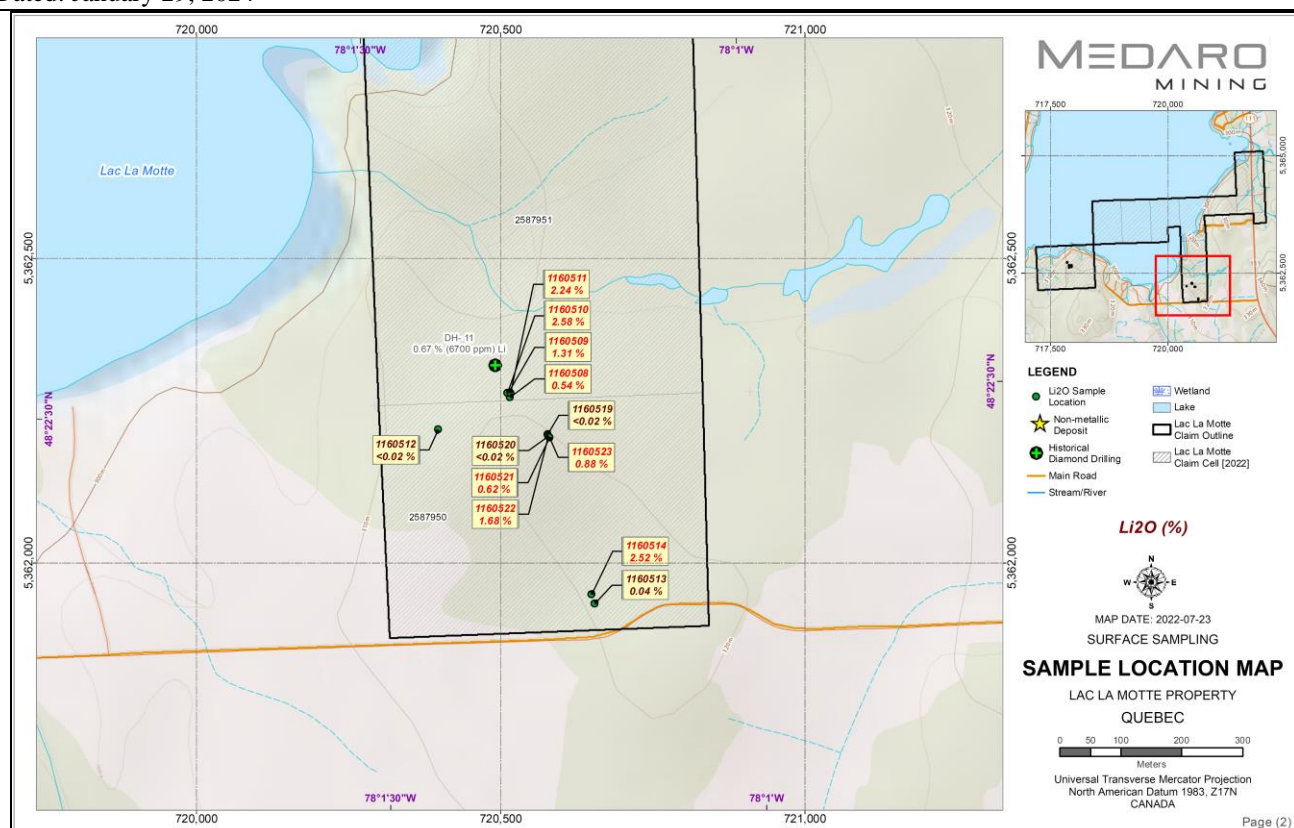


Figure showing location of samples

In October 2023, the Compant acquired 15 additional mining claims for the Property and added over 1,000 hectares land.

In Decemeber 2023, Medaro entered into a letter of intent (“**Letter of Intent**”) with respect to an option (“**Option**”) for Eureka to acquire from Medaro Mining Corp. (“**Optionor**”) a 100% undivided interest in and to the mineral claims comprising the Optionor’s Lac La Motte Project in the mining area of Abitibi, Quebec (“**Property**”), subject to a 1% net smelter returns royalty in favor of the Underlying Owner (as defined below) (“**NSR**”).

### Darlin Li-Be Property

On July 18, 2022 (the “Effective date”), the Company entered into an option agreement to acquire up to a 100% interest in and to the Darlin Li-Be property in northwestern Quebec, Canada. The Darlin Property is located in Abitibi, Quebec. Pursuant to the agreement, the Company may acquire up to a 100% interest in and to the Darlin Property by (i) making aggregate cash payments of \$160,000; (ii) issuing an aggregate of 350,000 common shares of the Company; and (iii) incurring an aggregate of \$800,000 in exploration expenditures on the Darlin Property:

	Cash	Common shares	Aggregate exploration expenditures
On Effective Date ( <i>paid, issued</i> )	\$ 20,000	100,000	\$ Nil
Within one year of the Effective Date ( <i>paid, incurred</i> )	45,000	50,000*	150,000
Within two years of the Effective Date	45,000	50,000	150,000
Within three years of the Effective Date	50,000	150,000	500,000
Total	\$ 160,000	350,000	\$ 800,000



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Upon exercise of the Option by the Company, the Optionor will retain a 2.0% net smelter returns royalty on the Darlin Property, 1.0% of which may be purchased by the Company for \$1,500,000. Further, in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Darlin Property, the Company has agreed to make a one-time payment of \$1,000,000 to the Optionor, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company's discretion.

\*The Company is in discussions with the optionor to amend the agreement and defer the payments which are due.

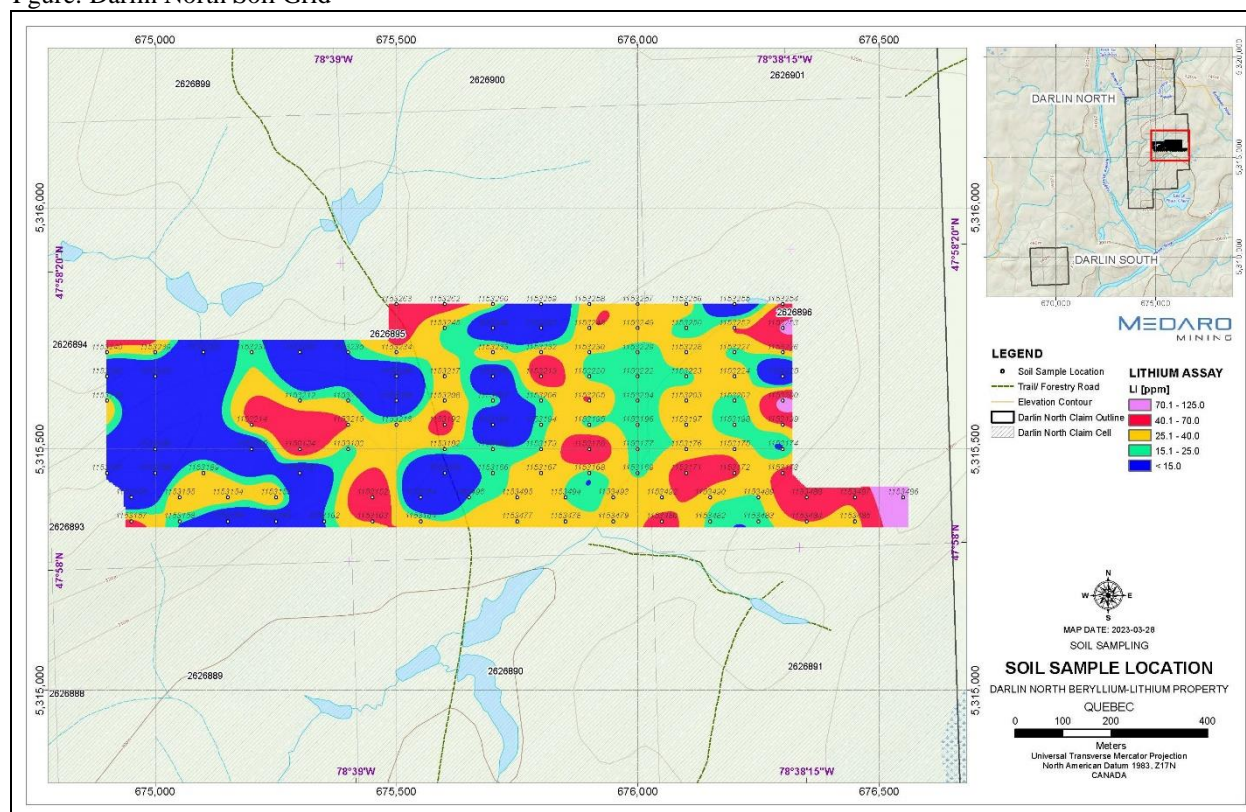
The Company completed a work program comprised of soil and rock sampling and geological mapping, aimed at sampling, mapping and identifying a group of pegmatites for their potential to host lithium mineralization. 21.83-line kilometres of ground magnetic and VLF geophysical survey was also completed as part of this work program. A high-resolution helicopter borne magnetic geophysical survey was also flown on combined Darlin and Rapide properties claims.

A total of eight diamond drill holes were drilled with a cumulative drilling of 1,286 metres NQ size core, out which two holes were abandoned at shallow depths of 27m and 33m respectively due to difficult ground conditions. The drill holes intersected several pegmatites with varying widths and lithologies.

On April 19, 2023, the Company announced the results of Phase 1 exploration fieldwork program on the Darlin Lithium Property. The work identified lithium anomalies in soil sampling which the Company plans to follow up during summer 2023 exploration work.

On June 6, 2023, the Company announced commencement of 2023 exploration work on the Property. The Phase 1 work completed by Medaro in 2022 identified lithium anomalies indicating a trend which is extending further to the east and northern part of the Property. The current work program will extend the 2022 soil grid to the east and north in the northern claim block and in the east-west direction in the southern claim block.

Figure: Darlin North Soil Grid



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**Rapide Lithium Beryllium Property**

On October 17, 2022 (the "Effective Date"), the Company entered into an option agreement (the "Agreement") to acquire a 100% interest in and to the Rapide Li-Be Property (the "Option") in northwestern Quebec, Canada (the "Rapide Property").

Pursuant to the Agreement, the Company will acquire a 100% interest in and to the Rapide Property by (i) making aggregate cash payments of \$160,000 over the first three years of the Agreement; (ii) issuing an aggregate of 350,000 common shares of the Company over the first three years of the Agreement; and (iii) incurring an aggregate of \$800,000 in exploration expenditures on the Rapide Property over the first three years of the Agreement.

	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
On Effective Date	\$ -	100,000*	\$ -
On the earlier of: (i) the date on which the Company completes an outside equity financing for gross proceeds of at least \$1,000,000; and (ii) December 31, 2022 (the "Cash date")	20,000*	-	-
1st anniversary of agreement date (October 17, 2023)	-	50,000	150,000
1st anniversary of Cash Date	45,000*	-	-
2nd anniversary of agreement date (October 17, 2024)	-	50,000	150,000
2nd anniversary of Cash Date	45,000	-	-
3rd anniversary of agreement date (October 17, 2025)	-	150,000	500,000
3rd anniversary of Cash Date	50,000	-	-
<b>Total</b>	<b>\$ 160,000</b>	<b>350,000</b>	<b>\$ 800,000</b>

Upon exercise of the Option by the Company, the optionor will retain a 2.0% net smelter returns royalty on the Rapide Property, 1.0% of which may be purchased by the Company for \$1,500,000. Further, in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Rapide Property, the Company has agreed to make a one-time payment of \$1,000,000 to the Optionor, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company's discretion.

\*The Company is in discussions with the optionor to amend the agreement and defer the payments and exploration expenditures which are due.

The Company completed a work program which was comprised of soil and rock sampling and geological mapping, aimed at sampling, mapping and identifying a group of pegmatites for their potential to host lithium mineralization. 30-line kilometres of ground magnetic and VLF geophysical surveys were also completed as part of this work program.

A total of thirteen diamond drill holes were drilled with a cumulative drilling of 2,805 metres NQ size core. Drilling work was contracted to Forage Hebert Inc. Drilling of Amos, Quebec. The drill holes intersected several pegmatites with varying widths and lithologies. These pegmatites were mapped during a concurrent ground prospecting and sampling program.

On July 18, 2023, the Company announced the launch of its 2023 exploration fieldwork program on the Rapide Lithium Property. The primary objective of the 2023 work program is to expand upon the findings of the previous year by extending the soil grid to the north and establishing two additional soil grids in the northern and southern sections of the Property.

In August 2023, Medaro announced completion of 2023 exploration fieldwork program on the property. The work included extending soil grid of 2022 by collecting 597 soil and 19 rock samples.

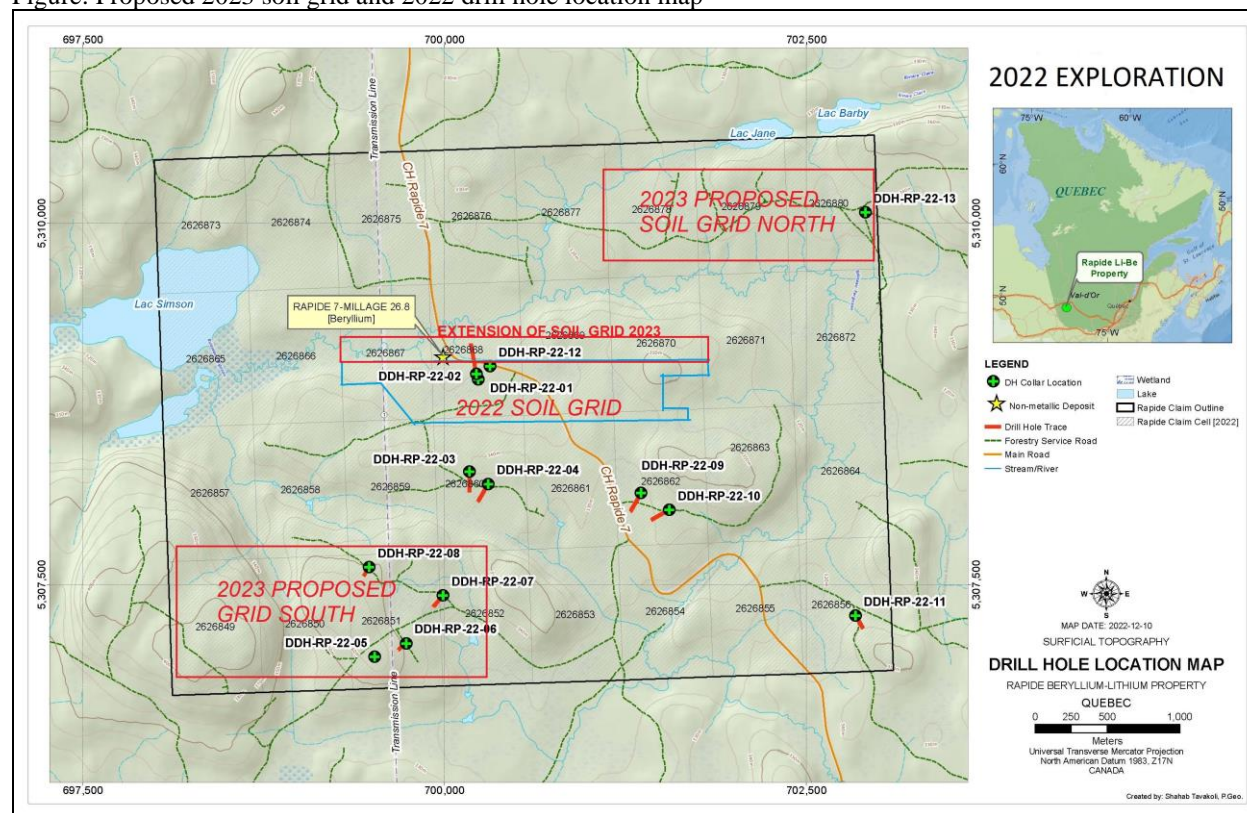
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Figure: Proposed 2023 soil grid and 2022 drill hole location map



### James Bay Pontax Lithium Property

During the year ended September 30, 2023, the Company entered into a share purchase agreement to acquire 100% of the issued and outstanding shares of 1411409 B.C. Ltd., a company holding a 100% interest in the mining claims comprising the James Bay Pontax Property in Quebec, Canada. The shares of 1411409 B.C. Ltd were issued to the Company on August 17, 2023 (the “Closing date”), and from that date the Company obtained control over 1411409 B.C. Ltd which became its subsidiary.

The James Bay Property is comprised of 100 mineral claims covering approximately 5,800 hectares (58 square kilometers) located in the Eeyou Istchee James Bay Territory of Quebec.

Pursuant to the share purchase agreement, the Company acquired 100% of the issued and outstanding shares of the 1411409 B.C. Ltd in exchange for (i) 1,200,000 common shares in the capital of the Company (the “Consideration Shares”) (ii) a cash payment of \$7,500 and (iii) a commitment to incur \$150,000 in exploration expenditures over the twelve (12) months following the Closing date.

Furthermore, the Company will also pay a bonus of \$150,000 to the vendors of 1411409 B.C. Ltd (the “Contingent consideration”) if, in carrying out exploration on the Project, the Company intersects five (5) intercepts of spodumene-bearing pegmatite dykes grading a minimum of 1.20% Li<sub>2</sub>O over a minimum of 1.5 meters (the “Milestone”). The Company has determined that meeting the milestone is not probable, therefore the Contingent consideration was not recognized on acquisition date.

1411409 B.C. Ltd does not meet the definition of a business as defined under IFRS 3 “Business Combinations”. Hence, the Transaction was accounted for as an asset acquisition.

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The following table summarizes the estimated fair values of consideration paid which is the value of the asset acquired, as at the acquisition date.

Consideration shares	\$ 150,000
Discount on consideration shares	(26,359)
Cash payment	7,500
Transaction costs	8,080
<b>Total consideration</b>	<b>\$ 139,221</b>

The fair value of the consideration shares was determined using the share price on issue date which was adjusted by a discount of \$26,359 as a result of the shares having hold periods.

The Project is comprised of 100 mineral claims covering approximately 5,800 hectares (58 square kilometers) located in the heart of the Lithium-rich Eeyou Istchee James Bay Territory of Quebec. The Project is in a highly active prospective zone of James Bay Area, being situated 30 km south of Allkem Limited's James Bay Lithium Project which has a published Mineral Reserve Estimate of 40.3Mt at 1.4% Li<sub>2</sub>O<sup>1</sup>. About 1 km west of the Project lies Stria Lithium Inc.'s ("Stria") Pontax Project, which hosts the Pontax Lithium Showing that was drilled in Winter 2022/2023.

<sup>1</sup>Cautionary Note: Mineralization hosted on the adjacent properties is not necessarily indicative of the mineralization hosted on the Project.

The Project is located in LaGrande Sub province, close to the boundary with the Némiscau Sub province. Both Sub provinces are separated by the Causabiscou Shearzone. The Project is underlain with granitoids of diverse composition within which are found dismembered volcanic units that could represent remnants of the Chambois Greenstone Belt.

**Global Lithium Joint Venture**

On June 30, 2021, the Company entered into an arrangement (the "Agreement") with Dr. James G. Blencoe, PhD of Tennessee, and Charn Deol ("the Partners") with respect to the formation and operation of a new corporation, Global Lithium, to develop and commercialize a new, low-cost process for extracting lithium from spodumene concentrate (the "Technology").

Pursuant to the Agreement, Dr. Blencoe will contribute his and his related companies' intellectual property, personnel, laboratory facilities and services to Global Lithium and the Company will fund the research and development costs through (i) the contribution of USD\$500,000 over the first ten months of the Joint Venture; (ii) the contribution of USD\$3,000,000 towards commission of a pre-commercial facility for the large-scale testing and implementation of the Technology and (iii) contribution of funds to cover costs and expenses related to the preparation, filing, and prosecution of any nonprovisional patent applications related to the Technology, and other reasonable expenses incurred in connection therewith, including reasonable fees and expenses paid to outside legal counsel, if and when Global Lithium pursues such applications. The Company will acquire an ownership interest in Global Lithium in stages, as certain cash contribution are made, as Global Lithium achieves certain operational and research milestones, and upon the Company issuing up to an aggregate of 1,850,000 common shares of the Company to Dr. Blencoe and Mr. Deol.

Once the Company owns 80% of Global Lithium's shares and the Technology has been completed, the Company will be entitled to acquire the remaining 20% interest in Global Lithium for USD\$10,000,000 payable in cash or shares.

On October 18, 2022 (the acquisition date), pursuant to the Agreement, the Company issued 400,000 common shares to partners on completion of two significant milestones and have been issued an aggregate of 2,875,000 common shares of Global Lithium, bringing the Company's total ownership interest to 60% as at September 30, 2023 (September 30, 2022 – 20%) ("the Transaction"). As a result, the Company obtained control over Global Lithium on that date, and Global Lithium became the Company's subsidiary. Prior to the acquisition of this additional ownership, the Company's interest in Global Lithium was accounted for using the equity method.

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At the time of the Transaction, the Global Lithium did not meet the definition of a business as defined under IFRS 3 "Business Combinations". Hence, the Transaction was accounted for as an asset acquisition.

**Selected Quarterly Financial Information**

A summary of results for the eight quarters since incorporation follows:

	<b>September 30, 2023 (\$)</b>	<b>June 30, 2023 (\$)</b>	<b>March 31, 2023 (\$)</b>	<b>December 31, 2022 (\$)</b>
Revenue	-	-	-	-
Net loss	1,550,664	725,001	702,987	3,067,583
Comprehensive loss	1,544,760	736,868	701,947	3,067,803
Loss per share	0.02	0.01	0.01	0.05
	<b>September 30, 2022 (\$)</b>	<b>June 30, 2022 (\$)</b>	<b>March 31, 2022 (\$)</b>	<b>December 31, 2021 (\$)</b>
Revenue	-	-	-	-
Net loss	2,127,553	1,863,979	2,678,484	4,333,959
Comprehensive loss	2,127,553	1,863,979	2,678,484	4,333,959
Loss per share	0.05	0.03	0.05	0.09

During the three months ended December 31, 2021, the Company recorded a net loss of \$4,333,959 as compared to \$2,312,593 for the previous quarter. The increase is due to the Company incurring marketing costs of \$1,622,918 compared to \$892,930 in the previous quarter as the Company continues to increase marketing. The Company also incurred additional share-based compensation of \$2,421,557 compared to \$397,688 in the previous quarter as the Company granted additional RSRs in the current quarter. The Company incurred management fees of \$123,000 compared to \$44,000 in the previous quarter as the Company approved bonus payments.

During the three months ended March 31, 2022, the Company recorded a net loss of \$2,678,484 as compared to \$4,333,959 for the previous quarter. The decrease is due to the Company incurring share-based compensation of \$291,711 compared to \$2,421,557 in the previous quarter resulting from the immediate vesting of certain RSRs in the previous quarter. Management fees also decreased to \$77,935 from \$123,000 in the previous quarter as bonuses paid to officers were incurred in the previous quarter. These decreases were offset with increases in consulting fees, exploration expenditures, filing fees, marketing and development, professional fees, and seed research and development as the Company continues to increase operations.

During the three months ended June 30, 2022, the Company recorded a net loss of \$1,863,979 as compared to \$2,678,484 for the previous quarter. The decrease is due to the Company incurring share-based compensation of only \$117,566 compared to \$291,711 in the previous quarter. Marketing and development cost also decreased 61% to \$701,392 in the three months ended June 30, 2022, compared with \$1,792,859 in the previous quarter. This was offset by major exploration costs in the current period of \$606,565, as compared to \$110,710 in the period ended March 31, 2022.

During the three months ended September 30, 2022, the Company recorded a net loss of \$2,127,553 compared to \$1,863,979 for the previous quarter. The increase is due to the Company incurring exploration costs in the current period of \$1,639,629, as compared to \$606,565 in the three months ended June 30, 2022. This was offset by share-based compensation decreasing by \$54,767 to \$62,799 in the current quarter compared to \$117,566 in the previous quarter.

During the three months ended December 31, 2022, the Company recorded a net loss of \$3,067,583 compared to \$2,127,553 for the previous quarter. The increase is due to the Company incurring exploration costs in the current period of \$2,560,722, as compared to \$1,639,629 in the three months ended September 30, 2022. The share-based compensation also increased by \$50,144 to \$112,943 in the current quarter and this also contributed to the increase in the net loss.



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During the three months ended March 31, 2023, the Company recorded a net loss of \$702,987 compared to \$3,067,583 for the previous quarter. The decrease is mainly due to the Company incurring exploration costs in the current period of \$8,283, as compared to \$2,560,722 in the three months ended December 31, 2022.

During the three months ended June 30, 2023, the Company recorded a net loss of \$725,001 compared to \$702,987 for the previous quarter which is a marginal increase from the previous quarter.

During the three months ended September 30, 2023, the Company recorded a net loss of \$1,550,664 compared to \$725,001 for the previous quarter. The increase is mainly due to significant exploration expenditures of \$1,444,684 incurred in current quarter as compared to \$66,930 incurred in three months ended June 30, 2023.

**Results of Operations**

The following tables set out selected annual financial information for the Company, which has been prepared in accordance with IFRS:

*Income statement data*

	For the year ended September 30, 2023		For the year ended September 30, 2022		For the year ended September 30, 2021	
Total revenue	\$	-	\$	-	\$	-
Net loss	\$	(6,046,235)	\$	(11,003,975)	\$	(2,611,050)
Weighted average number of shares		79,446,904		53,042,185		30,312,909
Basic and diluted loss per share	\$	(0.07)	\$	(0.21)	\$	(0.09)

*Balance sheet data*

As at	September 30, 2023		September 30, 2022		September 30, 2021	
Total assets	\$	3,597,609	\$	4,374,766	\$	4,950,166
Total liabilities	\$	1,232,156	\$	559,035	\$	298,970
Equity	\$	2,365,453	\$	3,815,731	\$	4,651,196

*For the three months ended September 30, 2023 ("Current quarter") compared to the three months ended September 30, 2022 ("Prior quarter")*

During the three months ended September 30, 2023, the Company incurred a net loss of \$1,550,604 (2022 - \$2,127,553). The decrease in net loss during the period is largely attributed to a decrease in exploration expenditures which decreased to \$1,444,684 during the three months ended September 30, 2023 (2022- \$1,639,629). The decrease in the exploration expenditure was due to less exploration activity during the Current quarter as compared to the prior quarter. The decrease in net loss is also attributable to a decrease in costs associated with marketing and brand development which decreased to \$65,206 during the three months ended September 30, 2023 from \$100,464 during the prior quarter. This decrease is due to less investor relations activities during the current quarter.

*For the year ended September 30, 2023 ("Current year") compared to the year ended September 30, 2022 ("Prior year")*

During the year ended September 30, 2023, the Company incurred a net loss of \$ 6,046,235 (2022 - \$11,003,975). The decrease in net loss during the period is largely attributed to costs associated with marketing and brand development which decreased from \$4,217,633 during the prior period to \$243,006 during the current year as a result of less marketing and brand development activities compared to the Prior year. The other reason for the decrease in net loss is

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the decrease in share-based compensation from \$2,893,633 during the prior year to \$412,978 in the current year as a result of stock options and restricted share rights having vested during the prior period. These decreases were offset by an increase in exploration and evaluation expenditure of \$1,721,465 as a result of more exploration and evaluation activity during the first quarter of fiscal year 2023.

**Liquidity and Capital Resources**

As of September 30, 2023, the Company has cash of \$157,835 (September 30, 2022 - \$2,579,910) and working capital of \$419,303 (September 30, 2022 - \$2,672,931). As of September 30, 2023, total assets were \$3,597,609 (September 30, 2022 - \$4,374,766).

The Company is in the process of raising additional funding to fund current and future exploration programs. The Company will continue to monitor the economic and financial market conditions and evaluate the impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

**Proposed Transactions**

In the normal course of business, the Company evaluates transactions and, in some cases, makes or is presented with proposals. These proposals, which are usually subject to Board, regulatory and sometimes shareholder approvals, may involve future payments, share issuances, or other commitments. These future obligations are usually contingent in nature. As of the date of this report, the Company has possible transactions that it is examining. Management is uncertain whether any of these proposals will ultimately be completed.

**Going Concern**

The Company's consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. As at September 30, 2023, the Company has not achieved profitable operations, has accumulated losses of \$19,579,657 (September 30, 2022 - \$13,704,203) since inception and expects to incur further losses in the development of its business. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financial resources to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations, and although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. These factors comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

**Off-Balance Sheet Arrangements**

As of September 30, 2023, and the date of this MD&A, the Company is subject to future payments on exploration and evaluation assets if the Company wishes to exercise its options – Refer to section *"The Company's Business"* for a breakdown of future payment requirements on each property.

Additionally, during the year ended September 30, 2023, the Company entered into flow-through share subscription agreements whereby it was obligated to incur a total of \$2,894,414 on flow-through eligible expenditures by December 31, 2023. As of September 30, 2023, the Company had incurred approximately \$1,953,000 of its exploration and expenditure obligations pertaining to the flow-through shares issued.

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**Financial Instruments**

The Company's risk exposures and the impact on the Company's consolidated financial statements are summarized below.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days, are due on demand, and are subject to normal trade terms. As at September 30, 2023, the Company had a working capital of \$419,303 (September 30, 2022 – \$2,672,931).

*Credit risk*

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

*Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

*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.

**Related Party Transactions**

Related party transactions are comprised of services rendered by directors and/or officers of the Company or by a company with a director and/or officer in common. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

*Key Management Compensation*

Key management personnel includes directors and key officers of the Company including the President, Chief Executive Officer ("CEO"), and Chief Financial Officer ("CFO"). During the three months and year ended September 30, 2023, and 2022, the remuneration of directors and officers was as follows:



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	Three months ended		Year ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Management fees:				
Michael Mulberry, CEO	\$ 37,500	\$ 32,734	\$ 150,000	\$ 104,435
Alex McAulay, CFO	7,800	7,800	31,200	31,400
Hugh Maddin, director, former president and CEO	-	-	-	39,000
Faizaan Lalani, director and president, former CFO	37,500	37,700	150,000	192,500
Professional fees:				
Treewalk Consulting Inc. (formerly ACM Management Inc.), a company controlled by Alex McAulay, CFO	22,951	23,794	128,772	156,212
Share-based compensation:				
Michael Mulberry, CEO	-	31,399	77,625	145,265
Alex McAulay, CFO	-	-	9,111	43,548
Faizaan Lalani, director and president, former CFO	-	31,399	77,625	490,561
Hugh Maddin, director, former president and CEO	-	-	9,112	133,527
Shaun Mann, director	-	-	9,112	45,770
Mark Ireton, director	-	-	9,112	45,770
	\$ 105,751	\$ 164,826	\$ 651,669	\$ 1,427,988

As at September 30, 2023, there was a balance of \$39,137 (September 30, 2022 - \$13,260) owing to Faizaan Lalani, director and president for management fees which is included in accounts payable and accrued liabilities.

As at September 30, 2023, there was a balance of \$34,457 (September 30, 2022 - \$23,060) for professional fees owing to Treewalk Consulting Inc., a company controlled by Alex McAulay, CFO which is included in accounts payable and accrued liabilities.

As at September 30, 2023, there was a balance of \$2,797 (September 30, 2022 - \$Nil) owing to Alex McAulay, CFO for management fees which is included in accounts payable and accrued liabilities.

As at September 30, 2023 there was a balance of \$24,086 (September 30, 2022 - \$Nil) for management fees owing to Michael Mulberry, the company CEO which is included in accounts payable and accrued liabilities.

The amounts due are non-interest bearing, unsecured, and due on demand.

**Additional Disclosure for Venture Issuers Without Significant Revenue**

During the years ended September 30, 2023, and 2022, the Company incurred the following expenses:

	2023	2022
Capitalized acquisition costs, net sale of options and impairment	\$ 732,721	\$ 897,800
Capitalized exploration costs	-	-
Operating expenses	6,251,463	11,003,975
	\$ 6,984,184	\$ 11,901,775

Please refer to Note 6 of the consolidated financial statements for the year ended September 30, 2023, and 2022 for a detailed description of the capitalized costs presented on a property-by-property basis.

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**Outstanding Share Data****(a) Authorized**

Unlimited common shares with no par value.

**(b) Issued**

As at September 30, 2023, there were 84,819,572 (September 30, 2022 – 56,113,677) common shares issued and outstanding.

As at the date of this MD&A 94,514,572 common shares were issued and outstanding.

*During the year ended September 30, 2023:*

On September 11, 2023, the Company issued 1,200,000 shares with a fair value of \$123,641 in accordance with the James Bay Pontax Property agreement.

On June 16, 2023, the Company issued 50,000 common shares with a fair value of \$6,000 in accordance with the Lac La Motte Lithium Property option.

On May 3, 2023, the Company issued 675,000 common shares as a result of the exercise of options for total gross proceeds of \$101,250. A total fair value of \$26,280 for the valuation of the 675,000 options was reallocated from reserves.

On March 2, 2023, the Company issued 50,000 common shares as a result of the exercise of options for total gross proceeds of \$12,500. A total fair value of \$9,112 for the valuation of the 50,000 options was reallocated from reserves.

On February 22, 2023, the Company issued 500,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized \$195,000 from reserves to share capital.

On November 21, 2022, the Company completed a flow-through and non-flow-through private placements of 16,080,078 flow-through units ("FT Unit") at a price of \$0.18 per FT Unit for gross proceeds of \$2,894,414 and 7,350,433 non-flow-through units ("NFT Unit") at a price of \$0.15 per NFT Unit for gross proceeds of \$1,102,565. Each FT and NFT Unit consists of one common flow-through share and common non-flow-through share, respectively, and one-half of one common share purchase warrant. All proceeds received were allocated to the common shares and no fair value was allocated to the attached warrants. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of \$0.30 per common share for a period of 24 months from the date of the issuance. In addition, the Company issued 1,194,829 finders' warrants as finders' fees with the same terms as the common share purchase warrants with a fair value of \$95,121. The Company also incurred cash share issuance costs of \$213,846 in connection with this financing. The premium received on the issuance of FT Units was recognized as a liability on the Company's consolidated statement of financial position.

The continuity of flow-through premium liability was as follows:

Balance as at September 30, 2022 and 2021	\$	-
Flow through premium liability recognized		482,402
Recognized in profit or loss upon incurring qualifying expenditures		(325,507)
<b>Balance as at September 30, 2023</b>	<b>\$</b>	<b>156,895</b>

At September 30, 2023, the Company had a remaining commitment to incur exploration expenditures of approximately \$941,000 (2022 - \$1,879,000).

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During October 2022, the Company issued 400,000 common shares with a fair value of \$72,000 in accordance with the Global Lithium Agreement.

On November 1, 2022, the Company issued 2,400,384 common shares with a fair value of \$500,000 in accordance with the Yurchison Uranium Property option.

*During the year ended September 30, 2022:*

On September 12, 2022, the Company issued 100,000 common shares with a fair value of \$27,500 in accordance with the Darlin Li-Be Property option.

On August 24, 2022, the Company issued 250,000 common shares with a fair value of \$77,500 in accordance with the Superb Lake Property option.

On May 12, 2022, the Company issued 100,000 common shares with a fair value of \$47,500 in accordance with the Lac La Motte Lithium Property option. In connection with the agreement, the Company issued an additional 10,000 common shares on May 27, 2022, with a fair value of \$5,300 as finder's fees.

On April 22, 2022, the Company issued 10,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized \$9,200 from reserves to share capital.

On March 17, 2022, the Company issued 130,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized \$119,600 from reserve to share capital.

On December 1, 2021, the Company issued 2,000,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized \$1,840,000 from reserve to share capital.

On November 16, 2021, the Company completed a non-brokered flow-through private placement of 6,459,899 flow-through units (each, "FT Unit") at a price of \$0.70 per FT Unit for aggregate gross proceeds of \$4,521,929. Each FT Unit consists of one common flow-through share (each, "FT Share") and one-half of one common share purchase warrant. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of \$0.90 per common share for a period of 24 months from the date of the issuance. All proceeds received were allocated to the common shares. No fair value was allocated to the attached warrants. No flow-through premium was recognized. In addition, the Company issued 269,694 finders' warrants (with the same terms as the common share purchase warrants) with a fair value of \$207,753 and paid total cash finders' fees of \$188,786. At September 30, 2022, the Company had a remaining commitment to incur exploration expenditures of \$1,879,466.

On November 15, 2021, the Company issued 704,225 common shares with a fair value of \$500,000 in accordance with the Yurchison Uranium Property option.

During the year ended September 30, 2022, the Company issued 2,450,500 common shares at \$0.20 per warrant, 2,920,745 common shares at \$0.55 per warrant, and 220,500 common shares at \$0.85 per warrant as a result of the exercise of share purchase warrants for total gross proceeds of \$2,283,934. A total fair value of \$306,824 for the valuation of the 2,450,500 warrants and the 409,787 finders' warrants were reallocated from reserves.

**(c) Options**

The Company has a stock option plan included in the Company's Equity Incentive Plan (the "Plan") where the Board of Directors can grant stock options to directors, officers, employees, and consultants of the Company as performance incentives. The aggregate number of shares allocated and made available for issuance pursuant to stock options and RSRs granted under the Plan shall not exceed 20% of the issued and outstanding shares as at the date of the grant. The Plan shall remain in effect until it is terminated by the Board.

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*During the year ended September 30, 2023:*

On January 6, 2023, the Company granted 550,000 stock options to its directors and officers. Each option is exercisable for one common share in the capital of the Company at an exercise price of \$0.25 per share. These options vested immediately on the date of grant and expire on January 6, 2025. The fair value of the options was estimated to be \$100,227 based on the Black-Scholes Option Pricing Model using the following assumptions: expected dividend yield - 0%, expected volatility - 132%, risk-free interest rate - 3.85% and an expected remaining life - 2 years.

On April 10, 2023, the Company granted 675,000 stock options to a consultant. Each option is exercisable for one common share in the capital of the Company at an exercise price of \$0.15 per share. These options vested immediately on the date of grant and expire on October 10, 2023. The fair value of the options was estimated to be \$26,282 based on the Black-Scholes Option Pricing Model using the following assumptions: expected dividend yield - 0%, expected volatility - 91%, risk-free interest rate - 4.54% and an expected remaining life - 0.5 years. These options were exercised on May 3, 2023 and the stock price on the date of exercise was \$0.08.

Expected stock price volatility was estimated based on stock price volatility of a group of publicly listed companies involved in mineral exploration.

*During the year ended September 30, 2022:*

No stock options were granted.

The changes in stock options are summarized as follows:

	Number	Weighted Average Exercise Price
Balance as at September 30, 2021 and 2022	450,000	\$ 1.29
Issued	1,225,000	0.19
Expired	(450,000)	1.29
Exercised	(725,000)	0.16
Balance as at and September 30, 2023	500,000	\$ 0.25

As at September 30, 2023 and the date of this MD&A there were 500,000 stock options outstanding and exercisable (September 30, 2022- 450,000), with the weighted average life of stock options outstanding being 1.27 years.

Share-based payments relating to stock options vesting during the year ended September 30, 2023, was \$126,509 (2022 - \$266,320).

**(d) Share Purchase Warrants***During the year ended September 30, 2023:*

On November 21, 2022, the Company issued 11,715,256 share purchase warrants in connection with its November 2022 Private Placement. Each warrant is exercisable at a price of \$0.30 expiring on November 22, 2024, no value was allocated to these warrants based on the residual method. An additional 1,194,829 finders' warrants were issued in connection with the November 2022 Private Placement under the same terms. These warrants have a fair value of \$95,121 which has been recorded to reserves as a share issuance cost.

*During the year ended September 30, 2022:*

On November 16, 2021, the Company issued 3,229,949 share purchase warrants in connection with its November 2021 Private Placement. Each warrant is exercisable at a price of \$0.90 expiring on November 16, 2023. An additional 269,694 finders' warrants were issued in connection with the November 2021 Private Placement under the same terms.

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These warrants have a fair value of \$207,753 which has been recorded to reserves as a share issuance cost.

The fair value of the finders' warrants was determined by using the Black-Scholes method with the following assumptions:

	<b>November 2022 Private Placement</b>	<b>November 2021 Private Placement</b>
Risk-free interest rate	3.87%	1.02%
Estimated life	2 years	2 years
Expected volatility	131.05%	191.22%
Expected dividend yield	0.00%	0.00%
Forfeiture rate	0.00%	0.00%
Fair value of warrants issued	\$0.08	\$0.77

Expected stock price volatility was estimated based on stock price volatility of a group of publicly listed companies involved in mineral exploration.

The changes in share purchase warrants are summarized as follows:

	<b>Number</b>	<b>Weighted Average Exercise Price</b>
Balance as at September 30, 2021	8,233,934	\$ 0.51
Issued	3,499,643	0.90
Exercised	(5,591,745)	0.41
Expired	(1,048,932)	0.55
Balance as at September 30, 2022	5,092,900	0.88
Issued	12,910,085	0.30
Expired	(1,593,257)	0.84
Balance as at September 30, 2023	16,409,728	\$ 0.43

Expected stock price volatility was estimated based on stock price volatility of a group of publicly listed companies involved in mineral exploration.

As at September 30, 2023, the following warrants were outstanding and vested, entitling the holders thereof the right to purchase one common share for each warrant held as follows:

<b>Outstanding</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Vested</b>
3,499,643	\$0.90	November 16, 2023	3,499,643
12,910,085	\$0.30	November 22, 2024	12,910,085
16,409,728			16,409,728

As at September 30, 2023, there were 16,409,728 warrants outstanding and vested with the weighted average life of warrants outstanding of 0.93 years, 3,499,643 of the warrants expired during the subsequent period without being exercised.

As at the date of this MD&A 21,788,835 warrants were outstanding.

**(e) Restricted Share Rights ("RSR")**

The Company has RSRs included in the Plan where the Board of Directors can grant RSRs to directors, officers, employees, and consultants of the Company as performance incentives.

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*During the year ended September 30, 2023:*

On January 6, 2023, the Company granted 200,000 RSRs with a fair value of \$54,000. The RSRs vested four months after the grant date.

On November 22, 2022, the Company granted 500,000 RSRs with a fair value of \$195,000. The RSRs vested three months from the grant date and were exercised.

*During the year ended September 30, 2022:*

On February 1, 2022, the Company granted 400,000 RSRs with a fair value of \$328,000. The RSRs vest evenly over four quarters starting three months from the grant date and \$37,469 of the fair value vested during the year ended September 30, 2023 (2022-\$290,531).

On November 15, 2021, the Company granted 2,320,000 RSRs with a fair value of \$2,134,400. The RSRs vest four months from the grant date.

On December 1, 2021, the Company amended 2,000,000 of the RSRs to vest and exercise immediately.

Share-based payments relating to RSRs vesting during the year ended September 30, 2023, was \$286,469 (2022 - \$2,627,313).

The changes in RSRs are summarized as follows:

	<b>Number</b>
Balance as at September 30, 2021	290,000
Issued	2,720,000
Settled	(2,140,000)
Balance as at September 30, 2022	870,000
Issued	700,000
Settled	(500,000)
Balance as at September 30, 2023	1,070,000

As at September 30, 2023, there were 1,070,000 RSRs outstanding and fully vested.

On November 10, 2023, the Company issued 1,070,000 common shares as a result of RSRs being settled at no cost to the holder. The RSRs have a fair value of \$921,700. As a result, no RSRs were outstanding as at the date of this MD&A.

**(f) Escrow Shares**

Pursuant to the subscription agreements pursuant to which such shares were issued by the Company, the 4,500,001 common shares issued on July 17, 2020 will be pooled for twelve months from the Listing Date. In addition, pursuant to an escrow agreement entered into between the Company and the holders of such shares, such shares will be placed into escrow released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date. The second and third escrow releases took place during the year ended September 30, 2022, with another 30% combined released. As at September 30, 2023, 1,350,001 (2022- 2,700,001) remained in escrow.

**(g) Loss per Share**

The calculation of basic and diluted loss per share of \$0.07 (2022 - \$0.21) for the year ended September 30, 2023 was based on the net loss attributable to owners of the Company for the year of \$5,875,454 (2022 - \$ 11,003,975) divided by the total weighted average number of shares outstanding of 79,446,904 (2022 - 53,042,185).

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**Critical Accounting Estimates and Judgments**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies with the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements are discussed in Note 4 to the audited consolidated financial statements for the year ended September 30, 2023.

**Business and Industry Risks**

There are a number of risk factors that could cause future results to differ materially from those described herein. The following sets out the principal risks faced by the Company. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely impact the Company's business and results of operations.

**Limited Operating History**

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties in which the Company has an interest. The purpose of the recent private placements was to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties in which the Company has an interest in the near future or at all. If the Company does not generate revenue or is unable to raise further funds, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

**Speculative Nature of Mineral Exploration**

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

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**Financing Risks**

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company.

While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the properties, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under prior private placements. At present it is impossible to determine what amounts of additional funds, if any, may be required.

**Property Interests**

If the Company loses or abandons its interest in its properties, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. Unless the Company acquires additional property interests, any adverse developments affecting the properties could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

The Company is required to make cash payments to the optionors of the properties, and to incur work expenditures in order to maintain its interest in the properties. The Company's ability to maintain an interest in the Property may be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make periodic payments or expenditures required for the maintenance of the Company's interest in the Property and could result in a delay or postponement of further exploration and the partial or total loss of the Company's interest in the properties.

**Commercial Ore Deposits**

The properties are in the exploration stage only and are without a known body of commercial ore. Development of the properties would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

**Uninsurable Risks**

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

**Subsequent Events****Flow-Through and Non-Flow-Through Private Placements**

During November 2023, the Company completed a flow-through and non-flow-through private placement of 8,125,000 flow-through units ("FT Unit") at a price of \$0.08 per FT Unit for aggregate gross proceeds of \$650,000 and 500,000 non-flow-through units ("NFT Unit") at a price of \$0.06 per NFT Unit for aggregate gross proceeds of \$30,000. Each FT and NFT Unit consists of one common flow-through share and common non-flow-through share, respectively, and one



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common share purchase warrant. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of \$0.12 per common share for a period of 24 months from the date of the issuance. In connection with this private placement, the Company issued 253,750 finders' warrants as finders' fees with the same terms as the common share purchase warrants and incurred cash issuance costs amounting to \$47,600.

**Restricted Share Rights**

On November 10, 2023, the Company issued 1,070,000 common shares as a result of RSRs being settled at no cost to the holder. The RSRs have a fair value of \$921,700.

**Additional Sources of Information**

Additional information relating to Medaro Mining Corp. can be found on the SEDAR website at [www.sedarplus.ca](http://www.sedarplus.ca)