

# 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:** Dark Star Minerals Inc. (the "Issuer")

**Website:** darkstarminerals.com

**Listing Statement Date:** March 7, 2023

**Description(s) of listed securities(symbol/type):** Common shares; the Issuer trades on the CSE under the ticker "BATT".

**Brief Description of the Issuer's Business:** Dark Star Minerals Inc. is a mineral exploration company focused on the acquisition and development of mineral projects containing base and precious metals, including platinum group elements, and lithium.

**Description of additional (unlisted) securities outstanding:**

Warrants  
Stock options

<b>Jurisdiction of Incorporation:</b> British Columbia		
<b>Fiscal Year End:</b> December 31		
<b>Date of Last Shareholders' Meeting and Date of Next Shareholders' Meeting (if scheduled):</b> The last Shareholders Meeting was held on November 30, 2023.		
<b>Financial Information as at:</b> December 31, 2023 in CAD.		
	Current	Previous
Cash	132,077	579,333
Current Assets	135,763	579,333
Non-current Assets	-	-
Current Liabilities	123,016	114,498
Non-current Liabilities	-	-
Shareholders' equity	12,747	464,835
Revenue	-	-
Net Income (loss)	(668,088)	(359,607)
Net Cash Flow from Operations	(447,256)	(174,912)

## 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.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

With respect to related party transactions for information supplementary to that contained in the notes to the audited consolidated financial statements, which are attached hereto, please refer to Management’s Discussion & Analysis for the 12-month period ended December 31, 2023, as filed with securities regulatory authorities and attached to this Form 5A - Annual Listing Summary as Schedule B.

**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
06-07-2023	Common Shares	Property acquisition	4,800,000	\$0.045	N/A	Property	N/A	N/A
02-08-2023	Common Shares	Conversion of special warrants	556,000	\$0.03	N/A	N/A	N/A	N/A

- (b) summary of options granted during the period,

STOCK OPTIONS – none were granted in 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

### 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,

As at December 31, 2023, the authorized capital of the Issuer consisted of an unlimited number of common shares without par value, and without any special rights or restrictions, of which 29,518,100 common shares were issued and outstanding.

The holders of common shares are entitled to receive notice of and to attend all meetings of the shareholders of the Issuer and are entitled to one vote in respect of each common share held at such meetings. Subject to the rights, if any at the time, of shareholders holding shares with special rights as to dividends (none of which are authorized or outstanding at the date of this Annual Listing Summary), holders of common shares of the Issuer are entitled to dividends as and when declared by the directors. Subject to the rights of holders of any shares ranking in priority to or on a parity with the common shares, the holders of common shares are entitled to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer.

- (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

The Board adopted a stock option plan on June 21, 2022 (the "Plan"). The purpose of the Plan is to attract and retain directors, officers, employees and consultants of the Company. The Plan provides that the number of common shares available for issuance shall not exceed 10% of the total number of issued common shares (calculated on a non-diluted basis).

As at December 31, 2023, the following Options were outstanding:

<b>Date of Grant</b>	<b>Number of Options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Recorded Value</b>
June 22, 2022	3,500,000	\$0.05	June 22, 2024	\$91,445
<b>Total</b>	<b>3,500,000</b>			

As at December 31, 2023, the following Warrants were outstanding:

Date of Issue	Number of Warrants	Exercise Price	Expiry Date	Recorded Value
July 8, 2022	500,000	\$0.05	July 8, 2024	\$13,063
<b>Total</b>	<b>26,224,808</b>			

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 HELD	DATE OF APPOINTMENT
March Branson	Director Chief Executive Officer	May 12, 2023
Kyle Appleby	Chief Financial Officer	January 18, 2022
David Shisel	Director	May 12, 2023
Douglas Unwin	Director	May 29 2023

5. **Financial Resources**

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

With respect to the Issuer's business objections for information supplementary to that contained in the notes to the audited consolidated financial statements, which are attached hereto, please refer to pages 2 of the Management's Discussion & Analysis for the 12-month period ended December 31, 2023, as filed with securities regulatory authorities and attached to this Form 5A - Annual Listing Summary as Schedule B.

- 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;

With respect to the Issuer's business objectives for information supplementary to that contained in the notes to the audited consolidated financial statements, which are attached hereto, please refer to page 2 of the Management's Discussion & Analysis for the 12-month period ended December 31, 2023, as

filed with securities regulatory authorities and attached to this Form 5A - Annual Listing Summary as Schedule B.

- 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 As at December 31, 2023, the Company's working capital was \$12,747.
  - (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 The Company will pursue private placement financing as required.
  - (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. All proceeds to be received will be used for exploration projects, potential acquisitions and general working capital purposes.

## 6. Status of Operations

During the fiscal year, did the Listed Issuer

- (a) reduce or impair its principal operating assets; or
- (b) cease or substantively reduce its business operations with respect to its stated business objectives in the most recent Listing Statement?

Provide details:

Not applicable

## 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?

Provide details.

Expenses during the year ended December 31, 2023 and 2022, were as follows:

	<b>2023</b>	<b>2022</b>
Acquisition of Hungersite	\$ 236,000	\$ -
Acquisition costs – Logan property	-	13,063
Report – Logan property	-	15,750
Field program Logan property	158,031	24,219
	<u>\$ 394,031</u>	<u>\$ 53,032</u>

- (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?

Provide details.

Not applicable

- 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?

Provide details.

The Company did not record any revenue. Expenditures on projects are detailed above.

- (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?

Provide details.

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 April 11, 2024.

Kyle  
Name of Director or Senior  
Officer

"Kyle Appleby"  
Signature

CFO  
Official Capacity

<b>Issuer Details</b> Name of Issuer DARK STAR MINERALS INC.	Year ended December 31, 2023	Date of Report 24/04/11
Issuer Address 1056 Handsworth Road		
City/Province/Postal Code North Vancouver, BC V7R 2A6	Issuer Fax No. ( )	Issuer Telephone No. 604 816-2555
Contact Name Marc Branson	Contact Position CEO	Contact Telephone No. 604 816-2555
Contact Email Address marcbranson@outlook.com	Web Site Address	

# **DARK STAR MINERALS INC.**

## **Consolidated Financial Statements**

**For the years ended December 31, 2023 and 2022**

(Expressed in Canadian Dollars)

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders of Dark Star Minerals Inc.**

#### **Opinion**

We have audited the consolidated financial statements of Dark Star Minerals Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of loss and comprehensive loss, changes in shareholders 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 financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

#### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

## **Other Information**

Management is responsible for the other information. The other information comprises the Management 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 Management's Discussion and Analysis 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, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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.

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

Toronto, Ontario  
April 9, 2024

*Stern & Lovrics LLP*

Chartered Professional Accountants  
Licensed Public Accountants

**Dark Star Minerals Inc.**  
**Consolidated Statement of Financial Position**  
**(Expressed in Canadian Dollars)**

As at,	December 31, 2023	December 31, 2022
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 132,077	\$ 579,333
Prepaid expenses	3,686	-
<b>Total Assets</b>	<b>\$ 135,763</b>	<b>\$ 579,333</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 123,016	\$ 114,498
	123,016	114,498
<b>Shareholders' Equity</b>		
Share capital (Note 4)	1,409,072	1,176,894
Special warrants (Note 4(c))	-	16,178
Warrants (Note 4(e))	13,063	13,063
Contributed surplus (Note 4(d))	91,445	91,445
Deficit	(1,500,833)	(832,745)
<b>Total Shareholders' Equity</b>	<b>12,747</b>	<b>464,835</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 135,763</b>	<b>\$ 579,333</b>

**Nature of and continuance of operations (Note 1)**

Approved on behalf of the Board:

"Marc Branson"  
 Director

"Douglas H. Unwin"  
 Director

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

**Dark Star Minerals Inc.**  
**Consolidated Statement of Loss and Comprehensive Loss**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

	2023	2022
<b>Expenses</b>		
General and administrative (Note 9)	\$ 274,057	\$ 215,130
Share based payments	-	91,445
Exploration and evaluation asset expenditures	394,031	53,032
<b>Net Loss and Comprehensive Loss for the period</b>	<b>\$(668,088)</b>	<b>\$(359,607)</b>
<b>Basic and Fully Diluted Loss Per Share</b>	<b>\$ (0.02)</b>	<b>\$ (0.01)</b>
<b>Weighted Average Number of Common</b>	<b>26,999,514</b>	<b>24,791,747</b>

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



**Dark Star Minerals Inc.**  
**Consolidated Statement of Changes in Equity**  
**(Expressed in Canadian Dollars)**

	Share Capital		Special Warrants	Warrants	Contributed surplus	Shares to be Issued	Deficit	Shareholders' Equity
	Number	Amount						
<b>Balance, December 31, 2021</b>	<b>18,810,100</b>	<b>\$ 916,572</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>25,000</b>	<b>\$ (473,138)</b>	<b>\$ 468,434</b>
Shares issued on private placement (Note 4)	5,352,000	267,600	-	-	-	(25,000)	-	242,600
Issue of special warrants	-	-	27,800	-	-	-	-	27,800
Warrants issued pursuant to amended option agreement (Note 4(e))	-	-	-	13,063	-	-	-	13,063
Share based payments	-	-	-	-	91,445	-	-	91,445
Share issue costs (Note 4(d))	-	(7,278)	(11,622)	-	-	-	-	(18,900)
Net loss for the year	-	-	-	-	-	-	(359,607)	(359,607)
<b>Balance, December 31, 2022</b>	<b>24,162,100</b>	<b>\$ 1,176,894</b>	<b>\$ 16,178</b>	<b>\$ 13,063</b>	<b>\$ 91,445</b>	<b>\$ -</b>	<b>\$ (832,745)</b>	<b>\$ 464,835</b>
<b>Balance, December 31, 2022</b>	<b>24,162,100</b>	<b>\$ 1,176,894</b>	<b>\$ 16,178</b>	<b>\$ 13,063</b>	<b>\$ 91,445</b>	<b>\$ -</b>	<b>\$ (832,745)</b>	<b>\$ 464,835</b>
Shares issued on conversion of special warrants	556,000	16,178	(16,178)	-	-	-	-	-
Shares issued on acquisition	4,800,000	216,000	-	-	-	-	-	216,000
Net loss for the year	-	-	-	-	-	-	(668,088)	(668,088)
<b>Balance, December 31, 2023</b>	<b>29,518,100</b>	<b>\$ 1,409,072</b>	<b>\$ -</b>	<b>\$ 13,063</b>	<b>\$ 91,445</b>	<b>\$ -</b>	<b>\$ (1,500,833)</b>	<b>\$ 12,747</b>

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

**Dark Star Minerals Inc.**  
**Consolidated Statement of Cash Flows**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

	<b>2023</b>	<b>2022</b>
<b>Cash provided by (used in):</b>		
<b>Operating Activities</b>		
Net loss for period	\$ (668,088)	\$ (359,607)
Shares issued on acquisition	216,000	-
Share based payments	-	91,445
Warrants issued as per amended option agreement	-	13,063
Changes in working capital balances:		
Prepaid expenses and deposits	(3,686)	-
Accounts payable and accrued liabilities	8,518	80,187
<b>Cash Used in Operating Activities</b>	<b>(447,256)</b>	<b>(174,912)</b>
<b>Financing Activities</b>		
Proceeds from issue of common shares	-	242,600
Proceeds from issue of special warrants	-	17,800
Share issue costs	-	(8,900)
<b>Cash Provided by Financing Activities</b>	<b>-</b>	<b>251,500</b>
<b>Change in cash</b>	<b>(447,256)</b>	<b>76,588</b>
<b>Cash, Beginning</b>	<b>579,333</b>	<b>502,745</b>
<b>Cash, Ending</b>	<b>\$ 132,077</b>	<b>\$ 579,333</b>

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

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Dark Star Minerals Inc. (the “Company”) was incorporated under the *Business Corporations Act* of British Columbia on August 12, 2021. The head office of the Company and location of records is located at 800-885 West Georgia Street, Vancouver BC, V6C 3H1, Canada.

On February 8, 2023 the Company received the final receipt from the British Columbia Securities Commission for the Long Form Prospectus filed by the Company on February 6, 2023, for the purpose of the Company to meet one of the eligibility requirements for the listing of the Company’s common shares on the Canadian Securities Exchange (“CSE”) by becoming a reporting issuer pursuant to applicable securities legislation in the Province of British Columbia. Upon the final receipt of this Prospectus by the BCSC, the Company became a reporting issuer in British Columbia. On March 6, 2022 the CSE approved the listing of the Company and the common shares were posted for trading on March 7, 2023 under the symbol “BATT”.

These 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 is not expected to continue operations for the foreseeable future. As at December 31, 2023, the Company has not generated any revenue since inception and has a deficit \$1,500,833 (December 31, 2022 - \$832,745). The Company’s continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, and/or private placements of common stock. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

**2. BASIS OF PRESENTATION**

**Approval of the Financial Statements**

The consolidated financial statements of the Company for the years ended December 31, 2023 and 2022 were reviewed by the Board of Directors and approved and authorized for use on April 9, 2024 by the Board of Directors of the Company.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

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**2. BASIS OF PRESENTATION (continued)**

*(a) Statement of Compliance to International Financial Reporting Standards*

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

*(b) Basis of Preparation*

The financial statements have been prepared on an accrual basis and are based on historical costs modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

*(c) Basis of consolidation*

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated on consolidation. The Companies wholly owned subsidiaries include Off-Piste Opportunities (II) Inc., which was incorporated under the laws of the province of Ontario (Canada) on March 4, 2021, and Hungersite Minerals Inc. which was incorporated under the laws of the Province of Ontario.

*(d) Use of Estimates, Judgements and Assumptions*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Critical judgements exercised by management in applying accounting policies that have the most significant effect on the amounts presented in these consolidated financial statements are as follows:

- **Functional currency** – The assessment of the Company's functional currency and the functional currency of its subsidiaries involves judgment regarding the primary economic environment the Company and its wholly-owned subsidiary operate in.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

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**2. BASIS OF PRESENTATION (continued)**

- Stock options and warrants – Determining the fair value of warrants and stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of the shareholders' equity.
- Going concern – The assessment of the Company's ability to continue as a going concern involves judgement regarding future funding available for its operations and working capital requirements.

Critical accounting estimates

- Income taxes and recoverability of potential deferred tax assets -Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

- Share-based payments - Management determines costs for share-based payments using the Black-Scholes option pricing model. The fair value of the market-based and performance-based share awards are determined at the date of grant and incorporates Black- Scholes input assumptions including the future volatility of the stock price, expected dividend yield, and expected life. Such judgements and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
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**3. SIGNIFICANT ACCOUNTING POLICIES**

*(a) Financial Instruments*

(i) Classification

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

(ii) Measurement

*Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

*Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of net (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net (loss) income in the period in which they arise.

*Debt investments at FVOCI*

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in Other Comprehensive Income (“OCI”). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

*Equity investments at FVOCI*

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(iii) Impairment of financial assets at amortized cost

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

(iv) Derecognition

*Financial assets*

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

*Financial liabilities*

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

*(b) Share Capital*

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares, stock options and warrants are recognized as a deduction from equity, net of any tax effects.

The proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.

The fair value of the warrants are determined using the Black-Scholes Option Pricing Model.

All costs related to issuances of share capital are charged against the proceeds received from the related share capital.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(c) Income Taxes*

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

*(d) Loss Per Share*

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options that would be anti-dilutive.

Subscription receipts are not included in the calculation of the weighted average number of common shares outstanding.



**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(e) Exploration and evaluation assets*

Exploration and evaluation expenditures are costs incurred in the course of the initial search for mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential, including acquisition costs. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. All exploration expenditures are expensed as incurred.

When economically viable reserves have been determined and the decision to proceed with development has been approved, the expenditures incurred subsequent to this date related to development and construction are capitalized as construction-in-process and classified as a component of property, plant and equipment.

Mining properties and process facility assets are amortized upon commencement of commercial production either on a unit-of-production basis over measured and indicated resources included in the mine plan or the life of the mine.

*(f) Accounting standards issued but not yet effective*

The Company has reviewed the accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and determined that these are either not applicable or are not expected to have a significant impact on the Company's financial statements.

**4. SHARE CAPITAL**

**(a) Authorized**

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

**(b) Issued and outstanding**

As at December 31, 2023, the Company had outstanding 29,518,100 common shares.

On March 2, 2022, the Company completed a private placement of 5,352,000 common shares at a price of \$0.05 per common share for gross proceeds of \$267,600. Share issue costs of \$7,278 were incurred for finders' fees. \$25,000 of the proceeds had been received in 2021 and was recorded as shares to be issued.

On July 6, 2023, the Company closed the acquisition of Hungersite Minerals Inc. ("Hungersite"), see note 5. Pursuant to the terms of the acquisition, the Company issued 4,800,000 common shares.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
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**4. SHARE CAPITAL (continued)**

(c) Special Warrants

On June 9, 2022, the Company closed a private placement of special warrants (“Special Warrants”). 356,000 Special Warrants were issued at a price of \$0.05 per special warrant for proceeds of \$17,800. The Special Warrants automatically convert into common shares on a one-to-one basis (i) at any time, at the discretion of the Company or (ii) upon the issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the common shares upon conversion of the special warrants or (iii) on that date that is 18 months from the date of issuance of the Special Warrants. The Company paid \$890 in finders fees and incurred other issue costs of \$731. The Company also issued 200,000 compensation Special Warrants with the same terms as the Special Warrants. Upon receipt of the final prospectus (note 1), 356,000 common shares were issued on conversion of the 356,000 Special Warrants and 200,000 common shares issued on conversion of the 200,000 Compensation Special Warrants.

(d) Stock options

The Board adopted a stock option plan on June 21, 2022 (the “Plan”). The purpose of the Plan is to attract and retain directors, officers, employees and consultants of the Company. The Plan provides that the number of common shares available for issuance shall not exceed 10% of the total number of issued common shares (calculated on a non-diluted basis).

On June 22, 2022, the Company issued 3,500,000 to directors and officers of the Company. The options are exercisable for 2 years from the date of grant, are exercisable at \$0.05 and vested on the date of grant. The fair value of the options was estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions: expected volatility of 96.88%; expected dividend yield of 0%; risk-free interest rate of 3.25%; and expected life of 2 years. The options were valued at \$91,445.

As at December 31, 2023, the following options were outstanding:

<b>Number of options outstanding</b>	<b>Exercise Price</b>	<b>Expiry date</b>	<b>Remaining life (Years)</b>
3,500,000	\$ 0.05	22-Jun-24	0.48

(e) Warrants

On July 8, 2022, the Company entered into an amending agreement to the option agreement (see note 6), pursuant to which the Company agreed to issue 500,000 warrants in consideration for the removal of the net smelter returns royalty as previously contemplated by the option agreement. Each warrant is exercisable into 1 common share at an exercise price equal to the lesser of (i) the price at which the Company sells any share to the public in its IPO and (ii) the last price at which the Company sells any common shares in a bona fide private placement financing if the Company does not proceed with the IPO. The fair value of the options was estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions: expected volatility of 96.88% ; expected dividend yield of 0%; risk-free interest rate of 3.25%; and expected life of 2 years. The warrants were valued at \$13,063.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
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**(Expressed in Canadian Dollars)**

**4. SHARE CAPITAL (continued)**

As at December 31, 2023, the following warrants were outstanding:

<b>Number of warrants outstanding</b>	<b>Estimated Exercise Price</b>	<b>Expiry date</b>	<b>Remaining life (Years)</b>
500,000	\$ 0.05	8-July-24	0.52

**5. EXPLORATION AND EVALUATION EXPENDITURES**

Through its wholly owned subsidiary Off-Piste, the Company is party to an option agreement dated July 26, 2021 (and amended option agreement dated July 8, 2022) between Off-Piste and Contigo Resources, Ltd. ("Contigo"), pursuant to which it has the right to earn a 100% undivided interest in and to 14 mineral claims commonly known as the Logan REE Property located in the Province of Québec, Canada. The 2.0% NSR to be granted by the Company to Contigo on the exercise of the Option with respect to production of all minerals from the Logan REE Property and payable by the Target following commencement of commercial production on the Logan REE Property ("Logan").

The Company closed the acquisition of Hungersite Minerals Inc. ("Hungersite"), a private arm's length Ontario corporation, pursuant to the terms of a share exchange among the Company, Hungersite and the shareholders of Hungersite in exchange for cash consideration of \$20,000 and 4,800,000 common in the capital of the Company (the "Transaction"). Hungersite, is the recorded and beneficial holder of 24 unpatented mining claims (the "Property") which are filed with the Quebec Minister of Natural Resources and Forests. The Property is situated within the region of d'Eeyou Istchee Baie-James in the Province of Québec, with certain of the claims adjacent to the Company's flagship Logan REE property located in northern Québec, Canada.

Expenses during the year ended December 31, 2023 and 2022, were as follows:

	<b>2023</b>	<b>2022</b>
Acquisition of Hungersite	\$ 236,000	\$ -
Acquisition costs – Logan property (note 4(e))	-	13,063
Report – Logan property	-	15,750
Field program Logan property	158,031	24,219
	<b>\$ 394,031</b>	<b>\$ 53,032</b>

**6. CAPITAL MANAGEMENT OBJECTIVE AND POLICIES**

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to any external capital restrictions.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

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**7. FINANCIAL INSTRUMENTS**

*Fair Values*

At December 31, 2023, the Company's financial instruments consist of cash, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates its carrying value due to the relatively short-term maturity of the instrument.

*Credit Risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

*Foreign Exchange Risk*

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

*Interest Rate Risk*

The Company is not exposed to any significant interest rate risk.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the Company's liabilities. The \$123,016 (December 31, 2022 - \$114,498) of accounts payable and accrued liabilities are due within one year.

**8. RELATED PARTY TRANSACTIONS**

During the year ended December 31, 2023, the Company was charged \$36,000 (plus GST) (2022 - \$27,000) by CFO Advantage Inc., a company controlled by Kyle Appleby, the Chief Financial Officer of the Company. As at December 31, 2023, \$12,600 (December 31, 2022 - \$34,650) was owed, and included in accounts payable and accrued liabilities.

During the year ended December 31, 2023, the Company was charged \$83,047 (plus GST) (2022 - \$nil) by Capwest Investments, a company controlled by Marc Branson, the Chief Executive Officer of the Company. As at December 31, 2023, \$4,200 (December 31, 2022 - \$nil) was owed, and included in accounts payable and accrued liabilities.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

**9. GENERAL AND ADMINISTRATIVE EXPENSES**

	<b>2023</b>	<b>2022</b>
Legal and audit	\$ 73,159	\$ 125,530
Regulatory	17,413	8,265
Management fees	122,098	54,946
Office and general	61,387	26,389
	<b>\$ 274,057</b>	<b>\$ 215,130</b>

**10. INCOME TAXES**

- a) The reported recovery of income taxes differs from amounts computed by applying the statutory income tax rates to the reported loss before income taxes due to the following:

	December 31, 2023	December 31, 2022
Loss before income taxes	\$ (668,088)	\$ (359,607)
Statutory tax rate	27.00%	27.00%
Expected income tax (recovery)	(180,384)	(97,094)
Tax effect of the following:		
Non deductible resources expenses	106,388	14,319
Share based payments	-	24,690
Share issue costs	(1,773)	(1,773)
Unrecognized deferred tax benefits	75,769	59,858
Total income tax expense	\$ -	\$ -

- b) The temporary differences and unused tax losses that give rise to deferred income tax assets are presented below:

	December 31, 2023	December 31, 2022
Non-capital losses available for future period	\$ 138,843	\$ 63,075
Resource deductions	179,291	136,622
Share issue costs	4,026	5,799
	322,160	205,496
Unrecognized deferred tax assets	(322,160)	(205,496)
Net deferred tax assets	\$ -	\$ -

As at December 31, 2023, the Company has tax loss carry-forwards of approximately \$514,000 which expire up to 2043. The potential benefit of these losses and deductible temporary differences in excess of the deferred tax liabilities have not been recognized in these financial statements as it is not considered probable that sufficient future tax profit will allow the deferred tax assets to be recovered.

**Dark Star Minerals Inc.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

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**10. INCOME TAXES (continued)**

These income tax losses expire as follows:

2041	\$ 12,000
2042	222,000
<u>2043</u>	<u>280,000</u>
	<u>514,000</u>



**Dark Star Minerals Inc.**

**Management Discussion and Analysis  
For the years ended December 31, 2023 and 2022  
Dated April 9, 2024**

**Introduction**

The following discussion of the results of operations and financial condition of Dark Star Minerals Inc. (“Dark Star” or “the Company”) prepared as of April 9, 2024 consolidates management’s review of the factors that affected the Company’s financial and operating performance for the years ended December 31, 2023 and 2022, and factors reasonably expected to impact on future operations and results. This discussion is intended to supplement and complement the Company’s audited consolidated financial statements as at and for the years ended December 31, 2023 and 2022 (“2023 Audited Consolidated Financial Statements”) and the notes thereto which were prepared in accordance with International Financial Reporting Standards (“IFRS”).

The 2023 Audited Consolidated Financial Statements are available at [www.sedarplus.ca](http://www.sedarplus.ca). All amounts disclosed are in Canadian dollars unless otherwise stated.

**Cautionary Note Regarding Forward-Looking Information**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as “forward-looking statements”). These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company’s ability to predict or control. Please also make reference to those risk factors referenced in the “Risk Factors” section below. Readers are cautioned that such risk factors, uncertainties and other factors are not exhaustive. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Company’s ability to meet its working capital needs at the current level for the next twelve-month period; management’s outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; completion of the Transaction (defined below); and general business and economic conditions.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## **The Company**

Dark Star Minerals Inc. (“Dark Star” or the “Company”) was incorporated under the Business Corporations Act of British Columbia on August 12, 2021. The head office of the Company is located at 1056 Handsworth Road, North Vancouver, British Columbia, V7R 2A6 and its registered and records office is located at Suite 800 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

Dark Star Minerals Inc. is a mineral exploration company focused on the acquisition and development of critical mineral resources, specifically the rare earth complex.

## **Highlights for the year ended December 31, 2023 and to the date of this MD&A**

On February 8, 2023 the Company received the final receipt from the British Columbia Securities Commission for the Long Form Prospectus filed by the Company on February 6, 2023, for the purpose of the Company to meet one of the eligibility requirements for the listing of the Company’s common shares on the Canadian Securities Exchange (“CSE”) by becoming a reporting issuer pursuant to applicable securities legislation in the Province of British Columbia. Upon the final receipt of the Prospectus by the BCSC, the Company became a reporting issuer in British Columbia.

On March 6, 2022 the CSE approved the listing of the Company and the common shares were posted for trading on March 7, 2023 under the symbol “BATT”.

On May 12, 2023, the Company announced the resignations of Kenneth Priest as the Company’s Chief Executive Officer and as a director and Lowell Kamin as a director of the Company. The Company has appointed each of Song Lim and David Shisel as directors in place of Mr. Priest and Mr. Kamin. The Company has also appointed Marc Branson as the President and Chief Executive Officer of the Company.

June 2, 2023, announced the appointment of Douglas H. Unwin as a director of the Company, concurrent with the resignation of Song Lim.

June 27, 2023, announced the acquisition of Hungersite Minerals Inc., the beneficial holder of 24 unpatented mining claims known as the “Groupe A mining claims” which are filed with the Quebec Minister of Natural Resources and Forests. The Property is situated within the region of d’Eeyou Istchee Baie-James in the Province of Québec. The acquisition closed in July 2023. Pursuant to the terms of the Share Purchase Agreement, the Company acquired all of the Hungersite shares from the Hungersite shareholders in consideration for, on a pro rata basis: (i) the issuance of an aggregate of 4,800,000 common shares in the capital of the Company to the Hungersite Shareholders at a deemed exercise price equal to \$0.05 per share; and (ii) cash consideration of \$20,000.

## **Property**

The Company is party to an option agreement dated July 26, 2021 (and amended option agreement dated July 8, 2022) between Off-Piste and Contigo Resources, Ltd. (“Contigo”), pursuant to which it has the right to earn 100% undivided interest in and to 14 mineral claims commonly known as the Logan REE Property (the “Property”) located in the Province of Québec, Canada. The 2.0% NSR to be granted by the Company to Contigo on the exercise of the Option with respect to production of all minerals from the Logan REE Property and payable by the Target following commencement of commercial production on the Logan REE Property. On July 8, 2022, the Company entered into an amending agreement to the option agreement, pursuant to which the Company agreed to issue 500,000 warrants (the Warrants”) in consideration for the removal of the net smelter returns royalty as previously contemplated by the Option Agreement.

During the previous quarter, the Company undertook a work program on the Property.



Expenses during the years ended December 31, 2023 and 2022, were as follows:

	<b>2023</b>	<b>2022</b>
Acquisition of Hungersite	\$ 236,000	\$ -
Acquisition costs – Logan property (note 4(e))	-	13,063
Report – Logan property	-	15,750
Field program Logan property	158,031	24,219
	<b>\$ 394,031</b>	<b>\$ 53,032</b>

### Selected annual information

<b>For the years ended December 31,</b>	<b>2023</b>	<b>2022</b>	<b>2021*</b>
	\$	\$	\$
Revenue	-	-	-
Expenses	668,088	359,607	473,138
Net (loss) income and comprehensive (loss) income for the year	(668,088)	(359,607)	(473,138)
Basic and fully diluted (loss) income per share	(0.02)	(0.01)	(0.04)
Cash flows from (used in) operating activities	(447,256)	(174,912)	(100,327)
Cash flows from financing activities	-	251,500	603,072
Increase (decrease) in cash in year	(447,256)	76,588	502,745
<b>As at December 31</b>		<b>2022</b>	<b>2021</b>
Total Assets	135,763	579,333	502,745
Total long-term financial liabilities	Nil	Nil	Nil
Cash dividends declared for all classes of shares	Nil	Nil	Nil

\* period from incorporation (August 12, 2021) to December 31, 2021

### Results of Operations

The Company recorded a net loss of \$668,088 for 2023 compared to a loss of \$359,607 in 2022. The net loss consisted of expenses related to general and administrative costs (legal, audit, regulatory, administrative charges, and management fees), shares-based payments and expenditures on the Company's mineral exploration projects as detailed below.

	2023	2022
<b>Expenses</b>		
General and administrative (i)	\$ 274,057	\$ 215,130
Share based payments (ii)	-	91,445
Exploration and evaluation asset expenditures (iii)	394,031	53,032
<b>Net Loss and Comprehensive Loss for the period</b>	<b>\$(668,088)</b>	<b>\$(359,607)</b>
<b>Basic and Fully Diluted Loss Per Share</b>	<b>\$ (0.02)</b>	<b>\$ (0.01)</b>

(i)

	<b>2023</b>	<b>2022</b>
Legal and audit	\$ 73,159	\$ 125,530
Regulatory	17,413	8,265
Management fees	122,098	54,946
Office and general	61,387	26,389
	<b>\$ 274,057</b>	<b>\$ 215,130</b>

- (ii) Represents the value of stock options that vested during the period (a non-cash expense).  
(iii) See breakdown of costs in the project section.

### Liquidity and Capital Resources

As at December 31, 2023 the Company had current assets of \$135,763 (December 31, 2022 - \$579,333 and current liabilities of \$123,016 (December 31, 2022 - \$114,498), resulting in a working capital of \$12,747 (December 31, 2022 - 464,835).

The decrease in total cash during the period of \$447,256 was the result of cash used in operating activities.

The Company expects to operate at a loss for at minimum the next 12 months, at its current operating level, the Company will have sufficient funds to cover short-term operational needs.

The primary need for liquidity is to fund exploration programs and to maintain general corporate operations. The primary source of liquidity has primarily been private financings through the issuance of common shares and warrants.

The Company has no debt and no financial commitments other than spending funds in accordance with its option agreement.

Overall, given working capital at December 31, 2023, the Company will not be able to meet its minimum general operational requirements for 2024, and will require additional capital to funds general operations for, at minimum the next 12 months.

The Corporation's principal source of financing is equity financing, the success of which depends on venture capital markets, the attractiveness of exploration companies to investors, and metal prices. To continue its exploration activities and be able to support its ongoing operations, the Company will need to continue its relations with the financial community to obtain further equity financing in the future.

### Selected Quarterly Information (in accordance with IFRS)

	<b>Quarter ended December 31, 2023</b>	<b>Quarter ended September 30, 2023</b>	<b>Quarter ended June 30, 2023</b>	<b>Quarter ended March 31, 2023</b>
Total Assets	\$135,763	\$185,123	\$371,176	\$458,887
Total Revenues	Nil	Nil	Nil	Nil
Total Expenses	\$86,707	\$469,334	\$50,643	\$ 61,404
Net Loss	\$86,707	\$469,334	\$50,643	\$(61,404)
Basic and diluted net loss per share	\$(0.00)	\$(0.01)	\$(0.00)	\$(0.00)

	Quarter ended December 31, 2022	Quarter ended September 30, 2022	Quarter ended June 30, 2022	Quarter ended March 31, 2022
Total Assets	\$ 579,333	\$630,604	\$ 684,842	\$ 670,443
Total Revenues	Nil	Nil	Nil	Nil
Total Expenses	\$ 204,847	\$ 62,584	\$ 40,977	\$ 51,199
Net Loss	\$(204,847)	\$(62,584)	\$(40,977)	\$(51,199)
Basic and diluted net loss per share	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)

The Company's level of activity and expenditures during a specific quarter are influenced by the availability of working capital, the availability of additional external financing, the time required to gather, analyze and report on geological data related to mineral properties, the results of the Company's prior exploration activities on its properties and the amount of expenditure required to advance its projects.

### **Outstanding Share Data**

As at the date of this MD&A, the Company had 29,518,102 common shares outstanding, and 3,500,000 stock options exercisable at \$0.05 per Share until June 22, 2024, and 500,000 share purchase warrants exercisable at \$0.05 until July 8, 2024.

### **Off-Balance Sheet Arrangements**

The Company has not had any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

### **Related Party Transactions**

During the year ended December 31, 2023, the Company was charged \$36,000 (plus GST) (2022 - \$27,000) by CFO Advantage Inc., a company controlled by Kyle Appleby, the Chief Financial Officer of the Company. As at December 31, 2023, \$12,600 (December 31, 2022 - \$34,650) was owed, and included in accounts payable and accrued liabilities.

During the year ended December 31, 2023, the Company was charged \$83,047 (plus GST) (2022 - \$nil) by Capwest Investments, a company controlled by Marc Branson, the Chief Executive Officer of the Company. As at December 31, 2023, \$4,200 (December 31, 2022 - \$nil) was owed, and included in accounts payable and accrued liabilities.

### **Capital Management**

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares and reserves, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to any external capital restrictions.

### **Risks and Uncertainties**

The following describes certain risks, events and uncertainties that could affect the Company and that each reader should carefully consider.

External financing may be required to fund the Company's activities primarily through the issuance of common shares. There can be no assurance that the Company will be able to obtain adequate financing. The securities

of the Company should be considered a highly speculative investment.

The Company has not generated any revenues and does not expect to generate revenues in the near future. In the event that the Company generates revenues in the future, the Company intends to retain its earnings in order to finance further growth. Furthermore, the Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

## **Risk Disclosures and Fair Values**

### *Fair Values*

At December 31, 2023, the Company's financial instruments consist of cash, and accounts payable and accrued liabilities and share subscriptions received. The fair value of these financial instruments approximates its carrying value due to the relatively short-term maturity of the instrument.

### *Credit Risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

### *Foreign Exchange Risk*

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

### *Interest Rate Risk*

The Company is not exposed to any significant interest rate risk.

### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the Company's liabilities. The \$85,668 of accounts payable and accrued liabilities are due within one year.

## **Critical Accounting Estimates**

The Company's significant accounting policies are summarized in Note 2 of the 2023 Audited Consolidated Financial Statements.

## **Risk Factors**

Please refer to the Company's Filing Statement for a detailed description of the risk factors associated with the Company. The Listing Statement may be found under the Company's SEDAR profile at [www.sedarplus.ca](http://www.sedarplus.ca).