CORNISH METALS INC.

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

(Expressed in Canadian Dollars)

Accountants &
business advisers

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORNISH METALS INC.

Opinion

We have audited the group financial statements of Cornish Metals Inc. (the 'Group') for the periods ended December 31, 2023 and January 31, 2023 which comprise the Consolidated Statements of Financial Position, the Consolidated Statements of Loss and Comprehensive Loss, the Consolidated Statements of Cash Flows, the Consolidated Statements of Changes in Shareholders' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at December 31, 2023 and January 31, 2023 and of its loss for the period then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with Canadian Generally Accepted Auditing Standards and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), 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 1 in the financial statements, which indicates that continued operations of the group and further exploration and development of its explorations and evaluation assets is dependent on the group's ability to obtain additional financing and generate profitable operations in the future. As stated in Note 1, these events or conditions, along with the other matters as set forth in Note 1, indicate that a material uncertainty exists 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.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key Audit Matter</th><th>How our scope addressed this matter</th></tr>
<tr><td colspan="2">Valuation of exploration and evaluation (“E&E”) assets (Note 9)</td></tr>
<tr><td>The valuation of the E&E asset is a significant risk as it is a material asset on the balance sheet and is a balance that the audit team believes is key to the users of the financial statements.

There is the risk that there could be indicators of impairment as at 31 December 2023 and the capitalised amounts do not meet the requirements of IFRS 6.

Management's assessment of impairment under IFRS 6 requires estimation and judgement, particularly in early stage exploration projects.</td><td>We performed the following procedures:

• Selecting a sample of additions to the E&E asset and obtaining evidence to support that the entity holds the rights to the addition.
• Obtaining, reviewing and critically assessing Management’s impairment assessment.
• Obtaining supporting evidence for management’s key inputs and judgements.
• Reviewing the Group’s licenses for good standing
• Considering whether there are any indicators of impairment in accordance with IFRS 6.
• Confirming Group ownership of the subsidiaries in possession of the Group’s E&E assets
• Assessing the appropriateness of the accounting policies and disclosures included in the financial statements.</td></tr>
<tr><td colspan="2">Valuation of Property, Plant and Equipment (“PP&E”) assets (Note 8)</td></tr>
<tr><td>The valuation of the PP&E asset is a significant risk as it is a material asset on the balance sheet and is a balance that the audit team believes is key to the users of the financial statements.

Under the principals of IAS 16 the accounting for property, plant and equipment is the recognition of assets, the determination of their carrying amounts and the depreciation charges to be recognised in relation to them.

There is the risk that there could be indicators of impairment under IAS 36 as at 31 December 2023.</td><td>We performed the following procedures:

• Selecting a sample of additions to the PP&E asset and obtaining evidence to support that the entity holds the rights to the addition.
• Obtaining, reviewing and critically assessing Management’s impairment assessment.
• Physical verification testing to ensure that assets recognised are available for use, where appropriate, and that there are no indications of impairment.
• Critically assessing the management assumptions used in calculating the depreciation on the water treatment plant and corroborating to other available evidence.
• Considering whether there are any indicators of impairment in accordance with IAS 36.
• Assessing the appropriateness of the accounting policies and disclosures included in the financial statements.</td></tr>
</table>

Other information

The other information comprises the information included in the Management Discussion and Analysis ("MD&A") filed with the relevant Canadian Securities Commission but does include the group financial statements and our auditor's report thereon. Management are responsible for the other information contained within the MD&A. Our opinion on the group 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 financial statements our responsibility is to read the other information identified and, in doing so, consider whether the information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears materially misstated.

We obtained information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of the auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the group financial statements, Management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern basis of accounting unless the management either intend to liquidate the group or to cease operations, or have 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 financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with Canadian Generally Accepted Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group 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 group 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 group financial statements, including the disclosures, and whether the group financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor’s report is Alistair Roberts.

PKF Littlejohn LLP

Licensed Public Accountants

Chartered Accountants
London, United Kingdom
PKF Littlejohn LLP is a limited liability partnership registered in England and Wales
Registered number: OC342572
20 March 2024

CORNISH METALS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	As at December 31, 2023	As at January 31, 2023
ASSETS		
Current		
Cash	$ 25,791,552	$ 55,495,232
Marketable securities (Note 5)	2,665,454	2,718,936
Receivables (Note 6)	1,112,638	656,407
Prepaid expenses	591,264	371,977
Deferred financing fees (Note 7)	135,242	-
	30,296,150	59,242,552
Deposits	85,954	54,165
Property, plant and equipment (Note 8)	23,788,325	9,721,352
Exploration and evaluation assets (Note 9)	50,050,323	33,088,129
	$ 104,220,752	$ 102,106,198
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 10)	$ 5,063,940	$ 2,494,642
Lease liability (Note 11)	-	642
	5,063,940	2,495,284
NSR liability (Note 12)	9,064,817	9,149,804
	14,128,757	11,645,088
SHAREHOLDERS' EQUITY		
Capital stock (Note 13)	128,394,652	128,377,152
Share subscriptions received in advance (Note 13)	-	17,500
Capital contribution	2,007,665	2,007,665
Share-based payment reserve (Note 13)	711,690	384,758
Foreign currency translation reserve	1,369,146	(648,962)
Deficit	(42,391,158)	(39,677,003)
	90,091,995	90,461,110
	$ 104,220,752	$ 102,106,198

Nature and Continuance of Operations and Going Concern Assumption (Note 1)
Commitments (Note 16)
Subsequent Event (Note 21)

Approved and authorized on behalf of the Board on March 20, 2024:

"Patrick Anderson" Director *"Ken Armstrong"* Director

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

CORNISH METALS INC.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the eleven month period ended December 31, 2023 and year ended January 31, 2023
(Expressed in Canadian dollars)

	December 31, 2023	January 31, 2023
EXPENSES		
Travel and marketing	$ 634,145	$ 515,166
Depreciation (Note 8)	-	443
Insurance	633,287	145,462
Office, miscellaneous and rent	175,164	102,540
Professional fees (Note 18)	1,048,676	744,585
Generative exploration costs	25,680	122,797
Regulatory and filing fees	86,760	164,798
Share-based compensation (Notes 9, 13 and 18)	205,026	-
Salaries, directors' fees and benefits (Note 18)	2,051,151	1,652,333
Total operating expenses	(4,859,889)	(3,448,124)
Interest income	1,695,837	417,136
Foreign exchange gain	394,621	758,216
Loss on the disposal of property, plant and equipment (Note 8)	(921)	-
Gain on the disposal of royalty	-	318,147
Unrealized gain (loss) on marketable securities (Note 5)	(116,903)	752,368
Loss before income taxes	(2,887,255)	(1,202,257)
Income tax recovery (expense) (Note 15)	173,100	(16,000)
Loss for the period	(2,714,155)	(1,218,257)
Foreign currency translation	2,018,108	(474,839)
Total comprehensive loss for the period	$ (696,047)	$ (1,693,096)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding:	535,269,215	456,262,207

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

CORNISH METALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the eleven month period ended December 31, 2023 and year ended January 31, 2023
(Expressed in Canadian dollars)

	December 31, 2023	January 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (2,714,155)	$ (1,218,257)
Items not involving cash:		
Depreciation	-	443
Share-based compensation	205,026	-
Loss on the disposal of property, plant and equipment	921	-
Gain on the disposal of royalty	-	(318,147)
Unrealized loss (gain) on marketable securities	116,903	(752,368)
Foreign exchange gain	(394,621)	(758,217)
Income tax expense (recovery)	(173,100)	16,000
Income taxes received during the period	157,100	-
Changes in non-cash working capital items:		
Increase in receivables	(456,230)	(549,177)
Increase in prepaid expenses	(204,107)	(96,025)
Increase in accounts payable and accrued liabilities	729,490	68,740
Net cash used in operating activities	(2,732,773)	(3,607,008)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(14,192,068)	(2,729,942)
Acquisition of exploration and evaluation assets	(13,942,740)	(7,576,717)
Increase in deposits	(30,150)	(11,717)
Net cash used in investing activities	(28,164,958)	(10,318,376)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the Offering (Note 13)	-	65,135,746
Proceeds from option and warrant exercises	-	411,222
Proceeds from the warrant exercises received in advance of share issue	-	17,500
Share issue costs	-	(3,966,075)
Proceeds from the disposal of royalty	-	63,147
Increase in deferred financing fees	(31,359)	-
Lease payments	(723)	(4,459)
Net cash provided by (used in) financing activities	(32,082)	61,657,081
Change in cash during the period	(30,929,813)	47,731,697
Cash, beginning of the period	55,495,232	6,922,704
Impact of foreign exchange on cash	1,226,133	840,831
Cash, end of the period	$ 25,791,552	$ 55,495,232
Cash paid during the period for interest	$ -	$ -
Cash paid during the period for income taxes	$ 11,012	$ -

Supplemental disclosure with respect to cash flows (Note 19)

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

CORNISH METALS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the eleven month period ended December 31, 2023 and year ended January 31, 2023
(Expressed in Canadian dollars)

	Capital stock		Share subscriptions received in advance	Capital contribution	Share-based payment reserve	Foreign currency translation reserve	Deficit	Shareholders' equity – total
	Number of shares	**Amount**						
Balance at January 31, 2022	285,850,157	$ 56,846,350	$ -	$ 2,007,665	$ 630,265	$ (174,123)	$ (38,599,036)	$ 20,711,121
Share issuance pursuant to the Offering (Note 13)	225,000,000	65,135,746	-	-	-	-	-	65,135,746
Share issue costs	-	(3,966,075)	-	-	-	-	-	(3,966,075)
Warrant exercises	3,272,222	291,222	-	-	-	-	-	291,222
Warrant exercises received in advance	-	-	17,500	-	-	-	-	17,500
Option exercises	600,000	225,217	-	-	(105,217)	-	-	120,000
Expiry of options	-	-	-	-	(140,290)	-	140,290	-
Shares issued pursuant to property option agreement (Note 9)	20,298,333	9,844,692	-	-	-	-	-	9,844,692
Foreign currency translation	-	-	-	-	-	(474,839)	-	(474,839)
Loss for the period	-	-	-	-	-	-	(1,218,257)	(1,218,257)
Balance at January 31, 2023	**535,020,712**	**$128,377,152**	**$ 17,500**	**$ 2,007,665**	**$ 384,758**	**$ (648,962)**	**$ (39,677,003)**	**$ 90,461,110**
Balance at January 31, 2023	535,020,712	$128,377,152	$ 17,500	$ 2,007,665	$ 384,758	$ (648,962)	$ (39,677,003)	$ 90,461,110
Warrant exercises	250,000	17,500	(17,500)	-	-	-	-	-
Foreign currency translation	-	-	-	-	-	2,018,108	-	2,018,108
Share-based compensation	-	-	-	-	326,932	-	-	326,932
Loss for the period	-	-	-	-	-	-	(2,714,155)	(2,714,155)
Balance at December 31, 2023	**535,270,712**	**$128,394,652**	**$ -**	**$ 2,007,665**	**$ 711,690**	**$ 1,369,146**	**$ (42,391,158)**	**$ 90,091,995**

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

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN ASSUMPTION

Cornish Metals Inc. (the "**Company**" or "**Cornish Metals**") exists under the laws of the *Canada Business Corporations Act* ("**CBCA**").

The Company trades on the TSX Venture Exchange ("**TSX-V**") and the AIM market of the London Stock Exchange Plc ("**AIM**") (TSX-V/AIM – CUSN). The Company's registered office is located at Suite 960 – 789 West Pender Street, Vancouver, BC, Canada V6C 1H2. The Company has two wholly-owned subsidiaries: Strongbow Alaska, Inc. which is incorporated under the laws of Alaska, USA and Cornish Metals Limited ("**CML**"), which is incorporated under the laws of the United Kingdom.

The Company's principal business activity is the exploration and development of its mineral properties in Cornwall, United Kingdom ("**Cornwall Mineral Properties**", as defined in note 9 (a)). The Company's flagship mineral property is the past producing South Crofty underground tin mine which is being advanced through to a construction decision. The Company acquired rights for its Cornwall Mineral Properties in July 2016. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage.

The Company is in the process of assessing the technical and financial viability of its Cornwall Mineral Properties and has not yet determined whether they contain reserves that are economically recoverable. The recoverability of the amounts shown as exploration and evaluation assets and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the financing necessary to complete the development of its exploration and evaluation assets, and upon future profitable production.

These consolidated financial statements have been prepared on a going concern basis with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company has sustained substantial losses from operations since inception and has no current source of revenue. Continued operations of the Company and further exploration and development of its Cornwall Mineral Properties is dependent on the Company's ability to obtain additional financing and generate profitable operations in the future. The Company is evaluating financing opportunities to advance its Cornwall Mineral Properties, but there can be no certainty that these opportunities will materialize in the foreseeable future. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was inappropriate. These adjustments could be material.

As at December 31, 2023, the Company had current assets of $30,296,150 to settle current liabilities of $5,063,940. Although the Company has positive working capital of $25,232,210 as at December 31, 2023, the Company may be required to delay discretionary expenditures if additional financing cannot be obtained on reasonable terms. Failure to obtain additional financing when required may result in the loss of some, or all, of the Company's exploration and evaluation assets (Note 9).

2. BASIS OF PRESENTATION

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**"). These consolidated financial statements have been prepared on a historical basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied in these consolidated financial statements are based on IFRS as of December 31, 2023.

The consolidated financial statements were approved by the Board of Directors on March 20, 2024.

2. BASIS OF PRESENTATION - *Continued*

b) Change in year end

The Company changed its financial year end from January 31 to December 31 to better align the Company's financial reporting periods to that of its peer group in the mineral resources sector. In addition, the calendar year end coincides with traditional financial, taxation and operational cycles.

The change in year end takes effect from December 31, 2023 with the result that the current period of reporting is the eleven months ended December 31, 2023. The comparative period of reporting is the twelve months ended January 31, 2023.

c) Change in functional currency

On February 1, 2023, the functional currency of the Company was changed to the British pound on a prospective basis. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates* ("IAS 21"), namely:

- the currency of funds raised from recent fundraising activities was substantially denominated in British pounds, with those funds continuing to be held in British pound denominated bank deposits or liquidity funds;
- the provision of funds by the Company to its UK subsidiaries for their ongoing development activities is denominated in British pounds; and
- most of the Company's recurring expenditure on corporate activities is denominated in British pounds.

The functional currency of the Company's UK subsidiaries was changed to the British pound on February 1, 2019.

The accounting policy for the translation of entities whose functional currency is not the Canadian dollar is set out in Note 3(c).

d) Adoption of new IFRS pronouncements

On February 1, 2023, the Company adopted the following IFRS pronouncements:

Standard	Impact on initial application
IAS 1 (Amendments) *Presentation of financial statements*	Disclosure of accounting policies in financial statements
IAS 8 (Amendments) *Accounting policies, changes in accounting estimates and errors*	Disclosure of accounting estimates in financial statements
IAS 12 (Amendments) *Income taxes*	Deferred tax relating to assets and liabilities arising from a single transaction

The impact of the amended standards does not have a significant effect on the Company's accounting policies or the consolidated financial statements.

e) New standards, amendments and interpretations in issue but not yet effective

At the date of approval of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue for periods beginning on or after January 1, 2023 but not yet effective:

- Amendments to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current* and Amendments to IAS 1 *Classification of Liabilities as Current or Non-current – Deferral of Effective Date* – effective January 1, 2024.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed by management on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

Significant areas requiring the use of management judgment and estimates include:

(i) Exploration and evaluation assets – recorded costs are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that changes in future conditions could require a material change in the recognized amount.

(ii) Impairment - management applies significant judgment in assessing each cash-generating unit and assets for the existence of indicators of impairment at the reporting date. Internal and external factors are considered in assessing whether indicators of impairment are present that would necessitate impairment testing. Significant assumptions regarding commodity prices, operating costs, capital expenditures and discount rates are used in determining whether there are any indicators of impairment. These assumptions are reviewed regularly by management and compared, when applicable, to relevant market consensus views.

(iii) Depreciation of the water treatment plant – judgment was applied by management in determining that depreciation of the plant commenced on November 1, 2023. In reaching this assessment, reference was made to the success of the commissioning period before and after this date, and the volume and quality of the treated water discharged from the plant. Furthermore, judgment was required in determining the most appropriate depreciation methodology of the water treatment plant to reflect the expected pattern of economic benefit.

(iv) Environmental rehabilitation – upon the commencement of mine dewatering, judgment has been applied in assessing whether a provision for related environmental rehabilitation is required. Management has concluded that no measurable rehabilitation obligation arises for the reported period. In reaching this assessment, reference was made to the improved quality of the treated water discharged from the water treatment plant, its long useful economic life, and the wider benefit to the community of the plant, improved water quality and the inherent value of the surrounding mine site. Furthermore, management's assessment has been supported through ongoing engagement with applicable regulatory authorities.

(v) Valuation of NSR liability – on January 26, 2018, the Company issued a loan note which was convertible into a Net Smelter Royalty ("**NSR**") on all metals and minerals produced from the Company's South Crofty tin project. On February 19, 2021, this note was converted triggering the recognition of a liability for future payments under the NSR. The NSR liability was initially recorded at fair value at the date of conversion, net of transaction costs. In the absence of either observable market data for similar financial instruments or economically recoverable ore reserves for the Cornwall Mineral Properties, judgment was applied in assessing the initial fair value at the date of conversion. Subsequent to the date of conversion, the fair value is regularly assessed by management as the Cornwall Mineral Properties are advanced through their evaluation studies. The NSR liability is denominated in US dollar and is converted to Canadian dollar at each reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

a) Significant accounting estimates and judgments – *Continued*

(vi) Valuation of shares in Cornish Lithium Plc (private company shares) – shares in Cornish Lithium Plc are not traded in an active market and are adjusted at the period end to reflect management's estimated fair value. The most reliable indicator of fair value is the most recent third party sale/purchase transaction in the shares, but if this is not available, significant judgment is applied by management in estimating fair value which may involve subjective assessments of results, business plans and other developments of Cornish Lithium Plc that are not based on observable market data

(vii) Commitment to issue shares – the Company restructured the outstanding deferred consideration payable in respect of the acquisition of the Cornwall Mineral Properties. Pursuant to this restructuring, two new fixed payments were payable through the issuance of common shares as certain milestones are reached. Judgment is applied as to the criteria that trigger the crystallization of the outstanding milestone payment, including its recognition and valuation on the consolidated statement of financial position. This judgment is regularly reviewed by management in the context of the Company's ongoing results and future business plans.

(viii) Share-based payments - the Company uses the Black-Scholes Option Pricing Model for the valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, expiry date and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate, and consequently the Company's profit or loss and share-based payment reserve.

(ix) Deferred financing fees - judgment is required to be exercised on the likely successful completion of financing to which deferred financing fees relate. These fees are carried at cost on the consolidated statement of financial position with the likelihood of the related financing being reviewed at the reporting date. If the related financing is unlikely to complete as contemplated, deferred financing fees are written off to profit or loss.

(x) Functional currency – items included in the accounts of each of the Company's entities are measured using the currency of the primary economic environment in which an entity operates. With effect from February 1, 2023, management has determined the functional currency of the Company to be the British pound. Judgment is required to be exercised in determining the functional currency, including assessing the underlying transactions, events and conditions which are relevant to an entity. Management has considered the currency of funds raised from financing activities and in which most expenditure is denominated as being the most relevant factors in reaching its determination for the Company's functional currency

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

b) Principles of consolidation

These consolidated financial statements include the financial statements of the Company and the subsidiaries listed in the following table:

Name of subsidiary	Place of incorporation	Ownership interest	Principal activity
Strongbow Alaska, Inc.	Alaska, USA	100%	Exploration and development company
Cornish Metals Limited	United Kingdom	100%	Holding company
South Crofty Limited ("**SCL**")	United Kingdom	100% subsidiary of CML	Exploration and development company
Cornish Minerals Limited (Bermuda) ("**CMLB**")	Bermuda	100% subsidiary of CML	Holding company for mineral leases

Subsidiaries are entities controlled by the Company. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All inter-company transactions and balances have been eliminated upon consolidation.

c) Foreign currency translation

Presentational and functional currency

These consolidated financial statements are presented in Canadian dollars.

Items included in the accounts of each of the Company's entities are measured using the currency of the primary economic environment in which an entity operates (the "**functional currency**"). The functional currency of the Company and its UK subsidiaries is the British pound, and for Strongbow Alaska, Inc. and CMLB, the functional currency is the US dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The effects of changes in foreign exchange rates* ("**IAS 21**").

Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Translation of subsidiary results into the presentation currency

The results and financial position of the Company and its subsidiaries with functional currencies different from the presentation currency (none of which has the currency of a hyperinflationary economy) are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- Income and expenses for each statement of income 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 are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are recognized in other comprehensive income. When a foreign operation is sold, such exchange differences are recognized in profit or loss as part of the gain or loss on sale of investment.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

d) Share-based compensation

The Company grants share purchase options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of the options is measured at the grant date, using the Black-Scholes option pricing model. The fair value of the share options considers the terms and conditions upon which the share options were granted. The fair value of the options granted is recognized as a share-based compensation expense with a corresponding increase in equity. The fair value is measured at the grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The share-based compensation expense is either expensed to profit or loss, or capitalized to property, plant and equipment or exploration and evaluation assets depending on the nature of services provided by the option holder. The share-based payment reserve reflects the fair value of unexpired options outstanding at the period end.

Share-based compensation arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity settled share-based payment transactions and measured at the fair value of goods or services received. If the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

If vested options are forfeited, cancelled or are not exercised at the expiry date, the amount previously recognized in share-based payment reserve is transferred to deficit.

e) Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in profit or loss.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the period end, and adjusted for amendments to tax payable with regards to previous years.

Where required by IAS 12 *Income taxes*, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

The following temporary differences do not result in deferred tax assets or liabilities:
- the initial recognition of assets or liabilities that do not affect accounting or taxable profit; and
- goodwill

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

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

f) Income (loss) per share

Basic income (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted income per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the income per share. In accordance with IAS 33 *Earnings per share*, basic and diluted loss per share are identical as the effect of the exercise of share options or warrants would be to decrease the loss per share.

g) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

The initial cost of property, plant and equipment is comprised of its purchase price and any directly attributable costs in bringing the assets to their working condition and location for its intended use. Expenditures incurred after the assets have been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized as an expense in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have improved the condition of the assets beyond the originally assessed standard of performance, the expenditures are capitalized as an additional cost of property, plant and equipment.

Depreciation is provided for annually at the following rates:

Computer equipment	3 years straight line
Software	3 years straight line
Furniture & fixtures	10 years straight line
Motor vehicles	4 years straight line
Equipment	5 years straight line
Right-of-use assets	the term of the lease

Freehold land is not depreciated.

Depreciation for the water treatment plant commenced on November 1, 2023, the date when the asset was complete and available for use. Depreciation is provided on a unit-of-treatment method based on the volume of water estimated to be treated over the total life of the plant. Depreciation for other assets that are classified as work in progress will commence once the asset is complete and available for use.

The remaining useful lives, residual values and depreciation methods are reviewed and adjusted, if appropriate, at each financial year end to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits from the items of property, plant and equipment.

The carrying value of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognized when either it has been disposed or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gains or losses arising on the retirement and disposal of an item of property, plant and equipment are included in profit or loss in the period of retirement or disposal.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

h) Exploration and evaluation assets

Exploration and evaluation assets are capitalized as assets on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. No costs are capitalized until the legal right to explore the property has been obtained. When it is determined that such costs will be recouped through development and exploitation, the capitalized expenditure is first tested for impairment, then transferred to tangible assets and depreciated over the expected productive life of the asset. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated life of the ore reserves, while costs for the prospects abandoned are written off.

Impairment reviews for deferred exploration and evaluation assets are carried out on a project by project basis, with each project representing a single cash generating unit. An impairment review is undertaken when indicators of impairment arise but typically when one or more of the following circumstances apply:

- Unexpected geological occurrences are identified that render the resource uneconomic;
- Title to the asset is compromised;
- Fluctuations in metal prices render the project uneconomic; and
- Lack of available financing to progress the project.

Where the Company enters into exploration option agreements with third parties, the Company may acquire or dispose of mineral rights and certain benefits attached to those mineral rights. Due to the fact that these options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation assets when payments are made, or as recoveries when payments are received, either against exploration and evaluation assets or as income within profit or loss depending on the nature of the option agreement.

The recoverability of the amounts capitalized for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to develop its exploration and evaluation assets and the ability to obtain the necessary financing to complete their development and future profitable production.

i) Marketable securities

Marketable securities are measured at fair value and consist of shares in public companies listed on the TSX-V and common shares in private companies. Shares which are traded in an active market, such as the TSX-V, are measured at fair value based on quoted closing bid prices at the period end or the closing bid price on the last day the share traded if there were no trades at the period end. The fair value of shares which are not traded in an active market are originally recorded at cost and then adjusted at the period end to reflect management’s estimated fair value. Indicators of fair value include recent third party sale/purchase transactions of shares as reported to the Company and the financial condition of the investee company reflecting operational and financial results, business plans and other developments.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

j) Impairment

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. 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. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss. For an asset that does not generate independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalized as part of the cost of the respective asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available for a short term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is also capitalized and deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the period.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred. Even though exploration and evaluation assets can be qualifying assets, they generally do not meet the 'probable economic benefits' test and are also rarely debt funded. Any related borrowing costs incurred during this phase are therefore generally recognized in profit or loss in the period they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

l) Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbances are caused by the exploration or development of exploration and evaluation assets due to statutory, contractual, constructive or legal obligations. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises.

The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as exploration and evaluation assets. The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to exploration and evaluation assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The costs of rehabilitation projects that were included in the rehabilitation provision are recorded against the provision as incurred.

m) Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss ("**FVTPL**") or amortized cost. The classification depends on the purpose for which the financial assets were acquired. The classification of the Company's financial assets are determined at initial recognition.

Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Derecognition of financial assets

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in profit or 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 loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. For trade receivables, the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

3. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

n) Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and accrued liabilities and lease liabilities are classified and carried on the consolidated statement of financial position at amortized cost whilst the NSR liability is classified and measured at FVTPL.

o) Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are valued based on the residual value method and included in share capital with the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other compensatory transactions costs are accounted for as share-based payments.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, marketable securities, receivables, accounts payable and accrued liabilities, lease liabilities and NSR liability. The carrying value of cash, receivables, accounts payable and accrued liabilities approximate their fair values due to their immediate or short-term maturity and have been classified at amortized cost. Marketable securities which are publicly traded, have been classified at FVTPL and are recorded at fair value based on the quoted market prices in active markets at the period end, which is consistent with level 1 of the fair value hierarchy; marketable securities that are not publicly traded are recorded at fair values using estimates consistent with level 2 of the fair value hierarchy (inputs are based on observable market data being actual transactions between market participants). Lease liabilities are initially recorded at fair value and are subsequently carried at amortized cost. The NSR liability was initially recorded at fair value and is subsequently carried at FVTPL.

The Company is exposed to a variety of financial risks by virtue of its activities, including liquidity risk, credit risk, foreign currency risk, interest rate risk, equity market risk and commodity price risk. The Company's objective with respect to risk management is to minimize potential adverse effects on the Company's financial performance and position. The Board of Directors provides direction and guidance to management with respect to risk management. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings and asset sales, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration, future development and corporate activities and anticipating investing and financing activities. Failure to realize additional funding, as required, could result in the delay or indefinite postponement of further exploration of the Cornwall Mineral Properties, and could result in the Company being unable to meet the continued listing requirements of the TSX-V and AIM. As at December 31, 2023, the Company had current assets of $30,296,150 to settle current liabilities of $5,063,940.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – *Continued*

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables and cash. The Company's receivables consist primarily of sales tax receivables due from the Canadian and UK governments. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions and 'AAA' rated liquidity funds.

Foreign currency risk

The Company has its most significant exposure to foreign currency risk through expenditures incurred on its mineral properties in the United Kingdom. Most of the Company's expenditure incurred on these assets is denominated in British pounds. Where possible, the currency of any fundraising that is undertaken for the advancement of the Cornwall Mineral Properties is denominated in British pounds to mitigate foreign currency risk.

The fluctuation of the Canadian dollar in relation to the British pound also has an impact on the value of the Company's assets as reported in its consolidated statement of financial position.

The Company does not presently invest in foreign denominated currency contracts to mitigate foreign currency risk, but will closely monitor this risk depending on the amount and currency of any future fundraising that is undertaken for the advancement of the Company's mineral properties located in the UK.

For the period ended December 31, 2023, with other variables unchanged, a 5% increase or decrease of the British pound and the US dollar against the Canadian dollar would increase or decrease financial assets and liabilities by approximately $740,000.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the future cash flows of a financial instrument fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk is limited to the investment returns received on cash placed in deposits or liquidity funds held with Canadian and British financial institutions. Funds not required for immediate working capital needs are placed in deposits or liquidity funds to maximize investment returns whilst balancing near-term liquidity requirements. The Company has no financial liabilities subject to variable interest rates.

Equity market risk

The Company is exposed to equity price risk arising from its marketable securities, which are classified as FVTPL. The Company sells its marketable securities as market conditions permit, or as is required to finance the Company's operations from time-to-time.

Commodity price risk

The Company is exposed to price risk with respect to commodity prices, particularly tin. The ability of the Company to explore and develop the Cornwall Mineral Properties and the future profitability of the Company are directly related to the market price of commodities. The Company monitors commodity prices in forecasting its cash flow requirements for the funding of its ongoing exploration and corporate activities and estimated development costs in bringing assets into production. Since the Company remains in the exploration stage, it does not presently invest in commodity hedges to mitigate this risk.

(Expressed in Canadian dollars)

5. MARKETABLE SECURITIES

The Company holds common shares in one TSX-V listed company and in two private mineral exploration companies (January 31, 2023 – one TSX-V listed company and two private mineral exploration companies).

				December 31, 2023				January 31, 2023
		Cost		**Fair market value**		Cost		Fair market value
Public company shares	**$**	**255,000**	**$**	**240,000**	$	255,000	$	350,000
Private company shares		**610,871**		**2,425,454**		610,871		2,368,936
	$	**865,871**	**$**	**2,665,454**	$	865,871	$	2,718,936

During the eleven months ended December 31, 2023, the Company received common shares of a private company at a value of $Nil (year ended January 31, 2023 - $137,062) pursuant to an option agreement, which were recorded as a recovery against exploration and evaluation assets (Note 9).

During the year ended January 31, 2023, the Company received 1,000,000 common shares in Electric Royalties Limited, a TSX-V listed company, pursuant to the disposal of a royalty on a mineral property (Note 9).

During the eleven months ended December 31, 2023, the Company recorded an unrealized loss of $116,903 (year ended January 31, 2023 – gain of $752,368) associated with the change in fair value of marketable securities. The basis of determining the fair value of marketable securities is set out in Note 4.

6. RECEIVABLES

		December 31, 2023		January 31, 2023
VAT receivables	**$**	**997,616**	$	597,143
GST receivables		**4,942**		2,790
Other receivables		**110,080**		56,474
Total	**$**	**1,112,638**	$	656,407

7. DEFERRED FINANCING FEES

Deferred financing fees of $135,242 (January 31, 2023 - $Nil) consist primarily of legal and related professional fees incurred in connection with fundraising activities that are planned for completion subsequent to the period end date.

(Expressed in Canadian dollars)

8. PROPERTY, PLANT AND EQUIPMENT

Cost	Computer equipment & software	Furniture & fixtures	Land & buildings	Motor vehicles	Right-of-use assets	Water treatment plant*	Equipment**	Total
As at January 31, 2022	137,714	27,335	1,810,951	13,954	12,816	4,497,352	234,317	6,734,439
Additions	183,424	28,008	-	66,892	-	3,044,183	725,400	4,047,907
Transfers***	-	-	-	-	-	(524,263)	8,519	(515,744)
Disposals	-	-	-	(4,006)	-	-	(49,668)	(53,674)
Foreign currency translation	458	(336)	(55,491)	1,085	(484)	(66,087)	9,214	(111,641)
As at January 31, 2023	321,596	55,007	1,755,460	77,925	12,332	6,951,185	927,782	10,101,287
Additions	41,183	4,322	-	31,954	-	10,790,371	3,980,062	14,847,892
Disposals	(18,252)	(2,884)	-	-	-	-	(54,519)	(75,655)
Foreign currency translation	7,164	1,338	41,765	1,923	293	177,535	26,516	256,534
As at December 31, 2023	**$ 351,691**	**$ 57,783**	**$1,797,225**	**$ 111,802**	**$ 12,625**	**$17,919,091**	**$ 4,879,841**	**$25,130,058**
Accumulated depreciation								
As at January 31, 2022	(85,616)	(13,820)	-	(13,954)	(5,339)	-	(178,535)	(297,264)
Depreciation	(443)	-	-	-	-	-	-	(443)
Capitalized depreciation	(80,348)	(3,499)	-	(12,542)	(6,007)	-	(41,690)	(144,086)
Disposals	-	-	-	4,006	-	-	49,668	53,674
Foreign currency translation	317	474	-	354	43	-	6,996	8,184
As at January 31, 2023	(166,090)	(16,845)	-	(22,136)	(11,303)	-	(163,561)	(379,935)
Capitalized depreciation	(115,352)	(4,987)	-	(16,757)	(1,051)	(745,679)	(143,030)	(1,026,856)
Disposals	18,252	1,973	-	-	-	-	54,509	74,734
Foreign currency translation	(3,550)	(432)	-	(578)	(271)	(842)	(4,003)	(9,676)
As at December 31, 2023	**$ (266,740)**	**$ (20,291)**	**$ -**	**$ (39,471)**	**$ (12,625)**	**$ (746,521)**	**$ (256,085)**	**$(1,341,733)**
Net book value								
As at January 31, 2023	$ 155,506	$ 38,162	$1,755,460	$ 55,789	$ 1,029	$ 6,951,185	$ 764,221	$ 9,721,352
As at December 31, 2023	**$ 84,951**	**$ 37,492**	**$1,797,225**	**$ 72,331**	**$ -**	**$17,172,570**	**$ 4,623,756**	**$ 23,788,325**

* Depreciation of the water treatment plant commenced on November 1, 2023 when the asset was complete and available for use.
** Included in equipment are $3,579,501 of assets which are in progress and are currently not depreciated. Depreciation will commence once these assets are complete and available for use.
***Certain costs in the prior year included in property, plant & equipment were reclassified to exploration and evaluation assets to ensure consistency in categorization.

(Expressed in Canadian dollars)

9. EXPLORATION AND EVALUATION ASSETS

	January 31, 2023	Expended during the period	**December 31, 2023**
Cornwall Mineral Properties			
Exploration costs	$ 10,617,546	$ 10,758,238	**$ 21,375,784**
Tenure and utility costs	1,859,025	576,125	**2,435,150**
Office and remuneration costs	6,081,662	3,674,290	**9,755,952**
Capitalized depreciation	581,974	1,026,856	**1,608,830**
Asset acquisition	15,122,062	-	**15,122,062**
Recovery of costs	(581,729)	-	**(581,729)**
Share-based compensation	-	121,906	**121,906**
Foreign currency translation	(592,411)	804,779	**212,368**
	$ 33,088,129	$ 16,962,194	**$ 50,050,323**

	January 31, 2022	Transfer from property, plant & equipment*	Expended / (recovered) during the year	**January 31, 2023**
Cornwall Mineral Properties				
Exploration costs	$ 4,536,805	$ 515,744	$ 5,564,997	**$ 10,617,546**
Tenure and utility costs	1,292,255	-	566,770	**1,859,025**
Office and remuneration costs	4,201,741	-	1,879,921	**6,081,662**
Capitalized depreciation	437,888	-	144,086	**581,974**
Asset acquisition costs	10,898,376	-	4,223,686	**15,122,062**
Recovery of costs	(449,947)	-	(131,782)	**(581,729)**
Foreign currency translation	(145,089)	-	(447,322)	**(592,411)**
	$ 20,772,029	$ 515,744	$ 11,800,356	**$ 33,088,129**

* Certain costs in the prior year included in property, plant & equipment were reclassified to exploration and evaluation assets to ensure consistency in categorization.

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties is in good standing.

a) Cornwall Mineral Properties

On March 16, 2016, the Company entered into a Share Purchase Agreement ("**SPA**") with Galena Special Situations Fund and Tin Shield Production Ltd. (collectively, the "**Sellers**"). Under the terms of this SPA, on July 11, 2016, the Company acquired, from administration, a 100% interest in the South Crofty Tin Project and associated mineral rights in Cornwall, UK (collectively the "**Cornwall Mineral Properties**"). The Company, through its wholly-owned subsidiary, CML, owns a 100% interest in South Crofty Limited and Cornish Minerals Limited (Bermuda) ("**CMLB**") (collectively the "**Companies**"). The Companies hold the rights to the South Crofty underground mine permission area, plus additional mineral rights located in various parts of Cornwall, UK.

9. EXPLORATION AND EVALUATION ASSETS – *Continued*

a) Cornwall Mineral Properties – *Continued*

In addition to the cash and common share consideration paid on July 11, 2016, under the terms of the SPA the Company agreed to additional payments and share issuances in the form of deferred consideration. On June 30, 2021, the Company and the Sellers entered into a side letter (the "**Side Letter**") to the SPA to restructure the deferred consideration which remained outstanding at that date.

Pursuant to the Side Letter, the new fixed payments comprising the balance of the deferred consideration payable to the Sellers were as follows:

- Cornish Metals to issue 7,000,000 common shares to the Sellers ("**Closing Shares**") immediately upon receipt of shareholder and applicable regulatory approval of the Side Letter (issued October 29, 2021 in satisfaction of this commitment);
- In addition to the Closing Shares, a total of US$9,750,000 were to be paid in common shares (the "**Milestone Shares**") as certain milestones are reached. The Milestone Shares are as follows:
  - Cornish Metals to make a US$4,750,000 payment in common shares upon closing of the financing for the dewatering of the mine at the South Crofty Tin Project. Following completion of the Offering on May 24, 2022 (Note 13), the Company issued 20,298,333 common shares to the Sellers on May 31, 2022 satisfying the deferred consideration payment equivalent to an amount of US$4,750,000; and
  - Cornish Metals to make a US$5,000,000 payment in common shares upon making a decision to proceed with the development and / or construction of a mine either at the South Crofty Tin Project or at the United Downs property.

The future issuance of the Milestone Shares by the Company is subject to TSX-V approval prior to such issuance with the TSX-V determining the acceptability of the pricing of the Milestone Shares at the time of such approval.

(Expressed in Canadian dollars)

9. EXPLORATION AND EVALUATION ASSETS – *Continued*

b) Cornish Lithium exploration option agreement

In January 2017, CML and Cornish Lithium Limited ("**CLL**", subsequently renamed Cornish Lithium Plc), a private UK company, entered into an exploration option agreement whereby CLL has the right to explore for, and potentially develop, lithium in hot springs brines and associated geothermal energy from the Company's mineral rights in Cornwall, UK. The Company will have a 25% free carried interest in the first project to have a bankable feasibility study completed on it, after which the Company will be required to contribute its share of development costs or be diluted. The Company will have a 10% free carried interest on subsequent development projects as well as a 2% gross revenue royalty payable from the production of metals from brines or from any geothermal energy produced and sold by CLL.

Under the terms of the agreement, CLL agreed to issue common shares with a value US$50,000 concurrently with its first financing and, to keep the agreement in good standing, to issue common shares with a value of US$50,000 on the first, second, third and fourth anniversary of the agreement. From the fifth anniversary date of the agreement, CLL will make annual payments of US$100,000, in cash or common shares of CLL, at its election. From the tenth anniversary date of the agreement, CLL will make annual payments of US$500,000 in cash or common shares of CLL, at its election, of which 50% of the payment will be considered an advance royalty payment. During the eleven months ended December 31, 2023, the Company recorded a recovery against exploration and evaluation assets of $Nil (year ended January 31, 2023 - $137,062) for the fair value of the CLL shares received.

c) Sleitat Tin Property, Alaska, U.S.A.

On May 27, 2022, the disposal of a 1% Net Smelter Royalty on the Sleitat tin-silver project located in Alaska, USA to Electric Royalties Limited was completed. The consideration was $100,000 and 1,000,000 common shares in Electric Royalties Limited (Note 5), which in aggregate amounted to $355,000 at the date of completion. Legal expenses associated with the transaction amounted to $36,853. These have been netted against the consideration received resulting in a gain of $318,147 being recognized in profit or loss during the year ended January 31, 2023. No gain or loss of this nature was recognized during the eleven months ended December 31 2023.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		December 31, 2023		January 31, 2023
Trade payables	**$**	**3,017,803**	$	1,804,807
Accrued liabilities		**2,046,137**		673,835
Current income tax (Note 15)		**-**		16,000
Total	**$**	**5,063,940**	$	2,494,642

11. LEASE LIABILITY

		Eleven months ended December 31, 2023		Year ended January 31, 2023
Opening balance	**$**	**642**	$	4,871
Lease payments		**(723)**		(4,459)
Amortization of discount – capitalized to exploration & evaluation assets		**70**		415
Foreign currency translation		**11**		(185)
Ending balance	**$**	**-**	$	642

(Expressed in Canadian dollars)

11. LEASE LIABILITY - *Continued*

The following table is a summary of the carrying amounts of the Company's lease liabilities that are recognized in the consolidated statement of financial position as of:

	December 31, 2023		January 31, 2023	
Current portion of lease obligation	**$**	**-**	$	642
Long-term portion of lease obligation		**-**		-
Ending balance	**$**	**-**	$	642

During the year ended January 31, 2022, the Company recognized a right-of-use asset and a lease liability relating to a motor vehicle used in Cornwall, UK. The lease liability was initially measured at the present value of the lease payments, discounted using the Company's estimated incremental borrowing rate of 5%, rather than the interest rate implicit in the lease, as that rate could not be readily determined. The final payment under this lease was made in March 2023.

12. NET SMELTER ROYALTY LIABILITY

	Eleven months ended December 31, 2023		Year ended January 31, 2023	
Opening balance	**$**	**9,149,804**	$	8,717,330
Foreign currency translation		**(84,987)**		432,474
Ending balance	**$**	**9,064,817**	$	9,149,804

On January 26, 2018, the Company completed a secured convertible note financing (the "**Note**") with Osisko Gold Royalties Ltd. ("**Osisko**"), a significant shareholder of the Company at that date, for gross proceeds of $7,170,000. The Note was convertible into a 1.5% NSR on all metals and minerals produced from the South Crofty Tin Project at Osisko's option (the "**Royalty Option**").

On February 19, 2021, Osisko exercised the Royalty Option and converted its Note into two royalties as follows:

- a perpetual 1.5% NSR on the South Crofty Tin Project; and
- a perpetual 0.5% NSR on any other mineral rights held by the Company in Cornwall, UK that do not form part of the South Crofty Tin Project (together, the "**Royalty Agreements**").

Both royalties become payable from the commencement of production which is defined in the Royalty Agreements. The royalties are payable on all products which include any and all metals, minerals and products or by-products thereof.

The Royalty Agreements are secured over the Company's subsidiary, CMLB, which holds the Company's mineral rights in Cornwall, UK, and a share charge over CML's holding in CMLB. Liquidated damages also become payable to Osisko in the event of default.

The NSR liability was initially recorded at fair value at the date of conversion of the Note, net of transaction costs, with an initial carrying value of $8,648,380.

(Expressed in Canadian dollars)

13. CAPITAL AND RESERVES

Authorized share capital

At December 31, 2023, the authorized share capital is an unlimited number of common shares without par value. All issued shares are fully paid.

Share issuances from fundraising activities

Eleven months ended December 31, 2023

There were no share issuances from fundraising activities during the eleven months ended December 31, 2023.

Year ended January 31, 2023

On May 24, 2022, a financing of £40.5 million ($65.1 million based on the closing exchange rate as at May 24, 2022) (the "**Offering**") completed, which included a £25.0 million (approximately $40.1 million based on the closing exchange rate as at May 24, 2022) strategic investment by Vision Blue Resources Limited ("**VBR**"). The balance of the Offering was completed through a private placement with certain Canadian and UK investors and eligible private investors.

The Offering was structured through a unit offering comprising one common share at £0.18 ($0.30 for Canadian investors) and a warrant to purchase one common share priced at £0.27 ($0.45 for Canadian investors) for a period of 36 months from the closing date of the Offering. A total of 225,000,000 units were issued, comprising around 44.0% of the issued share capital, as enlarged by the Offering, excluding the effect of the issuance of the Milestone Shares as described in Note 9. Total share issue costs amounted to $3,966,075 resulting in net proceeds of $61,169,671.

Stock options and warrants

As at December 31, 2023, the following stock options and warrants were outstanding and exercisable:

	Outstanding	Exercise Price	Exercisable	Expiry date
Options	5,150,000	$ 0.10	5,150,000	August 19, 2025
	11,000,000	0.30[1]	-	July 17, 2028
	800,000	0.30[1]	-	October 1, 2028
Warrants	225,000,000	0.45[2]	225,000,000	May 24, 2025

[1] Pursuant to the terms of the share option award, the exercise price of these options is £0.18 for non-Canadian option holders or $0.30 for Canadian option holders, consistent with the subscription prices of the Offering.

[2] Pursuant to the terms of the Offering, the exercise price of these warrants is £0.27 for non-Canadian investors or $0.45 for Canadian investors.

Stock options

The Company has a '10% rolling' stock option plan (the "**Plan**"). The maximum aggregate number of common shares issuable pursuant to options awarded under the stock option plan and outstanding from time to time may not exceed 10% of the issued and outstanding common shares from time to time.

Under the terms of the Plan, options will be exercisable over periods of up to five years as determined by the Board of Directors and must have an exercise price not less than the closing market price of the Company's shares prevailing on the day that the option is granted. Under the Plan, the Board of Directors may from time to time authorize the grant of options to directors, officers, employees and consultants of the Company and its subsidiaries, or employees of companies providing management or consulting services to the Company or its subsidiaries. The number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant.

(Expressed in Canadian dollars)

13. CAPITAL AND RESERVES - *Continued*

Stock options and warrants – *Continued*

Stock options – Continued

Stock option transactions for the eleven months ended December 31, 2023 and the year ended January 31, 2023 are summarized as follows:

	Number of options	Weighted average exercise price
Balance, January 31, 2022	6,550,000	$ 0.12
Expired	(800,000)	0.20
Exercised	(600,000)	0.20
Balance, January 31, 2023	5,150,000	$ 0.10
Granted	11,800,000	0.30
Balance, December 31, 2023	**16,950,000**	**$ 0.24**
Number of options exercisable as at December 31, 2023	**5,150,000**	**$ 0.10**

During the eleven months ended December 31, 2023, the weighted average share price of the Company was $0.21 (year ended January 31, 2023 – $0.35).

Warrants

Warrant transactions for the eleven months ended December 31, 2023 and the year ended January 31, 2023 are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance, January 31, 2022	3,522,222	$ 0.09
Granted	225,000,000	0.44
Exercised	(3,272,222)	0.09
Balance, January 31, 2023	225,250,000	$ 0.44
Exercised	(250,000)	0.07
Balance, December 31, 2023	**225,000,000**	**$ 0.45**

During the year ended January 31, 2023, the Company issued 225,000,000 warrants pursuant to the Offering. The weighted average exercise price of these warrants was $0.44 based on an exercise price of £0.27 for non-Canadian subscribers and $0.45 for Canadian subscribers.

The shares relating to 250,000 warrant exercises were issued on February 3, 2023, although the Company received the exercise proceeds before January 31, 2023. These proceeds were classified as share subscriptions received in advance as at January 31, 2023.

Share-based compensation

During the eleven months ended December 31, 2023, the Company granted 11,800,000 (year ended January 31, 2023 – Nil) stock options to officers and employees with an estimated fair value of $1,206,694 (year ended January 31, 2023 – $Nil). These options have a five year term, whereby the options vest over a three year period, with one third of the options vesting at the end of each year. Of these options, 11,000,000 will expire on July 17, 2028 and 800,000 will expire on October 1, 2028.

(Expressed in Canadian dollars)

13. CAPITAL AND RESERVES - *Continued*

Share-based compensation – *Continued*

The Company used the following assumptions to estimate a fair-value for the stock options granted during the eleven months ended December 31, 2023:

	Eleven months ended December 31, 2023
Risk-free interest rate	4.07-4.33%
Expected dividend yield	0%
Expected stock price volatility	87.3%
Expected option life in years	3 to 4 years
Forfeiture rate	0%

During the eleven months ended December 31, 2023, the Company recognized $326,932 in share-based compensation, of which $205,026 was expensed to profit or loss and $121,906 was capitalized in exploration and evaluation assets (year ended January 31, 2023 - $Nil).

Capital contribution

The capital contribution reserve represents gains arising from two transactions with Osisko in prior years whilst Osisko was a significant shareholder of the Company.

14. CAPITAL MANAGEMENT

The capital of the Company consists of the items included in capital and reserves as set out in the consolidated statement of financial position. The Company manages its capital structure based on the nature and availability of funding, and the timing of expected or committed expenditures. The Company's capital management policy is to maintain sufficient capital to support the acquisition, exploration and future development of its mineral properties and to provide sufficient funds for its corporate activities.

The Company's mineral properties are in the exploration stage. As an exploration stage company, the Company is currently unable to self-finance its operations. The Company has historically relied on equity financings and asset sales, or a combination thereof, to finance its activities. The Company forecasts its future capital requirements by planning the exploration and future development activities to be undertaken on its mineral properties, and assessing the level of corporate activities that are necessary to support the growth and development of the Company.

The Company is not subject to any externally imposed capital requirements. There were no changes to the Company's approach to capital management during the period.

(Expressed in Canadian dollars)

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Eleven months ended December 31, 2023	Year ended January 31, 2023
Loss before income taxes	**$ (2,887,255)**	$ (1,202,257)
Expected income tax (recovery)	**(780,000)**	(325,000)
Permanent difference	**66,000**	(99,000)
Change in statutory, foreign tax, foreign exchange rates and other	**81,000**	(1,217,000)
Adjustment to prior year's provision versus statutory returns	**1,184,000**	81,000
Surrender of tax losses for Research & Development tax credit refund	**(168,100)**	-
Changes in unrecognized deductible temporary differences	**(556,000)**	1,576,000
Income tax expense	**$ (173,100)**	$ 16,000
Analysed as:		
Current income tax (recovery)	**$ (173,100)**	$ 16,000

The significant components of the Company's deferred tax assets and liabilities are as follows:

	December 31, 2023	January 31, 2023
Deferred tax assets (liabilities)		
Exploration and evaluation assets	**$ (1,936,000)**	$ (258,000)
Property and equipment and other	**8,000**	(373,000)
Allowable capital losses	**243,000**	250,000
Non-capital losses	**1,685,000**	381,000
Net deferred tax liabilities	**$ -**	$ -

The significant components of the Company's deferred tax assets that have not been included in the consolidated statement of financial position are as follows:

	December 31, 2023	January 31, 2023
Deferred tax assets (liabilities)		
Exploration and evaluation assets	**$ 4,208,000**	$ 4,238,000
Property and equipment and other	**957,000**	1,155,000
Allowable capital losses	**354,000**	352,000
Non-capital losses available for future periods	**2,594,000**	2,904,000
	8,113,000	8,649,000
Unrecognized deferred tax assets	**(8,113,000)**	(8,649,000)
Net deferred tax assets	**$ -**	$ -

(Expressed in Canadian dollars)

15. INCOME TAXES - *Continued*

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included in the consolidated statement of financial position are as follows:

	December 31, 2023	Expiry dates	January 31, 2023
Exploration and evaluation assets	**$ 14,346,000**	no expiry date	$ 14,445,000
Property and equipment and other	**3,547,000**	no expiry date	4,275,000
Allowable capital losses	**411,000**	no expiry date	377,000
Non-capital losses available for future periods	**9,625,000**	2036 onwards	11,024,000
Canada	**8,872,000**	2036 to 2043	7,092,000
USA	**258,000**	2036 onwards	202,000
UK	**495,000**	no expiry date	3,730,000

As at December 31, 2023, deferred tax is calculated at 25.0% for CML and SCL (January 31, 2023 – 25.0%), 28.4% for Strongbow Alaska Inc (January 31, 2023 – 28.4%) and 27.0% for the Company (January 31, 2023 – 27.0%).

Tax attributes are subject to review, and potential adjustment, by tax authorities.

16. COMMITMENTS

The Company has entered into contracts with utility providers, land owners and mineral lease owners, none of which are regarded as significant or non-routine in nature. Costs under these contracts are either expensed to profit or loss, or capitalized to exploration and evaluation assets depending on their nature.

The Company also has outstanding commitments amounting to $3.2 million as at December 31, 2023 relating to the advancement of the South Crofty tin project to a potential construction decision. The timing of payments relating to these commitments depends on the progress of the dewatering of the South Crofty mine, associated shaft refurbishment activities and preparation of the feasibility study. Settlement of these commitments is expected within twelve months of the period end.

The Company is liable to make a payment of US$5.0 million in common shares pursuant to the residual deferred consideration payable to the Sellers of the Cornwall Mineral Properties (Note 9). The payment will be crystallized upon making a decision to proceed with the development and / or construction of a mine either at the South Crofty Tin Project or at the United Downs property.

Upon commencement of mining, the Company is liable to make payments to owners of mineral properties within the underground mine permission area of the South Crofty Tin Project which the Company leases for the purposes of ore extraction. Payments will take the form of either:

- an advance payment of £84,000 per annum (equivalent to $141,431 at the period end GBP/CAD rate) during periods when there is no production from the respective owner's mineral rights ("**Advance Royalty Payments**"), or
- a NSR payable for a minimum of £84,000 on ore extracted from property that falls within the mineral rights held by the owners which varies according to the prevailing tin price.

The Advance Royalty Payments will be deducted from NSR royalty payments as and when the NSR royalties become payable.

17. RELATED PARTY TRANSACTIONS

The Company had no reportable transactions with related parties during the eleven month period ended December 31, 2023. The Company entered into the following transactions with related parties during the year ended January 31, 2023:

(Expressed in Canadian dollars)

17. RELATED PARTY TRANSACTIONS - *Continued*

Exercise of stock options

a) Received $65,000 from Owen Mihalop (Chief Operating Officer) relating to the exercise of 325,000 stock options on October 11, 2022 (Note 13).

Exercise of warrants

a) Received $38,182 from directors (D. Grenville Thomas and Don Njegovan) relating to the exercise of 381,824 warrants on November 7, 2022 (Note 13).

Participation in financings

a) Received $30,000 from each of Patrick Anderson (director), Stephen Gatley (director), Don Njegovan and Richard Williams (director), £10,000 from John McGloin (director) and Owen Mihalop, and $90,000 from D. Grenville Thomas for their participation in the Offering (Note 13); and

b) Received £25,000,000 from VBR for its participation in the Offering (Note 13).

18. KEY MANAGEMENT COMPENSATION

Key management includes the Company's directors and officers. Compensation awarded to directors and other key management personnel during the eleven months ended December 31, 2023 and the year ended January 31, 2023 was as follows:

	Eleven months ended December 31, 2023				
	Base salary	Fees	Bonus	Benefits	**Total**
Patrick Anderson (non-executive Chairman)	$ -	$ 51,555	$ -	$ -	**$ 51,555**
Kenneth Armstrong (non-executive director)	-	34,183	-	-	**34,183**
Stephen Gatley (non-executive director)	-	114,086[1]	-	-	**114,086**
John McGloin (non-executive director)	-	32,756	-	-	**32,756**
Don Njegovan (non-executive director)	-	32,213	-	-	**32,213**
D. Grenville Thomas[2] (non-executive director)	-	8,333	-	-	**8,333**
Anthony Trahar (non-executive director)	-	33,599	-	-	**33,599**
Richard Williams (Chief Executive Officer and executive director)	297,917	-	169,940	120,438[3]	**588,295**
Total – directors	297,917	306,725	169,940	120,438	**895,020**
Other key management	636,032	6,539	288,898	13,955[4]	**945,424**
Total - key management[5]	**$ 933,949**	**$ 313,264**	**$ 458,838**	**$ 134,393**	**$ 1,840,444**

	Year ended January 31, 2023				
	Base salary	Fees	Bonus	Benefits	**Total**
Patrick Anderson (non-executive Chairman)	$ -	$ 30,000	$ -	$ -	**$ 30,000**
Kenneth Armstrong (non-executive director)	-	20,000	-	-	**20,000**
Stephen Gatley (non-executive director)	-	92,895[1]	-	-	**92,895**
John McGloin (non-executive director)	-	20,000	-	-	**20,000**
Don Njegovan (non-executive director)	-	20,000	-	-	**20,000**
D. Grenville Thomas (non-executive director)	-	20,000	-	-	**20,000**
Anthony Trahar[6] (non-executive director)	-	13,056	-	-	**13,056**
Richard Williams (Chief Executive Officer and executive director)	306,250	-	150,000	107,452[3]	**563,702**
Total – directors	306,250	215,951	150,000	107,452	**779,653**
Other key management	510,343	14,050	203,180	4,077[4]	**731,650**
Total - key management[5]	**$ 816,593**	**$ 230,001**	**$ 353,180**	**$ 111,529**	**$ 1,511,303**

(Expressed in Canadian dollars)

18. KEY MANAGEMENT COMPENSATION – *Continued*

[1] Includes fees of $81,330 (year ended January 31, 2023 - $72,895) for being Chairman of the Technical Committee.
[2] Resigned June 29, 2023.
[3] Benefits include medical insurance and a rental allowance for accommodation and utility costs in the UK.
[4] Benefits relate to statutory pension contributions payable by the employer and medical insurance.
[5] Allocated $1,833,905 (year ended January 31, 2023 - $1,497,253) to salaries and benefits and $6,539 (year ended January 31, 2023 - $14,050) to professional fees.
[6] Appointed June 5, 2022.

Details of stock options held by directors during the eleven months ended December 31, 2023 and the year ended January 31, 2023 were as follows:

	January 31, 2023	Granted	**December 31, 2023**	Average exercise price
Patrick Anderson	750,000	-	**750,000**	$ 0.10
Kenneth Armstrong	550,000	-	**550,000**	$ 0.10
Stephen Gatley	-	-	**-**	N/A
John McGloin	-	-	**-**	N/A
Don Njegovan	1,000,000	-	**1,000,000**	$ 0.10
Anthony Trahar	-	-	**-**	N/A
Richard Williams	800,000	2,400,000	**3,200,000**	$ 0.25
Total	3,650,000	2,400,000	**5,500,000**	**$ 0.19**

	January 31, 2022	Expired	**January 31, 2023**	Average exercise price
Patrick Anderson	950,000	(200,000)	**750,000**	$ 0.10
Kenneth Armstrong	750,000	(200,000)	**550,000**	$ 0.10
Stephen Gatley	-	-	**-**	N/A
John McGloin	-	-	**-**	N/A
Don Njegovan	1,000,000	-	**1,000,000**	$ 0.10
D. Grenville Thomas[1]	750,000	(200,000)	**550,000**	$ 0.10
Anthony Trahar[2]	-	-	**-**	N/A
Richard Williams	1,000,000	(200,000)	**800,000**	$ 0.10
Total	4,450,000	(800,000)	**3,650,000**	**$ 0.10**

[1] Resigned June 29, 2023
[2] Appointed June 5, 2022

During the eleven months ended December 31, 2023, the Company granted 11,800,000 (January 31, 2023 – Nil) stock options (Note 13), of which 2,400,000 and 4,600,000 were granted to directors and other key management, respectively. These options have a five year term, whereby the options vest over a three year period, with one third of the options vesting at the end of each year. The exercise price of these options is $0.30.

No stock options were exercised by directors during the eleven months ended December 31, 2023 and the year ended January 31, 2023. During the year ended January 31, 2023, 800,000 stock options expired (eleven months ended December 31, 2023 – Nil) with an average exercise price of $0.20.

Share-based compensation for directors during the eleven months ended December 31, 2023 was $66,495 (year ended January 31, 2023 - $Nil) and for other key management was $127,448 (year ended January 31, 2023 - $Nil). Share-based compensation is the fair value of options that have been granted to directors and other key management personnel.

(Expressed in Canadian dollars)

19. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the eleven months ended December 31, 2023, the significant non-cash transactions were:

a) Included in exploration and evaluation assets are capitalized depreciation of $1,026,855, capitalized share-based compensation expense of $121,906, prepaid expenses of $120,742 and $2,483,922 which relates to accounts payable and accrued liabilities;

b) Included in property, plant and equipment is $1,457,135 which relates to accounts payable and accrued liabilities; and

c) Included in deferred financing fees is $103,884 which relates to accounts payable and accrued liabilities.

During the year ended January 31, 2023 the significant non-cash transactions were:

a) Included in exploration and evaluation assets are capitalized depreciation of $144,086, prepaid expenses of $105,561 and $1,402,911 which relates to accounts payable and accrued liabilities;

b) Included in property, plant and equipment is $802,221 which relates to accounts payable and accrued liabilities;

c) Included in exploration and evaluation assets are acquisition costs of $4,223,686 which relates to the satisfaction of the deferred consideration payable for the Cornwall Mineral Properties through the issuance of the Milestone Shares (Note 9); and

d) Exploration and evaluation assets have been reduced by $137,062 which represents the estimated fair value of common shares of a private company received pursuant to a property option agreement.

20. SEGMENTED INFORMATION

The Company operates in one business segment, being the exploration and development of its mineral properties in the United Kingdom. Assets located in Canada either relate to the corporate centre or mineral properties which have been impaired. The geographical split of assets is as follows:

	As at December 31, 2023			As at January 31, 2023		
	Canada	**United Kingdom**	**Total**	Canada	United Kingdom	Total
Deposits	$ 29,102	$ 56,852	**$ 85,954**	$ -	$ 54,165	**$ 54,165**
Property, plant and equipment	-	23,788,325	**23,788,325**	-	9,721,352	**9,721,352**
Exploration and evaluation assets	-	50,050,323	**50,050,323**	-	33,088,129	**33,088,129**

21. SUBSEQUENT EVENT

Receipt of common shares from Cornish Lithium Plc

Subsequent to December 31, 2023, the Company received common shares of Cornish Lithium Plc at a value of $135,381 pursuant to the exploration option agreement (Note 9).