

# **Snow Lake Resources Ltd.**

Consolidated Financial Statements

For the Years Ended June 30, 2025, 2024 and 2023

(Expressed in Canadian Dollars)

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**To the Shareholders and the Board of Directors of Snow Lake Resources Ltd.,**

**Opinion on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Snow Lake Resources Ltd. (the “Company”), which comprise the consolidated statements of financial position as at June 30, 2025 and 2024 and the consolidated statements of loss and comprehensive loss, changes in shareholders’ equity and cash flows for each of the years in the three year period ended June 30, 2025, and a summary of material accounting policies and other explanatory information (collectively referred to as the “financial statements”).

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2025 and 2024 and its financial performance and its cash flows for each of the years in the three-year period ended June 30, 2025, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

**Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Without modifying our opinion, we draw attention to Note 1 in the financial statements, which indicates that the Company has not yet placed any of its mineral properties into production and, as a result, the Company has no source of operating cash flow. The Company’s ability to continue as a going concern is dependent upon the Company achieving profitable operations to generate sufficient cash flows to fund continuing operations, or, in the absence of adequate cash flows from operations, obtaining additional financing to support operations for the foreseeable future. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that casts substantial doubt as to the Company’s ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**Basis for Opinion**

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement, whether due to fraud or error. The Company is not required to have, nor were we engaged to perform, an audit of internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.



**CHARTERED PROFESSIONAL ACCOUNTANTS**

Vancouver, Canada  
October 31, 2025

We have served as the Company’s auditor since 2019.

**Snow Lake Resources Ltd.**  
Consolidated Statements of Financial Position  
(Expressed in Canadian Dollars)

	As at June 30, 2025	As at June 30, 2024
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash	17,829,149	2,526,957
Sales tax receivable (Note 4)	81,395	40,694
Prepays and deposits (Note 5)	689,127	706,634
Short-term loan receivable (Note 6)	2,046,450	-
Short-term investments (Note 7)	1,660,738	-
<b>Total Current Assets</b>	<b>22,306,859</b>	<b>3,274,285</b>
Exploration and evaluation assets (Note 8)	32,980,487	26,612,758
Investment in joint venture (Note 9)	16,505,997	-
Long-term loan receivable (Note 10)	1,128,932	-
Long-term investment (Note 11)	5,203,071	-
Right-of-use assets (Note 12)	-	29,040
<b>Total Assets</b>	<b>78,125,346</b>	<b>29,916,083</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (Note 13)	1,646,662	689,944
Due to related party (Note 23)	127,925	141,144
Lease liabilities - current portion (Note 14)	-	31,107
Derivative liabilities (Note 15)	111,913	305,025
Deferred liabilities (Note 9)	5,116,125	-
Other liabilities (Note 16)	-	773,891
<b>Total Current Liabilities</b>	<b>7,002,625</b>	<b>1,941,111</b>
Deferred liabilities (Note 9)	5,116,125	-
Flow-through premium liability (Note 17)	-	2,477,517
<b>Total Liabilities</b>	<b>12,118,750</b>	<b>4,418,628</b>
<b>Equity</b>		
Share capital (Note 18)	106,536,406	50,127,974
Share-based payments reserve (Note 20)	2,004,216	1,917,719
Accumulated deficit	(42,534,026)	(26,548,238)
<b>Total Shareholders' Equity</b>	<b>66,006,596</b>	<b>25,497,455</b>
<b>Total Liabilities and Equity</b>	<b>78,125,346</b>	<b>29,916,083</b>
Nature of operations and going concern (Note 1)		
Contingencies (Note 27)		
Subsequent events (Note 28)		

Approved on behalf of the Board of Directors:

“Brian Imrie” (signed)  
\_\_\_\_\_  
Director

“Nochum Labkowski” (signed)  
\_\_\_\_\_  
Director

## Snow Lake Resources Ltd.

Consolidated Statements of Loss and Comprehensive Loss  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

	2025	2024	2023
	\$	\$	\$
<b>Expenses</b>			
Professional fees	1,584,940	1,563,678	6,971,520
Consulting fees	6,432,754	937,410	858,517
Stock-based compensation (Notes 16, 18, 19, 20, 23)	361,977	953,845	2,630,249
Directors' and officers' consulting fees (Note 23)	1,589,560	915,768	3,840,915
Insurance expense	359,242	540,364	924,834
General and administrative expenses	1,133,908	380,746	518,824
Travel expenses	307,175	282,806	248,746
Transfer agent and regulatory fees	258,964	144,611	141,446
Research expenses	-	41,066	12,000
Depreciation on right-of-use assets (Note 12)	29,040	31,680	2,640
Bank fees and interest	8,598	7,097	13,577
Accretion expense (Note 14)	1,735	5,907	654
Interest on loan and debentures	10	77	1,193
<b>Total Expenses</b>	<b>(12,067,903)</b>	<b>(5,805,055)</b>	<b>(16,165,115)</b>
<b>Other Items</b>			
Loss on termination of property options (Note 8)	(1,450,319)	(4,652,894)	-
Gain (loss) on change in fair value of derivative liabilities (Note 15)	322,552	2,382,179	(246,460)
Realized loss on sale of short-term investments (Note 7)	(41,063)	-	-
Unrealized gain on change of fair value of investments (Note 7, 11)	847,813	-	-
Share of loss on investment in joint venture (Note 9)	(17,315)	-	-
Gain (loss) on debt settlement (Note 18)	(3,670,079)	56,924	(157,502)
Taxes and penalties (Note 17)	(1,059,721)	-	-
Premium on flow-through shares (Note 17)	2,016,543	1,159,632	-
Reversal on flow-through premium liability (Note 17)	460,974	-	-
Grant income	-	-	109,750
Interest income (Note 10)	29,494	439	-
Foreign exchange gain (loss)	(1,356,764)	7,857	996,382
	<b>(3,917,885)</b>	<b>(1,045,863)</b>	<b>702,170</b>
<b>Net Loss and Comprehensive Loss</b>	<b>(15,985,788)</b>	<b>(6,850,918)</b>	<b>(15,462,945)</b>
<b>Weighted Average Number of Outstanding Shares</b>			
Basic and diluted (Note 22)	4,972,546	1,556,828	1,387,219
<b>Net Loss per Share</b>			
Basic and diluted (Note 22)	<b>(3.21)</b>	<b>(4.40)</b>	<b>(11.15)</b>

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

## Snow Lake Resources Ltd.

Consolidated Statements of Changes in Shareholders' Equity

For the Years Ended June 30, 2025, 2024, and 2023

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Share-Based Payments Reserve	Restricted Share Units Reserve	Warrants Reserve	Accumulated Deficit	Total
	#	\$	\$	\$	\$	\$	\$
<b>Balance, June 30, 2022</b>	<b>1,378,827</b>	<b>39,733,633</b>	<b>6,067,323</b>	-	<b>70,295</b>	<b>(10,545,535)</b>	<b>35,325,716</b>
Issuance of debt settlement	18,462	800,366	-	-	-	-	800,366
Stock-based compensation (Notes 16, 18, 19, 20, 23)	-	-	1,722,999	86,638	-	-	1,809,637
Cancellation of stock options (Note 20)	-	-	(1,312,757)	-	-	1,312,757	-
Exercise of warrants (Notes 15, 21)	1,619	36,774	-	-	(5,196)	-	31,578
Net loss for the year	-	-	-	-	-	(15,462,945)	(15,462,945)
<b>Balance, June 30, 2023</b>	<b>1,398,908</b>	<b>40,570,773</b>	<b>6,477,565</b>	<b>86,638</b>	<b>65,099</b>	<b>(24,695,723)</b>	<b>22,504,352</b>
Issuance of shares on financing (Note 18)	164,152	7,707,292	-	-	-	-	7,707,292
Flow-through share liability (Notes 17, 18)	-	(3,637,149)	-	-	-	-	(3,637,149)
Share issue costs (Note 18)	-	(355,016)	-	-	-	-	(355,016)
Issuance of shares per agreements (Note 18)	298,944	3,934,189	-	-	-	-	3,934,189
Issuance of shares per option agreements (Note 8)	115,384	1,728,380	-	-	-	-	1,728,380
Shares issued on vested RSUs (Notes 19)	4,615	179,505	-	(179,505)	-	-	-
Stock-based compensation (Notes 16, 18, 19, 20, 23)	-	-	361,081	105,244	-	-	466,325
Cancellation of RSUs (Note 19)	-	-	-	(12,377)	-	12,377	-
Cancellation of stock options (Note 20)	-	-	(4,920,927)	-	-	4,920,927	-
Expiry of warrants (Notes 15, 21)	-	-	-	-	(65,099)	65,099	-
Net loss for the year	-	-	-	-	-	(6,850,918)	(6,850,918)
<b>Balance, June 30, 2024</b>	<b>1,982,003</b>	<b>50,127,974</b>	<b>1,917,719</b>	-	-	<b>(26,548,238)</b>	<b>25,497,455</b>
Issuance of shares on financing (Note 18)	5,842,892	63,274,574	-	-	-	-	63,274,574
Share issue costs (Note 18)	-	(16,672,731)	-	-	-	-	(16,672,731)
Issuance of shares per agreements (Note 18)	776,535	8,325,336	-	-	-	-	8,325,336
Issuance of shares per option agreements (Note 8)	155,730	1,490,860	-	-	-	-	1,490,860
Stock-based compensation (Notes 16, 18, 19, 20, 23)	14,615	186,031	86,497	-	-	-	272,528
Treasury shares held for cancellation (Note 18)	(22,919)	(191,898)	-	-	-	-	(191,898)
Cash in lieu on shares consolidation	(689)	(3,740)	-	-	-	-	(3,740)
Net loss for the year	-	-	-	-	-	(15,985,788)	(15,985,788)
<b>Balance, June 30, 2025</b>	<b>8,748,167</b>	<b>106,536,406</b>	<b>2,004,216</b>	-	-	<b>(42,534,026)</b>	<b>66,006,596</b>

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

**Snow Lake Resources Ltd.**  
Consolidated Statements of Cash Flows  
For the Years Ended June 30, 2025, 2024, and 2023  
(Expressed in Canadian Dollars)

	2025	2024	2023
	\$	\$	\$
<b><u>Operating Activities</u></b>			
Net loss for the year	(15,985,788)	(6,850,918)	(15,462,945)
Adjustments for non-cash items:			
Depreciation on right-of-use assets (Note 12)	29,040	31,680	2,640
Issuance of warrants for claims settlement	-	-	979,294
Accretion expense (Note 14)	1,735	5,907	1,841
Interest income (Note 10)	(28,932)	-	-
Issuance of warrants for services (Notes 15, 21)	129,440	171,631	409,495
Loss on termination of property options (Note 8)	1,450,319	4,652,894	-
Loss (gain) on change in fair value of derivative liabilities (Note 15)	(322,552)	(2,382,179)	246,460
Unrealized gain on change of fair value of investments (Note 7, 11)	(847,813)	-	-
Realized loss on sale of short-term investments (Note 7)	41,063	-	-
Share of loss on investment in joint venture (Note 9)	17,315	-	-
Issuance of shares per marketing service agreements	-	92,443	-
Loss on debt settled through the issuance of shares (Note 18)	3,670,079	74,684	-
Issuance of shares per agreements (Note 18)	-	-	157,502
Premium on flow-through shares (Note 17)	(2,016,543)	(1,159,632)	-
Reversal on flow-through premium liability (Note 17)	(460,974)	-	-
Stock-based compensation (Notes 16, 18, 19, 20, 23)	361,977	953,845	2,630,249
Foreign exchange loss (gain)	(60)	12,237	(812)
	(13,961,694)	(4,397,408)	(11,036,276)
Adjustments for non-cash items:			
Sales tax receivable	(40,701)	140,503	112,967
Prepays and deposits	(297,399)	177,238	66,645
Due from related party	-	10,287	-
Accounts payable and accrued liabilities	4,922,391	272,526	581,531
Due to related parties	(13,219)	54,528	(23,658)
<b>Cash Flows used in Operating Activities</b>	<b>(9,390,622)</b>	<b>(3,742,326)</b>	<b>(10,298,791)</b>
<b><u>Financing Activities</u></b>			
Proceeds from equity financing (Note 18)	63,274,574	7,707,292	-
Share issuance costs (Note 18)	(16,010,648)	(215,377)	-
Shares repurchased	(191,898)	-	-
Cash in lieu on shares consolidation	(3,740)	-	-
Repayment of loan	-	-	(201,532)
Proceeds from exercise of warrants (Note 21)	-	-	31,578
Payment on redemption of restricted share units (Notes 16, 19, 23)	(863,280)	(546,476)	-
Payments made on lease deposit	-	-	(18,367)
Lease payments (Note 14)	(32,842)	(35,828)	(2,986)
<b>Cash Flows provided by (used in) Financing Activities</b>	<b>46,172,166</b>	<b>6,909,611</b>	<b>(191,307)</b>
<b><u>Investing Activities</u></b>			
Payments for exploration and evaluation assets	(6,334,596)	(4,481,208)	(9,461,430)
Investments in Joint Venture (Note 9)	(6,291,062)	-	-
Investment in short-term loan receivable (Note 6)	(2,046,450)	-	-
Purchases of short-term investments (Note 7)	(714,132)	-	-
Investment in long-term loan receivable (Note 10)	(1,100,000)	-	-
Purchases of long-term investments (Note 11)	(5,132,534)	-	-
Proceeds from sale of short-term investments (Note 7)	139,422	-	-
<b>Cash Flows used in Investing Activities</b>	<b>(21,479,352)</b>	<b>(4,481,208)</b>	<b>(9,461,430)</b>
<b>(Decrease) Increase in Cash</b>	<b>15,302,192</b>	<b>(1,313,923)</b>	<b>(19,951,528)</b>
Cash, beginning of year	2,526,957	3,840,880	23792408
<b>Cash, end of year</b>	<b>17,829,149</b>	<b>2,526,957</b>	<b>3,840,880</b>
<b><u>Supplemental Information</u></b>			
Exploration and evaluation assets in accounts payable	160,360	132,859	388,107
Share issuance costs in accounts payable	662,083	-	-
Fair value of agent's warrants issued as share issuance costs	-	139,639	-

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

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **1. Nature of Operations and Going Concern**

Snow Lake Resources Ltd., d/b/a Snow Lake Energy (“Snow Lake” or the “Company”) was incorporated in the Province of Manitoba, Canada under the Corporations Act (Manitoba) on May 25, 2018. The Company is a Canadian natural resource exploration company engaged in the exploration and development of mineral resources through its subsidiaries: Snow Lake Exploration Ltd., Snow Lake (Crowduck) Ltd., Global Uranium Acquisition Corp. PTY LTD., Snow Lake Exploration (US) Ltd., and Snow Lake Investments (US) Ltd. The corporate and registered office of the Company is 360 Main St, 30<sup>th</sup> Floor, Winnipeg, Manitoba, R3C 4G1, Canada.

On November 22, 2021, the Company was listed for trading under the NASDAQ Composite under the ticker symbol “LITM”.

Although the Company has taken steps to verify title to the mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

For the year ended June 30, 2025, the Company incurred a net loss of \$15,985,788 (2024 – \$6,850,918, 2023 – \$15,462,945), had negative cash flow from operations of \$9,390,622 (2024 – \$3,742,326; 2023 – \$10,298,791), and as at June 30, 2025, the Company had an accumulated deficit of \$42,534,026 (June 30, 2024 – \$26,548,238; 2023 – \$24,695,723). The Company has not yet placed any of its mineral properties into production and, as a result, the Company has no source of operating cash flow. The Company’s ability to continue as a going concern is dependent upon the Company achieving profitable operations to generate sufficient cash flows to fund continuing operations, or, in the absence of adequate cash flows from operations, obtaining additional financing to support operations for the foreseeable future. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. These conditions, and the unpredictability of the mining business, represent material uncertainties which may cast significant doubt upon the Company’s ability to continue as a going concern.

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, and do not reflect the adjustments to the carrying values of assets and liabilities and the reported revenues and expenses, and classifications of statements of financial position that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

### **2. Basis of Presentation**

#### **(a) Statement of Compliance**

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board. The accounting policies set out below were consistently applied to all periods presented unless otherwise noted.

These consolidated financial statements were reviewed, approved and authorized for issuance by the Board of Directors (the “Board”) of the Company on October 31, 2025.

#### **(b) Basis of Measurement**

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments carried at fair value, as explained in the accounting policies as set out in Note 3. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

#### **(c) Basis of Consolidation**

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are-deconsolidated from the date control ceases. These consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **2. Basis of Presentation (continued)**

#### **(d) Functional Currency**

These consolidated financial statements are presented in Canadian dollars (“\$” or “CAD”), which is the Company’s functional currency. The functional currency is the currency of the primary economic environment in which the Company operates.

#### **(e) Significant Accounting Judgments and Estimates**

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known.

Items for which actual results may differ materially from these estimates are described as follows:

##### *Going concern*

At each reporting period, management exercises judgment in assessing the Company’s ability to continue as a going concern by reviewing the Company’s performance, resources, and future obligations. The conclusion that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budgets, expected profitability, investment and financing activities and management’s strategic planning. The assumptions used in management’s going concern assessment are derived from actual operating results along with industry and market trends. Management believes there is sufficient capital to meet the Company’s business obligations for at least the next 12 months, after taking into account expected cash flows, including financing activities, and the Company’s cash position at year-end.

##### *Fair value of financial assets and financial liabilities*

Fair value of financial assets and financial liabilities on the consolidated statements of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. Judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

##### *Economic recoverability of future economic benefits of exploration and evaluation assets*

Management has determined that exploration and evaluation (“E&E”) assets and related costs incurred, which have been recognized on the consolidated statements of financial position, are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geological data, scoping studies, accessible facilities, and existing and future permits.

##### *Technical feasibility and commercial viability*

Management exercises judgment, in accordance with IFRS 6 – Exploration for and Evaluation of Mineral Resources (“IFRS 6”), to determine an accounting policy specifying which expenditures, if any, are capitalized as E&E assets, and to apply the policy consistently. E&E expenditures not capitalized as E&E assets are expensed as incurred. Once the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, an entity stops recording E&E expenditures for that mineral project, tests capitalized E&E assets (if any) for impairment and reclassifies those E&E assets to other applicable development-stage accounts. An assessment of technical feasibility and commercial viability is conducted on a project-by-project basis with regard to all relevant facts and circumstances. The nature and status of the mineral project is determined on the merits of the mineral project itself.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **2. Basis of Presentation (continued)**

#### **(e) Significant Accounting Judgments and Estimates (continued)**

##### *Provisions*

Provisions recognized in the consolidated financial statements involve judgments on the occurrence of future events, which could result in a material outlay for the Company. In determining whether an outlay will be material, the Company considers the expected future cash flows based on facts, historical experience and probabilities associated with such future events. Uncertainties exist with respect to estimates made by management and as a result, the actual expenditure may differ from amounts currently reported.

##### *Determination of joint control and classification*

The assessment of whether the Company has control, joint control, or significant influence over another entity requires judgment. Key considerations include: (i) the activities that most significantly affect returns and how decisions about those activities are made; (ii) whether decisions require unanimous consent of the parties that collectively control the arrangement; (iii) whether rights held by other parties are substantive or protective; and (iv) the legal form of any separate vehicle and the contractual terms. These judgments affect whether an investee is consolidated as a subsidiary, accounted for as a joint operation or joint venture, or as an associate. Changes in facts and circumstances may result in a re-assessment of the classification.

##### *Income taxes*

Income taxes and tax exposures recognized in the consolidated financial statements reflect management's best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference.

In addition, when the Company incurs losses that cannot be associated with current or past profits, it assesses the probability of taxable profits being available in the future based on its budgeted forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses. When the forecasts indicate the sufficient future taxable income will be available to deduct the temporary differences, a deferred tax asset is recognized for all deductible temporary differences.

##### *Options, restricted share units and warrants*

Options, restricted share units ("RSUs") and warrants, including finders' warrants, are initially recognized at fair value using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgments are used in applying the valuation techniques. These assumptions and judgments include the expected volatility of the share price, expected forfeitures, expected dividend yield, expected term of the warrants or options, and expected risk-free interest rate. Such assumptions and judgments are inherently uncertain. Changes in these assumptions can affect the fair value estimates of stock-based compensation.

##### *Expected credit losses on financial assets*

Determining an allowance for expected credit losses ("ECL") for amounts receivable and all debt financial assets not held at fair value through profit or loss ("FVTPL") requires management to make assumptions about the historical patterns for the probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management's judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what the historical patterns suggest.

##### *Functional currency*

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which they operate. Determination of functional currency involves significant judgments and other entities may make different judgments based on similar facts. Periodically, the Company reconsiders the functional currency of its business if there is a change in the underlying transactions, events or conditions which determine its primary economic environment.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **2. Basis of Presentation (continued)**

#### **(e) Significant Accounting Judgments and Estimates (continued)**

##### *Shares issued for non-cash consideration*

The Company is required to recognize these transactions at fair value which requires judgment in selecting valuation techniques and other factors.

### **3. Summary of Material Accounting Policies**

#### **(a) Current and Non-Current Classification**

Assets and liabilities are presented in the consolidated statements of financial position based on current and non-current classification.

An asset is classified as current when it is either expected to be realized or intended to be sold or consumed in the normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realized within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is either expected to be settled in the normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

#### **(b) Cash**

Cash in the consolidated statements of financial position comprises cash at a chartered bank in Canada, funds held in trust with the Company's legal counsels, and funds held with the Company's financing agent and investment broker, which are available on demand.

#### **(c) Exploration and Evaluation Assets**

Title to E&E assets including mineral properties 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 historical characteristic of many properties. The Company has investigated title to all its mineral properties and, to the best of its knowledge, titles to all its mineral properties are in good standing.

The Company accounts for E&E assets in accordance with IFRS 6. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation are recognized and capitalized, in addition to acquisition costs. These expenditures include but are not limited to acquiring licenses, researching and analyzing existing exploration data, conducting geological studies, exploration drilling and sampling and payments made to contractors and consultants in connection with the exploration and evaluation of the property. Costs not directly attributable to E&E activities, including general administrative overhead costs, are expensed in the period in which they occur.

Acquisition costs incurred in obtaining legal right to explore a mineral property are deferred until the legal right is granted and thereon reclassified to mineral properties. Transaction costs incurred in acquiring an asset are deferred until the transaction is completed and then included in the purchase price of the asset acquired.

When a project is deemed to no longer have commercially viable prospects to the Company, E&E expenditures in respect of that project are deemed to be impaired. As a result, those E&E expenditure costs, in excess of the estimated recoverable amount, are written off to the consolidated statements of loss and comprehensive loss.

The Company assesses E&E assets for impairment when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell ("FVLCS") and value-in-use ("VIU"). Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered a mine under development. E&E assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **3. Summary of Material Accounting Policies (continued)**

#### **(d) Joint arrangements**

The Company applies IFRS 11 Joint Arrangements to all arrangements where two or more parties are bound by a contractual arrangement and share joint control. The Company determines the type of joint arrangement by assessing its rights and obligations arising from the structure and terms of the arrangement, considering the legal form of the vehicle, the terms agreed by the parties, and other facts and circumstances.

##### *Joint operations*

When the Company has rights to the assets and obligations for the liabilities of the arrangement, it recognizes its direct share of assets, liabilities, revenues and expenses in accordance with the relevant IFRS standards.

##### *Joint ventures*

When the Company has rights to the net assets of the arrangement, the interest is classified as a joint venture and accounted for using the equity method under IAS 28. The investment is initially recognized at cost and subsequently adjusted for the Company's share of the joint venture's profit or loss and other comprehensive income. Unrealized gains and losses on transactions with the joint venture are eliminated to the extent of the Company's interest, unless the transaction provides evidence of impairment. If the Company's share of losses exceeds the carrying amount of the investment, the carrying amount is reduced to nil and further losses are recognized only to the extent that the Company has a legal or constructive obligation to make payments on behalf of the joint venture. The Company assesses investments in joint ventures for impairment in accordance with IAS 36.

#### **(e) Financial Instruments**

The Company classifies and measures financial instruments in accordance with IFRS 9 – Financial Instruments (“IFRS 9”). A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes financial assets and financial liabilities on the consolidated statements of financial position when it becomes a party to the financial instrument or derivative contract.

##### *Classification*

The Company classifies its financial assets in the following measurement categories: (a) those to be measured subsequently at FVTPL; (b) those to be measured subsequently at fair value through other comprehensive income (loss) (“FVTOCI”); and (c) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL (irrevocable election at the time of recognition). The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company's financial assets include cash, other receivables excluding any sales tax amounts, short-term and long-term loans receivable, and short-term and long-term investments. The Company's financial liabilities include its accounts payable, due to related parties, lease liabilities, derivative liabilities and other liabilities.

##### *Fair value through profit or loss*

This category includes derivative instruments as well as quoted equity instruments which the Company has not irrevocably elected, at initial recognition or transition, to classify at FVTOCI. This category would also include debt instruments whose cash flow characteristics do not meet the solely payment of principal and interest (“SPPI”) criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Financial assets in this category are recorded at fair value with changes recognized in the consolidated statements of loss and comprehensive loss.

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 3. Summary of Material Accounting Policies (continued)

#### (e) Financial Instruments (continued)

##### Financial assets at fair value through other comprehensive income

Debt and equity instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVTOCI. Movements in fair values are recognized in other comprehensive income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit and loss.

When the financial asset is derecognized, the cumulative gain or loss recognized in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognized using the effective interest rate method and presented in "interest income". As at June 30, 2025 and 2024, the Company did not have any financial assets at FVTOCI.

##### Amortized cost

Debt and equity instruments that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. Interest income from these financial assets is included in interest income using the effective interest rate method. The Company's classification of financial assets and financial liabilities is summarized below:

Cash	FVTPL
Short-term loan receivable	Amortized cost
Short-term investments	FVTPL
Long-term loan receivable	Amortized cost
Long-term investment	FVTPL
Due to/from related parties	Amortized cost
Accounts payable	Amortized cost
Lease liabilities	Amortized cost
Deferred liabilities	Amortized cost
Derivative liabilities	FVTPL
Other liabilities	FVTPL

##### Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets, including equity investments, are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or OCI (irrevocable election at the time of recognition). For financial liabilities measured subsequently at FVTPL, changes in fair value due to credit risk are recorded in profit and loss.

##### Expected credit loss impairment model

Under IFRS 9, the Company recognizes a provision for ECL on financial assets that are measured on amortized cost. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **3. Summary of Material Accounting Policies (continued)**

#### **(e) Financial Instruments (continued)**

##### *Derecognition*

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

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

Gains or losses on derecognition are generally recognized in profit or loss.

##### *Determination of fair value*

The determination of fair value requires judgment and is based on market information, where available and appropriate. The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

#### **(f) Impairment of Assets**

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

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

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

#### **(g) Impairment of Non-Financial Assets**

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset’s FVLCS and VIU. The VIU is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or CGU to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a CGU.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **3. Summary of Material Accounting Policies (continued)**

#### **(h) Leased Assets**

The Company is party to a lease of a mining analyzer which is used for its E&E activities. The Company assesses service arrangements to determine if an asset is explicitly or implicitly specified in the agreement and if it has the right to control the use of the identified asset.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company then recognizes a right-of-use (“ROU”) asset and a lease liability at the lease commencement date. The ROU asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the ROU asset or the lease term using the straight-line method. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. The Company elected to recognize expenses for leases with a term of 12 months or less on a straight-line basis over the lease term and lease of assets of low value, and not to recognize these short-term leases on the consolidated statements of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company’s incremental borrowing rate, which was determined to be about 14%. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, if there is a change in future lease payments arising from a change in an index or rate, or if the Company changes its assessment whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, the amount of the remeasurement is recognized as a corresponding adjustment to the carrying amount of the ROU asset or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

#### **(i) Provisions**

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

#### **(j) Income Taxes**

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or OCI.

Current income tax is recognized and measured at the amount expected to be recovered from, or payable to, the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recorded for temporary differences at the date of the consolidated statements of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of a deferred tax asset is reviewed at the end of the reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of the reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **3. Summary of Material Accounting Policies (continued)**

#### **(j) Income Taxes (continued)**

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

Deferred tax assets and deferred tax liabilities are offset if, and only if, they relate to income taxes levied by the same taxation authority and the Company has the legal rights and intent to offset.

#### *Estimates*

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

#### **(k) Share Capital**

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

#### **(l) Share-Based Payments Transactions**

The Company operates a stock option plan (the “Option Plan”). Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received, or at the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The fair value of options is determined based on the application of the Black-Scholes valuation model (“Black-Scholes”). The fair value of equity-settled stock-based compensation transactions is recognized as an expense with a corresponding increase in the share-based payments reserve.

If share-settled awards are modified, as a minimum an expense is recognized as if the modification has not been made. An additional expense is recognized, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

Amounts recorded for cancelled or expired unexercised options are transferred to accumulated deficit in the period of which the cancellation or expiry occurs.

The Company also operates a RSUs Plan, where RSUs are granted to directors, employees and consultants from time to time. RSUs are measured at the fair value of the date of grant, based on the closing price of the Company’s common shares on the date of grant. The fair value of stock-based compensation on RSUs is recognized as an expense with a corresponding increase in the reserve for RSUs over the vesting period.

From time to time, the Company may also grant RSUs with a put right option, which provides the grantee with the right (the “Put Right Option”), but not the obligation to cause the Company to purchase all or a portion of the vested RSUs at a put purchase price (the “Put Purchase Price”). As the grantee has the choice of settlement through cash or in shares, these RSUs with the Put Right Option are considered to be a compound financial instrument that includes both a liability component and an equity component. At the measurement date, the Company accounts for the two components separately i.e. applying the requirements for cash-settled share-based payments to the liability component and applying the requirements for equity-settled share-based payments to the equity component, if that component has a recognized value. Applying the requirements for equity-settled share-based payments, the value of the equity component is not remeasured subsequently. Applying the requirements for cash-settled share-based payments, the liability is remeasured at each reporting date and on settlement date to its fair value.

If the grantee chooses cash settlement, then the cash payment settles the liability. Any equity component previously recognized in equity remains in equity. If the grantee employee chooses settlement in equity instruments, then the liability is transferred to equity as consideration for issuing the equity instruments.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **3. Summary of Material Accounting Policies (continued)**

#### **(m) Warrants**

Share purchase warrants (each a “Warrant”) are classified as a component of equity. Warrants issued along with shares in an equity unit financing are measured using the residual approach, whereby the fair value of the Warrant is determined after deducting the fair value of the shares from the unit price less applicable financing costs. Warrants issued for broker/financing compensation, are recognized at the fair value using Black-Scholes at the date of issuance. Warrants are initially recorded as a part of the reserves in warrant in equity at the recognized fair value.

Upon exercise of the Warrants, the previously recognized fair value of the Warrants exercised is reallocated to share capital from warrants reserve. Proceeds generated from the payment of the exercise price are also allocated to share capital. Amounts recorded for expired unexercised warrants are transferred to accumulated deficit in the period of which the expiry occurs.

#### **(n) Flow-Through Shares**

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the year is disclosed separately.

The issuance of flow-through common shares results in the tax deductibility of the qualifying resource expenditures funded from the proceeds of the sales of such common shares being transferred to the purchasers of the shares. On the issuance of such shares, the Company bifurcates the flow-through shares into a flow-through share premium, equal to the estimated fair value of the premium that investors pay for the flow-through tax feature, which is recognized as a liability, and equity values of share capital and/or warrants. As related exploration expenditures are incurred, the Company derecognizes the premium liability and recognizes the related recovery.

#### **(o) Loss Per Share**

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted (loss) earnings per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

#### **(p) Foreign Currency Translation**

Monetary assets and liabilities denominated in currencies other than CAD are translated into CAD at the rate of the consolidated financial statements of the Company are prepared in its functional currency, determined on the basis of the primary economic environment in which the entity operates. Given that operations are in Canada, the presentation and functional currency of the Company is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing at the transaction dates. At each reporting date, monetary items denominated in foreign currencies are translated into the entity’s functional currency at the then prevailing rates and non-monetary items measured at historical cost are translated into the entity’s functional currency at rates in effect at the date the transaction took place.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are included in the consolidated statements of loss and comprehensive loss for the period in which they arise.

#### **(q) Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 4. Sales Tax Receivable

The Company's sales tax receivable balance represents amounts due from government taxation authorities in respect of the Good and Services Tax/Harmonized Sales Tax. The Company anticipates full recovery of these amounts and therefore no ECL has been recorded against these receivables, which are due in less than one year.

### 5. Prepaid Expenses

	June 30, 2025	June 30, 2024	June 30, 2023
	\$	\$	\$
Prepaid insurance	94,960	-	283,307
Prepaid professional fees	434,419	-	-
Prepaid rent	133,868	-	-
Advances made to suppliers and deposits	25,880	706,634	600,565
	<b>689,127</b>	<b>706,634</b>	<b>883,872</b>

### 6. Short-term loan receivable

On June 16, 2025, the Company advanced \$2,046,450 (USD \$1,500,000) to The T.I.M.E. Organization, Inc. under a senior secured term loan agreement. The loan has a contractual tenor of nine months, maturing in March 2026.

The loan is repayable in 39 consecutive weekly instalments of USD \$44,041, commencing the first week of July 2025. The total expected cash inflow over the term of the loan is approximately USD \$1,717,600. The effective yield embedded in the amortization schedule is approximately 43% per annum. Prepayment is permitted at any time, subject to a 1% premium if prepaid prior to the 26th weekly payment.

The facility is secured by a first-priority lien over the borrower's present and future accounts receivable, inventory, equipment, general intangibles, and cash. The loan agreement also contains standard financial and reporting covenants, restrictions on incurrence of additional debt, and customary events of default provisions.

The Company has designated this loan as a short-term financial asset measured at amortized cost. As at June 30, 2025, the short-term loan receivable was recorded at \$2,046,450.

### 7. Short-term investments

The Company's short-term investments consist of the following:

Entity	Balance at June 30, 2023 and 2024	Additions	Dispositions	Realized gain (loss) on sale of investments	Unrealized gain (loss) on change of fair value of investments	Balance at June 30, 2025
		\$	\$	\$	\$	\$
Top End Energy Limited (Shares)	-	349,815	(117,705)	(51,754)	(101,802)	78,554
Resolution Minerals Ltd. (Shares)	-	714,132	(21,717)	10,691	879,078	1,582,184
	-	<b>1,063,947</b>	<b>(139,422)</b>	<b>(41,063)</b>	<b>777,276</b>	<b>1,660,738</b>

### 8. Exploration and Evaluation Assets

The following summarizes the movement of the Company's E&E assets for the years ended June 30, 2025, 2024 and 2023:

	June 30, 2025	June 30, 2024	June 30, 2023
	\$	\$	\$
<b>Balance, beginning of year</b>	<b>26,612,758</b>	21,442,032	12,077,584
Exploration and evaluation expenditures	7,818,048	7,976,506	9,364,448
Disposal due to termination of property agreements	<b>(1,450,319)</b>	(2,805,780)	-
<b>Balance, end of year</b>	<b>32,980,487</b>	26,612,758	21,442,032

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **8. Exploration and Evaluation Assets (continued)**

#### ACME Option Agreement

On January 29, 2024, the Company entered into an option agreement (the “ACME Option Agreement”) with ACME Lithium Inc. (“ACME”), pursuant to which ACME has granted the Company the option to earn up to a 90% undivided interest in the mineral claims held by ACME at its Manitoba lithium project areas, located in south eastern Manitoba, Canada (the “Shatford Lake Lithium Project”), which is comprised of 37 mineral claims located over three project areas - Shatford Lake, Birse Lake, and Cat-Euclid Lake, totaling approximately 17,000 acres.

Pursuant to the ACME Option Agreement, the Company may exercise the option by paying a total of \$800,000 and incurring a total of \$1,800,000 in exploration and development (“E&D”) expenditures over a two-year period, as follows:

- Initial payment: Cash payment of \$20,000 (paid);
- Upon execution: Cash payment of \$130,000 (paid);
- First year: Cash payment of \$150,000 (paid) and minimum E&D expenditures of \$600,000 (incurred); and
- Second year: Cash payment of \$500,000 and minimum E&D expenditures of \$1,200,000.

Once the Company has earned a 90% undivided interest in the Shatford Lake Lithium Project, and completed a positive feasibility study, a joint venture (the “Joint Venture”) between Snow Lake and ACME will be formed for further development, the detailed market standard terms and conditions of which will be agreed at the time of formation of the Joint Venture.

#### Engo Valley Uranium Project

On July 31, 2024, the Company and a British Columbia company (the “Vendor”) entered into a Share Purchase Agreement (the “SPA”) to acquire 100% of Engo Valley Pty Ltd. (“Engo Valley”), a private Australian company, pursuant to which Snow Lake will acquire up to 85% undivided indirect interest in Namibia Minerals and Investment Holdings (Proprietary) Limited (the “Project Company”), a private Namibian company, which in turn is the sole registered and beneficial owner of 100% of the right, title and interest in the Exclusive Prospecting License - 5887 (the “License”) for the Engo Valley Uranium Project.

Pursuant to the SPA, the Company will acquire Engo Valley in two stages, as follows:

#### (a) First Stage Interest

Snow Lake acquired an initial 80% undivided interest in Engo Valley, which represents a 68% undivided indirect interest in the Project Company (the “First Stage Interest”), upon:

- payment to the Vendor of USD \$250,000 in cash (paid);
- incurring exploration expenditures of a minimum of USD \$200,000 (incurred); and
- allotting and issuing to the Vendor 155,730 common shares (issued).

#### (b) Second Stage Interest

The Company will acquire an additional 20% undivided interest in Engo Valley, which represents a 17% undivided indirect interest in the Project Company by (the “Second Stage Interest”), for a total undivided indirect interest of 85% in the Project Company, upon:

- incurring additional exploration expenditures of a minimum of USD \$800,000 on or before June 30, 2025 (incurred), provided, that any expenditures we incurred in excess of the USD \$200,000 minimum exploration expenditures in connection with our acquisition of the First Stage Interest will be credited against the expenditure commitment for the Second Stage Interest.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **8. Exploration and Evaluation Assets (continued)**

After the Company acquires the Second Stage Interest, the Company will be obligated to make the following payments to the Vendor, in the form of its common shares, upon the achievement of the following milestones:

- i) Milestone Payment No. 1: In the event an SK-1300 compliant technical report determines there is a uranium mineral resource on the Engo Valley Uranium Project of a minimum of 10 million pounds with a minimum average grade of 250 parts per million, or ppm, U<sub>3</sub>O<sub>8</sub>, the Company will issue an aggregate of 79,302 common shares; and
- ii) Milestone Payment No. 2: In the event an SK-1300 compliant technical report determines there is a uranium mineral resource on the Engo Valley Uranium Project of a minimum of 25 million pounds with a minimum average grade of 250 ppm U<sub>3</sub>O<sub>8</sub>, the Company will issue an aggregate of 79,302 common shares.

#### Mound Lake Property

On January 10, 2025, the Company and Free Battery Metal Limited ("Free Battery") entered into a Term Sheet pursuant to which Snow Lake can earn up to an 80% interest in Free Battery's Mound Lake Property. The Mound Lake Property encompasses 243 single-cell unpatented mineral claims covering over 4,800 hectares.

Pursuant to the terms and conditions of the transaction, Snow Lake can earn up to an 80% interest in the Mound Lake property through the following Option Earn-Ins:

- First Option: Upon payment of \$20,000 by Snow Lake to Free Battery (paid), Snow Lake shall earn a 10% interest in the Mound Lake Property.
- Second Option: On or before the first anniversary of the effective date, Snow Lake shall have the right to acquire an additional 41% interest in the Mound Lake Property upon Snow Lake:
  - i) having made work expenditures of at least \$1,000,000; and
  - ii) paying \$500,000 to Free Battery.
- Third Option: On or before the second anniversary of the effective date, Snow Lake shall have the right to acquire an additional 29% interest in the Mound Lake Property upon Snow Lake:
  - i) having made additional work expenditures of \$1,000,000; and
  - ii) paying an additional \$1,000,000 to Free Battery.

Prior to the completion of a pre-feasibility study on the Mound Lake Property, Snow Lake will be the operator of the Mound Lake Property and be responsible for all costs and expenses associated with exploration and development of the Mound Lake Property.

Following the completion of a pre-feasibility study on the Mound Lake Property, the parties shall diligently and in good faith negotiate the terms of a joint venture arrangement to advance development of the Mound Lake Property. Such arrangement will include, among other things, (i) a mechanism by which expenditures on the Mound Lake Property will be funded on a pro rata basis, based upon the respective parties proportionate interest in the Mound Lake Property; (ii) in the event any one party declines to fund the expenditures in proportion to their interest, their respective interest in the joint venture shall be reduced accordingly, subject to the Dilution Conversion (as defined hereinafter); (iii) a mechanism for preparing and approving a budget and work program in respect of the Mound Lake Property; and (iv) the ongoing management of the joint venture.

Following the exercise of the First Option, in the event that either party's interest in the Mound Lake Property falls below 10%, such party's interest shall be converted into a 1% net smelter return royalty on the Mound Lake Property, which shall not be subject to a right of first refusal or any other pre-emptive rights in favour to such party (the "Dilution Conversion").

#### Black Lake Uranium Project

On June 21, 2024, the Company acquired Global Uranium Acquisition Corp (Pty) Ltd. ("Global Uranium") for cash consideration of \$50,000 and the issuance of 76,923 common shares. Global Uranium held an option agreement to acquire a 100% interest in the Black Lake Uranium Project. On May 8, 2025, the Company defaulted on the option agreement. A loss on termination of the Black Lake option agreement of \$1,379,415 was recorded in the consolidated statements of loss and comprehensive loss, consisting of previously capitalized E&E assets.

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 8. Exploration and Evaluation Assets (continued)

#### Buffalo Uranium Project

On February 18, 2025, the Company entered into a binding letter of intent to acquire Bazooka Resources Ltd. ("Bazooka"). Bazooka holds the exclusive option to acquire a 100% interest in the Buffalo Uranium Project. The Company made an initial cash payment of \$70,904 (US\$50,000) but subsequently made the determination to terminate the binding letter of intent. A loss on termination of \$70,904 was recorded in the consolidated statements of loss and comprehensive loss, consisting of previously capitalized E&E assets.

#### Muskrat Dam Option Agreement

On February 5, 2024, the Company entered into an option agreement (the "Muskrat Dam Option Agreement") with a private Manitoba company ("Manco") to acquire a 90% undivided interest in a group of mineral claims in the Muskrat Dam Lake area of Western Ontario, near Kenora and the border with Manitoba (the "Muskrat Dam Project").

Pursuant to the Muskrat Dam Option Agreement, the Company paid \$50,000, issued an aggregate of 38,462 common shares (Note 18), and granted 153,846 2024 Settlement Warrants (each a 2024 Settlement Warrant), whereby each 2024 Settlement Warrant is exercisable for a period of five years at an exercise price of USD \$19.50 (see Note 15).

The option agreement was amended and terminated on June 28, 2024, and the Company issued an aggregate of 269,231 shares in consideration for the termination (see Note 18). The 153,846 2024 Settlement Warrants previously issued were cancelled (see Note 15). A loss on termination of the Muskrat Dam Option Agreement of \$4,652,894 was recorded in the consolidated statements of loss and comprehensive loss, consisting of \$3,415,591 related to the issuance of termination shares, \$2,805,780 related to previously capitalized E&E assets that were written off, net of \$1,568,557 related to the derecognition of the derivative liability associated with the cancelled 2024 Settlement Warrants.

### 9. Investment in Joint Venture

On March 12, 2025, Snow Lake announced that it has entered into a 50/50 joint venture (the "Joint Venture") with Global Uranium and Enrichment Limited ("GUE"), to acquire 100% of the Pine Ridge Uranium Project ("Pine Ridge") in the Powder River Basin in Wyoming, United States.

The Company's interest in the Joint Venture ("Powder River Basin LLC" or the "Buyer") is accounted for using the equity method in the consolidated financial statements. Summarized financial information of the joint venture are set out below:

	June 30, 2025	June 30, 2024
	\$	\$
Current Assets, including cash and cash equivalents of \$1,060,770, prepayments of \$93,952, and bonds of \$286,776	1,154,723	-
Non-current assets	32,115,558	-
Current liabilities	(10,657,035)	-
Non-current liabilities	(10,232,250)	-
<b>Net Assets</b>	<b>12,380,996</b>	<b>-</b>

The summarized statement of profit and loss of Powder River Basin LLC for the period from incorporation to June 30, 2025 is set out below:

	June 30, 2025	June 30, 2024
	\$	\$
Administrative expenses	13,200	-
Insurance expenses	21,430	-
Loss for the year	(34,630)	-
<b>Company's share of loss for the year</b>	<b>(17,315)</b>	<b>-</b>

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 9. Investment in Joint Venture (continued)

The carrying value of the investment in the Joint Venture is as follows:

	\$
<b>Balance, June 30, 2023 and 2024</b>	-
Cash contributions to JV	6,291,062
Deferred contributions	10,232,250
Share of loss in Powder River Basin LLC	(17,315)
<b>Balance, June 30, 2025</b>	<b>16,505,997</b>

#### Contingent Liabilities and Commitments:

The Buyer will purchase Pine Ridge from Stakeholder Energy LLC (Seller”) upon payment to the Seller of \$US22,500,000 cash, to be paid in three equal installments of US\$7,500,000, payable as follows:

- i. US\$7,500,000 to be paid at closing (Closing) of the Acquisition contemplated by the Purchase and Sale Agreement (Acquisition Agreement) (First Instalment);
- ii. US\$7,500,000 to be paid on or before one-year from the date of Closing (Second Instalment); and
- iii. US\$7,500,000 to be paid on or before two years from the date of Closing (Third Instalment).

Further:

- i. The Buyer shall pay the Seller a production royalty based on an applicable royalty percentage (which will be calculated by a Net Smelter Returns variable between 3.5% and 6%, dependent on U3O8 Realized Price) from uranium, vanadium and related minerals produced and sold or deemed sold by Buyer from any additional property or property interests acquired by the Buyer, or its affiliates or permitted assigns, within twenty (20) years after the effective date of March 11, 2025.
- ii. The Buyer shall expend a minimum of US\$10,000,000 in exploration and development costs by the three-year anniversary of the Closing.

The Company is responsible for the 50% payment of the consideration. Deferred liabilities (current) have been recognised for its portion (US\$3.75m) which is payable within 12 months and a further deferred liabilities (non-current) has been recognised for its portion (US\$3.75m) which is payable within 24 months.

### 10. Long-term loan receivable

On May 2, 2025, the Company subscribed to a secured convertible note issued by Commerce Resources Corp. for a principal amount of \$1,100,000 (the “Convertible Note”). The Convertible Note bears interest at a rate of 20% per annum, accruing until the earlier of conversion or maturity, and has a contractual maturity of 24 months from issuance.

The Convertible Note provides the Company with the option to convert the outstanding principal and accrued interest into common shares of Commerce Resources Corp. at a fixed price of \$0.12 per share, or at the price of a subsequent equity financing (not lower than \$0.10 per share). In addition, if a Liquidity Event (IPO or Merger) occurs within 12 months of issuance, the Convertible Note will automatically convert into common shares at the price of such financing, subject to a floor equal to the then-prevailing market price. If no conversion occurs, the obligations are repayable in cash at maturity. The Convertible Note is secured against the assets of Commerce Resources Corp.

During the year ended June 30, 2025, the Company accrued interest income of \$28,392 on the Convertible Note.

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 11. Long-term Investment

The Company's long-term investment consists of the following:

Entity	Balance at June 30, 2023 and 2024	Additions	Dispositions	Realized gain (loss) on sale of investment	Unrealized gain (loss) on change of fair value of investment	Balance at June 30, 2025
	\$	\$	\$	\$	\$	\$
Global Uranium and Enrichment Ltd. (Shares)	-	5,132,534	-	-	70,537	5,203,071
	-	<b>5,132,534</b>	-	-	<b>70,537</b>	<b>5,203,071</b>

On April 16, 2025, the Company entered into a Subscription Agreement with Global Uranium and Enrichment Ltd. ("GUE"), an Australian Securities Exchange (ASX) listed entity. Pursuant to the agreement, the Company subscribed for 89,448,256 shares of GUE at an aggregate subscription price of \$5,132,534, representing a 19.99% interest in GUE. In addition, the Company was granted 14,000,000 options exercisable at AUD \$0.13 per share, expiring three years from the date of issue.

The subscription shares and any shares issued on exercise of the options are subject to a six-month voluntary escrow period from completion, subject to certain limited exceptions. The Company is also entitled to appoint one nominee to GUE's board of directors, conditional upon maintaining at least a 10% equity interest in GUE.

### 12. Right-of-Use Assets

Effective June 15, 2023, the Company entered into a lease agreement for mining equipment used in its E&E activities, for a term of two years. As at June 30, 2025, 2024 and 2023, the Company's leased equipment classified as right-of-use ("ROU") assets are as follows:

	June 30, 2025	June 30, 2024	June 30, 2023
	\$	\$	\$
<b>Cost, beginning of year</b>	<b>63,360</b>	63,360	-
Additions for right-of-use assets	-	-	63,360
<b>Balance, end of year</b>	<b>63,360</b>	63,360	63,360
<b>Accumulated Amortization, beginning of year</b>	<b>34,320</b>	2,640	-
Depreciation	<b>29,040</b>	31,680	2,640
<b>Accumulated Amortization, end of year</b>	<b>63,360</b>	34,320	2,640
<b>Net Book Value</b>	<b>-</b>	29,040	60,720

### 13. Accounts Payable and Accrued Liabilities

	June 30, 2025	June 30, 2024	June 30, 2023
	\$	\$	\$
Trade payables	<b>1,408,720</b>	470,172	722,376
Accrued liabilities	<b>237,942</b>	219,772	301,758
	<b>1,646,662</b>	689,944	1,024,134

Accounts payable of the Company are principally comprised of amounts outstanding for trade purchases incurred in the normal course of business.

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 14. Lease Liabilities

The movements and carrying amounts of the Company's ROU assets under lease as per disclosed in Note 12, are summarized as follows:

	\$
<b>Balance, June 30, 2022</b>	-
Additions of lease	63,360
Lease payments	(2,986)
Accretion on lease liabilities	654
<b>Balance, June 30, 2023</b>	<b>61,028</b>
Lease payments	(35,828)
Accretion on lease liabilities	5,907
<b>Balance, June 30, 2024</b>	<b>31,107</b>
Lease payments	(32,842)
Accretion on lease liabilities	1,735
<b>Balance, June 30, 2025</b>	-

### 15. Derivative Liabilities

The changes to the derivative liabilities are as follows:

	\$
<b>Balance, June 30, 2022</b>	<b>286,997</b>
Fair value of derivative liabilities on date of issuance	1,388,790
Fair value changes of derivative liability – Finders' Warrants	92,028
Fair value changes of derivative liability – Incentive Warrants	(7,952)
Fair value changes of derivative liability – Settlement Warrants	162,383
<b>Balance, June 30, 2023</b>	<b>1,922,246</b>
Fair value of derivative liabilities on date of issuance	2,333,515
Fair value changes of derivative liability – Finders' Warrants	(333,740)
Fair value changes of derivative liability – Incentive Warrants	(389,790)
Fair value changes of derivative liability – Settlement Warrants	(949,817)
Fair value changes of derivative liability – Agents' Warrants	(84,460)
Fair value changes of derivative liability – Performance Warrants	(170,685)
Fair value changes of derivative liability – 2024 Settlement Warrants	(453,687)
Disposal of 2024 Settlement Warrants	(1,568,557)
<b>Balance, June 30, 2024</b>	<b>305,025</b>
Fair value of derivative liabilities on date of issuance	129,440
Fair value changes of derivative liability – Finders' Warrants	(38,060)
Fair value changes of derivative liability – Incentive Warrants	(11,754)
Fair value changes of derivative liability – Settlement Warrants	(160,622)
Fair value changes of derivative liability – Agents' Warrants	(37,803)
Fair value changes of derivative liability – Performance Warrants	(946)
Fair value changes of derivative liability – Octagon Warrants	(73,367)
<b>Balance, June 30, 2025</b>	<b>111,913</b>

#### *IPO Finders' Warrants*

In connection with the IPO which closed on November 23, 2021, the Company issued 14,154 finders' warrants (each a "Finders' Warrant") exercisable at USD \$121.875 before November 19, 2026. The fair value of these Finders' Warrants was estimated at \$1,237,681 using the Black-Scholes valuation model ("Black-Scholes") with the following assumptions: expected volatility of 100% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 1.58%, and an expected life of five years.

As at June 30, 2025, the derivative liability related to the Finders' Warrants was measured at a fair value of \$7,224 (2024 - \$45,285; 2023 - \$379,025) using Black-Scholes with the following assumptions: share price of USD \$3.620, exercise price of USD \$121.875, expected volatility of 161.90% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 2.60% and an estimated remaining life of 1.39 years.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **15. Derivative Liabilities (continued)**

During the year ended June 30, 2025, the Company recorded a fair value gain of \$38,060 on the derivative liability related to the Finders' Warrants (2024 – fair value gain of \$333,740; 2023 – fair value loss of \$92,028).

#### *Incentive Warrants*

On February 17, 2023, the Company issued 17,307 incentive warrants (each a “Incentive Warrant”) to a third-party pursuant to an engagement agreement between the parties, whereby each Incentive Warrant is exercisable for a period of two years at an exercise price of: (i) USD \$39.00 for 5,769 Incentive Warrants; (ii) USD \$52.00 for 5,769 Incentive Warrants; and (iii) USD \$65.00 for 5,769 Incentive Warrants. On initial recognition, the fair value of these Incentive Warrants was estimated at \$409,496 using Black-Scholes with the following assumptions: expected volatility of 148% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 4.15%, and an expected life of two years. The fair value of the Incentive Warrants was recorded as consulting fees on the consolidated statements of loss and comprehensive loss.

As at June 30, 2025, the derivative liability related to the Incentive Warrants was measured at a fair value of \$nil as the Incentive Warrants expired on February 17, 2025 (2024 - \$11,754; 2023 – \$401,544).

During the year ended June 30, 2025, the Company recorded a fair value gain of \$11,754 (2024 - \$389,790; 2023 – \$7,952) on the derivative liability related to the Incentive Warrants.

#### *Settlement Warrants*

On March 31, 2023, the Company issued 38,462 settlement warrants (each a “Settlement Warrant”) to two additional third-parties pursuant to an agreement for release and settlement of claims advanced against the Company, whereby each Settlement Warrant is exercisable for a period of three years at an exercise price of USD \$32.50. On initial recognition, the fair value of these Settlement Warrants was estimated at \$979,294 using Black-Scholes with the following assumptions: expected volatility of 140% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 3.51%, and an expected life of three years. The fair value of the Settlement Warrants was recorded as professional fees on the consolidated statements of loss and comprehensive loss.

As at June 30, 2025, the derivative liability related to the Settlement Warrants was measured at a fair value of \$31,238 (2024 - \$191,860; 2023 – \$1,141,677) using Black-Scholes with the following assumptions: share price of USD \$3.62, exercise price of USD \$32.50, expected volatility of 188.74% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 2.61% and an estimated remaining life of 0.75 years.

During the year ended June 30, 2025, the Company recorded a fair value gain of \$160,622 (2024 - \$949,817; 2023 – fair value loss of \$162,383) on the derivative liability related to the Settlement Warrants.

#### *Agents' Warrants*

On September 21, 2023, the Company issued 6,615 agents' warrants (each an “Agents' Warrant”) in connection to the flow-through financing, whereby each Agents' Warrant is exercisable for a period of five years at an exercise price of USD \$34.71. On initial recognition, the fair value of these Agents' Warrants was estimated at \$139,639 using Black-Scholes with the following assumptions: expected volatility of 139% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 4.25%, and an expected life of five years. The fair value of the Agents' Warrants was recorded as share issuance costs and netted against share capital on the consolidated statements of financial position.

As at June 30, 2025, the derivative liability related to the Agents' Warrants was measured at a fair value of \$17,377 (2024 - \$55,179; 2023 - \$nil) using Black-Scholes with the following assumptions: share price of USD \$3.62, exercise price of USD \$34.71, expected volatility of 144.24% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 2.62% and an estimated remaining life of 3.23 years.

During the year ended June 30, 2025, the Company recorded a fair value gain of \$37,803 on the derivative liability related to the Agents' Warrants (2024 - \$84,460; 2023 - \$nil).

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **15. Derivative Liabilities (continued)**

#### *Performance Warrants*

On October 2, 2023, the Company issued 23,076 performance warrants (each a “Performance Warrant”) to a third-party pursuant to a marketing services agreement between the parties, whereby each Performance Warrant is exercisable for a period of one year at an exercise price of: (i) USD \$26.00 for 7,692 Performance Warrants; (ii) USD \$32.50 for 7,692 Performance Warrants; and (iii) USD \$39.00 for 7,692 Performance Warrants. On initial recognition, the fair value of these Performance Warrants was estimated at \$171,631 using Black-Scholes with the following assumptions: expected volatility of 137% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 4.83%, and an expected life of one year. The fair value of the Performance Warrants was recorded as consulting fees on the consolidated statements of loss and comprehensive loss.

As at June 30, 2025, the derivative liability related to the Performance Warrants was measured at a fair value of \$nil as the Performance Warrants expired on October 2, 2024 (2024 - \$946; 2023 - \$nil)

During the year ended June 30, 2025, the Company recorded a fair value gain of \$946 on the derivative liability related to the Performance Warrants (2024 - \$170,685; 2023 - \$nil).

#### *Octagon Warrants*

On April 1, 2025, the Company issued 19,231 performance warrants (each an “Octagon Warrant”) to a third-party pursuant to the marketing agreement between the parties, whereby each Octagon Warrant is exercisable for a period of one year at an exercise price of USD \$13.00. On initial recognition, the fair value of these Octagon Warrants was estimated at \$129,440 using Black-Scholes with the following assumptions: expected volatility of 238.19%, expected dividend yield of 0%, risk-free interest rate of 2.49%, and an expected life of one year. The fair value of the Octagon Warrants was recorded as consulting fees on the consolidated statements of loss and comprehensive loss.

As at June 30, 2025, the derivative liability related to the Octagon Warrants was measured at a fair value of \$56,073 (2024 - \$nil; 2023 - \$nil) using Black-Scholes with the following assumptions: share price of USD \$3.62, exercise price of USD \$13.00, expected volatility of 263.09%, expected dividend yield of 0%, risk-free interest rate of 2.61% and an estimated remaining life of 0.81 years.

During the year ended June 30, 2025, the Company recorded a fair value gain of \$73,367 on the derivative liability related to the Octagon Warrants (2024 - \$nil; 2023 - \$nil).

#### *2024 Settlement Warrants*

On February 8, 2024, the Company issued 153,846 2024 Settlement Warrants pursuant to the Muskrat Dam Option Agreement, whereby each 2024 Settlement Warrant is exercisable for a period of five years at an exercise price of USD \$19.50. On initial recognition, the fair value of these 2024 Settlement Warrants was estimated at \$2,022,244 using Black-Scholes with the following assumptions: expected volatility of 138% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 3.66%, and an expected life of five years. The fair value of the 2024 Settlement Warrants was recorded as exploration and evaluation assets on the consolidated statements of financial position.

On June 28, 2024, the Muskrat Dam Option Agreement was terminated resulting in the cancellation of the 2024 Settlement Warrants. On June 28, 2024, the derivative liability was measured at a fair value of \$1,568,557 using Black-Scholes with the following assumptions: share price of USD \$9.23, exercise price of USD \$19.50, expected volatility of 135% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 3.52% and an estimated remaining life of 4.61 years. The balance was written off against the loss on termination of the Muskrat Dam Option Agreement in the consolidated statements of loss and comprehensive.

During the year ended June 30, 2024, the Company recorded a fair value gain of \$453,687 on the derivative liability related to the 2024 Settlement Warrant.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **16. Other Liabilities**

On January 30, 2023, the Company granted 36,154 RSUs to various directors, of which 30,769 RSUs contained a put right option (the "Put Right Option") where the directors can elect to settle in cash or in equity. These RSUs vest at various stages pending conditions of certain milestones. These RSUs with the Put Right Option are classified as other liabilities on the consolidated statements of financial position.

As at August 9, 2023, 12,308 RSUs with the Put Right Option had met certain milestones required to vest. On September 26, 2023, the Company paid \$534,240 (USD \$400,000) to redeem these 12,308 RSUs at the Put Purchase Price.

On January 10, 2025, the remaining 18,461 RSUs with the Put Right Option were exercised. The Company paid \$863,280 (USD \$600,000) to redeem these 18,461 RSUs at the Put Right Exercise Price.

During the year ended June 30, 2025, stock-based compensation of \$89,449 was recorded in connection to the vesting of these RSUs on the consolidated statements of loss and comprehensive loss (2024 - \$487,520; 2023 - \$820,612).

### **17. Flow-Through Share Liability**

Flow-through share liability includes the liability portion of the flow-through shares issued. The flow-through common shares issued in the offering completed on September 21, 2023 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$3,637,149 and was derecognized through income as eligible expenditures were incurred.

During the year ended June 30, 2025, the Company incurred eligible expenditures of \$4,273,151, satisfying \$2,016,543 of such premium (For the period from September 21, 2023, to June 30, 2024, the Company incurred eligible expenditures of \$2,457,316, satisfying \$1,159,632 of such premium).

As of December 31, 2024, the Company had not fully spent the required amount, resulting in tax penalties and investor compensation obligations. As a result, the Company recorded \$1,059,721 for Part XII.6 tax payable to the Canada Revenue Agency and for investor compensation related to tax benefit adjustments.

As at June 30, 2025, the flow-through share liability is carried at a balance of \$nil (June 30, 2024 - \$2,477,517).

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 18. Share Capital

#### *Authorized share capital*

The Company is authorized to issue an unlimited number of common shares without par value.

On May 2, 2025, the Company completed a 1-for-13 reverse stock split of its outstanding common shares. All references to the number of common shares, earnings per share, and per share information in these consolidated financial statements have been retroactively adjusted to reflect the impact of the share split for all periods presented. The total number of common shares outstanding decreased from 101,406,557 to 7,800,497, with no change in total share capital.

Common shares issued and outstanding as at June 30, 2025, 2024 and 2023 are as follows:

	Number of common shares #	Amount \$
<b>Balance, June 30, 2022</b>	<b>1,378,827</b>	<b>39,733,633</b>
Shares issued on debt settlement	18,462	800,366
Shares issued from the exercise of warrants	1,619	36,774
<b>Balance, June 30, 2023</b>	<b>1,398,908</b>	<b>40,570,773</b>
Shares issued on private placement financing	164,152	7,707,292
Flow-through premium	-	(3,637,149)
Share issue costs	-	(355,016)
Shares issued per agreements	298,944	3,934,189
Shares issued per option agreements	115,384	1,728,380
Shares issued on vested RSUs	4,615	179,505
<b>Balance, June 30, 2024</b>	<b>1,982,003</b>	<b>50,127,974</b>
Shares issued on ATM financings	5,842,892	63,274,574
Share issue costs	-	(16,672,731)
Shares issued per agreements	776,535	8,325,336
Shares issued per option agreements	155,730	1,490,860
Share based compensation	14,615	186,031
Treasury shares held for cancellation	(22,919)	(191,898)
Cash paid in lieu on shares consolidation	(689)	(3,740)
<b>Balance, June 30, 2025</b>	<b>8,748,167</b>	<b>106,536,406</b>

#### *Share capital transactions for the year ended June 30, 2025*

On August 7, 2024, the Company issued 155,730 common shares in connection with the acquisition of the First Stage Interest with respect to the Engo Valley Uranium Project. These common shares were valued at \$1,490,860 based on the Company's closing share price on the date of issuance.

On August 22, 2024, the Company entered into an ATM Sales Agreement, as amended on October 18, 2024, with ThinkEquity LLC (the "Agent"), as sales agent, pursuant to which the Company may offer and sell, from time to time through the Agent, up to US\$2,900,000 of common shares of the Company. During the year ended June 30, 2025, the Company has sold 1,009,919 common shares for gross proceeds of \$4,081,551 (USD \$2,897,622).

On December 20, 2024, the Company issued 1,211,538 common shares at a price of USD \$5.33 per share in a best-efforts public offering, for gross proceeds of \$9,276,199 (USD \$6,457,500).

On December 31, 2024, the Company issued 1,442,307 common shares at a price of USD \$10.40 per share in a best-efforts public offering, for gross proceeds of \$21,583,500 (USD \$15,000,000).

On January 27, 2025, the Company issued 1,230,769 common shares at a price of USD \$13.00 per share in a best-efforts public offering for gross proceeds of \$23,009,600 (USD \$16,000,000).

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **18. Share Capital (continued)**

On April 17, 2025, the Company entered into an ATM Sales Agreement with the Agent, pursuant to which the Company may offer and sell, from time to time through the Agent, up to US\$50,000,000 of common shares of the Company. During the year ended June 30, 2025, the Company had sold 948,359 common shares for gross proceeds of \$5,323,724 (USD\$3,858,666).

In connection with the equity financings above, the Company paid fees and expenses for marketing, commissions, and professional services in the amount of \$16,672,731.

On November 18, 2024, the Company issued 76,923 common shares to 10152300 Manitoba LTD. pursuant to a debt settlement agreement for legal expenses between the parties. These common shares were valued at \$308,924 based on the Company's closing share price on the date of issuance.

The Board of Directors approved the issuance of up to 38,461 shares to settle debts owed to various creditors under a Debt Settlement Agreement. The shares were issued on January 10, 2025. These common shares were valued at \$489,627 based on the Company's closing share price on the date of issuance.

On February 28, 2025, the Company issued 378,461 common shares to 10183923 Manitoba Ltd. and 38,461 common shares to 10152300 Manitoba LTD. pursuant to a debt settlement agreement between the respective parties. These common shares were valued at \$5,358,848 and \$544,598, respectively, based on the Company's closing share price on the date of issuance.

On March 12, 2025, the Company issued 123,076 common shares to 10223254 Manitoba Ltd. pursuant to a debt settlement agreement between the parties. These common shares were valued at \$838,126 based on the Company's closing share price on the date of issuance.

On March 13, 2025, the Company issued 121,153 common shares to 10223778 Manitoba Ltd. pursuant to a debt settlement agreement between the parties. These common shares were valued at \$785,213 based on the Company's closing share price on the date of issuance.

On January 10, 2025, 6,923 common shares were granted to directors and committee members. These common shares were valued at \$88,120 based on the Company's closing share price on the date of issuance. The Company also issued 7,692 common shares to the CEO on the exercise of RSUs (See Note 19 for more information).

During the year ended June 30, 2025, the Company bought back 22,919 shares for \$191,898.

#### *Share capital transactions for the year ended June 30, 2024*

On September 21, 2023, the Company closed its best-efforts flow-through financing through the issuance of 164,152 common shares at a price of \$46.95 (USD \$34.71) per common share, for gross proceeds of \$7,707,292 (USD \$5,697,710) (the "Offering"). In connection with the Offering, the Company issued 6,615 Agents' Warrants at USD \$34.71 per share with an expiry of five years and paid fees and expenses to various agents in the amount of \$215,377.

On September 21, 2023, the Company also issued 1,636 common shares to a third-party pursuant to a letter agreement between the parties. These common shares were valued at \$40,457, based on the Company's closing share price on the date of issuance, and the amount was recorded as consulting fees on the consolidated statements of loss and comprehensive loss.

On October 20, 2023, the Company issued 3,076 common shares to a third-party pursuant to a marketing agreement. These common shares were valued at \$51,986, based on the Company's closing share price on the date of issuance, and the amount was recorded as consulting fees on the consolidated statements of loss and comprehensive loss.

On February 8, 2024, the Company issued 38,461 common shares in connection with the Muskrat Dam Project option agreement. These common shares were valued at \$733,615 based on the Company's 30-day-volume-weighted-adjusted share price on the date of issuance.

On February 14, 2024, the Company issued 4,614 common shares upon the vesting of restricted share units valued at \$179,505.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **18. Share Capital (continued)**

On February 20, 2024, the Company issued 25,000 common shares to 10152300 Manitoba LTD. pursuant to a debt settlement agreement for legal expenses between the parties. These common shares were valued at \$426,155 based on the Company's closing share price on the date of issuance.

On June 21, 2024, the Company issued 76,921 common shares pursuant to an agreement for the acquisition of the Black Lake Uranium Project. These common shares were valued at \$994,765 based on the Company's closing share price on the date of issuance.

On June 28, 2024, the Company issued 269,230 common shares in consideration for the amendment and termination of the Muskrat Dam Option Agreement. These common shares were valued at \$3,415,591 based on the Company's closing share price on the date of issuance.

#### *Share capital transactions for the year ended June 30, 2023*

On January 25, 2023, the Company issued 18,461 common shares with a fair value of \$800,366 to settle a debt (the "Shares-for-Debt Settlement") of USD \$480,000 owed by a director to a third-party, in relation to services provided by the third-party related to the requisitioning of a shareholders' meeting, which the Company had agreed to complete the settlement on behalf of the director. As a result of the Shares-for-Debt Settlement, the Company recorded a loss on settlement of \$157,501 on the consolidated statements of loss and comprehensive loss.

During the year ended June 30, 2023, 1,619 common shares were also issued as a result of the exercise of Warrants for cash proceeds of \$31,578.

### **19. Reserve for RSUs**

On January 30, 2023, the Company granted 36,154 RSUs to various directors. 5,385 of these RSUs vested on January 30, 2024. The grant date fair value attributable to these 5,385 RSUs was \$209,422, of which \$105,244 was recorded as stock-based compensation in connection with the vesting of these RSUs during the year ended June 30, 2024 (2023 - \$86,638).

RSUs with the Put Right Option which vest at various stages pending conditions of certain milestones are classified under other liabilities on the consolidated statements of financial position (see Note 16 for details).

On July 17, 2023, the Company granted 15,384 RSUs to an officer. The RSUs will vest at various stages depending on the Company's volume weighted average price exceeding certain thresholds. As no vesting conditions were met, no stock-based compensation was recorded on these RSUs during the year ended June 30, 2024. On January 10, 2025, 7,692 of these RSUs had met certain milestones required to vest and were exercised. \$97,911 was recorded in share-based payments on exercise.

On July 29, 2023, 769 RSUs were cancelled. As a result of this cancellation, an amount of \$12,377 was reallocated from RSU reserve to accumulated deficit.

As at August 9, 2023, 12,308 RSUs with the Put Right Option had met certain milestones required to vest, and on September 26, 2023, the Company paid \$534,240 (USD \$400,000) to redeem these 12,308 RSUs (see Note 16 for details).

On February 14, 2024, 4,615 RSUs met certain milestones required to vest and 4,615 common shares were issued on exercise.

On January 9, 2025, the Company granted 890,375 RSUs to certain directors and consultants. The RSUs will vest at various stages depending on the Company's volume weighted average price exceeding certain thresholds. As no vesting conditions were met, no stock-based compensation was recorded on these RSUs during the year ended June 30, 2025. See Note 23 for more details.

On January 10, 2025, the remaining 18,461 RSUs with the Put Right Option were exercised. The Company paid \$863,280 (USD \$600,000) to redeem these 18,461 RSUs at the Put Right Exercise Price.

As at June 30, 2025, the Company had 898,067 RSUs outstanding (2024 – 33,846 RSUs outstanding; 2023 – 36,154 RSUs outstanding).

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 20. Reserve for Share-Based Payments

The Company maintains the Option Plan whereby certain key officers, directors and consultants may be granted stock options for common shares of the Company. The maximum number of common shares that are issuable under the Option Plan is limited to 185,133 common shares. Under the Option Plan, the exercise price of each option may not be lower than the greater of the closing price of the Company's shares on the trading day prior to the grant date or the grant date itself, whichever is higher. Vesting of options is determined at the discretion of the Board. As at June 30, 2025, the Company had 122,996 common shares available for issuance under the Option Plan.

The following summarizes the stock option activity for the years ended June 30, 2025, 2024 and 2023:

	2025		2024		2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	#	\$	#	\$	#	\$
<b>Opening Balance</b>	62,137	51.48	112,493	97.89	124,653	93.99
Granted	-	-	19,231	USD 29.25	26,923	USD 32.50
Cancelled	-	-	(65,741)	USD 97.50	(11,391)	USD 97.50
Cancelled	-	-	(3,846)	USD 32.50	(27,692)	USD 32.50
Modified	62,137	USD 19.50	-	-	-	-
<b>Ending Balance</b>	62,137	USD 19.50	62,137	51.48	112,493	97.89

#### *Option activities for the year ended June 30, 2025*

On January 9, 2025, the Board of Directors approved the repricing of all outstanding stock options to a revised exercise price of USD \$19.50 per option. The repricing applied to all option holders on a consistent basis. Management assessed the impact of the repricing and determined that the revised exercise price did not result in any incremental fair value being conveyed to option holders. Accordingly, no additional share-based payment expense has been recognized in relation to this repricing.

#### *Option activities for the year ended June 30, 2024*

On July 14, 2023, the Company granted 19,231 options to an officer. The options are exercisable at a price of USD \$29.25 per common share for a period of three years. 25% of the options will vest six months from the grant date, 25% will vest 12 months from the grant date, with the remainder to vest 18 months from the grant date. The options were valued using Black-Scholes with the following assumptions: expected volatility of 150% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 4.30%, forfeiture rate of 20% and an expected life of three years. The grant date fair value attributable to these options was \$447,577, of which \$361,081 was recorded as stock-based compensation in connection with the vesting of these options during the year ended June 30, 2024.

On July 29, 2023, 65,741 options exercisable at USD \$97.50 and 3,846 options exercisable at USD \$32.50, respectively, were cancelled. As a result, an amount of \$4,920,927 was reallocated from share-based payments reserve to accumulated deficit.

#### *Option activities for the year ended June 30, 2023*

On January 30, 2023, the Company granted 26,923 options to various directors. The options are exercisable at a price of USD \$32.50 per common share for a period of five years and vested immediately on grant. The options were valued using Black-Scholes with the following assumptions: expected volatility of 113% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 3.04%, forfeiture rate of 20% and an expected life of five years. The grant date fair value attributable to these options of \$666,746 was recorded as stock-based compensation in connection with the vesting of these options during the year ended June 30, 2023.

On May 17, 2023, the Board extended the date of expiry of the remaining 12,308 options previously granted in May 25, 2019, from May 24, 2023 to May 24, 2029. The extension constituted a modification in accordance with the guidance of IFRS 2 – Share-Based Payments. As the modification increases the fair value of the options, measured immediately before and after the modification, the Company recorded the incremental fair value, the difference between the fair value of the modified options and that of the original grant. As a result, the Company recorded an additional stock-based compensation of \$207,733, which is included in share-based payments reserve.

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 20. Reserve for Share-Based Payments (continued)

During the year ended June 30, 2023, 11,391 options exercisable at USD \$97.50 and 27,692 options exercisable at \$32.50, were cancelled. As a result of these cancellations, an amount of \$1,312,757 was reallocated from share-based payments reserve to accumulated deficit.

The following table summarizes information of stock options outstanding and exercisable as at June 30, 2025:

Date of expiry	Number of options	Number of options	Exercise price	Weighted average
	outstanding	exercisable		remaining
	#	#	\$	contractual life
				Years
July 17, 2026	19,231	19,231	USD 19.50	1.04
November 18, 2026	7,521	7,521	USD 19.50	1.38
January 30, 2028	23,077	23,077	USD 19.50	2.58
May 24, 2029	12,308	12,308	USD 19.50	3.90
	<b>62,137</b>	<b>62,137</b>	<b>USD 19.50</b>	<b>2.22</b>

### 21. Reserve for Warrants

The following summarizes the warrants activity for the years ended June 30, 2025, 2024 and 2023:

	2025		2024		2023	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
	#	\$	#	\$	#	\$
<b>Opening Balance</b>	<b>99,614</b>	<b>66.69</b>	117,312	52.00	63,162	51.09
Issuance of Octagon Warrants	19,231	USD 13.00	-	-	-	-
Issuance of Agents' Warrants	-	-	6,615	USD 34.71	-	-
Issuance of Incentive Warrants	-	-	-	-	5,769	USD 39.00
Issuance of Incentive Warrants	-	-	-	-	5,769	USD 52.00
Issuance of Incentive Warrants	-	-	-	-	5,769	USD 65.00
Issuance of Performance Warrants	-	-	7,692	USD 26.00	-	-
Issuance of Performance Warrants	-	-	7,692	USD 32.50	-	-
Issuance of Performance Warrants	-	-	7,692	USD 39.00	-	-
Issuance of Settlement Warrants	-	-	153,846	USD 19.50	38,462	USD 32.50
Exercised	-	-	-	-	(1,619)	19.50
Expired	(7,692)	USD 26.00	(2,462)	16.25	-	-
Expired	(7,692)	USD 32.50	(39,433)	19.50	-	-
Expired	(7,692)	USD 39.00	(5,494)	29.25	-	-
Expired	(5,769)	USD 39.00	-	-	-	-
Expired	(5,769)	USD 52.00	-	-	-	-
Expired	(5,769)	USD 65.00	-	-	-	-
Cancellation of Settlement Warrants	-	-	(153,846)	USD 19.50	-	-
<b>Ending Balance</b>	<b>78,462</b>	<b>60.07</b>	99,614	66.69	117,312	52.00

For more information on the warrant issuances, see Note 15.

The following table summarizes information of warrants outstanding as at June 30, 2025:

Date of expiry	Number of warrants	Exercise price	Weighted average
	outstanding		remaining
	#	\$	contractual life
			Years
March 31, 2026	38,462	USD 32.50	0.75
April 1, 2026	19,231	USD 13.00	0.75
November 19, 2026	14,154	USD 121.88	1.39
September 21, 2028	6,615	USD 34.71	3.23
	<b>78,462</b>	<b>60.07</b>	<b>1.08</b>

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 22. Basic and Diluted Loss per Share

The calculations of basic and diluted loss per share for the year ended June 30, 2025, were based on the net loss of \$15,985,788 (2024 –\$6,850,918; 2023 –\$15,462,945) and the weighted average number of basic and diluted common shares outstanding of 4,972,546 (2024 – 1,556,828; 2023 – 1,387,219).

### 23. Related Party Transactions

In accordance with IAS 24 – Related Party Disclosures, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key executives is determined by the compensation committee of the Board.

The remuneration of directors and other members of key management personnel during the years ended June 30, 2025, 2024 and 2023 were as follows:

	June 30, 2025	June 30, 2024	June 30, 2023
	\$	\$	\$
Directors' and Officers' consulting fees	1,548,746	877,362	951,347
Cash payment	-	-	334,738
Exploration and evaluation expenditures	120,000	134,764	415,325
Addendum payments	-	-	2,554,830
	1,668,746	1,012,126	4,256,240

#### *Exploration and evaluation expenditures*

During the year ended June 30, 2025, fees of \$120,000 (2024 – \$134,764; 2023 - \$415,325) for services rendered by the Company's VP of Exploration and its former VP of Resources Development, had been capitalized as E&E assets on the consolidated statements of financial position.

#### *Share-based compensation*

During the year ended June 30, 2025, the Company had granted certain RSUs and options to various directors and officers. Total stock-based compensation of \$361,977 (2024 – \$953,845; 2023 - \$2,422,516) was recorded in connection with the vesting of these securities.

#### *Other related party transactions*

On January 25, 2023, the Company issued 18,462 common shares from the Shares-for-Debt Settlement. As a result of the Shares-for-Debt Settlement, the Company recorded a loss on settlement of \$157,501 on the consolidated statements of loss and comprehensive loss for the year ended June 30, 2023.

As at August 9, 2023, 12,308 RSUs with the Put Right Option had met certain milestones required to vest. On September 26, 2023, the Company paid \$534,240 (USD \$400,000) to redeem these 12,308 RSUs at the Put Right Exercise Price.

On January 9, 2025, 13,267 RSUs were granted to members of the Board of Directors. These RSUs vest on the earlier of January 1, 2026 or the market capitalization of the Corporation exceeding US\$150,000,000 for 10 consecutive trading days.

On January 9, 2025, the Board of Directors of the Company passed a resolution by which the Chairman of the Board was granted 877,108 RSUs, which vest as follows:

- 38,462 of the RSUs vest upon the earlier of (i) January 1, 2026; and (ii) the Corporation's volume weighted average share price ("VWAP") exceeding a market capitalization of USD \$150,000,000 for 10 consecutive trading days;
- 76,923 of the RSUs vest on upon the Corporation's VWAP exceeding a market capitalization of USD \$100,000,000 for 10 consecutive trading days;

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 23. Related Party Transactions (continued)

- 76,923 of the RSUs vest on upon the Corporation's VWAP exceeding a market capitalization of USD \$200,000,000 for 10 consecutive trading days; and
- upon every incremental U\$100,000,000 increase in the Corporation's market capitalization above USD \$200,000,000, an additional 76,923 RSUs shall vest.

On January 10, 2025, 18,461 RSUs with the Put Right Option were exercised. The Company paid \$863,280 (USD \$600,000) to redeem these 18,461 RSUs at the Put Right Exercise Price.

#### *Addendum payments*

On November 1, 2022, the Company purported to amend the consulting agreements with the entities controlled by the former Chief Executive Officer ("CEO") and the former Chief Operating Officer ("COO") of Snow Lake, with an addendum which amended the termination clause of their respective agreements. As a result of the addendum, the Company recorded fees of \$1,672,988 (USD \$1,224,040) and \$881,842 (USD \$648,020), respectively, which are included in directors' and officers' consulting fees during the year ended June 30, 2023.

On December 5, 2022, payout was made to the respective entities controlled by the former CEO and COO.

As of June 30, 2025, the Company has made a claim against these former officers (see Note 27 for more details).

#### *Related party balances*

All related party balances, for services and business expense reimbursements rendered as at June 30, 2025, 2024 and 2023 are non-interest bearing and payable on demand, and are comprised of the following:

	June 30, 2025	June 30, 2024	June 30, 2023
	\$	\$	\$
Payable to officers and directors	127,925	141,144	76,329
	127,925	141,144	76,329

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 24. Income Taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2024 and 2023 – 27%) to the effective tax rate is as follows:

	June 30, 2025	June 30, 2024	June 30, 2023
	\$	\$	\$
Net loss before income tax	(15,985,788)	(6,850,918)	(15,462,945)
Combined federal and provincial statutory income tax rates	27%	27%	27%
Expected income tax recovery at statutory rates	4,316,163	1,849,748	4,174,995
Non-deductible differences	4,082,556	1,195,284	(225,472)
Flow through expenditures	(1,153,751)	(663,475)	-
True-up of prior year amounts	(1,039,721)	578,598	-
Change in unrecognized deductible temporary differences	(6,205,247)	(2,960,155)	(3,949,523)
<b>Total income tax recovery</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### *Unrecognized deductible temporary differences*

The income tax benefit of the following deductible temporary differences has not been recorded in these financial statements because of the uncertainty of their recovery:

	June 30, 2025	June 30, 2024	June 30, 2023
	\$	\$	\$
Non-capital losses carried forward	12,089,508	7,155,193	5,226,507
Exploration and evaluation assets	(908,007)	916,213	(100,081)
Other items	3,603,820	508,668	493,493
	<b>14,785,321</b>	<b>8,580,074</b>	<b>5,619,919</b>

#### *Non-capital losses carried forward*

The Company has non-capital tax losses available to reduce taxes in future years of approximately \$44,776,000 (2024 – \$26,500,000; 2023 - \$19,357,000). These losses have expiry dates between 2038 and 2045.

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

### 25. Capital Management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, issue debt instruments or return capital to its shareholders. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than the flow-through obligations from the Offering.

### 26. Financial Risks

The Company is exposed to various risks as it relates to financial instruments. Management, in conjunction with the Board, mitigates these risks by assessing, monitoring and approving the Company's risk management process. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

#### *Credit risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with reputable chartered bank in Canada, which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal.

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 26. Financial Risks (continued)

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing and investing activities.

As at June 30, 2025, the Company had a cash balance of \$17,829,149 (June 30, 2024 – \$2,526,957; June 30, 2023 - \$3,840,880) to settle current liabilities of \$7,002,625 (June 30, 2024 – \$1,941,111; June 30, 2023 - \$3,883,529).

As at June 30, 2025, the Company had the following contractual obligations:

	Less than 1 year	1 to 3 years	3 to 5 years	Total
	\$	\$	\$	\$
Accounts payable and accrued liabilities	1,646,662	-	-	1,646,662
Due to related parties	127,925	-	-	127,925
Derivative liabilities	111,913	-	-	111,913
Deferred liabilities - short-term	5,116,125	-	-	5,116,125
Deferred liabilities - long-term	5,116,125	-	-	5,116,125
<b>Total</b>	<b>12,118,750</b>	<b>-</b>	<b>-</b>	<b>12,118,750</b>

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecasts and actual cash flows for a rolling period of 12 months to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations. Management believes there is sufficient capital to meet short-term business obligations, after taking into account cash flow requirements from operations and the Company's cash position as at June 30, 2025.

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at June 30, 2025, the Company had no hedging agreements in place with respect to floating interest rates. Management believes that the interest rate risk concentration with respect to financial instruments is minimal.

#### *Foreign exchange risk*

Foreign exchange risk is the risk that the Company will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Company has from time to time, financial instruments and transactions denominated in foreign currencies, notably in USD. The Company's primary exposure to foreign exchange risk is that transactions denominated in foreign currency may expose the Company to the risk of exchange rate fluctuations. Based on its current operations, management believes that the foreign exchange risk remains minimal.

#### *Fair value*

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

As at June 30, 2025, the Company's financial instruments consisted of cash, short-term and long-term loans receivable, short-term and long-term investments, accounts payable, due to related parties, lease liabilities, derivative liabilities, deferred liabilities, and other liabilities.

The fair value of accounts payable, short-term and long-term loans receivable, deferred liabilities and due to related parties are approximately equal to their carrying value due to their short-term nature. The fair values of the lease liabilities approximate their carrying amounts as they were measured taking into consideration comparable instruments with similar risks in determining the rates at which to discount their amount in applying their respective measurement models.

## Snow Lake Resources Ltd.

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### 26. Financial Risks (continued)

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

<i>June 30, 2025</i>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	\$	\$	\$	\$
Cash	17,829,149	-	-	<b>17,829,149</b>
Short-term investments	1,660,738	-	-	<b>1,660,738</b>
Long-term investment	5,203,071	-	-	<b>5,203,071</b>
Derivative liabilities	-	(111,913)	-	<b>(111,913)</b>
<b>Total</b>	<b>24,692,958</b>	<b>(111,913)</b>	-	<b>24,581,045</b>

As at June 30, 2025, the Company's financial instruments carried at fair value consisted of its cash and short-term and long-term investments, which are classified as Level 1, and its derivative liabilities, which have been classified as Level 2. There were no transfers between Levels 2 and 3 for recurring fair value measurements during the years ended June 30, 2025, 2024 and 2023.

### 27. Contingencies

The Company's E&E activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. As at June 30, 2025, the Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make future expenditures to comply with such laws and regulations.

As of June 30, 2025, Snow Lake has made a claim against certain former directors of the Company and their holding companies for, among other things, breach of fiduciary duty as a result of, amongst other matters, of those directors approving changes to the consulting agreements between the former CEO and COO and their holding companies, for termination payments of USD \$1,392,000 (to USD \$1,872,000) during a time where it was clear that a change of control of the Company was imminent and increased the range of instances where they would be eligible for those payments. The Company takes the position that the amendments are void and that the former CEO and COO were not entitled to any payments under their consulting agreements. Snow Lake seeks to recover the payments made to the former CEO and COO.

As of the date of approval of these consolidated financial statements, all defendants have now filed Statements of Defence. All defendants have made counterclaims seeking indemnification for legal fees incurred in responding to this claim in relation to directors' indemnity agreements they have with the Company. The Company takes the position that the defendants are not eligible for indemnity payments as a result of their breaches of fiduciary duties. The next step will be for the Company to file its Replies and Defences to Counterclaims, and then proceed to discovery. As at June 30, 2025, as the outcome of the claims remains uncertain, the Company had not recognized any contingent assets on the consolidated statements of financial position.

On July 13, 2023, the Company also filed an application against its former Manitoba law firm seeking to assess for reasonableness certain invoices of the law firm rendered between May 2022 and January 2023, as well as the repayment of any fees paid to the law firm which the Court finds to be unreasonable. During the year ended June 30, 2024, the Company received an aggregate amount of \$150,000, relating to compensation against applications filed against certain former legal counsels.

## **Snow Lake Resources Ltd.**

Notes to the Consolidated Financial Statements  
For the Years Ended June 30, 2025, 2024 and 2023  
(Expressed in Canadian Dollars)

### **28. Subsequent Events**

Subsequent to June 30, 2025, the Company had sold 6,737,564 common shares for gross proceeds of US\$36,174,572 under the ATM Sales Agreement with the Agent.

On July 17, 2025, the Board of Directors of the Company passed a resolution with the following key actions:

- 107,125 RSUs were granted to directors, audit committee members, and consultants.
- The price of all outstanding stock options was reduced to US\$5.00.
- 4,000 options were granted to a member of the Board, vesting immediately, with an exercise price of US\$5.00 and an expiry of January 30, 2028.

#### *Subscription Agreement with GTI Energy Limited*

Subsequent to year end, the Company entered into a Subscription Agreement with GTI Energy Limited (“GTI”), an Australian public company listed on the ASX.

Under the agreement, the Company subscribed for 424,866,286 fully paid ordinary shares in GTI at an issue price of A\$0.0035 per share, for total consideration of A\$1,487,032. The subscription also included 212,433,143 free-attaching options with an exercise price of A\$0.010 per option expiring September 25, 2028.

#### *Proposed Acquisition of Global Uranium and Enrichment Limited*

On October 6, 2025, the Company entered into a binding Scheme Implementation Deed (“SID”) with GUE, pursuant to which the Company will acquire 100% of the shares and unlisted options of GUE that it does not already own.

#### *Investment in Kadmos Energy Services LLC*

On October 17, 2025, the Company entered into a series of agreements with Kadmos Energy Services LLC (“Kadmos”), a Delaware limited liability company, to acquire an equity interest in Kadmos.

Under the Subscription and Purchase Agreement, the Company subscribed for 4,900,000 Class A Membership Units of Kadmos for total consideration of US\$10,000,000. Of this amount, US\$2,000,000 was paid in cash at closing and the remaining US\$8,000,000 was evidenced by a Secured Promissory Note (the “Note”) issued to Kadmos. The investment was completed concurrently with the execution of the Amended and Restated Operating Agreement, Secured Promissory Note, and Unit Pledge Agreement.

The Note provides that repayment of principal may be made, at the Company’s sole discretion, in either cash or freely tradable common shares of the Company. The Note is secured by up to 3,920,000 Class A Units in Kadmos pursuant to the Unit Pledge Agreement, which provides for an automatic release of pledged units as payments are made and forfeiture of the proportionate number of units upon default.

The Amended and Restated Operating Agreement became effective on October 17, 2025, and established the capital and governance structure of Kadmos as follows:

- 4,900,000 Class A Units issued to Snow Lake Investments (US) Ltd.;
- 5,100,000 Class B Units issued to Exodys Energy and founding members; and
- 1,000,000 Profits Interest Units authorized under a 2025 Equity Incentive Plan and Phantom Equity Plan for employees and consultants.

The Board of Managers initially consists of three members of which one will be appointed by the Company. The Board will expand to five members if the Company contributes an additional US\$2,000,000 under the Note, thereby granting the Company the right to appoint a majority of directors.