



## **Geomega Resources Inc.**

Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended November 30, 2024

*The accompanying financial statements have been prepared by the management of Geomega Resources Inc. and have not been reviewed by the auditors*

**Geomega Resources Inc.**  
**Consolidated Statements of Financial Position**  
(unaudited, in Canadian Dollars)

	Note	As at November 30, 2024 \$	As at May 31, 2024 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	860,516	2,051,333
Accounts receivable	8	170,752	814,413
Tax credits and government grants receivable	9	2,620,136	1,224,420
Investments	5	22,000	22,000
Investment in a listed company	6	173,944	74,665
Prepaid expenses and others		296,297	331,227
Inventories		21,672	21,759
<b>Current assets</b>		<b>4,165,287</b>	<b>4,539,817</b>
<b>Non-current assets</b>			
Investment in an associate	7	168,572	421,429
Deposits on equipment		422,020	191,602
Property, plant and equipment	10	806,870	753,674
Right-of-use assets	11	1,937,447	2,011,755
<b>Non-current assets</b>		<b>3,334,909</b>	<b>3,378,460</b>
<b>Total assets</b>		<b>7,500,196</b>	<b>7,918,277</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		1,252,060	801,124
Deferred revenue		99,325	217,297
Deferred grants	12	1,331,568	1,051,542
Current portion of the lease liabilities	13	24,046	18,343
<b>Current liabilities</b>		<b>2,706,999</b>	<b>2,088,306</b>
<b>Non-current liabilities</b>			
Lease liabilities	13	2,208,236	2,222,485
<b>Non-current liabilities</b>		<b>2,208,236</b>	<b>2,222,485</b>
<b>Total liabilities</b>		<b>4,915,235</b>	<b>4,310,791</b>
<b>Equity</b>			
Share capital		38,778,372	38,778,372
Reserves	14	1,052,547	990,705
Contributed surplus		4,916,271	4,775,095
Deficit		(42,162,229)	(40,936,686)
<b>Total equity</b>		<b>2,584,961</b>	<b>3,607,486</b>
<b>Total liabilities and equity</b>		<b>7,500,196</b>	<b>7,918,277</b>

The accompanying notes are an integral part of these consolidated Financial Statements.

**Geomega Resources Inc.**  
**Consolidated Statements of Income and Comprehensive Income**  
(unaudited, in Canadian Dollars)

	Note	Three months ended November 30,		Six months ended November 30,	
		2024	2023	2024	2023
		\$	\$	\$	\$
<b>Operating expenses</b>					
Exploration and evaluation expenses, net of tax credits	15	162,769	52,790	251,839	84,051
Research and development expenses, net of tax credits	16	356,524	399,488	894,220	1,017,839
Salaries, employee benefits and share-based compensation		180,751	107,105	366,133	212,882
Professional fees		54,034	27,196	161,420	123,644
Travel, conference and investor relations		23,089	36,404	48,781	72,442
Administration		43,288	20,929	92,576	35,895
Filing fees		17,447	35,796	31,241	48,124
Rent		18,012	48,193	54,656	71,943
Depreciation of right-of-use assets		37,155	45,522	74,311	107,305
Insurance, taxes and permits		21,084	18,600	42,278	25,147
Government grants on operating expenses		(204,209)	(237,636)	(874,053)	(703,937)
<b>Operating loss</b>		<b>(585,714)</b>	<b>(554,387)</b>	<b>(1,143,401)</b>	<b>(1,095,335)</b>
<b>Other income (expenses)</b>					
Research income		59,670	214,404	201,335	343,844
Investment income		10,041	28,126	26,902	67,095
Gain (loss) on foreign exchange		(13,954)	2,929	(14,015)	(9,118)
Finance costs		(71,112)	(74,617)	(142,220)	(152,928)
Option income on exploration and evaluation assets		-	-	-	44,492
Net gain on settlement of a lease agreement		-	171,242	-	171,242
Unrealized gain (loss) in fair value of investments in listed companies		48,813	(23,571)	98,713	(61,765)
Share of gain (loss) of associate		(11,179)	8,858	(32,539)	8,039
Impairment of an investment in an associate		(73,107)	(346,001)	(220,318)	(598,040)
		<b>(50,828)</b>	<b>(18,630)</b>	<b>(82,142)</b>	<b>(187,139)</b>
<b>Net and comprehensive loss</b>		<b>(636,542)</b>	<b>(573,017)</b>	<b>(1,225,543)</b>	<b>(1,282,474)</b>
Basic and diluted loss per share		(0.004)	(0.004)	(0.009)	(0.009)
Weighted average number of basic & diluted shares outstanding		143,401,521	142,247,400	143,401,521	142,035,811

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

**Geomega Resources Inc.**  
**Consolidated Statements of Change in Equity**  
(Unaudited, in Canadian dollars)

	Note	Number of shares outstanding	Share Capital	Reserves	Contributed Surplus	Deficit	Total Equity
			\$	\$	\$	\$	\$
<b>Balance at May 31, 2024</b>		143,401,521	38,778,372	990,705	4,775,095	(40,936,686)	3,607,486
Net and comprehensive loss		-	-	-	-	(1,225,543)	(1,225,543)
Options expired		-	-	(141,176)	141,176	-	-
Share-based compensation		-	-	203,018	-	-	203,018
<b>Balance at November 30, 2024</b>		143,401,521	38,778,372	1,052,547	4,916,271	(42,162,229)	2,584,961

	Note	Number of shares outstanding	Share Capital	Reserves	Contributed Surplus	Deficit	Total Equity
			\$	\$	\$	\$	\$
<b>Balance at May 31, 2023</b>		141,826,521	38,515,697	1,152,537	4,524,149	(38,914,285)	5,278,098
Net and comprehensive loss		-	-	-	-	(1,282,474)	(1,282,474)
Exercised stock options		1,150,000	155,499	(59,750)	-	-	95,749
Expired options		-	-	(63,581)	63,581	-	-
Share-based compensation		-	-	28,323	-	-	28,323
<b>Balance at November 30, 2023</b>		142,976,521	38,671,196	1,057,529	4,587,730	(40,196,759)	4,119,696

The accompanying notes are an integral part of these consolidated Financial Statements.

**Geomega Resources Inc.**  
**Consolidated Statements of Cash Flow**  
(Unaudited, in Canadian dollars)

		<b>Six months ended November 30</b>	
	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>Operating activities</b>			
Net and comprehensive loss		(1,225,543)	(1,282,474)
Adjustments for:			
Share-based compensation		203,543	28,323
Unrealized gain (loss) on foreign exchange rate		(566)	434
Depreciation of property, plant and equipment		105,911	48,092
Impairment of deposits on property, plant and equipment		1,252	-
Depreciation of right-of-use assets		74,308	107,304
Finance costs for the accretion of long-term debt		-	2,728
Share of (revenue) loss of an associate		35,539	(8,040)
Impairment of an investment in an associate		220,318	598,040
Unrealized (gain) loss on variation of value of an investment in a listed company		(98,713)	60,897
Gain on disposal of exploration and evaluation assets – noncash portion		-	(19,972)
Net gain on settlement of lease agreement		-	(171,242)
Changes in non-cash working capital items	17	432,438	(801,290)
<b>Cash flows from operating activities</b>		<b>(255,038)</b>	<b>(1,437,201)</b>
<b>Investing activities</b>			
Deposits on acquisition of property, plant and equipment		(599,754)	(233,987)
Disposal of investments		-	22,000
Additions of property, plant and equipment		(361,259)	(464,900)
Settlement of a lease agreement		-	175,000
Government grants received for the purchase of property, plant and equipment	12	33,780	87,057
<b>Cash flows from investing activities</b>		<b>(927,233)</b>	<b>(414,830)</b>
<b>Financing activities</b>			
Exercise of stock options		-	95,749
Repayments of lease liabilities		(8,546)	(17,460)
<b>Cash flows from financing activities</b>		<b>(8,546)</b>	<b>78,289</b>
<b>Net change in cash</b>		<b>(1,190,817)</b>	<b>(1,773,742)</b>
Cash and cash equivalents – beginning		2,051,333	3,799,111
<b>Cash and cash equivalents – ending</b>		<b>860,516</b>	<b>2,025,369</b>

The accompanying notes are an integral part of these consolidated Financial Statements.

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

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### 1. NATURE OF OPERATIONS AND GOING CONCERN

Geomega Resources Inc. (the "Corporation") is incorporated under the *Canada Business Corporations Act* and is engaged in the acquisition, exploration and evaluation of mining properties in Canada. Through its private and wholly owned subsidiary Innord, the Corporation is developing innovative technologies for extraction and separation of rare earth elements and other critical and strategic metals from its mining properties and other mining and industrial waste, in an environmentally sustainable way. The Corporation's shares are listed on the TSX Venture Exchange (the "Exchange") under symbol GMA. The address of the Corporation's registered office and principal place of business is 75, de Mortagne Boulevard, Boucherville, Quebec, Canada, J4B 6Y4. These consolidated Financial Statements (the "Financial Statements") were approved by the Corporation's Board of Directors on January 28, 2025.

The Financial Statements have been prepared in accordance with valid accounting principles in a context of going concern which provides that the Corporation will be able to realize its assets and pay its debts in the normal course of its activities. In assessing the validity of the going concern principle, management considers all available data regarding the future, which represents at least, but is not limited to, the twelve months following the end of the reporting period. For the six months ended November 30, 2024, the Corporation recorded a net loss of \$1,225,543 and accumulated a deficit of \$42,162,229 as of that date. As of November 30, 2024, the Corporation had a working capital of \$1,458,288.

Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity or debt financing. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Corporation or that they will be available on terms which are acceptable to the Corporation.

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### 2.1 Declaration of conformity

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("International Financial Reporting Standards" or "IFRS") as published by the International Accounting Standards ("IAS") and which are applicable for the preparation of interim consolidated financial statements, in particular International Accounting Standard 34 ("International Accounting Standard 34" or "IAS 34") - Interim financial information. The Financial Statements therefore do not include all the information and notes required under IFRS for the purposes of annual financial statements.

#### 2.2 Basis of Presentation

The Financial Statements should be read in conjunction with the audited annual financial statements for the year ended May 31, 2024, which have been prepared in accordance with IFRS. The accounting conventions and the calculation and presentation methods used in the preparation of the Financial Statements comply with the conventions and methods used for the previous financial year ended May 31, 2024.

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 3. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ERRORS

The preparation of the Financial Statements in conformity with IFRS requires the Corporation's management to make judgements, estimates and assumptions about future events that affect the amounts reported in the Financial Statements and related notes to the Financial Statements. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results may differ from those estimates.

In preparing the Financial Statements, the main judgments made by management in applying the Corporation's accounting policies and the main sources of estimation uncertainty were the same as those that applied to the annual financial statements for the fiscal year ended May 31, 2024.

### 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include available cash, bank balances and short-term liquid investments with an original maturity of up to 3 months or redeemable at any time without penalty.

There was no short-term investment in cash and cash equivalents as of November 30, 2024.

### 5. INVESTMENTS

The investment as at November 30, 2024 consist of guaranteed investment certificates that are non-cashable prior to maturity. The certificates totalize \$22,000 in nominal value, bear interest at 3% and expire on October 2, 2025.

### 6. INVESTMENT IN A LISTED COMPANY

The Corporation holds marketable securities. The investment is listed on the Exchange and valued at fair value based on quoted market prices. The total amount of the investment can be summarized as follows:

	As at November 30 2024	As at May 31, 2024
	\$	\$
<u>Classified as current asset</u>		
MTM Critical Metals Ltd. – 2,327,273 common shares (1,123,700 as at May 31, 2024) - \$0.059 AUD (\$0.05 AUD as at May 31, 2024)	173,944	74,665
<b>Investment in a listed company</b>	<b>173,944</b>	<b>74,665</b>

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 7. INVESTMENT IN AN ASSOCIATE

Kintavar Exploration Inc. (“Kintavar”) is the Corporation’s only associate. Kintavar’s share capital consists solely of ordinary shares, which are held directly by the Corporation. Kintavar is incorporated in Canada where its exploration and evaluation activities on bearing properties are carried out. The proportion of ownership interest is the same as the proportion of voting rights held. The investment in Kintavar is accounted for under the equity method. Its fair value as at November 30, 2024 is \$168,571 (16,857,143 shares at \$0.01, closing price on the Exchange). Considering the fair value of the investment is lower than its carrying value as at November 30, 2024, an impairment loss has been recorded in the consolidated statement of losses in order to reduce the investment to its estimated recoverable value, in this case its fair market value. Its fair value was \$421,429 as at May 31, 2024. The Corporation categorized the fair value measurement as Level 1, as it is derived from quoted prices in active markets. There was no change in the percentage of shares owned by Geomega from May 31, 2024 to November 30, 2024, which was stable at 13.11%.

#### *Determination of significant influence*

Management determines its ability to exercise significant influence over an investment in shares of other companies by looking at its percentage interest and other qualitative factors including but not limited to its voting rights, representation on the board of directors, participation in policy-making processes, material transactions between the Corporation and the associate, interchange of managerial personnel, provision of essential technical information and operating involvement. Considering these factors, Geomega is considered to have significant influence over Kintavar.

	Six months months ended November 30, 2024	Year ended May 31, 2024
	\$	\$
Balance at beginning of period	421,429	842,857
Share of net and comprehensive loss	(32,539)	(74,535)
Impairment to fair market value	(220,318)	(346,893)
<b>Balance at end of period</b>	<b>168,572</b>	<b>421,429</b>

### 8. ACCOUNTS RECEIVABLE

	As at November 30, 2024	As at May 31, 2024
	\$	\$
Trade receivables	54,551	44,150
Sales taxes receivable	67,980	356,906
Interest receivables	-	13,972
Other accounts receivables	48,221	399,385
<b>Accounts receivable</b>	<b>170,752</b>	<b>814,413</b>



# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 9. TAX CREDITS AND GOVERNMENT GRANTS RECEIVABLE

	As at November 30, 2024	As at May 31, 2024
	\$	\$
Refundable tax credits	5,574	1,003
Government grants	2,614,562	1,223,417
<b>Tax credits and government grants receivable</b>	<b>2,620,136</b>	<b>1,224,420</b>

The government grants are related to expenditures on research and development incurred by the corporation and its subsidiary.

### 10. PROPERTY, PLANT AND EQUIPMENT

	Office Equipment	Leasehold Improvements	Equipment <sup>1</sup>	Total
	\$	\$	\$	\$
<b>Six months ended November 30, 2024</b>				
Opening net book value	-	84,134	669,540	753,674
Additions	-	561,138	24,122	585,260
Government grants	-	(386,200)	(39,953)	(426,153)
Depreciation	-	-	(105,911)	(105,911)
Closing net book value	-	259,072	547,798	806,870
<b>As at November 30, 2024</b>				
<b>Cost</b>	<b>14,984</b>	<b>259,072</b>	<b>1,058,083</b>	<b>1,332,139</b>
<b>Accumulated depreciation</b>	<b>(14,984)</b>	<b>-</b>	<b>(510,285)</b>	<b>(525,269)</b>
<b>Closing net book value</b>	<b>-</b>	<b>259,072</b>	<b>547,798</b>	<b>806,870</b>

- <sup>1</sup>. The equipment category includes equipment used in E&E activities and R&D activities. Depreciation of property plant and equipment related to E&E properties is being recorded within E&E expenses while depreciation related to other R&D projects is recorded within R&D expenses. An amount of (\$630) was recorded as E&E expenses and \$106,541 as R&D expenses during the six months ended November 30, 2024.

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 10. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Office Equipment	Leasehold Improvements	Equipment	Total
	\$	\$	\$	\$
<b>Fiscal 2024</b>				
Opening net book value		-	427,893	427,893
Additions	-	241,439	1,474,084	1,715,523
Disposal	-	-	(155,000)	(155,000)
Loss on disposal	-	-	(56,581)	(56,581)
Government grants	-	(157,305)	(555,390)	(712,695)
Depreciation	-	-	(241,787)	(241,787)
Impairment	-	-	(223,679)	(223,679)
Closing net book value	-	84,134	669,540	753,674
<b>As at May 31, 2024</b>				
<b>Cost</b>	<b>14,984</b>	<b>84,134</b>	<b>1,076,127</b>	<b>1,175,245</b>
<b>Accumulated depreciation</b>	<b>(14,984)</b>	<b>-</b>	<b>(406,587)</b>	<b>(421,571)</b>
<b>Closing net book value</b>	<b>-</b>	<b>84,134</b>	<b>669,540</b>	<b>753,674</b>

### 11. RIGHT-OF-USE ASSETS

	Equipment	Industrial buildings	Total
	\$	\$	\$
<b>Six months ended November 30, 2024</b>			
Opening net book value	23,275	1,988,480	2,011,755
Depreciation	(2,850)	(71,458)	(74,308)
Closing net book value	20,425	1,917,022	1,937,447
<b>As at November 30, 2024</b>			
<b>Cost</b>	<b>28,500</b>	<b>2,143,732</b>	<b>2,172,232</b>
<b>Accumulated depreciation</b>	<b>(8,075)</b>	<b>(226,710)</b>	<b>(234,785)</b>
<b>Closing net book value</b>	<b>20,425</b>	<b>1,917,022</b>	<b>1,937,447</b>

	Equipment	Industrial buildings	Total
	\$	\$	\$
<b>Fiscal 2024</b>			
Opening net book value	-	2,298,752	2,298,752
Additions	28,500	-	28,500
Disposals	-	(133,883)	(133,883)
Depreciation	(5,225)	(176,389)	(181,614)
Closing net book value	23,275	1,988,480	2,011,755
<b>As at May 31, 2024</b>			
<b>Cost</b>	<b>28,500</b>	<b>2,143,732</b>	<b>2,172,232</b>
<b>Accumulated depreciation</b>	<b>(5,225)</b>	<b>(155,252)</b>	<b>(160,477)</b>
<b>Closing net book value</b>	<b>23,275</b>	<b>1,988,480</b>	<b>2,011,755</b>

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 12. DEFERRED GRANTS

	As at November 30, 2024	As at May 31, 2024
	\$	\$
Deferred grants attributable to the purchase of property, plant and equipment	120,084	16,481
Deferred grants attributable to operations	1,211,484	1,035,061
<b>Deferred grants</b>	<b>1,331,568</b>	<b>1,051,542</b>

### 13. LEASE LIABILITIES

	Six months ended November 30, 2024	Year ended May 31, 2024
	\$	\$
Balance, opening	2,240,828	2,364,465
Additions	-	28,500
Disposals	-	(130,125)
Repayments of lease liabilities	(8,546)	(22,012)
Balance	2,232,282	2,240,828
Balance, current	(24,046)	(18,343)
<b>Balance, non-current</b>	<b>2,208,236</b>	<b>2,222,485</b>

### 14. RESERVES

#### 14.1 Warrants

The Corporation's warrants were as follows:

	Six months ended November 30, 2024		Year ended May 31, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
		\$		\$
Opening	16,517,788	0.27	16,517,788	0.27
<b>Balance, end</b>	<b>16,517,788</b>	<b>0.27</b>	<b>16,517,788</b>	<b>0.27</b>

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 14. RESERVES (CONT'D)

Warrants outstanding as at November 30, 2024 are as follows:

Number of warrants	Exercise price	Expiry date
	\$	
4,354,667	0.32	May 23, 2025
11,459,093	0.25	November 6, 2025 <sup>1</sup>
704,028	0.40	February 6, 2026
<b>16,517,788</b>		

<sup>1</sup> These warrants were expiring on November 6, 2024. On October 29, 2024, they were extended for a period of 1 year until November 6, 2025. All other conditions stayed unchanged. This change had no impact on the financial statements.

### 14.2 Share-based Compensation

On November 20, 2024, the shareholders of the Corporation renewed the omnibus equity incentive plan (the "Omnibus Plan"), which offers incentive awards including stock options ("Options"), restricted share units ("RSUs"), performance share units ("PSUs"), and deferred share units ("DSUs") (collectively, the "Awards").

The aggregate number of common shares reserved for issuance pursuant to awards of Options granted under the Omnibus Plan shall not exceed 8% of the Corporation's total issued and outstanding common shares from time to time. In respect of DSUs, RSUs or PSUs, the aggregate number of common shares reserved for issuance pursuant to Awards other than for Options granted under the Omnibus Plan shall not exceed 5,000,000 common shares.

#### A) Stock Options

A summary of the Corporation's Options outstanding is as follows:

	Six months ended November 30, 2024		Year ended May 31, 2024	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
		\$		\$
Balance, opening	7,220,500	0.22	10,295,500	0.21
Issued	2,200,000	0.10	845,000	0.22
Exercised	-	-	(1,575,000)	0.10
Expired	(1,530,500)	0.16	(2,040,000)	0.26
Forfeited	-	-	(305,000)	0.22
<b>Balance, end</b>	<b>7,890,000</b>	<b>0.20</b>	<b>7,220,500</b>	<b>0.22</b>
Balance, end, exercisable	5,285,000	0.23	6,680,500	0.22

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 14. RESERVES (CONT'D)

The number of Options outstanding as of November 30, 2024 are as follows:

Number of options outstanding	Number of options exercisable	Exercise Price \$	Expiry date
75,000	75,000	0.185	January 19, 2025
1,275,000	1,275,000	0.165	April 16, 2025
450,000	450,000	0.165	April 21, 2025
250,000	250,000	0.155	June 3, 2025
500,000	500,000	0.175	August 13, 2025
45,000	45,000	0.205	August 31, 2025
250,000	250,000	0.18	October 21, 2025
875,000	875,000	0.34	January 27, 2026
1,430,000	1,430,000	0.305	October 27, 2026
540,000	135,000	0.215	January 25, 2029
2,200,000	-	0.10	November 20, 2029
<b>7,890,000</b>	<b>5,285,000</b>		

On November 30, 2024, the Corporation granted 2,200,000 Options to employees at a price of \$0.10, valid for 5 years. The fair value of the options granted was estimated using the Black-Scholes model based on the following assumptions: risk-free interest rate of 3.1471%, expected volatility of 67.93%, no dividend per share and expected duration of 3.75 years options. The Options vest over a period of 3 years in increments of 25% in the first two years and 50% in the last year.

The expected life was estimated by benchmarking comparable situations for companies that are similar to the Corporation. The expected volatility was determined by calculating the historical volatility of the Corporation's share price back from the date of grant and for a period corresponding to the expected life of the Options.

#### B) Restricted Share Units

A summary of the Corporation's RSUs outstanding under the Omnibus Plan is as follows:

	Six months ended November 30, 2024	Year ended May 31, 2024
Balance, opening	1,116,000	-
Granted	1,200,000	1,302,000
Forfeited	-	(186,000)
<b>Balance, end</b>	<b>2,316,000</b>	<b>1,116,000</b>

On November 30, 2024, the Corporation granted 1,200,000 RSUs to the management team for a total value of \$126,000. From the granting, the RSUs vest in increments of 50% every 12 months. The RSUs can be settled after 3 years.

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 14. RESERVES (CONT'D)

#### C) *Deferred Share Units*

A summary of the Corporation's DSUs outstanding under the Omnibus Plan is as follows:

	Six months ended November 30, 2024	Year ended May 31, 2024
Balance, opening	971,000	-
Granted	900,000	971,000
Forfeited	(93,000)	-
<b>Balance, end</b>	<b>1,778,000</b>	<b>971,000</b>

On November 30, 2024, an aggregate of 900,000 DSUs were issued to the members of the Board of Directors with a total fair value of \$94,500. The DSUs vest in a single installment one year from the date of grant.

### 15. EXPLORATION AND EVALUATION EXPENSES

Montviel	Three months ended November 30		Six months ended November 30	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Acquisition and maintenance</b>	-	-	-	-
<b>Exploration</b>				
Share-based compensation	63	291	63	727
Geology	-	-	10,472	-
Supplies	-	1,308	-	1,962
Taxes, permits and insurances	426	-	426	-
<b>Total Exploration</b>	<b>489</b>	<b>1,599</b>	<b>10,961</b>	<b>2,689</b>
<b>Evaluation</b>				
Salaries and benefits	110,798	49,564	251,212	77,537
Professional fees	-	-	8,137	-
Material and furniture	262	-	49,285	-
General and administration	51,546	-	80,963	-
Depreciation of property, plant and equipment	(346)	2,198	(630)	4,396
<b>Total Evaluation</b>	<b>162,280</b>	<b>51,762</b>	<b>388,967</b>	<b>81,933</b>
<b>Gross E&amp;E expenses</b>	<b>162,769</b>	<b>53,361</b>	<b>399,928</b>	<b>84,622</b>
Tax credits	-	(571)	(148,089)	(571)
<b>Net E&amp;E expenses - Montviel</b>	<b>162,769</b>	<b>52,790</b>	<b>251,839</b>	<b>84,051</b>

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 15. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

#### 15.1 Option agreement on Montviel-Sud Property

On August 31, 2023, the Corporation concluded an agreement with MTM Critical Metals Ltd. ("MTM") to option out the Montviel-Sud property.

On August 5, 2024, MTM sent a notice to the Corporation to opt out of the option agreement for this property. Therefore, Geomega still owns 100% of the rights to this property.

### 16. RESEARCH AND DEVELOPMENT EXPENSES

	Three months ended November 30		Six months ended November 30	
	2024	2023	2024	2023
	\$	\$	\$	\$
Salaries and benefits	246,564	281,148	472,009	522,657
Share-based compensation	24,483	2,202	50,743	5,516
Professional fees	10,410	43,669	34,136	354,038
Material and furniture	179,795	1,810	198,038	71,829
General and administration	7,332	42,569	53,446	70,242
Depreciation of property, plant and equipment	53,402	26,366	106,541	43,696
Impairment of property, plant and equipment	-	1,724	1,252	2,672
<b>Total R&amp;D expenses</b>	<b>521,987</b>	<b>399,488</b>	<b>916,164</b>	<b>1,070,650</b>
Tax credits	(165,463)	-	(21,944)	(52,811)
<b>Net R&amp;D expenses</b>	<b>356,524</b>	<b>399,488</b>	<b>894,220</b>	<b>1,017,839</b>

### 17. ADDITIONAL INFORMATION RELATING TO THE CONSOLIDATED STATEMENT OF CASH FLOW

#### *Change in non-cash working capital items*

	Six months ended November 30	
	2024	2023
	\$	\$
Accounts receivable	643,661	33,889
Tax credits and government grants receivable	(531,655)	(221,367)
Prepaid and other expenses	34,960	(243,475)
Inventories	87	3,887
Trade and other payables	226,935	(276,059)
Deferred grants – portion attributable to operating expenses	176,422	(97,139)
Deferred revenues	(117,972)	(1,026)
	<b>432,438</b>	<b>(801,290)</b>

# Geomega Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

### 17. ADDITIONAL INFORMATION RELATING TO THE CONSOLIDATED STATEMENT OF CASH FLOW (CONT'D)

#### *Non-Cash Transactions*

	Six months ended	
	2024	2023
	\$	\$
Government grants receivable for the acquisition of inventories	-	38,262
Government grants receivable for deposits made on the purchase of property, plant and equipment	368,084	412,510
Government grants receivable for the purchase of property, plant and equipment	495,977	-
Property, plant and equipment acquired in accounts payables	224,001	-
Acquisition of a right-of-use asset against a lease liability	-	28,500
Amortisation of deferred grant against the purchase of property, plant and equipment	69,824	-