



NEW ENERGY METALS
CORP.

Condensed Interim Financial Statements
(Unaudited)

Three months ended September 30, 2023 and 2022

(In Canadian dollars)

**NOTICE OF NO AUDITOR REVIEW OF
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

In accordance with National instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

NEW ENERGY METALS CORP.

Condensed Interim Statements of Financial Position

As at September 30, 2023 and June 30, 2023

(In Canadian dollars)

	Notes	September 30, 2023	June 30, 2023
		\$	\$
Assets			
Current			
Cash		253,227	395,118
GST recoverable		24,327	22,435
Prepaid expenses		61,073	107,708
		338,627	525,261
Exploration and evaluation assets	4	911,100	841,100
Total assets		1,249,727	1,366,361
Liabilities			
Current			
Accounts payable and accrued liabilities		152,782	161,637
Shareholders' equity			
Share capital	5	9,699,576	9,645,576
Reserves	5	318,323	276,632
Deficit		(8,920,954)	(8,717,484)
Total equity		1,096,945	1,204,724
Total liabilities and equity		1,249,727	1,366,361
Nature of operations and going concern	1		
Approved on behalf of the Board of Directors:			
<u>(Signed) "Rishi Kwatra"</u>		<u>(Signed) "Keenan Hohof"</u>	
Director		Director	

NEW ENERGY METALS CORP.

Condensed Interim Statements of Comprehensive (Loss) Income

Three months ended September 30, 2023 and 2022

(In Canadian dollars)

	Notes	2023	Restated – Note 3 2022
		\$	\$
Expenses			
Consulting fees		43,000	-
Exploration and evaluation expenditures	4, 7	6,525	129,618
General and administration		18,194	5,613
Investor relations and shareholder communication		17,900	410
Management fees	6	37,500	7,500
Professional fees		-	13,113
Property investigation costs		30,000	-
Regulatory and transfer agent		8,660	-
Share-based compensation	5, 6	41,691	-
Loss before other items		(203,470)	(156,254)
Other items			
Finance cost		-	(4,055)
Net loss for the period		(203,470)	(160,309)
Net loss per share - basic and diluted		(0.004)	(0.007)
Weighted average number of common shares outstanding		51,899,789	23,250,767

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

NEW ENERGY METALS CORP.

Condensed Interim Statements of Changes in Equity

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

	Notes	Share capital		Reserves			Obligation to issue shares	Deficit	Total
		Number	Amount	Stock options	Warrants	Total			
		#	\$	\$	\$	\$			
Balance, June 30, 2023		34,246,767	9,645,576	273,332	3,300	276,632	-	(8,717,484)	1,204,724
Shares issued for exploration and evaluation assets	4, 5	1,200,000	54,000	-	-	-	-	-	54,000
Share-based compensation	5	-	-	41,691	-	41,691	-	-	41,691
Loss for the period		-	-	-	-	-	-	(203,470)	(203,470)
Balance, September 30, 2023		35,446,767	9,699,576	315,023	3,300	318,323		(8,920,954)	1,096,945
Balance, June 30, 2022 <i>Restated – Note 3</i>		23,250,767	7,272,176	-	-	-	-	(7,716,446)	(444,270)
Shares subscription		-	-	-	-	-	50,000	-	50,000
Loss for the period		-	-	-	-	-	-	(160,309)	(160,309)
Balance, September 30, 2022 <i>Restated – Note 3</i>		23,250,767	7,272,176	-	-	-	50,000	(7,876,755)	(554,579)

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

NEW ENERGY METALS CORP.

Condensed Interim Statements of Cash Flows

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

	2023	Restated – Note 3 2022
	\$	\$
Operating activities		
Net loss for the period	(203,470)	(160,309)
Items not affecting cash		
Accrued interest	-	4,055
Share-based compensation	41,691	-
Changes in non-cash working capital items		
GST recoverable	(1,892)	(6,330)
Prepaid expenses	46,635	-
Accounts payable and accrued liabilities	(8,855)	109,217
	(125,891)	(53,367)
Investing activities		
Acquisition of exploration and evaluation assets	(16,000)	-
Financing activities		
Shares subscription	-	50,000
Decrease in cash	(141,891)	(3,367)
Cash, beginning of period	395,118	4,898
Cash, end of period	253,227	1,531
Non-cash transaction		
Shares issued for exploration and evaluation assets	54,000	-

NEW ENERGY METALS CORP.

Notes to the Condensed Interim Financial Statements

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

1. Nature of Operations and Going Concern

(a) Nature of operations

New Energy Metals Corp. (the "Company") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on March 13, 2017. The address of the Company's registered office is 610 – 700 West Pender Street, Vancouver, British Columbia, V6C 1G8.

The Company is currently in the exploration stage of developing its exploration and evaluation properties and has not yet determined whether they contain mineral reserves that are economically recoverable.

(b) Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

As at September 30, 2023, the Company had working capital of \$185,845 (June 30, 2023 - \$363,624) and an accumulated deficit of \$8,920,954 (June 30, 2023 - \$8,717,484). The Company expects to incur further losses until it successfully develops its business. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities, its ability to attain profitable operations and generate funds therefrom and raise equity capital or borrowings sufficient to meet current and future obligations. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms.

The factors above indicate the existence of material uncertainties that may cast significant doubt regarding the Company's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Company's ability to continue as a going concern as described above, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not include any adjustments to amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

NEW ENERGY METALS CORP.

Notes to the Condensed Interim Financial Statements

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

2. Basis of Presentation

These condensed interim financial statements (the "Financial Statements") have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Financial Statements should be read in conjunction with the Company's annual financial statements as at and for the year ended June 30, 2022 (the "Annual Financial Statements"). The accounting policies and critical estimates applied by the Company in the Financial Statements are the same as those applied in the Annual Financial Statements. The Financial Statements do not include all the information required for full annual financial statements, however, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the most recent Annual Financial Statements. The Financial Statements were approved by the Board of Directors on November 24, 2023.

3. Change in Accounting Policies

(a) Exploration and evaluation assets

Effective July 1, 2022, the Company elected to change its accounting policy for exploration and evaluation assets where costs directly related to exploration properties are expensed as incurred as exploration expenditures in profit or loss. Previously, the Company capitalized all expenditures related to exploration properties in exploration and evaluation assets. Examples of exploration expenditures that are expensed under this policy include topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching and sampling. Exploration properties represent properties for which the Company has not yet performed sufficient exploration work to determine whether significant mineralization exists. Exploration properties continue to be carried at the cost of acquisition and included in exploration and evaluation assets. The Company considers all of its properties to be in this category, and as a result, the September 30, 2022 financial statements were restated to reclassify capitalized exploration expenditures of \$129,618 to profit and loss.

(b) Share-based compensation

Effective July 1, 2022, the Company elected to change its accounting policy for share-based compensation in accordance with IFRS 2 *Share-based Payment*, to recognize a transfer within equity for forfeited or expired vested equity instruments. Previously, the values of all forfeited and expired vested options and expired unexercised warrants remained in reserves. Management determined that reclassification of expired equity instruments within equity would provide a more relevant information as it better reflects the fair value of awards that are expected to vest.

As a result, the opening 2021 shareholders' equity was restated to reclassify forfeited and cancelled options of \$1,117,057 and expired warrants of \$348,022 from reserves to deficit and the opening 2022 shareholder's equity was restated to reclassify expired options of \$42,350 from reserves to deficit.

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Notes to the Condensed Interim Financial Statements

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

3. Change in Accounting Policies (continued)

Amended and restated interim statement of financial position:

	September 30, 2022 As previously reported	Adjustments	September 30, 2022 As restated
	\$	\$	\$
Exploration and evaluation assets	129,618	(129,618)	-
Reserves	1,507,429	(1,507,429)	-
Deficit ⁽¹⁾	(9,254,566)	1,377,811	(7,876,755)

Amended and restated interim statement of loss

	September 30, 2022 As previously reported	Adjustments	September 30, 2022 As restated
	\$	\$	\$
Exploration and evaluation expenditures	-	129,618	129,618
Net loss	(30,691)	(129,618)	(160,309)

Amended and restated interim statement of cash flows

	September 30, 2022 As previously reported	Adjustments	September 30, 2022 As restated
	\$	\$	\$
Exploration and evaluation assets	(107,083)	107,083	-
Accounts payable and accrued liabilities	86,682	22,535	109,217

There was no impact on this voluntary change in accounting policy for the years ended June 30, 2023 and 2022.

Amended and restated statement of financial position:

	June 30, 2022 As previously reported	Adjustments	June 30, 2022 As restated
	\$	\$	\$
Stock options reserve	1,159,407	(1,159,407)	-
Warrants reserve	348,022	(348,022)	-
Total reserves	1,507,429	(1,507,429)	-
Deficit	(9,223,875)	1,507,429	(7,716,446)

For the June 30, 2022 financial statements, the voluntary accounting policy change did not have any impact on the statement of loss and comprehensive loss, basic and diluted loss per share calculation and the statement of cash flows.

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Notes to the Condensed Interim Financial Statements

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

4. Exploration and Evaluation Assets

As at September 30, 2023, the Company had interests in the following exploration and evaluation assets:

	Troitsa (a)	Roslyn (b)	Atikokan (c)	Total
Balance, June 30, 2022	\$ -	\$ -	-	\$ -
Acquisition				
Cash	25,000	100,000	-	125,000
Shares	115,500	600,600	-	716,100
Balance, June 30, 2023	140,500	700,600	-	841,100
Acquisition				
Cash	-	-	16,000	16,000
Shares	54,000	-	-	54,000
Balance, September 30, 2023	194,500	700,600	16,000	911,100

(a) Troitsa Kate Copper Property ("Troitsa")

On July 15, 2022, the Company entered into an option agreement to acquire Troitsa located in British Columbia comprising 28 mineral claims. The Company may acquire a 100% interest in Troitsa for the following consideration:

- (i) Cash payments of \$220,000:
 - \$25,000 upon execution of the Agreement (paid);
 - \$45,000 on or before July 15, 2023 (paid with 900,000 shares);
 - \$60,000 on or before July 15, 2024; and
 - \$90,000 on or before July 15, 2025.
- (ii) Issuance of 1,200,000 common shares:
 - 300,000 shares on or before July 15, 2022 (issued);
 - 300,000 shares on or before July 15, 2023 (issued);
 - 300,000 shares on or before July 15, 2024; and
 - 300,000 shares on or before July 15, 2025.
- (iii) Completion of \$5,000 worth of staking or similar acquisition of mineral claims within a defined area of interest on or before July 15, 2023 (completed).

In addition, and subject to the exercise of the option by the Company, the Company will issue the following common shares upon the occurrence of certain milestones:

- (i) 200,000 shares upon the publication of a positive preliminary feasibility study or pre-feasibility study on Troitsa;
- (ii) 200,000 shares upon the commencement of commercial production; and

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Notes to the Condensed Interim Financial Statements

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(Expressed in Canadian dollars)

3. Exploration and Evaluation Assets (continued)

(a) Troitsa Kate Copper Property ("Troitsa") (continued)

- (iii) 200,000 shares upon the successful determination of an inferred mineral resource or indicated mineral resource on Troitsa of not less than 2,000,000 ounces of gold.

The agreement is subject to a 2% Net Smelter Return ("NSR") royalty, of which, 0.5% can be purchased for \$3,000,000 payable in common shares of the Company. The option agreement also includes certain advance royalty payments obligations following July 15, 2029.

As at September 30, 2023, the Company paid \$25,000 and issued 1,500,000 common shares (Note 5(b)) with a fair value of \$169,500 towards the acquisition of Troitsa. During this quarter, the Company amended the agreement whereby the cash payment requirement of \$45,000 due July 15, 2023, was satisfied by the issuance of 900,000 shares with a fair value of \$40,500.

During the three months ended September 30, 2023, the Company incurred exploration costs of \$4,335 on Troitsa. Note 7

(b) Roslyn Lithium Property ("Roslyn")

On December 6, 2022, the Company entered into an assignment and assumption agreement, as amended, to acquire Roslyn located in Ontario comprising 12 mining claims. The Company may acquire a 100% interest in Roslyn for the following consideration:

- (i) Cash payments of \$2,300,000:
- \$100,000 within 60 days of the date of the agreement (paid);
 - \$100,000 on December 6, 2023;
 - \$100,000 on December 6, 2024; and
 - \$2,000,000 on December 6, 2025.
- (ii) Issuance of 2,230,000 common shares:
- 1,430,000 Common shares within 60 days of the date of the agreement (issued);
 - 400,000 Common shares on December 6, 2023; and
 - 400,000 Common shares on December 6, 2024.

The agreement is subject to a 3% NSR royalty, of which, 0.5% can be purchased by the Company for \$1,000,000.

As at September 30, 2023, the Company paid \$100,000 and issued 1,430,000 common shares with a fair value of \$600,600 towards the acquisition of Roslyn.

On August 15, 2023, the Company entered into an option agreement whereby it has granted a 5% interest in Roslyn. The optionee may earn the 5% interest by conducting an aggregate of \$50,000 worth of exploration expenditures in the property by November 30, 2023.

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Notes to the Condensed Interim Financial Statements

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

4. Exploration and Evaluation Assets (continued)

(c) Atikokan Lithium Property (“Atikokan”)

On July 28, 2022, the Company entered into an assignment and assumption agreement, as amended, to acquire Atikokan located in Ontario comprising 12 mining claims. The Company may acquire a 100% interest in Atikokan for aggregate cash payments of \$66,000:

- \$16,000 on the signing date of the agreement (paid);
- \$20,000 on May 13, 2024; and
- \$30,000 on May 13, 2025;

The agreement is subject to a 3% NSR royalty.

On August 15, 2023, the Company entered into an option agreement whereby it has granted a 5% interest in Atikokan. The optionee may earn a 5% interest in the property by conducting an aggregate of \$50,000 worth of exploration expenditures in the property by November 30, 2023. As September 30, 2023, the optionee has incurred exploration expenditures of \$28,724 on Atikokan.

5. Share Capital and Reserves

(a) Authorized

Unlimited common shares without par value.

(b) Issued and outstanding

As at September 30, 2023, the Company's issued and outstanding share capital consisted of 35,446,767 (June 30, 2023 – 34,246,767) issued and fully paid common shares.

On August 25, 2023, the Company issued 1,200,000 common shares with fair value of \$54,000 pursuant to the Troitsa property option agreement. Note 4(a)

(c) Warrants

Each warrant entitles the holder to purchase one common share of the Company. A summary of the status of the warrants outstanding follows:

	Warrants	Weighted average exercise price
	#	\$
Balance, June 30, 2022	1,500,000	0.10
Issued	4,752,600	0.33
Exercised	(1,500,000)	0.10
Balance, June 30, 2023 and September 30, 2023	4,752,600	0.33

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Notes to the Condensed Interim Financial Statements

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

5. Share Capital and Reserves (continued)

(c) Warrants (continued)

The following table summarizes the warrants outstanding as at September 30, 2023:

Exercise Price	Expiry date	Warrants
\$		#
0.10	January 27, 2025	2,000,000
0.50	January 11, 2025	1,369,600
0.50	February 17, 2025	1,383,000
		4,752,600

As at September 30, 2023, the weighted average remaining contractual life of the warrants was 1.33 years.

(d) Stock options

The Company has a stock option plan in place under which it is authorized to grant options to directors, senior officers, employees, management company employees, and consultants to acquire up to 10% of the issued and outstanding common shares. Under the plan, the maximum issuance in any 12-month period is limited for any consultant or person providing investor relations services to 2%, for insiders to 10% and for any other person to 5%. The exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of five years. Options issued for investor relations services will be subject to a vesting schedule of at least 12 months whereby no more than 25% of the options granted may vest within any three-month period. All other vesting terms are determined by the Board of Directors.

A summary of the status of the options outstanding follows:

	Options	Weighted average exercise price
	#	\$
Balance, June 30, 2022	-	-
Granted	3,219,000	0.19
Exercised	(300,000)	0.19
Balance, June 30, 2023 and September 30, 2023	2,919,000	0.20

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Notes to the Condensed Interim Financial Statements

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

5. Share Capital and Reserves (continued)

(d) Stock options (continued)

The following table summarizes the options outstanding and exercisable as at September 30, 2023.

Exercise Price	Expiry date	Options outstanding	Options exercisable
\$		#	#
0.10	November 18, 2027	1,999,000	1,999,000
0.42	March 3, 2028	820,000	820,000
0.36	March 27, 2028	100,000	12,500
		2,919,000	2,831,500

During the three months ended September 30, 2023, the Company recorded share-based compensation of \$41,691 (2022 - \$Nil) for vested stock options.

6. Related Party Transactions

(a) Compensation of key management personnel

The Company's key management personnel have the authority and responsibility for planning, directing and controlling the activities of the Company, and is comprised of the Company's Board of Directors and executive officers. Key management compensation for the three months ended September 30, 2023 and 2022 consisted of the following:

	Three months ended September 30,	
	2023	2022
	\$	\$
CEO fees	22,500	-
CFO fees	15,000	-
Former CFO fees	-	7,500
	37,500	7,500

(b) Related party transactions

During the three months ended September 30, 2023, the Company paid professional fees of \$nil (2022 - \$5,704) to a former director of the Company.

(c) Related party balances

As at September 30, 2023, included in accounts payable and accrued liabilities was \$Nil (June 30, 2023 - \$76,198) due to former directors, officers and a company controlled by a former director of the Company.

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Notes to the Condensed Interim Financial Statements

Three months ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

7. Exploration and Evaluation Expenditures

Three months ended September 30, 2023	Troitsa	Roslyn	Atikokan	Total
	\$	\$	\$	\$
Professional fees	4,335	560	630	6,525

Three months ended September 30, 2022	Troitsa	Roslyn	Atikokan	Total
	\$	\$	\$	\$
Assays	10,819	-	-	10,819
Fieldwork	4,360	-	-	4,360
Geology and geophysics	45,535	-	-	45,535
Professional fees	53,702	-	-	53,702
Travel	15,202	-	-	15,202
	129,618	-	-	129,618