
T2 METALS CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
OCTOBER 31, 2024

(Unaudited - Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
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 these condensed consolidated interim financial statements they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

T2 METALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	October 31, 2024 \$	April 30, 2024 \$
ASSETS			
Current assets			
Cash		1,920,347	385,127
GST receivable		48,113	6,194
Prepays and other		<u>70,050</u>	<u>48,319</u>
Total current assets		<u>2,038,510</u>	<u>439,640</u>
Non-current assets			
Exploration and evaluation assets	5	3,031,207	2,070,317
Property, plant and equipment	6	45,054	52,744
Bond deposits		<u>34,454</u>	<u>34,032</u>
Total non-current assets		<u>3,110,715</u>	<u>2,157,093</u>
TOTAL ASSETS		<u>5,149,225</u>	<u>2,596,733</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	9	<u>644,454</u>	<u>611,988</u>
TOTAL LIABILITIES		<u>644,454</u>	<u>611,988</u>
SHAREHOLDERS' EQUITY			
Share capital	8	33,875,792	31,032,568
Share-based payments reserve		2,504,727	2,027,227
Deficit		<u>(31,875,748)</u>	<u>(31,075,050)</u>
TOTAL SHAREHOLDERS' EQUITY		<u>4,504,771</u>	<u>1,984,745</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>5,149,225</u>	<u>2,596,733</u>

Nature of Operations - see Note 1

Event after the Reporting Period - see Note 14

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on December 16, 2024 and are signed on its behalf by:

/s/ Mark Saxon
Mark Saxon
Director

/s/ Nick DeMare
Nick DeMare
Director

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

T2 METALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)

	Notes	Three Months Ended October 31,		Six Months Ended October 31,	
		2024 \$	2023 \$	2024 \$	2023 \$
Expenses					
Accounting and administration	9(b)(ii)	13,000	12,200	37,276	21,900
Audit		16,000	16,100	16,000	16,100
Corporate development		37,569	18,204	55,078	37,306
Director and officer compensation	9	51,710	42,000	102,710	84,000
General exploration		28,821	10,535	45,246	15,013
Legal		17,630	3,472	19,715	3,472
Office		2,116	1,414	5,570	1,720
Professional fees		25,734	25,708	61,959	49,427
Regulatory fees		11,185	10,078	21,730	16,596
Share-based compensation	8(d)	498,300	-	498,300	-
Shareholder costs		4,387	1,965	8,166	1,965
Transfer agent		1,757	1,116	8,370	4,700
Travel		14,020	6,571	26,276	19,716
Website		769	398	1,538	668
		<u>722,998</u>	<u>149,761</u>	<u>907,934</u>	<u>272,583</u>
Loss before other items		<u>(722,998)</u>	<u>(149,761)</u>	<u>(907,934)</u>	<u>(272,583)</u>
Other items					
Interest income		29,015	15,059	52,144	32,703
Flow-through share premium recovery	7	33,492	85,836	54,900	99,873
Foreign exchange		(16)	5,314	192	2,457
		<u>62,491</u>	<u>106,209</u>	<u>107,236</u>	<u>135,033</u>
Net loss and comprehensive loss for the period		<u>(660,507)</u>	<u>(43,552)</u>	<u>(800,698)</u>	<u>(137,550)</u>
Basic and diluted loss per common share		<u>\$(0.02)</u>	<u>\$(0.00)</u>	<u>\$(0.02)</u>	<u>\$(0.00)</u>
Basic and diluted weighted average number of common shares outstanding		<u>40,351,797</u>	<u>28,904,019</u>	<u>37,602,208</u>	<u>28,904,019</u>

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

T2 METALS CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY***(Unaudited - Expressed in Canadian Dollars)*

Six Months Ended October 31, 2024					
Common Shares		Share-Based		Total	
Number of	Amount	Payments	Deficit	Shareholders'	
Shares	\$	Reserve	\$	Equity	
		\$		\$	
Balance at April 30, 2024	28,904,019	31,032,568	2,027,227	(31,075,050)	1,984,745
Common shares issued for:					
- private placements	11,430,000	2,912,400	-	-	2,912,400
- share options exercised	160,000	33,600	-	-	33,600
Share issue costs	-	(68,676)	-	-	(68,676)
Premium on flow-through shares	-	(54,900)	-	-	(54,900)
Transfer on exercise of share options	-	20,800	(20,800)	-	-
Share-based compensation	-	-	498,300	-	498,300
Net loss for the period	-	-	-	(800,698)	(800,698)
Balance at October 31, 2024	40,494,019	33,875,792	2,504,727	(31,875,748)	4,504,771
Six Months Ended October 31, 2023					
Common Shares		Share-Based		Total	
Number of	Amount	Payments	Deficit	Shareholders'	
Shares	\$	Reserve	\$	Equity	
		\$		\$	
Balance at April 30, 2023	28,904,019	31,032,568	2,027,227	(30,669,140)	2,390,655
Net loss for the period	-	-	-	(137,550)	(137,550)
Balance at October 31, 2023	28,904,019	31,032,568	2,027,227	(30,806,690)	2,253,105

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

T2 METALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Six Months Ended October 31,	
	2024 \$	2023 \$
Operating activities		
Net loss for the period	(800,698)	(137,550)
Adjustments for:		
Foreign exchange	(422)	(726)
Share-based compensation	498,300	-
Flow-through share premium recovery	(54,900)	(99,873)
Changes in non-cash working capital items:		
GST receivable	(41,919)	(17,211)
Prepays and other	(21,731)	(2,445)
Accounts payable and accrued liabilities	62,511	95,132
Net cash used in operating activities	<u>(358,859)</u>	<u>(162,673)</u>
Investing activity		
Exploration and evaluation assets expenditures, net	<u>(983,245)</u>	<u>(603,887)</u>
Net cash used in investing activity	<u>(983,245)</u>	<u>(603,887)</u>
Financing activities		
Issuance of common shares	2,946,000	-
Share issue costs	<u>(68,676)</u>	<u>-</u>
Net cash provided by financing activities	<u>2,877,324</u>	<u>-</u>
Net change in cash during the period	1,535,220	(766,560)
Cash at beginning of period	<u>385,127</u>	<u>1,463,855</u>
Cash at end of period	<u>1,920,347</u>	<u>697,295</u>

Supplemental cash flow information - See Note 11

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

T2 METALS CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED OCTOBER 31, 2024
(Unaudited - Expressed in Canadian Dollars)

1. Nature of Operations

T2 Metals Corp. (the “Company”) is registered under the Business Corporations Act (British Columbia). The Company’s common shares are listed and trade on the TSX Venture Exchange (“TSXV”) under the symbol “TWO”, the OTCQB under the symbol “AGLAF” and the Frankfurt Stock Exchange under the Symbol “WJ6”. The Company’s principal and executive office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7, Canada.

The Company is a junior resource company engaged in the acquisition and exploration of unproven mineral interests in North America. On the basis of information to date the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the mineral resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development and upon future profitable production. Mineral resource interests represent costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values. As a mineral Company in the exploration stage the ability of the Company to complete the exploration and development of its mineral property interests will be affected primarily by its ability to raise adequate amounts of capital through equity financings, debt financings, joint venturing of projects and other means.

To date the Company has not earned any revenues from its mineral interests and the Company’s operations are primarily funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. As at October 31, 2024 the Company had working capital of \$1,394,056. Management considers the Company has adequate resources to maintain its core operations and conduct planned exploration programs on its existing exploration and evaluation assets and discharge its obligations as they become due in the next twelve months. The Company recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. While the Company has been successful in securing financings in the past there can be no assurance that it will be able to do so in the future. See also Note 14.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been presented in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Basis of Measurement

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise stated.

3. Material Accounting Policy Information

These condensed consolidated interim financial statements have been prepared on a basis consistent with the material accounting policies disclosed in the annual financial statements for the year ended April 30, 2024. Accordingly, they should be read in conjunction with the annual financial statements for the year ended April 30, 2024.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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3. Material Accounting Policy Information (continued)

Adoption of New Accounting Standards and New Accounting Pronouncements

The following amendments were adopted by the Company on May 1, 2024:

- (i) *Disclosure of Accounting Policies* (Amendments to IAS 1 and IFRS Practice Statement 2) - the amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.
- (ii) *Definition of Accounting Estimates* (Amendments to IAS 8) - the amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

There was no impact on the Company’s condensed consolidated interim financial statements upon the adoption of these amendments.

Accounting Pronouncements Not Yet Adopted

IFRS 18, *Presentation and Disclosure in Financial Statements*, which will replace IAS 1, *Presentation of Financial Statements* aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 *Statement of Cash Flows*. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any other standards that have been issued would have no or very minimal impact on the Company’s condensed consolidated interim financial statements.

4. Subsidiary

On November 10, 2020 the Company established a United States subsidiary, Aguila Gold Inc., (“Aguila USA”) in the state of Nevada to conduct the Company’s activities in the United States. As at October 31, 2024 Aguila USA remains the Company’s sole subsidiary.

5. Exploration and Evaluation Assets

	October 31, 2024			April 30, 2024		
	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$
Canada						
- Sherridon Project	46,000	1,748,774	1,794,774	46,000	845,329	891,329
USA						
- Cora Copper Project	51,279	149,941	201,220	38,704	145,163	183,867
- Lida Copper Project	82,367	917,492	999,859	66,512	910,987	977,499
- Copper Eagle Project	3,967	31,387	35,354	2,327	15,295	17,622
	<u>183,613</u>	<u>2,847,594</u>	<u>3,031,207</u>	<u>153,543</u>	<u>1,916,774</u>	<u>2,070,317</u>

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5. Exploration and Evaluation Assets (continued)

	Canada	USA			Total \$
	Sherridon Property \$	Cora Copper Project \$	Lida Copper Project \$	Copper Eagle Project \$	
Balance at April 30, 2023	197,013	173,581	901,964	-	1,272,558
Exploration costs					
Assays	42,303	-	-	1,559	43,862
Camp costs	46,697	-	-	-	46,697
Community agreement costs	73,195	-	-	-	73,195
Depreciation	7,627	-	7,628	-	15,255
Drilling	469,740	-	-	-	469,740
Fuel	32,211	-	-	-	32,211
Geological	191,139	-	4,048	9,901	205,088
Rehabilitation	-	-	49,279	-	49,279
Travel	36,104	-	1,638	3,835	41,577
	899,016	-	62,593	15,295	976,904
Government grant	(212,700)	-	-	-	(212,700)
Acquisition costs					
Staking costs and renewal fees	8,000	10,286	12,942	2,327	33,555
Balance at April 30, 2024	891,329	183,867	977,499	17,622	2,070,317
Exploration costs					
Assays	43,775	-	-	3,586	47,361
Camp costs	57,537	-	-	-	57,537
Community agreement costs	69,044	-	-	-	69,044
Depreciation	3,845	-	3,845	-	7,690
Drilling	628,308	-	-	-	628,308
Fuel	26,190	-	-	-	26,190
Geological	233,445	3,075	1,611	5,495	243,626
Supplies	23,346	-	-	41	23,387
Travel	17,955	1,703	1,049	6,970	27,677
	1,103,445	4,778	6,505	16,092	1,130,820
Government grant	(200,000)	-	-	-	(200,000)
Acquisition costs					
Renewal fees	-	12,575	15,855	1,640	30,070
Balance at October 31, 2024	1,794,774	201,220	999,859	35,354	3,031,207

(a) *Sherridon Property, Manitoba*

On December 6, 2021 the Company entered into an option agreement (the “Sherridon Option Agreement”) with a private British Columbia company (the “Vendor”) pursuant to which the Company has been granted the option to earn up to a 90% interest of 28 mining claims and one mineral lease (the “Sherridon Property”) located in the Sherridon mining district in Manitoba, Canada.

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5. Exploration and Evaluation Assets (continued)

Pursuant to the Sherridon Option Agreement the Company has paid \$15,000 and issued to the Vendor 100,000 common shares of the Company on August 4, 2022. Pursuant to the Sherridon Option Agreement the Company would earn an initial 80% interest (the “Stage 1 Option”) in the Sherridon Property by incurring \$1,000,000 exploration expenditures (the “Initial Earn-In Amount”) by January 31, 2026. The Company may then earn a further 10% interest (the “Stage 2 Option”) by incurring an additional \$1,000,000 of exploration expenditures by January 31, 2029. Upon exercise of the Stage 2 Option, the Vendor and the Company will form a joint venture and the Vendor will then fund project expenditures in proportion to its interest in the Sherridon Property. If the Vendor’s interest is reduced to less than 10%, its interest will be converted into a 1.5% net smelter royalty that is purchasable by the Company for \$2,000,000 at any time. The Company has now incurred the Initial Earn-In Amount to exercise the Stage 1 Option.

On May 25, 2023 the Company entered into an exploration agreement with the Kiciwapa Cree Nation whereby the Company has agreed to make annual payments (the “KC Payments”) to fund the Kiciwapa Cree Development Fund, to a maximum of \$150,000 per calendar year, calculated on:

- (i) 5% of exploration expenditures incurred on the Sherridon Property up to \$999,999;
- (ii) 2% of exploration expenditures incurred from \$1,000,000 to \$5,000,000; and
- (iii) 1% of exploration expenditures incurred above \$5,000,000.

On December 11, 2023 the Company entered into a grant agreement with the Manitoba Mineral Development Funds Corporation (“MMFD”) whereby the Company received a grant of \$212,700 in fiscal 2024 for exploration expenditures incurred by the Company on the Sherridon Property. On May 24, 2024 the Company entered into a further grant agreement with the MMFD to receive up to \$300,000 of grants. As at October 31, 2024 the Company received \$200,000.

(b) *Cora Copper Project, Arizona*

The Cora Copper Project comprises staked mining claims located in Pinal County, Arizona.

(c) *Lida Copper Project, Nevada*

The Lida Copper Project comprises staked mining claims located in Esmeralda County, Nevada.

(d) *Copper Eagle Project, Nevada*

The Copper Eagle Project comprises staked mining claims located in Douglas County, Nevada.

6. Property, Plant and Equipment

	Field Equipment \$
Balance at April 30, 2023	67,999
Depreciation	<u>(15,255)</u>
Balance at April 30, 2024	52,744
Depreciation	<u>(7,690)</u>
Balance at October 31, 2024	<u>45,054</u>

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7. Flow-through Share Premium Liability	\$
Balance at April 30, 2023	121,782
Settlement of flow-through share liability on incurred expenditures	<u>(121,782)</u>
Balance at April 30, 2024	-
Flow-through share premium liability incurred	54,900
Settlement of flow-through share liability on incurred expenditures	<u>(54,900)</u>
Balance at October 31, 2024	<u>-</u>

During the six months ended October 31, 2024 the Company completed a flow-through financing for gross proceeds of \$512,400 as described in Note 8(b).

8. Share Capital

(a) ***Authorized Share Capital***

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) ***Equity Financings***

Six Months Ended October 31, 2024

During the six months ended October 31, 2024 the Company completed a non-brokered private placement totalling 11,430,000 units as follows:

- (i) the Company issued 1,830,000 units (the "FT units") in the flow-through portion of the financing (the "FT Financing") at \$0.28 per FT unit, for gross proceeds of \$512,400. Each FT unit comprised one flow-through common share and one-half a non-flow-through common share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share at a price of \$0.40 per share for three years from the date issuance; and
- (ii) the Company issued 9,600,000 units (the "NFT units") in the non-flow-through portion of the financing at \$0.25 per unit, for gross proceeds of \$2,400,000. Each NFT unit comprised one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share at a price of \$0.40 per share for three years from the date issuance.

The Company paid a finders' fee of \$50,294 cash and a total of \$18,382 for legal and other costs associated with this private placement.

Directors and officers of the Company purchased 152,850 FT units and 654,000 NFT units.

See also Note 14.

Fiscal 2024

During fiscal 2024 the Company did not conduct any equity financings.

(c) ***Warrants***

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at October 31, 2024 and 2023 and the changes for the six months ended on those dates is as follows:

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8. Share Capital (continued)

	2024		2023	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of period	4,422,250	0.42	10,376,028	0.42
Issued	5,715,000	0.40	-	-
Expired	<u>(1,875,000)</u>	0.30	<u>-</u>	-
Balance, end of period	<u>8,262,250</u>	0.41	<u>10,376,028</u>	0.42

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at October 31, 2024:

Number	Exercise Price \$	Expiry Date
1,666,700	0.45	December 22, 2025
153,978	0.45	December 28, 2025
91,672	0.29	December 28, 2025
125,000	0.45	January 20, 2026
509,900	0.45	January 23, 2026
2,489,000	0.40	June 7, 2027
<u>3,226,000</u>	0.40	June 25, 2027
<u>8,262,250</u>		

See also Note 14.

(d) **Share Option Plan**

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSXV. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years.

During the six months ended October 31, 2024 the Company granted share options to purchase 2,265,000 common shares and recorded compensation expense of \$498,300. No share options were granted during the six months ended October 31, 2023.

The fair value of share options granted during the six months ended October 31, 2024 was estimated using the Black-Scholes Option Pricing Model using the following assumptions: a risk-free interest rate of 2.87%; expected volatility of 90%; an expected life of 3 years; a dividend yield of 0%; and an expected forfeiture rate of 0%. The weighted average measurement date fair value of all share options granted during the six months ended October 31, 2024, using the Black-Scholes Option Pricing Model, was \$0.22 per option.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measure of the fair value of the Company's share options.

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8. Share Capital (continued)

A summary of the Company's share options at October 31, 2024 and 2023 and the changes for the six months ended on those dates, is as follows:

	2024		2023	
	Number of Options Outstanding	Weighted Average Exercise Price \$	Number of Options Outstanding	Weighted Average Exercise Price \$
Balance, beginning of period	1,070,000	0.30	2,549,000	0.30
Granted	2,265,000	0.38	-	-
Exercised	(160,000)	0.21	-	-
Expired	(340,000)	0.21	(724,000)	0.36
Balance, end of period	<u>2,835,000</u>	0.35	<u>1,825,000</u>	0.27

The following table summarizes information about the share options outstanding and exercisable at October 31, 2024:

Number	Exercise Price \$	Expiry Date
150,000	0.25	January 25, 2025
420,000	0.25	October 14, 2025
<u>2,265,000</u>	0.38	October 17, 2027
<u>2,835,000</u>		

9. Related Party Transactions and Balances

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

The Company has determined that key management personnel consists of the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company. During the six months ended October 31, 2024 the Company incurred \$90,000 (2023 - \$72,000) executive compensation with respect to the Company's key management personnel. As at October 31, 2024 \$433,480 (April 30, 2024 - \$403,480) remained unpaid and has been included in accounts payable and accrued liabilities.

During the six months ended October 31, 2024 the Company also recorded \$137,500 (2023 -\$nil) share-based compensation for share options granted to key management personnel.

(b) *Transactions with Other Related Parties*

(i) During the six months ended October 31, 2024 the Company incurred \$12,710 (2023 - \$12,000) for compensation to non-executive directors of the Company. As at October 31, 2024 \$43,673 (April 30, 2024 - \$54,963) remained unpaid and has been included in accounts payable and accrued liabilities.

During the six months ended October 31, 2024 the Company also recorded \$125,400 (2023 -\$nil) share-based compensation for share options granted to non-executive directors.

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9. Related Party Transactions and Balances (continued)

- (ii) During the six months ended October 31, 2024 the Company incurred \$37,276 (2023 - \$21,900) for accounting and administration services provided by Chase Management Ltd. (“Chase”), a private company owned by the CFO of the Company. As at October 31, 2024 \$8,000 (April 30, 2024 - \$5,750) remained unpaid and has been included in accounts payable and accrued liabilities.
- (iii) See also Note 8(b).

10. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: fair value through profit or loss (“FVTPL”); fair value through other comprehensive income (“FVOCI”); and amortized cost. The carrying values of the Company’s financial instruments are classified into the following categories:

Financial Instrument	Category	October 31, 2024 \$	April 30, 2024 \$
Cash	Amortized cost	1,920,347	385,127
Bonds	Amortized cost	34,454	34,032
Accounts payable and accrued liabilities	Amortized cost	(644,454)	(611,988)

The Company’s financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The recorded amounts for cash and bonds approximate their fair value.

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

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 and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote.

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10. Financial Instruments and Risk Management (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

Contractual Maturity Analysis at October 31, 2024					
	Less than 3 Months	3 - 12 Months	1 - 5 Years	Over 5 Years	Total
	\$	\$	\$	\$	\$
Cash	1,920,347	-	-	-	1,920,347
Bonds	-	-	34,454	-	34,454
Accounts payable and accrued liabilities	(644,454)	-	-	-	(644,454)

Contractual Maturity Analysis at April 30, 2024					
	Less than 3 Months	3 - 12 Months	1 - 5 Years	Over 5 Years	Total
	\$	\$	\$	\$	\$
Cash	385,127	-	-	-	385,127
Bonds	-	-	34,032	-	34,032
Accounts payable and accrued liabilities	(611,988)	-	-	-	(611,988)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash and cash equivalents bear floating rates of interest. The interest rate risk on cash and cash equivalents and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company's functional currency is the Canadian dollar. The Company maintains a US Dollar currency bank accounts to support the cash needs of its foreign operation. Management believes the foreign exchange risk related to currency conversions is minimal and therefore does not hedge its foreign exchange risk. At October 31, 2024, 1 Canadian Dollar was equal to 0.72 US Dollar.

Balances are as follows:

	US Dollars	CDN \$ Equivalent
Cash	4,726	6,564
Bonds	24,758	34,454
Accounts payable and accrued liabilities	(42,599)	(59,165)
	<u>(13,115)</u>	<u>(18,147)</u>

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10. Financial Instruments and Risk Management (continued)

Based on the net exposures as of October 31, 2024 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the US Dollar would result in the Company's comprehensive loss being approximately \$2,000 higher (or lower).

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties or evaluate business opportunities which may become available. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital and cash equivalents. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

11. Supplemental Cash Flow Information

During the six months ended October 31, 2024 and 2023 non-cash activities were conducted by the Company as follows:

	2024 \$	2023 \$
Operating activities		
Depreciation	7,690	7,690
Accounts payable and accrued liabilities	<u>(19,234)</u>	<u>100,633</u>
	<u>(11,544)</u>	<u>108,323</u>
Investing activity		
Exploration and evaluation assets	<u>11,544</u>	<u>(108,323)</u>

12. Segmented Information

The Company operates in one reportable segment, being the exploration and evaluation of unproven exploration and evaluation assets. The Company's exploration and evaluation assets are located in Canada and the United States and its corporate assets are located in Canada. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results.

The Company's total assets are segmented geographically as follows:

	October 31, 2024		
	Canada \$	USA \$	Total \$
Current assets	2,031,387	7,123	2,038,510
Exploration and evaluation assets	1,794,774	1,236,433	3,031,207
Property, plant and equipment	22,527	22,527	45,054
Bonds	-	34,454	34,454
	<u>3,848,688</u>	<u>1,300,537</u>	<u>5,149,225</u>

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12. Segmented Information (continued)

	April 30, 2024		
	Canada \$	USA \$	Total \$
Current assets	432,039	7,601	439,640
Exploration and evaluation assets	891,329	1,178,988	2,070,317
Property, plant and equipment	26,372	26,372	52,744
Bonds	-	34,032	34,032
	<u>1,349,740</u>	<u>1,246,993</u>	<u>2,596,733</u>

13. Commitment

In June 2024 the Company entered into a flow-through private placement to fund exploration activities on its Canadian properties. Canadian tax rules require the Company to spend flow-through funds on exploration expenses by the end of the calendar year following the year in which they were raised.

At October 31, 2024 the Company has expended all of the FT Financing amount of \$512,400 on qualified exploration expenditures.

The Company may be subject to interest on flow-through proceeds ("Part XII.6 Tax") renounced under the look-back rules in respect of prior years, and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on Canadian exploration expenses. Any Part XII.6 Tax is expensed as incurred as an operating expense.

The Company has indemnified the subscribers of the FT Financing from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements.

14. Event after the End of the Reporting Period

On November 21, 2024 the Company completed a flow-through non-brokered private placement and issued 1,550,000 million units for gross proceeds of \$527,000. Each unit comprised one flow-through common share and one-half of a non-flow-through common shares purchase warrant. Each whole warrant entitles the holder to purchase a non-flow-through common share as a price of \$0.50 per share expiring November 21, 2025. A director of the Company and a company owned by a director purchased a total of 64,700 units.