Lithium Africa Corp.

Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2026 and 2025

(Expressed in United States dollars, unless otherwise noted)

Unaudited

Lithium Africa Corp.
For the three months ended March 31, 2026 and 2025

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NOTICE OF NON AUDITOR'S REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements for Lithium Africa Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor, Deloitte LLP, has not performed an audit of these condensed consolidated interim financial statements.

Lithium Africa Corp.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in United States dollars)

	Notes		March 31, 2026		December 31, 2025
ASSETS					
Current Assets					
Cash		**$**	**7,441,637**	$	111,702
Restricted cash			**-**		1,949,884
Amounts receivable			**26,410**		19,520
Prepaid expenses and deposits	**7**		**109,727**		198,418
Related party receivables	**8,14**		**1,726,280**		519,201
Deferred acquisition cost	**9**		**748,933**		25,000
			10,052,987		2,823,725
Non-current assets					
Interests in joint ventures	**8**		**2,801,215**		3,279,701
Equity investment	**10**		**112,390**		112,390
Property and equipment	**11**		**40,519**		42,770
			2,954,124		3,434,861
TOTAL ASSETS		**$**	**13,007,111**	$	6,258,586
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	**12**	**$**	**301,862**	$	613,345
Other payables	**8**		**92,685**		92,685
Deposits on shares			**-**		1,949,884
TOTAL LIABILITIES			**394,547**		2,655,914
SHAREHOLDERS' EQUITY					
Common shares	**4,13**		**27,463,703**		9,145,333
Preferred shares	**4,13**		**-**		6,491,968
Reserves	**4,13**		**4,895,307**		3,707,789
Accumulated other comprehensive income	**13**		**(53,158)**		6,416
Accumulated deficit			**(19,693,288)**		(15,748,834)
TOTAL SHAREHOLDERS' EQUITY			**12,612,564**		3,602,672
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**13,007,111**	$	6,258,586

General information and Going Concern (Note 1 & 2)
Subsequent events (Note 17)

Approved and authorized on behalf of the Board on June 1, 2026:

Carl Esprey, Director

Tyron Breytenbach, Director

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

Lithium Africa Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in United States dollars)

	Note		Three months ended March 31, 2026		Three months ended March 31, 2025
Operating Expenses					
Exploration and evaluation	**15**	**$**	**167,272**	$	218,622
Fees, salaries and other benefits			**116,267**		56,659
Share-based compensation	**13**		**298,818**		392,383
Legal and professional			**108,341**		82,057
Office and administration			**49,748**		19,686
Marketing and investor relations			**222,508**		16,208
Transfer agent and filling fees			**114,695**		-
Total operating expenses			**1,077,649**		785,615
Other expenses					
Transaction cost	**4**		**423,852**		-
Unrealized foreign exchange gain			**(134,409)**		(28,906)
Interest expense			**(365)**		-
Listing expense	**4**		**2,152,699**		-
Share of loss on joint venture	**8**		**425,028**		286,418
Total other expense			**2,866,805**		257,512
Loss for the period		**$**	**3,944,454**	$	1,043,127
Loss attributable to:					
Shareholders of the Company			**3,944,454**		1,043,127
		$	**3,944,454**	$	1,043,127
Other comprehensive loss					
Share of other comprehensive loss in joint venture			**53,458**		11,903
Foreign currency translation loss attributed to shareholders of the company			**6,116**		5,024
			59,574		16,927
Comprehensive loss for the period		**$**	**4,004,028**	$	1,060,054
Basic and diluted loss per share		$	**0.21**	$	0.08
Weighted average number of common shares outstanding			**19,363,700**		12,812,310

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

Lithium Africa Corp.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in United States dollars)

		Share Capital			Reserves					
	Notes	Common	Preferred	Amount	Stock Based Compensation and Warrants	Translation Adjustment	Share of Other Comprehensive Gain in Joint Venture	Total reserves	Accumulated Deficit	Total Equity
Balance at December 31, 2024		12,812,310	2,999,610	12,642,723	2,694,314	30,263	94,756	2,819,333	(4,698,568)	10,763,488
Share-based compensation		-	-	-	392,383	-	-	392,383	-	392,383
Net loss		-	-	-	-	-	-	-	(1,323,676)	(1,323,676)
Other comprehensive income		-	-	-	-	(5,024)	(11,903)	(16,927)	-	(16,927)
Balance at March 31, 2025		12,812,310	2,999,610	12,642,723	3,086,697	25,239	82,853	3,194,789	(6,022,244)	9,815,268
Private placement		1,233,959	-	2,467,920	-	-	-	-	-	2,467,920
Share issuance costs		-	-	(434,916)	113,016	-	-	113,016	-	(321,900)
Shares issued for penalty		185,070	-	370,140	-	-	-	-	-	370,140
Shares issued for stock options exercised		200,000	-	42,000	-	-	-	-	-	42,000
Fair value of stock options exercised		-	-	549,434	(549,434)	-	-	(549,434)	-	-
Share-based compensation		-	-	-	1,057,510	-	-	1,057,510	-	1,057,510
Net loss		-	-	-	-	-	-	-	(9,726,590)	(9,726,590)
Other comprehensive income		-	-	-	-	(20,271)	(81,405)	(101,676)	-	(101,676)
Balance at December 31, 2025		14,431,339	2,999,610	15,637,301	3,707,789	4,968	1,448	3,714,205	(15,748,834)	3,602,672
Private placement	**4,13**	5,368,542	-	8,355,053	32,187	-	-	32,187	-	8,387,240
Preferred shares converted to Common shares	**4,13**	2,999,610	-	6,491,968	-	-	-	-	-	6,491,968
Preferred shares	**4,13**	-	(2,999,610)	(6,491,968)	-	-	-	-	-	(6,491,968)
Share issuance costs	**4,13**	-	-	(983,617)	-	-	-	-	-	(983,617)
Shares issued for property	**9,13**	77,949	-	111,949	-	-	-	-	-	111,949
Shares issued in RTO share exchange	**4,13**	2,100,877	-	4,343,017	-	-	-	-	-	4,343,017
Share warrants deemed to be issued in RTO	**4,13**	-	-	-	124,151	-	-	124,151	-	124,151
Share options deemed to be issued in RTO	**4,13**	-	-	-	344,558	-	-	344,558	-	344,558
Fair value of agent warrants	**4,13**	-	-	-	387,804	-	-	387,804	-	387,804
Fair value of restricted share units (RSU)	**13**	-	-	-	127,921	-	-	127,921	-	127,921
Share-based compensation	**13**	-	-	-	170,897	-	-	170,897	-	170,897
Net loss		-	-	-	-	-	-	-	(3,944,454)	(3,944,454)
Other comprehensive loss	**13**	-	-	-	-	(6,116)	(53,458)	(59,574)	-	(59,574)
Balance at March 31, 2026		**24,978,317**	**-**	**27,463,703**	**4,895,307**	**(1,148)**	**(52,010)**	**4,842,149**	**(19,693,288)**	**12,612,564**

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

	Note		March 31, 2026		March 31, 2025
Cash provided by (used in)					
Operating activities					
Loss for the year		**$**	**(3,944,454)**	$	(1,323,676)
Non-cash transactions:					
Loss on joint venture	**8**		**425,028**		566,967
Amortization			**2,251**		-
Listing expense	**4**		**2,152,699**		-
Unrealized foreign exchange (gain) / loss			**(134,409)**		(5,024)
Share-based compensation (non cash)	**13**		**298,818**		392,383
Changes in non-cash working capital:					
Amounts receivable			**(6,314)**		-
Related party (receivable) payable			**(1,065,035)**		(104,570)
Prepaid expenses and deposits			**425,859**		(12,799)
Accounts payable and accrued liabilities			**(346,439)**		93,342
Cash used in operating activities		**$**	**(2,191,996)**	$	(393,377)
Investing activities					
Deferred acquisition cost	**9**		**(611,984)**		-
Cash acquired with RTO transaction	**4**		**2,356,239**		-
Cash used in investing activities		**$**	**1,744,255**	$	-
Financing activities					
Proceeds from the issuance of shares, net of costs	**13**		**7,791,427**		-
Cash Provided by Financing Activities		**$**	**7,791,427**	$	-
Effect of foreign exchange rate changes on cash			**(13,751)**		-
Change in cash		**$**	**7,343,686**	$	(393,377)
Cash, beginning of period		**$**	**111,702**	$	1,021,204
Cash, end of period		**$**	**7,441,637**	$	627,827
Cash and restricted cash reconciliation					
Cash		**$**	**7,441,637**	$	111,702
Restricted cash			**-**		1,949,884
Total cash and restricted cash shown in the statement of cash flows		**$**	**7,441,637**	$	2,061,586
Supplemental non cash movement for financing activities					
Share issue for property		$	**111,949**	$	-
Shares issued for restricted share units transferred from RSUs reserves to share capital		$	**127,921**	$	-
Fair value of Private placement warrants		$	**32,187**	$	-
Fair value of agent warrants		$	**387,804**	$	-

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

1. Nature of operations

Lithium Africa Corp., formerly Lombard Street Capital Corp. (the "Company"), was incorporated on January 31, 2024 under the laws of Ontario, Canada and continued from Ontario to the Cayman Islands. The Company changed its name from Lombard Street Capital Corp. to Lithium Africa Corp. and consolidated its share capital on January 15, 2026. On February 10, 2026 the Company completed its Qualifying Transaction (Note 4), after which the Company became an exploration company engaged in the acquisition, development and operation of mineral properties in Africa.

The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. All dollar amounts are United States dollars unless otherwise noted.

The Company's principal business activity is the exploration of mineral property interests through a 50:50 joint venture arrangement (the "JV") associated with the Company's economic interest in Li2023 Pte. Ltd. ("Li2023").

2. Going Concern

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Group will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company is a resource exploration stage company, which does not generate any revenues. For the three months year ended March 31, 2026, the Company incurred a net loss of $3,944,454 and used $2,191,996 cash in its operating activities and obtained gross proceeds from an equity financing of CAD$8,823,130 (Note 13). The Company will require additional financing either through equity or debt financing, sale of assets, joint venture arrangements, or a combination thereof to meet its administrative costs and to continue to explore and develop its resource properties. There is no assurance that sufficient future funding will be available on a timely basis or on terms acceptable to the Company. As such, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern, and any such adjustments may be material.

3. Material accounting policy information

Statement of compliance

These condensed consolidated interim financial statements were prepared using accounting policies consistent with those described in the consolidated financial statements of Lithium Africa Resources Corp ("LARC")? Annual Financial Statements.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. These condensed consolidated interim financial statements of the Company should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2025, As well as the consolidated financial statements for the year ended December 31, 2025 of LARC , which were prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") ("IFRS Accounting Standards").

3. Material accounting policy information (continued)

Basis of measurement

These condensed consolidated interim financial statements have been prepared using the historical cost basis, except for certain financial instruments, which are measured at fair value. These condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These condensed consolidated interim financial statements are presented in United States dollars unless otherwise specified.

Principles of consolidation

The condensed consolidated interim financial statements of the Company consolidate the accounts of the Company and its subsidiaries:

		Percentage owned	
	Country of incorporation	**March 31, 2026**	December 31, 2025
Lithium Africa Resources Corp.	Cayman Islands	100%	0%
Lithium Africa Resources PTY LTD	Australia	100%	0%

Principal activity for all entities is Lithium exploration

A subsidiary is consolidated from the date upon which control is acquired by the Company and all material intercompany transactions and balances have been eliminated on consolidation. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

As at March 31, 2026, the Company has one operating segment, a mineral exploration group focused on projects located in Africa.

Approval of the condensed consolidated interim financial statements

The condensed consolidated interim financial statements of the Company for the three months ended March 31, 2026 were approved and authorized for issue by the Board of Directors on June 1, 2026.

Use of estimates and judgments

The preparation of these condensed consolidated interim financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

The key areas of judgment applied in the preparation of the condensed consolidated interim financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

3. Material accounting policy information (continued)

Use of estimates and judgments (continued)

- **Control**
  Management consolidates all subsidiaries and entities which it is determined that the Company controls. Control is evaluated on the ability of the Company to direct the activities of the subsidiary or entity to derive variable returns and management uses judgment in determining whether control exists. Judgment is exercised in the evaluation of the variable returns and in determining the extent to which the Company has the ability to exercise its power to generate variable returns.

- **Going concern**
  The assessment of the Group's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenses, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

- **Inputs used in the valuation of share-based payments**
  The Company uses the Black-Scholes Option Pricing Model to calculate the fair value of share purchase options granted. Inputs used in this model require assumptions including the expected price volatility. Changes in the input assumptions can materially affect the fair value estimate.

- **Impairment of non-financial assets**
  The Company performs impairment tests on non-financial assets when events or circumstances occur which indicate the carrying amount of the assets may not be recoverable.

  The recoverable amount is the higher of the fair value less costs of disposal ("FVLCTD") and the value in use ("VIU"). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows ("cash generating units" or "CGUs"). These are typically the individual mines or projects. 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 the future cash flow estimates have not been adjusted.

  FVLCTD is the amount that would be received from selling an asset in an orderly transaction between market participants at the measurement date, less the costs of disposal. For mining assets, fair value less cost of disposal is often estimated using a discounted cash flow approach because a fair value is not readily available from an active market or binding sale agreement. Estimated future post-tax cash flows are calculated using estimated mineral reserves and resources, estimated future commodity prices, and expected future operating and capital costs.

  If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

  Assets that have been impaired are tested for possible reversal of the impairment whenever events or changes in circumstance indicate that impairment may have reversed. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss. During the period ended March 31, 2026, the Company did not recognize any impairment expense or reversal (2025 – $Nil expense).

3. Material accounting policy information (continued)

Functional and presentation currency

These condensed consolidated interim financial statements are presented in United States dollars, and the Company's functional currency and that of its subsidiaries is the United States Dollar, except for the Company's Australian subsidiary whose functional currency is the Australian dollar.

During the period ended March 31, 2026, as a result of the RTO transaction, the parent company determined its functional currency is the United States Dollar, which has been applied on a prospective basis.

Unproven mineral property interests

Exploration expenditures excluding acquisition costs and claim maintenance costs are expensed until the establishment of technical feasibility and commercial viability based on a combination of the following factors:

- The extent to which mineral reserves or mineral resources as defined in National Instrument 43-101 ("NI 43-101") have been identified through a feasibility study or similar document; and
- The status of mining leases, environmental and mining permits.

Costs incurred relating to the acquisition are capitalized and deferred by property until the project to which they relate is sold, abandoned, impaired or placed into production. After recognition, the Company uses the cost model for exploration and evaluation assets. All other expenditures on exploration activities including cost in claim maintenance of mineral properties, payments and annual fees to maintain the property in good standing, and exploration expenditures performed within the geologic formation of an existing mining project are recorded as exploration and evaluation expenses until it has been established that a mineral property is commercially viable and technically feasible.

The Company assesses its unproven mineral property interests for indications of impairment on each balance sheet date and when events and circumstances indicate a risk of impairment. A property is written down or written off when the Company determines that an impairment of value has occurred or when exploration results indicate that no further work is warranted. Exploration and evaluation assets are tested for impairment immediately prior to reclassification to mineral property development costs.

Property, Plant and Equipment

On initial recognition, property, plant and equipment are valued at cost. Cost includes the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and foreign exchange losses or gains on borrowings and related cash used to construct qualifying assets as defined under IFRS Accounting Standards.

Capitalization of costs incurred ceases when the asset is capable of operating in the manner intended by management. The Company applies judgment in its assessment of when the asset is capable of operating in the manner intended by management.

Property, plant and equipment are subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not depreciated. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items or major components.

3. Material accounting policy information (continued)

Property, Plant and Equipment (continued)

Amortization is calculated on a declining balance method to write off the cost of the assets to their residual values over their estimated useful lives. The amortization rates applicable to each category of equipment are as follows:

Class of Property, Plant and equipment	Depreciation rate
Vehicle	20%
Software and hardware	20%
Furniture and fittings	20%
Equipment & machinery	20%

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each financial year-end. The gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit and loss.

Impairment of Property, Plant and Equipment

Property, plant, and equipment are assessed for impairment indicators at each reporting date or when an impairment indicator arises if not at a reporting date. Impairment indicators are evaluated and, if considered necessary, an impairment assessment is carried out. If an impairment loss is identified, it is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use.

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). These are typically individual development projects.

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

Foreign currency translation

The functional currency of a Company is measured using the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are translated into an entity's functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

3. Material accounting policy information (continued)

Foreign currency translation (continued)

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in the statement of loss and comprehensive loss in the period in which they arise.

The financial statements of subsidiary that has a functional currency different from that of the Company are translated into United States dollars as follows: assets and liabilities – at the closing rate at the date of the statement of financial position; income and expenses – at the average rate of the period and items that are directly recognized in equity at historical rates. Exchange differences are recognized in other comprehensive income as exchange difference on translation.

Share-based compensation

Share-based compensation to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based compensation to non-employees are measured at the fair value of goods or services received or 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 corresponding amount is recorded to reserves. The fair value of options is determined using an appropriate option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. Vesting is determined by the Board of Directors.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date.

Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

3. Material accounting policy information (continued)

Financial instruments (continued)

(i) Classification (continued)

The following table shows the classification under IFRS 9:

Financial assets/liabilities	
Cash	Amortized cost
Restricted cash	Amortized cost
Amounts receivable	Amortized cost
Related party receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Equity investment	FVTPL
Embedded derivative liability	FVTPL
Other payables	Amortized cost

(ii) Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Equity investments
Investments in equity instruments are measured at fair value. Equity instruments that are held for trading are classified as FVTPL.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit losses. The Company shall recognize in the consolidated statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows 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. Gains and losses on derecognition are generally recognized in the consolidated statements of comprehensive loss.

3. Material accounting policy information (continued)

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or 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 and losses on derecognition are generally recognized in profit or loss.

Cash

Cash consists of cash on hand and deposits held with banks.

Income taxes

Under current laws of the Cayman Islands, there is no income, estate, transfer, sales or other Cayman Islands taxes payable by the Company and management believes the Company is not liable for tax in any other jurisdiction. Accordingly, no tax charges or tax liabilities are reflected in the condensed consolidated interim financial statements

Loss/(Earnings) per share

Basic loss/(earnings) per share is computed by dividing net loss/(earnings) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss/(earnings) per share is computed similar to basic loss/(earnings) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options were exercised and that the proceeds from such exercise were used to acquire common shares at the average market price during the reporting period.

Restoration and environmental obligations

The Company recognizes liabilities for legal and constructive obligations associated with the retirement of mineral properties. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in the regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense. The Company does not have any restoration provisions.

Investments in joint arrangements

The Company conducts a portion of its business through joint arrangements where the parties are bound by contractual arrangements establishing joint control and decisions about the activities that significantly affect the returns of the investee require unanimous consent. A joint arrangement is classified as either a joint operation or a joint venture, subject to the terms that govern each investor's rights and obligations in the arrangement.

3. Material accounting policy information (continued)

Investments in joint arrangements (continued)

In a joint operation, the investor has rights and obligations to the separate assets and liabilities of the investee and in a joint venture, the investors have rights to the net assets of the joint arrangement. For a joint operation, the Company recognizes its share of the assets, liabilities, revenue, and expenses of the joint arrangement, while for a joint venture, the Company accounts for its investment in the joint arrangement using the equity method. The Company has accounted for its investment in Li2023 as a joint venture using the equity method.

Under the equity method, the Company's investment in a joint venture is initially recognized at cost and subsequently increased or decreased to recognize the Company's share of net earnings or losses of the joint venture, after any adjustments necessary for impairment losses after the initial recognition date. The Company's share of a joint venture's losses that are in excess of its investment are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the joint venture. The Company's share of net earnings or losses of a joint venture are recognized in net earnings during the period. Dividends and repayment of capital received from a joint venture are accounted for as a reduction in the carrying amount of the Company's investment.

At the end of each reporting period, the Company assesses whether there is any objective evidence that an investment in a joint venture is impaired. Objective evidence includes observable data indicating there is a measurable decrease in the estimated future cash flows of the joint venture's operations. When there is objective evidence that an investment is impaired, the carrying amount of such investment is compared to its recoverable amount, being the higher of its fair value less costs of disposal and value-in-use.

If the recoverable amount of an investment is less than the carrying amount, the carrying amount is reduced to its recoverable amount and a corresponding impairment loss is recognized in the period in which the relevant circumstances are identified. When an impairment loss reverses in a subsequent period, the carrying amount of the investment is increased to the revised estimate of the recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized in net earnings in the period in which the reversal occurs.

Similar to the assessment of impairment for subsidiaries, the Company reviews the mining properties and plant and equipment for a joint operation at the cash-generating unit level to determine whether there is any indication that these assets are impaired.

New IFRS Accounting standards and interpretations not yet applied:

IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18")

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is currently assessing the effects of IFRS 18 on the financial statements.

3. Material accounting policy information (continued)

New accounting standards and interpretations

IFRS 9 Financial Instruments ("IFRS 9") and IFRS 7 Financial Instruments: Disclosures ("IFRS 7")

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*. These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the 'solely payments of principal and interest' criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on the financial statements, the Company has determined there are no material changes to these condensed consolidated interim financial statements.

The Company has not early adopted any new accounting standard, interpretation or amendment that has been issued but is not yet effective.

4. Reverse Takeover Transaction (RTO)

On February 10, 2026, the Company completed the acquisition of Lithium Africa Resources Corp. ("LARC") which constitutes the Qualifying Transaction ("Transaction") pursuant to TSXV Policy 2.4 – Capital Pool Companies. On July 23, 2025, the Company and LARC entered into an agreement pursuant to which the Company acquired all of the issued and outstanding common and preferred shares of LARC through a merger under the laws of the Cayman Islands involving a wholly owned subsidiary of the Company and LARC. The resulting company following the completion of the Qualifying Transaction is referred to herein as the "Resulting Issuer". The Transaction did not constitute a Non-Arm's Length Transaction (as such term is defined in the policies of the TSXV). As a result of the transaction, the former shareholders of LARC held a controlling interest in the voting shares of the Company constituting a reverse takeover acquisition of the net assets of the Company since the Company does not qualify as a business and the Transaction is accounted for under IFRS 2, Share-based Payments. The Company incurred $423,852 in transaction cost related to the RTO transaction.

Prior to completing the Transaction, the Company continued from Ontario to the Cayman Islands, changed its name from "Lombard Street Capital Corp." to "Lithium Africa Corp." and consolidated its share capital on the basis of 24 (old) common shares for 1 (new) common share. LARC also completed a share split on the basis of 1 (old) common share for 10 (new) common shares. All outstanding securities of LARC were exchanged for post-Consolidation securities of the Company on a 1:1 basis. In connection with the Transaction, the Company issued 17,430,950 common shares to former common and preferred shareholders of LARC, as well as 956,977 common shares pursuant to the concurrent financing discussed in Note 13. 2,100,877 common shares of the Company were outstanding and held by former Lombard shareholders and 208,335 options and 106,874 warrants of the Company were also outstanding. As a result, there were 20,488,804 common shares outstanding upon completion of the RTO. Further details regarding the Transaction can be found in the Company's Filing Statement dated December 23, 2025 filed under the Company's profile on SEDAR+.

4. Reverse Takeover Transaction (RTO) (continued)

The fair value of the Transaction and the allocation to the net assets of the Company acquired was recorded as follows:

	USD $
Total consideration:	
Fair value of Lombard Street Capital shares	4,343,017
(2,100,877 post-consolidation common shares at CAD$2.80)	
Fair value of Lombard Options and Warrants	468,709
	4,811,726
Net assets acquired	
Cash	2,356,239
Prepaid expenses and deposits	576
Amounts receivable	337,168
Accounts payable	(34,956)
Net assets	2,659,027
Listing expense	**2,152,699**

The fair value of Lombard's outstanding common shares as at February 10, 2026 are valued based upon a recent financing transaction price, discussed above. The February 10, 2026 outstanding 106,874 Lombard warrants are valued at CAD $0.17 million based upon a Black Scholes valuation model using the following assumptions: 2.59% discount rate; 106.72% volatility:1.75 year term; 0% dividend; and 0% forfeiture rate. The February 10, 2026 outstanding 208,335 Lombard options are valued at CAD $0.48 based upon a Black Scholes valuation model using the following assumptions: 2.78% discount rate; 112.39% volatility; 4.05 year term; 0% dividend; and 0% forfeiture rate.

The common shares of the Company commenced trading on the Exchange under the ticker symbol "LAF" on February 19, 2026 as a Tier 2 issuer.

On August 29, 2025, LARC received $1,949,884 (CAD$2,679,535) in gross proceeds pursuant to a non-brokered private placement of subscription receipts. At December 31, 2025, closing of the private placement and issuance of units was contingent upon the Qualifying Transaction being completed. The proceeds of the August private placement were paid to TSX Trust in full to be held in trust by TSX Trust until the proposed transaction was completed. These proceeds were received in full upon completion of the Qualifying Transaction. On February 11, 2026, the Company issued 956,977 units on a post-split basis each consisting of one Common Share of the Company, and one share purchase warrant of the Company. Each warrant will entitle the holder thereof to acquire one Common Share (at a price of CAD$3.70 for a period of five years following the Closing Date of August 29, 2025). The Company paid a cash fee of $128,237 and issued 60,650 post-split warrants at a price of CAD$2.80 with a 3-year expiry following the closing date to the Agents.

In connection with the Transaction, in accordance with the requirements of the Exchange, certain securityholders of the Company have entered into a Tier 2 Escrow Agreement in respect of 7,243,961 common shares, 1,048,500 stock options and 294,941 warrants of the Company. Under the terms of the Escrow Agreement, 10% of such escrowed securities will be released upon issuance of the final bulletin of the Exchange in respect of the Transaction, with subsequent 15% releases occurring 6, 12, 18, 24, 30 and 36 months from such date.

Going forward, the Company will be an exploration company engaged in the acquisition, development and operation of mineral properties in Africa.

5. Change of fiscal year

During the quarter ended March 31, 2026, the Company changed its fiscal year-end from June 30 to December 31 to align with the reporting cycle of Lithium Africa Resources Corp. following the completion of the Qualifying Transaction (Note 4).

As a result, the Company's current reporting period represents a three-month interim period ended March 31, 2026, while the comparative information is for the three months ended March 31, 2025.

On February 10, 2026, the Company completed a reverse takeover transaction with LARC (Note 4). For accounting purposes, LARC has been identified as the accounting acquirer, and the Company (legal parent) is treated as the accounting acquiree.

Accordingly:

- These condensed consolidated interim financial statements reflect the continuation of LARC's financial statements, with the assets, liabilities, and operations of the Company included from the date of the transaction.
- The comparative financial information presented reflects the historical financial results and position of LARC.
- The equity structure (share capital) reflects the legal capital structure of Lithium Africa Corp. (formerly Lombard Street Capital Corp.), the legal parent.

6. Change of functional and reporting currency

During the three months ended March 31, 2026, the Company reassessed its functional currency in accordance with IAS 21 — The Effects of Changes in Foreign Exchange Rates following the completion of the reverse takeover transaction (Note 4).

Effective February 10, 2026, the Company determined that its functional currency changed to United States dollars ("USD"). This change reflects a shift in the underlying economic environment of the Company as a result of the reverse takeover with Lithium Africa Resources Corp. ("LARC"), including:

- the increased influence of USD-denominated financing activities,
- the currency in which key operating expenditures and transactions are denominated, and
- the integration of LARC's operations, whose primary economic environment is USD-based.

In accordance with IAS 21, the change in functional currency has been applied prospectively from the date of change. Accordingly:

- monetary assets and liabilities were translated into USD using the exchange rate at the date of the change,
- non-monetary items were translated at historical exchange rates, and
- resulting foreign exchange differences were recognized in profit or loss.

6. Change of functional and reporting currency (continued)

In addition, during the same period, the Company changed its presentation (reporting) currency to USD to provide more relevant financial information to users, as USD is the functional currency of the Company and the primary economic environment in which the consolidated entity operates.

In accordance with IAS 21:

- this change in presentation currency has been applied retrospectively,
- comparative financial information has been restated as if USD had always been the presentation currency,
- assets and liabilities have been translated at closing rates,
- income and expenses have been translated at exchange rates at the dates of transactions (or average rates where appropriate), and
- resulting exchange differences have been recognized in other comprehensive income.

As disclosed in Note 5, the comparative financial information reflects the historical results of LARC (the accounting acquirer). As a result of both the change in currency and the reverse takeover transaction, the financial information presented may not be directly comparable to prior periods.

7. Prepaid expenses and deposits

Prepaid expenses and deposits consist of the following:

		March 31, 2026		December 31, 2025
Legal	**$**	**5,625**	$	20,371
Deferred financing cost (Note 4)		**-**		128,237
Investors relations		**65,415**		24,820
Consulting		**19,821**		15,304
Insurance		**7,358**		-
Rent		**8,352**		8,461
Subscription		**3,156**		1,225
Total prepaid expenses	**$**	**109,727**	$	198,418

8. Interests in joint ventures

On September 13, 2023, the Company executed definitive agreements with GFL International Co., Ltd. ("GFL") to establish a joint venture ("JV Transaction"). As a result, both parties acquired equal ownership, holding 50% equity interests each in Li2023, a newly incorporated entity in Singapore.

- Li2023 was formed as a joint venture, with the Company and GFL each owning 50% equity.

- Upon closing, the Company transferred its interests in the Mali, Cote D'Ivoire, and Guinea projects, along with non-refundable deposits and advances made to Greenbrier Investments (Private) Ltd., a Zimbabwean exploration firm, to Li2023.

- Concurrently, GFL contributed $11,300,897 in cash to Li2023, of which $3,000,003 was advanced to the Company.

In September 2023, the Company and GFL finalized the Joint Venture Agreement ("JVA"), which governs Li2023's operations. The JVA designates the Company as the manager and operator of the joint venture, entitled to an arm's length fee for services, calculated as the lesser of $50,000 or 5% of the applicable budget. However, the Company does not intend to collect this operator's fee.

A management committee, with equal representation from the Company and GFL, was established to oversee the JV's operations and development activities. As the JV operator, the Company commits to provide sufficient financial resources to support Li2023's operations and agreed not to demand repayment of intercompany receivables unless otherwise agreed.

The JVA introduced joint control of Li2023, meaning the Company no longer exclusively controls the assets and liabilities contributed. According to IFRS 11 – Joint Arrangements, Li2023 qualifies as a joint venture, and the Company began applying equity accounting for its interest in Li2023 as of September 13, 2023, the date the JV was finalized.

On this date, the Company derecognized the assets and liabilities of its former Mali, Cote D'Ivoire, and Guinea subsidiaries, as well as any previously recognized non-controlling interests in these entities.

Simultaneously, the Company recognized the fair value of its retained investment in Li2023, recording a gain from the loss of control of the net assets. This gain was measured as the difference between the fair value of the investment retained and the carrying value of the net assets contributed, consistent with IFRS 10 – Condensed Consolidated Interim Financial Statements.

The JV Transaction was completed on September 13, 2023, resulting in both parties holding equal equity in Li2023.

At closing, the Company transferred its interests in Mali Cathode Lithium SARL ("MCL"), Africain Lithium Mining Ressource Mali SARL ("ALMRM"), Danaya Holding Ressources SARL ("Danaya"), Africain Lithium Mining Ressource Cote D'Ivoire SARL ("ALMRCI"), Africain Lithium Mining Resources Guinea SARL ("ALMRG"), and Guinean Lithium Resources SARL ("GLR") (collectively, the "JV properties"), as well as non-refundable deposits and advances amount to $1,658,701 which the Company advanced to Greenbrier up to September 13, 2023 , to Li2023.

As a result of the JV Transaction, the Company converted the principle amount of the $3,835,235 a received from GFL into 178,383 preferred shares, As of March 31, 2026, $92,685 in interest remains relating to the promissory note remain outstanding and payable to GFL, with no interest expense.

8. Interests in joint ventures (continued)

As the JV is structured within the legal entity of Li2023, the JV represents a joint venture as defined under IFRS 11 – Joint Arrangements and the Company therefore commenced equity accounting for its interest in the JV effective September 13, 2023. During the year ended December 31, 2024, the Company made a payment of $1,000,000 to Li2023. This advance was used for a share subscription of 1,000,000 shares in Li2023, these shares were issued in March 2025. On July 25, 2025, the Company paid $1,000,000 to Li2023 in exchange for 500,000 shares in the capital of Li2023. These shares were issued in July 2025. On November 26, 2025, the Company paid $500,000 to Li2023 in exchange for 500,000 shares in the capital of Li2023. These shares were issued in November 2025.

The following table summarizes the change in the carrying amount of the Company's investment in the joint venture:

		March 31, 2026		December 31, 2025
Balance, beginning	$	**3,279,701**		8,391,875
Investment in joint venture		**-**		2,500,000
Company's share of net loss		**(425,028)**		(7,518,866)
Company's share of other comprehensive (loss)/income		**(53,458)**		(93,308)
Balance, ending	**$**	**2,801,215**	**$**	3,279,701

During the year ended December 31, 2024, GFL made a payment of $1,000,000 to Li2023. This advance was used for a share subscription of 1,000,000 shares in Li2023, these shares were issued in March 2025. In July 2025, GFL paid $520,348 to Li2023 in exchange for 500,000 shares in the capital of Li2023. These shares were issued in July 2025. On November 26, 2025, GFL paid $500,000 to Li2023 in exchange for 500,000 shares in the capital of Li2023. These shares were issued in November 2025. Each of the Company and GFL's 50% equity interest in Li2023 remains unchanged as at March 31, 2026.

8. Interests in joint ventures (continued)

Operating and financial results of Li2023 for the three months ended March 31, 2026 summarized financial information for the Company's investment in the JV is outlined in the table below.

All disclosures in this note are on a 100% Li2023 basis, unless otherwise indicated. Li2023 applies the same accounting policies as the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Financial period from January 1, 2026, to March 31, 2026

	Three months ended March 31, 2026	Three months ended March 31, 2025
	US$	US$
Exploration and evaluation	483,274	389,321
Fees and salaries	118,735	103,145
Legal and professional	190,731	74,367
Depreciation	20,740	26,870
Office and administration	74,105	38,112
Foreign exchange loss / (gain)	6,263	(7,719)
	893,848	624,096
Loss before income tax		
Income tax	-	-
Loss for the period	893,848	624,096
Other comprehensive loss		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation loss / (income) attributed to equity shareholders of the parent company	106,915	23,805
Foreign currency translation loss / (income) attributed to equity shareholders of NCI	27,768	6,182
Other comprehensive loss / (income) for the period	134,683	29,987
Total comprehensive loss for the period	1,028,531	654,083
Loss attributed to:		
Shareholders of the Company	850,057	572,837
Non-controlling interest	43,791	51,259
	893,848	624,096
Total comprehensive loss attributed to:		
Shareholders of the Company	956,972	596,642
Non-controlling interest	71,559	57,441
	1,028,531	654,083

8. Interests in joint ventures (continued)

The assets and liabilities of Li2023, on a 100% basis, as at March 31, 2026 and December 31, 2025 were as follows:

STATEMENTS OF FINANCIAL POSITION
March 31, 2026

	Group	
	March 31, 2026	December 31, 2025
	US$	US$
ASSETS		
Current Assets		
Cash and cash equivalents	128,784	59,792
Prepaid expenses	49,698	36,657
Receivables	117,852	114,870
Total current assets	296,334	211,319
Non-current assets		
Non-refundable deposits	250,000	250,000
Advances	103,600	103,600
Property and equipment	163,544	188,064
Unproven mineral property interests	7,536,625	7,536,625
Total non-current assets	8,053,769	8,078,289
Total assets	8,350,103	8,289,608
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	35,721	153,774
Related party payables	1,726,280	519,201
Total current liabilities	1,762,001	672,975
Non-current liabilities		
Deferred tax liability	1,327,945	1,327,945
Total non-current liabilities	1,327,945	1,327,945
TOTAL LIABILITIES	3,089,946	2,000,920
Equity		
Share capital	27,121,472	27,121,472
Revaluation reserves	(190,789)	(83,874)
Accumulated deficit	(21,781,661)	(20,931,604)
Non-controlling Interests	111,135	182,694
Total equity	5,260,157	6,288,688
Total liabilities and equity	8,350,103	8,289,608

9. Proposed Transaction

On February 25, 2026, the Company entered into a definitive agreement to acquire a large lithium project in South Africa, including a past-producing spodumene mine, a related ore stockpile and 1,675 km2 land package hosting a known field of mapped LCT pegmatites (the "Springbok Project").

Per the terms of the agreement the Company will acquire 70% of Namli Exploration & Mining Proprietary Limited ("Namli") in a staged transaction whereby 30% will be acquired immediately upon receipt of authorization under the South African Currency and Exchanges Act and the remaining 40% will be acquired upon receipt of consent to the Company acquiring a majority stake in Namli from the South African State Department of Mineral and Petroleum Resources (the "s11 Consent") for consideration of:

- $1.35 million in cash (paid in two installments of 30% upfront and 70% after receipt of s11 Consent);
- $150,000 to settle a third-party claim relating to the Springbok Project; and
- $2.5 million paid over 24 months (monthly payments of $104,167) pursuant to an equipment leasing agreement.

The Company has also agreed to pay a consultant (arm's length to the Company and Namli), $200,000 in common shares of the Company; 50% which has been settled via issuance of 77,949 common shares with a fair value of $111,949 and the balance will be settled upon completion of the acquisition of the 70% stake in Namli.

As at March 31, 2026, $636,984 (December 31, 2025 - $25,000) have been paid in cash which have been capitalized as deferred acquisition costs pending closing of the transaction. The common shares issued above were also capitalized as deferred acquisition cost.

Namli holds a prospecting right (NC13301PR) and a mining permit (NC10950MP) comprising the Springbok Project.

10. Equity investment

On July 17, 2023 the Company paid $112,390 to subscribe for 20,833 shares or 13.3% of outstanding shares in E&R (PORTUGAL) LIMITED a company incorporated in England and Wales under company registration number 14926498. The Company recognized the investment as an equity investment measured at fair value through profit or loss. Because the investment is an unquoted investment in a private entity and the primary asset is an exploration stage resource property, the fair value is highly subjective. The Company has determined that fair value approximates the cost basis of the investment. As at March 31, 2026, the asset's fair value has been determined as $112,390.

11. Property and equipment

		Furniture
Cost		
Balance December 31, 2025	$	45,021
Current year additions		-
Balance March 31, 2026		**45,021**
Amortization		
Balance December 31, 2025		2,251
Current year amortization		2,251
Balance March 31, 2026		**4,502**
Net book value		
Balance December 31, 2025		**42,770**
Balance March 31, 2026	**$**	**40,519**

12. Accounts payable and accrued liabilities

		March 31, 2026		December 31, 2025
Accounts payable	**$**	**293,217**	$	410,972
Amounts due to related parties (Note 14)		**3,645**		10,367
Accrued liabilities		**5,000**		192,006
Total accounts payable and accrued liabilities	**$**	**301,862**	$	613,345

13. Share capital and reserves

Authorized share capital

The authorized share capital of the Company is $50,000 divided into 500,000,000 Common Shares of $0.0001 par value each.

Issued share capital

For the three months ended March 31, 2026

On March 31, 2026, there were 24,978,317 (December 31, 2025 – 14,431,340) issued and fully paid common shares.

As part of the RTO transaction (Note 4), LARC consolidated its outstanding common shares on a 10:1 basis.

On February 11, 2026, the Company issued 956,977 units on a post-split basis after completing the 1 to 10 share split (Note 4), each consisting of one Common Share of the Company, and one share purchase warrant of the Company. The value of this warrants was Nil using the residual method Each warrant will entitle the holder thereof to acquire one Common Share (at a price of CAD$3.70 for a period of five years following the Closing Date of August 29, 2025). The Company paid a cash fee of $128,237 and issued 60,650 post-split warrants at a price of CAD$2.80 with a 3 year expiry following the closing date to the Agents.

As part of the RTO transaction (Note 4), all preferred shares were converted to 2,999,610 common shares. These common shares were also split on the basis of 1 (old) common share for 10 (new) common shares (note 4).

On March 18, 2026, the Company closed a private placement of 4,411,565 units of the Company (the “Units”) at a price of CAD$2.00 per Unit for gross proceeds of CAD$8,823,130 (the “Offering”).

Each Unit consisted of one share in the capital of the Company (a “Unit Share”) and one-half of one share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder thereof to purchase one additional Unit Share (a “Warrant Share”) at an exercise price of CAD$2.80 per Warrant Share for a period of 3 years following the closing of the Offering. The value of these warrants is $32,187 using the residual method.

ATB Cormark Capital Markets acted as the agent in connection with the Offering (the “Agent”). The net proceeds from the sale of the Units will be used as partial consideration in connection with the acquisition of the Springbok Project and for working capital and general corporate purposes.

The Company incurred CAD$95,500 in USD of related shared issuance cost as part of the private placement.

13. Share capital and reserves (continued)

Issued share capital (continued)

Pursuant to an agency agreement among the Company and the Agent dated March 18, 2026, the Company:

(i) paid a cash fee of approximately CAD$587,708 to the Agent; and
(ii) issued 293,854 broker warrants with a value of $290,260 (the "Broker Warrants") to the Agent. Each Broker Warrant is exercisable into one common share of the Company at the Offering Price for a term of two years expiring on March 18, 2028.

The Units, Unit Shares and Warrants issued pursuant to the Offering are subject to a statutory hold period in Canada expiring four months and one day expiring on July 19, 2026. The Offering remains subject to the final acceptance of the TSX Venture Exchange ("TSXV").

On March 30, 2026 the Company issued 77,949 common shares to a consultant with a value of $111,949 (arm's length to the Company and Namli), in relation to the acquisition of Namli (Note 9).

Preferred shares

As part of the RTO transaction, all preferred shares were converted to common shares. These common shares were also split on the basis of 1 (old) common share for 10 (new) common shares (Note 4).

No preferred shares were issued during the three months ended March 31, 2026.

Reserves

Company reserves are made of equity settled employee compensation and accumulated currency translation adjustments.

a. Stock options

On September 30, 2025, the Company implemented an Omnibus Incentive Plan (the "Plan"), enabling the Board to grant stock options to purchase common shares in the capital of the Company to eligible persons (collectively, "Optionees") in consideration of such Optionees providing services to the Company or a subsidiary of the Company.

The number of stock options granted by the Company to Optionees is determined by the Board, within the guidelines established by the Plan. The stock options enable such persons to purchase common shares at a price fixed under such guidelines.

The aggregate number of shares that may be issued pursuant to options granted under the Plan, unless otherwise approved by shareholders, may not exceed that number which is equal to 10% of the issued and outstanding shares of the Company at the time of the grant and the term of any stock option will not exceed ten years.

The equity settled employee compensation reserve records items recognized as Share-based compensation until such time that the stock options are exercised, at which time the corresponding amount is transferred to share capital.

13. Share capital and reserves (continued)

***Reserves** (continued)*

***a. Stock options** (continued)*

As at March 31, 2026 the following stock options have been granted.

	Number of Options	Weighted average remaining contractual life (years)	Weighted Average Exercise Price ($)
Balance, December 31, 2025	2,186,835	3.34	1.94
Balance, March 31, 2026	2,186,835	3.10	1.94

As at March 31, 2026, the following options were exercisable and outstanding:

	Outstanding		Exercisable			
Grant date	Exercise price (USD$)	Number of options	Exercise price (USD$)	Number of options	Expiry date	Weighted average contractual life
19-Jan-24	2.00	1,028,500	2.00	685,650	18-Jan-29	2.80
20-May-24	2.00	250,000	2.00	250,000	19-May-29	3.13
4-Oct-24	2.00	150,000	2.00	150,000	19-May-29	3.13
25-Jun-24	0.91	83,335	0.91	83,335	25-Jun-29	3.23
28-Nov-24	1.71	125,000	1.71	125,000	28-Nov-29	3.66
11-Dec-24	2.00	550,000	2.00	183,333	11-Dec-29	3.69
	1.94	2,186,835	1.91	1,477,318		3.10

The Company used the Black-Scholes Option Pricing model and recorded total share-based compensation expense of $298,818 for the three months ended March 31, 2026 from which $170,897 were for the vested portion of options granted and $127,921 for RSUs. No options were granted during the three months ended March 31, 2026.

b. Warrants

As at March 31, 2026, the following warrants have been granted.

	Number of Warrants	Weighted Average Exercise Price ($)
Balance, December 31, 2025	1,427,214	2.53
Issued	3,517,263	2.18
Balance, March 31, 2026	4,944,477	2.28

13. Share capital and reserves (continued)

***Reserves** (continued)*

***b. Warrants** (continued)*

As at March 31, 2026, The following table summarizes the continuity of warrants:

Number of Warrants	Exercise Price ($)	Expiry Date	Weighted average contractual life
54,630	2.60	22-Apr-28	2.06
31,750	2.60	4-Jul-28	2.26
2,205,782	2.04	18-Mar-29	2.96
293,854	1.46	18-Mar-29	2.96
106,874	1.71	28-Nov-29	3.66
780,430	2.60	22-Apr-30	4.05
453,530	2.60	4-Jul-30	4.25
956,977	2.73	29-Aug-30	4.40
60,650	2.06	29-Aug-30	4.40
4,944,477	2.28		3.55

c. Restricted shares units ("RSU`s")

As at March 31, 2026, the following RSUs were exercisable and outstanding:

	Number of RSUs	Weighted average price $
Balance, December 31, 2025	-	-
Issued	1,325,000	2.04
Balance, March 31, 2026	**1,325,000**	**2.04**

Number of RSUs Outstanding	Number of RSUs vested	Stock price at grant date	Vesting Date
1,075,000	-	2.05	February 18, 2028
125,000	-	2.02	March 27, 2027
125,000	-	2.02	March 27, 2028
1,325,000	-	2.04	

During the three months ended March 31, 2026, the Company recorded share-based compensation of $298,818 for which $127,921 (2025 - $Nil) related to RSUs and $170,897 to .

During the three months ended March 31, 2026, the Company issued 1,325,000 (2025 – Nil) RSUs with a fair value of $2,708,570 (2025 - $Nil). Of this amount, $1,768,125 was related to officers and directors of the Company (2025 - $Nil). The Company will issue one common share for each RSU upon vesting. As at March 31, 2026, the Company have 1,325,000 (December 31, 2025 – Nil) shares issuable.

13. Share capital and reserves (continued)

***Reserves** (continued)*

d. Foreign currency reserve:
The foreign currency reserve records unrealized exchange differences arising on translation of group companies that have a functional currency other than the Company's reporting currency. As of March 31, 2026, the Company has recorded $1,148. (December 31, 2025 – $4,968)

14. Related party transactions

Balances

As at March 31, 2026, $3,645 (December 31, 2025 – $10,367) is due to directors and officers of the Company and is included in accounts payable and accrued liabilities (Note 12), and $92,685 (December 31, 2025 – $92,685) included in other payables. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

As at March 31, 2026, $1,726,280 (December 31, 2025 due from Li2023 – $519,201) is due from Li2023 PTE. Ltd. and is included in related party receivables. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Transactions

Key management compensation:

Key management consists of the Company's directors, executive officers, and senior management. Compensation includes amounts paid to these individuals and companies they control:

Transactions

		March 31, 2026		March 31, 2025
Director fees	**$**	**3,645**	$	-
Management fees to the CEO		**88,332**		45,000
Management fees to the President		**60,000**		45,000
Management fees to the CFO		**43,500**		37,500
Consulting fees paid to a director		**30,000**		30,000
Share-based compensation		**201,235**		224,413
	$	**426,712**	$	381,913

The table below shows the fees which were paid by the Company on behalf of Li2023.

		March 31, 2026		March 31, 2025
Management fees to the CEO	**$**	**33,566**	$	22,500
Management fees to the President		**33,600**		33,750
Management fees to the CFO		**16,530**		18,750
Consulting fees paid to a director		**27,000**		27,000
	$	**110,696**	$	102,000

15. Exploration and evaluation

Exploration		March 31, 2026		March 31, 2025
Exploration of potential projects	**$**	**104,101**	$	125,825
Travel & Accomodation		**19,965**		79,256
Field Equipment		**-**		137
Consultants - Geologists		**41,299**		13,133
Administration		**1,907**		271
Total	**$**	**167,272**	**$**	218,622

16. Financial risk and capital management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts, The majority of cash is deposited in bank accounts at two major banks in Canada. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. All financial liabilities are current in nature.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to necessary levels of equity funding. Liquidity risk is assessed as high.

Foreign exchange risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to foreign currency exchange risk as it expenses, and liabilities denominated in currencies other than the functional currency of the Company and its subsidiaries.

Since the Company's reporting currency is United States dollars and the Company through its investments and its subsidiaries have operations in Mali and in other parts of Africa, the Company is exposed to foreign currency fluctuations on its reported amounts of AUD, CAD, Euro, MAD, ZAR, and GBP assets and liabilities.

16. Financial risk and capital management (continued)

As at March 31, 2026, the Company had the following AUD, CAD, Euro, MAD, ZAR, and GBP denominated assets and liabilities:

	31-Mar-26					December 31, 2025				
	AUD	CAD	Euros	SGD	ZAR	AUD	CAD	Euros	GBP	MAD
Cash	$ 1,482	$ 4,882,771	$ -	$ -	$ -	$ 4,874	$ 24,091	$ -	$ -	$ -
Receivables	-	11,791	-	-	-	-	9,998	-	-	-
Accounts payable and accrued liabilities	-	(128,051)	(3,481)	(19,254)	(52,974)	-	(117,792)	(3,522)	10,367	(97,593)
Total	$ 1,482	$ 4,766,511	$ (3,481)	$ (19,254)	$ (52,974)	$ 4,874	$ (83,703)	$ (3,522)	$ 10,367	$ (97,593)

As at March 31, 2026, a 10% change in exchange rates between AUD, CAD, Euro, SGD, and ZAR, and would impact the Company's net income (loss) by $469,229 (December 31, 2025 – $16,957).

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risks.

Capital Management
The Company's policy is, if permitted by market conditions, to maintain a strong capital base so as to support investor and creditor confidence and support future development of the business. The capital structure of the Company consists of equity, comprising share capital and reserves net of accumulated deficit. The Company is not subject to any externally imposed capital requirements. There has been no change in the Company's management of capital during the three months ended March 31, 2026.

Fair value
The Company's financial instruments consist of cash, equity investment, amounts receivable, accounts payable, embedded derivative liability, and other payables and accrued liabilities. The fair value of these financial instruments, excluding the embedded derivative liability, approximates their carrying values due to the short-term nature of these investments and liabilities. Cash, amounts receivable, accounts payable and other payables and accrued liabilities are measured at fair value using Level 1 inputs.

Management has determined that the embedded derivative liability and the equity investment were classified as level 3 as inputs used for the valuation models are not observable inputs.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

17. Subsequent events

On April 8, 2026, the Company issued 7,812 deferred share units with a fair market value of $12,668 to directors of the Company. These units vest in full on April 7, 2028.

On May 29, 2026, the Company issued 200,000 restricted share units with a fair market value of $252,700 to the Company's VP Exploration. These units vest in full on May 28, 2028.