
SOKOMAN MINERALS CORP.
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
THREE AND SIX MONTHS ENDED
DECEMBER 31, 2023
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Sokoman Minerals Corp. ("Sokoman" or the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Sokoman Minerals Corp.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

Unaudited

	As at December 31, 2023	As at June 30, 2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,646,438	\$ 4,890,535
Amounts receivable (note 3)	246,028	362,948
Prepaid expenses (note 3)	59,232	48,209
Security deposit (note 3)	5,700	2,550
Marketable securities (note 4)	1,165,383	127,154
Total current assets	5,122,781	5,431,396
Non-current assets		
Property and equipment (note 5)	198,002	231,146
Exploration and evaluation assets (note 6)	927,307	1,039,623
Investment in Vinland Lithium Inc. (note 7)	4,008,771	-
Total assets	\$ 10,256,861	\$ 6,702,165
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 10)	\$ 180,631	\$ 1,423,615
Total liabilities	180,631	1,423,615
Equity		
Share capital (note 9)	42,711,061	39,428,676
Warrants (note 9)	2,059,012	1,806,867
Contributed surplus	7,745,414	7,734,758
Deficit	(42,439,257)	(43,691,751)
Total equity	10,076,230	5,278,550
Total equity and liabilities	\$ 10,256,861	\$ 6,702,165

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

Nature of operations and going concern (note 1)

Commitments (note 11)

Sokoman Minerals Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Income (loss)

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Six Months Ended December 31, 2023	Six Months Ended December 31, 2022
Expenses				
Mineral exploration expenses (notes 8 and 10)	\$ 1,350,646	\$ 2,234,074	\$ 3,380,191	\$ 5,378,936
Office and general	57,818	56,831	74,873	95,341
Filing fees	33,276	9,995	38,488	14,537
Business development and promotion (note 10)	56,861	60,693	122,665	142,328
Directors fees (note 10)	8,400	8,474	15,600	15,674
Professional fees (note 10)	83,851	41,891	102,965	70,273
Salaries and benefits (note 10)	7,583	30,314	18,088	53,969
Share-based payments (note 10)	3,752	89,718	10,656	281,346
Amortization (note 5)	156	196	312	392
Write down of mineral properties (note 6)	-	-	-	21,750
Net loss before other items	(1,602,343)	(2,532,186)	(3,763,838)	(6,074,546)
Other items				
Interest income	1,407	27,477	29,171	60,957
Option income (note 6)	5,030,511	-	5,030,511	-
Loss on sale of property and equipment	-	-	-	734
Unrealized loss on marketable securities (note 4)	(18,035)	(1,306)	(26,995)	(39,308)
Equity loss on investment	(16,355)	-	(16,355)	-
	4,997,528	26,171	5,016,332	22,383
Net and comprehensive income (loss) for the period	\$ 3,395,185	\$ (2,506,015)	\$ 1,252,494	\$ (6,052,163)
Basic and diluted net income (loss) per share	\$ 0.01	\$ (0.01)	\$ 0.01	\$ (0.03)
Weighted average number of common shares outstanding	229,315,758	214,764,966	229,315,758	214,513,952

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

Sokoman Minerals Corp.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Six Months Ended December 31, 2023	Six Months Ended December 31, 2022
Operating activities		
Net income (loss) for the period	\$ 1,252,494	\$ (6,052,163)
Adjustments for:		
Amortization	312	392
Amortization in exploration expenses	32,832	39,890
Share-based compensation	10,656	281,346
Write down of mineral properties	-	21,750
Option income	(5,030,511)	-
Gain on sale of property and equipment	-	(734)
Unrealized loss on marketable securities	26,995	39,308
Equity loss on investment	16,355	-
Changes in non-cash working capital items:		
Amounts receivable	116,920	217,489
Prepaid expenses	(11,023)	(19,399)
Security deposit	(3,150)	-
Accounts payable and accrued liabilities	(1,242,984)	(856,816)
Net cash used in operating activities	(4,831,104)	(6,328,937)
Investing activities		
Exploration and evaluation assets expenditures (net of cash received)	66,715	(75)
Purchase of property and equipment	-	(36,947)
Proceeds from sale of property and equipment	-	7,000
Investment in Vinland Lithium Inc.	(1)	-
Net cash provided by (used in) investing activities	66,714	(30,022)
Financing activities		
Proceeds from private placement	3,711,035	4,142,752
Share issuance costs	(190,742)	(199,886)
Net cash provided by financing activities	3,520,293	3,942,866
Net change in cash and cash equivalents	(1,244,097)	(2,416,093)
Cash and cash equivalents, beginning of period	4,890,535	10,339,658
Cash and cash equivalents, end of period	\$ 3,646,438	\$ 7,923,565
Supplemental information		
Broker warrants issued	\$ 41,845	\$ -
Shares issued to acquire exploration properties	\$ 14,237	\$ 19,092
Shares received for exploration properties	\$ 1,065,224	\$ 7,836

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

Sokoman Minerals Corp.

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

Unaudited

	Share capital					
	Number of shares	Share capital	Warrants	Contributed surplus	Deficit	Total
Balance, June 30, 2022	214,190,396	\$ 35,974,018	\$ 2,376,067	\$ 6,262,798	\$(33,752,177)	\$ 10,860,706
Private placements	14,795,544	4,142,752	-	-	-	4,142,752
Share issue costs	-	(199,886)	-	-	-	(199,886)
Warrant valuation	-	(534,800)	534,800	-	-	-
Shares issued to acquire exploration properties	92,107	19,092	-	-	-	19,092
Share-based payments	-	-	-	281,346	-	281,346
Net loss and comprehensive loss for the period	-	-	-	-	(6,052,163)	(6,052,163)
Balance, December 31, 2022	229,078,047	\$ 39,401,176	\$ 2,910,867	\$ 6,544,144	\$(39,804,340)	\$ 9,051,847
Balance, June 30, 2023	229,253,047	\$ 39,428,676	\$ 1,806,867	\$ 7,734,758	\$(43,691,751)	\$ 5,278,550
Private placements	57,092,846	3,711,035	-	-	-	3,711,035
Share issue costs	-	(232,587)	41,845	-	-	(190,742)
Warrant valuation	-	(210,300)	210,300	-	-	-
Shares issued to acquire exploration properties	160,389	14,237	-	-	-	14,237
Share-based payments	-	-	-	10,656	-	10,656
Net income and comprehensive income for the period	-	-	-	-	1,252,494	1,252,494
Balance, December 31, 2023	286,506,282	\$ 42,711,061	\$ 2,059,012	\$ 7,745,414	\$(42,439,257)	\$ 10,076,230

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

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended December 31, 2023

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern

Sokoman Minerals Corp. ("Sokoman" or "Company") is a public company listed on the TSX Venture Exchange (TSXV-SIC) and operating under the laws of the Province of British Columbia. The Company is an exploration-stage company that is in the process of exploring its mineral properties located in Canada and has not yet determined whether these properties contain reserves that are economically recoverable. The Company's registered office is 82 Richmond Street East, Toronto, Ontario M5C 1P1.

These unaudited condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from December 31, 2023. At December 31, 2023, the Company has an accumulated deficit of \$42,439,257 (June 30, 2023 - deficit of \$43,691,751) and has working capital of \$4,942,150 (June 30, 2023 - \$4,007,781). The Company's ability to continue as a going concern is dependent upon its ability to generate sufficient funds and continue to obtain sufficient capital from investors to meet its current and future obligations. The Company is subject to risks and challenges similar to other exploration stage companies. As a result of these risks, a material uncertainty exists that cast's significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Company's funding initiatives will continue to be successful and these unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Company will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

2. Summary of significant accounting policies

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with 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 accounting policies followed in these unaudited condensed interim consolidated financial statements are the same as those applied in the audited annual financial statements of the Company for the year ended June 30, 2023.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of February 27, 2024, the date the Audit Committee approved the statements.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended December 31, 2023

(Expressed in Canadian Dollars)

Unaudited

3. Amounts receivable, prepaid expenses and security deposit

	As at December 31, 2023	As at June 30, 2023
Prepaid expenses	\$ 59,232	\$ 48,209
Security deposit	5,700	2,550
HST receivable	222,752	240,095
Accounts receivable	20,338	40,722
Interest receivable	2,938	82,131
	\$ 310,960	\$ 413,707

4. Marketable securities

All of the marketable securities held by the Company were acquired through current and prior year's property option and sales transactions with the below listed companies. As at December 31, 2023, the following securities were included in marketable securities:

	Number of shares	Acquisition cost	Fair value adjustment	Fair value
Thunder Gold Corp. (i)	1,750,000	\$ 102,500	\$ (41,250)	\$ 61,250
Trans Canada Gold Corp. (ii)	225,000	48,375	(40,500)	7,875
Canterra Minerals Corp. (iii)	850,000	136,000	(59,500)	76,500
Benton Resources Inc. (iv)	220,975	30,336	14,964	45,300
Piedmont Lithium Inc. (v)	26,099	1,050,224	(75,766)	974,458
Newfoundland Fluorspar Exploration Ltd.	1,000,000	-	-	-
Puddle Pond Resources Inc.	150,000	-	-	-
		\$ 1,367,435	\$ (202,052)	\$ 1,165,383

(i) The Company received a total of 1,750,000 shares as option payments valued at \$102,500 at the time of receipt for its Startrek property (see note 6).

(ii) The Company received 225,000 shares as an option payment valued at \$48,375 at the time of receipt for its Crippleback property (see note 6).

(iii) The Company received an aggregate of 850,000 shares as an option payment valued at \$136,000 at the time of receipt for its East Alder property (see note 6).

(iv) Pursuant to the Benton participation agreement, the Company received 220,975 Benton shares valued at \$30,336 at the time of receipt as Benton's contribution of the Company's Grey River option payments (see note 6).

(v) The Company received 26,099 Piedmont Lithium Inc. shares valued at \$1,050,224 at the time of receipt pursuant to the Killick Lithium asset transfer agreement (see note 6).

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended December 31, 2023

(Expressed in Canadian Dollars)

Unaudited

5. Property and equipment

Cost	Office equipment	Trucks	Prospecting equipment	Total
Balance, June 30, 2022	\$ 12,649	\$ 323,572	\$ 78,480	\$ 414,701
Additions	-	36,947	-	36,947
Disposals	-	(21,494)	-	(21,494)
Balance, June 30, 2023 and December 31, 2023	\$ 12,649	\$ 339,025	\$ 78,480	\$ 430,154

Accumulated Amortization	Office equipment	Trucks	Prospecting equipment	Total
Balance, June 30, 2022	\$ 8,736	\$ 80,692	\$ 44,244	\$ 133,672
Disposals	-	(15,228)	-	(15,228)
Depreciation for the year	784	72,932	6,848	80,564
Balance, June 30, 2023	9,520	138,396	51,092	199,008
Depreciation for the period	312	30,094	2,738	33,144
Balance, December 31, 2023	\$ 9,832	\$ 168,490	\$ 53,830	\$ 232,152

Carrying value	Office equipment	Trucks	Prospecting equipment	Total
Balance, June 30, 2023	\$ 3,129	\$ 200,629	\$ 27,388	\$ 231,146
Balance, December 31, 2023	\$ 2,817	\$ 170,535	\$ 24,650	\$ 198,002

6. Exploration and evaluation assets

	June 30, 2022	Additions (Disposals)	June 30, 2023	Additions (Disposals)	December 31, 2023
Moosehead	\$ 368,689	\$ -	\$ 368,689	\$ -	\$ 368,689
Crippleback	35,525	-	35,525	-	35,525
East Alder	51,500	(6,000)	45,500	(15,000)	30,500
Unity Resource	82,500	-	82,500	-	82,500
Burin Property	1	-	1	-	1
Lamaline	1	-	1	-	1
Iron Horse	1	-	1	-	1
Fleur de Lys	285,350	(23,785)	261,565	1,950	263,515
Benton Joint Venture	255,117	(9,276)	245,841	(99,266)	146,575
Total	\$ 1,078,684	\$ (39,061)	\$ 1,039,623	\$ (112,316)	\$ 927,307

Moosehead

The Company acquired 100% of the property during the year ended June 30, 2018. The Company issued 7,754,371 common shares and issued 1,428,571 share purchase warrants. The purchase warrants had an exercise price of \$0.05 per share and were fully exercised in 2019. The property is subject to a 2% NSR royalty. The Company had a requirement to incur \$500,000 in exploration expenditures on the property, which was incurred during the year ended June 30, 2019. Hence this spending requirement has been met.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended December 31, 2023

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Fleur de Lys

In March 2021, the Company acquired the Fleur de Lys Project on the Baie Verte Peninsula of northwestern Newfoundland, through staking and option agreements.

In June 2021, the Company entered into 2 property option agreements:

- The Company can acquire a 100% interest in a property (the "Duffitt Property") subject to a 2% NSR in favour of the optionors. 1% of the NSR may be purchased by the Company for \$1,000,000. Pursuant to the option agreement, the Company can acquire 100% interest in the Duffitt Property for the following considerations:
 - Cash payment of \$20,000 (completed);
 - Issuance of 75,000 Sokoman shares upon TSX Venture Exchange approval (completed);
 - Cash payment of \$20,000 and issuance of 100,000 Sokoman shares on or before the first anniversary (completed);
 - Cash payment of \$25,000 and issuance of 100,000 Sokoman shares on or before the second anniversary (completed); and
 - Cash payment of \$35,000 and issuance of 175,000 Sokoman shares on or before the third anniversary.
- The Company can acquire a 100% interest in a property (the "Squires/McGuire Property") subject to a 2% NSR in favour of the optionors. 1% of the NSR may be purchased by the Company for \$1,000,000. Pursuant to the option agreement, the Company can acquire 100% interest in the Squires/McGuire Property for the following considerations:
 - Cash payment of \$5,000 (completed);
 - Issuance of 25,000 Sokoman shares upon TSX Venture Exchange approval (completed);
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the first anniversary (completed);
 - Cash payment of \$15,000 and issuance of 75,000 Sokoman shares on or before the second anniversary (completed); and
 - Cash payment of \$20,000 and issuance of 100,000 Sokoman shares on or before the third anniversary.

Benton Joint Venture

Killick Lithium

In May 2021, the Company entered into a strategic alliance with Benton Resources Inc. ("Benton") to jointly acquire and explore gold opportunities in Newfoundland. The Company and Benton acquired, by staking, a new property named the Killick Lithium project (formerly the Golden Hope project).

On October 11, 2023, the Company and Benton entered into a Definitive Agreement (the "Transaction") with Piedmont Lithium Inc. and its subsidiaries ("Piedmont"), enabling Piedmont to earn up to a 70% direct and indirect ownership interest in the Killick Lithium project.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended December 31, 2023

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Benton Joint Venture (continued)

Killick Lithium (continued)

Pursuant to the terms of the Transaction, each of Benton and Sokoman assigned all of its rights and interest to the Killick Lithium project to Vinland Lithium Inc. ("Vinland"), a newly incorporated British Columbia corporation, in exchange for all of the issued and outstanding shares in the capital of Vinland, held by each of Benton and Sokoman in equal proportions. In turn, Vinland assigned the Killick Lithium project to its newly incorporated, wholly-owned subsidiary, Killick Lithium Inc. ("Killick").

Vinland and Piedmont entered into:

- (i) a subscription agreement pursuant to which Piedmont subscribed for a 19.9% ownership interest in Vinland for an aggregate subscription amount of \$2,000,000 (the "Subscription"); and
- (ii) a shareholders' agreement with Benton and Sokoman setting forth the framework for the governance of Vinland and for the holding, disposal and subsequent issuances of interests in Vinland.

Upon the completion of the Subscription, Killick and Piedmont entered into:

- (i) an earn-in agreement, pursuant to which Piedmont was granted the option to acquire up to a direct 62.5% interest in the Killick Lithium project (the "Earn-In Agreement");
- (ii) a royalty agreement pursuant to which Benton and Sokoman were jointly granted an aggregate 2% royalty on the net returns of precious metals and the value of lithium received from the Killick Lithium project; and
- (iii) a marketing agreement pursuant to which Piedmont was granted the exclusive marketing rights for the promotion and sale of lithium products produced from the Killick Lithium project.

Pursuant to the Earn-In Agreement, Piedmont was granted the option (the "Initial Earn-In Right") to acquire a 16.35% voting and participating interest in Killick in consideration of:

- (i) the issuance by Piedmont to each of Benton and Sokoman of shares of its common stock having an aggregate subscription price of \$2,000,000 (completed) based on Piedmont's 10-day volume weighted average price ("VWAP") up to the date of the initial interest exercise notice, and
- (ii) payment of work expenditures in the aggregate amount of at least \$6,000,000 (the "Initial Earn-In Amount") within the 30-month period following the Initial Earn-In Right exercise notice.

Upon exercise of the Initial Earn-In Right by Piedmont, Piedmont's combined direct and indirect (through Vinland) ownership interest in Killick will be equal to approximately 33%.

Within 60 days following the funding of the Initial Earn-In Amount, Piedmont shall have the option (the "First Additional Earn-In Right"), exercisable by notice, to acquire an additional 21.65% (totaling 38%) voting and participating interest in Killick (the "First Additional Interest") in consideration of:

- (i) the issuance by Piedmont to each of Benton and Sokoman of shares of its common stock having an aggregate subscription price of \$2,000,000 based on Piedmont's 10-day VWAP up to the date of the First Additional Earn-In Right exercise notice; and
- (ii) payment of work expenditures in the aggregate amount of at least \$3,000,000 (the "First Additional Earn-In Amount") within the 12-month period following the First Additional Earn-In Right exercise notice.

Upon exercise of the First Additional Earn-In Right by Piedmont, Piedmont's combined direct and indirect (through Vinland) ownership interest in Killick will be equal to approximately 50%.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended December 31, 2023

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Benton Joint Venture (continued)

Killick Lithium (continued)

Within 60 days following the funding of the First Additional Earn-In Amount, Piedmont shall have the option (the "Second Additional Earn-In Right"), exercisable by notice, to acquire an additional 24.5% (totaling 62.5%) voting and participating interest in Killick (the "Second Additional Interest") in consideration of:

- (i) the issuance by Piedmont to each of Benton and Sokoman of shares of its common stock having an aggregate subscription price of \$6,000,000 based on Piedmont's 10-day VWAP up to the date of the Second Additional Earn-In Right exercise notice; and
- (ii) payment of work expenditures in the aggregate amount of at least \$3,000,000 (the "Second Additional Earn-In Amount") within the 12-month period following the Second Additional Earn-In Right exercise notice.

Upon exercise of the Second Additional Earn-In Right by Piedmont, Piedmont's combined direct and indirect (through Vinland) ownership interest in Killick will be equal to approximately 70%.

The Company has accounted for the assignment of its rights and interest in the Killick Lithium project to Vinland as a disposition of exploration and evaluation asset. As a result, the Company recorded an option income of \$5,030,511.

Grey River

In May 2021, the Company and Benton jointly acquired the Grey River Project optioned from local interests under letter agreements.

In July 2021, the Company entered into 2 property option agreements on behalf of the strategic alliance with Benton:

- The Company can acquire a 100% interest in a property (the "Lewis Property") subject to a 1.5% NSR in favour of the optionors. 1% of the NSR may be purchased by the Company for \$1,000,000. Pursuant to the option agreement, the Company can acquire 100% interest in the Lewis Property for the following considerations:
 - Cash payment of \$10,000 (completed);
 - Issuance of 50,000 Sokoman shares upon TSX Venture Exchange approval (completed);
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the first anniversary (completed);
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the second anniversary (completed); and
 - Cash payment of \$10,000 and issuance of 500,000 Sokoman shares on or before the third anniversary.
- The Company can acquire a 100% interest in a property (the "G2B Property") subject to a 1.5% NSR in favour of the optionors. 1% of the NSR may be purchased by the Company for \$1,000,000. Pursuant to the option agreement, the Company can acquire 100% interest in the G2B Property for the following considerations:
 - Cash payment of \$10,000 (completed);
 - Issuance of 50,000 Sokoman shares upon TSX Venture Exchange approval (completed);
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the first anniversary; and
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the second anniversary.

During the year ended June 30, 2023, the Company returned the G2B Property to the vendors and wrote down the mineral properties by \$21,750.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended December 31, 2023

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Benton Joint Venture (continued)

Larry's Pond

Sokoman and Benton jointly entered into an option agreement to acquire the Larry's Pond Project. Under the terms of the joint venture, the Company will reimburse Benton for 50% of the following option payments to be made by Benton:

- Cash payment of \$10,000 on execution of the agreement (completed);
- Issuance of 50,000 Benton shares upon receipt of Exchange approval of the agreement (completed);
- Cash payment of \$10,000 and issuance of 50,000 Benton shares by the first anniversary;
- Cash payment of \$10,000 and issuance of 50,000 Benton shares by the second anniversary; and
- Cash payment of \$30,000 and issuance of 50,000 Benton shares by the third anniversary.

Central Newfoundland Gold Project

During the year ended June 30, 2017, the Company acquired, through a combination of staking and option, the central Newfoundland Gold Project which consists of three separate properties: 1. Crippleback Lake; 2. Princess Lake; and, 3. East Alder properties in central Newfoundland.

Crippleback Lake

The property was acquired during the year ended June 30, 2017. To obtain a 100% interest, the Company is committed to the following payments: total cash of \$34,500 (paid) and, share payments totaling 600,000 (issued) over a three-year option agreement. The vendors will retain a 2% NSR with a buyback of 1% for \$1 million, as well as, a 1% NSR on Sokoman's contiguous claims with a \$500,000 cash buyback of 0.5%. The vendors will also receive 10% of the value of any third party transaction Sokoman completes on the property, as well as first consideration for any eligible field work.

In June 2021, the Company entered into an option agreement with Trans Canada Gold Corp ("Trans Canada"), whereby Trans Canada can earn a 100% interest in the Crippleback property, subject to a 1% NSR, by issuing a total of 1,250,000 shares of Trans Canada (225,000 shares received) to the Company as well as cash and work commitments totaling \$600,000 over a 4-year period. In June 2022, Trans Canada returned the property to the Company with no interest retained by Trans Canada.

East Alder

The property was acquired during the year ended June 30, 2017 and consists of two licenses and two separate agreements with:

a) Benton Resources Inc.

To obtain a 100% interest in this property, the Company is committed to the following payments:

- (i) 1 million common shares, due on signing of the agreement (completed);
- (ii) \$1,500 in cash, due on signing of the agreement (completed);
- (iii) 500,000 common shares, due on first anniversary of agreement date (completed);
- (iv) 500,000 common shares, due on second anniversary of agreement date (completed);

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended December 31, 2023

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Central Newfoundland Gold Project (continued)

East Alder (continued)

Sokoman is also committed to \$600,000 in payments, contingent on its reaching the following milestones:

- (i) \$100,000 payment in cash/shares/or mix, upon completion of a NI 43-101 compliant resource;
- (ii) \$200,000 payment in cash/shares/or mix upon completion of a pre-feasibility;
- (iii) \$300,000 cash payment upon completion of a final/full/bankable feasibility;

Benton Resources Inc. also retains a 2% NSR of which 1% can be purchased for \$1 million.

b) Unity Resources – a private consortium;

To obtain a 100% interest in this property, the Company is committed to the following payments:

- (i) 750,000 common shares, due on signing of the agreement (completed);
- (ii) \$5,000 in cash, due on signing of the agreement (\$1,500 paid);
- (iii) 650,000 common shares, due on first anniversary of agreement date (completed);

Sokoman is also committed to \$600,000 in payments, contingent on its reaching the following milestones:

- (i) \$100,000 payment in cash/shares/or mix, upon completion of a NI 43-101 compliant resource;
- (ii) \$200,000 payment in cash/shares/or mix upon completion of a pre-feasibility;
- (iii) \$300,000 cash payment upon completion of a final/full/bankable feasibility;
- (iv) The vendors retain a 2% NSR of which half (1%) can be purchased for \$1 million cash.

In April 2021, the Company entered into an option agreement with Canterra Minerals Corporation ("Canterra") whereby Canterra can acquire 100% of the East Alder property. Pursuant to the terms of the option agreement, Canterra can acquire 100% of the property by issuing to the Company a total of 750,000 common shares of Canterra (received) and work commitments totaling \$600,000 over a 4-year period. The Company will retain a 1.0% NSR on the property, with Canterra having the right to buy down 0.5% of the NSR for \$1,000,000.

Startrek

The Company acquired 100% interest in two antimony/gold properties in northeastern Newfoundland, the Startrek and Antimony Ridge properties. The Company has issued two million common shares of Sokoman. The property is subject to a 2% NSR royalty to the vendors. This acquisition agreement is with parties related to a Director at the time. The Antimony Ridge property has since been dropped leaving only the Startrek property.

On December 17, 2018, the Company entered into an option agreement to grant White Metal Resources Corp ("White Metal") a 100% interest in the Startrek property. On August 17, 2020, the Company amended the terms of the option agreement. Pursuant to the terms of the amended option agreement, White Metal issued a total of 1,750,000 common shares over 2 years. As a result, the Company recognized an option income of \$52,500 during the year ended June 30, 2021.

Sokoman Minerals Corp.

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(Expressed in Canadian Dollars)

Unaudited

7. Investment in Vinland Lithium Inc.

Detail of the Company's investment in Vinland Lithium Inc. for the period ended December 31, 2023 is as follows:

	Number of shares	Carrying amount
Balance, June 30, 2022 and June 30, 2023	-	\$ -
Share received upon incorporation of Vinland Lithium Inc.	1	1
Shares received pursuant to Killick Lithium asset transfer agreement (note 6)	4,025,125	4,025,125
Equity loss on investment	-	(16,355)
Balance, December 31, 2023	4,025,126	\$ 4,008,771

The Company has recorded its investment in Vinland Lithium Inc. as an equity investment. As at December 31, 2023, the Company hold 4,025,126 Class A common shares (40.05%) of Vinland with a carrying value of \$4,008,771.

8. Mineral exploration expenses

A summary of exploration expenditures incurred for the periods ended December 31, 2023 and 2022 is as follows:

For six months ended December 31, 2023	Moosehead	Fleur de Lys	Benton Joint Venture	Crippleback	Total
Field office expenses	\$ 125,769	\$ 17,754	\$ 36,694	\$ 1,054	\$ 181,271
Geo services	277,555	6,678	217,670	4,148	506,051
Drilling	1,753,858	-	-	-	1,753,858
Analysis	147,484	38,553	68,728	-	254,765
Wages and salaries	356,316	89,700	113,967	2,187	562,170
Amortization	32,832	-	-	-	32,832
Travel and accommodations	61,314	8,580	5,328	530	75,752
Administrative	-	-	13,492	-	13,492
Total	\$ 2,755,128	\$ 161,265	\$ 455,879	\$ 7,919	\$ 3,380,191

For six months ended December 31, 2022	Moosehead	Fleur de Lys	Benton Joint Venture	Total
Field office expenses	\$ 61,246	\$ 13,022	\$ 96,982	\$ 171,250
Geo services	127,243	1,800	78,613	207,656
Drilling	1,187,888	-	658,525	1,846,413
Analysis	326,463	57,882	53,074	437,419
Wages and salaries	207,396	37,749	115,610	360,755
Amortization	19,945	-	-	19,945
Travel and accommodations	25,912	8,865	48,655	83,432
Administrative	-	-	17,992	17,992
Total	\$ 1,956,093	\$ 119,318	\$ 1,069,451	\$ 3,144,862

Sokoman Minerals Corp.

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9. Share capital

(a) Authorized share capital

- (i) an unlimited number of common shares
- (ii) an unlimited number of preferred shares issued in series (none issued to date)

(b) Common shares issued

	Number of shares	Share capital
Balance, June 30, 2022	214,190,396	\$ 35,974,018
Private placements (i)	14,795,544	4,142,752
Share issue costs (i)	-	(199,886)
Warrant valuation (i)	-	(534,800)
Shares issued to acquire exploration properties	92,107	19,092
Balance, December 31, 2022	229,078,047	\$ 39,401,176
Balance, June 30, 2023	229,253,047	\$ 39,428,676
Private placements (ii)(iii)	57,092,846	3,711,035
Share issue costs (ii)(iii)	-	(232,587)
Warrant valuation (ii)(iii)	-	(210,300)
Shares issued to acquire exploration properties	160,389	14,237
Balance, December 31, 2023	286,506,282	\$ 42,711,061

- (i) On December 28, 2022, the Company completed a non-brokered private placement for total proceeds of \$4,142,752 consisting of 14,795,544 flow-through units at a price of \$0.28 per unit. Each unit consisted of one common share and one half common share purchase warrant. Each whole warrant is exercisable for an exercise price of \$0.36 for a period of 18 months. In connection with the private placement, the Company incurred \$199,886 of cash share issuance costs.

The grant date fair value of the 7,397,772 warrants was estimated to be \$534,800 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 84%, risk-free interest rate of 4.02%, and expected life of 1.5 years.

- (ii) On November 29, 2023, the Company completed the first tranche of a non-brokered private placement for total proceeds of \$2,462,525 consisting of 37,885,000 flow-through units (the "FT Units") at a price of \$0.065 per unit. Each FT Unit consisted of one common share and one half common share purchase warrant ("Warrant"). Each whole Warrant is exercisable for an exercise price of \$0.13 for a period of 12 months. In connection with the private placement, the Company incurred \$123,881 of cash share issuance costs and issued 1,787,100 broker warrants ("Broker Warrants"). Each Broker Warrant is exercisable for an exercise price of \$0.10 for a period of 12 months.

The grant date fair values of the 18,942,500 Warrants and 1,787,100 Broker Warrants were estimated to be \$132,700 and \$30,880, respectively, using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 80%, risk-free interest rate of 4.17%, and expected life of 1 year.

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Unaudited

9. Share capital (continued)

(b) Common shares issued (continued)

(iii) On December 20, 2023, the Company completed the second and final tranche of a non-brokered private placement for total proceeds of \$1,248,510 consisting of 16,007,846 FT Units at a price of \$0.065 per unit and 3,200,000 non flow-through units. Each non flow-through unit consisted of one common share and one Warrant. In connection with the private placement, the Company incurred \$66,861 of cash share issuance costs and issued 879,240 Broker Warrants.

The grant date fair values of the 11,203,924 Warrants and 879,240 Broker Warrants were estimated to be \$77,600 and \$10,965, respectively, using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 81%, risk-free interest rate of 3.91%, and expected life of 1 year.

(c) Stock options

The Company has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares exercisable for a period of up to five (5) years.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of stock options	Weighted average exercise price
Balance, June 30, 2022, December 31, 2022 and June 30, 2023	12,725,000	\$ 0.29
Expired	(3,950,000)	0.16
Balance, December 31, 2023	8,775,000	\$ 0.35

The following table reflects the actual stock options issued and outstanding as of December 31, 2023:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding
February 5, 2024 (i)	0.12	0.10	500,000
November 27, 2025	0.22	1.91	2,825,000
March 14, 2026	0.295	2.20	250,000
May 13, 2026	0.46	2.37	150,000
September 28, 2026	0.44	2.75	4,450,000
May 19, 2027	0.44	3.38	600,000
	0.35	2.35	8,775,000

(i) Subsequent to December 31, 2023, 500,000 stock options expired unexercised.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars)

Unaudited

9. Share capital (continued)

(d) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance, June 30, 2022	25,000,000	\$ 0.43
Issued	7,397,772	0.36
Balance, December 31, 2022	32,397,772	\$ 0.41
Balance, June 30, 2023	19,897,772	\$ 0.42
Issued	32,812,764	0.13
Balance, December 31, 2023	52,710,536	\$ 0.24

The following table reflects the warrants outstanding as of December 31, 2023:

Expiry date	Exercise price (\$)	Number of warrants outstanding
March 21, 2024	0.45	12,500,000
June 29, 2024	0.36	7,397,772
November 29, 2024	0.13	18,942,500
November 29, 2024	0.10	1,787,100
December 20, 2024	0.13	11,203,924
December 20, 2024	0.10	879,240
	0.24	52,710,536

10. Related party transactions

(a) The Company entered into the following transactions with related parties:

(i) Included in business development and promotion is \$18,750 and \$37,500, respectively for the three and six months ended December 31, 2023 (2022 - \$18,750 and \$37,500, respectively) paid to a company related to a director.

(ii) Included in business development and promotion is \$9,000 and \$18,000, respectively for the three and six months ended December 31, 2023 (2022 - \$9,000 and \$18,000, respectively) paid to a director.

(iii) During the three and six months ended December 31, 2023, the Company incurred legal fees of \$51,428 and \$51,428, respectively (2022 - \$14,908 and \$22,531, respectively) included in professional fees and share issuance costs of \$11,580 and \$11,580, respectively (2022 - \$7,730 and \$7,730, respectively) to a law firm controlled by the Corporate Secretary.

(iv) Included in professional fees is \$21,246 and \$33,797, respectively (2022 - \$20,733 and \$34,617, respectively) paid to Marrelli Support Services Inc. ("MSSI") for an employee of MSSI to act as the Chief Financial Officer of the Company and bookkeeping services.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars)

Unaudited

10. Related party transactions (continued)

(b) Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Remuneration of directors and key management personnel of the Company, except as noted in (a) above, was as follows:

	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Six Months Ended December 31, 2023	Six Months Ended December 31, 2022
Salaries and benefits	\$ -	\$ 27,500	\$ -	\$ 39,875
Wages and salaries included in mineral exploration expenses	43,750	13,750	87,500	42,625
Directors fees	8,400	8,400	15,600	15,600
Share-based payments	-	31,658	-	110,157
	\$ 52,150	\$ 81,308	\$ 103,100	\$ 208,257

As at December 31, 2023, \$22,269 (June 30, 2023 - \$2,903) was owed to key management personnel and this amount was included in accounts payable and accrued liabilities.

11. Commitments

In connection with the flow-through share financing in November-December 2023, the Company is committed to incur qualifying Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) of a total of \$3,503,035 by December 31, 2024. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.

As at December 31, 2023, the Company is required to incur approximately \$3,200,000 of qualifying exploration expenditures by December 31, 2024.