

FLYING NICKEL

Mining Corp.

Management's Discussion and Analysis

For the Year Ended March 31, 2024

(Expressed in Canadian dollars, except where indicated)

Dated June 18, 2024

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This Management's Discussion and Analysis ("MD&A") focuses on significant factors that have affected Flying Nickel Mining Corp.'s (the "Company", "Issuer", "Flying Nickel" or "FLYN") performance and such factors that may affect its future performance. This MD&A should be read in conjunction with the Company's audited financial statements and related notes for the year ended March 31, 2024 (the "Annual Financial Statements"), which was prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), all of which are available under the Company's SEDAR profile at www.sedarplus.ca. For the purposes of this MD&A, "Financial Position Date" means March 31, 2024, "this quarter" or "current quarter" means the three month period ended March 31, 2024, the "prior year quarter" means the three month period ended March 31, 2023, "this year" or "current year" means the year ended March 31, 2024, and the "prior year period" means the fifteen month period ended March 31, 2023. The information contained in this MD&A is current to June 18, 2024.

On December 30, 2022, the Company changed its financial year end from December 31 to March 31.

The information provided herein supplements but does not form part of the financial statements. Financial information is expressed in Canadian dollars, unless stated otherwise. All references to "\$" or "dollars" in this MD&A refer to Canadian dollars. References to "US\$" or "USD" in this MD&A refer to United States dollars. Readers are cautioned that this MD&A contains "forward-looking statements" and that actual events may vary from management's expectations. Readers are encouraged to read the cautionary note contained herein regarding such forward-looking statements.

Profile and Strategy

Flying Nickel is in the business of mining exploration for nickel sulphide, and is advancing its 100% owned Minago nickel project (the "Minago Project") comprised of 94 claims and two mining leases located in the Thompson nickel belt in Manitoba, Canada.

The Company's common shares are listed for trading on the TSX Venture Exchange (the "TSXV") under the symbol "FLYN", and are quoted in the United States on the OTCQB under the symbol "FLYNF".

The Company maintains its registered and records office at Suite 1610 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

Overall Performance and Outlook

The following highlights the Company's overall performance for the periods presented:

	Year Ended March 31, 2024 (\$)	Fifteen Months Ended March 31, 2023 (\$)	Change
Net loss	(1,569,740)	(4,092,716)	2,522,976
Cash used in operating activities	(1,182,834)	(3,141,708)	1,958,874
Cash at end of period	53,154	343,730	(290,576)
Loss per share – basic and diluted	(0.02)	(0.07)	0.05

Corporate Updates

- On April 21, 2023, the Company repriced an aggregate of 5,047,016 outstanding common share purchase warrants of the Company issued pursuant to a warrant indenture dated November 29, 2021, between the Company and Computershare Trust Company of Canada, as warrant agent (the "Warrant Indenture") (the "Warrant Repricing").

In connection with the Warrant Repricing, the Company adjusted the exercise price of the warrants from \$1.00 to \$0.20 and amended the expiry date of the warrants to add an acceleration clause such that in the event the closing price of the Company's common shares on the TSXV exceeds \$0.25 for any ten consecutive trading days following the Warrant Repricing, the expiry date of the warrants shall be accelerated from November 29, 2023 to a date that is 30 days following the seventh calendar day following the ten consecutive trading day period. All other terms of the warrants remain unchanged.

- On April 24, 2023, the Company appointed Mr. Adrian Lupascu as the Company's VP of Exploration. Mr. Lupascu is a "Qualified Person" as defined in National Instrument 43-101 ("NI 43-101"). He holds a bachelor's degree in geological engineering and a master's degree in geochemistry. As an accomplished geologist and engineer, he has more than 20 years of experience in mining exploration and development for nickel platinum-group-metals, other precious and base metals projects. Mr. Lupascu ceased to serve as the Company's VP Exploration effective August 2, 2023.
- On April 18, the Company repriced the exercise price of 3,810,000 options from \$0.70 to \$0.20 and 150,000 options from \$0.74 to \$0.20.
- On June 15, 2023, the Company announced the appointment of Mr. Jim Rondeau to its Board of Directors. Mr. Rondeau is currently the President of Systematic Design and Plum Creative, two international award-winning design companies that work around the world. He also serves as vice president of ICMD, a company that provides pharmacy and medical services to First Nation and other clients in Western Canada. He serves on the National Board of The Canadian Gay and Lesbian Chamber of Commerce, Toba Grown Inc. as well as other Non-Profit Boards. Mr. Rondeau is a former member of the Legislative Assembly of Manitoba from 1999 to 2016, and served as a cabinet minister from 2003 to 2013. In 2004, Mr. Rondeau was promoted to a full cabinet portfolio as Minister of Industry, Economic Development and Mines. Under Mr. Rondeau's leadership, Manitoba was recognized as the Best Jurisdiction for Mining in the world by the Fraser Institute. During his tenure 2 new mines were opened and one reopened in Manitoba. He has received the Queen's Jubilee Award, The Canadian Cancer Society Recognition Award and the Fred Douglas Foundation Award.
- On October 18, 2023, the Company appointed Jenna Virk as its Chief Legal Officer. Ms. Virk has been a practicing lawyer in British Columbia since 2007 and has over 15 years of experience in corporate finance, securities and commercial law. She also brings with her prior experience as in house counsel for various organizations since 2015, including most recently serving as Director, Legal Affairs and Corporate Secretary of Lithium Americas Corp. She holds a Bachelor of Law from the University of British Columbia and a Bachelor of Business Administration from Simon Fraser University.
- On March 15, 2024, Mr. Rondeau stepped down from the Company's board of directors. Mr. Rondeau was the director nominee of Norway House Cree Nation ("NHCN") pursuant to the Impact and Benefits Agreement (the "IBA") with the Company dated effective March 3, 2023.
- On April 4, 2024, the Company announced the appointment of Mr. Neil Duboff to its board of directors. Mr. Duboff is the director nominee of NHCN pursuant to the IBA. Mr. Duboff is the managing partner of the Winnipeg law firm Duboff Edwards Haight & Schachter and has been practicing law since 1985. His practice is focused primarily in the areas of Corporate Structuring, Acquisitions and Financing, Transportation Law and Aboriginal Law with an emphasis on taxation, trusts, Governments and Associations. Mr. Duboff acts for many First Nations across the country, as well as banks, First Nations development companies and First Nations businesses. Mr. Duboff has been a frequent presenter at conferences throughout Canada, including the Canadian Association of Insurance and Financial Advisors (2001), the Smart Money Fairs, presented by the Winnipeg Free Press, the annual conference of the Native Trade and Investment Association and First Nation Taxation Program, presented by Current information Ltd. and Group Mindset. Mr. Duboff has been an instructor of trust and estate planning in various school divisions as well as Red River Community College, CUPE, the City of Winnipeg and the Winnipeg School Division. Recognizing the importance of being

involved in our community, Mr. Duboff also sits on and takes an active role in many nonprofit organizations throughout the country, including the Native Association of Trust Officers Society Trust and Estate Planners (STEP). Mr. Duboff is past chair of the Saint Boniface Hospital Foundation, and serves as a trustee of the City of Winnipeg Pension Fund. He has Chaired the Regulated Health Care Professions Council for the Province of Manitoba and formerly sat on the Public Utilities Board.

Arrangement And Transfer of Assets

On January 14, 2022, Silver Elephant Mining Corp. ("Silver Elephant") completed a strategic reorganization of its business through a statutory plan of arrangement (the "Silver Elephant Arrangement") under the Business Corporations Act (British Columbia) pursuant to which certain assets of Silver Elephant were spun-out to the Company.

Pursuant to the Silver Elephant Arrangement, the common shares of Silver Elephant were consolidated on a 10:1 basis and each holder of common shares received in exchange for every 10 pre-Consolidation common shares held: (i) one post Consolidation common share of Silver Elephant; (ii) one common share of Flying Nickel Mining Corp.; (iii) one common share of Nevada Vanadium Mining Corp. ("Nevada Vanadium"), and (iv) two common shares of Oracle Commodity Holding Corp (formerly Battery Metals Royalties Corp.) ("Oracle" or "Battery Metals").

As a result of the Silver Elephant Arrangement, the Minago Project along with the assumption of certain liabilities related to the underlying assets was spun out by Silver Elephant into Flying Nickel in exchange for the issuance of 50,000,000 of Flying Nickel shares. The Silver Elephant Arrangement does not meet the definition of a business combination under IFRS 3. The assets acquired and liabilities assumed through the Silver Elephant Arrangement were considered as a group reorganization and were accounted based on Silver Elephant's carrying amounts immediately prior to the spin out with a corresponding adjustment in the amount of \$16,423,987 to share capital.

	(\$)
Assets	
Exploration and evaluation asset	16,458,495
Liabilities	
Trade and other payables	(34,508)
Net assets	16,423,987

Discussion of Operations

Minago Property

The Minago property is located in northern Manitoba, Canada within the southern part of the Thompson Nickel Belt, approximately 107 kilometers north of the Town of Grand Rapids, Manitoba and 225 kilometres south of the City of Thompson, Manitoba. Provincial Highway 6 transects the eastern portion of the Minago property. The Minago Project is comprised of 94 mining claims and two mining leases.

Minago Royalty

On January 14, 2022, under the terms of the Silver Elephant Arrangement and pursuant to the royalty agreement between the Company and Silver Elephant dated August 25, 2021 ("Minago Royalty Agreement"), the Company has granted and agreed to pay, among other things, in each fiscal quarter where the average price per pound of nickel as reported on the Nominated Metals Exchange or Substitute Metals Exchange (in each case as defined in the Minago Royalty Agreement) in the event such pricing is not reported on the Nominated Metals Exchange, exceeds US\$15 per pound, a royalty equal to two per cent (2%) of returns in respect of all mineral products produced from certain mineral claims and leases in the Minago Project after the commencement of commercial production. Each royalty payment will be provisional and subject to adjustment in accordance with the Minago Royalty Agreement. Oracle is the current holder of this royalty.

Glencore Net Smelter Royalty

Certain of the claims comprising the Minago property, claims MB8497, P235F, P237F, P238F and P239F, are subject to a net smelter return ("NSR") royalty interest (the "Glencore Royalty") retained by Glencore Canada Corporation ("Glencore"). The Glencore Royalty in respect of nickel, shall for any calendar quarter be: (i) 2% NSR royalty when the London Metals Exchange 3-month nickel price is equal to or greater than US\$13,227.74 per tonne in that quarter; and (ii) a 1% NSR when the London Metals Exchange 3-month nickel price is less than US\$13,227.74 per tonne in that quarter. The Glencore Royalty in respect of other minerals, metals and concentrates, shall be a 2% NSR. In the event that the Glencore Royalty consists of a 2% NSR royalty, Flying Nickel may purchase a portion of the royalty interest which represents in the aggregate no more than 1% of the royalty interest for \$1,000,000. The Glencore Royalty interest shall never be less than a 1% NSR.

Norway House Cree Nation Revenue Sharing

The Minago Project is also subject to a 1% revenue sharing with NHCN, in connection with nickel revenue derived from mining activities from the Minago Project.

Minago Project Updates

On April 19, 2023, May 4, 2023, May 29, 2023 and July 12, 2023, the Company announced additional PGM assay results from Minago. Further details can be found in the press release available on the Company's website.

On September 28, 2023, the Company announced that it has engaged Mercator Geological Services to commission an independent platinum group metals ("PGM") and nickel Mineral Resource Estimate ("MRE") in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") for the Minago Project.

On April 2, 2024, the Company announced a quarry project partnership (the "Quarry Project") with NHCN taking place at the Company's Minago Project. The Quarry Project was completed in April 2024 which consisted of stripping limestone materials near surface carried out under Quarry Lease QL-2067 near the proposed mill site, located approximately 0.5 km west of the proposed open pit site for the Minago Project. The Quarry Project provided certain limestone construction material for NHCN community infrastructure projects, and along with the completion of two all-weather exploration roads (1.7km and 1.3 km respectively) for Flying Nickel, which will support future Minago exploration drilling programs.

On April 11, 2024, the Company announced the results of an updated Mineral Resource Estimate ("MRE") prepared in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves ("MRMR") (2014) and CIM MRMR Best Practice Guidelines (2019) for its 100% owned Minago nickel platinum group metals ("PGM") Minago Project. Additional information is available in the Company's news release dated April 11, 2024, which is available on the Company's website www.flynickel.com.

Minago Project	(\$)
Balance, January 1, 2022	-
Assets transferred under the Arrangement	16,458,495
Licenses, taxes, fees and permits	373,740
Feasibility	1,183,974
Exploration	972,989
Drilling	610,825
Personnel, camp and general	526,296
Balance, March 31, 2023	20,126,319
Licenses, taxes, fees and permits	312,910
Feasibility	13,037
Exploration	324,853
Drilling	129,860
Personnel, camp and general	65,982
Balance, March 31, 2024	20,972,961

Selected Annual Information

	Year Ended March 31, 2024 (\$)	15 Months Ended March 31, 2023 (\$)	December 21, 2020 To December 31, 2021¹ (\$)
Net loss for the period	(1,569,740)	(4,092,716)	(360,642)
Basic loss per share	(0.02)	(0.07)	(67.86)
Diluted loss per share	(0.02)	(0.07)	(67.86)

¹ The Company was incorporated on December 21, 2020.

	March 31, 2024 (\$)	March 31, 2023 (\$)	December 31, 2021 (\$)
Cash	53,154	343,730	-
Total assets	23,198,077	22,222,530	8,673,345
Total non-current financial liabilities	-	-	-

During the year ended March 31, 2024, the Company incurred a net loss of \$1,569,740, compared to \$4,092,716 for the fifteen months ended March 31, 2023. The lower net loss during the current year is a result of the Company's initiative to implement a general cost reduction, and the current year having 12 months of expenses, where as the prior year period had 15 months of expenses. The prior year period also incurred higher costs in general as it was its initial year of listing its shares on the TSXV (the "Listing"). Of note are the following items:

- Advertising and promotion of \$23,455 this year, compared to \$205,947 during the prior year period which reflects the Company's initiative to implement a general cost reduction during the current year. The prior year period was higher as a result of increasing investor awareness in connection with the Listing.
- Consulting fees of \$183,345 this year compared to \$492,043 during the prior year period. This reduction also reflects the Company's initiative to implement a general cost reduction during the current year. The higher amounts during the prior year period include financial and technical consulting in connection with the Transaction (see *Proposed Transaction* section).

- Professional fees of \$234,893 this year compared to \$624,342 during the prior year period. This reduction also reflects the Company's initiative to implement a general cost reduction during the current year. The higher amount during the prior year period is mainly attributable to legal and audit fees in connection with the Company being publicly listed on the TSXV and the Transaction (see *Proposed Transaction*).
- Salaries and benefits totalled \$298,207 this year compared to \$657,076 during the prior year period. The lower amount during the current year is mainly attributable to the prior year period including 15 months of expenses, whereas the current year period includes 12 months of expenses, combined with improved employee retention. Employee turnover was higher during the prior year period which resulted in increased turnover related payments.
- Share-based payments totalled \$429,618 this year, compared to \$1,396,001 during the prior year period. Share-based payments is a non-cash expense, and such expense is recognized in profit or loss over the vesting period of the underlying share purchase options granted to certain directors, officers, employees and consultants of the Company.

Summary Of Quarterly Results

During the quarter ended March 31, 2023, the accounting treatment for the acquisition of the Minago Project through the Silver Elephant Arrangement was corrected for the prior four quarters (3 months ended March 31, 2022, June 30, 2022, September 30, 2022, and December 31, 2022). This correction involved using the carrying amount of \$16,458,495 from Silver Elephant for the acquisition of the Minago Project. As a result of this correction, exploration and evaluation asset and share capital decreased by \$18,576,013, but it had no impact on the Company's net loss, basic and diluted loss per share.

In addition, during the quarter ended March 31, 2023, the Company corrected the classification of the non-flow through subscription receipts between share capital and reserves due to the correction of measurement method of the financing warrants. The detached warrants issued in conjunction with non-flow through subscription receipts were originally measured using the Black-Scholes Model. Based on the Company's accounting policy, proceeds received from the issuance of units, consisting of common shares and warrants, are allocated first to common shares, with any excess amount allocated to warrants. As a result, the value of the detached warrants issued in conjunction with private placement has been adjusted from \$1,560,129 to \$403,761.

During the quarter ended March 31, 2023, the Company identified an accounting error in relation to the accounting of the impairment of intangible asset of \$313,977 being incorrectly recognized in advertising and promotion in the three months ended September 30, 2022. This impairment charge should have been recognized in the three months ended March 31, 2023. The Company also reclassified \$90,000 from advertising and promotion to consulting and management fees. The correction of these errors decreases the net loss for the three months ended September 30, 2023 by \$313,977 as follows:

	Original Three Months Ended, September 30, 2022 (\$)	Restatement (\$)	Restated Three Months Ended, September 30, 2022 (\$)
General and Administrative Expenses			
Advertising and promotion	458,348	(403,977)	54,371
Consulting and management fees	63,510	90,000	153,510
Directors' fees	23,000	-	23,000
Insurance	10,625	-	10,625
Office and administration	8,869	-	8,869
Professional fees	139,049	-	139,049
Salaries and benefits	94,478	-	94,478
Share-based payments	233,916	-	233,916
Stock exchange and shareholder services	45,060	-	45,060
Travel and accommodation	9,541	-	9,541
	(1,086,396)	313,977	(772,419)
Other items			
Recovery of flow through liability	42,099	-	42,099
Government grant	12,188	-	12,188
Net loss and comprehensive loss for the period	(1,032,109)	313,977	(718,132)
Basic and diluted loss per share	(0.02)	0.01	(0.01)
Basic and diluted weighted average number of shares outstanding	62,086,470	-	62,086,470

In addition, financial information for the three months ended June 30, 2022 have been restated (the "Q2 2022 Restatement") in this MD&A. The Q2 2022 Restatement was only to increase advertising and promotion expense by \$313,977, from a recovery of \$293,688 to an expense of \$20,289. Accordingly, net loss for the three months ended June 30, 2022 was restated from \$315,253 to \$629,230. There was no effect on basic and diluted earnings per share for the three months ended June 30, 2022 of \$0.01.

The Statements of Cash Flows for the three months ended June 30, 2022 and six months ended September 30, 2022 were not previously presented; only the Statements of Cash Flows for the six months ended June 30, 2022 and nine months ended September 30, 2022 were presented but not applicable for the purposes of this MD&A as result of the change in financial year end from December 31 to March 31, which became effective December 30, 2022.

The following table summarizes selected consolidated financial information prepared in accordance with IFRS for the eight most recently completed quarters:

Quarter Ending	Quarter Name	Net Loss for the Period (\$)	Basic Loss Per Share (\$)	Diluted Loss Per Share (\$)
March 31, 2024	Q4 2024	(255,449)	(0.00)	(0.00)
December 31, 2023	Q3 2024	(306,106)	(0.00)	(0.00)
September 30, 2023	Q2 2024	(293,704)	(0.00)	(0.00)
June 30, 2023	Q1 2024	(714,481)	(0.01)	(0.01)
March 31, 2023	Q5 2023	(671,712)	(0.01)	(0.01)
December 31, 2022	Q4 2022	(890,390)	(0.01)	(0.01)
September 30, 2022 (restated)	Q3 2022	(718,132)	(0.01)	(0.01)
June 30, 2022 (restated)	Q2 2022	(629,230)	(0.01)	(0.01)

3 Months Ended March 31, 2024, compared with 3 Months Ended March 31, 2023

Net loss this quarter was \$255,449 compared to \$671,712 during the three months ended March 31, 2023. The lower net loss this quarter is primarily attributable to a general decrease in general and administrative expenses. Of note are the following items:

- Consulting fees of \$50,523 this quarter compared to \$179,230 during the prior year quarter. Prior year quarter amounts were higher primarily due to corporate and administrative services being provided by a third party for \$67,500 and higher costs in general.
- Professional fees of \$71,680 this quarter compared to \$114,289 during the prior year quarter. These amounts are primarily comprised of audit, financial review and legal fees. The higher amounts during the prior year quarter primarily relate to higher legal fees in connection with the Transaction (see *Proposed Transaction* section)
- Share-based payments of \$24,606 this quarter compared to \$212,372 during the prior year quarter. Share-based payments is a non-cash expense, and such expense is recognized in profit or loss over the vesting period of the underlying share purchase options granted to certain directors, officers, employees and consultants of the Company.

Variations Over the Quarters

Q3 2024 net loss of \$306,106 is mainly attributable to general and administrative expense totalling \$304,142, which includes salaries and benefits of \$91,140, stock exchange and shareholder services of \$54,406, consulting fees of \$48,420 and professional fees of \$30,617.

Q2 2024 net loss of \$293,704 is mainly attributable to general and administrative expenses totalling \$292,800, which includes salaries and benefits of \$83,359, stock exchange and shareholder services of \$48,163 and share-based payments of \$41,765.

Q1 2024 net loss of \$714,481 primarily consisted of share-based payments of \$342,522, salaries and benefits of \$210,700 and professional fees of \$116,346.

Q5 2023 net loss of \$671,712 primarily consisted of share-based payments of \$212,371, consulting and management fees of \$160,742 and professional fees of \$108,600.

Q4 2022 net loss of \$890,390 primarily consisted of share-based payments of \$451,831 and salaries and benefits of \$271,881.

Q3 2022 net loss of \$718,132 primarily consisted of share-based payments of \$233,916, consulting of \$153,510, professional fees of \$139,049. Professional fees incurred during Q2 2022 included amounts in connection with the Transaction (see *Proposed Transaction*)

Q2 2022 net loss of \$629,230 primarily consisted of share-based payments of \$387,664 and professional fees of \$143,079.

Liquidity And Capital Resources

The Company utilizes existing cash received from the issuance of equity instruments to provide liquidity to the Company and finance its exploration programs.

On April 17, 2023, the Company closed non-brokered private placement and issued an aggregate of 1,250,000 units for aggregate gross proceeds of \$200,000. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional share of the Company at a price of \$0.20 per share for 36 months from closing. Proceeds of the placement were used for exploration, working capital and general corporate purposes.

On May 12, 2023, the Company closed a non-brokered private placement of 200,000 units for gross proceeds of \$32,000. Each unit is priced at \$0.16 and consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional share of the Company at a price of \$0.20 per share for 3 years. Proceeds of the placement were used for exploration, working capital and general corporate purposes.

On August 14, 2023, the Company closed a non-brokered private placement offering of 6,800,000 common shares of the Company raising gross proceeds of \$680,000. The offering was priced at \$0.10 per share. Norway House Cree Nation ("NHCN") was the sole investor. Proceeds from this private placement were used for the Minago project and working capital purposes.

October 12, 2023, the Company closed a non-brokered private placement offering of 7,603,862 common shares of the Company, raising gross proceeds of \$600,705. The offering was priced at \$0.079 per share. No finders fees were payable in connection with the offering. Proceeds of the offering will be used for exploration and general working capital.

On October 31, 2023, the Company closed the first tranche of a non-brokered private placement of 2,301,844 common shares, raising gross proceeds of \$207,166. The private placement was priced at \$0.09 per share. Proceeds of the private placement will be used for exploration and general working capital. An additional 161,129 common shares were issued on November 20, 2023 as a finder's fee.

On November 20, 2023, the Company closed a non-brokered private placement by issuing 1,333,350 common shares of the Company at a price of \$0.09 per share for gross proceeds of \$120,002. Proceeds of this private placement will be used for exploration and general working capital purposes.

On December 27, 2023, the Company issued 626,000 shares at a price of \$0.10 to settle debt of \$62,600 owed to three directors of the Company for management and consulting fees.

As at the Financial Position Date, the Company had working capital of \$1,743,668 compared to \$1,801,774 at March 31, 2023.

Cash flow information:

	Year Ended March 31, 2024 (\$)	15 Months Ended March 31, 2023 (\$)
Cash used in operating activities	(1,182,834)	(3,141,708)
Cash used in investing activities	(947,615)	(3,924,291)
Cash from financing activities	1,839,873	694,322
Cash, end of the period	53,154	343,730

Operating activities: During the current year the Company used \$1,182,834 in operating activities, primarily in salaries and benefits, professional fees, consulting fees and stock exchange fees and shareholder services. During the prior year period, the Company used \$3,141,708 in operating activities. Cash used in operating activities during the prior year period primarily relates to salaries and benefits, professional fees, consulting fees, advertising and promotion, and stock exchange fees and shareholders services. The decrease in cash used in operating activities reflects the Company's initiative to generally reduce overall costs.

Investing activities: During the current year, the Company invested \$947,615 in the Minago Project compared to \$3,552,814 during the prior year period. The lower amount in the current quarter represents the Company's preservation of working capital. During the prior year period the Company also acquired an internet domain for \$313,977 and transferred \$57,500 to a term deposit.

Financing activities: During the current year, the Company received proceeds of \$1,839,873 from share issuances. During the prior year period, the Company received \$859,200 from share issuances and incurred share issue costs of \$164,878.

As at the Financial Position Date the Company had cash of \$53,154, and current liabilities of \$481,448. The Company will need to conduct additional financings to meet its working capital requirements and obligations as they become due.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Related Party Transactions

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Related party transactions not disclosed elsewhere in these financial statements are listed below.

The Company entered into a Mutual Management and Technical Services Agreement (the "MMTSA") with Silver Elephant commencing December 1, 2021, pursuant to which the companies would provide each other with general, technical and administrative services, as reasonably requested on a cost reimbursement basis. This MMTSA was terminated effective March 31, 2023, and replaced with an updated fixed fee MMTSA effective April 1, 2023, among the Company, Silver Elephant, Nevada Vanadium and Oracle. The fixed fee is adjusted periodically to reflect the relative allocation of costs to each company.

The Company has entered into a consulting agreement with the Company's executive chairman effective December 1, 2021, pursuant to which the Company agreed to pay a minimum service fee of \$10,000 per month. The Company also agreed to issue up to 450,000 common shares (the "Bonus Shares") of the Company to this individual upon achieving certain corporate milestones defined in the agreement. No Bonus Shares were issued or issuable since December 1, 2021, as none of the milestones have been achieved yet.

On December 27, 2023, the Company entered into agreements to settle an aggregate of \$62,600 of debt owed to three directors of the Company for management fees and directors fees in consideration for the issuance of 626,000 common shares of the Company at a price of \$0.10 per share.

The Company had related party transactions with key management personnel in providing management and consulting services to the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include the chief executive officer ("CEO"), chief financial officer ("CFO"), chief operating officer ("COO"), executive and non-executive directors.

	Year Ended March 31, 2024 (\$)	Fifteen Months Ended March 31, 2023 (\$)
MMTSA fees charged by Silver Elephant, a company with certain directors and officers in common	163,609	334,805
MMTSA recoveries from Silver Elephant	(394,154)	(277,215)
MMTSA fees charged by Nevada Vanadium, a company with certain directors and officers in common	54,117	102,474
MMTSA recoveries from Nevada Vanadium	(235,590)	(232,336)
MMTSA recoveries from Oracle, a company with certain directors and officers in common	(132,526)	(127,147)
Management fees paid to John Lee, Chairman and Interim CEO of the Company	132,000	162,000
Salaries and benefits paid to key management of the Company	88,068	386,158
Directors' fee	85,400	94,116
Share-based payments to certain key management of the Company	349,341	629,187

The Company had balances due from (to) related parties as follows:

	March 31, 2024 (\$)	March 31, 2023 (\$)
Receivable from Silver Elephant	1,215,093	980,056
Receivable from Nevada Vanadium	408,982	239,689
Receivable from Oracle	302,733	169,531
Payable to John Lee	(23,425)	-
Director's fees payable	(24,600)	(1,800)

Proposed Transaction

Flying Nickel and Nevada Vanadium signed an arrangement agreement dated October 6, 2022, and as amended, pursuant to which Flying Nickel proposes to acquire all of the issued and outstanding common shares of Nevada Vanadium (the "Nevada Vanadium Shares") by way of an arrangement pursuant to the British Columbia Business Corporations Act (the "Transaction").

Under the terms of the agreement, Nevada Vanadium shareholders will receive one (1) (the "Exchange Ratio") Flying Nickel common share (a "Flying Nickel Share") for each Nevada Vanadium Share held immediately prior to the effective time of the Transaction. All convertible securities of Nevada Vanadium outstanding immediately prior to the effective time of the Transaction will be exchanged for securities of Flying Nickel bearing substantially the same terms as the securities replaced based on the Exchange Ratio. As at the date of this MD&A, the Transaction is still in progress.

Critical Accounting Policies and Estimates

In preparing financial statements, management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of

future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Actual results may differ from these estimates.

The Company believes the following are the critical accounting estimates used in the preparation of its Statements:

Share-based compensation

The Company uses the Black-Scholes Option Pricing Model to fair value options in order to calculate share based compensation expense. The Black-Scholes Option Pricing Model involves six key inputs to determine the fair value of an option: risk-free interest rate, exercise price, market price of the Company's shares at date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates which involve considerable judgment. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based compensation expense.

Impairment assessment of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances.

All capitalized exploration and evaluation assets are monitored for indications of impairment at each reporting period. The Company considered the following facts and circumstances in determination if it should test exploration and evaluation assets for impairment:

- (i) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- (iv) sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that deferred exploration expenditures are not expected to be recovered, an impairment is charged to profit or loss. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

An impairment charge relating to an exploration and evaluation asset may be subsequently reversed when new exploration results or actual or potential proceeds on sale or farm-out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized. General exploration costs in areas of interest in which the Company has not secured rights are expensed as incurred.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

As at March 31, 2024, the Company has assessed that there are no impairment indicators with respect to its exploration and evaluation assets.

Changes in Accounting Policies and Standards

Changes in Accounting Policies

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments— Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2023, with earlier application permitted and are applied prospectively. This amendment did not have a material impact on the Company's financial statements.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The amendments are effective for annual periods beginning on or after January 1, 2023, to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted. This amendment did not have a material impact on the Company's financial statements.

The Company has adopted Amendments to IAS 1 and IFRS 2, which are mandatorily effective for the Company's annual period beginning on April 1, 2023.

Future Changes in Accounting Standards

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Capital Management

Management considers its capital structure to consist of share capital, share purchase options and warrants. The Company manages its capital structure and makes adjustments to it, based on the funds available to, and required by the Company in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative returns on capital criteria for management.

The properties that the Company currently holds interests in are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. There were no changes in management's approach to capital management during the year ended March 31, 2024. The Company is not subject to externally imposed capital requirements.

Fair Value Measurements and Financial Instruments

(a) Classification

Financial Instrument	Measurement Method	March 31, 2024 (\$)	March 31, 2023 (\$)
Cash	FVTPL ¹ (Level 1)	53,154	343,730
Term deposit	FVTPL ¹ (Level 1)	57,500	57,500
Due from related parties	Amortized cost	1,926,808	1,389,276
Receivables (excluding GST/HST receivables)	Amortized cost	53,745	1,067
Accounts payable and accrue liabilities	Amortized cost	(481,448)	(294,437)
		1,609,759	1,497,136

¹ Fair value through profit or loss

(b) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. The fair value of cash, restricted cash and term deposit is measured at Level 1. As at the Financial Position Date, there were no financial assets measured and recognized in the statement of position that would be categorized as Level 2 or Level 3 in the fair value hierarchy above.

The fair value of the Company's financial instruments including cash, term deposit, other receivables, due from related parties, accounts payable and accrued liabilities approximates their carrying value due to the immediate or short-term maturity of these financial instruments. The Company does not offset financial assets with financial liabilities. There were no transfers between Level 1, 2 and 3 for the year ended March 31, 2024 and fifteen months ended March 31, 2023.

Financial Risks

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments at the Financial Position Date are summarized below. The Board of Directors periodically reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

(a) Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its financial obligations as they fall due. As at the Financial Position Date, the Company had a cash balance including term deposit, of \$110,654 (March 31, 2023 – 401,230) and had accounts payable and accrued liabilities of \$481,448 (March 31, 2023- \$294,437), which have contractual maturities of 90 days or less. Liquidity risk is assessed as high and the Company manages liquidity risk by preparing cash flow forecasts of upcoming cash requirements.

(b) 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 reduces its credit risk on restricted cash by placing these instruments with institutions of high credit worthiness. As at the Financial Position Date and March 31, 2023, the Company's maximum exposure to credit risk is the carrying value of its financial assets.

(c) Market Risk

The market risks to which the Company may be exposed to are interest rate risk and currency risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not subject to material interest rate risk for the year ended March 31, 2024 and the fifteen months ended March 31, 2023.

(ii) Currency Risk

The Company is exposed to foreign currency risk to the extent that monetary liabilities held by the Company are not denominated in Canadian dollars. The Company's operations is primary in Canada and the Company is not subject to material currency risk.

Outstanding Share Data

The Company has authorized capital of an unlimited number of common shares without par value. The table below represents the Company's capital structure as at the dates presented:

	As at date of this MD&A	March 31, 2024
Common shares issued and outstanding	88,064,805	88,064,805
Share purchase options outstanding	6,590,000	6,590,000
Share purchase warrants	7,152,150	7,152,150

Risks And Uncertainties

The Company is subject to a number of risk factors due to the nature of its business and the present stage of exploration. As a company active in the mineral resource exploration and development industry, the Company is exposed to a number of risks.

Exploration Stage Operations

The Company's properties are still in the exploration stage. Mineral exploration and exploitation involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. The minerals business is characterized by long lead times from discovery to development, and few exploration projects successfully make the transition to development.

Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides, unpredictable and unfavourable weather conditions, and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. There is no assurance that Flying Nickel's nickel deposits are commercially mineable.

Should any mineral resources and reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs, engineering and other studies, and the recommendations of qualified engineers and geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) nickel prices; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) the political climate, governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell, and profit from the sale of any eventual mineral production from any property will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of a mining company and therefore represent a market risk which could impact the long-term viability of Flying Nickel and its operations.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with other companies with greater technical and financing resources than itself with respect to acquisition of properties of merit, sourcing equipment and supplies, and the recruitment and retention of qualified individuals to carry out its mineral exploration activities and provide support services. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration in the future.

Financial Markets

The Company is dependent on the equity markets as its primary source of operating working capital and the Company's capital resources are largely determined by the strength of the junior resource markets, by the status of the Company's projects in relation to these markets, and by the Company's ability to attract investor support for its projects.

There is no assurance that funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities, as there are many circumstances that are beyond the control of the Company. For example, the Company is dependent on investor sentiment being positive towards the minerals exploration business in general and Flying Nickel in particular. Many factors influence investor sentiment, including a positive climate for mineral exploration, the experience and caliber of a company's management and a company's track record in discovering or acquiring economically viable mineral deposits.

Environmental and Government Regulation

Mining and exploration activities are subject to various laws and regulations relating to the protection of the environment, historical and archaeological sites and endangered and protected species of plants and animals. Although the exploration activities of the Company are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development activities.

Amendments to current laws and regulations governing the activities of the Company, or more stringent implementation thereof, could have a substantial adverse impact on the Company.

Title to Properties, First Nations Issues

While the Company has investigated the title to all of the properties on which it holds mineral claims or other forms of mineral rights or concessions or in respect of which it has a right to earn an interest, the Company cannot guarantee that title to such properties will not be challenged or impugned. The Company can never be certain that it will have valid title to its mineral properties.

Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law are often complex. The Company does not carry title insurance on its properties. A successful claim that the Company or its option partner does not have title to a property could cause the Company to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property.

Negotiations with First Nations groups can add an additional layer of risk and uncertainty to efforts to explore and develop mineral deposits in many areas of Canada, where protracted negotiations of land claims have resulted in settlement of only a fraction of the claims. The slow pace of resolving these claims is frustrating to both the First Nations peoples and exploration companies and could result in actions that would hinder timely execution of exploration programs.

Foreign Currency

A small portion of the Company's expenses are denominated in foreign currencies. The Company does not expect fluctuations in the exchange rate between the Canadian dollar and such other currencies will have a material effect on our business, financial condition and results of operations. The Company does not hedge against foreign currency fluctuations.

Inflation

In the recent past, while inflation had not been a significant factor, the ongoing efforts of many governments to improve the availability of credit and stimulate domestic economic growth while incurring substantial deficits may result in substantial inflation and/or currency depreciation in the future.

Management and Directors

The Company is dependent on a relatively small number of directors and management personnel. The loss of any of one of those persons could have an adverse effect on the Company. The Company does not maintain key person insurance on any of its management.

Disclosure Controls and Procedures

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that:

- the financial statements do not contain any untrue statement of material fact or, omit to state a material fact required to be stated or, that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and
- the financial statements fairly present in all material respects the financial position, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P"), and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes following the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

There have been no changes in the Company's internal control over financial reporting during the current quarter that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and resource property expenditures is provided in the Company's financial statements for the year ended March 31, 2024, available on the Company's website at www.flynickel.com and on SEDAR at www.sedarplus.ca.

Forward Looking Information

Certain Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, and capital expenditures; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital and expected uses of proceeds raised, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements

of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the completion of transactions and integration of acquisitions; risks related to operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of planned exploration activities; currency exchange rates; general economic, inflationary and market conditions; as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The forward-looking statements in this MD&A speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events, except as required by applicable law. Forward-looking statements and other information contained herein concerning the mining industry and general expectations with regards to it are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

Additional Information

Additional information relating to the Company is on SEDAR at www.sedarplus.ca.

General Corporate Information:**Head Office and Registered Office**

Suite 1610 - 409 Granville Street,
Vancouver, BC, Canada, V6C 1T2
Tel: +1 (604) 283-2230

Transfer Agent and Registrar

Odyssey Trust Company
350 - 409 Granville Street, Vancouver, British
Columbia, V6C 1T2, Canada
Tel: +1 (888) 290-1175

Investor and Contact Information

All financial reports, news releases and corporate information can be accessed by visiting the Company's website at: www.flynickel.com.

Investor & Media requests and queries: Email: info@flynickel.com

Directors and Officers

As at the date of this MD&A, the Company's directors and officers are as follows:

Directors

John Lee, Interim CEO and Executive Chairman

Greg Hall

Neil Duboff

Masa Igata

Officers

John Lee, Interim CEO and Executive Chairman

Andrew Yau, Chief Financial Officer

Robert Van Drunen, Chief Operating Officer

Jenna Virk, Chief Legal Officer

Marion McGrath, Corporate Secretary

Sara Knappe, Assistant Corporate Secretary

FLYING NICKEL

Mining Corp.

Financial Statements

For the Year Ended
March 31, 2024

(Expressed in Canadian Dollars)

Mao & Ying LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Flying Nickel Mining Corp.**

Opinion

We have audited the financial statements of Flying Nickel Mining Corp. (the "Company"), which comprise the statements of financial position as at March 31, 2024 and 2023, and the statements of operations and comprehensive loss, changes in equity, and cash flows for the year ended March 31, 2024 and for the fifteen months ended March 31, 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024 and 2023, and its financial performance and its cash flows for the year ended March 31, 2024 and for the fifteen months ended March 31, 2023 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in this report.

Impairment Assessment of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 7 to the financial statements, the carrying amount of the Company's E&E Assets was \$20,972,961 as at March 31, 2024. As more fully described in Note 2(c) to the financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Asset.

Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators;
- Evaluating the intent for the E&E Assets through discussion and communication with management;
- Reviewing the Company's recent expenditure activity; and

- Obtaining supporting of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the

disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Linda Zhu.

Mao & Ying LLP

Vancouver, Canada
June 18, 2024

Chartered Professional Accountants

Flying Nickel Mining Corp.
Statements of Financial Position
(Expressed in Canadian Dollars)

	March 31, 2024 (\$)	March 31, 2023 (\$)
Assets		
Current assets		
Cash	53,154	343,730
Term deposit	57,500	57,500
Receivables	106,101	169,619
Prepaid expenses	81,553	136,086
Due from related parties (note 10)	1,926,808	1,389,276
Total current assets	2,225,116	2,096,211
Non-current assets		
Exploration and evaluation asset (note 7)	20,972,961	20,126,319
Total assets	23,198,077	22,222,530
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities (note 10)	481,448	294,437
Total liabilities	481,448	294,437
Shareholders' Equity		
Share capital (note 9)	26,191,149	24,288,676
Reserves (note 9)	2,548,578	2,092,775
Deficit	(6,023,098)	(4,453,358)
Total equity	22,716,629	21,928,093
Total liabilities and equity	23,198,077	22,222,530

Nature of Operations and Going Concern (note 1)

Approved on behalf of the Board:

"John Lee"

John Lee, Director and Chairman

"Greg Hall"

Greg Hall, Director

The accompanying notes form an integral part of these financial statements.

Flying Nickel Mining Corp.

Statements of Operations and Comprehensive Loss

(Expressed in Canadian Dollars)



	Year Ended March 31, 2024 (\$)	Fifteen Months Ended March 31, 2023 (\$)
General and Administrative Expenses		
Advertising and promotion	23,455	205,947
Consulting (note 10)	183,345	492,043
Directors' fee (note 10)	85,400	94,116
Insurance	42,226	47,026
Office and administration	47,003	87,480
Professional fees	234,893	624,342
Salaries and benefits (note 10)	298,207	654,076
Share-based payments (notes 9, 10)	429,618	1,396,001
Stock exchange and shareholder services	174,342	258,977
Travel and accommodation	47,454	79,736
	(1,565,943)	(3,939,744)
Other Items		
Foreign exchange loss	(3,797)	(2,963)
Impairment of intangible asset (note 6)	-	(313,977)
Other income	-	31,743
Recovery of flow through liability (note 8)	-	132,225
Net loss for the year	(1,569,740)	(4,092,716)
Basic and diluted loss per share	(0.02)	(0.07)
Basic and diluted weighted average number of shares outstanding (note 9(e))	78,670,625	60,368,511

The accompanying notes form an integral part of these financial statements.

Flying Nickel Mining Corp.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital (\$)	Reserves¹ (\$)	Warrants to Be Issued (\$)	Deficit (\$)	Total (\$)
Balance, January 1, 2022	1,992,438	1,247,240	37,586	189,040	(360,642)	1,113,224
Share cancelled on completion of the Arrangement	(1)	(1)	-	-	-	(1)
Shares issued under the Arrangement (notes 4, 9)	50,000,000	16,423,987	-	-	-	16,423,987
Conversion of subscription receipts, net of share issue costs (notes 4, 9)	10,094,033	5,808,073	403,761	-	-	6,211,834
Broker warrants (note 9)	-	-	189,040	(189,040)	-	-
Private placement, net of share issue costs (note 9)	5,370,000	859,200	-	-	-	859,200
Finder's fees (note 9)	332,150	(49,823)	49,823	-	-	-
Share-based payments (note 9(c))	-	-	1,412,565	-	-	1,412,565
Net loss	-	-	-	-	(4,092,716)	(4,092,716)
Balance, March 31, 2023	67,788,620	24,288,676	2,092,775	-	(4,453,358)	21,928,093
Private placements (note 9)	19,650,185	1,839,873	-	-	-	1,839,873
Shares issued to settle liabilities (note 9)	626,000	62,600	-	-	-	62,600
Share-based payments (note 9(c))	-	-	455,803	-	-	455,803
Net loss	-	-	-	-	(1,569,740)	(1,569,740)
Balance, March 31, 2024	88,064,805	26,191,149	2,548,578	-	(6,023,098)	22,716,629

¹ Stock options and warrants

The accompanying notes form an integral part of these financial statements.

Flying Nickel Mining Corp.
Statements of Cash Flows
(Expressed in Canadian Dollars)



	Year Ended March 31, 2024 (\$)	Fifteen Months Ended March 31, 2023 (\$)
Operating Activities		
Net loss for the year	(1,569,740)	(4,092,716)
Items not involving cash		
Share-based payments	429,618	1,396,001
Impairment of intangible asset	-	313,977
Recovery of flow through liability	-	(132,225)
Changes in non-cash working capital		
Receivables	63,518	(169,619)
Prepaid expenses	54,533	264,052
Due from related parties	(537,532)	(520,588)
Accounts payable and accrued liabilities	376,769	(200,590)
Cash used in operating activities	(1,182,834)	(3,141,708)
Investing Activities		
Exploration and evaluation asset	(947,615)	(3,552,814)
Transfer to term deposit	-	(57,500)
Acquisition of intangible asset	-	(313,977)
Cash used in investing activities	(947,615)	(3,924,291)
Financing Activities		
Proceeds from share issuance (note 9(b))	1,839,873	859,200
Share issue costs	-	(164,878)
Cash from financing activities	1,839,873	694,322
Decrease in cash	(290,576)	(6,371,677)
Cash, beginning of year	343,730	-
Cash released from escrow	-	6,715,407
Cash, end of year	53,154	343,730
Non-Cash Transactions		
	(\$)	(\$)
Exploration and evaluation expenditures included in accounts payable and accrued liabilities	(127,158)	140,707
Shares issued to settle liabilities (note 9(b))	(62,600)	-
Share-based compensation capitalized to exploration and evaluation asset (note 9(c))	26,185	16,564

The accompanying notes form an integral part of these financial statements.

1. Nature Of Operations and Going Concern

Flying Nickel Mining Corp. (the “Company” or “Flying Nickel”) is a nickel sulphide mining and exploration company and is advancing its 100% owned Minago nickel project in the Thompson nickel belt in Manitoba, Canada.

The Company was incorporated on December 21, 2020, under the laws of the province of British Columbia, Canada and maintains its registered and records office at Suite 1610 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

On March 4, 2022, the Company’s common shares were publicly listed on the TSX Venture Exchange under the symbol “FLYN”. On April 8, 2022 the Company’s common shares started trading on the US OTCPK under the symbol “FLYNF”. On May 31, 2022, the Company’s common shares started listing on the OTCQB.

These financial statements have been prepared under the assumption that the Company is a going concern, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. As at March 31, 2024 (the “Financial Position Date”), the Company had a deficit of \$6,023,098 (March 31, 2023 - \$4,453,358). The operations of the Company have been primarily funded by the issuance of capital stock.

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financings or generate profitable operations in the future. These material uncertainties may cast significant doubt on the entity’s ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue its business.

2. Basis Of Presentation

(a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

On December 30, 2022, the Company changed its financial year end from December 31 to March 31.

These financial statements were approved by the Board of Directors and authorized for issue on June 18, 2024.

(b) Basis of Measurement

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. Certain amounts in the prior period have been reclassified to conform with the presentation in the current period.

2. Basis Of Presentation - *continued*

(c) Use of judgments and estimates

In preparing these financial statements, management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Actual results may differ from these estimates.

Share-based compensation

The Company uses the Black-Scholes Option Pricing Model to fair value options in order to calculate share based compensation expense. The Black-Scholes Option Pricing Model involves six key inputs to determine the fair value of an option: risk-free interest rate, exercise price, market price of the Company's shares at date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates which involve considerable judgment. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based compensation expense.

Impairment assessment of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances.

All capitalized exploration and evaluation assets are monitored for indications of impairment at each reporting period. The Company considered the following facts and circumstances in determination if it should test exploration and evaluation assets for impairment:

- (i) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- (iv) sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that deferred exploration expenditures are not expected to be recovered, an impairment is charged to profit or loss. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

An impairment charge relating to an exploration and evaluation asset may be subsequently reversed when new exploration results or actual or potential proceeds on sale or farm-out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized. General exploration costs in areas of interest in which the Company has not secured rights are expensed as incurred.

2. Basis Of Presentation - continued

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

As at March 31, 2024, the Company has assessed that there are no impairment indicators with respect to its exploration and evaluation assets.

3. Material Accounting Policy Information

(a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less at the time of purchase and excludes restricted cash which is presented separately in these financial statements.

As at March 31, 2024 and March 31, 2023, the Company does not have any cash equivalents.

(b) Exploration and evaluation asset(s)

Mineral property assets consist of exploration and evaluation costs. Costs directly related to the exploration and evaluation of resource properties are capitalized to mineral properties once the legal rights to explore the resource properties are acquired or obtained. These costs include acquisition of rights to explore, license and application fees, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling, and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed at least annually for indicators of impairment and are tested for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

From time to time, the Company acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After costs are recovered, the balances of the payments received are recorded as a gain on option or disposition of mineral property.

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any material existing environmental issues related to any of its current or former properties that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

The Company recognizes government grants in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Administration and overhead costs that are not directly attributable to a specific exploration area are charged to the statement of income.

3. Material Accounting Policy Information - continued

(c) Unit offerings

The proceeds from the issuance of units consisting of common shares and warrants are allocated first to common shares based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants.

(d) Share-based payments

The Company has a share purchase option plan and accounts for share-based payments using a fair value-based method with respect to all share-based payments to directors, officers, employees, and service providers. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share based payments to non-employees are measured at the fair value of the goods or services received or if such fair value is not reliably measurable, at the fair value of the equity instruments issued. The fair value is recognized as an expense or capitalized to mineral properties or property and equipment with a corresponding increase in option reserve. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of income (loss) over the remaining vesting period.

Upon the exercise of the share purchase option, the consideration received, and the related amount transferred from option reserve are recorded as share capital.

(e) Flow-through shares

Canadian Income Tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby the premium paid for the flow-through shares in excess of the market value of the shares without flow-through features at the time of issuance is credited to other liabilities and included in profit or loss at the same time the qualifying expenditures are made.

(f) Loss/earnings per share

Basic loss/earnings per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options and warrants. Under this method the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options and warrants. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss/gain per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

3. Material Accounting Policy Information – *continued*

(g) Income tax

Income tax expense comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(h) Financial instruments

The Company follows IFRS 9 – Financial Instrument (“IFRS 9”) to account for its financial instruments. IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or at fair value. The classification and measurement of financial assets is based on the Company’s business models for managing its financial assets and whether the contractual cash flows represent solely payments for principal and interest.

Under IFRS 9, financial assets are classified into one of three categories (i) amortized cost; (ii) fair value changes through other comprehensive income (“FVTOCI”); and (iii) fair value through profit or loss (“FVTPL”). Financial liabilities are into one of two categories: (i) amortized cost; and (ii) FVTPL.

Initial recognition

The classification is determined at initial recognition and depends on the nature and purpose of the financial asset. On initial recognition, all financial assets and financial liabilities are recorded at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case transaction costs are expensed as incurred.

Subsequent measurement of financial assets

Financial assets classified as amortized cost are measured using the effective interest method. Amortized cost is calculated by taking into account any discount or premiums on acquisition and fees that are an integral part of the effective interest method. Amortization from the effective interest method is included in finance income. Financial assets classified as FVTPL are measured at fair value with changes in fair values recognized in profit or loss. Equity investments designated as FVTOCI are measured at fair value with changes in fair values recognized in other comprehensive income (“OCI”). Dividends from that investment are recorded in profit or loss when the Company’s right to receive payment of the dividend is established unless they represent a recovery of part of the cost of the investment.

As at March 31, 2024 and March 31, 2023, the Company does not have any financial assets classified at FVTOCI.

3. Material Accounting Policy Information - *continued*

(i) Financial instruments - continued

Impairment of financial assets carried 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 credit risk of 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 statement 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

Subsequent measurement of financial liabilities

Financial liabilities classified as amortized cost are measured using the effective interest method. Amortized cost is calculated by taking into account any discount or premiums on acquisition and fees that are an integral part of the effective interest method. Amortization using the effective interest method is included in finance costs. Financial liabilities classified as FVTPL are measured at fair value with gains and losses recognized in profit or loss.

As at March 31, 2024 and March 31, 2023, the Company does not have any financial liabilities classified at FVTPL.

Derecognition of financial assets and financial liabilities

A financial asset is derecognized when the rights to receive cash flows from the asset have expired; or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third-party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. Gains and losses on derecognition of financial assets and liabilities classified as amortized cost are recognized in profit or loss when the instrument is derecognized or impaired, as well as through the amortization process. Gains and losses on derecognition of equity investments designated as FVTOCI (including any related foreign exchange component) are recognized in OCI. Amounts presented in OCI are not subsequently transferred to profit or loss, although the cumulative gain or loss may be transferred within equity.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability. In this case, a new liability is recognized, and the difference in the respective carrying amounts is recognized in the statement of income.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without deduction for transaction costs. For financial instruments that are not traded in active markets, the fair value is determined using appropriate valuation techniques, such as using a recent arm's length market transaction between knowledgeable and willing parties, discounted cash flow analysis, reference to the current fair value of another instrument that is substantially the same, or other valuation models.

3. Material Accounting Policy Information - continued

(j) Changes in Accounting Policies

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments—Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2023, with earlier application permitted and are applied prospectively. This amendment did not have a material impact on the Company's financial statements.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The amendments are effective for annual periods beginning on or after January 1, 2023, to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted. This amendment did not have a material impact on the Company's financial statements.

The Company has adopted Amendments to IAS 1 and IFRS 2, which are mandatorily effective for the Company's annual period beginning on April 1, 2023.

(k) Future Changes in Accounting Standards

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Arrangement and Transfer of Assets

On January 14, 2022, Silver Elephant Mining Corp. ("Silver Elephant") completed a strategic reorganization of its business through a statutory plan of arrangement (the "Silver Elephant Arrangement") under the Business Corporations Act (British Columbia) pursuant to which certain assets of Silver Elephant were spun-out to the Company.

Pursuant to the Silver Elephant Arrangement, the common shares of Silver Elephant were consolidated on a 10:1 basis and each holder of common shares received in exchange for every 10 pre-Consolidation common shares held: (i) one post Consolidation common share of Silver Elephant; (ii) one common share of Flying Nickel Mining Corp.; (iii) one common share of Nevada Vanadium Mining Corp. ("Nevada Vanadium"), and (iv) two common shares of Oracle Commodity Holding Corp (formerly Battery Metals Royalties Corp.) ("Oracle" or "Battery Metals").

As a result of the Silver Elephant Arrangement, the Minago Project along with the assumption of certain liabilities related to the underlying assets was spun out by Silver Elephant into Flying Nickel in exchange for the issuance of 50,000,000 of Flying Nickel shares. The Silver Elephant Arrangement does not meet the definition of a business combination under IFRS 3. The assets acquired and liabilities assumed through the Silver Elephant Arrangement were considered as a group reorganization and were accounted based on Silver Elephant's carrying amounts immediately prior to the spin out with a corresponding adjustment in the amount of \$16,423,987 to share capital.

	(\$)
Assets	
Exploration and evaluation asset	16,458,495
Liabilities	
Trade and other payables	(34,508)
Net assets	16,423,987

5. Proposed Transaction

Flying Nickel and Nevada Vanadium signed an arrangement agreement dated October 6, 2022, and as amended, pursuant to which Flying Nickel proposes to acquire all of the issued and outstanding common shares of Nevada Vanadium (the "Nevada Vanadium Shares") by way of an arrangement pursuant to the British Columbia Business Corporations Act (the "Transaction").

Under the terms of the agreement, Nevada Vanadium shareholders will receive one (1) (the "Exchange Ratio") Flying Nickel common share (a "Flying Nickel Share") for each Nevada Vanadium Share held immediately prior to the effective time of the Transaction. All convertible securities of Nevada Vanadium outstanding immediately prior to the effective time of the Transaction will be exchanged for securities of Flying Nickel bearing substantially the same terms as the securities replaced based on the Exchange Ratio. As at the date of these financial statements, the Transaction is still in progress.

6. Intangible Asset

During the fifteen months ended March 31, 2023, the Company acquired the domain nickel.com (the "Domain") for \$313,977 and initially recognized as an intangible asset. The Domain was fully impaired as at March 31, 2023, and the Company recognized an impairment charge of \$313,977 during the fifteen months ended, March 31, 2023.

7. Exploration and Evaluation Asset

Minago Project	(\$)
Balance, January 1, 2022	-
Assets transferred under the Arrangement (note 4)	16,458,495
Licenses, taxes, fees and permits	373,740
Feasibility	1,183,974
Exploration	972,989
Drilling	610,825
Personnel, camp and general	526,296
Balance, March 31, 2023	20,126,319
Licenses, taxes, fees and permits	312,910
Feasibility	13,037
Exploration	324,853
Drilling	129,860
Personnel, camp and general	65,982
Balance, March 31, 2024	20,972,961

The Minago Project is located in northern Manitoba, Canada within the southern part of the Thompson Nickel Belt, and comprised of 94 claims and two mining leases.

On January 14, 2022, pursuant to the Silver Elephant Arrangement (note 4), the Company issued 50,000,000 common shares in consideration for Minago nickel project mineral property assets and the assumption of certain liabilities related to the underlying assets.

Minago Net Smelter Royalty

On January 14, 2022, under the terms of the Silver Elephant Arrangement and pursuant to the royalty agreement between the Company and Silver Elephant dated August 25, 2021 (“Minago Royalty Agreement”), the Company has granted and agreed to pay, among other things, in each fiscal quarter where the average price per pound of nickel as reported on the Nominated Metals Exchange or Substitute Metals Exchange (in each case as defined in the Minago Royalty Agreement) in the event such pricing is not reported on the Nominated Metals Exchange, exceeds US\$15 per pound, a royalty equal to two percent (2%) of returns in respect of all mineral products produced from certain mineral claims and leases in the Minago Project after the commencement of commercial production. Each royalty payment will be provisional and subject to adjustment in accordance with the Minago Royalty Agreement. Oracle is the current holder of this royalty.

Glencore Net Smelter Royalty

Certain of the claims comprising the Minago property, claims MB8497, P235F, P237F, P238F and P239F, are subject to a net smelter return (“NSR”) royalty interest (the “Glencore Royalty”) retained by Glencore Canada Corporation (“Glencore”). The Glencore Royalty in respect of nickel, shall for any calendar quarter be: (i) 2% NSR royalty when the London Metals Exchange 3-month nickel price is equal to or greater than US\$13,227.74 per tonne in that quarter; and (ii) a 1% NSR when the London Metals Exchange 3-month nickel price is less than US\$13,227.74 per tonne in that quarter. The Glencore Royalty in respect of other minerals, metals and concentrates, shall be a 2% NSR. In the event that the Glencore Royalty consists of a 2% NSR royalty, Flying Nickel may purchase a portion of the royalty interest which represents in the aggregate no more than 1% of the royalty interest for \$1,000,000. The Glencore Royalty interest shall never be less than a 1% NSR.

7. Exploration and Evaluation Asset - continued

Norway House Cree Nation Revenue Sharing

The Minago Project is also subject to a 1% revenue sharing with Norway House Cree Nation (“NHCN”), in connection with nickel revenue derived from mining activities from the Minago Project.

Other

For the year ended March 31, 2024, the Company has assessed that there are no impairment indicators with respect to its exploration and evaluation asset.

8. Premium On Flow-Through Shares

During the period from incorporation on December 21, 2020 to December 31, 2021, the Company issued 1,992,437 flow-through shares for gross proceeds of \$1,534,176 and recognized a premium of flow-through shares of \$139,471.

A continuity of the premium on flow-through shares is as follows:

	(\$)
Balance, December 21, 2020	-
Liability incurred on flow-through shares issued	139,471
Renouncement of qualifying expenditures incurred	(7,246)
Balance, December 31, 2021	132,225
Renouncement of qualifying expenditures incurred	(132,225)
Balance, March 31, 2023 and March 31, 2024	-

9. Share Capital

(a) Authorized Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. As at the Financial Position Date, the Company had 88,064,805 (March 31, 2023 – 67,788,620) common shares issued and outstanding.

(b) Issued Share Capital

During the Year Ended March 31, 2024

On April 17, 2023, the Company closed a non-brokered private placement by issuing 1,250,000 units at a price of \$0.16 per unit for gross proceeds of \$200,000. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional share of the Company at a price of \$0.20 per share for 36 months from closing. The gross proceeds of the private placement was allocated to common share and \$nil to warrants by applying the residual approach.

On May 12, 2023, the Company closed a non-brokered private placement by issuing 200,000 units at a price of \$0.16 per unit for gross proceeds of \$32,000. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional share of the Company at a price of \$0.20 per share for 36 months from closing. The gross proceeds of the private placement was allocated to common share and \$nil to warrants by applying the residual approach.

9. Share Capital – *continued*

On August 14, 2023, the Company closed a non-brokered private placement by issuing 6,800,000 common shares of the Company at a price of \$0.10 per share for gross proceeds of \$680,000. There were no finders' fees payable in connection with this private placement.

On October 12, 2023, the Company closed a non-brokered private placement by issuing 7,603,862 common shares of the Company at a price of \$0.079 per share for gross proceeds of \$600,705. There were no finders' fees payable in connection with this private placement.

On October 31, 2023, the Company closed a non-brokered private placement by issuing 2,301,844 common shares of the Company at a price of \$0.09 per share for gross proceeds of \$207,166. The Company also issued 161,129 common shares to a third party as a finder's fee in connection with the closing of this private placement.

On November 20, 2023, the Company closed a non-brokered private placement by issuing 1,333,350 common shares of the Company at a price of \$0.09 per share for gross proceeds of \$120,002. There were no finders' fees payable in connection with this private placement.

On December 27, 2023, the Company issued 626,000 shares at a price of \$0.10 to settle liabilities related to director fees at fair value of \$62,600. There were no finders' fees payable in connection with this debt settlement.

During the Fifteen Months Ended March 31, 2023

On January 14, 2022, pursuant to the Silver Elephant Arrangement, the Company issued 50,000,000 common shares in exchange of the assets acquired and liabilities related to the Minago Project which resulted in increase of share capital of \$16,423,987.

On January 14, 2022 and February 28, 2022, a total of 5,844,033 and 4,250,000 non-flow through subscription receipts ("NFT Subscription Receipts") were converted into 5,844,033 and 4,250,000 units. Each unit consists of one common share of the Company and one-half of one common share purchase warrant, each whole warrant entitles its holder to acquire one common share of the Company at an exercise price of \$1.00 per share until November 29, 2023.

The Company's stock did not trade until March 4, 2022. The Company estimated the market price of the common shares at the time of issuance is \$0.66 per share, estimated by observing the financing completed by the comparable companies. The gross proceeds of the NFT Subscription Receipts were first allocated to common shares in the amount of \$6,662,062 with the remaining \$403,761 allocated to the warrants by applying the residual approach.

In connection with the NFT Subscription Receipts, the Company incurred share issuance costs of broker commissions and out-of-pocket costs of \$664,950, of which \$164,880 was paid during the fifteen months ended March 31, 2023. The Company also issued 597,069 broker warrants. Each broker warrant entitles its holder to acquire one common share of the Company at an exercise price of \$0.70 per common share until November 29, 2023.

On January 14, 2022, pursuant to the Silver Elephant Arrangement, the Company cancelled one founder share with a value of \$1.

On February 15, 2023, the Company completed a private placement by issuing an aggregate of 5,370,000 units at a price of \$0.16 per unit for aggregate gross proceeds of \$859,200. Each unit consists of one common share of the Company and one common share purchase warrant with each warrant entitling the holder to purchase one additional share of the Company at a price of \$0.20 per share for 36 months from closing. The gross proceeds of the private placement were allocated to common shares and \$nil was allocated to the warrants by applying the Residual Method. Each finder's unit is comprised of the same securities with the same terms as a unit issued in the private placement (note 9(d)).

9. Share Capital – continued

(c) Share-based Compensation Plan

The Company has a 10% rolling equity-based compensation plan in place, as approved by the Company’s shareholders on December 22, 2021 (the “2021 Plan”). Under the 2021 Plan, the Company may grant stock options, bonus shares or stock appreciation rights. All stock options and other share-based awards granted by the Company, or to be granted by the Company, since the implementation of the 2021 Plan will be issued under, and governed by, the terms and conditions of the 2021 Plan. The stock option vesting terms are determined by the Board of Directors on the date of the grant with a maximum term of 10 years.

In March 2022, the Company granted stock options to acquire up to 5,310,000 common shares to certain directors, officers and consultants of the Company. These stock options are exercisable for a five-year term with 5,160,000 of the options expiring on March 4, 2027, having an exercise price of \$0.70 per common share and 150,000 options expiring on March 17, 2027 having an exercise price of \$0.74 per common share. These options vest at 12.5% per quarter for the first two years following the grant date.

In May 2022, the Company granted stock options to acquire up to 300,000 common shares to an officer of the Company. These stock options are exercisable for a five-year term and vest at 12.5% per quarter for the first two years following the grant date.

In January 2023, the Company granted stock options to acquire up to 1,400,000 common shares to certain directors, officers and consultants of the Company. These stock options are exercisable for a five-year term and vest at 12.5% per quarter for the first two years following the grant date.

During the year ended March 31, 2024, the Company granted 1,945,000 stock options to certain directors, officers and employees of the Company to acquire common shares in the capital of the Company at an exercise price ranging from \$0.06 to \$0.17 per share. These options vest at 12.5% per quarter for the first two years following the grant date and have a five-year term from the date of grant.

The continuity of the Company's share options is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, January 1, 2022	-	-
Granted	7,010,000	0.58
Forfeited	(1,650,000)	0.66
Balance, March 31, 2023	5,360,000	0.55
Granted	1,945,000	0.11
Forfeited	(715,000)	0.16
Balance, March 31, 2024	6,590,000	0.18

9. Share Capital – continued

The following table summarizes the stock options outstanding as at the Financial Position Date:

Exercise Price (\$)	Options Outstanding		Options Exercisable	
	Number of Options Outstanding	Weighted Average Remaining Contractual Life (Years)	Number of Options Exercisable	Weighted Average Remaining Contractual Life (Years)
0.06	200,000	4.93	-	4.93
0.10	1,360,000	4.47	340,000	4.47
0.11	50,000	4.21	18,750	4.21
0.16	100,000	4.05	50,000	4.05
0.14	1,120,000	3.76	700,000	3.76
0.20*	3,610,000	2.93	3,610,000	2.93
0.20*	150,000	2.96	150,000	2.96
	6,590,000	3.48	4,868,750	3.17

* On April 18, 2023, the Company amended the exercise price of 3,810,000 stock options from \$0.70 to \$0.20 and 150,000 stock options from \$0.74 to \$0.20.

Share-based payment expenses resulting from stock options are amortized over the corresponding vesting periods. Share-based payments are either capitalized as exploration costs where related to mineral properties or expensed as general and administrative expenses where related to general operations of the Company. The Company recorded share-based payments as follows:

	Year Ended March 31, 2024 (\$)	Fifteen Months Ended March 31, 2023 (\$)
Share-based payments:		
Capitalized as exploration and evaluation	26,185	16,564
Expensed as general and administrative expenses	429,618	1,396,001
	455,803	1,412,565

The fair value of each stock option is estimated on the date of grant using the Black-Scholes Option Pricing Model with the assumptions presented in the table below. Expected volatilities are based on the historical volatility of the comparable companies as the Company has a limited history of trading. The expected term of share options granted represents the period of time that the granted share options are expected to be outstanding. The risk-free interest rate is based on the Canadian government bond rate.

9. Share Capital – continued

For the Year Ended March 31, 2024

Grant Date	Number of Share Options	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
April 17, 2023	205,000	107%	3.15%	5.00	-	0.13	25,762
April 24, 2023	100,000	106%	2.97%	5.00	-	0.13	12,921
June 15, 2023	50,000	107%	3.48%	5.00	-	0.08	3,876
September 18, 2023	1,390,000	105%	3.92%	5.00	-	0.08	108,876
March 6, 2024	200,000	101%	3.35%	5.00	-	0.05	9,125
	1,945,000						160,560

For the Fifteen Months Ended March 31, 2023

Grant Date	Number of Share Options	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
March 4, 2022	5,160,000	137%	1.45%	5.00	-	0.34	1,735,482
March 18, 2022	150,000	138%	1.45%	5.00	-	0.57	85,249
May 3, 2022	300,000	138%	2.75%	5.00	-	0.47	142,194
January 3, 2023	1,400,000	141%	3.23%	5.00	-	0.13	175,617
	7,010,000						2,138,542

On April 18, 2023, the Company amended the exercise price of 3,810,000 stock options from \$0.70 to \$0.20 and 150,000 stock options from \$0.74 to \$0.20. The fair values of the modified stock options immediately before and after the modification is determined based on the key assumptions as follows:

Before Modification

Grant Date	Number of Share Options	Share Price at the Re-pricing Date (\$)	Exercise Price (\$)	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
March 4, 2022	3,810,000	0.185	0.70	102%	3.30%	3.88	-	0.09	339,090
March 18, 2022	150,000	0.185	0.74	102%	3.30%	3.92	-	0.09	13,050
	3,960,000								352,140

9. Share Capital – continued

After Modification

Grant Date	Number of Share Options	Share Price at the Re-pricing Date (\$)	Exercise Price (\$)	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
March 4, 2022	3,810,000	0.185	0.20	102%	3.30%	3.88	-	0.13	487,680
March 18, 2022	150,000	0.185	0.20	102%	3.30%	3.92	-	0.13	19,350
	3,960,000								507,030

(d) Warrants

The continuity of the Company's warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, January 1, 2022	119,546	0.70
Issued – broker warrants	929,219	0.52
Issued – financing warrants	10,417,016	0.59
Balance, March 31, 2023	11,465,781	0.58
Issued – financing warrants	1,450,000	0.20
Expired – broker warrants	(716,615)	0.70
Expired – financing warrants	(5,047,016)	0.20*
Balance, March 31, 2024	7,152,150	0.20

* On April 21, 2023, the Company amended the exercise price of 5,047,016 warrants from \$1.00 to \$0.20 per share with an accelerated expiry date when certain conditions are met (see below Warrants Repricing).

There were no broker warrants issued during the year ended March 31, 2024.

As the Financial Position Date, the following warrants were outstanding:

Expiry Date	Remaining Life (Years)	Number of Warrants	Exercise Price (\$)
February 15, 2026	1.88	5,702,150	0.20
April 17, 2026	2.05	1,250,000	0.20
May 12, 2026	2.12	200,000	0.20
	1.92	7,152,150	0.20

9. Share Capital – *continued*

In connection with the Warrant Repricing, the Company adjusted the exercise price of the warrants from \$1.00 to \$0.20 and amended the expiry date of the warrants to add an acceleration clause such that in the event the closing price of the Company's common shares on the TSXV exceeds \$0.25 for any ten consecutive trading days following the Warrant Repricing, the expiry date of the warrants shall be accelerated from November 29, 2023 to a date that is 30 days following the seventh calendar day following the ten consecutive trading day period. All other terms of the warrants remain unchanged. These warrants expired on November 29, 2023 unexercised.

(e) Diluted Loss per Share

For the year ended March 31, 2024 and fifteen months ended March 31, 2023, the Company's common share equivalents including stock options and warrants were not included in the diluted loss per share calculation as the effect would be anti-dilutive.

10. Related Party Transactions and Balances

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Related party transactions not disclosed elsewhere in these financial statements are listed below.

The Company entered into a Mutual Management and Technical Services Agreement (the "MMTSA") with Silver Elephant commencing December 1, 2021, pursuant to which the companies would provide each other with general, technical and administrative services, as reasonably requested on a cost reimbursement basis. This MMTSA was terminated effective March 31, 2023, and replaced with an updated fixed fee MMTSA effective April 1, 2023, among the Company, Silver Elephant, Nevada Vanadium and Oracle. The fixed fee is adjusted periodically to reflect the relative allocation of costs to each company.

The Company has entered into a consulting agreement with the Company's executive chairman effective December 1, 2021, pursuant to which the Company agreed to pay a minimum service fee of \$10,000 per month. The Company also agreed to issue up to 450,000 common shares (the "Bonus Shares") of the Company to this individual upon achieving certain corporate milestones defined in the agreement. No Bonus Shares were issued or issuable since December 1, 2021, as none of the milestones have been achieved yet.

On December 27, 2023, the Company entered into agreements to settle an aggregate of \$62,600 of debt owed to three directors of the Company for management fees and directors fees in consideration for the issuance of 626,000 common shares of the Company at a price of \$0.10 per share (note 9(b)).

10. Related Party Transactions and Balances - continued

The Company had related party transactions with key management personnel in providing management and consulting services to the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include the chief executive officer (“CEO”), chief financial officer (“CFO”), chief operating officer (“COO”), executive and non-executive directors.

	Year Ended March 31, 2024 (\$)	Fifteen Months Ended March 31, 2023 (\$)
MMTSA fees charged by Silver Elephant, a company with certain directors and officers in common	163,609	334,805
MMTSA recoveries from Silver Elephant	(394,154)	(277,215)
MMTSA fees charged by Nevada Vanadium, a company with certain directors and officers in common	54,117	102,474
MMTSA recoveries from Nevada Vanadium	(235,590)	(232,336)
MMTSA recoveries from Oracle, a company a company with certain directors and officers in common	(132,526)	(127,147)
Management fees paid to John Lee, Chairman and Interim CEO of the Company	132,000	162,000
Salaries and benefits paid to key management of the Company	88,068	386,158
Directors’ fee	85,400	94,116
Share-based payments to certain key management of the Company	349,341	629,187

The Company had balances due from (to) related parties as follows:

	March 31, 2024 (\$)	March 31, 2023 (\$)
Receivable from Silver Elephant	1,215,093	980,056
Receivable from Nevada Vanadium	408,982	239,689
Receivable from Oracle	302,733	169,531
Payable to John Lee	(23,425)	-
Director’s fees payable	(24,600)	(1,800)

11. Segmented Information

The Company has one reportable business segment, being mineral exploration and development. All of the Company’s assets are located in Canada.

12. Deferred Income Taxes

The Company's operations are, in part, subject to foreign tax laws where interpretations, regulations and legislation are complex and continually changing. As a result, there are usually some tax matters in question that may, upon resolution in the future, result in adjustments to the amount of deferred income tax assets and liabilities, and those adjustments may be material to the Company's financial position and results of operations. A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year Ended March 31, 2024 (\$)	Fifteen Months Ended March 31, 2023 (\$)
Loss for the year	(1,569,740)	(4,092,716)
Statutory tax rate	27%	27%
Expected income tax (recovery)	(424,000)	(1,105,000)
Permanent differences	116,000	341,000
Other temporary differences	(14,000)	397,000
Share issue cost	-	(180,000)
Others	215,000	151,000
Change in unrecognized deductible temporary differences	107,000	396,000
Total income tax expense (recovery)	-	-

Deferred tax assets (liabilities) at March 31, 2024 and March 31, 2023 are as follows:

	March 31, 2024 (\$)	March 31, 2023 (\$)
Exploration and evaluation assets	(498,000)	(717,000)
Non-capital loss available for future periods	498,000	717,000
Deferred tax assets (liabilities)	-	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

	March 31, 2024		March 31, 2023	
	(\$)	Expiry Date Range	(\$)	Expiry Date Range
Temporary differences:				
Share issuance costs	454,000	2043 to 2046	559,000	2043 to 2045
Other temporary differences	3,000	n/a	314,000	n/a
Non-capital loss available for future periods	2,417,000	2043 to 2046	1,412,000	2042 to 2045
Unrecognized deductible temporary differences	2,874,000		2,285,000	
<hr/>				
Canada	4,261,000	2042 to 2044	4,067,000	2042 to 2043
Total non-capital losses	4,261,000		4,067,000	

13. Capital Management

Management considers its capital structure to consist of share capital, share purchase options and warrants. The Company manages its capital structure and makes adjustments to it, based on the funds available to, and required by the Company in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative returns on capital criteria for management.

The properties that the Company currently holds interests in are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. There were no changes in management's approach to capital management during the year ended March 31, 2024. The Company is not subject to externally imposed capital requirements.

14. Fair Value Measurements and Financial Instruments

(a) Classification

Financial Instrument	Measurement Method	March 31, 2024 (\$)	March 31, 2023 (\$)
Cash	FVTPL ¹ (Level 1)	53,154	343,730
Term deposit	FVTPL ¹ (Level 1)	57,500	57,500
Due from related parties	Amortized cost	1,926,808	1,389,276
Receivables (excluding GST/HST receivables)	Amortized cost	53,745	1,067
Accounts payable and accrue liabilities	Amortized cost	(481,448)	(294,437)
		1,609,759	1,497,136

¹ Fair value through profit or loss

(b) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

14. Fair Value Measurements and Financial Instruments - continued

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. The fair value of cash, restricted cash and term deposit is measured at Level 1. As at the Financial Position Date, there were no financial assets measured and recognized in the statement of position that would be categorized as Level 2 or Level 3 in the fair value hierarchy above.

The fair value of the Company's financial instruments including cash, term deposit, other receivables, due from related parties, accounts payable and accrued liabilities approximates their carrying value due to the immediate or short-term maturity of these financial instruments. The Company does not offset financial assets with financial liabilities. There were no transfers between Level 1, 2 and 3 for the year ended March 31, 2024 and fifteen months ended March 31, 2023.

15. Financial Risk Management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments at the Financial Position Date are summarized below. The Board of Directors periodically reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

(c) Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its financial obligations as they fall due. As at the Financial Position Date, the Company had a cash balance including term deposit, of \$110,654 (March 31, 2023 – 401,230) and had accounts payable and accrued liabilities of \$481,448 (March 31, 2023- \$294,437), which have contractual maturities of 90 days or less. Liquidity risk is assessed as high and the Company manages liquidity risk by preparing cash flow forecasts of upcoming cash requirements.

(d) 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 reduces its credit risk on restricted cash by placing these instruments with institutions of high credit worthiness. As at the Financial Position Date and March 31, 2024, the Company's maximum exposure to credit risk is the carrying value of its financial assets.

(e) Market Risk

The market risks to which the Company may be exposed to are interest rate risk and currency risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not subject to material interest rate risk for the year ended March 31, 2024 and the fifteen months ended March 31, 2023.

(ii) Currency Risk

The Company is exposed to foreign currency risk to the extent that monetary liabilities held by the Company are not denominated in Canadian dollars. The Company's operations is primary in Canada and the Company is not subject to material currency risk.