NAMIBIA CRITICAL METALS INC.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
WITH MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2023 AND 2022

(CANADIAN DOLLARS)

NAMIBIA CRITICAL METALS INC.

Management's Discussion and Analysis

Three and nine months ended August 31, 2023

NAMIBIA CRITICAL METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis of the financial condition and results of operations ("MD&A") of Namibia Critical Metals Inc. (the "Company" or "NMI") is dated October 24, 2023 and provides an analysis of the Company's financial results and progress for three and nine months ended August 31, 2023 and 2022. This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements as at and for the nine months ended August 31, 2023 and 2022 and related notes thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise noted.

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address exploration drilling, exploitation activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration results, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The information contained herein is subject to change and the Company does not assume the obligation to revise or update these forward-looking statements, except as may be required under applicable securities laws.

The risk factors identified above are not intended to represent a complete list of the factors which could affect the Company. Additional factors are noted under Risks and Uncertainties below.

Any financial outlook or future-oriented financial information in this MD&A, as defined by applicable securities legislation, has been approved by management as of the date of this MD&A. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this MD&A.

Rainer Ellmies, PhD, MSc Geology, GeolFA, EurGeol, AusIMM, is the Company's Qualified Person and has reviewed and approved the technical information disclosed in this MD&A.

Overall Performance

The Company is engaged in the exploration for critical metals and gold in Namibia through its 95% owned subsidiary, Namibia Rare Earths (Pty) Ltd., a Namibian company ("Namibia Pty") and its 95% interest in two additional Namibian subsidiaries acquired from Gecko Namibia (Pty) Ltd through the Company's Cayman subsidiary, Cayman Namibia Rare Earths Inc., on February 21, 2018. Since incorporation in 2004, Namibia Pty has established a presence in Namibia and has been granted a number of exclusive prospecting licences, and a mining licence for the Lofdal project.

The major focus of the Company's activities from 2010 to February 2018 was the Lofdal Heavy Rare Earths Project. On February 21, 2018, the Company completed the acquisition of six critical metal and gold properties in Namibia from Gecko Namibia (Pty) which provided Namibia Critical Metals with a diversified exploration portfolio. The portfolio of properties acquired from Gecko Namibia expanded the Company's commodity interest from solely heavy rare earths to a variety of critical commodities which currently includes gold, copper, lead, zinc, nickel, vanadium, tantalum and niobium. Current ground holdings are summarized in Figure 1 and Table 1.

Following the transaction with Gecko Namibia, focus was placed on the Kunene Cobalt-Copper Project in 2018-2020. Exploration results were overall unsuccessful, and these properties were deemed to not warrant further investment. Consequently, non-core prospecting licences were largely relinquished.

Since 2020 the Company has focused on further development of the Lofdal project through its joint venture with Japan Organization for Metals and Energy Security Corporation ("JOGMEC") and on exploration of its gold properties in Namibia.

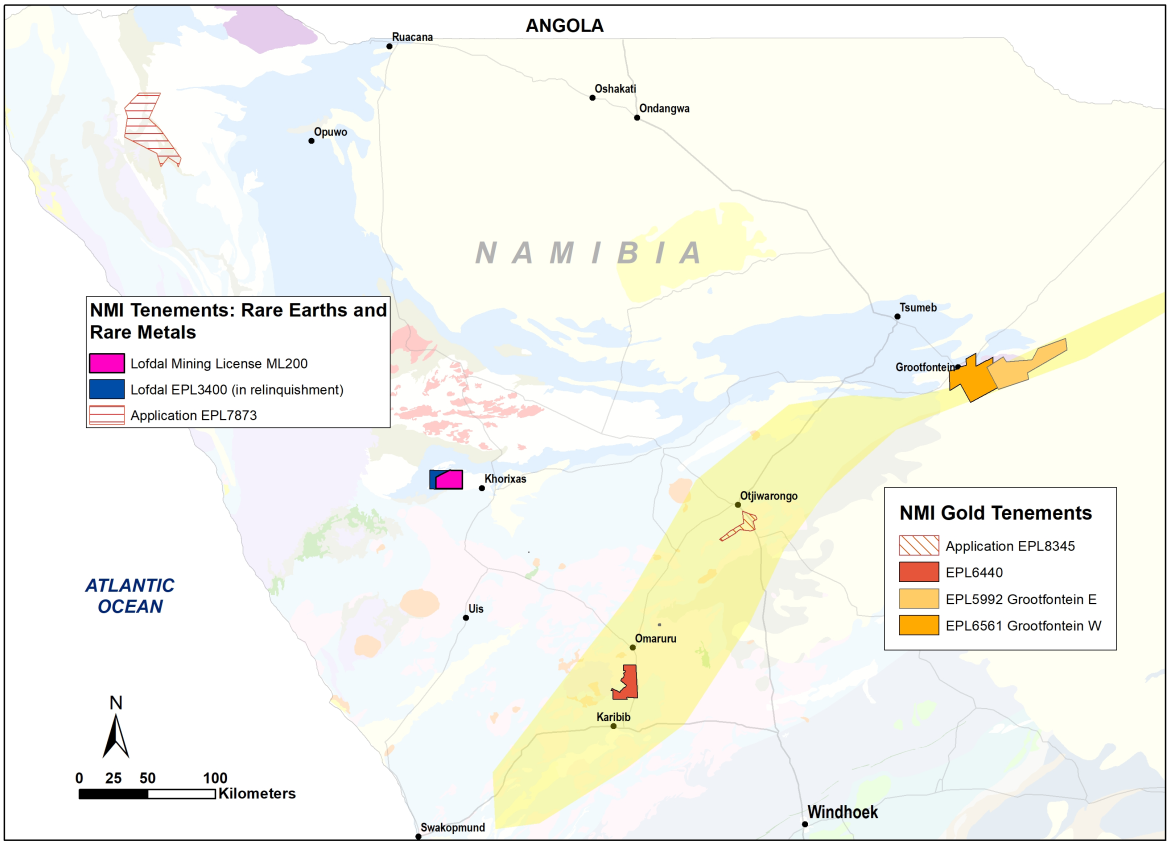


Figure 1: Location of NMI's critical metals and gold projects**.**

Table 1: Summary of Namibia Critical Metals' Project Portfolio

ML = Mining Licence EPL = Exclusive Prospecting Licence

License	Subsidiary company	Project	Applied	Granted	Status	Size (km^2)
ML200	Namibia Rare Earths (Pty) Ltd.	Lofdal	16-Nov-16	11-May-21	Active	210
EPL3400	Namibia Rare Earths (Pty) Ltd.	Lofdal	27-Jun-05	15-Nov-05	in relinquishment	104
EPL5992	Philco 193 (Pty) Ltd	Grootfontein	16-Apr-15	13-Oct-16	Active	731
EPL6440	Gecko Gold Mining (Pty) Ltd.	Erongo	07-Sep-16	14-Jul-17	Active, renewal pending	263
EPL6561	Philco 193 (Pty) Ltd	Grootfontein	25-Jan-17	29-Nov-17	Active, renewal pending	661
					Total granted EPLs	**1 759**
EPL7873	Philco 193 (Pty) Ltd	Kaoko copper	30-Sep-19		EPL Application	983
EPL8345	Gecko Gold Mining (Pty) Ltd.	Otjiwarongo	01-Sep-20		EPL Application	15
					Total EPL applications	**998**

Lofdal Rare Earths Project

The Lofdal Heavy Rare Earth Project ("Lofdal" or "the project") is the Company's most advanced project and comprises a Mining Licence ("ML200") and a surrounding exclusive prospecting licence ("EPL 3400"). EPL3400 is in the process of relinquishment as the entire Lofdal project is covered by ML200. Lofdal is being developed in a joint venture between the Company and JOGMEC.

Lofdal is located approximately 450 kilometers northwest of the capital city of Windhoek and 25 kilometers northwest of the town of Khorixas in the Kunene Region. The Lofdal property is centered on the Lofdal carbonatite complex, a regional geological feature associated with numerous occurrences of heavy rare earth mineralization hosted by albitic alteration zones and carbonatitic dykes.

ML 200 is valid for a 25-year period through to May 10, 2046 and is issued to the Company's 95% owned subsidiary, Namibia Rare Earths (Pty) Ltd. with the balance held by Philco One Hundred Ninety-Six (Pty) Ltd. ("Philco 196"), a company incorporated to fulfil the licence requirement of a 5% shareholding of Historically Disadvantaged Namibians.

Regional Assessment of Rare Earths Potential

The first systematic exploration for rare earths over Lofdal was initiated by Namibia Rare Earths Pty in 2008. In 2011 the Area 4 heavy rare earth deposit was discovered and since that time exploration results have demonstrated the occurrence of rare earth mineralization on a district scale (Figure 2).

Rare earth mineralization at Lofdal is hosted in carbonatite dykes, structurally controlled alteration zones and plugs exhibiting grades between 0.05-3% total rare earths oxides ("TREO" which includes yttrium oxide) and often exhibiting exceptional heavy rare earth ("HREE") grades. The Company uses classification nomenclature which considers heavy rare earths comprising europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu) and yttrium (Y). Light rare earths comprise lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd) and samarium (Sm).

Detailed mineralogical studies have confirmed that the principal heavy rare earth mineral is xenotime. The potential ore mineral assemblage has accessory thorite with an average thorium content of the Area 4 deposit of only 326 ppm. Grain size and habit are variable with ore minerals being generally fine- to very fine-grained with much of the potential ore minerals averaging 15-20 µm but reaching up to 150 µm.

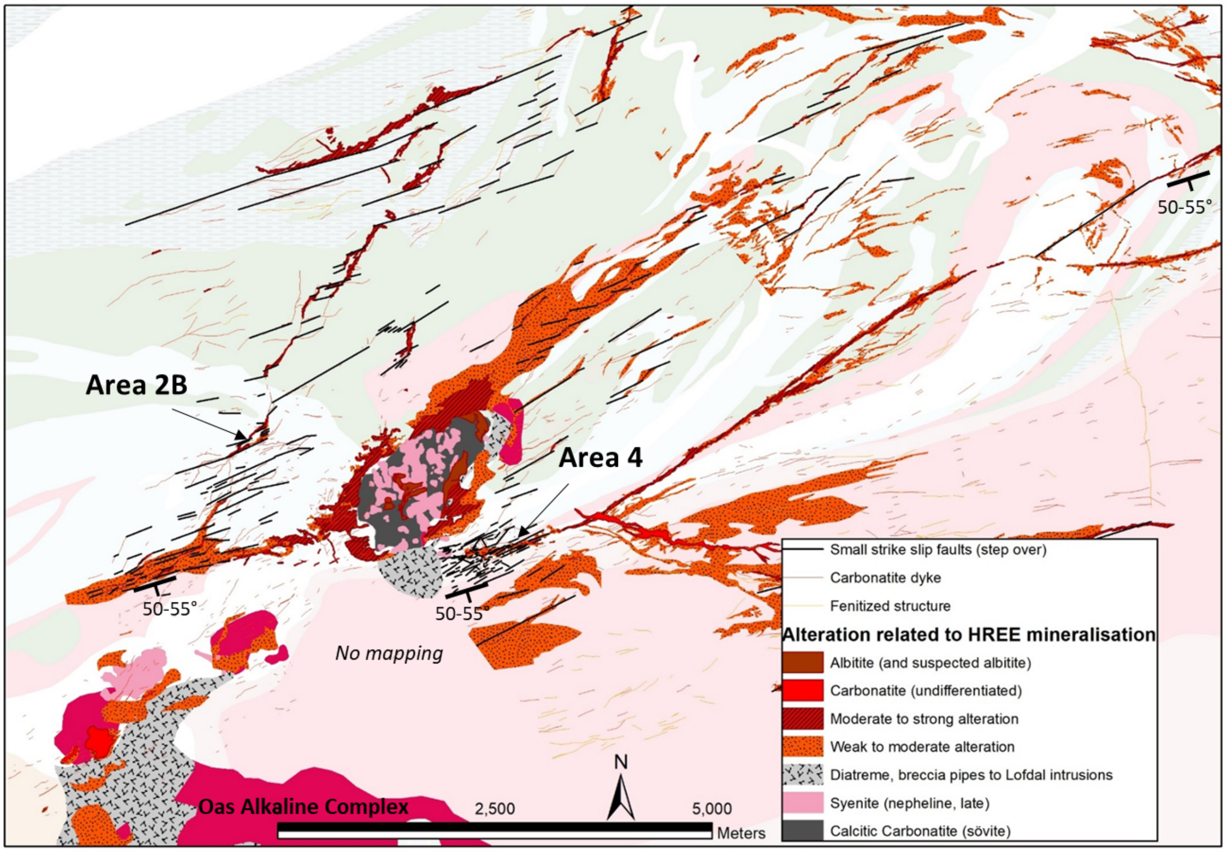


Figure 2: General geology of the Lofdal project showing the location of the Area 4 and Area 2B Deposits in relation to other structures with rare earth mineralization.

Partnership with JOGMEC on Lofdal

On January 27, 2020, the Company announced that it had signed an agreement with JOGMEC to jointly explore, develop, exploit, refine and/or distribute mineral products from Lofdal. JOGMEC is a Japanese government agency which seeks to secure stable commodity supply for Japan. JOGMEC has a strong reputation as a long term, strategic partner in mineral projects globally. JOGMEC facilitates opportunities with Japanese private companies to secure supply of natural resources for the benefit of the country's economic development.

Rare earths are of critical importance to Japanese industrial interests and JOGMEC has extensive experience with all aspects of the sector. JOGMEC provided Lynas Corporation with US$250 million in loans and equity in 2011 for its Mount Weld Project in Australia to ensure supplies of these crucial metals to Japanese industry. Japan is the most important consumer of dysprosium outside of China. The country was responsible for 9% of global consumption and other nations (including the United States) for 1%.

The agreement provides JOGMEC with the right to earn a 50% interest in the project by funding $20,000,000 in exploration and development expenditures under the following terms:

> Term 1 – JOGMEC will fund $3,000,000 in exploration expenditures up to March 31, 2021. The first term funding amount is non-refundable and JOGMEC earns no interest in the Lofdal project;

Term 2 – JOGMEC is entitled to elect to contribute an additional $7,000,000 in exploration expenditures from April 1, 2021 – March 31, 2024 to earn a 40% interest in the Lofdal project;

Term 3 – JOGMEC is entitled to elect to contribute an additional $10,000,000 in exploration and development expenditures from April 1, 2024 – March 31, 2028 to earn an additional 10% interest in the Lofdal project.

Once JOGMEC has completed and exercised its 50% earn-in and a feasibility study has been completed on the project, JOGMEC has the right to purchase an additional 1% interest in the project from the Company for $5,000,000 and thereafter to exclusively provide funding to develop the project subject to the Company's interest in the project not being diluted below 26%.

As of August 31, 2023, JOGMEC has advanced $10,975,000 thereby completing the $10,000,000 commitment for Terms 1 and 2 and has committed to a total expenditure of $11,800,000 through March 2024.

Work Program of the NMI-JOGMEC JV

i) Drilling Program (2020)

Drill target areas identified at Lofdal for resource development are shown in Figure 3. Drilling in 2020 focused on extending the mineral resource in Area 4 and confirming the resource potential in Area 2B. Reconnaissance drilling on the Northern Splay and Dolomite Hill targets did not return significant results for resource development.

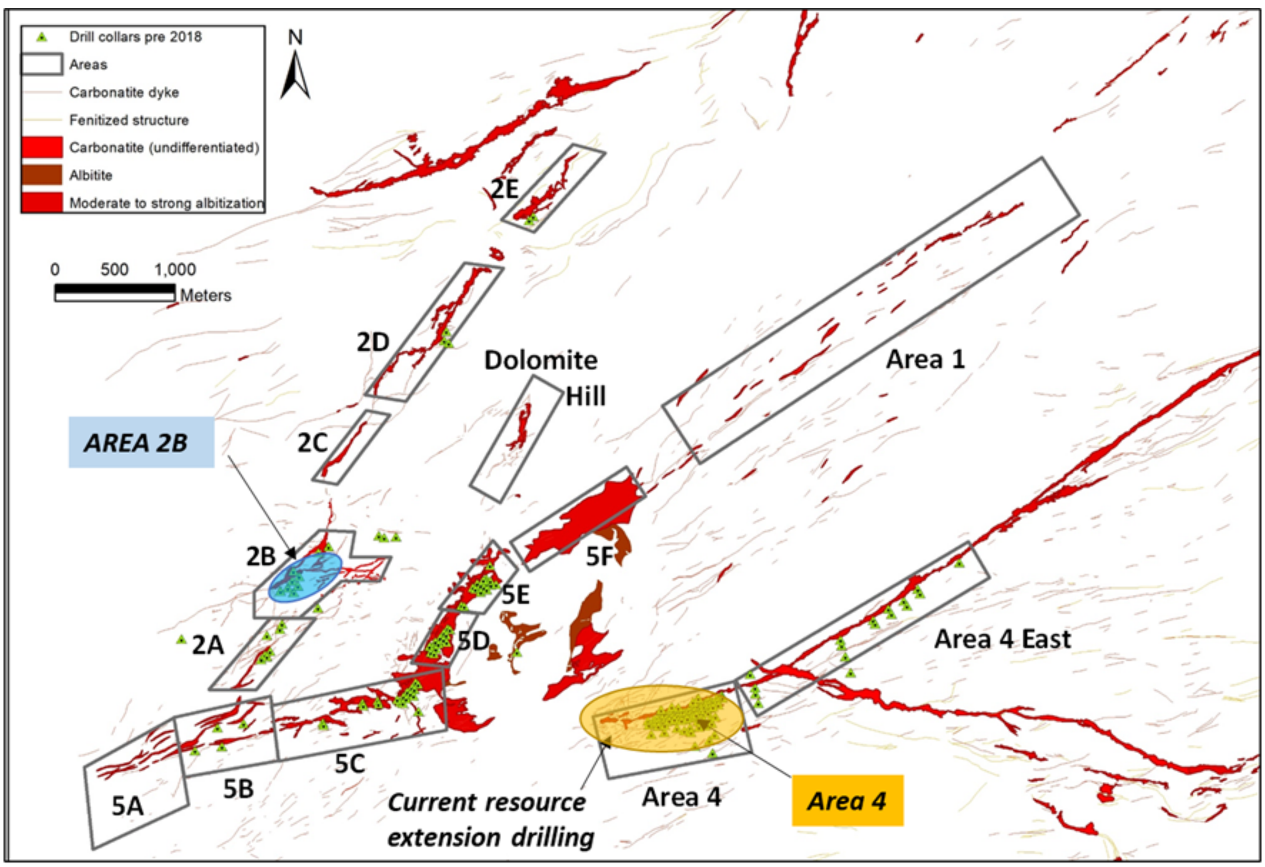


Figure 3: Drill target areas at Lofdal for resource development. In 2020-2021, focus was on Area 4. Area 2B is the first satellite deposit with resource drilling.

ii) Expansion of Mineral Resource at Area 4

Drill results in Area 4 have been consistent with expected grades and thickness as predicted from the resource model. Intercepts confirm that the highest grades of heavy rare earth mineralization occur in the central portion of the deposit. A number of significant intercepts have been noted in both the hanging wall ("HW") and foot wall ("FW") to the Main Zone which have contributed to the updated resource estimate (Table 2). Drilling at Area 4 has extended the strike length of the mineralized zone from 700 meters to 1,100 meters and to depths of 250-350 vertical meters (Figure 4).

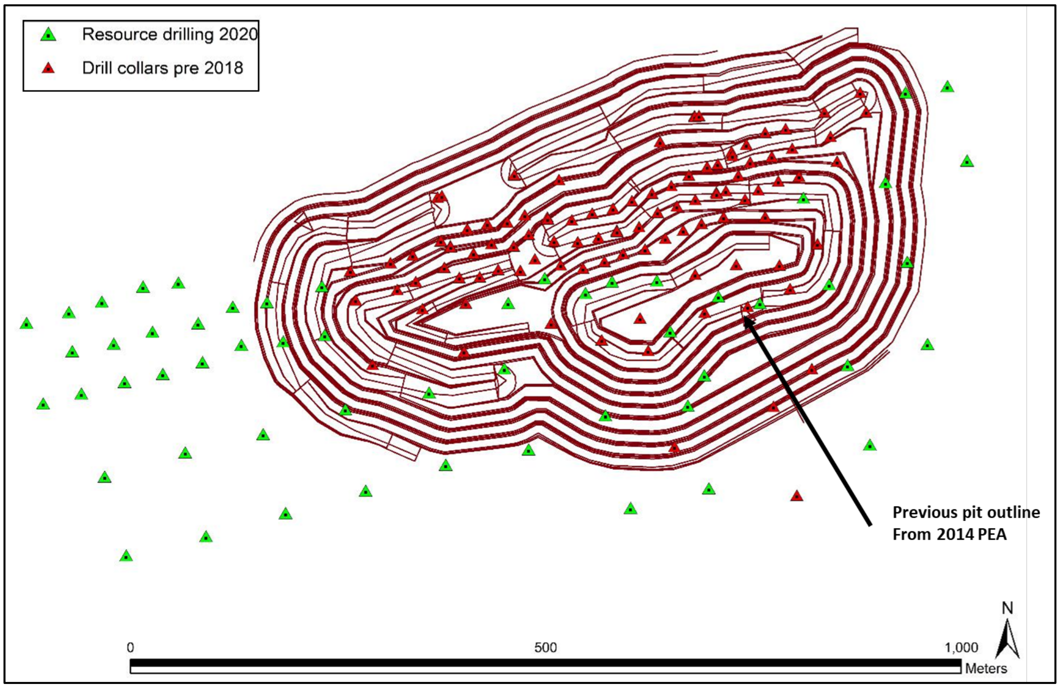


Figure 4: Drill hole collars Area 4 deposit. 2020 drill collars in green and historic holes in red.

iii) Development of Area 2B as satellite deposit

JOGMEC provided additional funds to the Term 1 budget for drilling in Area 2B with the objective of confirming the potential to develop additional resources in satellite deposits at Lofdal. Area 2B is located three kilometers northwest of Area 4. Seventeen holes had been drilled in the area in 2011 for a total of 2,133 meters, however no historic resource estimate was developed. An additional 4,400 meters of drilling was completed in 29 holes leading to a maiden resource for this zone (Table 3). Mineralization at Area 2B is similar to Area 4 with two to three narrow HREE mineralized zones. Drilling at Area 2B has confirmed mineralization over a strike length of 600 meters to depths of 190 meters and remains open in all directions.

iv) Updated Mineral Resource Statement of 2022

The MSA Group ("MSA") of South Africa was engaged to update the Lofdal resource which incorporated all the new drilling from Area 4 and Area 2B. MSA completed a site visit to review all technical aspects of the project including the Company's standard operating procedures and quality assurance quality control ("QAQC") programs. Considerable time was dedicated to vetting the geological model and continuity of the mineralization. Field operations follow strict company Standard Operating Procedures with regard to drilling practices, sampling procedures, security of transport and analytical procedures as per recommendations in the Canadian Institute of

Mining, Metallurgy and Petroleum CIM's Best Practices Guidelines (2018), which includes strict internal QAQC procedures for the insertion of blanks, standards and duplicates. QAQC samples account for 10% of samples submitted in each batch. Sample preparation and analytical work for the drilling program is being provided by Activation Laboratories Ltd. ("Actlabs" Windhoek, Namibia and Ancaster, Ontario). Actlabs is an ISO/IEC 17025 accredited laboratory.

The Mineral Resource estimate was based on geochemical analyses and density measurements of core samples obtained by diamond drilling undertaken by Namibia Rare Earths from 2010 to 2012, in 2015, and by NMI from 2020 to 2021. A total of 172 drill holes have been drilled at Area 4, of which 13 were collared outside the defined Mineral Resource. In Area 2B, 46 drill holes were used to estimate the Mineral Resource.

Half core samples of one-meter lengths intervals were taken for analysis. The bagged core samples were given a unique sample reference number and dispatched for preparation at Actlabs' sample preparation facility in Windhoek. The core samples were crushed to 2 mm, split using a riffle splitter and pulverised to 105 µm. Pulverised sub-samples were homogenised in a stainless-steel riffle splitter and a 15 g sample and duplicate were drawn for analysis. The pulverised sample aliquots were shipped to the ISO/IEC 17025 accredited Actlabs analytical facility in Ancaster, Ontario, Canada. The REE's were assayed using lithium metaborate-tetraborate fusion and Inductively Coupled Plasma Mass Spectrometry (ICP-MS).

The samples were subjected to a quality assurance and control (QAQC) program consisting of the insertion of blank samples and certified reference materials at Lofdal and the preparation of a laboratory duplicate at the sample preparation facility in Windhoek. The primary laboratory assay values were confirmed by duplicate samples assayed by a second laboratory (ALS, North Vancouver, Canada). MSA was satisfied that the assay results are of sufficient accuracy and precision for use in Mineral Resource estimation.

A three-dimensional geological model of the REE mineralisation and weathering surface was constructed using the drill hole and trench data. A mineralised envelope was defined using a 10 ppm Dy_2O_3 threshold for Area 4 and 12 ppm Dy_2O_3 for Area 2B. The grades of the individual light rare earth oxides (LREO) and individual heavy rare earth oxides (HREO) were estimated using ordinary kriging into a block model for each deposit. Density was estimated using inverse distance weighting. From the assumed parameters a 0.1% TREO cut-off grade was calculated (TREO refers to Total Rare Earth Oxides including Y_2O_3), which together with the Whittle optimised pit shell demonstrates reasonable prospects for eventual economic extraction (RPEEE) for the Mineral Resource. The Mineral Resource is classified into the Measured, Indicated and Inferred categories and is reported at a cut-off grade of 0.1% TREO. The independent resource for Area 4 and for Area 2B was estimated by MSA as follows:

Table 2: Area 4 Mineral Resources Estimate above 0.1% TREO cut-off grade

Area 4 Mineral Resource Estimate above 0.1% TREO* cut-off grade						
Category	Tonnes	TREO*	HREO**	LREO***	Dy_2O_3	TREO*
	(Mt)	%	%	%	ppm	(kt)
Measured	5.93	0.21	0.14	0.07	138	12.71
Indicated	36.63	0.16	0.08	0.08	82	59.97
Measured & Indicated	**42.57**	**0.17**	**0.09**	**0.08**	**90**	**72.68**
Inferred	6.09	0.17	0.07	0.09	72	10.12

Notes (also apply to Tables 3, 4, 5):

1. All tabulated data have been rounded and as a result minor computational errors may occur.
2. Mineral Resources, which are not Mineral Reserves, have no demonstrated economic viability.
3. Quantities reported are the total quantities for the project regardless of ownership.
4. *TREO = Total Rare Earth Oxides and includes Y_2O_3
5. **HREO = Heavy Rare Earth Oxides and includes Y_2O_3
6. ***LREO = Light Rare Earth Oxides
7. Mt = Million tonnes, kt = Thousand tonnes.

Table 3: Area 2B Mineral Resources Estimate above 0.1% TREO cut-off grade

Area 2B Mineral Resource Estimate above 0.1% TREO* cut-off grade						
Category	Tonnes (Mt)	TREO* %	HREO** %	LREO*** %	Dy_2O_3 ppm	TREO* (kt)
Indicated	2.20	0.19	0.10	0.09	104	4.27
Inferred	2.58	0.19	0.09	0.09	92	4.80

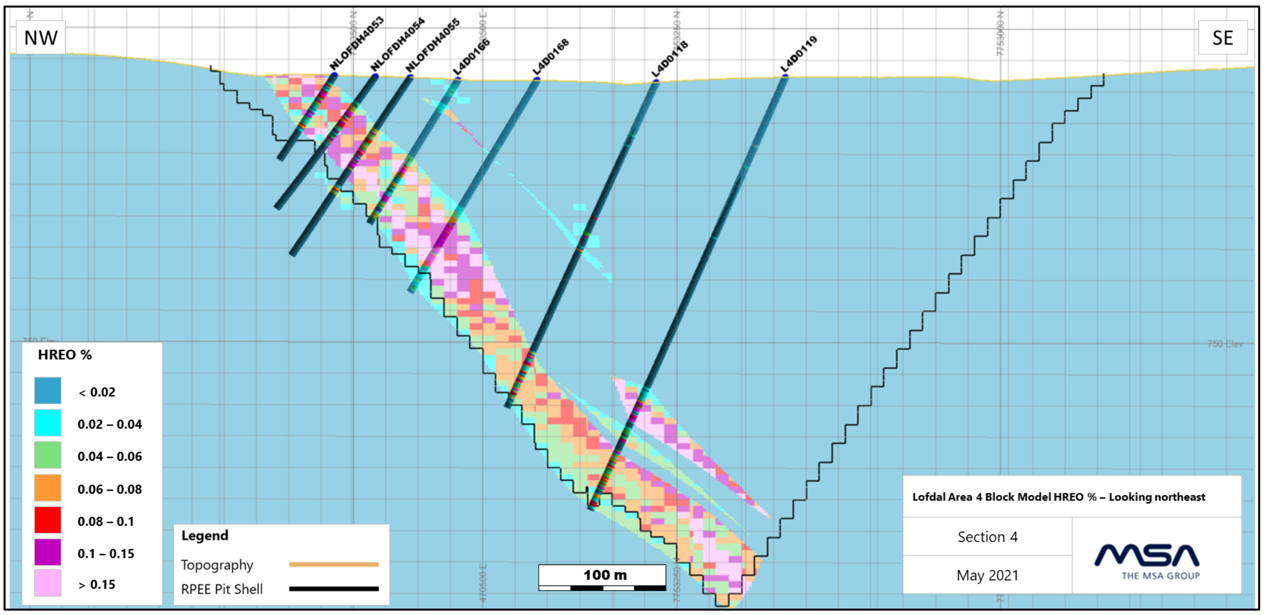


Figure 5: Section through block model of central part of Area 4 displaying HREO block grades.

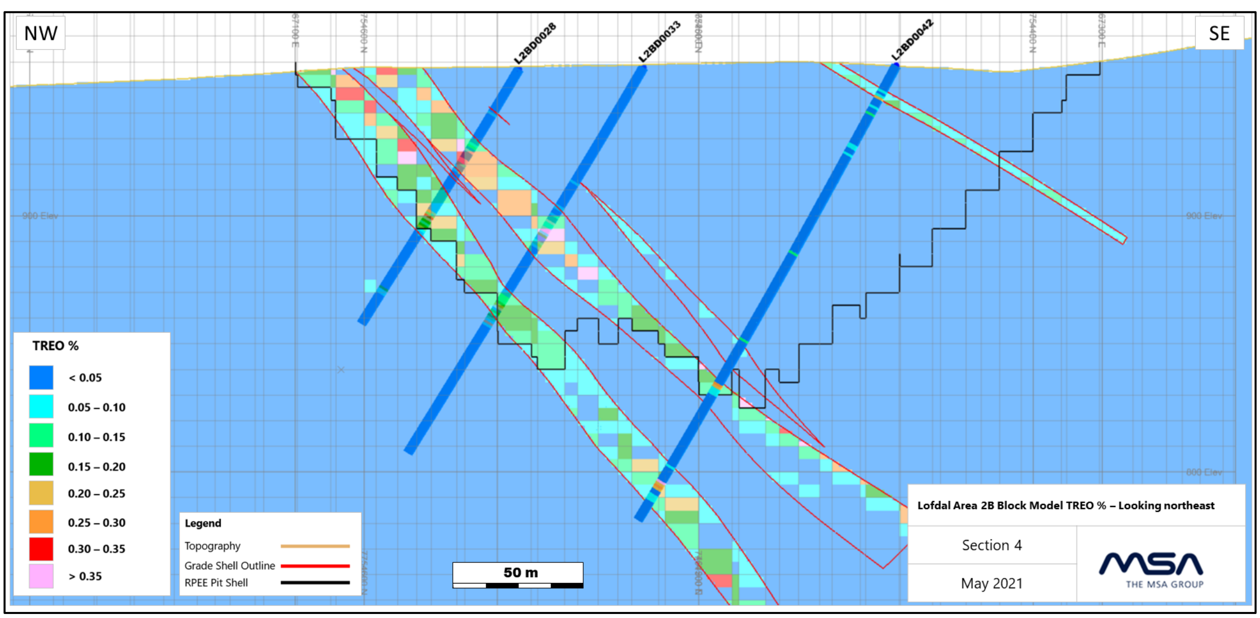


Figure 6: Section through block model of western part of Area 2B displaying TREO block grades.

The Term 1 objective of the JOGMEC joint venture to double the mineral resource was far exceeded. Measured and Indicated Resources increased to 44.76 Mt @ 0.17% TREO (from 2.88 Mt @ 0.32% TREO) and Inferred Resources increased to 8.67 Mt @ 0.17% TREO (from 3.28 Mt @ 0.27% TREO), as shown in Table 4. Most significantly, the contained tonnages of the high value heavy rare earths dysprosium and terbium increased 6.1 times and 6.7 times, respectively (Table 5).

Table 4: Increase in Lofdal Mineral Resource Estimates from 2012 to 2021

Year of Mineral Resource Estimate	2012	2012	2021	2021
Cut-off grade	0.1% TREO	0.1% TREO	0.1% TREO	0.1% TREO
	Million tonnes (Mt)	Grade %TREO	Million tonnes (Mt)	Grade %TREO
Measured Resource Area 4	0	-	5.93	0.21
Indicated Resource Area 4	2.88	0.32	36.63	0.16
Indicated Resource Area 2B	0	-	2.20	0.19
Total Measured & Indicated Resources	**2.88**	0.32	**44.76**	**0.17**
Inferred Resource Area 4	3.28	0.27	6.09	0.17
Inferred Resource Area 2B	0	-	2.58	0.19
Total Inferred Resources	**3.28**	0.27	**8.67**	**0.17**

Table 5: Increase in contained tonnage of TREO, dysprosium oxide and terbium oxide from 2014 to 2021

Year of Resource Estimate	2014	**2021**	2014	**2021**	2014	**2021**
	TREO	**TREO**	Dy2O3	**Dy2O3**	Tb2O3	**Tb2O3**
	tonnes	tonnes	tonnes	tonnes	tonnes	tonnes
Measured Resources	0	12,710	0	820	0	120
Indicated Resources	9,234	59,970	664	3,240	93	500
Measured&Indicated	**9,234**	**72,680**	**664**	**4,060**	**93**	**620**
Inferred Resources	8,973	10,120	631	680	88	110

Potential to expand resources at Lofdal

There are several other rare earth occurrences on ML200 (see Figures 2 and 3). Exploration drilling was carried out in Area 5 in 2011 but no resources have as yet been estimated. Based on the Company's recently refined geological model, Area 5B-E and Area 2A-C are regarded as the exploration targets with the highest potential to add significant resources by limited drilling.

v) Infill drilling at Area 4 and Area 2B for PFS Lofdal "2B-4" (2023)

A drill program was produced by the Company, with the support of MSA, to increase the level of resource categories as required for the PFS for the expanded project "Lofdal 2B-4". Resource drilling commenced at the end of January 2023 and was completed in June 2023.

The drilling campaign was significantly expanded from a planned total of 5,240 m. With the excellent drill performance in deeper RC holes, it was decided to drill all planned diamond core (DC) boreholes up to 350 m length by the more cost-efficient reverse circulation (RC) method. Eventually, a total of 8,226 m was completed in this RC drilling campaign.

37 RC drill holes for a total of 6,446 m were drilled at Area 4 (see Figure 7). In general, mineralised zones were confirmed in expected ranges of width and grade. The drill results confirm the geological model of structural zones acting as fluid channels and controlling intensity, pinching and swelling as well as splaying of the wide mineralized zones.

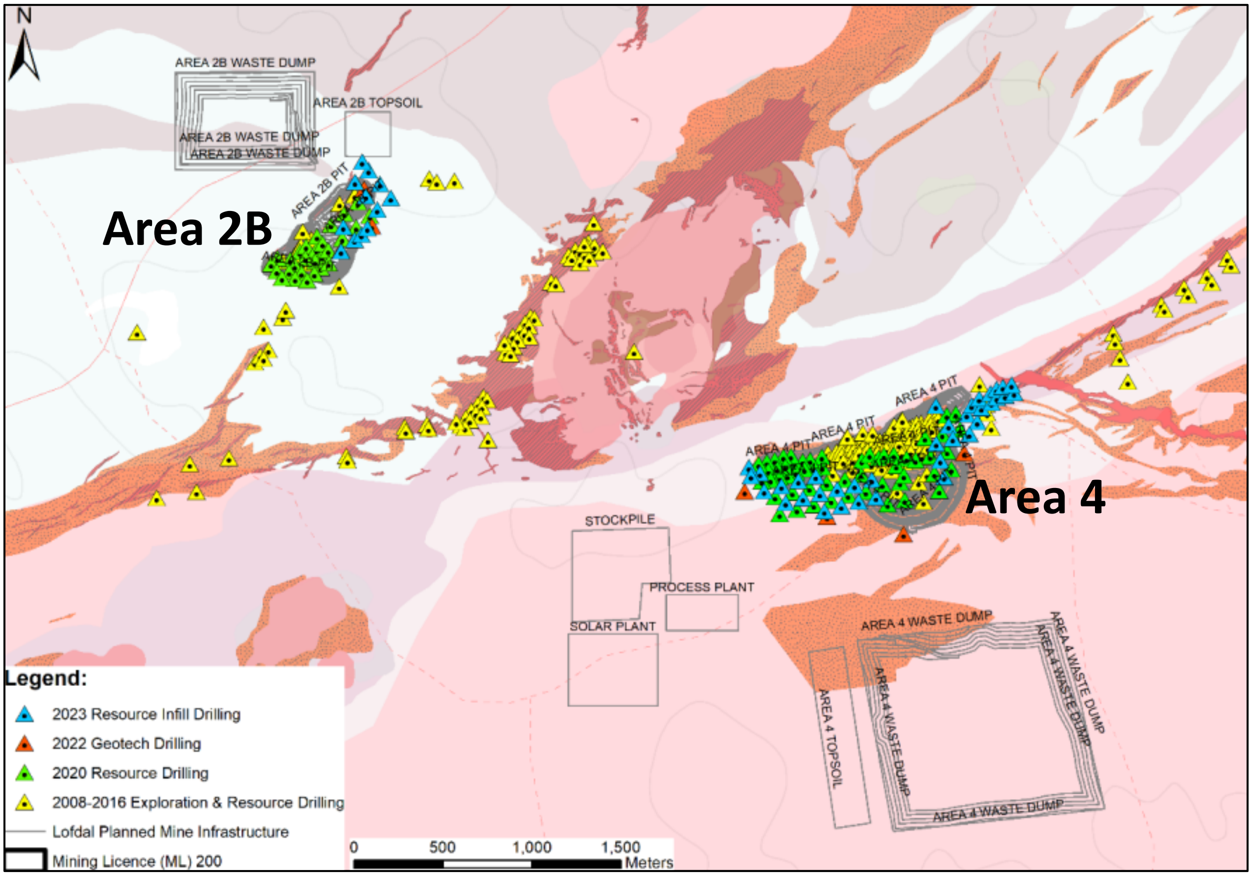


Figure 7: Drill collars in the central Lofdal project area. Blue triangles indicate the collar positions for 2023 RC infill drilling.

Sampling, analysis and QAQC

4495 samples of average 1.8 kg per sample were collected at the drill rig's cyclone ("A-sample") and submitted to Actlabs preparatory laboratory in Windhoek, Namibia, in batches of 200 to 300 samples.

The samples were dried and crushed to 2 mm, split using a riffle splitter and pulverised to 105 µm. Pulverised sub-samples were homogenised in a stainless-steel riffle splitter and a 15 g sample and duplicate were drawn for analysis. The pulverised sample aliquots were shipped to the ISO/IEC 17025 accredited Actlabs analytical facility in Ancaster, Ontario, Canada. The samples were assayed using lithium metaborate-tetraborate fusion and Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Actlab's analytical code "8-REE" includes 45 trace elements, 10 major oxides, Loss on Ignition, and mass balance.

The samples were subjected to a quality assurance and quality control (QAQC) program consisting of the insertion of blank samples and certified reference materials at Lofdal and the preparation of a laboratory duplicate at the sample preparation facility in Windhoek (Table 6). The primary laboratory assay values were confirmed by umpire sample analysis by ALS. A selection of 263 samples (every 20th sample of the original sample set), was sent to ALS Okahandja, Namibia for further shipment to ALS Johannesburg, South Africa. Samples were analysed using analytical code ME-MS81h (lithium meta-borate fusion and ICP-MS).

Table 6: Intervals of QAQC samples inserted into the laboratory batch of samples. This includes Certified Reference Materials (CRM), blanks, and duplicates.

QAQC samples	QAQC interval	Insertion intervals in every 100 samples
Standards Lofdal 4, 6, and Amis 185	Every 20th	10, 30, 50, 90
Blank	Every 20th	00, 20, 40, 60, 80, 100
Lab Duplicate	Every 20th	15, 35, 55, 75, 95

Table 7: Summary of drilling conducted at the Lofdal Project including the RC drilling at Areas 2B and 4

		NRE 2008-2016		JOGMEC 2020-2023		TOTAL	
Area	Type Drilling	Holes	Meters	Holes	Meters	Holes	Meters
2, 2A, 2C	Diamond	13	1 265			13	1 265
2B Resource	Diamond	17	2 134	29	4 400	46	6 534
2B Resource	RC			12	1 780	12	1 780
2B Geotech	Diamond			3	273	3	273
4 Resource	Diamond	101	11 808	56	10 162	157	21 970
4 Resource	RC			37	6 446	37	6 446
4 Metallurgy	Diamond	8	1 022			8	1 022
4 East	Diamond	9	827			9	827
4 Geotech	Diamond			4	1 054	4	1 054
4-8 Reconnaissance	Diamond	89	11 351			89	11 351
Northern Splay	Diamond			10	1 276	10	1 276
Dolomite Hill	Diamond			4	377	4	377
TOTAL DRILLING		**237**	**28 407**	**155**	**25 767**	**392**	**54 174**

The Qualified Person is satisfied that the assay results are of sufficient accuracy and precision for use in the future update of the Mineral Resource Estimation.

Preliminary results

Drill results in Area 4 have been consistent with expected grades and thickness as predicted from the resource model. Several intercepts in boreholes drilled in the periphery of the planned pit shell for Area 4 open pit, show wide mineralized zones which might form significant additional resources in the planned update of the Mineral Resource Estimate. An example for a mineralized zone currently not included in the pit shell is depicted in the section through the western periphery of planned Area 4 open pit (Figure 8) with borehole L4D0207 returning 9 mineralized intervals using a cut-off of 0.1% TREO[1], including 14 m at 0.17% TREO from 295 m and 21 m at 0.11% TREO from 262 m (see NMI Press Release of 6 September 2023).

Sampling was extended to the hanging wall of the "main mineralized zone". Assays show wide zones of up to 100 m of additional low to moderate grade HREO mineralization which will undergo an assessment for upgrade and beneficiation by sorting technologies, and thus might potentially further increase mine life or throughput of the future Lofdal mine.

[1] "TREO" refers to total rare earth oxides plus yttrium oxide; "HREO" refers to heavy rare earth oxides plus yttrium oxide; "heavy rare earths" as used in all Company presentations comprise europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu) and yttrium (Y). Light rare earths comprise lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd) and samarium (Sm).

Intercepts were generally selected based on an assumed cut-off of 0.1% TREO as previously used in the PEA "Lofdal 2B-4" (see NMI Press Release of 14 November 2022). However, the intercepts partly include a significant number of samples with <0.1% TREO in order to reflect the width of the mineralized zone potentially forming consecutive ore blocks in a large-scale open pit operation. By including lower grade mineralization, the combined mineralized intervals may reach more than 100 m length in total, as in borehole L4R0208 with 63 m length from 275 m and 53 m length from 173 m, and borehole L4R0210 with 51 m length from 285 m, 27 m length from 252 m and 29 m from 213 m (for details see NMI Press Release of 6 September 2023). The longest consecutive mineralized interval is 105 m length from 123 m in borehole L4R0199.

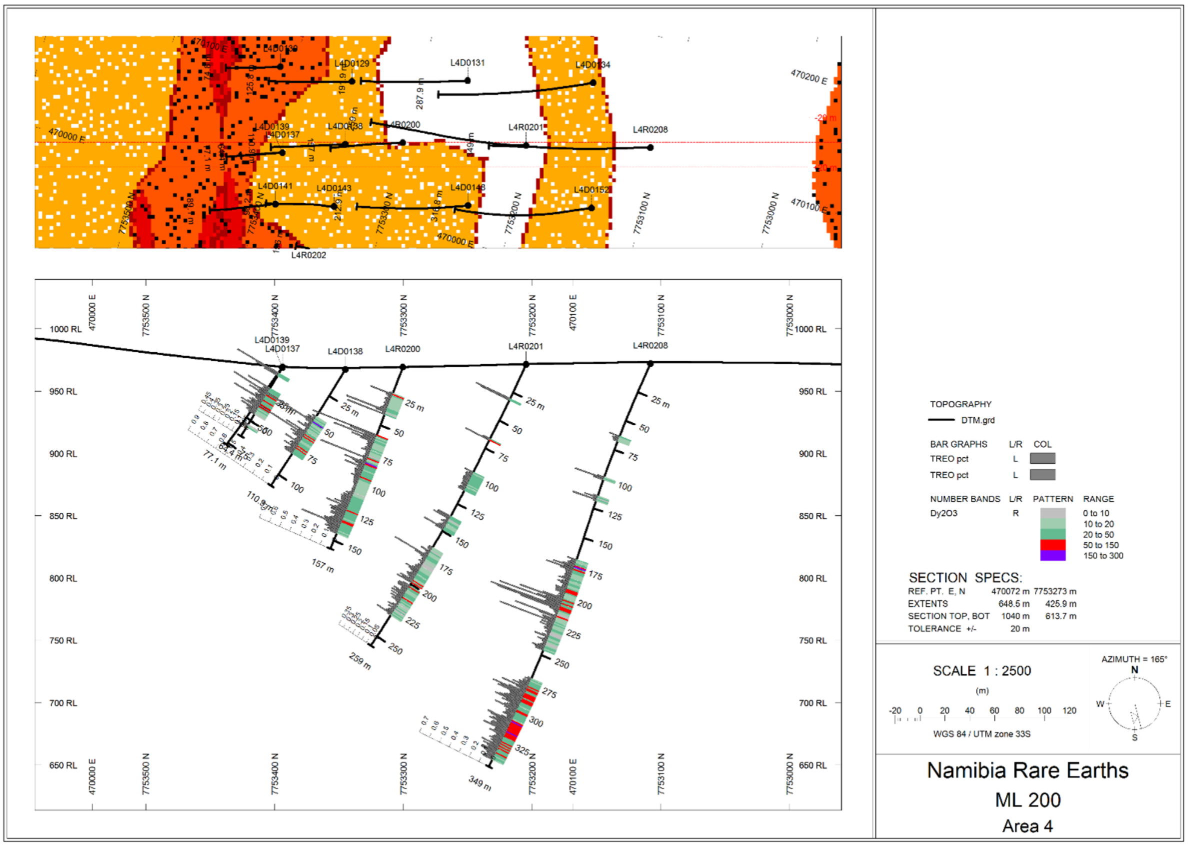


Figure 8: Drill section through the western part of Area 4. Color coding along the drill traces indicate TREO grade, and grey bars reflect Dy2O3 concentrations.

In Area 2B, 12 RC holes were drilled for a total of 1,780 m. Drilling was expanded by 4 boreholes to cover the mineralized zone extending to the east of the currently planned pit shell (see Figure 9). Infill drilling at Area 2B was completed for the update and increase of resource categories of the Mineral Resource Estimate as recommended by MSA for the PFS/DFS level for Lofdal's planned satellite open pit "Pit 2B".

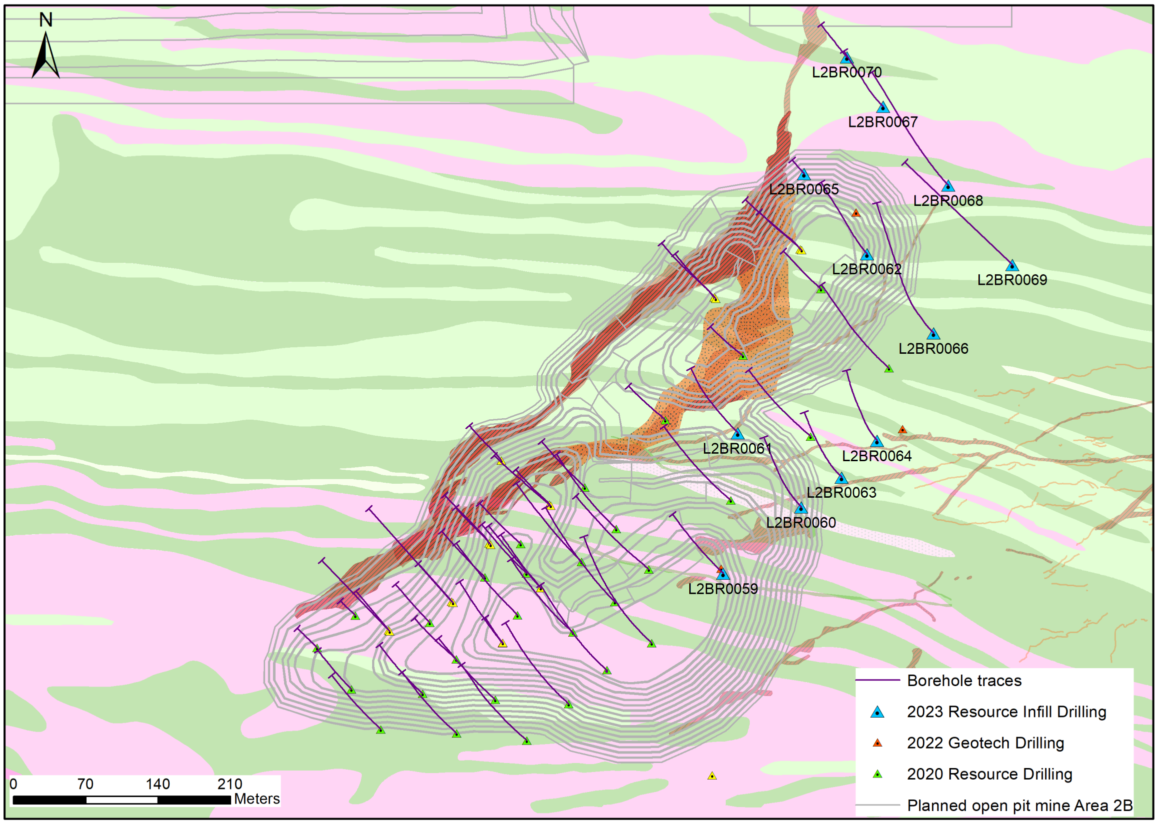


Figure 9: Geological map of Area 4 indicating all historical and the 2023 RC infill drill collars.

For completion of the PFS, an additional 5 deeper boreholes will be drilled at Area 4 later in 2023, for a total of approximately 2,500 m.

vi) Development of a starter pit at Area 4 for bulk sample extraction

Hard rock blasting was subcontracted to the international specialist group Bulk Mining Explosives (BME) to develop a starter pit in the central part of the Area 4 deposit. A box cut of 60 m x 20 m and to 15 m depth was excavated and 30,000 t of material stockpiled with 7,000 t from 12 to 15 m depth regarded as fresh material for the production of the blended sample for further test work. A 550 t blended ore sample was produced with a TREO grade of approximately 0.18% TREO which is expected to represent a typical run-of-mine below oxidation level of the entire Lofdal deposit.

Bulk samples were sent to TOMRA (Hamburg, Germany) and Rados (Johannesburg, South Africa) for sorting tests. Further, samples went to Geolabs (South Africa) for geotechnical tests and to SGS Canada Inc. in Lakefield, Ontario ("SGS Lakefield") for pilot-scale flotation and hydrometallurgical test work.

vii) Metallurgical Test Work Program

Ore Sorting

X-Ray Fluorescence ("XRF") sorting tests have been completed by Rados International at their test facility in Pretoria, South Africa. Mineralization at Lofdal is amenable to XRF sorting by analyzing for yttrium which is directly proportional to the concentration of the heavy rare earth mineral xenotime. Results indicate that XRF sorting technology can provide significant upgrades to the ROM.

X-Ray Transmission ("XRT") sorting tests have been completed by TOMRA Hamburg and IMS Engineering Johannesburg, South Africa. Mineralization at Lofdal is amenable to XRT sorting by detection of higher density minerals which host the xenotime. Results indicate that XRT sorting technology can provide significant upgrades to the ROM by rejecting waste in form of albitite, muscovite and chlorite schists.

Gravity and Magnetic Separation

Systematic evaluations of gravity separation technologies had been undertaken by Light Deep Earth using Rados XRF sorter product and fines. Test work has been completed to evaluate dense media separation on coarse size fractions between 1-10 mm, shaking table separation on size fractions between 0.05-1.0 mm and multi gravity separation on size fractions between <0.05–0.1 mm. Previous metallurgical test work at Lofdal had demonstrated the amenability to magnetic separation using wet high intensity magnetic separation ("WHIMS").

Flotation

Flotation test work was carried out at SGS Lakefield, and at UVR-FIA GmbH in Freiberg, Germany. Both institutions, cumulatively conducted over 150 individual flotation tests using several types of collectors, depressants and considered thrifting of physical flotation conditions. SGS Lakefield has extensive experience in mineral processing of a number of rare earth deposits.

Flotation is the key step in beneficiation of the xenotime-mineralised ore. The test program compared upgrades and recoveries of XRF and XRT products through direct flotation followed by magnetic separation, and through magnetic separation followed by flotation. The metallurgical bulk sample test program was further amended to include flotation tests directly on the fresh, low-grade sample, by-passing initially planned XRT and XRF sorting.

The impact of high intensity conditioning ahead of flotation yielded clearly improved flotation performance.

Best flotation results regarding upgrade, recoveries and operating costs were achieved using moderate dosages of the collector Florrea 3900 and Calgon as depressant. Cleaner flotation concentrates from positive test runs produced at an overall mass pull of 2.7-3.9% with a product grade of 4-6% TREO and a recovery of up to 70% TREO. More importantly, the high value Heavy Rare Earth Elements, mainly hosted in xenotime, showed significantly better recoveries (58-75% HREO) than the Light Rare Earth Elements (49-58% LREO).

After defining the optimal flotation conditions, bulk flotation tests were conducted in quadruplicate to produce a flotation concentrate for downstream hydrometallurgical testing. Four bulk flotation tests demonstrated repeatable flotation performances on the low-grade feed material. Four bulk flotation tests demonstrated repeatable flotation performances on the low-grade direct run-of-mine feed material. The cleaner flotation from the bulk test runs produced a concentrate grade TREO ranging from 4.7 – 6%.

The objective of the current program is to scale up tests, locked-cycle testing for a higher level of confidence in metallurgy, and confirmation of engineering design criteria for PFS capital and operating cost estimation.

The locked cycle tests were completed and confirm a steady circuit. No significant detrimental effect was observed due to the recirculation.

Variability tests on 9 samples from the peripheries of planned Area 2B and Area 4 pits were completed. With the low-grade nature and varying mineralogy of the first set of variability samples taken from RC boreholes in the periphery of Area 4 and at TREO grades near cut-off, it was decided to extend the variability test program by a further 7 samples.

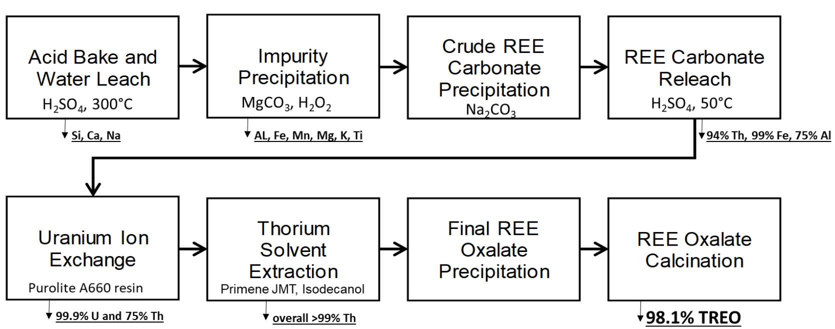
Significant upside potential remains in further optimizing flotation conditions. SGS Lakefield was contracted with a flotation optimization by new optimised collectors Florrea 3900X and 3900Z. To further simplify the flowsheet and improve recoveries, future testing will focus on iron removal with optimal temperatures during acid bake.

A 5 tonnes bulk sample was sent to SGS Lakefield for the first bulk sample flotation tests with the new flotation regime, and test work is scheduled for Q4 2023.

Hydrometallurgical test work

The previous hydrometallurgical test work at SGS Lakefield had demonstrated the acid bake route is preferred due to lower reagent costs and higher recovery of the heavy rare earths compared to the caustic crack route.

The Company has successfully completed hydrometallurgical test work to develop a flowsheet capable of producing a high-grade rare-earth oxide product from a xenotime flotation concentrate. The Company's lead metallurgical consultants at SGS Lakefield have simplified the final process stage with an acid bake to crack the mineral xenotime, to purify the pregnant leach solution and to precipitate a rare earth oxalate, which is subsequently calcined to form a product containing >98% TREO. The acid bake process and concurrent removal of impurities is highly efficient and resulted in a 95% recovery of Dysprosium and Terbium in the leaching operation of the processing flow sheet. The high-quality product is practically free of typical deleterious elements like thorium and uranium (<3 ppm combined U+Th).



A total of three acid bake and water leach tests were completed throughout the current test program to investigate the dissolution of rare earth elements (REE) and the behaviour of gangue minerals through the addition of sulphuric acid at elevated temperatures (300°C) and at a range of acid dosages (1-1.5 t/t concentrate basis). Under previously determined optimum conditions (2021 test program at SGS Lakefield), these tests showed very good REE recoveries with 96% for yttrium, 95% for dysprosium and 94% for terbium.

Current test work entails high temperature acid bake tests between 580°C and 700°C to test iron removal in the form of insoluble hematite from the REE-rich liquor and to recycle acid from off-gas while the resulting liquid will require less neutralization by MgCO3.

Results of the impurity removal and crude REE precipitation tests on the leached solutions corroborated chemistries with the previous test programs on the two flotation concentrates with low co-precipitation of RE's in the impurity removal stage (between 1-9% as compared to between 1-15% in previous) with similar precipitation of impurities.

While the results are positive, there remains room to optimise these processes regarding operating expenditures and capital expenditures as well as recoveries in continuous pilot plant testing during pre-feasibility study. The addition of a hydrometallurgical plant at Lofdal would create additional jobs in the southern Kunene Region of Namibia and provide a marketable product for export. The rare earth oxalate product with thorium and uranium levels below 3 ppm would be acceptable for import into Japan without restrictions or penalties.

PEA Lofdal "2B-4"

The company finalised the financial analysis of its Preliminary Economic Assessment* ("PEA") "2B-4". This PEA aims at a significantly larger annual run-of-mine and plant throughput of 2 million tonnes per year and longer mine life than the historical PEA of 2014 by mining from two sub-deposits namely "Pit 2B" and "Pit 4". Further, the processing flow sheet was simplified to a direct flotation of the run-of-mine material and expanded to include a hydrometallurgical unit producing a >98% mixed rare earth oxide as final product (as described above) rather than xenotime concentrate.

Market Analysis – Pricing

A price deck was developed for the Lofdal project based on an internal review of pricing as well as peer reports (Mkango Resources Ltd. DFS July, 2022, and Search Minerals PEA June, 2022) which were developed based on third party independent market forecast analysis. The projected REO distribution for Lofdal concentrates is shown in Table 8. The projected basket price is US$103.64 (US$91.64 after estimated refining charges of $12/kg TREO).

Table 8: Product Pricing (Note: Pricing used before refining charges of $12/kg TREO)

Pricing Forecast for REE	**Pricing used for analysis**	**Distribution**
La2O3	**$ 0**	**9.2%**
Ce2O3	**$ 0**	**16.0%**
Pr2O3	**$ 201.00**	**1.7%**
Nd2O3	**$ 212.00**	**6.3%**
Sm2O3	**$ 5.00**	**2.2%**
Eu2O3	**$ 36.00**	**1.1%**
Gd2O3	**$ 109.00**	**4.3%**
Tb2O3	**$ 2,493.00**	**0.9%**
Dy2O3	**$ 587.00**	**6.2%**
Ho2O3	**$ 290.00**	**1.3%**
Er2O3	**$ 64.00**	**3.8%**
Yb2O3	**$ 20.00**	**3.5%**
Lu2O3	**$ 947.00**	**0.5%**
Y2O3	**$ 17.00**	**42.4%**
Tm2O3	**$ 500.00**	**0.6%**
Average Basket Value	**$ 103.64**	

*Cautionary Note: The preliminary economic assessment is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them to enable them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have a demonstrated economic viability.

Economic Analysis

SGS provided the capital costs for the expanded project Lofdal "2B-4" totalling to about US$207 million.

Table 9 - Total Capital Costs Summary (US$)

Direct Mining Costs[1]	-
Direct Mine Site Processing Costs	117,577,231
Direct Tailings Storage Facility Costs	13,628,361
SUB TOTAL INITIAL CAPITAL COSTS	**131,205,593**
Sustaining Capital Mining	-
Sustaining Capital Processing	6,010,090
Sustaining Capital Tailings Storage Facility	5,432,266
Mine Closure Costs	5,000,000
Indirect Costs	18,560,082
Contingency	40,873,816
TOTAL CAPITAL COSTS	**207,081,846**

[1]Mining will be conducted via contractor, all contractor capital recovery is reflected in the mining operating costs.

The economic analysis assumes that the project will be 100% equity financed and uses parameters relevant as of September 2022, under conditions likely to be applicable to project development and operation and analyzes the sensitivity of the project to changes in the key project parameters. All costs have been presented in United States Dollars (US$) and wherever applicable conversion from South African Rand (ZAR) has utilized an exchange ratio (ZAR/US$) of 16.07.

Mining and treatment data, capital cost estimates and operating cost estimates have been put into a base case financial model to calculate the IRR and NPV based on calculated Project after tax cash flows. The scope of the financial model has been restricted to the project level and as such, the effects of interest charges and financing have been excluded.

For the purposes of the PEA, the evaluation is based on 100% of the project cash flows before distribution of profits to the equity owners. Both pre-tax and after-tax cash flows have taken 5% royalty payments into account.

At a discount rate of 5% the project is anticipated to yield a pre-tax IRR of 34% with a NPV of US$632,739,693, and an after-tax IRR of 28% with a NPV of US$390,982,730. Cumulative cash flows are US$1,110,393,637 pre-tax and US$698,691,741 after tax over the sixteen-year Life of Mine.

The project is expected to pay back initial capital within the first 3.2 years.

Sensitivity Analysis

Pre Tax NPV at Range of Operating Costs

Discount	60%	70%	80%	90%	100%	110%	120%	130%	140%
5%	$1004.5M	$911.6M	$818.6M	$725.7M	$632.7M	$539.8M	$446.8M	$353.9M	$261.0M
7%	$822.6M	$744.0M	$665.4M	$586.8M	$508.3M	$429.7M	$351.1M	$272.5M	$193.9M
8%	$745.8M	$673.3M	$600.8M	$528.3M	$455.8M	$383.3M	$310.8M	$238.4M	$165.9M
9%	$676.9M	$609.9M	$542.9M	$475.9M	$408.9M	$341.9M	$274.9M	$207.9M	$140.9M
10%	$615.0M	$552.9M	$490.9M	$428.8M	$366.8M	$304.8M	$242.7M	$180.7M	$118.6M

Pre-Tax NPV at Range of Capital Costs

	$124.2	$145.0	$165.7	$186.4	$207.1M	$227.8	$248.5	$269.2	$289.9
Discount	**60%**	**70%**	**80%**	**90%**	**100%**	**110%**	**120%**	**130%**	**140%**
5%	$708.0M	$689.2M	$670.4M	$651.5M	$632.7M	$613.9M	$595.1M	$576.3M	$557.5M
7%	$580.9M	$562.8M	$544.6M	$526.4M	$508.3M	$490.1M	$471.9M	$453.7M	$435.6M
8%	$527.3M	$509.4M	$491.6M	$473.7M	$455.8M	$437.9M	$420.1M	$402.2M	$384.3M
9%	$479.2M	$461.6M	$444.1M	$426.5M	$408.9M	$391.3M	$373.7M	$356.1M	$338.5M
10%	$436.0M	$418.7M	$401.4M	$384.1M	$366.8M	$349.5M	$332.2M	$314.9M	$297.6M

Pre-Tax NPV at Basket Price Levels

Discount	$70	$75	$80	$85	$92	$95	$100	$105	$110
5%	$240.1M	$330.8M	$421.5M	$512.3M	$632.7M	$693.7M	$784.4M	$883.2M	$965.9M
7%	$177.2M	$253.7M	$330.2M	$406.7M	$508.3M	$559.7M	$636.2M	$719.4M	$789.2M
8%	$150.9M	$221.3M	$291.8M	$362.3M	$455.8M	$503.2M	$573.6M	$650.3M	$714.6M
9%	$127.4M	$192.5M	$257.5M	$322.5M	$408.9M	$452.6M	$517.6M	$588.4M	$647.7M
10%	$106.5M	$166.6M	$226.8M	$286.9M	$366.8M	$407.2M	$467.4M	$532.8M	$587.6M

Pre-Tax NPV at Varying Recovery Ranges

Discount	43%	48%	53%	57%	59%	61%	64%	69%	74%
5%	$178.0M	$320.1M	$462.2M	$575.9M	$632.7M	$689.6M	$774.9M	$917.0M	$1059.1M
7%	$124.8M	$244.6M	$364.5M	$460.3M	$508.3M	$556.2M	$628.1M	$747.9M	$867.7M
8%	$102.6M	$213.0M	$323.4M	$411.7M	$455.8M	$500.0M	$566.2M	$676.6M	$787.0M
9%	$82.9M	$184.8M	$286.6M	$368.1M	$408.9M	$449.6M	$510.8M	$612.6M	$714.5M
10%	$65.3M	$159.5M	$253.7M	$329.1M	$366.8M	$404.5M	$461.0M	$555.2M	$649.4M

Recommendations

This PEA was based on the Mineral Resource Estimate produced by MSA in 2021. Significant upside potential exists down dip of Area 4 and Area 2B as well as along the several kilometer long strike extensions of the mineralization in Areas 2 and 5. Therefore the run-of-mine and/or life of the Lofdal mine could be significantly increased with further exploration.

Sorting of the run-of-mine material was excluded from this PEA. However, historical and recent test work at TOMRA showed several approaches for an optimization of the Lofdal mine. Further studies will focus on three run-of-mine streams which will entail (1) higher grade material directly supplied to the flotation circuit while (2) lower grade material will run through a low filter XRT sorting with an upgrade factor expected in the range 2.0-2.5, and (3) very low grade (stockpile) material which will be XRT sorted with a high filter aiming at upgrades factors in the range 3.5-4 with relatively low recoveries around 50%. The latter will also source about 13 Mt of stockpile material which is not included in the current PEA.

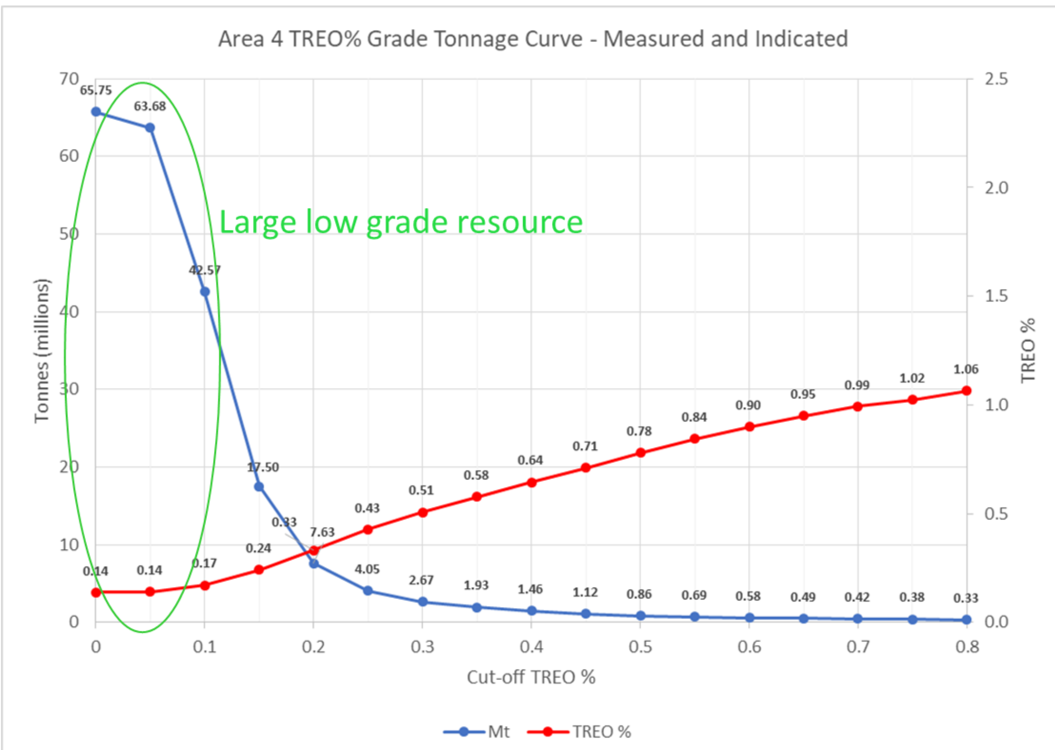


Figure 10: Lofdal Area 4 deposit Grade-tonnage curve demonstrating the large upside for the life of mine or increasing production by tapping the low-grade resources potentially upgrading the run-of-mine by XRT sorting.

Expenditures

During the nine months ended August 31, 2023, the Company received $2,875,000 (2022 - $1,500,000) from JOGMEC for exploration expenditures on the Lofdal property, for a total of $10,975,000 (2022 - $7,600,000). As of August 31, 2023, $9,662,796 (2022 - $7,122,264) in exploration expenditures had been incurred. The Company has recorded the remaining $1,312,204 (2022 - $477,736) as an advance received for future exploration work.

The joint venture expenditures for the period ended August 31, 2023 are summarized in the following table:

	November 30, 2022 $	Expenditures $	August 31, 2023 $
Project Management	320,041	90,248	410,289
Geology, Drilling, Sample Analysis	4,184,252	1,697,566	5,881,818
43-101 Resource and Mine Model Update	828,809	76,487	905,296
Metallurgy	1,305,730	376,358	1,682,088
Operator's Fee	399,895	134,165	534,060
Mine planning	166,537	-	166,537
Other	46,641	36,067	82,708
	7,251,905	2,410,891	9,662,796

Pursuant to the agreement with JOGMEC, the Company is entitled to an operator fee of 10% of the direct costs incurred, which is limited to 5% for any contracts requiring aggregate payments of more than $100,000. The Company first recognizes the operator fees against evaluation and exploration expenditures, as cost recoveries, and recognizes the excess, if any, as other income in the consolidated statement of loss and comprehensive loss. The portion of the operator fee recognized as income during the nine months ended August 31, 2023 was $114,097 (2022 – $37,697).

Other Exploration Activities of Namibia Critical Metals

The Company's gold exploration projects Erongo and Grootfontein (renamed from Kunene) are situated within the Central Namibian Gold Belt (Figure 11). Management has focused its exploration attention on the unfolding events pertaining to new gold discoveries in Namibia spearheaded by the success of Osino Resources discovery at Twin Hills.

Grootfontein Gold, Nickel-Copper, Zinc-Lead-Vanadium Project

Grootfontein is an early-stage conceptual target based on geophysical and historical evidence for a large buried mafic-ultramafic intrusive complex. It is a poorly explored geological complex due to the extensive coverage with Kalahari sands and calcrete.

Based on historic drill holes and airborne magnetic survey interpretations, Grootfontein constitutes a huge mafic complex covering 360 km^2 with the potential to host magmatic nickel, copper, vanadium, platinum group elements and chromite mineralisation as cumulates or late magmatic disseminations and stockworks. Previous work demonstrated that the main intrusive phases are depleted in nickel and copper. The metals were likely fractionated as sulphides during the intrusive phase, gravitationally accumulated in the magma and intruded in the adjacent, pre-existing rocks. As in other mafic hosted copper-nickel deposits such as Norilsk and Voisey's Bay, sulphidization by scavenging of sulphur from country rocks and tectono-magmatic concentration of the sulphide-rich melts are the key for the formation of this type of magmatic copper nickel deposits. Only two shallow drill fences (total of 1,386 m) were drilled by Anglo American in 1988 leaving 55 km of strike length untested.

There is also potential for zinc-lead-vanadium Mississippi Valley-type mineralization similar to the Berg Aukas deposit bordering the mafic complex, which according to historical records, produced 1.6 Mt of ore grading 16.77% Zn, 4.04% Pb and 0.93% V_2O_5 during the period 1967-1975.

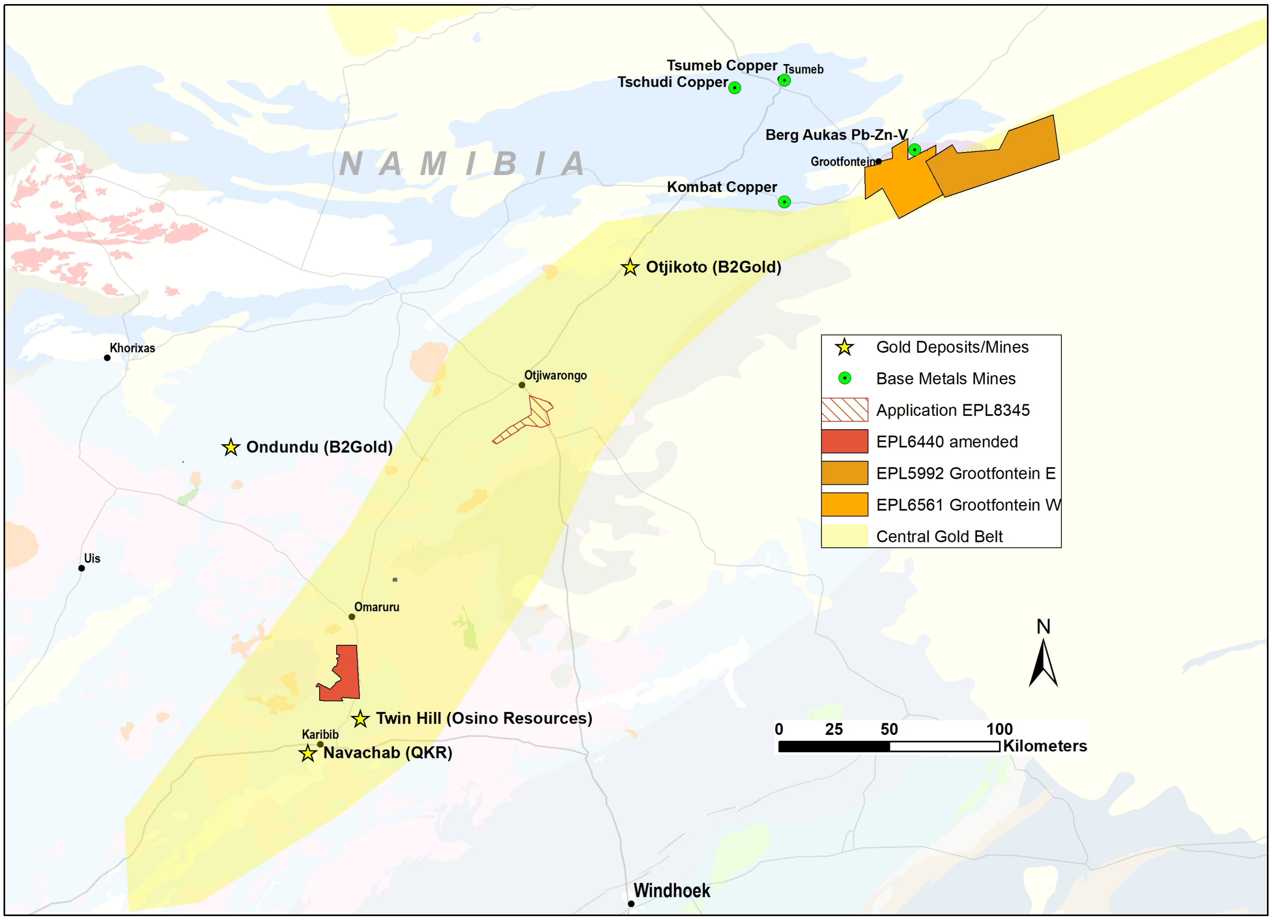


Figure 11: NMI project areas in the Central Namibian Gold Belt

The Grootfontein project area comprises two EPLs covering 1,392 km^2 located 80 kilometers northeast of B2 Gold's Otjikoto Gold Mine and 20 kilometers northeast of Osino Resources' Otjikoto East Project.

The geology of the property is dominated by the Grootfontein Mafic Complex ("GMC"). Grootfontein lies at the northeastern extremity of the Central Namibian Gold Belt where the Grootfontein Shear Zone ("GSZ") transects the GMC and is bounded to the south by the Waterberg Fault (Figure 12). Gold anomalies identified to date at Grootfontein occur within the mafic rocks of the GMC itself and in basement and Damaran Supergroup rocks in proximity to the Grootfontein Shear Zone. The project area has extensive alluvial and calcrete cover up to 60 meters in thickness.

A structural interpretation of the entire project area provided a detailed analysis of the area delineating the Grootfontein Shear Zone and associated second and third order structures considered favourable for gold mineralization.

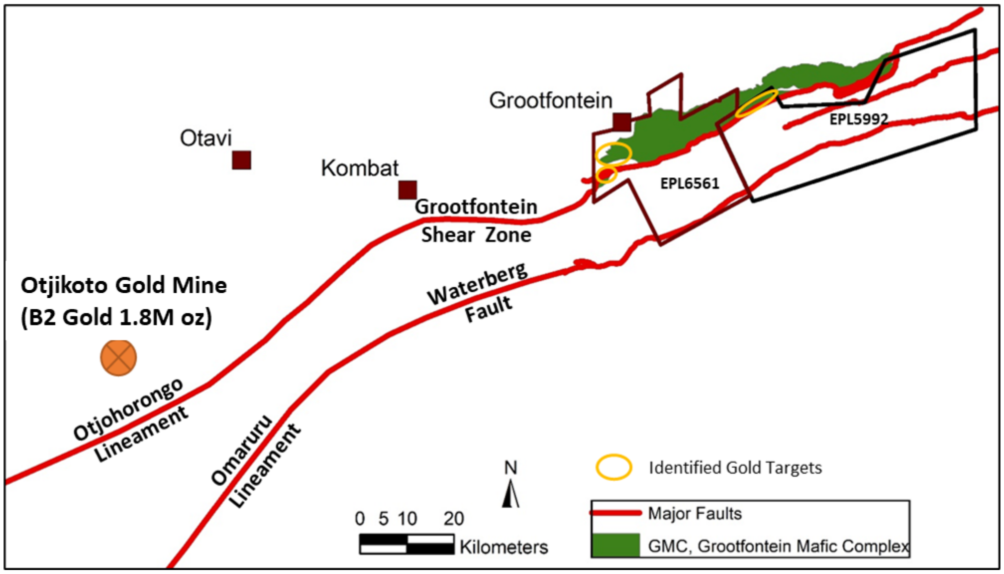


Figure 12: Location of the Grootfontein EPLs and relationship to major structures within the Central Namibian Gold Belt

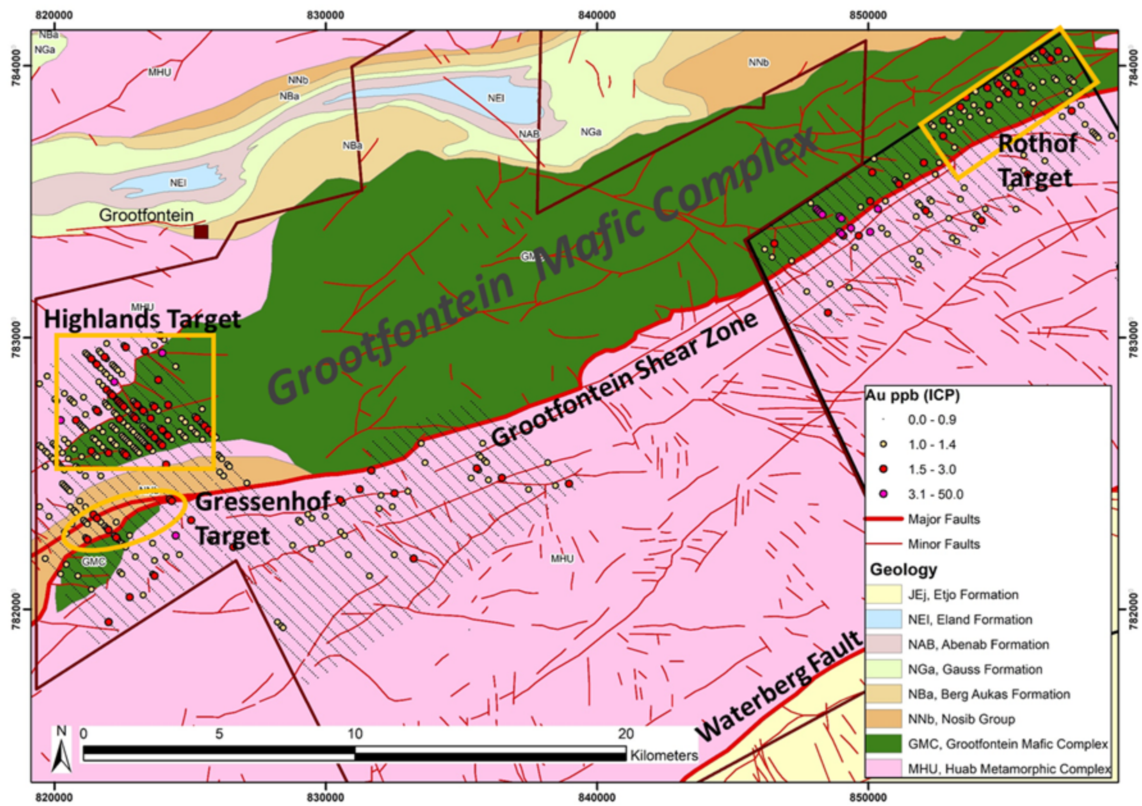


Figure 13: Key gold exploration targets at the Grootfontein Project (low detection limit gold ICP analyses of soils). Sampling lines 400 m apart. Structural and lithological interpretations by Earthmaps Consulting.

Results have outlined three large, low-grade gold anomalies of gold related to the GSZ as shown in Figure 13:

- The Highlands Target covers an area of 25 km^2 situated 2.5 km north of the Grootfontein Shear Zone. Gold anomalies are associated with second order structures over strike lengths up to 6 kilometers within the Grootfontein Mafic Complex (GMC) and following the contact zone of the GMC and the Huab basement. Orogenic gold deposits in sheared mafic intrusive rocks are well documented and this represents the first such target in the Central Namibian Gold Belt
- The Gressenhof Target is coincident with the Grootfontein Shear Zone over a strike length of 3 kilometers and is underlain by metasediments of the Damaran Supergroup
- The Rothof Target is a well-defined, linear corridor following second order structures over a strike length of 6 kilometers, immediately north of the Grootfontein Shear Zone within the GMC.

The three targets were followed-up with UAV-borne high-resolution magnetic surveys and induced polarization geophysical surveys to delineate drill targets. The data show clearly defined structural zones which were 3D-modelled for drill target generation.

The IP data from the first test area of the Rothof target show chargeability contrasts along the Grootfontein Shear Zone and its subparallel second order structures (Figure 14).

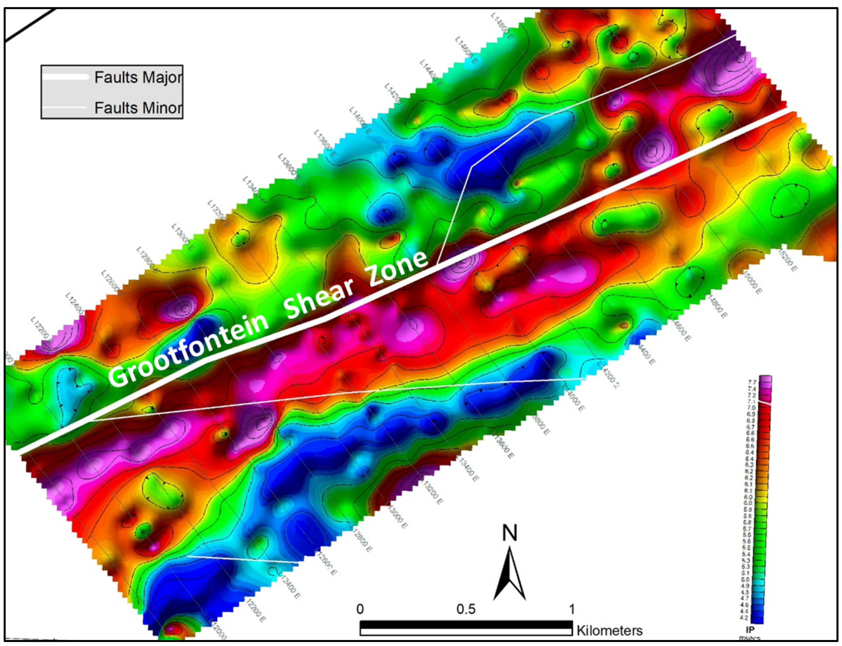


Figure 14: Result of the IP survey area at the Rothof Target: The Grootfontein Shear Zone is clearly marked with a zone of higher chargeability.

The planned SkyTEM EM survey over large parts of the Grootfontein Project had to be cancelled in 2021 as the Namibian Air Force extended the "no-fly" zone from 5 to 10 nautical miles around the Grootfontein Air Base centrally located on EPL 6561 and SkyTEM demobilised from Namibia. This was a major setback for exploration of the Grootfontein Project as most of the potentially gold mineralised structures fell into the newly declared "no-fly" zone.

The Company conducted stratigraphic and reconnaissance drilling on inferred structural targets delineated based on broad magnetic and electromagnetic anomalies (see NMI press release dated July 28, 2021), and 24 RC drill holes of a total of 4,466 m were drilled in Q3-4 2021. The holes on the Eastern Bend target showed an anomalous gold value of 71 ppb over 1 metre possibly and several low-grade base metal intercepts. The gold anomaly underlines the principal fertility of the structural zones for gold mineralisation but also points to the missing targeting precision without guiding conductivity anomalies produced by airborne EM surveys. The holes in the west on Highland target returned weak base metal anomalies. The drilling and geophysical data will be re-evaluated.

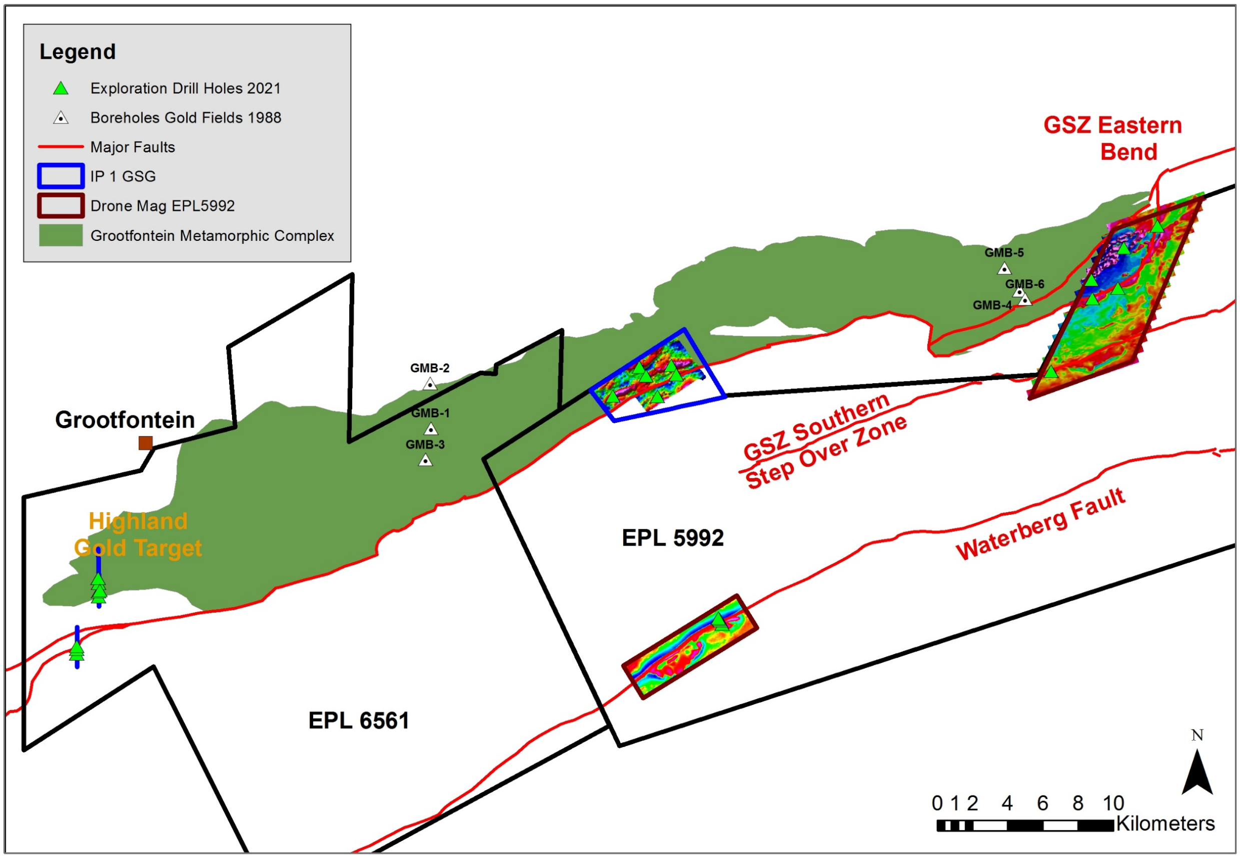


Figure 15: Grootfontein Project with main structures of the Grootfontein Shear Zone (GSZ), drill collar positions of the 2021 reconnaissance drilling program and the key target areas.

Erongo Gold Project

The Erongo gold project covers an area of 263 km^2 within the Navachab-Ondundu gold trend. There are numerous mineral occurrences within the project area including at least two gold occurrences. The area has been prospected but not systematically explored. Potential targets include skarn and greisen gold-(copper-bismuth) and tin-tungsten mineralization; pegmatites formed during the late Damaran orogeny hosting lithium and titanium minerals and semi-precious stones and structurally controlled gold mineralisation. Historical figures indicate small scale mining for all those deposit types on the property.

The Erongo Project is largely underlain by metasediments of the Damaran Supergroup dominated by a turbiditic sequence of metapelites of the Kuiseb Formation and syntectonic granites of the Damaran Orogen. The Kuiseb Formation hosts the Twin Hills gold project of Osino Resources just 20 km south of the Erongo Project. A structural interpretation of the entire project area by Earthmaps Consulting delineated the Omaruru Fault Zone and the Kanona Fault Zone, both of which are considered prospective for structurally controlled orogenic gold mineralization. Over 8,000 soil samples have been collected and analyzed by handheld XRF for base metals and gold pathfinder elements like arsenic and three distinct gold anomalies coinciding with arsenic anomalies associated with the Kanona Fault (Figure 16):

- **The Kanona North Target** has a strike length of **4 kilometers** which clearly follows a lower order structure splaying off the main Kanona Fault. This target is defined by the most intense arsenic anomaly in the area coinciding with a low-level gold anomaly and occurs within the Kuiseb Formation and syntectonic leucogranites (orthogneisses)

- **The Kanona Central Target** is similarly situated along the Kanona Fault over a strike length of **6 kilometers** but displays a broader, less confined arsenic anomaly within the Kuiseb Formation and syntectonic leucogranites

- **The Kanona East Target** is a northeast trending linear anomaly with a strike length of **2.5 kilometers** coincident with an interpreted dyke swarm cross cutting the Karibib Formation into Salem granite.

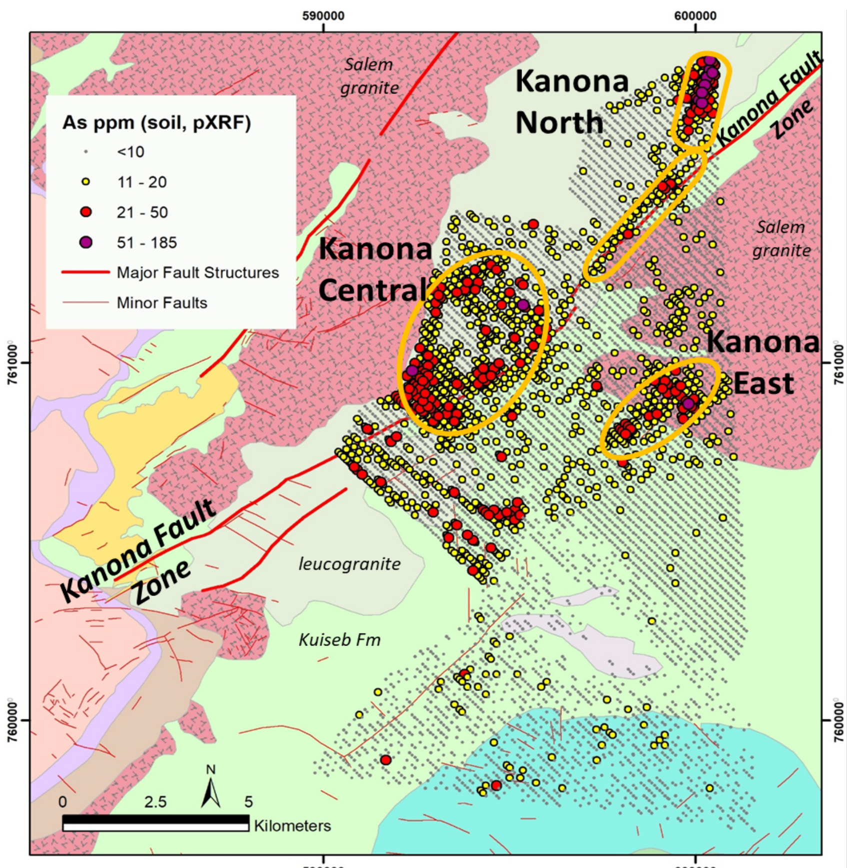


Figure 16: Key gold exploration targets at the Erongo Project (arsenic anomalies from handheld XRF analyses of soils). Sampling lines 200 m apart.

Ground geophysics

The central 1.5 km long Kanona North Target was prioritised for ground geophysical surveys. Combined ground magnetics, gradient array induced polarization, and pole-dipole induced polarization surveys were conducted by Gregory Symons Geophysics (GSG) in December 2021 to identify drill targets and to develop an efficient combination of survey tools and set-ups for further ground geophysics in the area. A total of 57 line-kilometers of ground magnetics was surveyed over the target. One setup of gradient array induced polarization (GAIP) with 12 lines and 7 lines of pole-dipole induced polarization (PDIP) were surveyed.

The strongest IP anomaly based on GAIP and PDIP data occurs in the southeast ("Anomaly 1", Figure 17). A slightly weaker and shallower IP "Anomaly 2" appears to the west and northwest. IP Anomaly 1 correlates with a strong magnetic anomaly, showing a divergence to the north. Based on the EM, magnetic and mapping data, the host structure is interpreted as a fold zone along the Kanona North second order fault, a structural setting generally conducive for structurally controlled gold mineralisation.

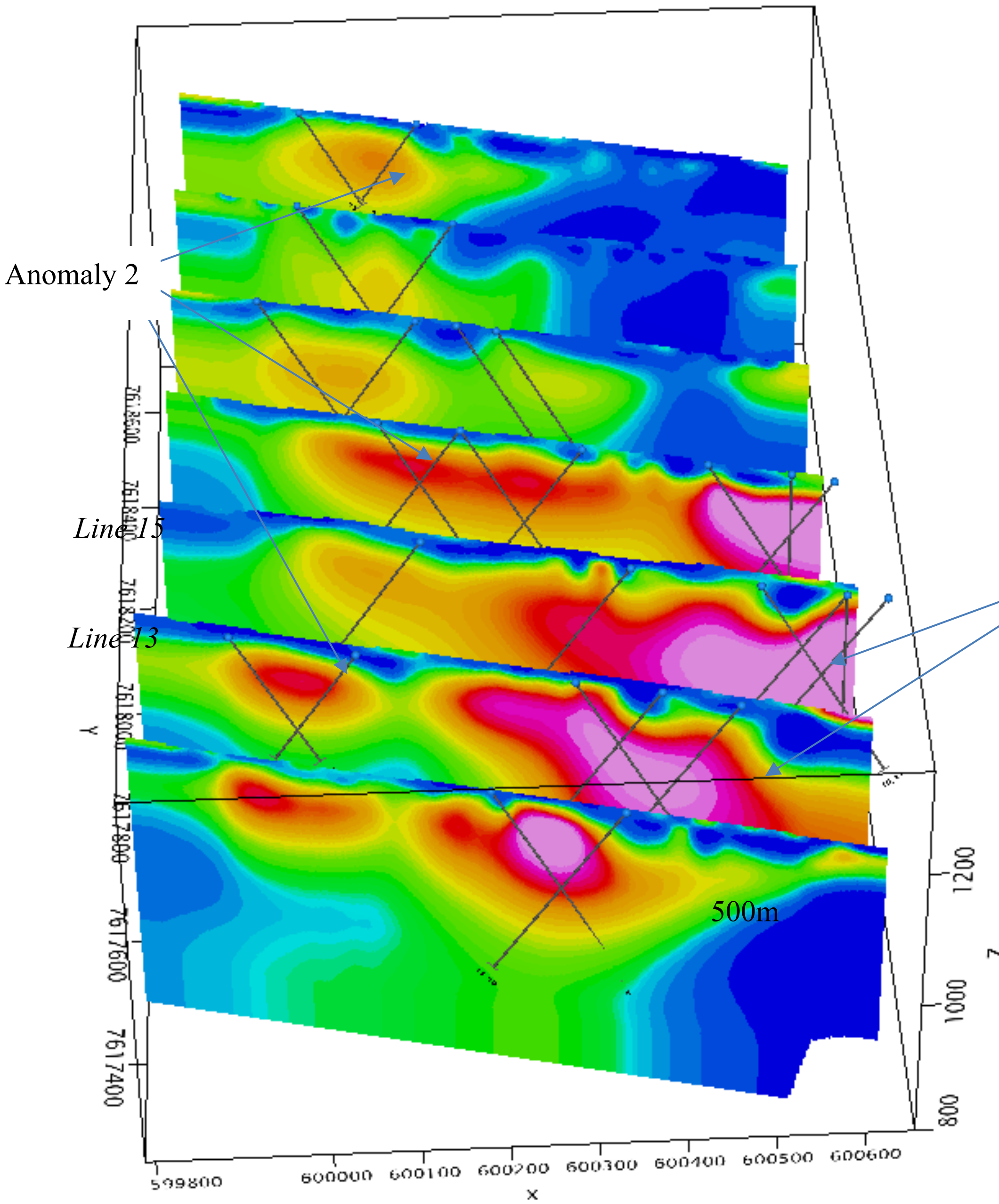


Figure 17: Reconnaissance drill plan (black lines) on 3D perspective showing the PDP IP response from Line 11 in the South to Line 21 in the north. Anomaly 1 in the east is well defined. Anomaly 2, to the west, is distinctly weaker and shallower.

Drill results Kanona North Target

Based on the geophysical targets an initial drill program of 10 RC holes for a total of 2,462 m was conducted in April-May 2022. Intercepts of broader alteration zones and samples with high arsenic values (pXRF) were sampled. Sampling and sample assaying of the RC reconnaissance campaign at Erongo Kanona North have been monitored through a quality assurance quality control ("QAQC") program. Samples were taken as 2 kg split. Sample submissions to the laboratory included Certified Reference Material, blanks and duplicate samples. QAQC samples make up 10% of all samples submitted. Logging and sampling were completed at the Company's exploration base in Omaruru, Namibia. The samples were securely transported to the Activation Laboratories Ltd. sample prep facility in Windhoek, Namibia. The samples were dried and crushed to 95% <2 mm, split to 350 g and pulverized to 95% <75 µm. Sample pulps were sent to Activation Laboratories Ltd. in Ontario, Canada for analysis. Gold & PGEs analysis was done by 50 g fire assay (Actlabs code: 1C-Exploration) with nitric acid fusion and ICP-MS finish. In addition, pulps underwent 4-Acid digestion and multi-element analysis by INAA combined with the ICP-MS techniques for base metal analysis.

Final assays were received from Actlabs in September 2022. Generally, the assays reveal low, uneconomic gold grades over very wide intervals. The structurally controlled alteration zones show a good correlation of the arsenic values produced by on-site pXRF readings and the gold values from the final assays. The gold anomalism in the alteration zones is extensive over several tens of meters, and thus proves the exploration concept of combined soil sampling and ground IP surveys. However, gold mineralisation is of very low and uneconomic grade.

Gold Property Expenditures

For the nine months ended August 31, 2023, the Company incurred $3,347 (2022 – $220,798) in exploration and evaluation expenditures on its gold projects. The Company is evaluating all potential options on its gold licences including additional exploration expenditures, seeking a joint venture partner and divesture.

Results of Operations

Three months ended August 31, 2023 and 2022

For the three months ended August 31, 2023, the Company's partner JOGMEC incurred exploration costs of $370,526 on the Lofdal project (2022 – $352,628), and the Company capitalized exploration costs of $3,204 related to expenditures on its gold properties (2022 - Lofdal project - $26,263; other properties - $6,436).

For the three months ended August 31, 2023, the Company reported a net loss of $43,755 compared to a net loss of $110,805 for the same period in the prior year.

Expenses decreased to $51,287 for the three months ended August 31, 2023 compared to $118,821 for the same period in 2022, primarily due to foreign currency exchange, which was a gain of $63,633 in the current quarter compared to a loss of $14,263 in 2022.

Other income and interest income remained consistent, at $7,532 in the current quarter compared to $8,016 in the same quarter of 2022.

Nine months ended August 31, 2023 and 2022

For the nine months ended August 31, 2023, the Company's partner JOGMEC incurred exploration costs of $2,410,891 on the Lofdal project (2022 - $1,514,217). For the nine months ended August 31, 2023, the Company capitalized exploration costs of $Nil on the Lofdal project and $3,347 on its other properties (2022 - Lofdal project - $26,263; Grootfontein Gold Project - $16,725; other properties - $204,073; and projects discontinued or written down - $35,254).

For the nine months ended August 31, 2023, the Company reported a net loss of $434,908 compared to a net loss of $936,022 for the same period in the prior year.

Expenses were $602,378 for the period compared to $979,276 for the same period in 2022, primarily due to the following:

- Write-down of exploration and evaluation assets decreased to $Nil compared to $560,778 in 2022, offset by;
- Foreign currency exchange was a loss of $124,560 compared to a gain of $2,307 in 2022.

Other income and interest income increased to $167,470 compared to $43,254 in 2022 due to an increase in operator fees earned and a gain on sale of a mining claim in the current year.

Summary of Quarterly Results

The following table sets out selected financial information for the quarters indicated:

(expressed in thousands of Canadian dollars except per share amounts and total assets)	**Q3 2023**	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Revenue	**Nil**	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	**51**	264	287	513	119	747	114	4,837
Interest/Other income	**(7)**	(86)	(74)	(798)	(8)	(26)	(9)	(1)
Net loss (income)	**44**	178	213	(285)	111	721	104	4,836
Net loss (income) attributable to shareholders	**40**	178	214	(289)	111	707	104	4,706
Net loss attributable to non-controlling interest	**4**	-	(1)	4	-	14	1	130
Loss per share – basic and diluted	**0.00**	0.00	0.00	0.00	0.00	0.00	0.02	0.00
Total assets (millions)	**27.4**	27.2	27.2	27.3	28.1	28.1	27.9	32.1

As the Company has capitalized all exploration expenditures to date in accordance with IFRS 6, the expenses are primarily related to administration and write-down of exploration evaluation assets. Higher expenses in Q4 2022 are primarily due to share-based payments. Higher expenses in Q4 2021 and Q2 2022 are primarily due to write-downs of exploration and evaluation assets.

Included in expenses are foreign exchange gains and losses arising mainly due to variations in the Canadian dollar and the Namibian dollar exchange rate during the periods, as certain of the Company's expenditures are paid in Namibian dollars, while the Company's functional and reporting currency is the Canadian dollar. The Company has interest revenue related to excess cash invested in an interest-bearing account with a major chartered bank.

Liquidity and Capital Resources

At August 31, 2023, the Company had working capital of $174,322 compared to $473,599 at November 30, 2022 comprised of the following:

	August 31 2023	November 30 2022
	$	$
Cash and short-term deposits	**1,334,033**	1,035,869
Taxes and other receivables	**316,265**	610,808
Deposits and prepaid expenses	**26,384**	73,991
Accounts payable and accrued liabilities	**(190,156)**	(398,974)
Advance received for future exploration work	**(1,312,204)**	(848,095)
Working capital	**174,322**	473,599

Although the Company's principal assets are not in commercial production, the Company is earning operator fees under the JOGMEC agreement (see "Partnership with JOGMEC on Lofdal"). JOGMEC is also funding expenditures on the Lofdal property and has the right to earn a 50% interest in the Lofdal rare earths property by funding $20 million in exploration and development expenditures (of which $9,662,796 has been spent to August 31, 2023).

The Company's condensed consolidated interim financial statements were prepared on a going concern basis. The Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements, and eventually to generate positive cash flows, either from operations or sale of its properties. Management is evaluating alternatives to secure additional financing so that the Company can continue to operate as a going concern. Nevertheless, there can be no assurance that these initiatives will be successful or sufficient.

The Company successfully closed $750,000 through a private placement in 2022.

Contractual Obligations

There are no contractual obligations other than those under the JOGMEC Agreement which stipulate that advance funds received are to be spent on the Lofdal property as agreed.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Share Capital

The Company's authorized capital consists of an unlimited number of common shares without nominal or par value. As of the date of this MD&A, the Company has issued and outstanding 196,634,399 common shares.

Stock option plan

As of August 31, 2023 there were 15,225,000 options outstanding with a weighted average exercise price of $0.21 (2022 -$0.24). There were no changes in stock options during the nine months ended August 31, 2023.

The following table summarizes information about options outstanding on August 31, 2023:

Expiration Date	Exercise price $	Options outstanding and exercisable	Remaining contractual life (in years)
September 19, 2023	0.21	4,850,000	0.05
September 28, 2025	0.26	4,550,000	2.08
April 5, 2026	0.26	1,825,000	2.60
October 3, 2027	0.14	4,000,000	4.09
Total outstanding		**15,225,000**	**2.02**

On September 19, 2023, 4,850,000 options expired unexercised. On October 5, 2023, the Company issued 4,300,000 options to officers, directors and consultants at an exercise price of $0.07 per share with an expiry date of October 4, 2028.

Warrants

As of August 31, 2023 there were 3,750,000 warrants outstanding with a weighted average exercise price of $0.35 (2022 -$0. 35). The change in warrants during the nine months ended August 31, 2023 is as follows:

	Number	Weighted average exercise price $
At November 30, 2022	6,625,989	0.35
Expired	(2,875,989)	0.35
At August 31, 2023	3,750,000	0.35

The following table summarizes information about the Company's warrants outstanding as at August 31, 2023:

Expiration Date	Exercise Price	Warrants outstanding	Remaining contractual life (in years)
March 31, 2024	$0.350	3,750,000	.83
Total outstanding		3,750,000	.83

Related party transactions

Transactions with key management personnel for the three and nine months ended August 31, 2023 are as follows:

	Three months ended August 31		**Nine months ended August 31**	
	2023	2022	**2023**	2022
	$	$	**$**	$
Consulting fees	**18,652**	20,125	**53,902**	64,844
Total charged to net and comprehensive loss	**18,652**	20,125	**53,902**	64,844
Payments to a shareholder charged to exploration and evaluation assets	**-**	23,361	**-**	131,569
Administration fees	**16,255**	-	**45,655**	-
Total charged to exploration and evaluation assets	**16,255**	23,361	**45,655**	131,569
Total related party transactions	**34,906**	43,486	**99,556**	196,413

Key management personnel include officers and directors and companies directly controlled by key management personnel, and payments are for salaries and consulting fees and are directly related to their position in the Company.

During the nine months ended August 31, 2023, related party transactions charged to JOGMEC in respect of the Lofdal project included consulting fees and salaries of $379,128 (2022 – consulting fees and salaries of $112,500 and payments to a shareholder of $361,229).

Included in accounts payable and accrued liabilities are amounts owing to related parties of $15,891 (2022 - $4,744). Included in deposits and prepaid expenses is an amount of $4,000 (2022 - $7,000) representing retainers on services contracts with officers of the Company.

Critical Accounting Estimates and Judgments

Critical accounting estimates used in the preparation of the Company's consolidated financial statements, which could be significantly affected by factors beyond the Company's control are as follows:

(i) Valuation of exploration and evaluation assets: The value of the Company's exploration and evaluation assets is dependent upon the success of the Company in discovering economic and recoverable mineral resources, the ability of the Company to obtain financing to complete development of the properties, and future production or proceeds from disposition. The estimation of future revenue flows relating to these assets is uncertain and will also be affected by competition, relative exchange rates between the Canadian dollar and the Namibian dollar and potential new legislation and related environmental requirements.

(ii) Decommissioning liabilities: The Company makes estimates of future site restoration costs based upon current legislation in Namibia, technical reports and estimates provided by the Company's senior employees and advisors. These estimates will be affected by actual legislation in place, actual mining activity to be performed and actual conditions of the relevant sites when the restoration activity is to be performed in future periods.

(iii) Share-based payments: Share-based payments expense is calculated using the Black-Scholes model, a recognized option/warrant valuation formula, which is highly dependent on the expected volatility of the market price of the Company's common shares. Due to the Company's short trading history, the Company uses a volatility rate based on past share trading data from similar entities to predict future volatility, and actual volatility may be different from the estimate used in the valuation formula. Share-based payments expense represents a non-cash expense and, as such, has no impact on the Company's financial position or liquidity.

Critical judgments or assessments made by management used in the preparation of the Company's consolidated financial statements, which could be significantly affected by factors beyond the Company's control are as follows:

(i) The determination of a cash-generating unit for assessing and testing impairment, which management has determined to be the mineral property;

(ii) The determination of functional currency;

(iii) The determination of when an exploration and evaluation asset move from the exploration stage to the development stage;

(iv) The determination of when an exploration and evaluation asset has indicators of impairment;

(v) Whether exploration and evaluation costs are eligible for capitalization;

(vi) The determination of whether exploration and evaluation assets are considered to be asset acquisitions or business combinations; and

(vii) The assessment of the Company's ability to continue as a going concern.

Changes in Accounting Policies

There were no changes in accounting policies during the period.

Financial Instruments

Initial recognition and measurement
Financial assets within the scope of IFRS 9 are classified as financial assets at amortized cost; FVTPL; or fair value through other comprehensive income, as appropriate. The Company determines the classification of its financial assets at initial recognition. All of the Company's financial assets are recognized initially at fair value and are subsequently measured at amortized cost. The Company's financial assets include cash and short-term deposits and taxes and other receivables.

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at FVTPL, or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value. The Company's financial liabilities include accounts payable and accrued liabilities and advances received for future exploration work and are measured at amortized cost.

Impairment of financial assets at amortized cost
Impairment provisions on taxes and other receivables are based on credit risk characteristics, collateral and speculative and non-speculative historical default rates. All receivables are written off when there is no reasonable expectation of recovery.

Risk exposure
The Company may be affected by credit risk, liquidity risk, exchange rate risk, interest rate risk and commodity price risk. The Company's exposure to credit risk is primarily attributable to cash and the Company limits this risk by maintaining these assets in a high-interest savings account with high-credit quality financial institution. Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The company manages this risk through regular monitoring and adjustment of its cash flow requirements to support ongoing operations and to ensure, to the extent possible, that there is sufficient cash on hand to meet its liabilities when due. Beyond obtaining the permits and necessary approvals to proceed with the development of the Lofdal property, the Company will require substantial additional capital resources and there can be no assurance that funding will be available to the Company in the future on acceptable terms. Exchange rate risk arises as the Company's functional currency is the Canadian dollar while certain of the Company's expenditures are denominated in Namibia dollars (which are equal to the South African rand), US dollars, British Pounds, Australian dollars, and Euros. The Company does not currently undertake any hedging activities to mitigate exchange rate risk. The Board continues to monitor the situation and will consider various options to mitigate this risk as it deems appropriate as the business develops. Interest rate risk arises as the Company invests cash at floating rates of interest. The impact of fluctuations in interest rates is not significant. The Company does not have any interest-bearing liabilities. The Company's financial instruments are not exposed to any direct commodity price risk, as the Company does not have any financial instruments associated with commodity prices and currently has no revenues derived from mining operations. Fluctuation in commodity prices do however impact the overall viability of the Company as is common in the mineral exploration and mining industries.

Risks and Uncertainties

In conducting its business, the principal risks and uncertainties faced by the Company relate primarily to exploration results and, to a lesser extent, metal and commodity prices. The Company's ability to continue as a going concern is dependent on a number of factors, including the ability of the Company to arrange financing. Exploration for minerals and development of mining operations involve many risks, many of which are outside the Company's control. In addition to the normal and usual risks of exploration and mining, the Company has the following risks specific to conducting its exploration activities in Namibia: there is no assurance that the supportive political and economic conditions that currently exist in Namibia will remain; the Company's ability to obtain, sustain, renew or vary the necessary licences, permits and authorizations to carry on the activities that it is currently conducting on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable governmental bodies and there can be no assurance that the Company will be able to obtain, sustain, renew or vary any such licences, permits of authorizations on acceptable terms or at all; environmental legislation and permitting requirements are likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees, and any failure by the Company to comply with applicable environmental regulations or the stoppage of exploration or production activities could have a materially adverse effect on the Company's business, financial condition and results of operations; the per capita incidence of the HIV/AIDS virus in Namibia has been estimated as being in the mid to high range, according to public sources, and if the number of new HIV/AIDS infections in Namibia continues to increase and if the Government of Namibia imposes more stringent obligations on employers related to HIV/AIDS prevention and treatment, the Company's operations in Namibia and its profitability and financial condition could be adversely affected; as a result of a substantial portion of the Company's assets being located in Namibia, there may be difficulties in enforcing against the Company judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities legislation for misrepresentations contained in the Company's public disclosure documents and, in particular, it may be practically impossible to enforce foreign court judgments against the Company in Namibia; and Namibia is part of the South African Rand Common Monetary Area ("CMA") which has exchange controls that require that dividends, loans, repayment of loans and payment of all invoices to parties outside the CMA require prior approval of the Bank of Namibia and there can be no assurance that the Company will obtain the requisite approvals in the future to repay loans or pay invoices to parties outside the CMA, thereby potentially restricting the Company from repatriating funds and using those funds for other purposes.

Additional Information

The financial statements and additional information regarding the Company are available on SEDAR+ at www.sedarplus.com.

NAMIBIA CRITICAL METALS INC.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2023 AND 2022

(CANADIAN DOLLARS)

NOTICE TO READER

Under National Instrument 51-102 “Continuous Disclosure Obligations”, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice to this effect.

The accompanying unaudited condensed consolidated interim financial statements of Namibia Critical Metals Inc. have been prepared by management. Management have compiled the unaudited condensed consolidated interim statement of financial position of Namibia Critical Metals Inc. as at August 31, 2023 and November 30, 2022 (audited), the unaudited condensed consolidated interim statements of net and comprehensive loss, changes in equity and cash flows for the three and nine months ended August 31, 2023 and 2022. The Company's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the August 31, 2023 and 2022 condensed consolidated interim financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

Namibia Critical Metals Inc.
Unaudited Condensed Consolidated Interim Statements of Financial Position

As at August 31, 2023 (in Canadian dollars)

	August 31, 2023 $	November 30, 2022 $
Assets		
Current assets		
Cash and short-term deposits	**1,334,033**	1,035,869
Taxes and other receivables (note 5)	**316,265**	610,808
Deposits and prepaid expenses	**26,384**	73,991
	1,676,682	1,720,668
Taxes receivable (note 5)	-	115,863
Equipment	**24,227**	46,667
Exploration and evaluation assets (note 6)	**25,722,842**	25,719,495
	27,423,751	27,602,693
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	**190,156**	398,975
Advance received for future exploration work (note 6)	**1,312,204**	848,095
	1,502,360	1,247,070
Loan payable (note 14)	**40,000**	39,324
	1,542,360	1,286,394
Shareholders' Equity		
Equity attributable to the shareholders of the Company (note 8)	**26,064,658**	26,496,129
Non-controlling interest	**(183,267)**	(179,830)
	25,881,391	26,316,299
	27,423,751	27,602,693

Nature of operations and going concern (note 1)
Subsequent event (note 15)

See accompanying notes to the condensed consolidated interim financial statements.

On behalf of the Board:

/s/ "Steve Herlihy"
Steve Herlihy
Director

/s/ "William L. Price"
William L. Price
Director

Namibia Critical Metals Inc.

Unaudited Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the three and nine months ended August 31, 2023 and 2022 (in Canadian dollars)

	Three months ended August 31		Nine months ended August 31	
	2023	2022	**2023**	2022
	$	$	**$**	$
Operating expenses				
Salaries and benefits	**23,797**	23,733	**70,783**	73,782
Office and administration	**21,170**	19,889	**75,528**	63,179
Consulting fees (note 7)	**18,651**	20,164	**53,901**	65,643
Professional fees	**36,621**	23,337	**86,286**	75,362
Travel	**380**	14,536	**25,182**	25,449
Listing and filing fees	**2,575**	2,704	**59,237**	34,200
Shareholder communications	**11,726**	9,666	**106,901**	83,190
Foreign currency exchange loss (gain)	**(63,633)**	14,263	**124,560**	(2,307)
Write-down of exploration and evaluation asset	-	(9,471)	-	560,778
	51,287	118,821	**602,378**	979,276
Other income				
Interest income	**(2,307)**	(3,308)	**(9,223)**	(5,557)
Gain on disposal of equipment	**-**	-	**(5,422)**	-
Gain on sale of mining claim	**-**	-	**(38,728)**	-
Operator fees	**(5,225)**	(4,708)	**(114,097)**	(37,697)
	(7,532)	(8,016)	**(167,470)**	(43,254)
Net loss and comprehensive loss for the period	**43,755**	110,805	**434,908**	936,022
Net loss and comprehensive loss attributable to:				
Shareholders of the Company	**39,521**	110,320	**431,471**	921,396
Non-controlling interest	**4,234**	485	**3,437**	14,626
	43,755	110,805	**434,908**	936,022
Loss per share - Basic and diluted	**(0.00)**	(0.00)	**(0.00)**	(0.00)
Weighted average number of shares outstanding – Basic and diluted	196,634,399	196,634,399	196,634,399	194,912,136

See accompanying notes to the condensed consolidated interim financial statements.

Namibia Critical Metals Inc.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity

For the nine months ended August 31, 2023 and 2022 (in Canadian dollars)

	Common Shares Without Par Value		Share-based Payments Reserve	Contributed Surplus	Deficit	Total Shareholders' Equity	Non-controlling interests	Total Equity
	Shares #	Amount $	$	$	$	$	$	$
Balance, November 30, 2022	**196,634,399**	**47,124,342**	**2,760,128**	**5,969,592**	**(29,357,933)**	**26,496,129**	**(179,830)**	**26,316,299**
Net and comprehensive loss	-	-	-	-	(431,471)	(431,471)	(3,437)	(434,908)
Balance, August 31, 2023	**196,634,399**	**47,124,342**	**2,760,128**	**5,969,592**	**(29,789,404)**	**26,064,658**	**(183,267)**	**25,881,391**
Balance, November 30, 2021	192,734,399	46,375,904	2,472,617	5,792,503	(28,725,353)	25,915,671	(162,910)	25,752,761
Issuance of shares per private placement	3,750,000	750,000	-	-	-	750,000	-	750,000
Options exercised	150,000	23,800	(11,800)	-	-	12,000	-	12,000
Options expired	-	-	(177,089)	177,089	-	-	-	-
Share issue cost	-	(25,362)	-	-	-	(25,632)	-	(25,362)
Net and comprehensive loss	-	-	-	-	(921,396)	(921,396)	(14,626)	(936,022)
Balance, August 31, 2022	196,634,399	47,124,342	2,283,728	5,969,592	(29,646,749)	25,730,913	(177,536)	25,553,377

See accompanying notes to the condensed consolidated interim financial statements.

Namibia Critical Metals Inc.

Unaudited Condensed Consolidated Interim Statements of Cash Flows

For the nine months ended August 31, 2023 and 2022 (in Canadian dollars)

	Nine months ended August 31	
	2023	2022
	$	$
Cash provided by (used in)		
Operating activities		
Net loss for the period	**(434,908)**	(936,022)
Adjustments for:		
Unrealized foreign currency exchange loss (gain)	**124,560**	(2,307)
Interest income recognized in net loss	**(9,223)**	(5,557)
Addition to unearned revenue		923,733
Non-cash interest on loan payable	**676**	3,474
Gain on disposal of equipment	**(5,422)**	-
Gain on sale of mining claim	**(38,728)**	-
Write-down of exploration and evaluation assets	**-**	560,778
	(363,045)	544,099
Net change in non-cash working capital balances related to operations		
Decrease (increase) in amounts receivable, deposits and prepaids	**387,400**	320,546
Decrease in accounts payable and accrued liabilities	**(309,492)**	(1,270,197)
Advances received for future exploration work, net of expenditures (note 6)	**464,109**	(358,896)
	178,972	(764,448)
Investing activities		
Interest income received	**9,223**	5,557
Proceeds on disposition of equipment	**5,422**	-
Proceeds on sale of mining claim	**38,728**	-
Purchase of equipment	**-**	(23,716)
Expenditures on exploration and evaluation assets, net of recoveries (note 11)	**142,275**	(204,902)
	195,647	(223,061)
Financing activities		
Proceeds from issuance of options	**-**	12,000
Issuance of share capital, net of costs	**-**	724,638
	-	736,638
Effect of exchange rate changes on cash	**(76,455)**	1,744
Net change in cash during the period	**298,164**	(249,127)
Cash and short-term deposits – Beginning of period	**1,035,869**	1,163,035
Cash and short-term deposits – End of period	**1,334,033**	913,908

Supplemental cash flow information (note 11)

See accompanying notes to the condensed consolidated interim financial statements.

1. Nature of operations and going concern

Namibia Critical Metals Inc. (the "Company", formerly known as Namibia Rare Earths Inc.) was incorporated pursuant to the Canada Business Corporations Act on April 26, 2010. The Company is a public company listed on the TSX Venture Exchange (the "TSXV"), trading under the symbol "NMI". The address of the Company's corporate office and principal place of business is Suite 802, 1550 Bedford Highway, Halifax, Nova Scotia, Canada.

The Company is in the business of exploring and developing a diversified portfolio of critical metals properties in Namibia. The amount shown as exploration and evaluation assets, all of which are located in Namibia, represents costs net of recoveries to date, less amounts written off, and do not necessarily represent present or future values. The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the properties, and future profitable production or proceeds of disposition thereof.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as the liabilities come due.

The Company has reported losses to date and at August 31, 2023 has an accumulated deficit of $29,789,404 (2022 - $29,646,749) and working capital, as defined by the excess of current assets over current liabilities of $174,322 (2022 - $600,889). The Company does not generate income or cash flows from operations. In addition to its working capital requirements, the Company must secure sufficient funding to maintain legal title to its exploration and evaluation assets and to fund its exploration and development activities and its general and administration costs.

The Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements, and eventually to generate positive cash flows, either from operations or sale of its properties. During the year ended November 30, 2022, the Company issued 3,900,000 common shares and raised $724,638 cash proceeds through a private placement and the exercise of options. No shares were issued during the nine months ended August 31, 2023.

On January 27, 2020, the Company entered into an agreement with Japan Organization for Metals and Energy Security Corporation ("JOGMEC"), which provides JOGMEC with the right to earn a 50% interest in the Lofdal rare earths property by funding $20 million in exploration and development expenditures (note 6).

In addition to the above, management continues to evaluate alternatives to secure additional favorable financing so that the Company can continue to operate as a going concern. Nevertheless, there can be no assurance that these initiatives will be successful or sufficient. These circumstances cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. Basis of preparation

a) Statement of Compliance

These consolidated financial statements, including comparative figures, have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These consolidated financial statements were authorized for issue by the Audit Committee of the Board of Directors on October 24, 2023.

b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, using the accrual basis of accounting.

For the three and nine months ended August 31, 2023 and 2022 (in Canadian dollars)

c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company's subsidiaries as at August 31, 2023 listed below. All inter-company balances and transactions are eliminated upon consolidation. Subsidiaries are consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. Non-controlling interest represents the portion of a subsidiary's income and losses and net assets that is not held by the Company.

Subsidiary	Jurisdiction	Nature of business	Direct or Indirect ownership
Cayman Namibia Rare Earths Ltd.	Cayman Islands	Asset holding company	100%
Namibia Rare Earths (Pty) Ltd.	Namibia	Asset holding company	95%
Gecko Gold Holdings (Pty) Ltd.	Namibia	Asset holding company	95%
Gecko Gold Mining (Pty) Ltd.	Namibia	Asset holding company	95%
Epembe Holdings (Pty) Ltd.	Namibia	Asset holding company	95%
Epembe Mining (Pty) Ltd.	Namibia	Asset holding company	95%
Solarwind Investments (Pty) Ltd.	Namibia	Asset holding company	95%
Philco One Hundred Seventy-Four (Pty) Ltd.	Namibia	Asset holding company	95%
Philco One Hundred Eighty (Pty) Ltd.	Namibia	Asset holding company	95%
Philco One Hundred Ninety-One (Pty) Ltd.	Namibia	Asset holding company	95%
Philco One Hundred Ninety-Three (Pty) Ltd.	Namibia	Asset holding company	95%

d) Critical Accounting Estimates and Judgments

The preparation of these consolidated financial statements requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and notes. By their nature, these estimates, judgments and assumptions are subject to measurement uncertainty and the effect of changes in these estimates in future periods could be material. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates. Revisions to estimates are accounted for prospectively. The more significant areas requiring the use of management estimate and judgments are as follows:

Critical accounting estimates

The amounts recorded for share-based payments are based on estimates. The Black Scholes model is used to estimate the value of options and incorporates assumptions for expected volatility, expected number of options to vest, dividend yield, risk-free interest rate and expected life of the options. Expected forfeitures are also estimated, which impacts the amount of share-based expense recognized. Changes in these assumptions may result in a material change to the expense recorded for the issuance of stock options.

The recoverability of amounts shown for exploration and evaluation assets is dependent on the discovery of economic reserves, the ability of the Company to obtain financing to complete development of the properties, and future production or proceeds from disposition, and is based on assumptions about future events and circumstances.

The Company makes estimates of future site restoration costs based on current legislation, technical reports, and management's estimates. These estimates will be affected by legislation in place, exploration or mining activity to be performed, and conditions of the relevant sites when the restoration activity is to be performed in future periods. Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that existed during the period.

For the three and nine months ended August 31, 2023 and 2022 (in Canadian dollars)

The following accounting policies involve judgments or assessments made by management:

- determination of a cash-generating unit for assessing and testing impairment, which management has determined to be individual mineral properties;
- determination of the functional currency of the Company and of its subsidiaries;
- determination of when an exploration and evaluation asset has indicators of impairment;
- determination of whether exploration and evaluation costs are eligible for capitalization;
- determination of whether an acquisition of exploration and evaluation assets is considered to be an asset acquisition or a business combination; and
- assessment of the Company's ability to continue as a going concern.

3. Significant accounting policies

These condensed consolidated interim financial statements should be read in conjunction with the Company's annual consolidated financial statements and accompanying notes for the year ended November 30, 2022. These condensed consolidated interim financial statements have been prepared using the same accounting policies and judgments and estimates as described in the Company's November 30, 2022 annual consolidated financial statements.

There were no changes in accounting policies adopted during the period.

4. New or amendments to accounting standards not yet adopted

There are no new or amendments to accounting standards not yet adopted that are expected to have a significant impact on the Company's consolidated financial statements based on its current activities.

5. Taxes and other receivables

	August 31, 2023 $	November 30, 2022 $
HST receivable – Canada	**6,609**	11,401
Other receivables	**1,476**	1,923
VAT receivable - Namibia	**308,180**	713,347
Less: VAT receivable - long-term	**-**	(115,863)
Total taxes and receivables - current	**316,265**	610,808

6. Exploration and evaluation assets

	November 30, 2022 $	Expenditures $	**August 31, 2023 $**
Lofdal Rare Earths property	23,910,965	-	**23,910,965**
Grootfontein Gold	1,347,946	6,830	**1,354,776**
Erongo Gold and Other	460,584	(3,483)	**457,101**
	25,719,495	3,347	**25,722,842**

For the three and nine months ended August 31, 2023 and 2022 (in Canadian dollars)

Lofdal rare earths property

The Lofdal rare earths property comprises a Mining License ("ML 200") and an exclusive prospecting license ("EPL 3400"). EPL 3400 is in the process of relinquishment as the entire Lofdal property is covered by ML 200. Lofdal is located approximately 450 kilometres northwest of the capital city of Windhoek and 25 kilometres northwest of the town of Khorixas in the Kunene Region of north-western Namibia. ML 200 is valid for a 25-year period through to May 10, 2046 and is issued to the Company's 95% owned subsidiary, Namibia Rare Earths (Pty) Ltd. with the balance held by Philco One Hundred Ninety-Six (Pty) Ltd. ("Philco 196"), a company incorporated to fulfil the licence requirement of a 5% shareholding of Historically Disadvantaged Namibians. The property is subject to a 2% net smelter revenue royalty.

Partnership with JOGMEC on Lofdal

On January 27, 2020, the Company announced that it had signed an agreement with JOGMEC to jointly explore, develop, exploit, refine and/or distribute mineral products from Lofdal. The agreement provides JOGMEC with the right to earn a 50% interest in the project by funding a total of $20,000,000 in exploration and development expenditures under the following terms:

Term 1 – JOGMEC will fund $3,000,000 in exploration expenditures up to March 31, 2021. The first term funding amount is non-refundable and JOGMEC earns no interest in the Lofdal project;

Term 2 – JOGMEC is entitled to elect to contribute an additional $7,000,000 in exploration expenditures from April 1, 2021 – March 31, 2024 to earn a 40% interest in the Lofdal project; and

Term 3 – JOGMEC is entitled to elect to contribute an additional $10,000,000 in exploration and development expenditures from April 1, 2024 – March 31, 2028 to earn an additional 10% interest in the Lofdal project.

Once JOGMEC has completed and exercised its 50% earn-in and a feasibility study has been completed on the project, JOGMEC has the right to purchase an additional 1% interest in the project from the Company for $5,000,000 and thereafter to exclusively provide funding to develop the project subject to the Company's interest in the project not being diluted below 26%.

On April 1, 2021, the Company announced that JOGMEC elected to move to Term 2.

During the nine-month period ended August 31, 2023, the Company received $2,875,000 (2022 -$1,500,000) for a total of $10,975,000 (2022 -$7,600,000) from JOGMEC for exploration expenditures on the Lofdal property. As of August 31, 2023, $9,662,796 (2022 - $7,122,264) in exploration expenditures have been incurred. The Company has recorded the remaining $1,312,204 (2022 - $477,736) as an advance received for future exploration work.

The expenditures incurred related to the JOGMEC Agreement for the period ended August 31, 2023 are summarized in the following table:

	November 30, 2022 $	Expenditures $	**August 31, 2023** **$**
Project Management	320,041	90,248	**410,289**
Geology, Drilling, Sample Analysis	4,184,252	1,697,566	**5,881,818**
43-101 Resource and Mine Model Update	828,809	76,487	**905,296**
Metallurgy	1,305,730	376,358	**1,682,088**
Operator's Fee	399,895	134,165	**534,060**
Mine planning	166,537	-	**166,537**
Other	46,641	36,067	**82,708**
	7,251,905	2,410,891	**9,662,796**

Pursuant to the Agreement with JOGMEC, the Company is entitled to an operator fee of 10% of the direct costs incurred, which is limited to 5% for any contracts requiring aggregate payments of more than $100,000. The Company first recognizes operator fees against evaluation and exploration expenditures, as cost recoveries, and recognizes the excess, if any, as other income in the consolidated statement of loss and comprehensive loss. The portion of the operator fee recognized as other income during the nine months ended August 31, 2023 amounted to $114,097 (2022 - $37,697).

For the three and nine months ended August 31, 2023 and 2022 (in Canadian dollars)

Other properties

The Company's current property portfolio is summarized as follows:

Licence	Subsidiary Company	Project
EPL3400	Namibia Rare Earths (Pty) Ltd.	Lofdal
ML200	Namibia Rare Earths (Pty) Ltd.	Lofdal
EPL5992	Philco One Hundred Ninety-Three (Pty) Ltd.	Grootfontein
EPL6561	Philco One Hundred Ninety-Three (Pty) Ltd.	Grootfontein
EPL7873	Philco One Hundred Ninety-Three (Pty) Ltd.	Grootfontein
EPL8345	Gecko Gold Mining (Pty) Ltd.	Erongo
EPL6440	Gecko Gold Mining (Pty) Ltd.	Erongo

7. Related party transactions

Key management personnel include officers and directors and companies directly controlled by key management personnel, and payments are for salaries and consulting fees and are directly related to their position in the Company.

Transactions with key management personnel for the three and nine months ended August 31, 2023 are as follows:

	Three months ended August 31		**Nine months ended August 31**	
	2023	2022	**2023**	2022
	$	$	**$**	$
Consulting fees	**18,652**	20,125	**53,902**	64,844
Total charged to net and comprehensive loss	**18,652**	20,125	**53,902**	64,844
Payments to a shareholder charged to exploration and evaluation assets	**-**	23,361	**-**	131,569
Administration fees	**16,255**	-	**45,655**	-
Total charged to exploration and evaluation assets	**16,255**	23,361	**45,655**	131,569
Total related party transactions	**34,906**	43,486	**99,556**	196,413

During the nine months ended August 31, 2023, related party transactions charged to JOGMEC in respect of the Lofdal project, included consulting fees and salaries of $379,128 (2022 – consulting fees and salaries of $112,500 and payments to a shareholder of $361,229).

Included in accounts payable and accrued liabilities are amounts owing to related parties of $15,891 (2022 - $4,744). Included in deposits and prepaid expenses is an amount of $7,000 (2022 - $7,000) representing retainers on services contracts with officers of the Company.

8. Capital stock

Authorized capital stock

An unlimited number of common shares without nominal or par value.

Issued and outstanding

At August 31, 2023, there were 196,634,399 common shares issued and outstanding (2022 – 196,634,399). There were no changes in the prior twelve months.

For the three and nine months ended August 31, 2023 and 2022 (in Canadian dollars)

Stock option plan

The Company has a stock option plan providing for the issuance of options equal to up to 10% of the outstanding shares. The Company may grant options to its directors, officers, employees, consultants and management company employees. The exercise price of each option cannot be lower than the market price of the shares at the date of grant of the option. The number of shares optioned to insiders may not exceed 10% of the issued and outstanding shares at the date of grant. The options are generally exercisable immediately for up to a five-year period from the date of grant.

As of August 31, 2023 there were 15,225,000 options outstanding (2022 – 11,225,000) with a weighted average exercise price of $0.21 (2022 -$0.24). There were no changes in stock options during the nine months ended August 31, 2023.
T
he following table summarizes information about options outstanding at August 31, 2023:

Expiration Date	Exercise price $	Options outstanding and exercisable	Remaining contractual life (in years)
September 19, 2023	0.21	4,850,000	.05
September 28, 2025	0.26	4,550,000	2.08
April 5, 2026	0.26	1,825,000	2.60
October 3, 2027	0.14	4,000,000	4.09
Total outstanding		**15,225,000**	**2.02**

Warrants

As of August 31, 2023 there were 3,750,000 warrants outstanding with a weighted average exercise price of $0.35 (2022 -$0. 35). The change in warrants during the nine months ended August 31, 2023 is as follows:

	Number	Weighted average exercise price $
At November 30, 2022	6,625,989	0.35
Expired	(2,875,989)	0.35
At August 31, 2023	**3,750,000**	**0.35**

The following table summarizes information about the Company's warrants outstanding as at August 31, 2023:

Expiration Date	Exercise Price	Warrants outstanding	Remaining contractual life (in years)
March 31, 2024	$0.350	3,750,000	0.58
Total outstanding		3,750,000	0.58

For the three and nine months ended August 31, 2023 and 2022 (in Canadian dollars)

9. Capital disclosures

The Company manages its capital to maintain adequate levels of funding to support the acquisition and exploration of mineral properties and to maintain the necessary corporate and administrative functions to facilitate these activities. The capital structure consists of working capital and equity. The Company raises capital, as necessary, to meet its needs and to take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. The Company invests all capital that is surplus to its immediate operational needs in highly liquid financial instruments such as high interest cash accounts. There were no changes to the Company's approach to capital management during the nine months ended August 31, 2023. Total managed capital was as follows:

	August 31, 2023	November 30, 2022
	$	$
Working capital	174,322	473,599
Equity	26,064,658	26,496,129

There are no externally imposed capital requirements.

10. Financial Instruments and risk management

The Company's financial instruments consist of cash and short-term deposits, taxes and other receivables, accounts payable and accrued liabilities, and advances received for future exploration work. All of the Company's financial instruments are recognized at fair value and are subsequently measured at their amortized cost. The recorded values of all financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

Credit risk

The Company's credit risk is primarily attributable to cash. The Company's exposure to credit risk on its cash is limited by maintaining these assets in a high-interest savings account with a high-credit quality financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages this risk through regular monitoring and adjustment of its cash flow requirements to support ongoing operations and to ensure, to the extent possible, that there is sufficient cash on hand to meet its liabilities when due. In the event the Company obtains the permits and necessary approvals to proceed with the development of the Lofdal property, it will require substantial additional capital resources and there can be no assurance that funding will be available to the Company in the future on acceptable terms (note 1). Financial liabilities are due within one year.

Market risk

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

Foreign exchange risk

Certain of the Company's expenditures are denominated in Namibia dollars (which are equal to the South African rand), US dollars, British pounds, Australian dollars, and Euros. The Company's cash, taxes and other receivables, deposits, and accounts payable and accrued liabilities include amounts denominated in foreign currencies. Accordingly, the results of the Company's operations are subject to currency transaction risk and currency translation risk.

At August 31, 2023, the Company had the following amounts denominated in the above currencies and converted to Canadian dollars: $1,250,922 in cash, $6,606 in deposits and prepaids, $309,656 in taxes and other receivables, and $73,897 in accounts payable and accrued liabilities. A 10% change in the exchange rates would impact the Company's working capital as follows:

	$
Namibia dollars and South African rand	137,921
All other currencies	364

The operating results and financial position of the Company are reported in Canadian dollars in the Company's consolidated financial statements. The fluctuation of the Canadian dollar primarily in relation to other currencies, primarily the Namibian dollar, will consequently have an impact on the profitability of the Company and the value of the Company's assets and equity. The Company does not currently undertake any hedging activities to mitigate foreign exchange risk.

Interest rate risk

In respect of financial assets, the Company's policy is to invest cash at floating rates of interest. Cash reserves are maintained in cash and cash and short-term deposits to maintain liquidity while achieving a satisfactory return for shareholders. The impact of fluctuations in interest rates is not significant.

Commodity price risk

The Company's financial instruments are not exposed to any direct commodity price risk, as the Company does not have any financial instruments associated with commodity prices and currently has no revenues derived from mining operations. Fluctuation in commodity prices do however impact the overall viability of the Company as is common in the mineral exploration and mining industries.

11. Supplemental cash flow information

During the nine months ended August 31, 2023, the Company made expenditures on exploration and evaluation assets of $129,040 which were recorded as a decrease in accounts payable (2022 - $280,927) and $22,440 in amortization of equipment which was recorded to exploration and evaluation assets (2022 - $15,116). These items are non-cash transactions and have been excluded from the consolidated statements of cash flows.

12. Commitments

The Company has no commitments.

13. Segmented reporting

The Company has one reportable operating segment, being that of acquisition, exploration and evaluation activities. All exploration and evaluation assets are located in Namibia.

14. Loan payable

In 2020, the Company received a $60,000 emergency business loan under the federal government Canada Emergency Business Account ("CEBA") initiative. In the event the Company repays $40,000 before January 19, 2024, there will be no interest payable on the loan and the remaining $20,000 will be forgiven. The Company plans to repay $40,000 before January 19, 2024. In the event there is a loan balance outstanding on January 19, 2024, the loan will be renewed to December 31, 2026 with an annual fixed rate of interest of 5%.

15. Subsequent event

On September 19, 2023, 4,850,000 options expired unexercised. On October 5, 2023, 4,300,000 options were issued to officers, directors and consultants at an exercise price of $0.07 per share with an expiry date of October 4, 2028.