NAMIBIA CRITICAL METALS INC.

CONSOLIDATED FINANCIAL STATEMENTS
WITH MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED NOVEMBER 30, 2023 AND 2022

NAMIBIA CRITICAL METALS INC.

Management's Discussion and Analysis

Year ended November 30, 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 March 25, 2024 and provides an analysis of the Company's financial results and progress for the years ended November 30, 2023 and 2022. This MD&A should be read in conjunction with the Company's audited consolidated financial statements as at and for the years ended November 30, 2023 and 2022 and related notes thereto, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). 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). 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.

In 2018-2020, focus was placed on the Kunene Cobalt-Copper Project. Exploration results were overall unsuccessful, these properties were deemed to not warrant further investment, and the 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. Current ground holdings are summarized in Figure 1 and Table 1.

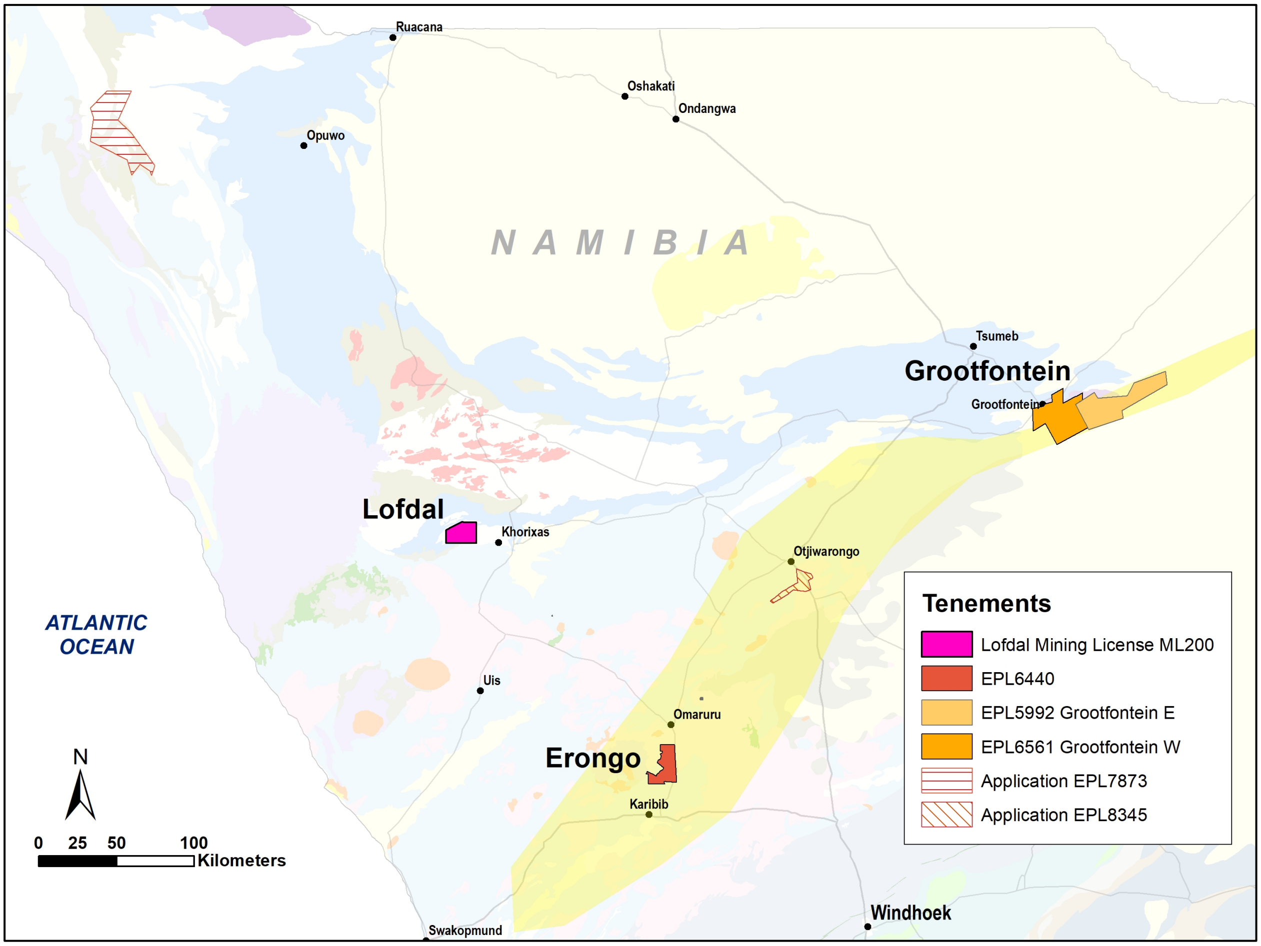


Figure 1: Location of NMI's critical metals and gold projects**.**

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
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	**1 655**
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	150
					Total EPL applications	**1 133**

Lofdal Heavy 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"). Lofdal is being developed in partnership with 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.

ML200 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. Grain size and habit are variable with xenotime being generally fine- to very fine-grained with much of the potential ore minerals averaging 15-20 µm but reaching up to 150 µm. The potential ore mineral assemblage has accessory thorite with an average thorium content of the Area 4 deposit of only 326 ppm.

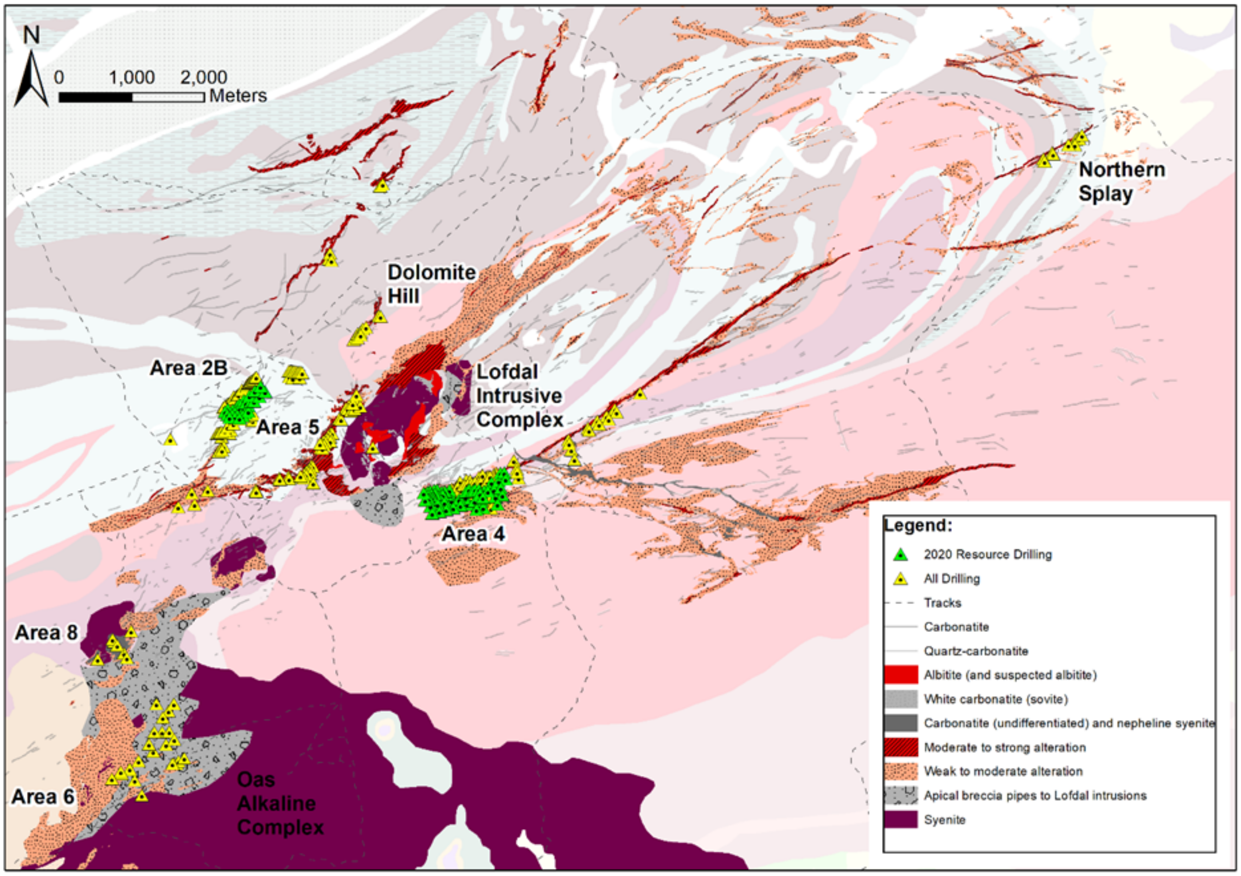


Figure 2: General geology of the Lofdal project showing the location of the Area 4 and Area 2B Deposits in relation to other structures with rare earth mineralization which underwent reconnaissance drilling.

Partnership with Japan Organization for Metals and Energy Security Corporation ("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 November 30, 2023, JOGMEC had spent $10,588,797 on the Lofdal project, thereby completing the $10,000,000 commitment for Terms 1 and 2, and has elected to move to Term 3. JOGMEC has committed to additional expenditures of $1,250,000 through March 31, 2024.

Work Program of NMI-JOGMEC

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.

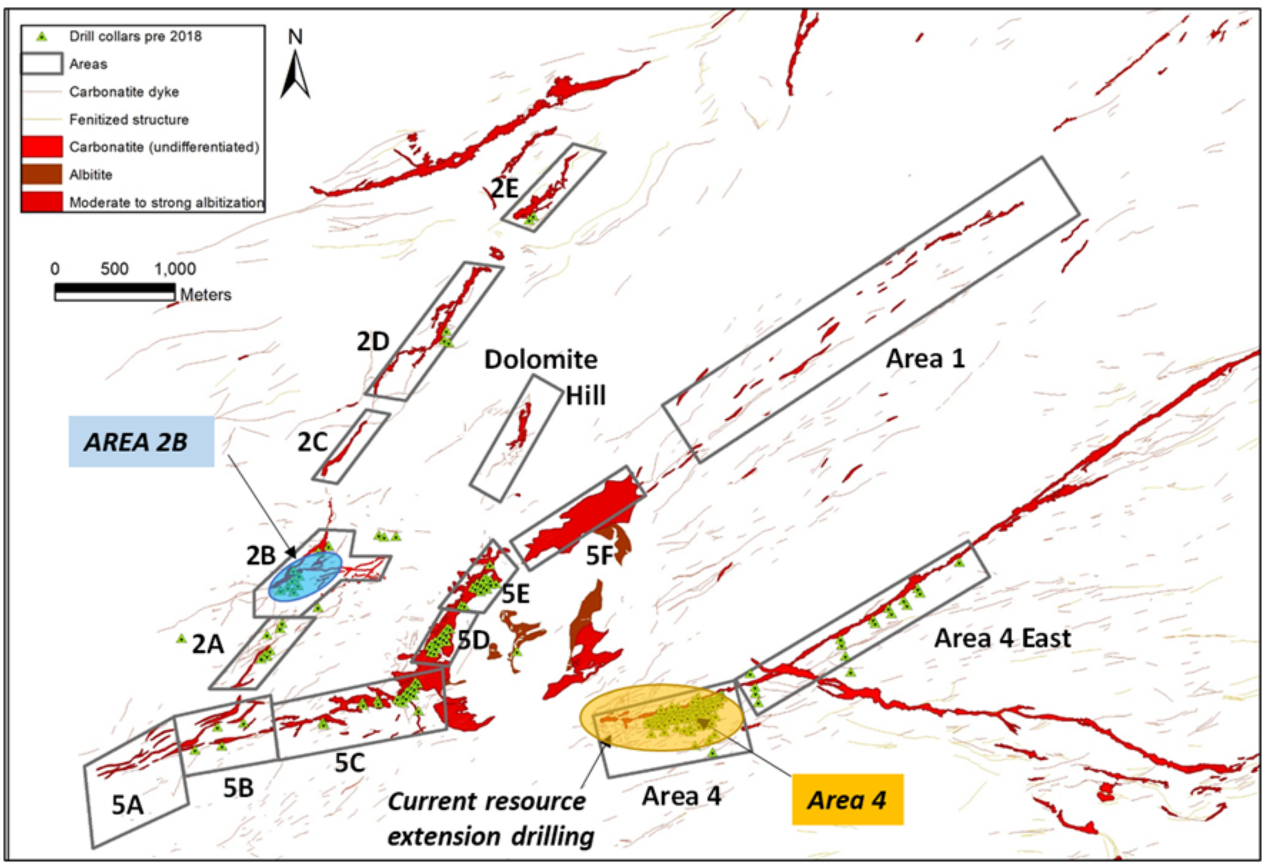


Figure 3: Drill target areas at Lofdal for resource development. In 2020-2021, focus was on Area 4. Area 2B is the first satellite deposit with resource drilling.

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. 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).

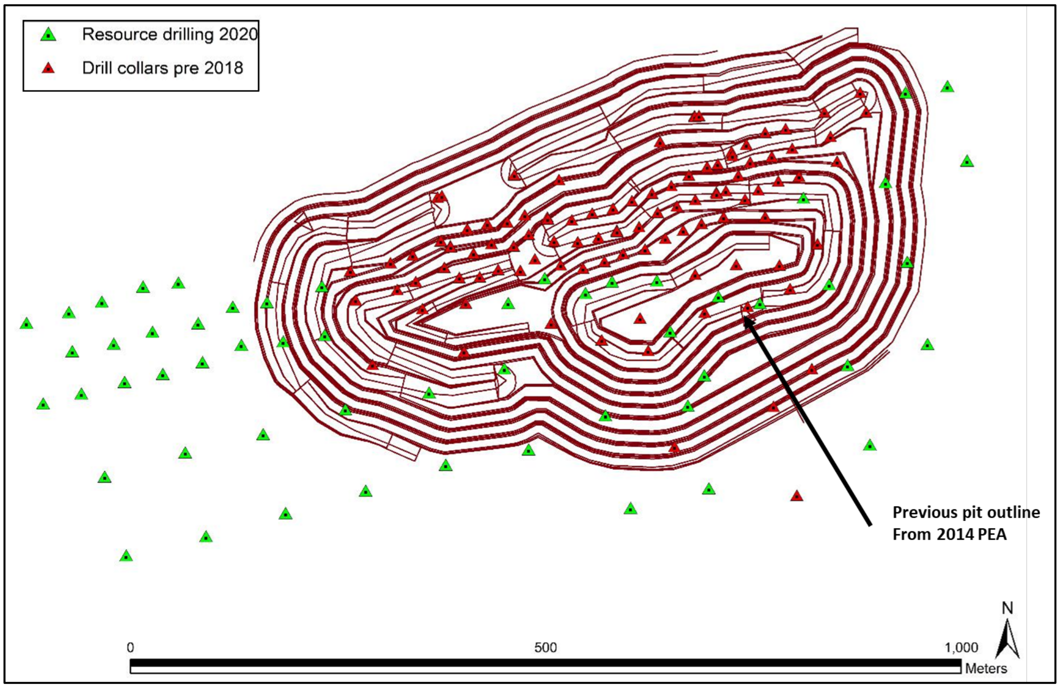


Figure 4: Drill hole collars Area 4 deposit. 2020 drill collars in green and historic holes in red.

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 (Mt)	TREO* %	HREO** %	LREO*** %	Dy_2O_3 ppm	TREO* (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

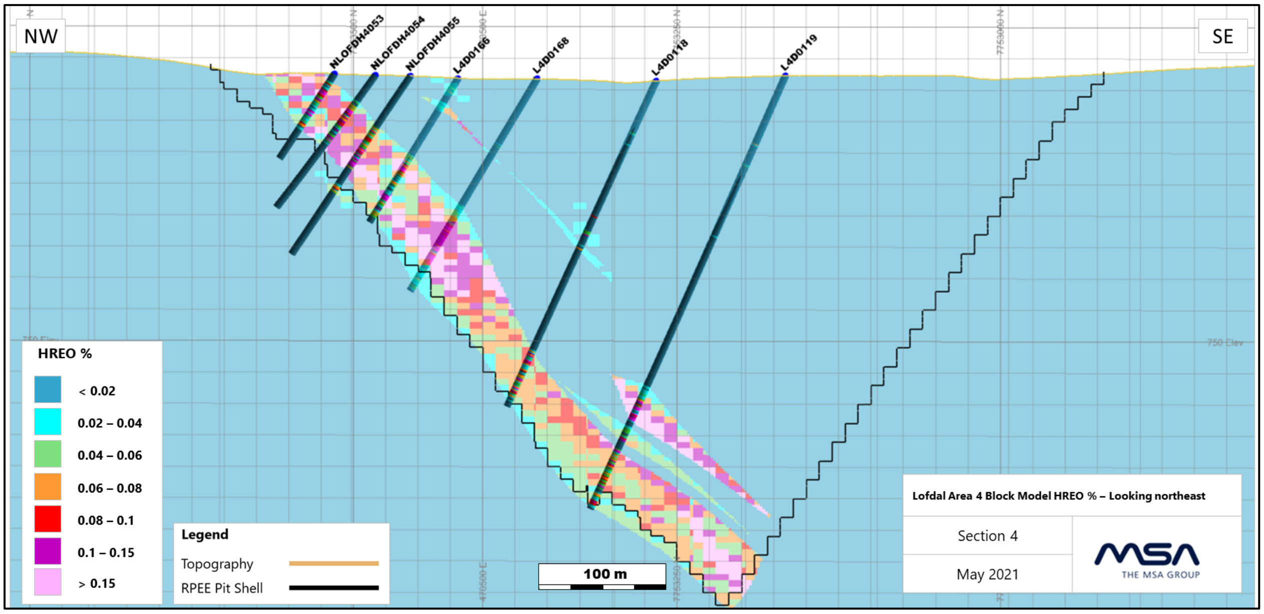


Figure 5: Section through block model of central part of Area 4 displaying HREO block grades.

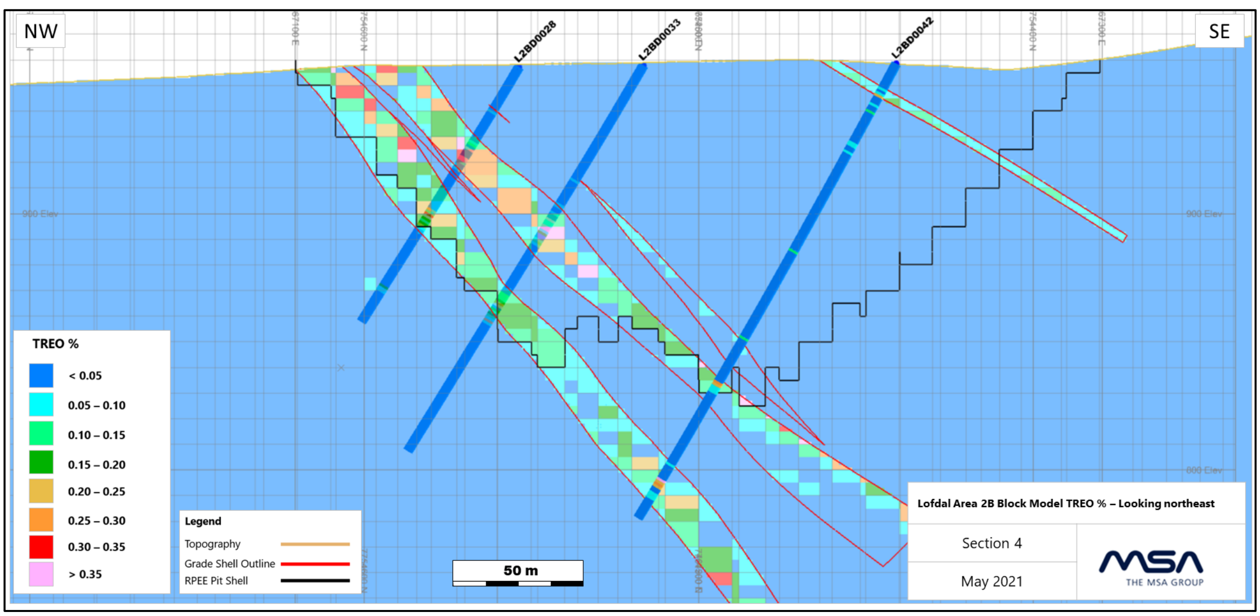


Figure 6: Section through block model of western part of Area 2B displaying TREO block grades.

The Term 1 objective of the NMI-JOGMEC program 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		**2021**	
Cut-off grade	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 resource infill and expansion drilling program was conducted at Area 4 and Area 2B in 2023. The resource infill drilling forms part of the Pre-Feasibility Study ("PFS") of the significantly expanded "Lofdal 2B-4" Project. The drill program was produced by the Company, with the support of MSA, to increase the level of resource categories as required for the PFS.

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 10,823m was completed in this RC drilling campaign.

44 RC drill holes for a total of 9,043 m were drilled at Area 4. 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.

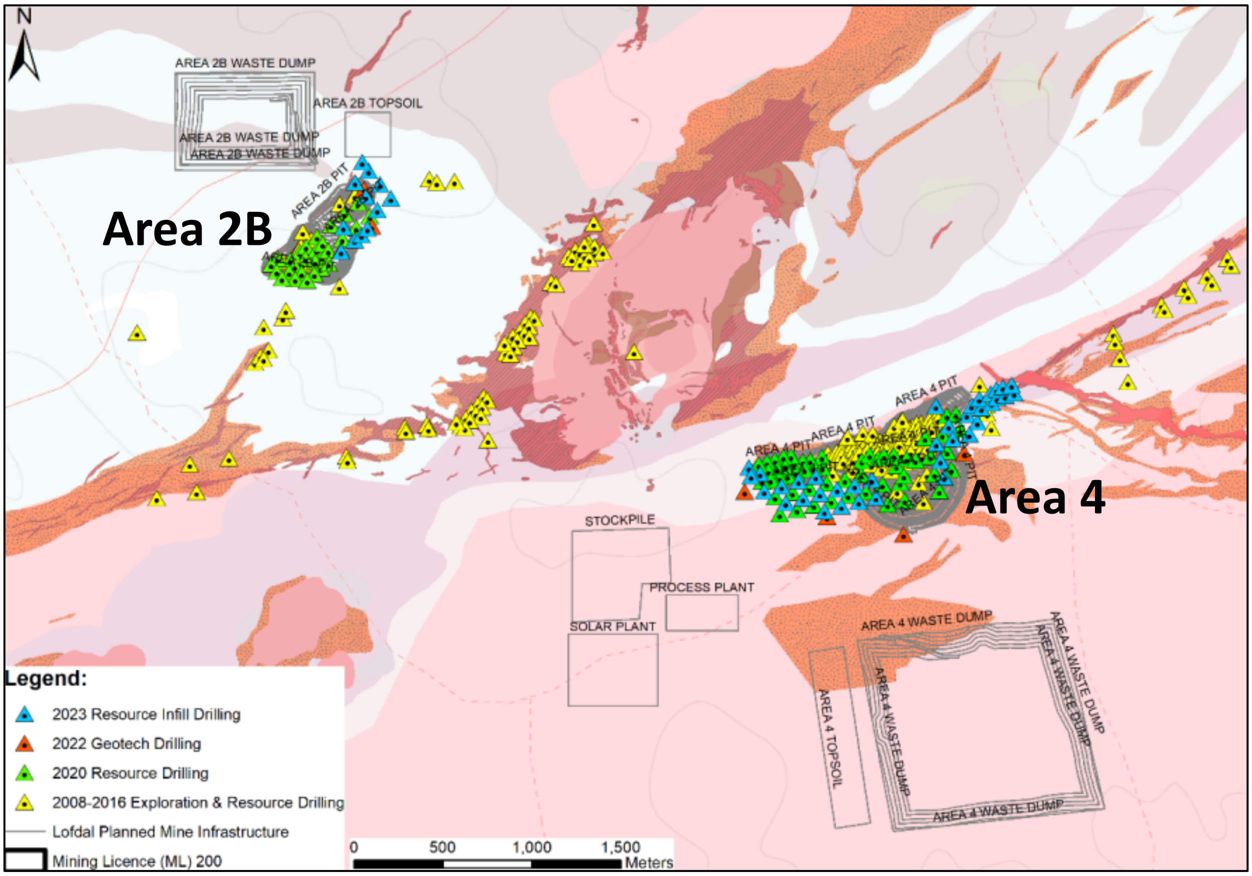


Figure 7: Drill collars in the central Lofdal project area. Blue triangles indicate the collar positions of 2023 RC infill drilling.

Sampling, analysis and QAQC

5,729 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 Actlabs. A selection of 263 samples (every 20th sample of the original sample set), was sent to Actlabs

Okahandja, Namibia for further shipment to Actlabs 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

		NRE 2008 - 2016		JOGMEC 2020 - 2023		TOTAL	
Area	Type Drilling	No of Holes	Length (m)	No of Holes	Length (m)	No of Holes	Length (m)
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			44	9 043	44	9 043
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**	**162**	**28 365**	**399**	**56 771**

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 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).

[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).

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.

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 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.

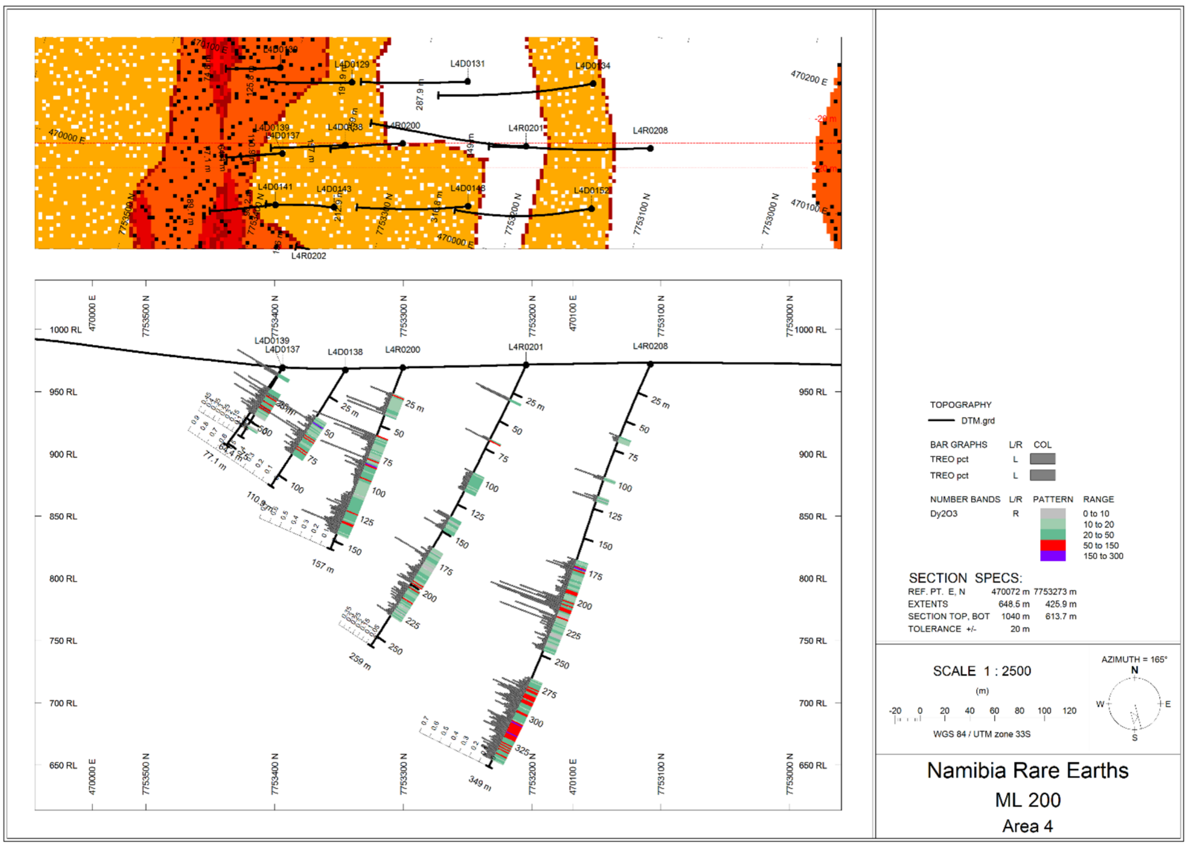


Figure 8: Drill section through the western part of Area 4. Color coding along the drill traces indicate TREO grade, and grey bars reflect Dy2O3 concentrations.

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".

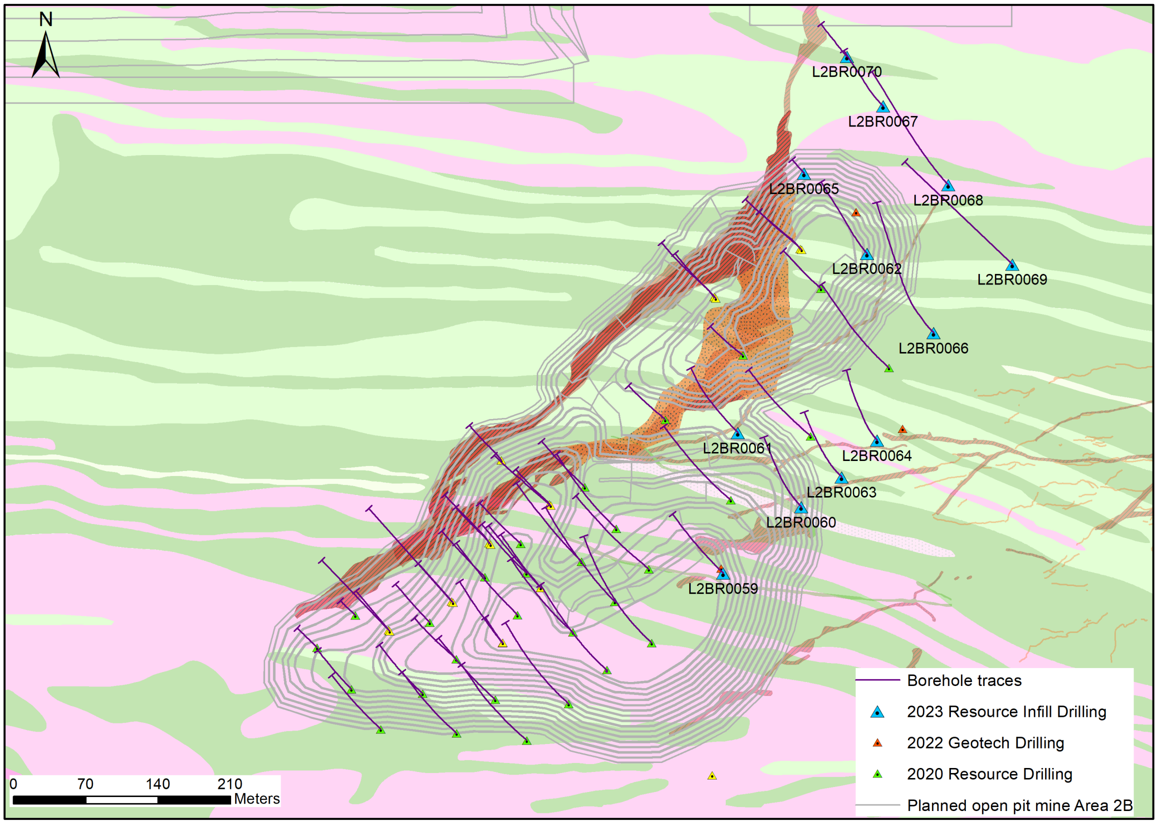


Figure 9: Geological map of Area 4 indicating all historical and the 2023 RC infill drill collars.

Mineral Resource Update

The MSA Consulting Group of South Africa ("MSA") was contracted to update Lofdal's Area 2B-4 resources as per the National Instrument 43-101 – Standards of Disclosure for Mineral Projects (NI 43-101). The Mineral Resource Estimates (MRE) will be based on sample assays and density measurements obtained from the cores of diamond drillholes completed in all phases of drilling: 2011 to 2012 and 2020 to 2023.

Data from the 2023 Infill drilling at Area 2B and Area 4 are currently used to update resource categories of the Mineral Resource Estimate as recommended by MSA for the PFS/DFS level for Lofdal's 2B-4 deposits. Final drill data for the Area 2B deposit were provided to MSA in Q4 2023. The final drill data for the Area 4 deposit are currently incorporated into the company's database and shared with the MSA Group for the MRE update of the Area 4 deposit.

The updated Mineral Resource Estimate for the Lofdal 2B-4 HREE Project is expected by March 2024.

Environmental Impact Assessment

SLR Environmental Consulting (Namibia) Pty Ltd ("SLR") was contracted by NRE to update the Environmental Impact Assessment ("EIA") of the expanded Lofdal HREE project. In 2016, SLR undertook an EIA for the same project which focussed on Area 4. Since then, NRE made significant changes to the original mine plan and increasing the Life of Mine from 7 years to 16 years.

The current EIA process commenced in 2023 and is expected to be concluded by Q2 2024. The EIA process involved several specialist studies including the Socio-Economic, Avifauna, Radiation, Heritage and Visual. Key changes to the Lofdal mine plan since the 2016 EIA process that necessitated an update of the current EIA are:

- Two open pits (Area 4 open pit and Area 2B open pit). The 2016 EIA comprised of one small open pit at A4;

- Flotation plant with an increased throughput from 0.9 Mt/a to 2.1 Mt/a;
- Increase of Life of Mine (LoM) from 7 years to 16 years;
- Additional hydrometallurgical plant to produce high-grade rare-earth product (99% grade TREO);
- Two Waste Rock Dumps (WRDs), at Area 2B and a second WRD located south of the Area 4 open pit;
- Tailings Storage Facility (TSF) will have the capacity to store 26.8 million tons (Mt), over 137ha, with a life of 16 years. The 2016 EIA considered a capacity to store 3.24 Mt over a footprint of 5.3ha, with a life of 7 years;
- Solar Photovoltaic (Solar PV) Plant and associated infrastructure: The location of the Solar PV plant at the Lofdal Mining Project site was amended to make space for the stockpile area and moved approximately 600m to the south of the 2016 location;
- A Return Water Dam (RWD) and associated stormwater management pond;
- Support infrastructure within the ML area including the internal access and haul roads, a stormwater management pond (part of the RWD), powerlines, pumps, pipelines, and other associated infrastructure and services such as processing plant buildings and fuel storage facilities;
- On-site power supply and linear infrastructure for power and water supply to the mine.

The EIA process is ongoing and will be concluded in Q2 2024.

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 with 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 earlier 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 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.

To further simplify the flowsheet and improve recoveries, future testing will focus on iron removal with optimal temperatures during acid bake.

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. Changes were made to flotation recipe in second and third rounds of variability testing with changes to the dosage for depressant and collectors in attempt to increase mineral selectivity and enhance flotation response.

Significant upside potential remains in further optimizing flotation conditions. SGS Lakefield was contracted with flotation optimization by new optimised collectors Florrea 3900X and 3900Z.

A 5 ton run of mine ore sample was shipped to SGS Lakefield laboratories for pilot plant testing in a continuous milling and flotation regime during October and November 2023 for recovery of a rare earth concentrate. The main objectives were to evaluate the flowsheet that had been developed at bench scale in a continuous pilot plant and to generate a large amount of flotation concentrate for downstream hydrometallurgical test work.

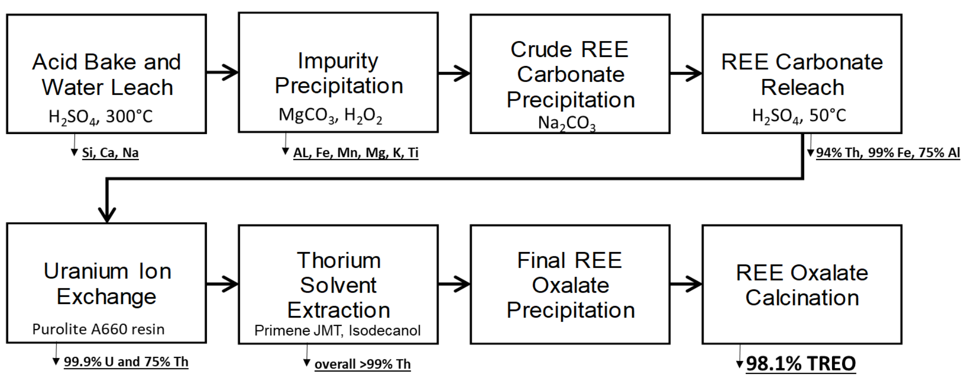
The metallurgical test work program included sample preparation, head characterization, benchmark flotation testing, and pilot plant flotation test work. Subsamples of pilot plant products were submitted for environmental testing and solid liquid separation test work. The flotation pilot plant was conducted on the ROM Bulk-1 sample, at an average throughput of ~44 kg/h, for a total of ~105 hours of operation.

The results of the flotation pilot plant closely matched the benchmark results and demonstrated the viability of the flowsheet in a scaled up and continuous operation. The total rare earth recovery in the second cleaner concentrate was 55.5% at a grade of 2.65% TREO (including yttrium) and an average mass pull of 3.8%. The average recoveries of terbium and dysprosium were 55.2% and 56.2%, respectively.

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 12 acid bake and water leach tests were completed throughout the 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. Optimum results were achieved with an acid bake process using 1250 kg/t H2SO4 at 300°C followed by a water leach with 20% solids by weight at 25°C. At this regime the tests showed very good REE recoveries with 97-98% for yttrium, 95% for dysprosium and 94-95% for terbium.

Impurity removal test work resulted in the preference of using magnesium carbonate for a maximum precipitation of iron and thorium from the slurry while minimizing REE co-precipitation. The final impurity removal test in this program included a stoichiometric addition of hydrogen peroxide to oxidize iron in solution for it to precipitate. Crude REE precipitation generated an intermediate product assaying at 43% total REE with 1.86% Al and less than 0.5% iron, thorium, and uranium when adjusting the liquor to pH 6.5. This mixed REE precipitate contained all of the yttrium and dysprosium along with 94.5% of the terbium.

REE precipitate re-leach consisted of a two-stage sulphuric acid process wherein solids were slurried in de-ionized water and heated to 50°C followed by addition of sulphuric acid to achieve pH 1.0. Following this, additional REE precipitate was added to the slurry to increase the pH to 3.5. This step resulted in a concentrated REE liquor representing 99% of the available REE and rejected 94% of the thorium, 85% of the aluminum, and 99% of the iron.

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. Suppressing iron dissolution was a goal of the higher temperature acid bakes at 700°C, 670°C and 640°C. The higher two temperatures showed practically no dissolution of iron, while the lower temperature (640°C) showed about 2% dissolution. It is expected that some iron dissolution will occur to ensure maximum REE dissolution continues, with any reduction seen as a benefit to downstream solution neutralization and impurity removal steps. Based on the observed results, lower acid bake temperatures were tested (620°C, 600°C and 580°C) to determine the optimum point between lower iron dissolution and higher rare earth dissolutions.

Further continuous pilot hydrometallurgical testing is planned on the circa 100 kg of flotation concentrate produced from the flotation pilot plant. This program is designed to facilitate effective scale up of the Acid Bake and Water Leach ("ABWL") process and generate sufficient leach liquor to conduct a thorough investigation into optimizing downstream REE recovery steps. Key program deliverables include:

- Phase 1 – Acid Bake Scale Up consists of sample receipt and preliminary bench-scale test work (ABWL and impurity removal) followed by scale-up acid bake testing (in a pilot rotary kiln) with bulk water leaching and impurity removal to produce samples for liquor treatment and solid/liquid separation testing
- Phase 2 – Intermediate REE Recovery Testing consists of IR residue re-leaching and bench-scale crude REE precipitation (RP1) test work followed by mini pilot campaign of RP1 including LSS testing.
- Phase 3 – Downstream REE Recovery Testing consists of crude REE re-leaching, uranium IX testing, thorium SX testing, and final REE precipitate generation and calcination.
- Detailed and interpretative reporting of results for process engineering design and costing for the PFS.

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. 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.

Preliminary Economic Assessment (PEA) Lofdal "2B-4" in 2022

The company finalised the financial analysis of its Preliminary Economic Assessment* ("PEA") "2B-4" in 2022. 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 a simple 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 Lakefield 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

PEA 2022 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.

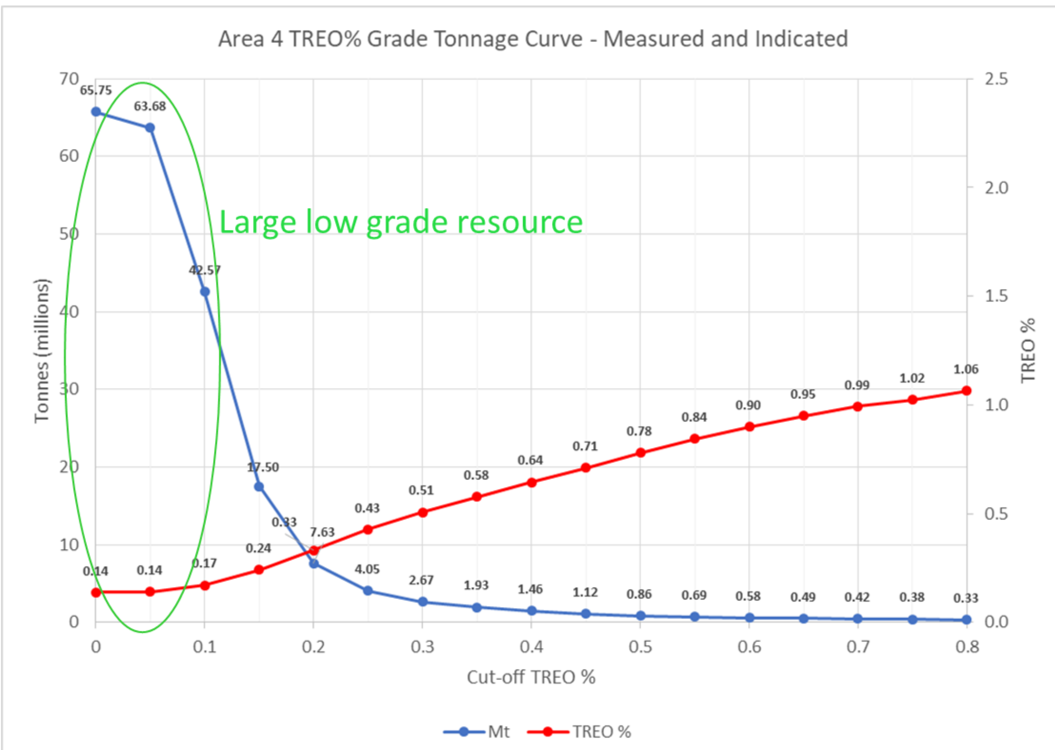


Figure 10: Lofdal Area 4 deposit Grade-tonnage curve demonstrating the large upside for the life of mine or increasing production by tapping the low-grade resources potentially upgrading the run-of-mine by XRT sorting.

Expenditures

During the year ended November 30, 2023, the Company received $3,375,000 (2022 - $2,000,000) from JOGMEC for exploration expenditures on the Lofdal property, for a cumulative total amount received of $11,475,000 (2022 - $8,100,000). As of November 30, 2023, $10,588,797 (2022 - $7,251,905) in exploration expenditures had been incurred. The Company has recorded the remaining $886,203 (2022 - $848,095) as an advance received for future exploration work.

The joint venture expenditures for the period ended November 30, 2023 are summarized in the following table:

	November 30, 2022 $	Expenditures $	November 30, 2023 $
Project Management	320,041	120,181	440,222
Geology, Drilling, Sample Analysis	4,184,252	2,264,805	6,449,057
43-101 Resource and Mine Model Update	828,809	102,326	931,135
Metallurgy	1,305,730	620,078	1,925,808
Operator's Fee	399,895	177,532	577,427
Mine planning	166,537	-	166,537
Other	46,641	51,970	98,611
	7,251,905	3,336,892	10,588,797

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 year ended November 30, 2023 was $75,284 (2022 – $nil).

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.

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 (see Figure 1).

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.

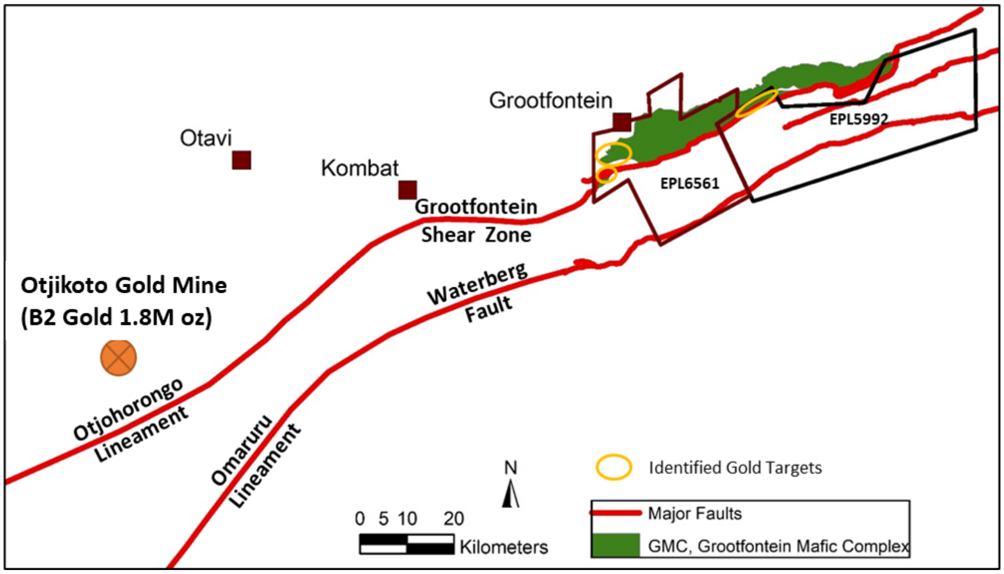


Figure 12: Location of the Grootfontein EPLs and relationship to major structures within the Central Namibian Gold Belt

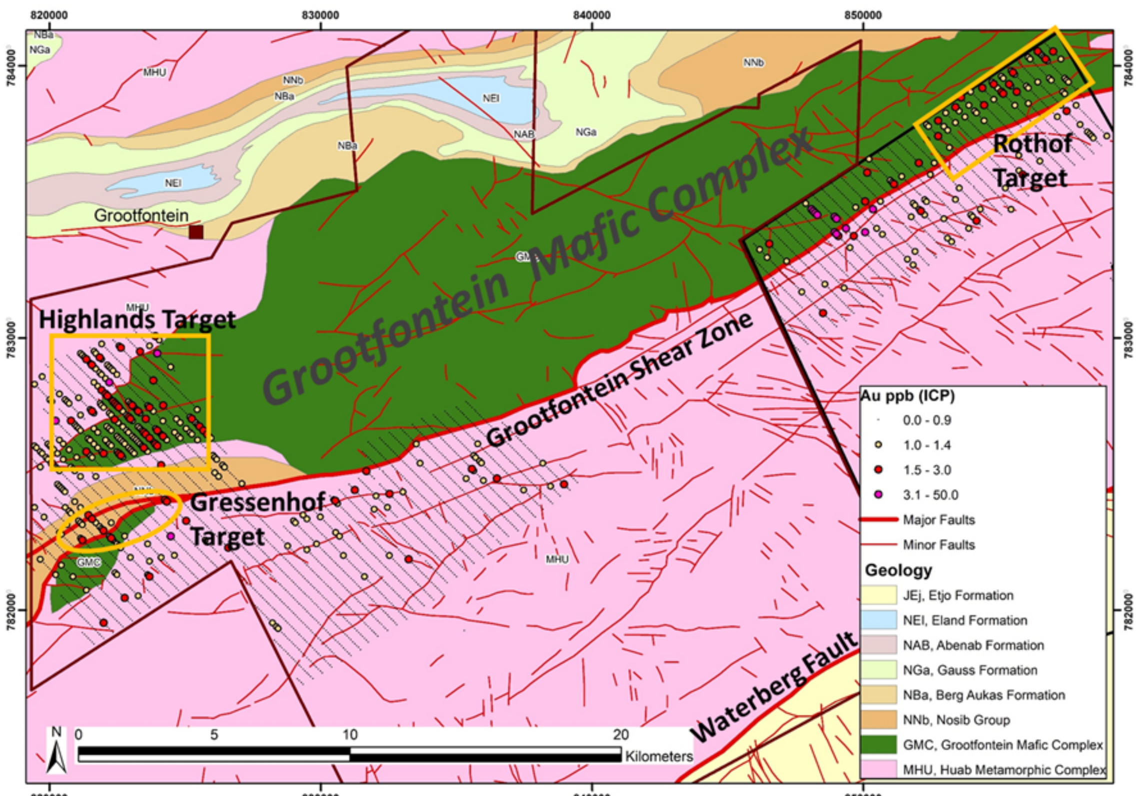


Figure 13: Key gold exploration targets at the Grootfontein Project (low detection limit gold ICP analyses of soils). Sampling lines 400 m apart. Structural and lithological interpretations by Earthmaps Consulting.

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

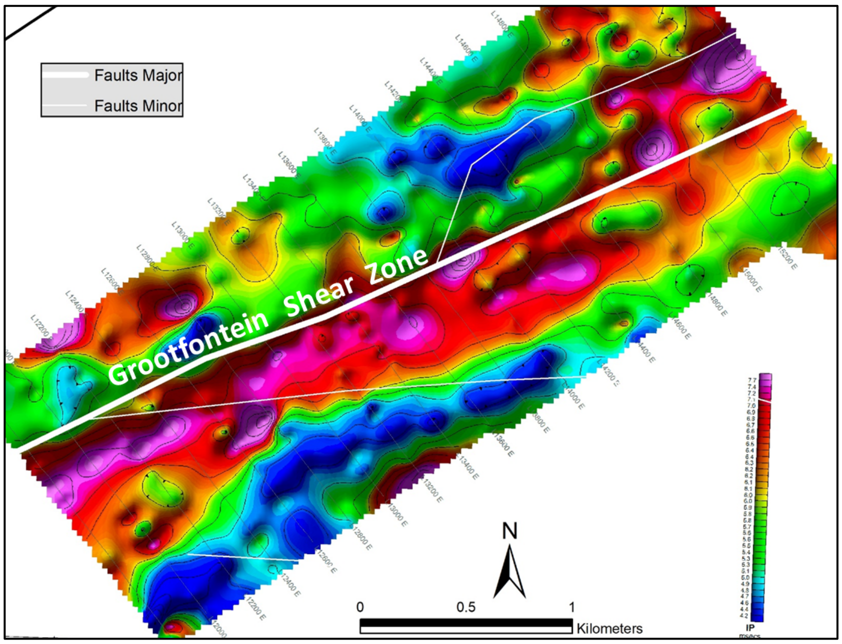


Figure 14: Result of the IP survey area at the Rothof Target: The Grootfontein Shear Zone is clearly marked with a zone of higher chargeability.

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.

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.

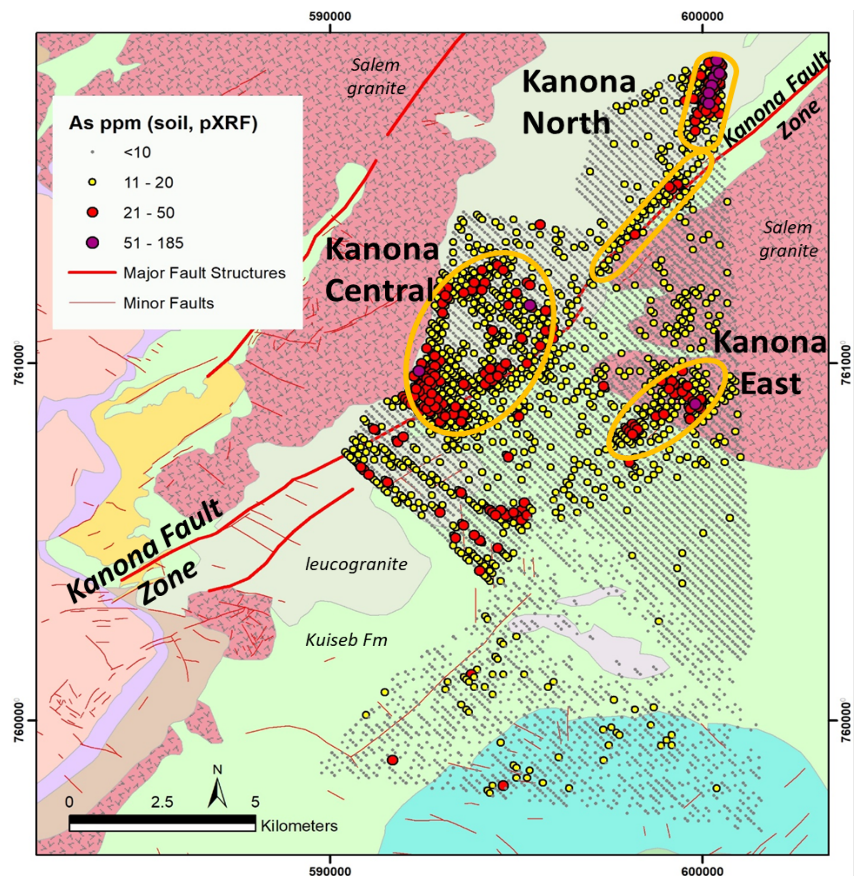


Figure 16: Key gold exploration targets at the Erongo Project (arsenic anomalies from handheld XRF analyses of soils). Sampling lines 200 m apart.

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. 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.

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

On March 4, 2024, the Company signed a share purchase agreement to sell its shares of Philco 191 (PTY) Ltd. and Gecko Gold Holdings (PTY) Ltd. which hold its Grootfontein, Erongo, and other non-core properties. The share purchase agreement values these properties at approximately $250,000. Accordingly, the properties were written down to $250,000 at year end.

For the year ended November 30, 2023, the Company incurred $11,363 (2022 – $247,626) in exploration and evaluation expenditures on its gold projects and recorded a write-down of $1,569,893 (2022 - $nil).

Results of Operations

Years ended November 30, 2023 and 2022

For the year ended November 30, 2023, the Company's partner JOGMEC incurred exploration costs of $3,336,892 on the Lofdal project (2022 - $1,988,537). For the year ended November 30, 2023, the Company capitalized exploration costs of $Nil on the Lofdal project and $11,363 on its other properties (2022 - Lofdal project - $217,301; other properties - $279,699).

For the year ended November 30, 2023, the Company reported a net loss of $2,368,654 compared to a net loss of $651,709 for the prior year.

Expenses were $2,498,792 for the year compared to $1,492,887 for 2022, primarily due to the following:

- Write-down of exploration and evaluation assets increased to $1,569,893 compared to $690,822 in 2022, offset by;
- Foreign currency exchange was a loss of $120,304 compared to a gain of $25,448 in 2022.

Other income and interest income decreased to $130,138 compared to $841,178 in 2022 due to a gain on disposal of a subsidiary in 2022.

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)	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	1,897	51	264	287	513	119	747	114
Interest/Other income	37	(7)	(86)	(74)	(798)	(8)	(26)	(9)
Net loss (income)	1,934	44	178	213	(285)	111	721	104
Net loss (income) attributable to shareholders	1,848	40	178	214	(289)	111	707	104
Net loss attributable to non-controlling interest	86	4	-	(1)	4	-	14	1
Loss per share – basic and diluted	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Total assets (millions)	25.7	27.4	27.2	27.2	27.3	28.1	28.1	27.9

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 2023 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.

Fourth Quarter

During the fourth quarter, the Company incurred exploration costs of $nil on Lofdal (2022 - $191,039) and $8,015 on its other projects (2022 - $23,649). During the fourth quarter, the Company incurred $1,896,414 in administration expenses, which included $164,653 in cash expenses, $161,868 in non-cash share based payments and $1,569,893 in non-cash mineral property write-downs (2022 - $511,291 in administration expenses including $243,560 in non-cash share based payments).

Liquidity and Capital Resources

At November 30, 2023, the Company had working capital of $47,452 compared to $473,599 at November 30, 2022 comprised of the following:

	November 30 2023 $	November 30 2022 $
Cash and short-term deposits	**1,235,705**	1,035,869
Taxes and other receivables	**260,813**	610,808
Deposits and prepaid expenses	**24,037**	73,991
Accounts payable and accrued liabilities	**(586,900)**	(398,974)
Advance received for future exploration work	**(886,203)**	(848,095)
Working capital	**47,452**	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 $10,588,797 has been spent to November 30, 2023).

The Company's consolidated 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. On December 22, 2023, the Company raised $500,000 in cash proceeds through a private placement. JOGMEC has approved $1,250,000 in additional funding for the Lofdal project from November 30, 2023 to March 31, 2024 and has notified the Company that it will move to Term 3 under the agreement. In addition, management continues to evaluate 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.

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 204,967,732 common shares.

Stock option plan
As of the date of this MD&A there were 14,675,000 options outstanding (2022 – 15,225,000) with a weighted average exercise price of $0.17 (2022 -$0.21).

The following table summarizes information about options outstanding as of the date of this MD&A:

Expiration Date	Exercise price $	Options outstanding and exercisable	Remaining contractual life (in years)
September 28, 2025	0.26	4,550,000	1.51
April 5, 2026	0.26	1,825,000	2.03
October 3, 2027	0.14	4,000,000	3.52
October 4, 2028	0.07	4,300,000	4.52
Total outstanding		**14,675,000**	

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 November 30, 2023 there were 3,750,000 warrants outstanding (2022 – 6,625,989) with a weighted average exercise price of $0.35 (2022 -$0. 35). The change in warrants during the year ended November 30, 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 November 30, 2023	3,750,000	0.35

On December 22, 2023, 8,333,333 warrants were issued pursuant to a private placement financing. The following table summarizes information about the Company's warrants outstanding as at the date of this MD&A:

Expiration Date	Exercise Price	Warrants outstanding	Remaining contractual life (in years)
March 31, 2024	$0.350	3,750,000	.02
December 22, 2025	$0.010	8,333,333	1.75
Total outstanding		12,083,333	

Related party transactions

Transactions with key management personnel for the years ended November 30, 2023 and 2022 are as follows:

	2023 $	2022 $
Share-based payments	125,208	175,078
Consulting fees	81,308	82,000
Total charged to net loss	206,516	257,078
Consulting fees charged to exploration and evaluation assets	60,738	-
Share-based payments charged to exploration and evaluation assets	80,652	15,206
Payments to a shareholder charged to exploration and evaluation assets	-	146,419
Total	347,905	418,703

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 year ended November 30, 2023, related party transactions charged to JOGMEC in respect of the Lofdal project included consulting fees of $507,412 (2022 – consulting fees and salaries of $150,000, payments to a shareholder of $442,356, and share-based payments of $202,746).

Included in accounts payable and accrued liabilities are amounts owing to related parties of $25,862 (2022 - $16,970). Included in deposits and prepaid expenses is an amount of $11,000 (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.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED NOVEMBER 30, 2023 AND 2022

Independent auditor’s report

To the Shareholders of Namibia Critical Metals Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Namibia Critical Metals Inc. and its subsidiaries (together, the Company) as at November 30, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited
The Company’s consolidated financial statements comprise:

- the consolidated statements of financial position as at November 30, 2023 and 2022;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Material uncertainty related to going concern

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended November 30, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of indicators of impairment related to the Lofdal Rare Earths exploration and evaluation asset (Lofdal) *Refer to note 2 – Basis of presentation, note 3 – Significant accounting policies and note 6 – Exploration and evaluation assets to the consolidated financial statements.* The carrying amount of exploration and evaluation assets was $24.2 million as at November 30, 2023, of which $23.9 million related to Lofdal. On January 27, 2020, the Company entered into an agreement with Japan Oil, Gas and Metals National Corporation (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 Lofdal by funding $20 million in exploration and development expenditures. As at November 30, 2023, and since the beginning of the agreement, JOGMEC has advanced funding of $11.475 million. An impairment review of exploration and evaluation assets is performed, either individually or at the	Our approach to addressing the matter included the following procedures, among others: • Obtained, by reference to government registries, evidence to support (i) the right to explore the area and (ii) the claim expiration date. • Read board minutes as well as minutes of meetings with JOGMEC, and obtained budget approvals to evidence continued and planned substantive expenditures on further exploration and evaluation activities, which included evaluating the results of the current year work programs. • Assessed whether results of exploration and evaluation activities or other facts and circumstances suggest that the carrying amount may not be recoverable based on evidence obtained in other areas of the audit.

Key audit matter	How our audit addressed the key audit matter
cash generating unit level, when there are indicators the carrying amount of the assets may exceed their recoverable amounts. Management applies judgment in determining whether indicators of impairment exist, including factors such as: (i) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; (ii) whether substantive expenditures on further exploration and evaluation of mineral resources in the specific area are neither budgeted nor planned; (iii) whether exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and (iv) whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. No indicators of impairment were identified by management related to Lofdal as at November 30, 2023. We considered this a key audit matter due to the significance of Lofdal and the judgments made by management in its assessment of indicators of impairment related to Lofdal, which have resulted in a high degree of subjectivity in performing procedures related to these judgments applied by management.	

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Maxime Lessard.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Halifax, Nova Scotia
March 25, 2024

Namibia Critical Metals Inc.

Consolidated Statements of Financial Position

As at November 30, 2023 and 2022 (in Canadian dollars)

	November 30, 2023 $	November 30, 2022 $
Assets		
Current assets		
Cash and short-term deposits	1,235,705	1,035,869
Taxes and other receivables (note 5)	260,813	610,808
Deposits and prepaid expenses	24,037	73,991
	1,520,555	1,720,668
Taxes receivable (note 5)	-	115,863
Equipment	21,748	46,667
Exploration and evaluation assets (note 6)	24,160,965	25,719,495
	25,703,268	27,602,693
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	586,900	398,975
Advances received for future exploration work (note 6)	886,203	848,095
	1,473,103	1,247,070
Loan payable (note 15)	40,000	39,324
	1,513,103	1,286,394
Equity		
Equity attributable to the shareholders of the Company (note 9)	24,458,691	26,496,129
Non-controlling interest	(268,526)	(179,830)
	24,190,165	26,316,299
	25,703,268	27,602,693

Nature of operations and going concern (note 1)
Subsequent events (note 16)

Approved by the Board of Directors on March 25, 2024:

/s/"William L. Price
Director

/s/"Adrian Hickey"
Director

Namibia Critical Metals Inc.

Consolidated Statements of Loss and Comprehensive Loss

For the years ended November 30, 2023 and 2022 (in Canadian dollars except share and per share amounts)

	2023 $	2022 $
Operating expenses		
Salaries and benefits (note 7)	93,262	96,120
Office and administration	97,561	80,882
Consulting fees (note 7)	81,308	82,760
Professional fees	152,972	132,495
Share-based payments (notes 7 and 9)	161,868	243,560
Travel	25,182	25,449
Listing and filing fees	62,231	66,784
Shareholder communications	134,211	99,463
Foreign currency exchange loss (gain)	120,304	(25,448)
Write-down of exploration and evaluation assets (note 6)	1,569,893	690,822
	(2,498,792)	(1,492,887)
Other income		
Interest income	10,704	10,069
Gain on disposal of subsidiary (note 8)	-	818,682
Operator fee (note 6)	75,284	-
Other income	44,150	12,427
Net loss and comprehensive loss for the year	(2,368,654)	(651,709)
Net loss attributable to:		
Shareholders of the Company	(2,279,958)	(632,580)
Non-controlling interest	(88,696)	(19,129)
	(2,368,654)	(651,709)
Loss per share - basic and diluted	(0.01)	(0.00)
Weighted average number of shares outstanding – basic and diluted	196,634,399	195,341,522

Namibia Critical Metals Inc.

Consolidated Statements of Changes in Equity

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

	Common Shares Without Par Value		Share-based Payments	Contributed		Total Shareholders'	Non-	
	Shares	**Amount**	**Reserve**	**Surplus**	**Deficit**	**Equity**	**controlling interests**	**Total Equity**
	#	**$**	**$**	**$**	**$**	**$**	**$**	**$**
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
Private placement financing	3,750,000	750,000	-	-	-	750,000	-	750,000
Share issue costs	-	(25,362)	-	-	-	(25,362)	-	(25,362)
Share-based payments	-	-	476,400	-	-	476,400	-	476,400
Options exercised and expired	150,000	23,800	(188,889)	177,089	-	12,000	-	12,000
Sale of subsidiaries (note 9)	-	-	-	-	-	-	2,209	2,209
Net loss and comprehensive loss	-	-	-	-	(632,580)	(632,580)	(19,129)	(651,709)
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
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
Share-based payments	-	-	242,520	-	-	242,520	-	242,520
Options expired	-	-	(919,797)	919,797	-	-	-	-
Net loss and comprehensive loss	-	-	-	-	(2,279,958)	(2,279,958)	(88,696)	(2,368,654)
Balance, November 30, 2023	**196,634,399**	**47,124,342**	**2,082,851**	**6,889,389**	**(31,637,891)**	**24,458,691**	**(268,526)**	**24,190,165**

Namibia Critical Metals Inc.
Consolidated Statements of Cash Flows

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

	2023 $	2022 $
Cash provided by (used in)		
Operating activities		
Net loss for the year	(2,368,654)	(651,709)
Adjustments for:		
Unrealized foreign currency exchange loss (gain)	120,304	(25,448)
Share-based payments	161,868	243,560
Interest income recognized in net loss	(10,704)	(10,069)
Write-down of exploration and evaluation assets	1,569,893	690,822
Non-cash interest expense on loan payable	676	4,674
Gain on disposal of mining claim	(44,150)	-
Gain on disposal of subsidiary	-	(818,682)
	(570,767)	(566,852)
Net change in non-cash working capital balances related to operations		
Decrease (increase) in amounts receivable, deposits and prepaid expenses	448,345	(109,594)
Decrease increase in accounts payable and accrued liabilities (note 12)	(9,594)	(162,215)
Advances received for future exploration work, net of expenditures (notes 6 and 12)	264,838	11,463
	132,822	(827,198)
Investing activities		
Interest income received	10,704	10,069
Purchase of equipment	-	(23,716)
Proceeds from mining claim	44,150	-
Proceeds from disposal of subsidiary	-	350,585
Expenditures on exploration and evaluation assets, net of recoveries (note 12)	88,349	(401,751)
	143,203	(64,813)
Financing activities		
Issuance of share capital, net of costs	-	724,638
Proceeds from exercise of options	-	12,000
	-	736,638
Effect of exchange rate changes on cash	(76,189)	28,207
Net change in cash during the year	199,836	(127,166)
Cash and short-term deposits – Beginning of year	1,035,869	1,163,035
Cash and short-term deposits – End of year	1,235,705	1,035,869

Supplemental cash flow information (note 12)

1. Nature of operations and going concern

Namibia Critical Metals Inc. (the "Company") 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 November 30, 2023 has an accumulated deficit of $31,637,891 (2022 - $29,357,933) and working capital, as defined by the excess of current assets over current liabilities, of $47,452 (2022 - $473,599). The Company does not generate income or consistent 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. On December 22, 2023, the Company issued 8,333,333 units for $500,000 cash proceeds through a private placement (note 16). The Company's partner in its Lofdal project, the Japan Organization for Metals and Energy Security Corporation ("JOGMEC"), has approved $1,250,000 in additional funding for the Lofdal project from November 30, 2023 to March 31, 2024 and has notified the Company that it will move to Term 3 under the agreement (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 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

These consolidated financial statements were authorized for issue by the Board of Directors on March 25, 2024.

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

b) Basis of consolidation

These consolidated financial statements include the accounts of the Company's subsidiaries as at November 30, 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%

c) 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 year.

Critical accounting judgments

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

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

a) Cash and short-term deposits

Cash consists of cash on hand, demand deposits and money market funds.

b) Foreign Currency Translation

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries. Primary and secondary indicators are used to determine the functional currency. The primary indicator which applies to the Company is the currency that mainly influences expenses. Secondary indicators include the currency in which funds from financing activities are generated.

Transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions except for depreciation which is translated at historical exchange rates. At each consolidated statement of financial position date, monetary assets and liabilities are translated using the period-end exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are included in the consolidated statement of loss and comprehensive loss.

c) Exploration and evaluation assets

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, which management has determined to be indicated by a feasibility study and the Company's decision to proceed with development, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to resource property and development assets.

An impairment review of exploration and evaluation assets is performed, either individually or at the cash generating unit level, when there are indicators the carrying amount of the assets may exceed their recoverable amounts. One or more of the following facts and circumstances indicate that the Company should test exploration and evaluation assets for impairment:

a) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; or

d) sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. To the extent this occurs, the excess is fully provided against the carrying amount, in the period in which this is determined.

Exploration and evaluation assets are assessed on an annual basis and these costs are carried forward provided at least one of the following conditions is met: such costs are expected to be recovered through successful exploration and development and of the area of interest or by its sale; or exploration and evaluation activities in the area have not yet reached a stage that permits reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing, or planned in the future.

The Company may enter in joint arrangements to further pursue exploration and development activities on its exploration and evaluation assets. When funding is received by a third party to be spent on exploration and development activities on the Company's exploration and evaluation assets, such as the JOGMEC agreement (note 6), the funding received is deferred and recognized as a liability until costs are incurred. The costs are not capitalized to the Company's exploration and evaluation assets when the costs are funded by a third party. In certain instances, the Company may act as the operator and receive an operator fee to cover its overhead costs. This operator fee is first recognized against costs incurred and the excess is recognized as other income on the consolidated statement of loss and comprehensive loss.

d) Equipment

Items of equipment are recorded at cost and depreciated over their estimated useful lives. The cost of an item includes the purchase price and directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment.

Depreciation is recognized using the following rates and methods:

Motor vehicles	20% declining balance
Exploration equipment	20% declining balance
Office equipment	30% declining balance

Depreciation methods, useful lives and residual values are reviewed at each financial year end and are adjusted if appropriate.

e) Share-based payments

The fair value of options granted is recognized as an expense or capitalized as exploration and evaluation assets as appropriate, with a corresponding increase in equity.

The fair value of options granted to employees or those providing similar services is measured using the Black-Scholes option pricing model. The fair value is determined at the grant date and is expensed or capitalized over the period during which the share purchase options vest and is based on the Company's estimate of the shares that will eventually vest.

The fair value of options granted to non-employees is measured at the fair value of the goods or services received, on the date they are received. If the fair value of the services received cannot be estimated reliably, the fair value of the share purchase options is measured using the Black-Scholes option pricing model.

At each financial position reporting date, the amount recognized is adjusted to reflect the actual number of options that are expected to vest.

f) Income taxes

Income tax consists of current and deferred tax and is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable for previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

g) Government assistance

The Canada Emergency Business Account (CEBA) loan offered from the Canadian Government in response to the COVID-19 pandemic is an interest-free loan of $60,000 and up to $20,000 is forgivable if the loan is repaid by the repayment deadline (note 15).

The CEBA loan is initially recognized at fair value and the difference between the fair value and proceeds is treated as a government grant (the interest-free benefit). Subsequently, the CEBA loan is measured at amortized cost using the effective interest rate method.

h) Earnings (loss) per share

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

i) Financial instruments

Financial assets
Financial assets are classified as financial assets at amortized cost; fair value through profit and loss (“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 other receivables.

Financial liabilities
Financial liabilities 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, advances received for future exploration work and loan payable and are subsequently measured at amortized cost.

j) Decommissioning liabilities

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. A pre-tax discount rate that reflects the time value of money and the risks specific to the liability are used to calculate the net present value of the expected future cash flows. These costs are charged to the consolidated statement of loss and comprehensive loss over the economic life of the related asset, through depreciation expense using either the unit-of-production or the straight-line method as appropriate. The related liability is progressively increased each period as the effect of discounting unwinds, creating an expense recognized in the consolidated statement of loss and comprehensive loss. The liability is assessed at each reporting date for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation and environmental liabilities as restoration and environmental compliance work related to exploration activities is completed on an ongoing basis and therefore the disturbance to date is minimal.

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic benefits will be required, the provision is reversed.

l) Warrants

Proceeds on the issuance of warrants are recorded in a separate component of equity as the warrants give right to a fixed number of the Company's common shares. Costs incurred on the issuance of warrants are recognized as a deduction from warrant proceeds. Warrants issued with common shares are measured using the residual fair value method. The fair value is included as a component of equity and is transferred from warrants to share capital on exercise.

4. New or amendments to accounting standards not yet adopted

The following standards have not been applied in preparing these consolidated financial statements as their effective dates fall within periods beginning subsequent to the current reporting period. The Company is currently assessing the financial impact of these amendments.

Disclosure of accounting policies, amendments to IAS 1 and IFRS Practice Statement 2. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.

In January 2020, the IASB issued Classification of Liabilities as Current or Non-Current (Amendments to IAS 1, Presentation of Financial Statements). The narrow-scope amendment affects only the presentation of liabilities in the consolidated statements of financial position and not the amount or timing of recognition. Specifically, it clarifies that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and that a settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. These amendments are effective for annual periods beginning on or after January 1, 2024, with early adoption permitted.

5. Taxes and other receivables

	2023	**2022**
	$	$
HST receivable – Canada	14,487	11,401
Other receivables	1,796	1,923
VAT receivable - Namibia	244,530	713,347
Less: VAT receivable - long-term	-	(115,863)
Total taxes and receivables - current	260,813	610,808

At November 30, 2022, a Namibian VAT refund of $115,863 was presented as long-term due to a lack of clarity regarding the collectability of VAT refund claims that were dated prior to a court decision allowing refund claims to Namibian exploration companies. The refund claim was collected in 2023.

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

6. Exploration and evaluation assets

	November 30, 2022 $	Acquisitions and Expenditures $	Recoveries $	Disposals $	Write-downs $	November 30, 2023 $
Lofdal Rare Earths property	23,910,965	224,173	(224,173)	-	-	23,910,965
Other properties	1,808,530	11,363	-	-	(1,569,893)	250,000
	25,719,495	**235,536**	**(224,173)**	**-**	**(1,569,893)**	**24,160,965**

	November 30, 2021 $	Acquisitions and Expenditures $	Recoveries $	Disposals $	Write-downs $	November 30, 2022 $
Lofdal Rare Earths property	23,693,664	394,701	(177,400)	-	-	23,910,965
Other properties	2,337,948	279,699	-	(118,295)	(690,822)	1,808,530
	26,031,612	**674,400**	**(177,400)**	**(118,295)**	**(690,822)**	**25,719,495**

Depreciation charged on exploration equipment and motor vehicles of $24,919 (2022 - $20,330) has been capitalized to exploration and evaluation assets.

Lofdal Rare Earths property

The Lofdal Rare Earths property comprises a Mining License (“ML200”) 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. ML200 was awarded in May 2021, subject to certain ownership and management requirements. The original exclusive prospecting licence over the Lofdal property (“EPL 3400”) was granted in 2005 and provided for mineral rights to base and rare metals, and precious metals. EPL 3400 was relinquished in November 2023, as the entire Lofdal property is covered by ML200. 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 1,569,893 to $250,000 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.

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

During the year ended November 30, 2023, the Company received $3,375,000 (2022 - $2,000,000) from JOGMEC for exploration expenditures on the Lofdal property. As of November 30, 2023, $10,588,797 (2022 - $7,251,905) in exploration expenditures have been incurred. The Company has recorded $886,203 (2022 - $848,095) as a liability for advances received for future exploration work.

As of November 30, 2023 JOGMEC had fulfilled its $10,000,000 commitment for Terms 1 and 2 and earned its 40% interest in the Lofdal project pursuant to the JOGMEC agreement. The Company intends to transfer the 40% interest to JOGMEC in 2024.

JOGMEC has elected to move to Term 3 and has approved an additional $1,250,000 to be funded by March 31, 2024.

The expenditures incurred related to the JOGMEC agreement, and funded by JOGMEC, for the year ended November 30, 2023 are as follows:

	November 30, 2022 $	Acquisitions and Expenditures $	November 30, 2023 $
Project Management	320,041	120,181	**440,222**
Geology, Drilling, Sample Analysis	4,184,252	2,264,806	**6,449,058**
43-101 Resource and Mine Model Update	828,809	102,326	**931,135**
Metallurgy	1,305,730	620,078	**19,25,808**
Operator's Fee	399,895	177,531	**577,426**
Mine planning	166,537	-	**166,537**
Other	46,641	51,970	**98,611**
	7,251,905	3,336,892	**10,588,797**

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 as other income in the consolidated statement of loss and comprehensive loss. The portion of the operator fee recognized as income during the year ended November 30, 2023 amounted to $75,284 (2022 - $nil).

No indicators of impairment were identified related to the Lofdal property as at November 30, 2023.

Other properties

On March 4, 2024, the Company signed a share purchase agreement to sell its shares of Philco 191 (PTY) Ltd. and Gecko Gold Holdings (PTY) Ltd. which hold its Grootfontein, Erongo, and other non-core properties (note 16). The share purchase agreement values these properties at approximately $250,000. Accordingly, the properties were written down to $250,000 at year end.

In 2022, the Company relinquished certain of its non-core properties and sold EPL 5885 as part of the sale of its subsidiary Kunene Resources Namibia (Pty) Ltd., resulting in a write-down of exploration and evaluation assets of $690,822.

The Company’s property portfolio at November 30, 2023 is summarized as follows:

Licence	Subsidiary Company	Project
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

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

7. Related party transactions

Transactions with key management personnel for the years ended November 30, 2023 and 2022 are as follows:

	2023	2022
	$	$
Share-based payments	125,208	175,078
Consulting fees	81,308	82,000
Total charged to net loss	206,516	257,078
Consulting fees charged to exploration and evaluation assets	60,738	-
Share-based payments charged to exploration and evaluation assets	80,652	15,206
Payments to a shareholder charged to exploration and evaluation assets	-	146,419
Total	347,905	418,703

Key management personnel include officers and directors and companies directly controlled by key management personnel or shareholders; payments are for consulting fees, share-based payments and are directly related to their position in the Company.

During the year, related party transactions charged to JOGMEC in respect of the Lofdal project included consulting fees of $507,412 (2022 – $150,000), payments to a shareholder of $Nil (2022 – $442,356) and share-based payments of $Nil (2022 - $202,746).

Included in accounts payable and accrued liabilities are amounts owing to related parties of $25,862 (2022 - $16,970). Included in deposits and prepaid expenses is an amount of $11,000 (2022 - $7,000) representing retainers on services contracts with officers of the Company.

8. Sale of subsidiaries

On September 12, 2022, the Company sold its equity interest in two of its subsidiaries, Kunene Resources Holdings (Pty) Ltd. and Kunene Resources Namibia (Pty) Ltd. (the "Subsidiaries"), to a third party for a combination of cash and services in kind of $923,733. The Subsidiaries held EPL 5885, which had a carrying amount of $118,295 before disposition. The gain on disposal of the shares amounted to $818,682.

9. Capital stock

Authorized capital stock

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

	November 30, 2023		November 30, 2022	
	Number of Shares	$	Number of Shares	$
Balance, beginning of year	196,634,399	47,124,342	192,734,399	46,375,904
Issuance of shares per private placements, less share issuance costs	-	-	3,750,000	724,638
Options exercised	-	-	150,000	23,800
Balance, end of year	196,634,399	47,124,342	196,634,399	47,124,342

On March 31, 2022, the Company closed a private placement for $750,000 gross proceeds consisting of 3,750,000 units at a price of $0.20 per unit. Each unit consists of one common share and one warrant and subject to a four-month hold period, expiring August 1, 2022. Each whole warrant is exercisable for one common share at a price of $0.35 until March 31, 2024. The value of the warrants was estimated at nil using the residual method. The Company also extended 2,650,000 warrants previously due to expire March 12, 2022 by another year to March 12, 2023.

On March 31, 2022, 150,000 options were exercised for one common share at $.08, increasing common shares by the fair value of the options and cash proceeds of $12,000, or a total of $23,800.

For the years ended November 30, 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.

For the year ended November 30, 2023, the Company issued 4,300,000 options (2022 – 4,000,000) at an exercise price of $0.07 (2022 - $0.14). The assumptions used to fair value the options issued during the year ended November 30, 2023 were a risk-free rate of 4.29% (2022 - 3.24%), expected volatility of 110% (2022 - 125%) based on actual historical volatility, expected life of 5 years (2022 – 5 years) and a dividend yield of 0% (2022 – 0%). Share-based payments expense of $161,868 (2022 - $243,560) was charged to the consolidated statement of loss, $74,971 (2022 - $217,634) was charged to the Lofdal project, and $5,681 (2022 - $15,206) was charged to other exploration and evaluation assets.

The change in stock options during the year ended November 30, 2023 and 2022 is as follows:

	Number	Weighted average exercise price $
At November 30, 2021	12,275,000	0.24
Exercised	(150,000)	(0.08)
Expired	(900,000)	(0.23)
Issued	4,000,000	0.14
At November 30, 2022	15,225,000	0.21
Expired	(4,850,000)	(0.21)
Issued	4,300,000	0.07
At November 30, 2023	14,675,000	0.17

The following table summarizes information about options outstanding at November 30, 2023:

Exercise price $	Options outstanding and exercisable	Expiry date	Remaining contractual life (in years)
0.26	4,550,000	September 28, 2025	1.83
0.26	1,825,000	April 5, 2026	2.35
0.14	4,000,000	October 3, 2027	3.84
0.07	4,300,000	October 4, 2028	4.84
	14,675,000		

Warrants

The change in warrants during the year ended November 30, 2023 and 2022 is as follows:

	Number	Weighted average exercise price $
At November 30, 2021	3,153,766	0.35
Exercised	(277,777)	(0.34)
Issued	3,750,000	0.35
At November 30, 2022	6,625,989	0.35
Expired	(2,875,989)	(0.35)
At November 30, 2023	3,750,000	0.35

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

The following table summarizes information about warrants outstanding at November 30, 2023:

Exercise Price $	Warrants outstanding	Expiration Date	Remaining contractual life (in years)
0.350	3,750,000	March 31, 2024	0.33

10. 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 year ended November 30, 2023. Total managed capital was as follows:

	2023 $	2022 $
Working capital (deficit)	47,452	473,599
Equity	24,458,691	26,496,129

There are no externally imposed capital requirements.

11. 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 pegged to the South African rand), US dollars, British Pounds, Australian dollars, and Euros. The Company's cash, amounts receivable, 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.

As at November 30, 2023, the Company had the following amounts denominated in the above currencies and converted to Canadian dollars: $1,175,604 in cash, $3,611 in deposits and prepaids, $246,325 in taxes and other receivables, and $211,302 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	116,364
All other currencies	61

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.

12. Supplemental cash flow information

During the year ended November 30, 2023, the Company incurred expenditures on exploration and evaluation assets of $226,730 which were recorded as an increase in accounts payable (2022 - decrease in accounts payable $157,921) and $24,919 in amortization of equipment which was recorded to exploration and evaluation assets (2022 - $20,330). In 2022, services in kind of $573,148 received as proceeds towards the sale of the subsidiaries were recorded as expenditures on exploration and evaluation assets. These items are non-cash transactions and have been excluded from the consolidated statement of cash flows.

13. Income taxes

A reconciliation of income taxes at statutory rates with the reported income taxes is as follows:

	2023 $	2022 $
Combined tax rate	29%	29%
Computed tax recovery	(686,910)	(188,995)
Share-based payments	46,942	70,632
Other	(15,465)	(239,461)
Non-recognition of deferred tax assets due to unused tax losses and deductible temporary differences	655,433	357,824
Total income taxes	-	-

For the years ended November 30, 2023 and 2022 (in Canadian dollars)

Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognized are attributable to the following:

	2023 **$**	**2022** **$**
Canadian and foreign non-capital losses carried forward	20,755,966	20,668,593
Canadian and foreign exploration and related deferred costs	7,404,368	6,641,868
	28,160,334	27,310,461

The realization of benefits related to these future potential tax deductions is uncertain and cannot be viewed as probable. Accordingly, no net future income tax asset has been recognized for accounting purposes.

As at November 30, 2023, the Namibian subsidiaries have available business losses for income tax purposes of approximately $4,854,000 (2022 - $4,605,000) which may be carried forward indefinitely and applied against future taxable income when earned in Namibia, and the Canadian parent entity has non-capital losses for income tax purposes of approximately $15,902,000 (2022 - $16,064,000) which may be carried forward and applied against future taxable income when earned in Canada.

Expiration of the Canadian losses is as follows: 2030 - $286,000; 2031 - $1,928,000; 2032 - $2,215,000; 2033 - $2,666,000; 2034 - $2,965,000; 2035 - $2,086,000; 2036 - $1,158,000; 2038 - $640,000; 2039 - $626,000; 2040 - $392,000; 2041 - $584,000; 2042 - $56,000; 2043 - $300,000.

14. 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.

15. Loan payable

In 2020, the Company received a $60,000 emergency business loan under the CEBA initiative. A government assistance benefit of $13,000 was recognized during the year ended November 30, 2021. The Company repaid $40,000 on January 11, 2024 and, pursuant to the terms of the CEBA initiative, the remaining $20,000 was forgiven.

16. Subsequent Events

On December 22, 2023, the Company issued 8,333,333 common shares for gross proceeds of $500,000, consisting of units at a price of $0.06 per unit. Each unit consists of one common share and one warrant, with each whole warrant exercisable for one common share at a price of $0.10, expiring December 21, 2025. The common shares and warrants are subject to a four-month hold period.

On March 4, 2024, the Company signed a share purchase agreement whereby Sylla Gold Corp. (SYG:TSXV) (“Sylla”) will acquire its non-core properties in Namibia by acquiring the Company’s shares of Philco 191 (PTY) Ltd. and Gecko Gold Holdings (PTY) Ltd. for closing consideration of $100,000 cash and the issuance of 3,000,000 common shares of Sylla at a deemed issuance price of $0.05 per common share. Closing of the transaction is subject to a number of conditions precedent, including but not limited to receipt of regulatory approvals and the acceptance of the TSX Venture Exchange.