

# **Transition Metals Corp.**

## **Management Discussion & Analysis**

### **For the Nine Months Ended May 31, 2024**

#### **INTRODUCTION**

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Transition Metals Corp. ("we", "our", "us", "Transition Metals", "TMC", "Transition" or the "Company") as of May 31, 2024, unless otherwise noted. The MD&A provides a detailed analysis of the Company's operations for the nine months ended May 31, 2024, and should be read in conjunction with the financial statements for the nine months ended May 31, 2024, and 2023, and for the year ended August 31, 2023. This MD&A was prepared as of July 29, 2024.

The financial statements and related notes of Transition Metals have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's reporting currency is the Canadian dollar, and all monetary amounts in this MD&A are expressed in Canadian dollars unless otherwise stated.

#### **CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION**

Except for statements of historical fact relating to Transition Metals certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the Company's proposed acquisitions and strategy, development potential and timetable of the Company's properties; the Company's ability to raise required funds; future mineral prices; mineralization projections; conclusions of economic evaluation; the timing and amount of estimated future exploration and development; costs of development; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration activities are based on previous industry experience and regional political and economic stability. Capital and operating cost estimates are based on extensive research of the Company, recent estimates of exploration costs and other factors that are set out herein. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward- looking statements, including but not limited to risks related to: unexpected events and delays during exploration and development; acquisition risks; regulatory risks; revocation of government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of minerals; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward- looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from current project properties. Please see Risk Factors section of this MD&A. In particular, the current state of the global securities markets may cause significant fluctuations and/or reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

## DESCRIPTION OF THE BUSINESS & BUSINESS OVERVIEW

Transition Metals is a publicly traded mineral exploration company. The Company's projects and their history are disclosed in press releases, technical reports and other continuous disclosure filings which may be viewed on the internet on the System for Electronic Document Analysis and Retrieval (SEDAR+) at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.transitionmetalscorp.com](http://www.transitionmetalscorp.com).

Transition Metals Corp. is engaged in the acquisition and exploration of mineral exploration properties in Canada. The Company's registered office is 100 King Street West, 1 First Canadian Place, Suite 6200, Toronto, Ontario, M5X 1B8.

Transition Metals (XTM-TSX.V) is a multi-commodity exploration company in Canada. It focuses on key, high quality exploration projects while maintaining a pipeline of projects across the country to advance in the future, option or sell. This approach maximizes shareholder exposure to discoveries and capital gain while minimizing shareholder equity dilution by selling interest in the projects rather than ownership in the Company. The Company has established funding partnerships with other companies that are earning an interest in Transition Metals property by providing a blend of cash, shares and royalties, and committing exploration expenditures to advance the projects. The Company has developed a portfolio of base and precious metals projects in Ontario, British Columbia, Nova Scotia, Yukon, Newfoundland & Labrador, and Saskatchewan with direct property ownership interest in approximately 683 km<sup>2</sup> mining land and share ownership interests in partner companies.

Key projects for the Company include: the Pike Warden Au-Ag-Cu project near Whitehorse, Yukon, the Maude Lake Nickel project near Schreiber, Ontario and the Sunday Lake PGM discovery near Thunder Bay held through a Joint Venture with Impala Platinum Holdings Limited ("Implats") and Impala Canada Limited ("Impala Canada"). Key investments for the Company include the Company's shareholdings in: SPC Nickel Corp. (SPC), a public company which is focused on advancing the West Graham Ni-Cu-PGM project in Sudbury and Canadian Gold Miner Corp. (CGM) a private company which is focused on advancing the South Kirkland gold project. In addition, the Company holds shares of publicly traded companies including Forum Energy Metals Corp., Metalla Royalty and Streaming Ltd. (formerly Nova Royalty Corp.), Homerun Resources Inc., McFarlane Lake Mining Limited, Heritage Mining Limited and Class 1 Nickel and Technologies Limited. It also holds shares of two other private companies.

The business of exploration and mining involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's business is dependent upon the discovery of economically recoverable mineral deposits, securing and maintaining title and beneficial interest in the properties, the ability to obtain the necessary financing to complete exploration, development and construction of a mine and processing facilities, obtaining certain government approvals to monetize its assets or generate profitable revenue from mining production. There can be no assurance that the Company will be able to raise sufficient funds as and when required.

The Company's financial statements are prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of the Company's business. The application of the Going Concern concept is dependent on the Company's ability to obtain financing to continue its operations.

The Company presently has no known quantifiable mineral deposits that justify exploitation, and activities completed by the Company constitute exploratory searches for economic mineral deposits.

## OUTLOOK

The Company intends to continue to develop and advance its portfolio projects with the objective of attracting new funding partners to further leverage the Company's exposure while retaining the upside value that can come from the discovery of new mineral deposits.

Projects that the Company considers key to driving value into the next period include: the Pike Warden Au-Ag-Cu project in the Yukon, the Maude Lake Ni-Cu- Co- PGM project near Schreiber Ontario, the Saturday Night PGM-Ni- Cu and the Sunday Lake PGM-Cu-Ni joint venture with Impala Platinum Holdings Limited (Implats) and Impala Canada Ltd. ("Impala Canada") both near Thunder Bay. It is anticipated that CGM will complete a public transaction in 2024.

## **INTERNAL QUALIFIED PERSON AND QUALITY CONTROL/QUALITY ASSURANCE**

Greg Collins, P.Geo., Chief Operating Officer of the Company, is a Qualified Person as defined under National Instrument 43-101 and has reviewed and approved the technical information contained in this MD&A.

## **MINERAL PROPERTIES, ACTIVITY AND PLANS**

### **CORPORATE ACTIVITIES**

During the reporting period the Company was actively engaged in project generative research, property acquisitions and sourcing partners for its projects.

On January 17, 2024, the Company announced that it had engaged Bill Stormont as Manager of Business Development. With a rich background in capital markets and investor relations, Bill Stormont's addition is anticipated to enhance the Company's presence and collaborations within the mining industry.

On February 28, the Company announced the result of its February 21 AGM meeting welcoming Jordan Black P. Eng., as a new director to the Company.

On May 18, the Company announced the appointment of Ashley Kirwan, P.Geo., ICD.D as one of the independent members of the Board of Directors effective April 29, 2024.

In addition, the Company issued 2,090,000 stock options, 350,000 Restricted Shares Units (RSU), and 1,700,000 Deferred Share Units (DSU) to certain directors, officers, and employees of the Company in accordance with the Company's approved Omnibus Equity incentive Compensation Plan, approved during the Company's annual general meeting of shareholders held on February 21, 2024. The options can be converted to common stock at an exercise price of \$0.06 per share for a 5-year period. RSUs vest within 3 years, and DSUs vest upon the loss of office for the holder.

### **EXPLORATION HIGHLIGHTS**

On September 11, 2023 the Company announced that work at the Pike Warden property had identified 4 new showings with prospecting samples returning assays from grab samples up to 954 g/t Ag, 832 g/t Ag, and 347 g/t Ag and that the Company intended to complete additional sampling to follow up on these new areas.

On October 24, 2023, the Company updated that two new molybdenite occurrences in a previously unsurveyed portion of the property had been discovered and that an additional 376 ha was staked to secure favourable ground.

On November 20, 2023, the Company reported assays in connection with the sampling reported in October from the newly found Nemean Lion, Minotaur and Hercules showing areas returning highlight assay values from grab samples include: 2.91 g/t Au, 6.57 g/t Ag, and >1% Mo.

On January 17, 2024, the Company provided an update regarding results from work completed on the Pike Warden and Maude Lake projects and presented plans for work in 2024.

During the Q3 of 2024 reporting period the Company was actively engaged with research and planning work in connection with the Pike Warden project, Yukon.

On May 22, 2024, the Company acknowledge financial support from the 2023-24 Yukon Mineral Exploration Program (YMEP). This program supports placer and hard-rock exploration projects by reimbursing a percentage of approved exploration expenditures, with the intent to support early-stage projects and stimulate new mineral discoveries. While through the OJEP program, Transition has been selected to receive up to \$200,000 to cover 50% of eligible explorations costs on the project, aimed at facilitating the exploration of Critical Minerals within Ontario. The receipt of these grants represents a

meaningful milestone, leveraging government support towards advancing a portion of the exploration activities of these projects

In addition, the Company emphasizes their plans for 2024, to continue to advance its business development program. To this measure it will be sourcing transactions and partnerships for its various projects with a focus on arrangements with mid-tier to senior companies. Bill Stormont will lead this effort as the Company's new Business Development Manager.

On May 29, 2024, the Company disclosed encouraging results from ongoing research further validating the potential for copper porphyry mineralization at Pike Warden. Rock sample trace element geochemistry studies highlighted robust epithermal and porphyry style alteration signatures with petrography confirming the presence of high temperature potassic alteration associated copper and moly mineralization on the property. The Company further announced that it was undertaking a helicopter-borne Z-Axis Tipper Electromagnetic (ZTEM) geophysical survey over the property to commence in June, followed by a robust field program in July.

## **SUBSEQUENT EVENTS**

On July 22, 2024, the company announced they engaged Condor North Consulting ULC ("Condor") an expert in the field of geophysical data processing and interpretation. Condor's services have been retained to perform a detailed interpretation of the results and their final report regarding the significance of the survey is pending. The audio-frequency magnetic (AFMAG) data from this survey will be used to create 3-D subsurface resistivity as well as complimentary magnetic inversion models to characterize the extent of and prioritize prospective targets on the Pike Warden Property.

In addition, the Company initiated a program of boots-on-the-ground field work at Pike Warden. Work to date has highlighted four primary target areas the Company believes hold potential to host economic polymetallic systems: The ERT Zone, Copper North, Silver Train, and Olympus target zones, all show potential to host copper porphyry systems. Within these target zones, recent trace element geochemical and petrographic studies have highlighted the prospectivity for porphyry style copper-molybdenum mineralization.

## **TRANSITION PROPERTY HOLDINGS**

The Company owns properties in several jurisdictions in Canada and is currently registered to conduct business in Ontario, Yukon, British Columbia, Saskatchewan, Nova Scotia and Newfoundland. As of May 31, 2024, the Company owned or held under option an ownership interest in mining properties totaling approximately 65,279 hectares (ha) (653 square kilometres) for purposes of conducting exploration and development activities. Individual projects expenditures for the period are summarized in the table at the end of this section.

### **Property Summary Table**

Projects	Properties May 31, 2024	Hectares May 31, 2024	Properties Feb 29, 2024	Hectares Feb 29, 2024	Properties Nov 30, 2023	Hectares Nov 30, 2023	Properties Aug 31, 2023	Hectares Aug 31, 2023	Properties May 31, 2023
Pike Warden - Yukon	203	4,166	203	4,166	203	4,166	185	3,790	185
Thunder Bay - Ni-Cu-PGM's	409	7,606	409	7,616	409	7,616	409	7,616	409
Saskatchewan Copper	9	5,375	9	5,375	9	5,375	11	13,703	16
Abitibi Gold - Ontario	764	12,126	762	12,115	762	12,115	762	12,115	762
Sudbury Cu-Gold - Ontario	50	1,110	121	3,183	121	3,183	125	3,255	135
Other	355	34,896	406	35,869	448	36,674	562	37,074	581
<b>Totals</b>	<b>1,790</b>	<b>65,279</b>	<b>1,910</b>	<b>68,324</b>	<b>1,952</b>	<b>69,129</b>	<b>2,054</b>	<b>77,553</b>	<b>2,083</b>

The number of properties listed in the tables above refers to the number of discrete mining titles that the Company holds an interest in and consists of a mix of individual mining claims, leases and patents. The Company's properties have been grouped into the following major project categories based on factors including geographic location, commodity focus and partnership agreements. An overview of the projects is presented below.

## **OVERVIEW OF PROJECTS**

The Company has developed a portfolio of gold, copper, nickel and PGM projects with ownership interest in approximately 653 km<sup>2</sup> of property interest in 6 main focus areas as defined by region or commodity focus structure. These include: Pike Warden – Yukon (Au-Ag-Cu), Thunder Bay (Ni-Cu-PGM's); Saskatchewan (Cu); Abitibi (Au); and Sudbury Area (Cu-Au and W) and Other. The Company seeks to advance exploration work in these focus areas by attracting funding partners through the sale of project ownership, as opposed to share capital. The Company has been successful in attracting and creating a number of key partnerships through which the Company continues to advance its interests, some of which are highlighted below.

### **YUKON AU-AG-CU PROJECT**

#### **PIKE WARDEN (GOLD AND SILVER) – YUKON TERRITORY – OTHER PROJECTS**

On June 28, 2022, the Company announced that it had entered into an option agreement to acquire a 100% interest in the Pike Warden Au-Ag-Cu Property located approximately 65 kilometres southwest of Whitehorse. The property consists of 185 contiguous mining claims totaling approximately 37 km<sup>2</sup> and covers more than 20 historic and recently discovered high-grade polymetallic gold (Au), copper (Cu), and silver (Ag) epithermal showings that are potentially indicative of a large epithermal-porphyry system associated with the Bennett Lake caldera complex. Previous work by the Vendor outlined six undrilled, high-grade showings where grab sample returned assay results up to 48.10 g/t Au, 11,270 g/t Ag and 7.49% Cu.

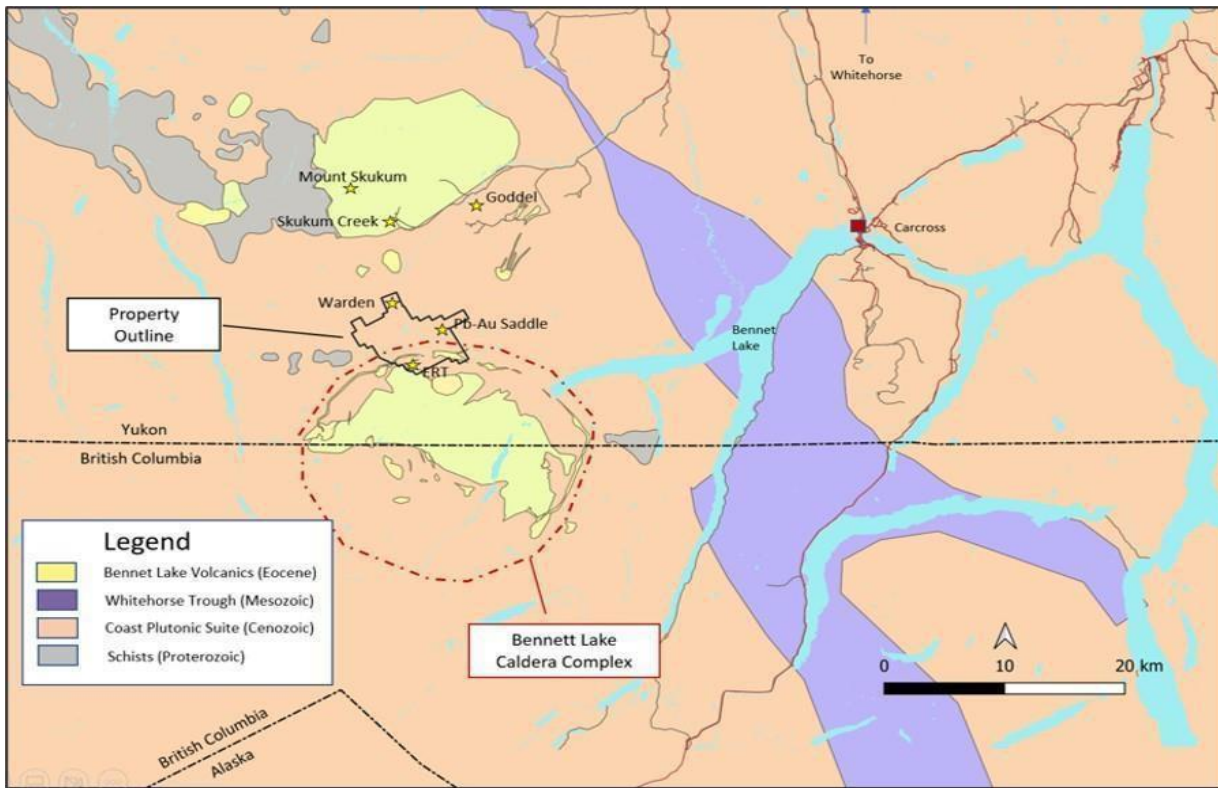
Pursuant to an option agreement with the Vendor, Transition retains the option to earn a 100% interest in the property by issuing \$150,000 in cash (\$85,000 paid) and 1,000,000 shares (550,000 issued) to the Vendor and completing an aggregate of \$1,000,000 in work over a 4-year period. If the Company vests its interest, the Vendor will retain a 1% Net Smelter Return royalty (NSR) and a \$1,500,000 Milestone Payment to be paid within 6 months following Commercial Production being achieved from the Property.

Since 2022, the Company has completed two successive field seasons compiling a robust geoscience database consisting of property wide coverage with high resolution magnetic, radiometric and VLF geophysical data, Lidar and high resolution orthophotography, high resolution remote sensing based alteration mapping, and the collection of more than 700 rock and 700 soil samples. This work has highlighted more than 25 new polymetallic mineralized occurrences hosting elevated values of gold, silver, copper, molybdenum and other base metals. Assay samples from these zones have returned values up to 48.1 g/t Au, 11,270 g/t Ag, 7.49% Cu and 2.37% Mo.

In 2022, the Company mobilized a RC drill to complete three holes to further evaluate the extent and vertical continuity of target mineralization identified at one of the showing areas, referred to as the ERT Zone. Assay results from this drilling returned:

- 16.76 metres grading 88.01 g/t Ag including 1.5 metres grading 468.00 g/t Ag in hole 22-PW-01
- 21.34 metres grading 91.43 g/t Ag including 1.5 metres grading 362.00 g/t Ag in hole 22-PW-02
- 12.19 metres grading 46.20 g/t Ag including 1.5 metres grading 211.00 g/t Ag in hole 22-PW-03

**Figure 1: Geology and location of the Pike Warden Property and outline of the Bennett Lake Caldera Complex**



On October 24, 2023, the Company reported that two new molybdenite occurrences in a previously unsurveyed portion of the property had been discovered and that an additional 376 ha were staked to secure favourable ground. On November 20, 2023, the Company reported assays in connection with the sampling reported in October from the newly found Nemean Lion, Minotaur and Hercules showing areas returning highlight assay values from grab samples include: 2.91 g/t Au, 6.57 g/t Ag, and >1% Mo.

On May 29, 2024, the Company disclosed encouraging results from ongoing research further validating the potential for copper porphyry mineralization at Pike Warden. Rock sample trace element geochemistry studies highlighted robust epithermal and porphyry style alteration signatures with petrography confirming the presence of high temperature potassic alteration associated copper and moly mineralization on the property. The Company further announced that it was undertaking a helicopter-borne Z-Axis Tipper Electromagnetic (ZTEM) geophysical survey over the property to commence in June, followed by a robust field program in July.

The Company plans to continue to explore the property with mapping and sampling this summer and drilling in the Fall.

**THUNDER BAY NI-CU-PGM PROJECTS**

The Company maintains an interest in 5 property groupings totaling 7,616 hectares consisting of the Sunday Lake (25% carried), Saturday Night (100%), Owl Lake (100%) and Maude Lake (100%) projects..

**MAUDE LAKE**

The Company acquired certain claims in the Maude Lake property located in Ontario through an option agreement. The vendor retained a 2% NSR. TMC reserves the right to buy back 1.5% of the NSR at any time for \$2,000,000..

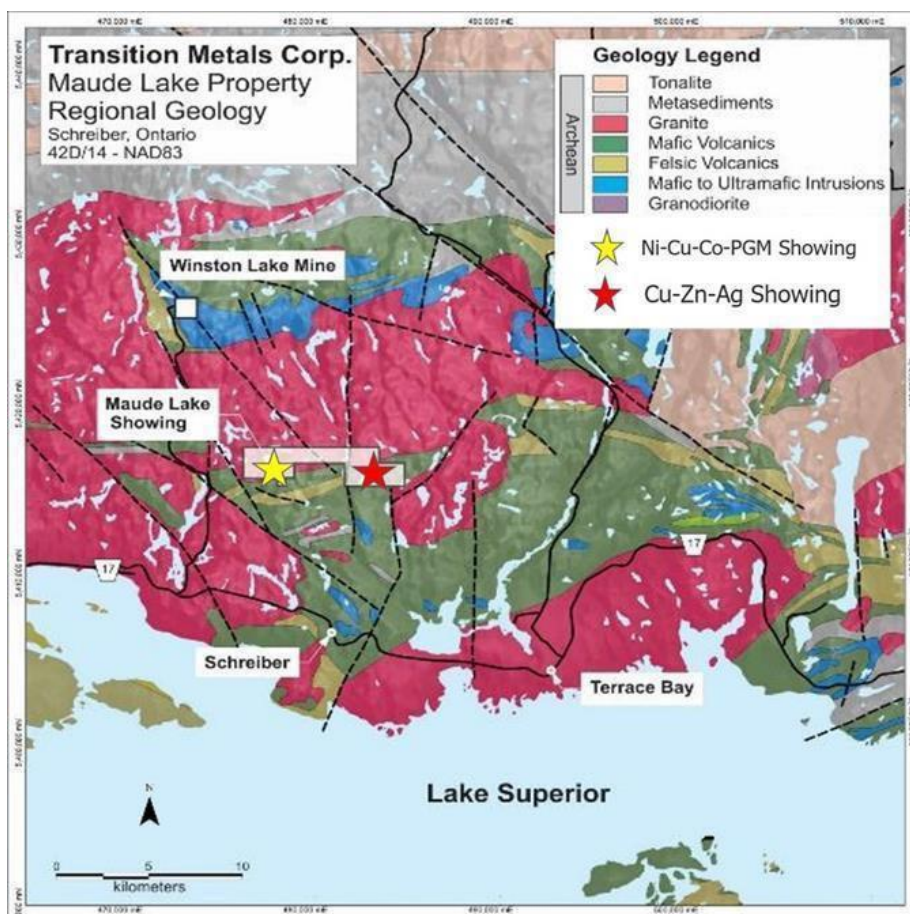
In October of 2020, the Company assigned a 1% NSR on the project to Metalla Royalty formerly Nova Royalties Corp subsequently acquired by Metalla royalty and streaming.



On March 9, 2022, the Company announced the completion of a 350-line kilometre airborne Mag-EM (VTEM) survey over the property, which was successful in highlighting large, untested conductive anomalies in close proximity to two known zones of mineralization. The Company followed up the survey by completing channel sampling which returned 17m averaging 0.46% Ni including 4.26m averaging 1.27% Ni, 0.84% Cu and 0.08% Co from channel 4, and 8.17m averaging 0.50 % Ni including 1.70m grading 1.61 % Ni from channel 7. Follow-up drilling intersected 20.01m averaging 0.33 % Ni and 0.28% Cu, including 4.00m averaging 0.61 % Ni and 0.53% Cu in hole ML-22-01, and 1.17m averaging 2.16% Ni and 0.51% Cu in Hole ML-22-02.

In December of 2023, two diamond drill holes for 579m were drilled to test conductive targets outlined by the EM survey work. Neither hole intersected notable mineralization but were followed up with a borehole EM survey. The results of the borehole survey constrain the location of the targeted conductive anomaly to areas associated with mineralization intersected by previous drilling. Opportunity remains to expand mineralization updip and explore for larger accumulations of sulphide through larger downdip drill stepouts.

**Figure 2:** Location of the Maude Lake Project



## **SUNDAY LAKE**

The Sunday Lake platinum, palladium discovery is the successful outcome of a strategic alliance partnership between Transition and Implats. The property is located in northwestern Ontario, 25 km northeast of Thunder Bay and 25 km to the west of Clean Air Metals Inc., Thunder Bay North project (formerly known as Current Lake). It consists of 177 converted map-based claims and leased property totaling 3,042 ha covering a 3.5 km diameter circular magnetic anomaly associated with a large layered mafic-ultramafic intrusion. The intrusion host significant platinum group metal or PGM (platinum, palladium, and gold) mineralization as well as nickel and copper.

The Sunday Lake Project is currently subject to a Joint Venture agreement between the Company and Implats and Impala Canada. Under the terms of the agreement, Implats and Impala Canada collectively hold a 75% interest in the project and Transition holds a 25% free carried interest until the completion of a Feasibility Study at which time it will hold a 25% participating interest. Once a participating Joint venture is formed, a party's interest would be diluted for non-participation in any program. If the Company dilutes to 10% its interest would be converted to a 1.5% net smelter return royalty.

To date a total of 37,018 metres of drilling have been completed on the property targeting sulphide mineralization associated with the basal Marginal Zone. The most recent drilling has returned values of up to 41.2 metres grading 5.11 g/t combined PGM's (Pt+Pd+Au) including 15.8 metres grading 9.11 g/t PGMs representing some of the best grades and thickness for a deposit of this type in the world. During the reporting period no work activity was carried out.

The property remains a significant asset for the Company. The Company remains hopeful that the JV will continue to drill out the existing mineralization and aggressively explore open updip and downdip potential.

## **SATURDAY NIGHT**

In 2015, the Company staked a magnetic target comparable to the magnetic signatures of other 'Early Rift' intrusions in this area located approximately 16 kilometres west of its Sunday Lake discovery near Thunder Bay, Ontario. This target, named "Saturday Night", was highlighted by an airborne survey flown by the Ontario Geological Survey (OGS).

In November 2016, the Company completed one drill hole to test targets defined by the summer geophysical program. On January 23, 2017, the Company announced that it had intersected a platinum group element enriched mid-continental rift intrusion. Assays returned 6.25 metres averaging 1.07 g/t PGM's including a higher-grade section of 4.0 g/t PGM and 0.56% Cu over a core length of 0.30 metres near the interpreted base of a greater than 200-metre-thick sequence of early-rift intrusive rocks.

The Company has covered the property with an AMT/MT ground geophysical survey, similar to the approach taken by Impala Canada (formerly North American Palladium) at the nearby Sunday Lake project, to better define the extent and morphology of the Saturday Night intrusion which indicates that the extent of the prospective intrusion is extensive. In October of 2020, the Company assigned 1% NSR on the project to Metalla Royalty. During the reporting period the Company applied for permits to resume drilling on the property and plans to complete an airborne AMT survey over the property as soon as possible.

In September of 2023, the Company was informed that it had been awarded up to \$200,000 in matching funding to conduct exploration work on the project. In October, the Company completed a passive Audio frequency Magnetotelluric (AMT) airborne survey over the project area to more fully define the interpreted extent of the Saturday Night intrusion under cover. The results of the survey indicate that the Saturday Night intrusion may be larger than previously understood and have highlighted possible extensions to the intrusion that should be targeted for drilling.

At the end of the reporting period, the Saturday Night project consisted of 63 mining claims for an estimated 1,081 hectares.

The Company has a drill permit to continue to explore the property. Given that the intrusion has only one drill hole in it, the exploration potential is considered very prospective.



## **SEDIMENTARY COPPER - SASKATCHEWAN**

### **WOLLASTON COPPER**

The Company staked a 100% interest in approximately 15,144 hectares in the Wollaston Basin Copper Belt, northern Saskatchewan in 2019. The Fannon and Porcupine properties (now collectively referred to as the Wollaston Copper project) are located approximately 100 kilometres south of Key Lake and about 30 kilometres southwest along trend with the Janice Lake Property currently being explored by Forum Energy Metals. The Company holds a 1% net smelter return royalty on the Janice Lake Property. The Wollaston Copper claims were staked to cover known copper showings and on-strike equivalents that are interpreted to have potential to host sedimentary-hosted copper mineralization similar to that at Janice Lake. The property is located within the Wollaston Domain, a Proterozoic- aged, northeast trending package of tightly folded amphibolite grade metasediments.

On November 17, 2020 the Company reported results from grab samples collected from 4 of 9 known showings including:

- 0.47% at the Fannon Lake showing and 0.43% Cu at the Flag Lake showing 1.5 km north of Fannon
- 0.44% Cu at the Tosi showing located 25 km southwest of Fannon Lake
- 0.93% Zn from the Fable Lake showing located 5 km southwest of Tosi.

On January 18, 2021 the Company disclosed results from a property-wide, helicopter-supported, tree-top, biogeochemical survey which outlined several large and continuous zones exhibiting enriched copper signatures in vegetation on both the Fannon and Porcupine blocks associated with favourable rock types and structures for sediment hosted copper.

As at the end of the reporting period the Wollaston Copper project consists of 9 mining claims for approximately 5,375 hectares.

The Company has assigned a 1% NSR on the project to Metalla Royalty.

The Company is actively seeking a partner to help support drilling on the large project to further evaluate the sedimentary copper potential and assess existing zinc mineralization.

### **ABITIBI GOLD, ONTARIO**

Transition Metals directly holds interest in mining lands in the Abitibi Greenstone belt of Ontario totaling approximately 12,115 hectares that are considered prospective for hosting deposits of gold. These projects include: 1) Gowganda Gold, 2) Cryderman, and 3) Pipestone (60% Gowest and 40% Transition Joint Venture) . Details of each project area are provided below.

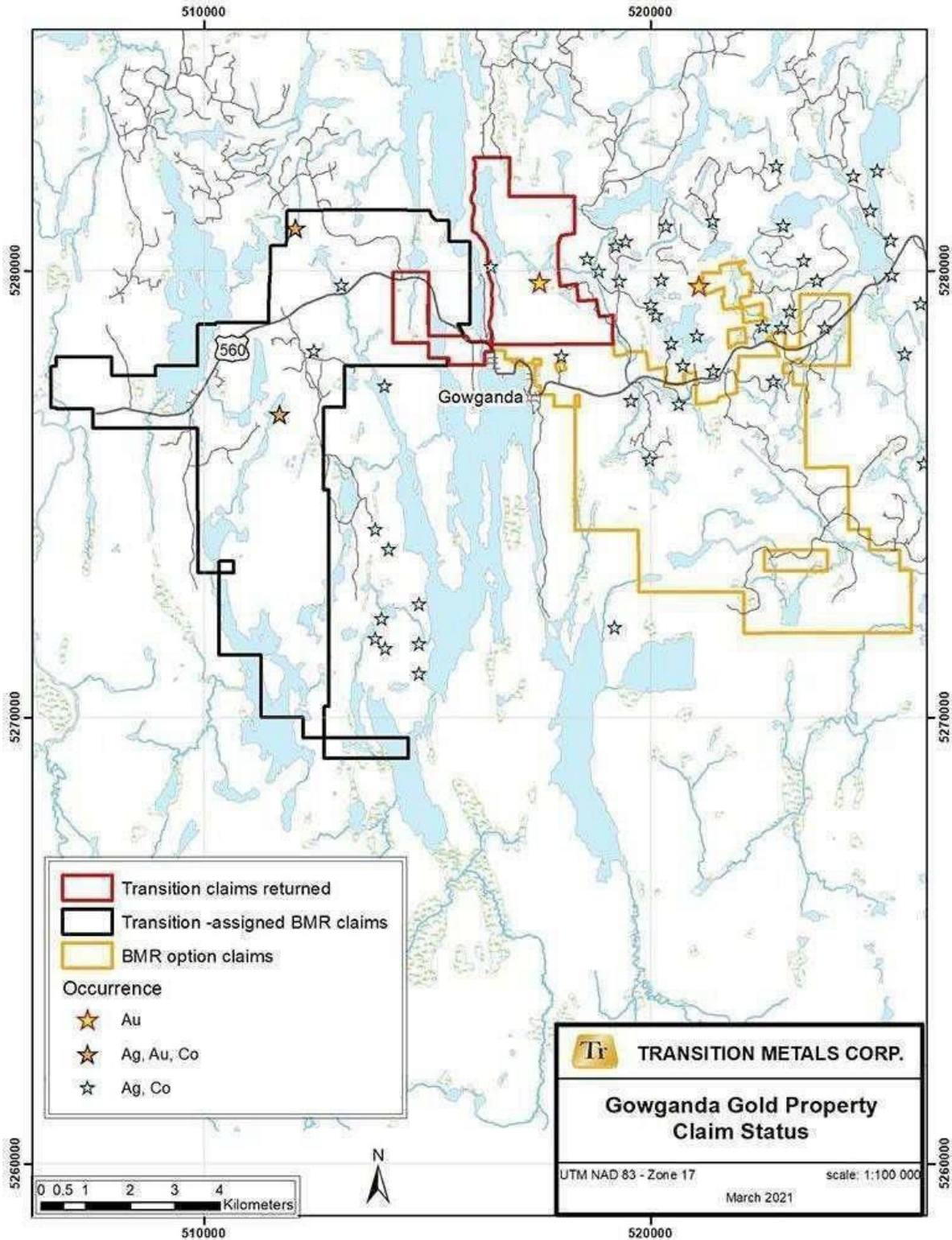
#### **GOWGANDA GOLD PROJECT**

The Gowganda Gold Project is located adjacent to the town of Gowganda, Ontario in Nicol, Haultain, and Van Hise townships, in the Larder Lake Mining District. The center of the project is located approximately 34 kms west of Elk Lake (population 350) and 33 kms southwest of Matachewan (population 450). Portions of the original property (outlined in red in Figure 4 below) is subject to a 2.0% NSR royalty of which 1.0% can be purchased back for \$1,000,000.

The property hosts multiple high grade gold occurrences over a 2 km long structural corridor. Work completed by the Company includes: Induced Polarization (IP) geophysical surveys, soil sampling, geological mapping, 10 mechanically stripped trenches, channel sampling, and 21 shallow diamond drill holes for a total of 2,258m. Significant drill intercepts from work by Transition include 2.37 g/t Au over 7.06 metres, up to 82.5 g/t Au over 0.4 metres (see Transition Metals news release of December 1, 2011) and 1.63 g/t Au over 11.52 m (see Transition Metals news release of April 6, 2017). In addition to the prospective gold mineralization, cobalt-silver mineralization occurs across the property within the overlying Cobalt Embayment rocks.

The Company optioned the property to Battery Minerals Resources Limited in 2019 (“Battery”) whereby Battery could earn up to an 80% interest. The agreement was amended in 2021 the 2<sup>nd</sup> years expenditure requirement was waived and total expenditures were reduced in exchange for a cash payment of \$150,000 (received). In addition, certain claims were returned or assigned to the Company (see figure on next page). The portion of the property that remained under option to Battery is depicted in orange on the following Figure 9. The portion of the optioned property returned from option to Transition is depicted in red. Claims assigned by Battery are outlined in black and are subject to a 1% net smelter return royalty held by Battery.

**Figure 3; Gowganda Gold Property**



On October 4, 2021, the Company announced that its grab samples returned high-grade, gold analyses of 18.6-269.0 g/t gold (Au) from one showing and the discovery of four new copper (Cu) showings ranging from 0.24-2.30% Cu on a portion of the assigned property.

In March 2022, BMR opted out of its interest in the remaining portions of the property held under option and returned the property to Transition Metals. Transition Metals now holds a 100% interest in the combined land package depicted in the figure above which consists of 519 claims for 8,655 hectares.

The project has strong indication of a large gold mineralizing system in a portion of the Abitibi that has seen little exploration.

## **CRYDERMAN GOLD**

On April 18, 2019, the Company acquired certain claims in the Cryderman Lake property located near Shining Tree, Ontario through an option agreement. The Vendor retained a 2.0% NSR. TMC reserves the right to buy back 1.0% of the NSR at any time for \$1,000,000. The property consists of 6 contiguous mining leases covering a historical high-grade lode gold showing where grab samples collected by the Company in 2018 returned values from trace up to 34.5 g Au/t.

On November 27, 2019, the Company disclosed assay results from channel sampling completed on veining exposed by trenching completed on the Cryderman Gold property. Samples of quartz vein returned up to 15.70 g/t Au over 0.5 metres along 100 metres of the newly exposed Queen Elizabeth Vein. Sampling of peripheral zones of alteration and quartz stringers returned up to 3.44 g/t Au over 1.63 metres and two additional undocumented veins located to the north of a historical shaft were identified returning up to 3.05 g/t Au over 0.88 metres and 4.11 g/t Au over 0.61 metres.

On May 11, 2021, the Company announced that it had negotiated an accelerated earn-in with the Vendor and fully vested a 100% interest in the property in exchange for a lump sum payment of \$25,000 in cash (paid) and the issuance of 250,000 shares (issued). In addition, the parties amended the terms of the NSR agreement such that the maximum NSR encumbrance is reduced from 2.0% to 1.5% with Transition retaining the right to buy down 0.5% for \$1.0 million at any time. On November 18, 2021, the Company completed the lease transfer process and announced the discovery of a new mineralized vein structure located 500m northeast of the Elizabeth Vein.

The property hosts high grade gold mineralization associated with an historic mine. The Company is seeking a partner to further explore and develop the property.

## **PIPESTONE PROJECT – (40% TRANSITION METALS CORP)**

The Pipestone Project consists of 237 converted map-based mining claims (approximately 3,363 ha) located in Wark, Prosser, Gowan, Little and Evelyn townships, Porcupine Mining District, near Timmins, Ontario. The claims were acquired to cover approximately 13 km of the interpreted strike extension of the Pipestone structure. The Pipestone structure is an under-explored gold-bearing regional fault in the Timmins Gold camp that runs sub-parallel to the Destor-Porcupine fault (*>60 million oz of historic production – Ontario Geological Survey - Gold production in the Timmins Regional Resident Geologist's District to the end of 2006*). The Property is subject to a Joint Venture Agreement with Gowest Gold Ltd. ("Gowest") whereby Gowest is the Operator and holds a 60% interest and TMC holds a 40% interest. The Company declined its right to maintain its 40% participating right in the project and may have its interest diluted accordingly.

## **SUDBURY AREA (COPPER-GOLD)**

### **AYLMER IOCG**

The Aymer IOCG Option agreement was allowed to lapse on May 4th, 2024. At present property held under this agreement remains registered to the Company awaiting direction from the Optionors

## **FOSTUNG (TUNGSTEN– CU-AU-AG)**

The Company holds a 100% interest in the Fostung Property located near the town of Espanola, approximately 70 kilometres southwest of Sudbury, Ontario. A portion of the Property is subject to a 1% Net Smelter Return royalty (NSR) with Transition retaining the right to buy back 0.5% NSR for \$500,000.

The Fostung property hosts an historic tungsten trioxide (WO<sub>3</sub>) skarn resource completed by Golden Predator Mine Inc. in 2007 which was stated to contain an Inferred Mineral Resource of 12.4 million tonnes (Mt) grading 0.213 wt. % WO<sub>3</sub> (Tungsten Trioxide) based on information from 44 drill holes totaling 9,185 metres completed from 1966 to 1986. The Company informs that a qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves, and that the Company is not treating the historical estimate as current mineral resources or mineral reserve.

On August 10, 2020 the Company announced that it had entered into an Option and Joint Venture Agreement with 1930153 ON Ltd. ("1930153 ON") whereby 1930153 ON can earn up to a 100% interest in the Fostung Property. To earn a 50% interest, 1930153 ON must provide option payments totaling \$120,000 over 4 years that includes a \$15,000 payment upon execution of the Agreement. All option payments will be doubled if the project attracts at least \$2,000,000 of financing during the 5-year Option Period. Additionally, 1930153 ON must complete \$500,000 of exploration expenditures over 5 years. 1930153 ON may increase its interest in the Fostung Property to 80% by providing Transition with a further \$500,000 in cash and completing an additional \$1,500,000 worth of work over 2 years. 1930153 ON may further increase its interest to 100% by making an additional cash payment of \$4,500,000 to the Company, subject to a 2.0% NSR royalty.

The Company has been working with the Optionor to operate programs of work including a diamond drill program with objectives towards updating the resource at Fostung and to obtain material to facilitate metallurgical testing. As of the effective date of this report the agreement with 1950153 ON remains in good standing.

## **OTHER PROJECTS**

Transition has a number of other exploration projects in the Canadian provinces of Ontario, Nova Scotia, British Columbia, and Newfoundland & Labrador. Targets are mainly gold and copper. Descriptions of these projects are as follows:

### **JOLLY GOLD – NORTHWEST ONTARIO**

On November 24, 2020, the Company announced that it had entered into an option agreement to acquire a 100% interest in 9 contiguous mining claims 75 kilometres north of Thunder Bay and has additionally staked new claims to consolidate 4,560 hectares covering a significantly underexplored extension of the Beardmore-Geraldton Greenstone Belt. The Jolly Gold project encompasses a number of historic high-grade gold (Au) occurrences where grab samples collected by the Company in September 2020 returned assay values of 14.35 g/t Au with 0.7 g/t Ag at Trench 1, and 3.96 g/t Au, 7.9 g/t Ag and 0.64 % Cu at Trench 2. The two historic trenches lie along a northeast trend, approximately 1.3 km from each other.

The terms of the option agreement on the 9 claims grant the Company the option to earn a 100% interest in the claims by issuing \$175,000 in cash to the Vendors (\$85,000 paid) and by completing an aggregate of \$250,000 in work expenditures over a 4-year period. If the Company vests its interest, the Vendors will retain a 2% NSR with Transition retaining the right the right to buy back 1% NSR for \$500,000 and the remaining 1% NSR for an additional \$1.5 million. On November 2022, an amendment to the option agreement was made to increase the cash payments to \$180,000 over a 5- year period.

To date the Company has completed a high-resolution airborne magnetic survey over the property and follow up mapping, sampling and trenching. The program included cutting and assaying of 114 channel samples on the historical Fat Beagle trench as well as collecting 82 prospecting grab samples across the 45.6 km<sup>2</sup> property before work was halted due to local forest fire conditions in 2021. Channel sampling within the historic Fat Beagle trench returned very high-grade zones of gold mineralization, with assays of up to 146.5 g/t Au over 0.41 m, and 24.4 g/t Au over 0.61m. The best result from the 82 grab samples collected outside of the showing area returned was 1.35% Zn from an outcrop of sulphide facies collecting outside of the showing area returned was 1.35% Zn from an outcrop of sulphide facies iron formation.

In 2023, a subsequent follow soil survey consisting of 1,159 samples submitted for Mobile Metal Ion (MMI) analysis highlighted a 4- kilometer trend of elevated gold pathfinder elements in soil developed with gold values up to 50 times background. The Jolly property covers regionally significant structures and geology interpreted to be a western extension of the Beardmore-Geraldton greenstone belt.

The project is an attractive early-stage project that hosts bonanza grade mineralization. The Company is actively seeking a partner to further explore and drill the property.

## HIGHLAND GOLD - GOLD – CAPE BRETON, NOVA SCOTIA

On August 20, 2018, the Company announced that it had entered into an option agreement to acquire a 100% interest in four claims located in the Cape Breton Highlands from award winning Nova Scotian prospector Joe Richman. To earn its interest, the Company is required to make cash payments of \$170,000 over four years (\$65,000 paid), issue \$175,000 worth of common shares of the Company (241,325 common shares issued based on VWAP pricing estimated to be worth \$65,000 at the time of issuance) over four years and incur exploration expenditures of \$1,500,000 over five years. The agreement also provides for a milestone payment by the Company of \$500,000 in cash or shares within 90 days after a commercial production decision. If by the 8th anniversary of the agreement no production decision has been made, milestone prepayments of \$25,000 per year to the optionee capped at \$500,000 needs to be made. Upon exercise of the option the property is subject to a 2.0% NSR of which the Company can purchase 1.0% of the NSR for \$1,250,000. The optionee has been granted a 1.0% NSR on the adjacent company staked claims which can be bought back for \$500,000.

On February 28, 2020, the Company was informed by the Department of Energy and Mines Nova Scotia that it had initiated a process in response to concerns raised by the Mi'kmaq Assembly of Chiefs regarding the issuance of mining and exploration permits in the Cape Breton Highlands. The government of Nova Scotia has indicated that it must discharge its duty to consult with the Mi'kmaq of Nova Scotia before approvals granting access to Crown Land and authorizations for drilling and excavation to carry out exploration activities in the Highlands will be issued. The Company continues to engage with the Department of Mines and Energy towards clarity and updates regarding this process. As a result of the government notice, the Company declared Force Majeure with the Optionor on August 12, 2023 while the Department of Mines worked towards fulfilling its duty to consult with the Mi'kmaq. As at the end of the reporting period the Highland project consists of 4 optioned and 17 staked claims for approximately 112 km<sup>2</sup>.

On January 14, 2019, the Company announced that this drilling had intersected 9.14 metres grading 23.22 g/t Au including 3.05 metres grading 49.54 g/t Au.

On June 5, 2019, the Company announced that it had resumed exploration on the property with plans to complete approximate 1,000 metres of percussion Reverse Circulation (RC) drilling to test a cluster of high-grade showings within a roughly 5 square kilometer portion of the property to follow up on targets highlighted by previous work. Results from this program confirmed strike and dip extensions to mineralization identified at Zone 6A and indicate significant grades and thicknesses of gold at Zone 6B which is located approximately 250 metres southwest of Zone 6A. Testing Zone 6B, hole 19-TMC-RC-11 intersected 9.0 metres grading 6.14 g/t Au including 2.0 metres grading 25.46 g/t Au. Zones 6A and 6B are respectively located approximately 2 kilometres east of Main Zone where RAB drilling completed by the Company in late 2018 returned a 9.14 metre interval grading 23.22 g/t Au. In total, 28 holes for 568 metres were completed; the results of which are summarized in the table below.

Hole	From (m)	To (m)	Length (m)	Au (g/t)	Zone
19-TMC-RC-01	10	19	9	6.88	6A
including	10	14	4	16.44	6A
19-TMC-RC-02	3	4	1	0.8	6A
and	11	15	4	2.03	6A
including	12	14	2	3.57	6A
19-TMC-RC-03	5	7	2	1.54	6A
19-TMC-RC-04	1	6	5	1.61	6A

including	2	4	2	3.75	6A
19-TMC-RC-05		No sig. results			
<b>19-TMC-RC-06</b>	<b>18</b>	<b>23</b>	<b>5</b>	<b>2.61</b>	<b>6A</b>
<b>including</b>	<b>22</b>	<b>23</b>	<b>1</b>	<b>7.39</b>	<b>6A</b>
19-TMC-RC-07	16	24	8	1.31	6A
<b>including</b>	<b>18</b>	<b>19</b>	<b>1</b>	<b>4.92</b>	<b>6A</b>
19-TMC-RC-08		No sig. results			
19-TMC-RC-09	3	4	1	1.09	6A
19-TMC-RC-10	0	6.5	6.5	1.01	6B
including	0	1.5	1.5	3.32	6B
<b>19-TMC-RC-11</b>	<b>0</b>	<b>9</b>	<b>9</b>	<b>6.14</b>	<b>6B</b>
<b>including</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>25.46</b>	<b>6B</b>
19-TMC-RC-12		No sig. results			
19-TMC-RC-13	6	9	3	0.9	6B
<b>19-TMC-RC-14</b>	<b>13</b>	<b>19</b>	<b>6</b>	<b>6.17</b>	<b>6B</b>
<b>including</b>	<b>13</b>	<b>15</b>	<b>2</b>	<b>11.53</b>	<b>6B</b>
<b>19-TMC-RC-15</b>	<b>7</b>	<b>12</b>	<b>5</b>	<b>2.62</b>	<b>6B</b>
<b>including</b>	<b>11</b>	<b>12</b>	<b>1</b>	<b>4.3</b>	<b>6B</b>
<b>19-TMC-RC-16</b>	<b>17</b>	<b>27</b>	<b>10</b>	<b>2.58</b>	<b>6B</b>
<b>including</b>	<b>17</b>	<b>20</b>	<b>3</b>	<b>5.67</b>	<b>6B</b>
19-TMC-RC-17		No sig. results			Other
19-TMC-RC-18		No sig. results			Other
19-TMC-RC-19		No sig. results			Other
19-TMC-RC-20		Did not reach target depth			Main
19-TMC-RC-21	14	15	1	1.97	Main
19-TMC-RC-22		Did not reach target depth			Main
19-TMC-RC-23		Did not reach target depth			Main
19-TMC-RC-24		No sig. results			Other
19-TMC-RC-25		No sig. results			6C
19-TMC-RC-26		No sig. results			6C
19-TMC-RC-27		No sig. results			Other
19-TMC-RC-28		No sig. results			Other

## BANCROFT (NI-CU-PGM's)

The Bancroft project is a greenfields exploration project that has seen the benefit of approximately \$5.0 million in historic exploration expenditures. The property consists of approximately 2,789 hectares of mining claims located in the Southern Ontario Mining District near Bancroft, Ontario. In 2009, First Nickel announced the discovery of a new zone of PGM mineralization called ML North located in northeastern Raglan Township upon intersecting 5.05 metres grading 0.762 g/t Pt and 1.216 g/t Pd. In 2020, the Company completed an orientation biochemical survey over the ML-North PGM showing and other areas with similar magnetic features and completed a thorough review of the available geophysical results. This work has highlighted several prospective Ni-Cu-PGM targets. In October 2020, the Company assigned a 1% NSR on the project to Metalla Royalty.

During the reporting period 51 converted mining cells in Raglan Township were allowed to lapse. As of the end of the reporting period, the Bancroft property consisted of 75 mining claims totaling approximately 18 km<sup>2</sup>.



## **ISLAND COPPER**

The Island Copper property is located in Aweres Township of the Sault Ste. Marie Mining District was staked to cover the historic Island Copper showings. The property is interpreted to have high potential for IOCG-style Cu- Au mineralization. The Island Copper mineralization is hosted in an albite-rich granite breccia that is situated at the intersection of major crustal faults thought to represent the terrain boundary between Archean and Proterozoic rocks, along the margins of a major paleo-rift setting. Copper and Au enrichment occurs within a hydrothermal Fe-oxide (hematite) chlorite and amphibolite matrix that cements fragmented and altered granite breccia. Historic drilling completed by Kennco Exploration in 1965 reported 11.59m @ 3.4% Cu and 0.9g/t Au at the main showing.

On January 25, 2021, the Company announced that it had granted an option on its Island Copper project to Rich Copper Exploration Corp ("Rich Cu"), a private corporation. Under the terms of the Agreement, Rich Cu could vest a 100% interest in the Property by providing Transition with \$150,000 cash over 3 years (\$25,000 received), 500,000 shares (received) on signing and an additional \$475,000 worth of shares over the following 3 years as well as completion of \$750,000 in exploration expenditures. Transition would have receive a 2.5% Net Smelter Return royalty on any future production from the Property and within a 5 kilometre area of interest. In addition, Transition was entitled to milestone payments of \$1,000,000 upon Rich Cu or its assigns completing a Feasibility Study and an additional payment of \$5,000,000 within 12 months of commencement of Commercial Production. Rich Cu could have purchase 1% of the NSR for \$1,000,000 anytime prior to commercial production.

The property was returned to the Company and the Option Agreement with Rich Copper was terminated on January 6, 2022.

The company is actively seeking a partner to further drill out the now high grade copper mineralization.

## **HOMATHKO PROPERTY – GOLD – BRITISH COLUMBIA**

The Homathko Property is located in the Caribou Regional District, British Columbia, approximately 200 km west of Williams Lake in the western portion of the Chilcotin region. The properties were staked to secure a land package around a high-grade gold showing discovered by Falconbridge in the 1960's, which returned assays up to 342 g/t Au.

On December 10, 2020, the Company entered into an agreement to grant an option of a 100% interest in the property to Homerun Resources Inc. Under the terms of the agreement, Homerun could have earned a 100% interest in the property by issuing 700,000 shares followed by additional share issuances totaling \$100,000 worth of common shares over 2 years and by completing \$550,000 worth of exploration expenditures by December 2022. Once vested, Transition would have retained a 1.0% Net Smelter Royalty on all mineral production, 0.5% of which could have been purchased by the Company for \$1,000,000. The property was returned to Transition in 2022.

The Homathko property is subject to a pre-existing 1.0% royalty sold by the Company to Metalla Royalty.

On December 19, 2022, the Company entered into an option agreement with Aurum Lake Mining (Aurum). Under the terms of the agreement, Aurum must pay a total of \$470,000 in optional cash payments over two years; \$20,000 (received) on signing; additional \$100,000 (received) following exchange acceptance (the Effective Date); \$150,000 on the first anniversary of the Effective Date; and \$200,000 on the second anniversary of the Effective Date. In addition, Aurum must incur work expenditures on the Property totaling \$500,000 over two years and make a one-time \$5,000,000 lump sum payment to the Optionor upon the commencement of commercial production. Upon vesting an interest in the property, Transition will be granted a 2.0% NSR.

In 2023 Aurum acquired remote sensing data and completed a prospectivity model which highlighted several new prospective target areas meriting follow up work in 2024.

As at the date of this report the option agreement with Aurum remains in good standing. The Homathko property now consists of 12 claims for 9,788 hectares.

## **THOMPSON GOLD – BRITISH COLUMBIA**

On March 29, 2021 the Company announced that it had entered into a letter of intent with Underhill Exploration Ltd. to acquire a 100% interest in claims hosting the Blackhawk Gold Prospect near the eastern margin of the prolific Quesnel Trough, close to Vernon, British Columbia. The Blackhawk Prospect which encompasses the historic East Showing (historic channel sample: 11.3 g/t gold and 12.1 g/t silver across 2.2 metres), the West Showing (historic chip sample; 16.0 g/t gold across 1.2 metres) and the Quartz (historic channel sample: 4.6 g/t gold over 2 metres). On July 31, 2021 the Company executed a formal option agreement to allow the Company to earn a 100% interest in West and Musgrave claims from Underhill in exchange for \$100,000 cash over 3 years (\$10,000 paid), 250,000 shares and by incurring \$450,000 in work expenditures on the Property by the third anniversary of the agreement. Upon earning its interest, the Vendors would be granted a 1.5% NSR of which 0.5% can be repurchased by the Company at any time for \$1,000,000. The Company has completed additional staking around the Underhill ground to consolidate a 4,306-hectare land position. In 2021, the Company was able to complete a high-resolution airborne LIDAR survey and an orientation soil survey over portions of the property. The Company has applied for permits to complete additional programs of work on the property including additional soil sampling, trenching and RC Drilling which have not yet been received.

## **DUNTARA COPPER – NEWFOUNDLAND**

On May 28, 2019, the Company announced that it had staked a new copper project known as the Duntara Copper Property covering 2,440 hectares along the northwestern tip of the Bonavista Peninsula in Eastern Newfoundland. The new claims were staked to cover a series of known copper showings including the Blue Point Prospect where shallow drilling completed by Noranda Inc. in 2001 returned 1.0 % Cu and 12.1 g/t Ag over 14.25 metres including 1.98 % Cu and 23.10 g/t Ag over 6.0 metres. The showings occur within the Crown Hill Formation of the Neoproterozoic Musgravetown Group that has been shown to have excellent potential to host sedimentary-hosted copper mineralization.

The Company completed a high-resolution airborne mag/EM survey over this property with an objective to highlight magnetic and conductivity features considered prospective indicators for targeting large deposits of sediment-hosted copper under cover.

In May, 2024, the property was assigned to a private Newfoundland based mineral exploration group via a purchase and sale agreement in exchange for a 2% NSR and certain obligations towards the maintenance of the property in good standing. The property has yet to be transferred.

## Cumulative exploration expenditures as at May 31, 2024

	Project Generation	Gowganda	Janice Lake	Saturday Night	Sunday Lake	Hele	Pike Warden	Highland Gold	Maudie Lake	Cryderman	Fostung	Alymer	Dundonald	Wolleston	Other	Former projects	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Opening balance, August 31, 2022</b>	3,995,099	234,410	(1,181,992)	98,259	2,502,859	1,182,504	97,009	447,416	251,793	236,203	68,055	420,981	(234,688)	406,212	1,168,306	6,857,625	16,550,591
Acquisition costs	-	-	-	-	-	-	78,500	0	-	-	3,000	2,500	-	-	0	-	84,000
Camps, accommodations, meals, travel	10,873	-	-	1,160	3,825	-	76,086	3,335	210,739	838	145	28,405	-	7,909	49,458	-	392,773
Assay, core logging and sampling	2,403	-	-	-	-	-	50,523	-	13,158	-	-	11,025	-	-	10,515	-	87,624
Geophysical, geochemical and geological	47,662	-	-	4,268	3,280	-	121,382	-	26,845	-	-	4,072	-	-	7,913	-	215,422
Drilling and Trenching	60	-	-	-	-	-	102,776	-	142,974	-	-	-	-	-	-	-	245,810
Recoveries	-	-	-	-	-	-	(50,000)	-	-	-	-	(144,141)	-	-	(35,000)	-	(229,141)
<b>Balance, August 31, 2023</b>	4,056,097	234,410	(1,181,992)	103,687	2,509,964	1,182,504	476,276	450,751	645,509	237,041	71,200	322,842	(234,688)	414,121	1,201,192	6,857,625	17,346,539
Acquisition costs	-	-	-	-	-	-	47,000	-	-	-	0	0	-	-	5,000	-	52,000
Camps, accommodations, meals, travel	22,820	-	-	13,500	-	-	94,297	10,417	87,242	398	-	462	-	15,320	19,298	-	265,754
Sale of Property interest (including NSR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assay, core logging and sampling	6,745	-	-	-	-	-	5,775	-	2,638	-	-	337	-	-	2,445	-	17,940
Geophysical, geochemical and geological	29,457	-	-	67,370	-	-	43,999	3,125	16,775	-	-	-	-	870	14,017	-	175,613
Drilling and Trenching	-	-	-	-	-	-	-	-	132,601	-	-	-	-	-	-	-	132,601
Recoveries	-	-	-	(42,500)	-	-	(50,000)	-	(182,388)	-	-	-	-	-	(100,000)	-	(374,888)
<b>Balance, May 31, 2024</b>	4,115,119	234,410	(1,181,992)	142,057	2,509,964	1,182,504	617,347	464,293	704,377	237,439	71,200	323,641	(234,688)	430,311	1,141,952	6,857,625	17,615,559

## INVESTMENT IN ASSOCIATE COMPANIES

### CANADIAN GOLD MINER CORP.

As at May 31, 2024, the Company owns 15,000,100 common shares in Canadian Gold Miner Corp. (“CGM”) being approximately 20% of the issued and outstanding shares. CGM is a private corporation exploring for gold in the Larder Lake Mining District near Kirkland Lake. The Company has assembled an exceptional land position totaling approximately 320 km<sup>2</sup> around the Cadillac Larder, Lincoln-Nipissing and Ridout structures in the southwestern part of the prolific Abitibi Greenstone belt in Ontario and is planning to go public. However, the Company is currently monitoring the market to determine the best timing. See the below table for the share of CGM’s loss recognized under TMC. Additional information regarding CGM can be obtained at [www.canadiangoldminer.com](http://www.canadiangoldminer.com).

### SPC NICKEL CORP.

SPC Nickel Corp (“SPC”) is a company spun out by Transition that is focused on discovering Class 1 Nickel in the prolific Sudbury mining camp to discover new sources of metals in support of clean energy initiatives.

As at May 31, 2024, the Company owns 9,321,866 common shares in SPC being approximately 4.9% of the issued and outstanding shares.

SPC is traded on the TSX Venture Exchange under the ticker symbol SPC.V. Additional information regarding SPC can be obtained at [www.spcnickel.com](http://www.spcnickel.com).

## INVESTMENT

A continuity of investment balances, and the resultant income statement impact, for the nine months ended May 31, 2024, is as follows:

### Continuity:

For the Quarter Ended May 31, 2024	Equity Investment in SPC	Equity Investment in CGM	Marketable securities	Total
<b>Balance as at August 31, 2023</b>	<b>\$357,579</b>	<b>\$582,858</b>	<b>\$904,532</b>	<b>\$1,844,969</b>
Share of loss for the period	(74,549)	(24,663)	-	(99,212)
Gain on dilution	27,054	-	-	27,054
Mark to market adjustments	-	-	228,860	228,860
Realized gains/(loss) on investments	-	-	35,751	35,751
Proceeds on sale of investments	-	-	(259,882)	(259,882)
<b>Balance as at May 31, 2024,</b>	<b>\$310,084</b>	<b>\$558,195</b>	<b>\$909,262</b>	<b>\$1,777,540</b>

### Income statement impact:

For the nine months ended May 31, 2024	Realized gain on disposition	Equity accounting pick up	Unrealized gain	Total
Equity (loss) pick up	-	(99,212)	-	(99,212)
Gain on dilution		27,054		27,054
Mark to market adjustments	-	-	228,860	228,860
Original cost on securities sold	(295,633)	-	-	(295,633)
Adjusted for:				
Proceeds on sales	259,882	-	-	259,882
<b>Total</b>	<b>\$35,751</b>	<b>\$(72,158)</b>	<b>\$228,860</b>	<b>\$120,951</b>

## Discussion of Operations

### THREE MONTHS ENDED MAY 31, 2024, COMPARED TO THREE MONTHS ENDED MAY 31, 2023

During the three months ended May 31, 2024, the Company had a net loss of \$196,682 compared to net loss of \$291,153 in the comparative period. The change is mainly due to the following:

- For the three months ended May 31, 2024, the share of loss was \$22,148 compared to \$112,373 and gain on dilution from equity investments was \$27,054 compared to \$nil for the three months ended May 31, 2023.
- Unrealized gain and realized gain on marketable securities for the period were \$99,988 and \$33,851 respectively, compared to unrealized loss of \$49,255 and realized gain of \$72,949 in the prior period. The change in the realized and unrealized gain (loss) on marketable securities is due to changes in the underlying market price of the common shares.
- Operating expenditures for the three months ended May 31, 2024, were \$261,200 compared to \$202,826 for the three months ended May 31, 2023. The changes are due to:
  - i. Total exploration expenditures for the three months ended was \$96,828 compared to exploration expenditures of \$18,771 in the comparative period. During the three months ended May 31, 2024, the Company spent \$96,832 on property expenses compared to \$132,793 in the comparative period.
  - ii. During the three months ended May 31, 2024, the Company recorded share-based payment of \$25,655 compared to \$269 for the three months ended May 31, 2023.
  - iii. During the three months ended May 31, 2024, the Company received option payments, and other recoveries in the amount of \$4 compared to \$114,022 in comparative period. See exploration section for more details:

#### Quarterly Project Expenditures and Recoveries

Project Name	For the three months ended May 31, 2024			For the three months ended May 31, 2023		
	Additions	Recoveries	Total	Additions	Recoveries	Total
<b>Project Generation Expenditures</b>	\$ 7,929	\$ -	\$ 7,929	\$ 17,483	\$ -	\$17,483
Saturday Night	2,655	-	2,655	841	-	841
Sunday Lake	-	-	-	3,190	-	3,190
Pike Warden	56,961	-	56,961	31,153	(30,000)	1,153
Maude Lake	11,747	-	11,747	68,229	-	68,229
Cryderman	80	-	80	222	-	222
Alymer	-	-	-	5,884	(84,022)	(78,138)
Other	17,460	(4)	17,456	5,791	-	5,791
<b>Total</b>	<b>\$ 96,832</b>	<b>\$ (4)</b>	<b>\$ 96,828</b>	<b>\$ 132,793</b>	<b>\$ (114,022)</b>	<b>\$18,771</b>

## NINE MONTHS ENDED MAY 31, 2024, COMPARED TO NINE MONTHS ENDED MAY 31, 2023

- During the nine months ended May 31, 2024, the Company had a net loss of \$535,485 compared to net loss of \$1,889,086 in the comparative
- For the nine months ended May 31, 2024, the share of loss and gain on dilution from equity investments was \$72,158 compared to \$272,688 for the nine months ended May 31, 2023.
- The Company had unrealized gain of \$228,860 and a realized gain \$35,751 on marketable securities, compared to unrealized loss of 492,749 and realized gain of \$37,044 in the prior period. The change in the realized and unrealized gain on marketable securities is due to changes in the underlying market price of the common shares.
- Operating expenditures for the nine months ended May 31, 2024, were \$786,161 compared to \$1,187,890 for the nine months ended May 31, 2023. The changes in the operating expenditures are mainly due to:
  - i. Total exploration expenditures for the nine months ended was \$269,020 compared to exploration expenditures of \$468,765 in the comparative period. During the nine months ended, May 31, 2024, the Company spent \$643,908 on property expenses compared to \$697,787 in the comparative period. During the nine months ended May 31, 2024, the Company sold royalties on certain properties, received option payments, and other recoveries in the amount of \$374,888 (May 31, 2023 – \$229,022). See exploration section for more details.
  - ii. Share-based payment for the nine months ended was \$25,684 compared to \$86,055 for the nine months ended May 31, 2023. The decrease is due to the timing of expensing the estimated fair value of stock options granted in prior and current periods. The Company expenses its stock options in accordance with the vesting terms of options granted.

**Nine Month Project Expenditures and Recoveries**

Project Name	2024			2023		
	Additions	Recoveries	Total	Additions	Recoveries	Total
<b>Project</b>						
<b>Generation</b>	\$ 59,022	\$ -	\$ 59,022	\$ 42,837	\$ -	\$ 42,837
<b>Janice Lake</b>	-	-	-	-	-	-
<b>Saturday Night</b>	80,870	(42,500)	38,370	1,108	-	1,108
<b>Sunday Lake</b>	-	-	-	6,380	-	6,380
<b>Pike Warden</b>	191,071	(50,000)	141,071	269,003	(50,000)	219,003
<b>Highland Gold</b>	13,542	-	13,542	-	-	-
<b>Maude Lake</b>	241,256	(182,388)	58,868	269,051	-	269,051
<b>Cryderman</b>	398	-	398	761	-	761
<b>Aylmer</b>	799	-	799	42,922	(144,022)	(101,100)
<b>Wolleston</b>	16,190	-	16,190	6,670	-	6,670
<b>Other</b>	40,760	(100,000)	(59,240)	59,055	(35,000)	24,055
	\$ 643,908	\$ (374,888)	\$ 269,020	\$ 697,787	\$ (229,022)	\$ 468,765



## QUARTERLY INFORMATION

A summary of selected financial information for the past eight quarters is presented below:

For the three months ended and as at:	May 31, 2024 <sup>(1)</sup>	February 29, 2024 <sup>(2)</sup>	November 30, 2023 <sup>(3)</sup>	August 31, 2023 <sup>(4)</sup>
Operating (expenses) recoveries	\$(261,200)	\$(168,400)	\$(356,561)	\$(579,152)
Net (loss) income for the period	(196,682)	(171,551)	(167,252)	(392,394)
(Loss) income per share – basic and fully diluted	(0.00)	(0.00)	(0.00)	(0.00)
Total Assets	2,780,511	2,937,124	3,109,258	2,844,393
Total Liabilities	228,428	231,014	231,597	160,000

For the three months ended and as at:	May 31, 2023 <sup>(5)</sup>	February 28, 2023 <sup>(6)</sup>	November 30, 2022 <sup>(7)</sup>	August 31, 2022 <sup>(8)</sup>
Operating recoveries (expenses)	\$(202,826)	\$(422,822)	\$(562,242)	\$(954,018)
Net income (loss) for the period	(291,153)	(455,404)	(1,142,529)	(1,272,277)
Income (Loss) per share – basic and fully diluted	(0.01)	(0.01)	(0.02)	(0.02)
Total Assets	2,844,393	3,163,597	3,662,096	4,835,055
Total Liabilities	160,000	188,323	246,918	376,134

- 1) Net loss of \$196,682 consisted mainly of: (i) operating expenses of \$261,200, which included exploration and evaluation expense of \$96,828; (ii) professional fees of \$15,323; (iii) office and general expenses of \$45,293 (iv) equity loss of \$22,148 and gain on dilution from associates of \$27,054; (iii) gain on sale of marketable securities of \$33,851; (iv) unrealized loss on investments of \$99,988; (vi) recovery of flow- through of \$75,491.
- 2) Net loss of \$171,551 consisted mainly of: (i) operating expenses of \$168,400, which included exploration and evaluation recoveries of \$50,823; (ii) professional fees of \$46,725; (iii) office and general expenses of \$88,681 (iv) equity loss from associates of \$62,731; (iii) gain on sale of marketable securities of \$300; (iv) unrealized loss on investments of \$38,729; (vi) recovery of flow- through of \$63,337.
- 3) Net loss of \$167,252 consisted mainly of: (i) operating expenses of \$356,561, which included share based compensation of \$29 and exploration and evaluation expenditures of \$223,015; (ii) equity loss from associates of \$48,634; (iii) gain on sale of marketable securities of \$1,600; (iv) unrealized gain on investments of \$167,601; (vi) recovery of flow-through of \$68,021.
- 4) Net loss of \$392,394 consisted mainly of: (i) operating expenses of \$579,152, which included share based compensation of \$129 and exploration and evaluation expenditures of \$327,723; (ii) equity loss from associates of \$135,472; (iii) gain on sale of marketable securities of \$53,972; (iv) unrealized loss on investments of \$150,341; (vi) recovery of flow-through of \$52,358.
- 5) Net loss of \$291,153 consisted mainly of: (i) operating expenses of \$202,826, which included share based compensation of \$269 and exploration and evaluation expenditures of \$18,771; (ii) equity loss from associates of \$112,373; (iii) gain on sale of marketable securities of \$72,949; (iv) unrealized loss on investments of \$49,255.
- 6) Net loss of \$455,404 consisted mainly of: (i) operating expenses of \$422,822, which included share based compensation of \$500 and exploration and evaluation expenditures of \$144,540; (ii) equity loss from associates of \$56,801; (iii) loss on sale of marketable securities of \$24,524; (iv) unrealized loss on investments of \$48,282.

- 7) Net loss of \$1,142,529 consisted mainly of: (i) operating expenses of \$562,242, which included share based compensation of \$85,286 and exploration and evaluation expenditures of \$305,454; (ii) equity loss from associates of \$103,514; (iii) loss on sale of marketable securities of \$11,381; (iv) unrealized loss on investments of \$491,776.
- 8) Net loss of \$1,272,277 consisted mainly of: (i) operating expenses of \$954,018, which included exploration and evaluation expenditures of \$820,172; (ii) equity loss from associates of \$148,197; (iii) loss on sale of marketable securities of \$38,355; (iv) unrealized gain on investments of \$199,311; (v) gain on dilution of \$18,035; (vi) impairment of investment of \$267,965.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **CASH FLOWS**

Operating activities were affected by net loss of \$535,485, non-cash adjustments of \$198,439 and non-cash working capital items of \$98,431.

Non-cash adjustments consisted of: shares issued for property acquisitions of \$17,000, depreciation of \$7,197, share-based compensation of \$25,684, share of loss and dilution from equity investments of \$72,158, offset by a realized gain on investments of \$35,751, unrealized gain on fair value adjustment on investment of \$228,860, and a flow-through premium of \$55,867.

Non-cash working capital balances consisted of: a decrease in accounts payable and other liabilities of \$100,635, an increase in restricted cash of \$5,525, an increase in prepaid expenses of \$11,776, and offset by a decrease in other receivable of \$19,505

Cash flows from investing activities of \$259,882 was due from the sale of marketable securities.

On May 31, 2024, the Company had cash of \$751,245 (August 31, 2023 - \$1,323,719). In addition, it had investments with a fair market value of \$909,262 (August 31, 2023 - \$904,532). The Company's working capital (based on current assets minus current liabilities) was \$1,601,082 on May 31, 2024 (August 31, 2023- \$2,014,528). TMC will continue to focus on optioning numerous projects in 2024 and anticipate new revenues from option payments. Currently, TMC has two properties farm out option agreements in place which is estimated to generate gross option payments of \$170,000 in fiscal 2024. These payments are subject to the optionee having sufficient funds available to meet the obligations and option terms of potential new options being approved. Transition monitors the outstanding amounts on an ongoing basis. The Company continues to negotiate option agreements and the potential sale of properties. The Company believes that based on the current cash and working capital position and its access to liquidity sources, it has sufficient resources readily available to meet its current exploration and corporate and administrative requirements for the next twelve months. See "Cautionary Note Regarding Forward-Looking Statements".

In addition, the Company's estimated exploration budget is between \$1 to \$2 million, which will be spent or deferred. Further financing will be required from related party loans or an equity issue to continue corporate and exploration activities. There can be no assurance that additional funding from related parties or others will be available on terms acceptable to the Company. For these reasons, management considers it to be in the best interests of the Company and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed, or for other purposes, as needs arise.

The Company does not have any long-term debt or similar contractual commitments. See "Risk Factors" in this MD&A.

## DISCLOSURE OF OUTSTANDING SHARE DATA (As At July 29, 2024)

The capital structure of Transition Metals is as follows:

Common Shares Issued	67,527,139
Options	5,340,000
Warrants	5,210,125
Fully diluted	78,077,264

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

### Cash and Cash Equivalents

The Company considers all highly liquid short-term investments with a maturity of three months or less to be cash equivalents. As of May 30, 2024, the Company had \$751,245 in cash and \$56,276 in restricted cash (August 31, 2023 - \$1,323,719 in cash and \$50,751 in cash equivalents).

### Financial Instruments

Entity	Number of common shares	May 31, 2024		August 31, 2023	
		Fair Value	Number of common shares	Fair Value	Number of common shares
Class 1 Nickel and Technologies Ltd.	653,100	107,762	823,100	16,462	
Forum Energy Metals Corp.	4,750,000	665,000	5,025,000	502,500	
Metalla Royalty & Streaming	-	-	25,000	37,250	
Homerun Resources Inc	-	-	243,000	179,820	
McFarlane Lake Mining Inc.	900,000	31,500	900,000	63,000	
Heritage Mining Ltd	100,000	5,000	100,000	5,500	
West Kitikmeot Gold	1,000,000	50,000	1,000,000	50,000	
Rich Copper	500,000	50,000	500,000	50,000	
<b>Total</b>		<b>909,262</b>		<b>904,532</b>	

In connection with the disposition of securities of the above-noted companies, the Company realized gain on sale of marketable securities during the current fiscal period of \$50,601 (May 31, 2023 – realized loss of \$37,044).

The Company incurred unrealized gain on marketable securities during the current fiscal period of \$214,010 (May 31, 2023 – unrealized loss of \$492,749). Unrealized gains or losses are recorded in the statement of loss and comprehensive loss. All financial instruments are initially recognized at fair value on the statements of financial position. The Company has classified each financial instrument into one of the following categories:

(1) financial assets or liabilities at fair value through profit or loss (“FVTPL”), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to-maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in net earnings. Financial assets “available-for-sale” are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax.

Financial assets “held-to-maturity”, “loans and receivables”, and “other financial liabilities” are subsequently measured at amortized cost using the effective interest method.

The Company's financial assets and liabilities are recorded and measured as follows:

<b>Asset or Liability</b>	<b>Category</b>	<b>Measurement</b>
Restricted cash	Held for trading	Fair value
Cash equivalent	Held for trading	Fair value
Short-term investments	Held for trading	Fair value
Investments	Held for trading	Fair value
Other receivable	Loans and receivables	Amortized cost
Accounts payables & accrued liabilities	Other liabilities	Amortized cost
Due to related parties	Other liabilities	Amortized cost

The Company classifies the fair value of financial instruments according to the following hierarchy based on the number of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The following table illustrates the classification of the Company's financial instruments, measured at fair value in the statements of financial position as of May 31, 2024, and August 31, 2023 categorized into the levels of the fair value hierarchy.

<b>August 31, 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Aggregate Fair Value</b>
Marketable securities	\$804,532	\$ -	\$ -	\$804,532
Private investments, included in marketable securities			100,000	100,000
Restricted cash equivalents	-	50,751	-	50,751
Short term investments	-	15,000	-	15,000
<b>Total</b>	<b>\$804,532</b>	<b>\$65,751</b>	<b>\$100,000-</b>	<b>\$970,283</b>
<b>May 31, 2024</b>				
Marketable securities	\$809,262	\$ -	\$ -	\$809,262
Private investments, included in marketable securities			100,000	100,000
Restricted cash equivalents	-	56,276	-	56,276
Short term investments	-	15,000	-	15,000
<b>Total</b>	<b>\$809,262</b>	<b>\$71,276</b>	<b>\$100,000</b>	<b>\$980,538</b>

## **OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not have any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities or derivative financial obligations.

## **TRANSACTIONS WITH RELATED PARTIES**

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties). The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, to similar transactions to non-key management personnel related entities on an arm's length basis.

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties:

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key management of the Company for the period ended May 31, 2024, and 2023 was as follows:

	<b>Three Months Ended May 31, 2024</b>	<b>Three Months Ended May 31, 2023</b>	<b>Nine Months Ended May 31, 2024</b>	<b>Nine Months Ended May 31, 2023</b>
Short term benefits (i)	\$ 69,710	\$ 97,495	\$ 256,009	\$ 326,673
Share based payments	19,004	197	19,025	63,107
Accounting fees	9,241	13,768	30,411	52,785
	<b>\$ 97,955</b>	<b>\$ 111,460</b>	<b>\$ 305,445</b>	<b>\$ 442,565</b>

(i) Short term benefits are included in consultant fees and exploration and evaluation expenditures.

Included in accounts payable and accrued liabilities as of May 31, 2024 is \$40,115 (August 31, 2023 - \$49,820) owing to officers and management of TMC. The amounts are unsecured, non-interest bearing, and are due on demand.

During the nine months ended May 31, 2024, the Company paid professional fees of \$30,411 (May 31, 2023 - \$39,017), to Marrelli Support, a Company controlled by the Chief Financial Officer of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. As at May 31, 2024, Marrelli Support was owed \$nil (August 31, 2023 - \$7,500) with respect to services provided. The amounts are unsecured, non-interest bearing, and are due on demand.

During the nine months ended May 31, 2024, the Company charged \$nil (May 31, 2023 - \$nil) rental fees to CGM and the Company paid \$9,000 in rent expenses to SPC (May 31, 2023 - \$nil).

## COMMITMENTS AND CONTINGENCIES

### *Environmental Contingencies*

The Company's exploration activities are subject to various federal, state, provincial, and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

### *Flow-through Expenditures*

From time-to-time, the Company and its associates enter into flow-through financings and indemnify the subscribers of flow-through shares for any tax related amounts that become payable by the subscriber. In the ordinary course of business, the Company is subject to ongoing audits by tax authorities. There are many transactions and calculations for which the ultimate tax determination is uncertain. While the Company believes that its tax filing positions are appropriate and supportable, from time to time, certain matters are reviewed and challenged by the tax authorities. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities.

## RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business, which involves the acquisition, financing, exploration, and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking information relating to the Company.

### *Liquidity Concerns and Future Financings*

The Company will require significant capital and operating expenditures in connection with the development of its properties. There can be no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on favorable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all its properties or reduce or terminate some or all of its activities.

### *Nature of Mining, Mineral Exploration and Development Projects*

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in the mineral exploration, development and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, reserve and resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Current market conditions are forcing many mining operations to increase capital and operating cost estimates. Indeed, there have been a number of mining operations that have ceased or been suspended or delayed because operation costs are estimated to be greater than projected prices of product. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

### *No Revenues from Project Generation Activities*

To date the Company has recorded no revenues from exploration operations and the Company has not commenced commercial production or development on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years in relation to the engagement of consultants, personnel and equipment associated with advancing exploration, development, and commercial production of the Company's properties. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming exploration. There can be no assurance that the Company will generate any revenues or achieve profitability.



### *Licenses and Permits, Laws and Regulations*

The Company's exploration and development activities, including mine, mill, road, rail and other transportation facilities, require permits and approvals from various government authorities and are subject to extensive federal, provincial, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that Transition Metals will be able to maintain or obtain all necessary licenses, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

### *Mineral Commodity Prices*

The value of the Company's properties will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of mineral commodities has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

### *Investment price risk*

Investment price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Company is subject to price risk due to changes in the fair value of the common shares it holds in various companies as well as SPC and CGM.

### *Environmental*

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the value of its properties. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

### *Title to Properties*

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

### *Uninsured Risks*

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could result in significant liabilities to the Company and increase costs of projects.

### *Competition*

Transition Metals competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

### *Dependence on Outside Parties*

Transition Metals has relied upon consultants, engineers and others and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop processes to extract the commodity from the ore. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on Transition Metals.

### *Conflicts of Interest*

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of Transition Metals may have a conflict of interest in negotiating and concluding terms respecting such participation.

### *Litigation*

Transition Metals has entered into legally binding agreements with various third parties on a consulting and partnership basis. The interpretation of the rights and obligations that arise from such agreements is open to interpretation and Transition Metals may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Transition Metals to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any such disputes could have a material adverse effect on Transition Metals.

### *Dependence on Key Employees*

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

### *Potential Dilution*

The issue of shares upon the exercise of stock options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

### *Extreme volatility*

The extreme volatility occurring in the financial markets is a significant risk for the Company. As a result of the market turmoil, investors have been moving away from assets they perceive as risky to those they perceive as less so. Companies like Transition Metals are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for Transition Metals to access the capital markets to raise the capital it will need to fund its current level of expenditures.

## CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

## RECENT ACCOUNTING PRONOUNCEMENTS

### New standard adopted

The Company adopted the following new IFRS standards, interpretations, amendments and improvements of existing standards. The new standards and changes did not have any material impact on the Company's financial statements as described as follows:

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The company adopted these amendments on September 1, 2023. The amendment had no impact on the financial statement.

IAS 12 – In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The company adopted these amendments on September 1, 2023. The amendment had no impact on the financial statement.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The company adopted these amendments on September 1, 2023. The amendment had no impact on the financial statement.

The amendments to IAS 1 and IFRS Practice statement 2, Presentation of Financial Statements were adopted with respect to disclosure of the Company's accounting policies. The adoption of the amendments did not result in any changes to the Company's accounting policies, the only impact was to the accounting policy information disclosed in the financial statements. As a result of the adoption of the amendments, the title of this note 2 was changed from "significant accounting policies" which had been used in all previous periods. Where management determined necessary, clarifying language was applied in order to enhance focus on the materiality of a policy, and immaterial policy language was deleted.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The company adopted these amendments on September 1, 2023. The amendment had no impact on the financial statement.

## **RESPONSIBILITY FOR FINANCIAL STATEMENTS**

The information provided in this report, including information from the related audited financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to decide of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

As part of the oversight role of the Board of Directors to ensure the Company's disclosures contain no misrepresentations, the Audit Committee reviews the interim and annual financial statements and MD&A prepared by management, and the preparation process. The Audit Committee, once satisfied, recommends the statements and MD&A to the Board of Directors for approval. The Board considers the financial statements and MD&A before approving them for filing in the prescribed manner.

## **INTERNAL CONTROLS**

Management has established processes to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (a) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim financial statements and (b) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.