



Condensed Interim Financial Statements

For the three-month periods ended
March 31, 2024 and 2023

**NIO STRATEGIC METALS INC.
MANAGEMENT'S REPORT**

Management's comments on unaudited Condensed Interim Financial Statements for the three-month periods ended March 31, 2024 and 2023

Notice of no auditor review of interim financial statements

The accompanying unaudited Condensed Interim Financial Statements of the Company have been prepared by and are the responsibility of the Company's Management.

The Company's independent auditor, Audacie Inc., has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Dated this 29th day of May 2024

(signed) *Hubert Marleau*
Hubert Marleau, President and CEO

(signed) *Bruno Dumais*
Bruno Dumais, CPA, Chief Financial Officer

NIO STRATEGIC METALS INC.

Condensed Interim Statements of Financial Position
(in Canadian dollars)

Note	Unaudited As at March 31, 2024	Audited As at December 31, 2023
Assets		
Current assets		
	\$ 1,202,909	\$ 1,304,411
Receivables 4	65,525	77,080
Prepaid 5	16,095	17,722
Total current assets	1,284,539	1,399,213
Non-current assets		
Land	506,887	506,887
Total non-current assets	506,887	506,887
Total assets	\$ 1,791,426	\$ 2,251,340
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities 6	\$ 96,497	\$ 105,403
Current maturity of long-term debt 7	500,000	500,000
Total current liabilities	500,493	605,403
Non-current liability		
Long-term debt 7	–	–
Total non-current liability	–	500,000
Total liabilities	500,497	786,590
Equity		
Share capital 8	20,980,963	20,980,963
Contributed surplus	2,284,439	2,279,388
Deficit	(22,070,473)	(21,959,654)
Total equity	1,194,929	1,300,697
Total liabilities and equity	\$ 1,791,426	\$ 1,906,100

Subsequent event 7

The notes are an integral part of these condensed interim financial statements.

On behalf of the Board:

(signed) Hubert Marleau, Director

(signed) Hubert Vallée, Director

NIO STRATEGIC METALS INC.

Statements of Loss and Comprehensive Loss
For the years ended December 31, 2023 and 2022
(in Canadian dollars, unless otherwise stated)

	Note	Three-month periods ended	
		2024	March 31, 2023
Revenue		\$ 400	\$ 1,200
Operating expenses			
Professional fees		22,000	34,500
Office and administration		35,670	21,041
Directors' fees		8,089	10,799
Mining rights		1,980	47,281
Stock exchange, authorities, and shareholders relations		13,169	3,500
Rent		2,149	1,360
Taxes and permits		2,404	2,215
Travel and business development		17,577	21,389
Insurance		4,605	4,524
Telecommunications and website		85	883
Maintenance		367	–
Share-based compensation	9	5,051	54,886
Bank charges		145	78
Total operating expenses		113,291	202,456
Net operating loss		(112,891)	(201,256)
Finance and other expenses (gain)			
Finance costs		7,479	7,397
Interest income		(9,552)	(6,767)
Total finance and other expenses (gain)		(2,072)	630
Net loss and comprehensive loss		\$ (110,819)	\$ (201,886)
Loss per outstanding common share	10		
Basic		\$ (0.00)	\$ (0.00)
Diluted		(0.00)	(0.00)
Basic weighted average number of shares		79,860,672	75,718,338
Diluted weighted average number of shares		84,060,922	92,417,226

The notes are an integral part of these condensed interim financial statements.

NIO STRATEGIC METALS INC.

Statements of Changes in Shareholders' Equity

For the three-month periods ended March 31, 2024 and 2022

Unaudited

(in Canadian dollars, unless otherwise stated)

	Share capital		Contributed surplus	Warrants	Deficit	Total
	Number	Amount				
Balance as at January 1, 2024	79,860,672	\$20,980,963	\$ 2,279,388	\$ –	\$(21,959,654)	\$ 1,300,697
Net loss and comprehensive loss	–	–	–	–	(110,819)	(110,819)
Share-based compensation	–	–	5,051	–	–	5,051
Balance as at March 31, 2024	79,860,672	\$20,980,963	\$ 2,284,439	\$ –	\$(22,070,473)	\$ 1,194,929

	Share capital		Contributed surplus	Warrants	Deficit	Total
	Number	Amount				
Balance as at January 1, 2023	75,718,338	\$20,295,543	\$ 1,753,582	\$ 645,987	\$(21,230,362)	\$ 1,464,750
Net loss and comprehensive loss	–	–	–	–	(201,886)	(201,886)
Share-based compensation	–	–	54,886	–	–	54,886
Balance as at March 31, 2023	75,718,338	\$20,295,543	\$ 1,808,468	\$ 645,987	\$(21,432,248)	\$ 1,317,750

The notes are an integral part of these condensed interim financial statements.

NIO STRATEGIC METALS INC.

Condensed Interim Statements of Cash Flows

For the three-month periods ended March 31, 2023 and 2022

Unaudited

(in Canadian dollars, unless otherwise stated)

	Note	2024	2023
Cash flows related to operating activities			
Net loss		\$ (110 819)	\$ (201,886)
Adjustments for:			
Share-based compensation	9	5,051	54,886
Net changes in non-cash operating items	11	4,266	45,094
Net cash related to operating activities		(101,502)	(101,906)
Net change in cash		(101,502)	(101,906)
Cash - Beginning of the period		1,304,411	1,636,519
Cash - End of the period		\$ 1,202,909	1,534,613
Supplemental information	11		

The notes are an integral part of these condensed interim financial statements.

NIO STRATEGIC METALS INC.

Notes to the Condensed Interim Financial Statements

For the three-month periods ended March 31, 2024 and 2023

Unaudited

(in Canadian dollars, unless otherwise stated)

1. Reporting entity and going concern

Nio Strategic Metals Inc. (the "Company") is domiciled in Canada. The address of the Company's registered office is 1, Place Ville-Marie, Suite 1670, Montreal, Quebec. The Company, incorporated under the Quebec *Business Corporation Act* on August 29, 1995, holds an exploration niobium property in Oka, Quebec and an exploration iron property in the James Bay area, Quebec. The Company is a publicly traded company listed on the TSX Venture Exchange (the "TSX-V") under the symbol "NIO".

The Company is in a development stage and has mineral exploration and development properties in the province of Quebec. The Company does not capitalize the exploration and evaluation expenses. The Oka mining property consists of mining rights comprised of 98 claims covering 5,429 acres and the Great Whale property consists of surface and mining rights comprised of 63 claims covering 7,687 acres on the Hudson Bay territory. Substantially, all the Company's efforts are currently devoted to financing, developing and obtaining permits for its niobium property in Oka.

Financial statements have been prepared on a going concern basis which supposed that the Company will pursue its activities in a foreseeable future and will be able to realize its assets or discharge its obligations in the ordinary course of operations. The Company is in the process of exploring and evaluating its mineral properties and projects and has not yet determined whether its properties and projects contain ore reserves that are economically recoverable. The Company does not have any revenues coming from its operations that would enable the Company to discharge its obligations in the ordinary course of its operations. The financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to realize its assets or discharge its obligations in the ordinary course of operations.

With respect to the niobium property in Oka, the Company has determined in 1999 that the property contains ore resources which provide a conceptual indication of the potential of the property. The Company's application is under study with the Quebec Ministry of Sustainable Development, Environment and Parks ("MDDEP") and the community of Oka to obtain all permits, certificates and other authorizations to allow the Company to operate the niobium property. Management is currently working to obtain all the required permits and authorization to develop the Oka property.

The Company's ability to meet its commitments as they come due, including the final acquisition of properties and the development of mining projects, depends on its ability to obtain the necessary financing. These factors raise the existence of a material uncertainty that could cast significant doubt on the Company's ability to continue as a going concern. Although the Company has taken steps to verify title to mineral properties in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

2. Basis of preparation

Statement of compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") under international accounting standard IAS 34, Interim Financial Reporting, using the same basis of presentation, accounting policies and methods of computation that were applied for the annual financial statements for the year ended December 31, 2023.

The financial statements were authorized for issue by the Board of Directors on May 29, 2024.

NIO STRATEGIC METALS INC.

Notes to the Condensed Interim Financial Statements

For the three-month periods ended March 31, 2024 and 2023

Unaudited

(in Canadian dollars, unless otherwise stated)

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Functional and presentation currency

These financial statements are presented in Canadian dollars, unless otherwise stated, which the Company's functional currency is.

Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year include, but are not limited to:

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually assessed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Black & Scholes valuation

The calculation of the fair value of units, stock options and warrants granted require management to make estimates and assumptions about the fair value of the underlying common shares of the Company, expected volatility, expected life and expected forfeiture rates, which could affect the Company's results if the current estimates change. Expected volatility was based on the Company's historical volatility.

3. Significant accounting policies

The Company's significant accounting policies and estimates under IFRS are disclosed in the audited annual financial statements for the year ended December 31, 2023 and were applied consistently to all years.

4. Receivables

	March 31, 2024	December 31, 2023
Sales tax receivable	\$ 6,525	\$ 5,858
Subscriptions receivable	57,000	57,000
Other receivables	2,000	14,222
	\$ 65,525	\$ 77,080

5. Prepaid

Prepaid expenses consist mostly of payment of rights on mining properties.

Oka property:

The Oka mining property consists of surface and mining rights comprised of 98 claims (98 in December 31, 2023) covering 5,429 acres (5,429 in December 31, 2023).

NIO STRATEGIC METALS INC.

Notes to the Condensed Interim Financial Statements

For the three-month periods ended March 31, 2024 and 2023

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Great Whale property:

The Company owns surface and mining rights for the iron property of Great Whale comprising 63 claims (63 in December 31, 2023) covering 7,687 acres (7,687 in December 31, 2023) on the Hudson Bay territory.

6. Accounts payable and accrued liabilities

	March 31, 2024	December 31, 2023
Accounts payable and accrued liabilities	\$ 57,838	\$ 74,322
Accrued interest	17,507	10,027
Payroll benefits payable	21,152	21,054
	\$ 96,497	\$ 105,403

7. Long-term debt

	March 31, 2024	December 31, 2023
Loan, 6%, unsecured, interest payable quarterly starting In September 2021, maturing in March 2024 ^(a)	\$ 500,000	\$ 500,000
	\$ 500,000	\$ 500,000
Current portion	(500,000)	(500,000)
	\$ –	\$ –

^(a)In 2021, the Company entered into an agreement with Nio-Metals for an unsecured bridge loan facility of \$ 500,000 (the "Bridge Loan"). The Bridge Loan has a 24-month term to maturity, bears interest of 6% per annum payable quarterly, starting in September 2021, and is not convertible. The Bridge Loan may be repaid at any time prior to maturity without penalty. In March 2022, the Company and the lender agreed to extend the maturity date from March 2023 to March 2024.

On April 24, 2024, Nio-Metals and the Company amended the value of the Bridge Loan to \$ 450,000 following a \$ 50,000 cash reimbursement from the Company; and extended the maturity date to April 30, 2025, subject to no other condition.

8. Share capital

The number of shares issued and outstanding as at March 31, 2023 was 79,860,672 (December 31, 2023 - 79,860,672). The Company is authorized to issue an unlimited number of common shares, without par value.

9. Share-based payments

Under the stock option plan, the Company may grant options to directors, officers and consultants to purchase common shares provided that the aggregate number of shares subject to such option may not exceed 10% of the issued and outstanding common shares at the time of any option grant on a rolling basis. The exercise price of each option is determined by the Board of Directors and is required not to be lower than the discounted market price based on last closing market price of the common shares before the date of the grant of the option. The options vest immediately upon issuance and their life may not exceed 5 years. All options are recorded at fair value when granted.

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The plan must receive shareholder and TSX-V approval annually at the Company's annual general meeting of shareholders. The number of exercisable stock options outstanding fluctuated as follows as at:

	As at March 31, 2024		As at March 31, 2023	
	Number of stock options	Weighted average Exercisable price	Number of stock options	Weighted average Exercisable price
Balance at beginning	4,450,000	\$ 0.15	3,750,000	\$ 0.15
Balance at the end	4,450,000	\$ 0.15	3,750,000	\$ 0.15

The calculation of the earnings per diluted weighted average share for the period excluded, as they were anti-dilutive, the impact of 4,450,000 stock options (March 31, 2023 - 3,750,000).

Share-based compensation expense for the period ended March 31, 2024, totaled \$ 5,051 (March 31, 2023 - \$ 54,886) and was credited to the contributed surplus.

The following table summarizes certain information on outstanding stock options as at:

				March 31, 2024	
Options outstanding				Options exercisable	
Exercise price range	Number of options	Weighted average remaining contractual life	Weighted average exercise price	Number of options	Weighted average exercise price
\$ 0.15	4,450,000	(in years) 2.84	\$ 0.15	4,200,250	\$ 0.15

				March 31, 2023	
Options outstanding				Options exercisable	
Exercise price range	Number of options	Weighted average remaining contractual life	Weighted average exercise price	Number of options	Weighted average exercise price
\$ 0.15	3,750,000	(in years) 3.58	\$ 0.15	2,780,138	\$ 0.15

10. Net loss per share

The calculation of basic net loss per share at March 31, 2024 was based on the loss attributable to common shareholders which corresponds to the loss for the year of \$ 110,819 (March 31, 2023 - \$ 201,886) and a weighted average number of common shares of 79,860,672 (March 31, 2023 - 75,718,338).

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The calculation of diluted net loss per share at March 31, 2024 is the same as the basic net loss per share as all options had an anti-dilutive effect (March 31, 2023 same).

11. Additional information

The net changes in non-cash operating items were as follows as at:

	March 31, 2024	March 31, 2023
Receivables	\$ 11,555	\$ 790
Prepays	(1,627)	51,063
Accounts payable and accrued liabilities	(5,662)	(6,759)
	\$ 4,266	\$ 45,094

Cash and cash equivalents consist of the following as at:

	March 31, 2024	December 31, 2023
Cash at bank in hand	\$ 6,732	\$ 543,537
Short-term deposit	760,874	760,874
	\$ 1,202,909	\$ 1,304,111

Additional information:

	March 31, 2024	March 31, 2023
Interest received	9,552	6,767
Interest paid	—	—

NIO STRATEGIC METALS INC.

Notes to the Condensed Interim Financial Statements

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Unaudited

(in Canadian dollars, unless otherwise stated)

12. Financial instruments and financial risk management

a) Financial instruments fair value as at:

	March 31, 2024		December 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets (amortized costs)				
Cash and cash equivalent	\$1,202,909	\$ 1,202,909	\$ 1,304,411	\$ 1,304,411
Receivables, except for sales tax receivable	59,000	59,000	71,222	71,222
	\$ 1,261,909	\$ 1,261,909	\$ 1,375,633	\$ 1,375,633
Financial liabilities (amortized costs)				
Accounts payable and accrued liabilities (except for payroll benefits payable)	75,345	75,345	84,349	84,349
Long-term debt	500,000	500,000	500,000	500,000
	\$ 575,345	\$ 575,345	\$ 584,349	\$ 584,349

In determining fair value, the Company uses observable data based on different levels which are defined as follows:

- First level includes quoted prices (unadjusted) in an active market of identical assets or liabilities;
- Second level includes data that are not based on observable inputs other than quoted prices included in the first level; and
- Third level includes data that are not based on observable market data.

The carrying value of cash and cash equivalent, receivables (except for sale tax receivable), accounts payable and accrued liabilities (except for payroll benefits payable) are considered to be a reasonable approximation of fair value because of the short-term maturity of these instruments. The carrying value of the long-term debt were accounted at amortized cost, and its fair value approximates its carrying value (Level 2).

b) Risks overview:

The Company has exposure to the following risks from its use of financial instruments. The Company's overall risk management program focuses on the unpredictability of the financial market and seeks to minimize potential adverse effects on the Company's financial performance. The Company does not use derivative financial instruments to hedge these risks.

i) Credit risk:

Credit risk results from the possibility that a loss may occur from the failure of another party to perform according to the terms of the contract. Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents and receivables (except for sale tax receivable). Cash and cash equivalents are maintained with high-credit, quality financial institutions. The maximum credit risk is equivalent to the book value.

NIO STRATEGIC METALS INC.

Notes to the Condensed Interim Financial Statements

For the three-month periods ended March 31, 2024 and 2023

Unaudited

(in Canadian dollars, unless otherwise stated)

ii) Liquidity risk:

Management serves to maintain a sufficient amount of cash and to ensure that the Company has at its disposal sufficient sources of financing such as private placements. The Company establishes cash budgets to ensure it has the necessary funds to fulfill its obligations. Being able to obtain new funds allows the Company to pursue its activities and even though the Company was successful in the past, there is no guarantee that it will succeed in the future.

The following are the contractual maturities of the financial liabilities' amounts:

	0 - 12 months	13 - 24 months	More than 24 months
Accounts payable and accrued liabilities (except for payroll benefits payable)	\$ 84,349	\$ -	\$ -
Long-term debt (see note 7)	500,000	-	-
	\$ 584,439	\$ -	\$ -

iii) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of variations in market interest rates. The Bridge Loan issued by the Company bear fixed-rate interest. As a result, the Company is not exposed to significant cash flow interest rate risk for the period ended March 31, 2024.

13. Related party transactions

Key management personnel compensation

Key management personnel correspond to the directors and the corporate officers of the Company.

During the period, the Company incurred the following expenses with key management personnel:

	March 31, 2024	March 31, 2023
Management fees included in office and administration	\$ 36,670	\$ 21,041
Professional fees paid to an officer	-	12,000
Directors' fees	8,089	10,800
Share-based compensation	5,043	54,886

The Company has the following amounts owing to a Major shareholder as at:

	March 31, 2024	December 31, 2023
Loan	\$ 500,000	\$ 500,000
Accrued interest	17,507	10,027

During the period, interest expenses of \$ 7,479 (March 31, 2023 - \$ 7,397) were incurred on the loan and debentures, of which \$ nil were paid (March 31, 2023 - \$ nil).

14. Capital disclosures

The Company's objectives when managing its capital are to safeguard the Company's ability to continue as a going concern to support ongoing exploration programs and development of its mining assets, to provide sufficient working capital to meet its ongoing obligations and to pursue potential investments.

NIO STRATEGIC METALS INC.

Notes to the Condensed Interim Financial Statements

For the three-month periods ended March 31, 2024 and 2023

Unaudited

(in Canadian dollars, unless otherwise stated)

The Company's capital items are the following as at:

	March 31, 2024	December 31, 2023
Cash and cash equivalent	\$ 1,202,909	\$ 1,304,411
Long-term debt	500,000	500,000
Share capital	20,980,963	20,980,963

The Company manages its capital structure and adjusts it in accordance with the objectives, as well as considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new debentures, shares, acquire or dispose of assets or adjust the amount of cash and cash equivalents. There is no dividend policy. The Company is not subject to externally imposed capital requirements. The Company's management of capital remained unchanged since the last year.