



Condensed Interim Consolidated Financial Statements of

EAST AFRICA METALS INC.

As at and for the three month period ended June 30, 2024 Expressed in Canadian dollars

Notice to Reader: As required by National Instrument 51-102 subsection 4.3(3)(a), readers are advised that an auditor has not performed a review of these interim financial statements.

EAST AFRICA METALS INC.

Consolidated Statements of Financial Position- unaudited

Expressed in Canadian dollars

	June 30, 2024	March 31, 2024
Assets		
Current assets		
Cash	\$ 291,507	\$ 76,870
Accounts receivable	58,948	50,259
Assets held for sale (note 4)	4,362,136	4,307,910
Prepaid expenses and deposits (note 5)	124,903	286,026
	4,837,494	4,721,065
Non-current assets		
Investment in Tigray Resources Incorporated PLC (note 5)	290,739	319,915
Mineral property interests (note 6)	17,848,449	17,669,794
Property and equipment (note 7)	1,528	731
	18,140,716	17,990,440
	\$ 22,978,210	\$ 22,711,505
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities (note 12)	\$ 1,219,555	\$ 1,699,135
Liabilities held for sale (note 4)	1,591,038	1,571,822
Deposit on sale of Canaco Tanzania Limited (note 4)	2,431,291	2,431,291
Loans payable (note 8)	687,340	667,723
	5,929,224	6,369,971
Equity		
Share capital (note 9(a),(b) & (c))	58,040,015	57,474,373
Obligation to issue shares - mineral property interests (note 9(d))	143,000	143,000
Reserves (note 9(e))	152,874,268	152,394,897
Accumulated other comprehensive income	4,923,491	4,620,026
Deficit	(202,491,913)	(201,817,024)
Total equity attributable to shareholders of East Africa Metals Inc.	13,488,861	12,815,272
Non-controlling interest (note 10)	3,560,125	3,526,262
	17,048,986	16,341,534
	\$ 22,978,210	\$ 22,711,505

Nature of operations and going concern (note 1)

Subsequent event (note 16)

Approved on behalf of the Board:

“/s/ David Parsons”“/s/ Sean Waller”

EAST AFRICA METALS INC.

Condensed Interim Consolidated Statements of Loss - unaudited

Expressed in Canadian dollars

	Three month period ended June 30, 2024	Three month period ended June 30, 2023
Expenses		
Directors fees (note 12)	\$ 17,250	\$ 17,250
Exploration and evaluation expenditure (note 11)	167,269	224,884
Investor/shareholder communications and filing fees	88,914	33,624
Legal, audit and audit related fees	3,970	-
Management and consulting fees and reimbursements (note 12)	164,615	158,294
Office and administration	108,611	114,253
Rent and occupancy costs	305	299
Share-based compensation (note 9(e))	77,547	227,883
	(628,481)	(776,487)
Foreign exchange gain (loss)	(15,497)	(16,511)
Share of loss of Tigray Resources Incorporated PLC (note 5)	(29,176)	(26,835)
Interest expense	(19,617)	(16,771)
Net loss for period	\$ (692,771)	\$ (836,604)
Net loss attributable to:		
Shareholders	\$ (674,889)	\$ (823,327)
Non-controlling interest	(17,882)	(13,277)
	\$ (692,771)	\$ (836,604)
Loss per share, basic and fully diluted	\$ (0.00)	\$ (0.00)
Weighted average number of common shares - basic and fully diluted	208,195,621	204,280,236

Condensed Interim Consolidated Statements of Comprehensive Loss

Expressed in Canadian dollars

	Three month period ended June 30, 2024	Three month period ended June 30, 2023
Net loss for period	\$ (692,771)	\$ (836,604)
Items that may be reclassified to statement of loss		
Currency translation adjustment	355,210	(465,074)
Comprehensive loss for period	\$ (337,561)	(1,301,678)
Comprehensive loss attributable to:		
Shareholders	\$ (371,424)	\$ (1,173,851)
Non-controlling interest	33,863	(127,827)
	\$ (337,561)	\$ (1,301,678)

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

EAST AFRICA METALS INC.

Condensed Interim Consolidated Statements of Changes in Equity - unaudited
Expressed in Canadian dollars

	Common Shares Without Par Value		Obligation- mineral property interests	Reserves	Accumulated Other Comprehensive Income	Deficit	Total Equity Attributable to Shareholders	Non-Controlling Interest	Total Equity
	Shares	Amount							
Balance - March 31, 2023	204,280,236	\$ 57,440,153	\$ 143,000	\$ 151,410,259	\$ 4,503,410	\$ (198,707,577)	\$ 14,789,245	\$ 3,565,916	\$ 18,355,161
Share-based compensation		-	-	227,883	-	-	227,883	-	227,883
Currency translation adjustment on foreign operations		-	-	-	(350,524)	-	(350,524)	(114,550)	(465,074)
Net loss for period		-	-	-	-	(823,327)	(823,327)	(13,277)	(836,604)
Balance - June 30, 2023	204,280,236	\$ 57,440,153	\$ 143,000	\$ 151,638,142	\$ 4,152,885	\$ (199,530,904)	\$ 13,843,276	\$ 3,438,089	\$ 17,281,366
Balance - March 31, 2024	204,280,236	\$ 57,474,373	\$ 143,000	\$ 152,394,897	\$ 4,620,026	\$ (201,817,024)	\$ 12,815,272	\$ 3,526,262	\$ 16,341,534
Private placement	10,360,000	621,561	-	414,439	-	-	1,036,000	-	1,036,000
Finder's warrants		-	-	24,670	-	-	24,670	-	24,670
Issue costs		(55,919)	-	(37,285)	-	-	(93,204)	-	(93,204)
Share-based compensation		-	-	77,547	-	-	77,547	-	77,547
Currency translation adjustment on foreign operations		-	-	-	303,465	-	303,465	51,745	355,210
Net loss for period		-	-	-	-	(674,889)	(674,889)	(17,882)	(692,771)
Balance - June 30, 2024	214,640,236	\$ 58,040,015	\$ 143,000	\$ 152,874,268	\$ 4,923,491	\$ (202,491,913)	\$ 13,488,861	\$ 3,560,125	\$ 17,048,986

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

EAST AFRICA METALS INC.

Condensed Interim Consolidated Statements of Cash Flows - unaudited

Expressed in Canadian dollars

	Three month period ended June 30, 2024	Three month period ended June 30, 2023
Cash provided by (used for) operating activities		
Loss for period	\$ (692,771)	\$ (836,604)
Items not involving cash		
Amortization – exploration and evaluation	173	-
Interest expense	19,617	16,771
Provision for taxes recoverable	2,179	62,856
Share-based compensation	77,547	227,883
Share of loss of Tigray Resources Incorporated PLC (note 5)	29,176	26,835
Unrealized foreign exchange loss (gain)	4,391	16,511
Changes in operating assets and liabilities		
Accounts receivable	(8,689)	39,636
Prepaid expenses and deposits	161,123	68,824
Accounts payable and accrued liabilities	(363,827)	(93,638)
	(771,081)	(470,926)
Cash flows provided by (used for) investing activities		
Assets held for sale	-	234,922
Liabilities held for sale	19,216	55,697
Purchase of equipment	(963)	-
	18,253	290,619
Cash flows provided by (used for) financing activities		
Proceeds from private placement	1,036,000	-
Private placement - cash commissions and issue costs	(68,535)	-
	967,465	-
Increase (decrease) in cash	214,637	(180,307)
Cash - beginning of period	76,870	347,285
Cash - end of period	\$ 291,507	\$ 166,978
Supplemental cash flow information		
Finder's warrants	\$ 24,670	\$ -
Interest paid (received)	\$ -	\$ -
Income taxes paid (recovered)	\$ -	\$ -

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

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

1. Nature of operations and going concern

East Africa Metals Inc. (“East Africa” or the “Company”) was incorporated on December 7, 2012, under the Canada Business Corporations Act. The address of the Company’s corporate office and principal place of business is 17th Floor, 777 Dunsmuir Street, Vancouver, British Columbia, Canada. On July 11, 2013, the Company commenced trading on the TSX Venture Exchange (the “TSXV”) as a Tier 2 mining issuer under the trading symbol “EAM”.

East Africa is a mineral exploration company focused on the identification, acquisition, exploration, development and/or sale of base and precious mineral resource properties in the Federal Democratic Republic of Ethiopia (“Ethiopia”) and the United Republic of Tanzania (“Tanzania”). The Company’s major mineral property interest consists of one project in Ethiopia, the Harvest Property. Additionally, the Company has a 30% equity interest in Tigray Resources Incorporated PLC, which has one project in Ethiopia, the Adyabo Property. The Tanzanian mineral property interests are currently held for sale (note 4).

The Company has not yet determined whether its mineral resource properties contain mineral reserves that are economically recoverable. The continued operations of the Company and the recoverability of the amounts capitalized for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of East Africa to obtain the necessary financing to complete the exploration and development of such properties and upon future profitable production or proceeds from the disposition of such properties.

These consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for at least the next twelve months from June 30, 2024 and will be able to realize its assets and discharge its liabilities in the normal course of business. For the three month period ended June 30, 2024, the Company incurred a net loss attributable to shareholders totaling \$674,899 and used cash in operating activities of \$771,081. As at June 30, 2024, the Company had an accumulated deficit of \$202,491,913. As at June 30, 2024, the Company had cash of \$291,907, accounts payable and accrued liabilities of \$1,219,555 and current loans payable of \$687,340.

Based on the Company’s financial position as at June 30, 2024, the available funds are not considered adequate to meet requirements for the estimated operations and exploration and evaluation costs in the coming twelve-month period. These requirements may be adversely impacted by an absence of normal available financing due to the continued uncertainty in the markets for mineral exploration companies. To address its financing requirements, the Company will seek financing through and not limited to completion of the sale of Canaco Tanzania Limited (note 5), debt financing, strategic alliances, equity financing and optioning of its mineral properties. However, there is no assurance that such financing will be available. There is a material uncertainty related to these conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying values of assets, liabilities, the reported income and expenses and the consolidated statement of financial position classifications used. Such adjustments could be material.

2. Statement of compliance and basis of preparation

These condensed interim consolidated financial statements are prepared in accordance with IAS 34 - Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted.

These condensed interim financial statements follow the same accounting policies and methods of application as the Company’s audited consolidated financial statements for the year ended March 31, 2024. The policies applied in these condensed interim consolidated financial statements are based on IFRS issued as of August 28, 2024, the date the Board of Directors approved the financial statements. These condensed interim consolidated financial statements should be read in conjunction with the Company’s annual financial statements for the year ended March 31, 2024.

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

3. Material accounting policy information

Basis of presentation

The financial statements have been prepared on an accrual basis and are on a historical cost basis, except for certain financial instruments, which are measured at fair value. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant are disclosed in note 4 in the Company's annual consolidated financial statements for the year ended March 31, 2024.

These condensed interim consolidated financial statements are prepared in Canadian dollars. The functional currency of the Company is Canadian dollars.

4. Held for sale assets and liabilities

On October 20, 2020, the Company signed a binding Share Purchase Agreement and Gold Purchase Agreement with PMM Mining Company Limited ("PMM" or the "Developer").

Consideration for the transaction is as follows:

- PMM will pay to East Africa the sum of US\$2,000,000, being consideration for the acquisition of 100% of CTL with the expectation that East Africa will assume certain liabilities of CTL (approximately US\$500,000). CTL owns the Magambazi and Handeni Mining Licenses (the "Mining Assets" or "Magambazi Mine") and all other properties owned by East Africa in Tanzania (the "Exploration Assets"). As at March 31, 2024 East Africa had received US\$1,900,000 (CAD\$2,431,291) and US\$100,000 of the sale proceeds were withheld by PMM and remitted to the Tanzanian Revenue Authority. The sale proceeds received have been recorded in the consolidated financial statements as a deposit on sale of CTL.
- During the lifetime of the mine respecting the Mining Assets, PMM will sell 30% of the Gold produced to East Africa at the production cost plus 15%, pursuant to a Gold Purchase Agreement.
- PMM undertakes to produce at least 10,000 ounces in the first year of commissioning of operations, 20,000 ounces in the second year, 30,000 ounces in the third year and at least 40,000 ounces per year thereafter. In the event PMM does not meet the minimum production in a year, it will compensate East Africa as follows: In the first year minimum production is not met PMM will pay US\$200,000; US\$400,000 in the second year; US\$600,000 in the third year; and, US\$700,000 per year for any other years where the minimum production is not achieved.
- If at any time the Seller wishes to Transfer to any third party (the "Buyer") or following an offer by a Buyer for the Seller to Transfer to such Buyer, any of the Mining Assets or Exploration Assets, East Africa will have the right of first offer to re-acquire the properties.

Government approval, signing of the documents and the issuance of a governmental decree binding both companies to the government approved terms for the sale of CTL and development of the project have been received. Upon receipt of the Tanzanian Business Registrations and Licensing Agency ("BRELA") approval of the transfer of shares of CTL from East Africa to PMM, the sale transaction will be recognized.

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

4. Held for sale assets and liabilities - continued

As a result of the Company entering into an agreement to sell 100% of CTL, the assets and liabilities of CTL and Denwill are presented as assets and liabilities held for sale, details are as follows:

	June 30, 2024	March 31, 2024
Assets held for sale		
Cash	\$ 630	\$ 624
Mineral property interests	4,216,011	4,163,626
Property & equipment	145,494	143,660
	\$ 4,362,136	\$ 4,307,910
Liabilities held for sale		
Accounts payable and accrued liabilities	\$ 1,591,038	\$ 1,571,822

5. Investment in Tigray Resources Incorporated PLC ("TRI PLC")

East Africa holds a 30% equity interest in TRI PLC.

	June 30, 2024	March 31, 2024
Balance - opening	\$ 319,915	\$ 441,387
Share of loss	(29,176)	(121,472)
Balance - closing	\$ 290,739	\$ 319,915

Summary of Tigray Resources Incorporated PLC statements of financial position

	June 30, 2024	March 31, 2024
Current assets	\$ 192,738	\$ 180,039
Less -current liabilities	(142,905)	(184,909)
	49,833	(4,870)
Non-current assets	4,341,229	4,360,547
Less-non current liabilities	(3,421,931)	(3,289,292)
	919,298	1,071,255
Net assets	969,131	1,066,385
East Africa's share - percentage	30%	30%
East Africa's share - net assets	\$ 290,739	\$ 319,915

Summary of Tigray Resources Incorporated PLC statements of loss and comprehensive loss

	Three month period ended June 30,	
	2024	2023
Revenues	\$ -	\$ -
Expenses	97,253	174,980
Net loss	(97,253)	(174,980)
Other comprehensive income	(1,358)	3,146
Comprehensive loss	\$ (98,612)	\$ (171,834)

During the fifteen month period ended March 31, 2023, the Company advanced US\$505,205 to TRI PLC for future exploration and charges of US\$474,211 have been applied. As at June 30, 2024, the balance of the exploration advance is US\$30,994 (CAD\$42,422) (March 31, 2024 - US\$117,150 (CAD\$158,738)), which is included in prepaid expenses and deposits on the Condensed Interim Consolidated Statements of Financial Position (note 12). The funds being held by TRI PLC are reflected in their financial records as a liability and are available for the Company's use on exploration activities on the Ethiopian property interests, including the Harvest Property.

During the three month period ended June 30, 2024, Silk Roads Resources Investment Co. Limited, TRI PLC's parent company, repaid US\$40,000 (CAD\$54,200) that had been advanced by the Company during the year ended March 31, 2024.

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

6. Mineral property interests

Details of the Company's mineral property interests are as follows:

Balance - March 31, 2024	\$ 17,669,794
Foreign exchange	178,655
	<u>\$ 17,848,449</u>

Harvest Property

In December 2017, the Company received a mining license for the Terakimti HL Project, which includes the requirement to complete construction of the mine within 2 years. The Company applied for an extension of the mine development period, which was granted in December 2019 extending the term to December 5, 2020. The mining license has a term of 6 years with the ability for renewal of up to 10 years on the approval of the Ministry of Mines and Petroleum ("MoMP") and is due to expire in December 2023. On May 15, 2024, the mining license was renewed effective January 1, 2024 and is due to expire on December 5, 2028. The Company has a 70% interest in the Harvest Property in Ethiopia with the remaining 30% interest held by Ezana Mining Development PLC ("Ezana").

The Company submitted an application for the exploration rights on the remaining prospective targets not included in the Terakimti HL Project (East Africa Mineral Resources), which has been approved.

Tanzania – Handeni & Other Properties (Assets held for resale (note 5))

The properties are located in the Handeni district, Tanga Region of Tanzania. East Africa's Handeni Properties are comprised of two mining licenses covering the Magambazi project with CTL holding one mining license and Denwill holding the second mining license. The Company has an option agreement to acquire a 100% interest in Denwill, a structured entity controlled by East Africa, upon payment of US\$40,000. As at June 30, 2024, the option has not yet been exercised. The Other Properties consists of two main claims and are located in the Handeni district, Tanga Region of Tanzania. The mineral property interests held by CTL and Denwill have been reclassified, as held for sale assets (note 4).

7. Property and equipment

Details of the Company's property and equipment are as follows:

	Computers and software
Cost	
Balance -March 31, 2024	\$ 835
Additions	963
Foreign exchange	8
Balance - June 30, 2024	<u>\$ 1,806</u>
Accumulated amortization	
Balance -March 31, 2024	\$ 104
Amortization	173
Foreign exchange	1
Balance - June 30, 2024	<u>\$ 278</u>
Carrying value	
Balance -March 31, 2024	\$ 731
Balance - June 30, 2024	<u>\$ 1,528</u>

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

8. Loans payable

	June 30, 2024	March 31, 2024
Demand loan (a)(note 13)		
Principal	\$ 300,000	\$ 300,000
Interest	346,291	327,340
	646,291	627,340
Canadian Emergency Business Account ("CEBA") loan (b)	41,049	40,383
	\$ 687,340	\$ 667,723

- a) On August 31, 2017, SinoTech (Hong Kong) Corporation Limited ("SinoTech") provided an unsecured loan to the Company for \$600,000 with an interest rate of 12% per annum. During the year ended December 31, 2018, the Company repaid \$324,000 of the principal and interest. Accrued interest at March 31, 2024 is \$327,340 (March 31, 2023 - \$256,754). The loan is repayable 15 business days after the Company's closing of sale, cooperation or financing transaction in connection with the development of the Harvest Property; or, June 30, 2021. An additional extension to the agreement has been requested by the Company.

SinoTech is a significant shareholder as it owns 18.5% of the issued and outstanding shares of East Africa and has common officers and directors.

- b) On May 7, 2020, as part of the Canadian government funded COVID-19 financial assistance programs, the Company received a loan in the amount of \$40,000 from the Bank of Montreal (CEBA loan). The CEBA loan is unsecured and due on December 31, 2026. The CEBA loan was interest free up to January 18, 2024 and bears interest at the rate of 5% per annum thereafter, which is payable monthly.

9. Share capital

- a) Authorized

Unlimited number of common shares without par value.

- b) Issued shares

On May 31, 2024, the Company completed the second tranche of a non-brokered unit private placement at \$0.10 per unit for gross proceeds of \$1,036,000 and issued 10,036,000 shares and 10,036,000 warrants. Each warrant entitles the holder to acquire one common share at a price of \$0.20 per share for a period of 3-years from date of issuance. In connection with the non-brokered unit private placement, the Company paid cash finder's fees of \$61,670 and issued 616,700 finder's warrants. Each finder's warrant entitles the holder to acquire one common share at a price of \$0.20 per share for a period of 3-years from date of issuance.

- c) Escrowed shares

As at June 30, 2024, 675,045 (March 31, 2024 - 675,045) common shares are held in escrow. The release of these shares is based on the future exploration expenditure, discovery of an ore deposit and achieving commercial mineral production.

- d) Obligation to issue shares

The Company held a 100% interest in the Adyabo Property (note 6) with the option to buy back 1.0% of the Net Smelter Return for a cash payment of \$5,000,000 to the previous owner, TIBA Resource Inc. ("TIBA"). Upon receipt of government approval on a positive feasibility study (May 23, 2019), the Company was obligated to issue 550,000 common shares (\$143,000) to TIBA and on commencement of commercial production, the Company will be obligated to issue an additional 275,000 common shares to TIBA.

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

9. Share capital - continued

e) Reserves

Stock options

The Company has established a stock option plan whereby the Board of Directors may grant stock options to directors, officers, employees or consultants. Pursuant to the 2022 stock option plan, the Company has been authorized by its shareholders to grant stock options of up to 40,856,047 common shares. Stock options granted are subject to a maximum term of ten years from the date of grant. The exercise price of a stock option must be determined in accordance with the share purchase option plan. Stock options vest at the time the stock options are granted unless determined otherwise by the Board of Directors, other than stock options granted to consultants performing investor relations activities, which vest in stages over twelve months with no more than one quarter vesting in any three-month period.

During the three month period ended June 30, 2024, the Company granted 1,200,000 stock options to a director, which vested on the grant date, with a fair value of \$77,547, which was recorded as share-based compensation. The stock options were valued using Black-Scholes option pricing model based on the following assumptions:

Expected life	Annual volatility	Dividend yield	Risk-free interest rate	Options issued	Fair value
5 years	103.99%	0%	3.58%	1,200,000	\$ 77,547

Details of stock options activity during the three month period ended June 30, 2024, 2024 and the year ended March 31, 2024 are as follows:

	June 30, 2024		March 31, 2024	
	Number of options outstanding and exercisable	Weighted average exercise price	Number of options outstanding and exercisable	Weighted average exercise price
Opening balance	22,400,000	\$ 0.22	19,182,000	\$ 0.23
Granted	1,200,000	\$ 0.20	13,650,000	\$ 0.20
Expired	(5,600,000)	\$ 0.22	(10,432,000)	\$ 0.27
Closing balance	18,000,000	\$ 0.20	22,400,000	\$ 0.22

The following table summarizes information about the stock options outstanding and exercisable at June 30, 2024 (note 16(i)):

Number of options outstanding and exercisable	Exercise prices of options outstanding and exercisable	Weighted average remaining contractual life
3,150,000	\$ 0.30	0.30
3,100,000	\$ 0.20	0.66
10,550,000	\$ 0.20	2.46
1,200,000	\$ 0.20	0.32
18,000,000		3.43

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

9. Share capital - continued

Warrants

Details of warrants activity during the three month period ended June 30, 2024 and the year ended March 31, 2024 are as follows:

	June 30, 2024		March 31, 2024	
	Number of warrants outstanding	Weighted average exercise price	Number of warrants outstanding	Weighted average exercise price
Opening balance	500,000	\$ 0.20	-	\$ -
Issued	10,976,700	\$ 0.20	500,000	0.20
Closing balance	11,476,700	\$ 0.20	500,000	\$ 0.20

The pro rata fair value of the 10,360,000 warrants and finder's warrants issued in connection with the closing of the second tranche of the non-brokered unit private placement completed May 31, 2024 totaled \$439,110. The warrants were valued using the Black-Scholes valuation model, using the following assumptions:

Expected life	Annual volatility	Dividend yield	Risk-free interest rate	Warrants issued	Estimated fair value	Warrant issue costs	Net
3 years	105.26%	0%	3.80%	10,360,000	\$ 414,439	\$ (37,285)	\$ 377,155
3 years	105.26%	0%	3.80%	616,700	24,670	-	24,670
				10,976,700	\$ 439,110	\$ (37,285)	\$ 401,825

The following table summarizes information about the warrants outstanding at June 30, 2024:

Number of warrants outstanding	Weighted average exercise price	Weighted average remaining contractual life	Expiry date
500,000	\$ 0.20	0.12	March 4, 2027
10,360,000	\$ 0.20	2.63	May 31, 2027
616,700	\$ 0.20	0.16	May 31, 2027
11,476,700	\$ 0.20	2.91	

10. Non-controlling interest

East Africa holds a 70% equity interest in Harvest Mining PLC with the remaining 30% held with Ezana, an Ethiopian company. The non-controlling interest is carried at 30% until the completion of a feasibility study. The Company is responsible for all exploration costs until completion of a feasibility study. Subsequent to the completion of a feasibility study, any approved contributions by the Company for which Ezana elects not to contribute or elects to contribute less than its equity interest could increase the Company's interest. The below summarized financial information of Harvest is before inter-company eliminations:

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

10. Non-controlling interest - continued

Summary of statements of financial position

	June 30, 2024	March 31, 2024
NCI percentage	30%	30%
Current assets	\$ 23,604	\$ 30,534
Less -current liabilities	(25,793)	(22,162)
	(2,189)	8,372
Non-current assets	17,849,975	17,670,524
Less -non-current liabilities	(15,793,578)	(15,744,214)
	2,056,397	1,926,310
Net assets	\$ 2,054,208	\$ 1,934,682

Summary of statements of loss and comprehensive loss

	Three month period ended June 30, 2024	Three month period ended June 30, 2023
Net loss for period	\$ (59,606)	\$ (44,256)
Comprehensive loss for period	\$ 112,875	\$ (426,089)

Summary of statements of cash flows

	Three month period ended June 30, 2024	Three month period ended June 30, 2023
Net cash used in operating activities	\$ (46,389)	\$ (35,614)
Net cash used in investing activities	\$ (963)	\$ -
Net cash provided by financing activities	\$ 49,769	\$ 40,680

Changes to non-controlling interest

Balance - March 31, 2024	\$ 3,526,262
Non-controlling interest's share of loss	(17,882)
Non-controlling interest's share of other comprehensive income	51,744
Balance - June 30, 2024	\$ 3,560,125

11. Exploration and evaluation expenses

	Tanzania, Other Properties	Harvest Property	Total
Exploration and evaluation expenses			
Amortization	\$ -	\$ 173	\$ 173
Camp and administration	89,074	75,843	164,917
Provision for taxes	-	2,179	2,179
Three month period ended June 30, 2024	\$ 89,074	\$ 78,195	\$ 167,269

12. Related party transactions

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management personnel include the Company's directors and the Chief Executive Officer, Chief Financial Officer and Corporate Secretary.

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

12. Related party transactions - continued

Details of key management personnel compensation are as follows:

	Three month period ended June 30, 2024	Three month period ended June 30, 2023
Services provided:		
Directors fees	\$ 17,250	\$ 17,250
Management and consulting fees and reimbursements	113,620	143,294
Share-based compensation	77,547	139,670
Key management personnel compensation	\$ 208,418	\$ 300,214

	June 30, 2024	March 31, 2024
Balances payable to key management personnel for compensation	\$ 444,130	\$ 803,897

The balances payable are included in accounts payable and accrued liabilities and the amounts are unsecured, non-interest bearing and due on demand.

Other amounts included in the consolidated financial statements due to or from related parties, as disclosed in notes 5 & 8, are as follows:

	June 30, 2024	March 31, 2024
Prepaid expenses and deposits (note 5)	\$ 42,422	\$ 158,738
Prepaid expenses and deposits (note 5)	-	\$ 54,201
Loan payable (note 8)	\$ 646,291	\$ 627,340

Interest of \$19,617 for the three month period ended June 30, 2024 (\$16,771 for the three month period ended June 30, 2023) has been accrued on the loan payable in these consolidated financial statements.

13. Geographical segment information

The Company's operations comprise one reportable segment, exploration and development of mineral properties. The Company carries on business in Canada, Ethiopia and Tanzania. The carrying value of the Company's non-current assets on a geographical basis is as follows:

June 30, 2024	Canada	Ethiopia	Tanzania	Total
Investment in Tigray Resources Incorporated PLC	\$ -	\$ 290,739	\$ -	\$ 290,739
Mineral property interests	-	17,848,449	-	17,848,449
Property and equipment	-	1,528	-	1,528
Total non-current assets	\$ -	\$ 18,140,716	\$ -	\$ 18,140,716

14. Financial instruments

a) Fair values

The Company's financial assets and liabilities consist of cash, accounts receivable, accounts payable and accrued liabilities, deposit on sale of Canaco Tanzania Limited and loans payable.

The carrying value of the Company's cash and accounts receivable approximate their fair value at June 30, 2024 and March 31, 2024 due to their short term nature. The fair value of accounts payable and accrued liabilities, deposit on sale of Canaco Tanzania Limited and loans payable may be less than the carrying value as a result of the Company's credit and liquidity risk.

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

14. Financial instruments - continued

b) Management of financial risk

The Company's financial instruments are exposed to certain financial risks, including currency risk, interest rate risk, credit risk and liquidity risk. There have been no changes in the Company's management of risks associated with financial instruments during the three month period ended June 30, 2024 as compared with the year ended March 31, 2024.

Currency risk

Currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Company is exposed to the fluctuation of foreign exchange rates. The Company operates in Canada, Ethiopia and Tanzania, the Company's functional currency is the Canadian dollar and for its foreign operations, the functional currency is the USD. The Company's expenses are incurred in Australian dollars ("AUD"), United States of America dollars ("USD"), Tanzanian shillings ("TSH") and Ethiopian birr ("ETB"). A significant change in the currency exchange rates between the functional currencies relative to these currencies would have an effect on the Company's profit or loss and equity. The Company has not hedged its exposure to currency fluctuations.

As at June 30, 2024, the Company is exposed to currency risk through the following assets and liabilities denominated in Canadian dollars:

	EURO	AUD	USD	TSH	ETB
Cash	\$ -	\$ -	\$ 83,117	\$ 19	\$ 1,525
Accounts receivable	-	-	(12,935)	-	(5,999)
Accounts payable and accrued liabilities	(14,659)	3,837	(49,299)	(5,165)	(5,343)
Net asset (liability)	\$ (14,659)	\$ 3,837	\$ 20,883	\$ (5,146)	\$ (9,817)

Based on the above net exposure as at June 30, 2024 and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the Australian dollar, US dollar, Tanzanian shilling and Ethiopian birr would result in an increase/decrease of approximately \$490 (March 31, 2024 - \$3,695) in the Company's loss and comprehensive loss.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk arises from the interest rate impact on cash and its borrowings. The Company did not earn interest on its cash for the three month period ended or the year ended March 31, 2024. The Company has borrowings of \$300,000 (March 31, 2024 - \$300,000) with an interest rate of 12% per annum and \$40,000 (March 31, 2024 - \$40,000) with an interest rate of 5% per annum (March 31, 2023 - 0%).

Based on the amount of cash and borrowings as at June 30, 2024 and assuming that all other variables remain constant, a 0.5% change in the applicable interest rate would result in an insignificant increase/ decrease to the interest expense in the Company's profit or loss.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's maximum exposure to credit risk is the carrying amount of cash. The Company limits its exposure to credit risk on cash as these financial instruments are held primarily with a major Canadian financial institution.

EAST AFRICA METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements - unaudited

June 30, 2024

Expressed in Canadian dollars

14. Financial instruments - continued

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company has a planning and budget process in place by which it anticipates and determines the funds necessary to support normal operation requirements and development of its mineral property interests. The Company's investment policy is to invest its cash in highly liquid short-term interest bearing investments with maturities greater than 90 days from the original date of acquisition, selected concerning the expected timing of expenditures from continuing operations. The Company ensures that sufficient funds are raised from private placements or other sources to meet its operating requirements, after taking into account existing cash.

The Company manages liquidity risk through the management of its capital structure as described in note 15. As at June 30, 2024, the Company had cash of \$291,507 (March 31, 2024 – \$76,870) to settle current liabilities of \$5,929,226 (March 31, 2024 – \$6,369,971). The Company determined that it does not have available funds to meet requirements for the coming twelve months based on current planned expenditures for operations, exploration and development of its mineral property interests (note 1).

15. Management of capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the cost of capital at an acceptable risk.

In the management of capital, the Company includes the components of equity attributable to common shareholders June 30, 2024 - \$13,488,862 (March 31, 2024 - \$12,815,272). The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Board of Directors reviews the annual and updated budgets. The Company's investment policy is to limit investments to guaranteed investment certificates, banker's acceptance notes, investment savings accounts or money market funds with high quality financial institutions in Canada, selected concerning the expected timing of expenditures from continuing operations. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

16. Subsequent event

For June 30, 2024 to August 27, 2024, the following event has occurred:

- i. On July 16, 2024, 300,000 stock options were exercised and 300,000 common shares were issued for proceeds of \$60,000.