CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30 2025

(UNAUDITED)

Expressed in Canadian dollars

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - expressed in Canadian dollars unless otherwise stated)

As at		June 30, 2025	December 31, 2024
ASSETS			
Current			
Cash		$ **9,220,590**	$ 13,183,551
Statutory receivable		**344,928**	297,507
Prepaid and other assets	Note 3	**233,182**	523,474
Current		**9,798,700**	14,004,532
Non-current			
Property, plant and equipment	Note 4	**25,878,288**	22,030,411
Exploration and evaluation assets	Note 5	**20,044,426**	19,539,969
Non-current		**45,922,714**	41,570,380
Total assets		$ **55,721,414**	$ 55,574,912
LIABILITIES			
Current			
Accounts payable and accrued liabilities	Notes 6,7	$ **3,269,403**	$ 1,997,640
Lease liabilities	Note 8	**620,927**	1,122,835
Convertible loan	Note 9	**7,766,369**	6,295,414
Current		**11,656,699**	9,415,889
Non-current			
Lease liabilities	Note 8	**269,755**	-
RSU liability	Note 10	**-**	26,464
Convertible loan	Note 9	**18,709,015**	15,384,144
Financial liability	Note 11	**6,763,503**	8,849,494
Non-current		**25,742,273**	24,260,102
Total liabilities		$ **37,398,972**	$ 33,675,991
EQUITY			
Share capital	Note 12	$ **57,769,065**	$ 57,769,065
Contributed surplus	Note 13	**9,744,909**	9,714,579
Warrants	Note 14	**14,117,851**	14,117,851
Cumulative translation adjustment		**(1,491,624)**	603,209
Deficit		**(61,817,759)**	(60,305,783)
		18,322,442	21,898,921
Total liabilities and equity		$ **55,721,414**	$ 55,574,912

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

Nature of operations and going concern (note 1)
Commitments (note 20)

Approved by the Board of Directors:

Director: Stephanie Hart

Director: Martin Botha

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of (Income) Loss and Comprehensive (Income) Loss

(Unaudited - expressed in Canadian dollars unless otherwise stated)

		For the three months ended		For the six months ended	
For the periods ended		**June 30, 2025**	June 30, 2024	**June 30, 2025**	June 30, 2024
Expenses					
Corporate, general and administrative expenses	Note 15	**$ 1,458,397**	$ 1,826,322	**$ 2,906,640**	$ 3,277,760
Depreciation	Note 4	**114,155**	16,649	**231,434**	33,074
Net loss before finance charges and foreign exchange		**1,572,552**	1,842,971	**3,138,074**	3,310,834
Other items					
Foreign exchange (gain), net		**(99,725)**	(38,790)	**(96,422)**	(75,268)
(Gain) on extinguishment of financial liability	Note 11	**(2,306,012)**	-	**(2,306,012)**	-
Change in fair value of Convertible Loan Facility	Note 9	**(270,952)**	355,160	**(333,393)**	355,160
Finance expense, net	Note 16	**338,936**	745,899	**1,109,728**	952,770
Net (income) loss		**$ (765,201)**	$ 2,905,240	**$ 1,511,975**	$ 4,543,496
Other comprehensive loss					
Currency translation adjustment		**696,852**	(619,609)	**2,094,833**	(771,395)
Net (income) loss and comprehensive loss for the period		**$ (68,349)**	$ 2,285,631	**$ 3,606,808**	$ 3,772,101
Basic and diluted (income) loss per share		**$ (0.00)**	$ 0.01	**$ 0.01**	$ 0.02
Weighted average number of shares outstanding		**274,313,330**	274,313,330	**274,313,330**	259,165,475

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

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - expressed in Canadian dollars unless otherwise stated)

	Notes	Number	Share Capital Amount	Contributed Surplus	Warrants	Cumulative Translation Adjustment	Deficit	Total
Balance at December 31, 2023		**219,478,095**	**$ 54,437,438**	**$ 9,257,040**	**$ 11,260,336**	**$ (2,489,099)**	**$ (51,158,133)**	**$ 21,307,582**
Equity financing	12b(i)	54,835,235	6,415,722	-	-	-	-	6,415,722
Warrants issued	12b(i)	-	(2,857,515)	-	2,857,515	-	-	-
Share issuance costs	12b(i)	-	(226,580)	-	-	-	-	(226,580)
Stock-based compensation	13(v)	-	-	587,045	-	-	-	587,045
Currency translation adjustment		-	-	-	-	771,395	-	771,395
Net loss		-	-	-	-	-	(4,543,496)	(4,543,496)
Balance at June 30, 2024		**274,313,330**	**$ 57,769,065**	**$ 9,844,085**	**$ 14,117,851**	**$ (1,717,704)**	**$ (55,701,629)**	**$ 24,311,668**
Stock-based compensation	13(v)	-	-	(129,506)	-	-	-	(129,506)
Currency translation adjustment		-	-	-	-	2,320,913	-	2,320,913
Net loss		-	-	-	-	-	(4,604,154)	(4,604,154)
Balance at December 31, 2024		**274,313,330**	**$ 57,769,065**	**$ 9,714,579**	**$ 14,117,851**	**$ 603,209**	**$ (60,305,783)**	**$ 21,898,921**
Stock-based compensation	13(v)	-	-	30,330	-	-	-	30,330
Currency translation adjustment		-	-	-	-	(2,094,833)	-	(2,094,833)
Net loss		-	-	-	-	-	(1,511,976)	(1,511,976)
Balance at June 30, 2025		**274,313,330**	**$ 57,769,065**	**$ 9,744,909**	**$ 14,117,851**	**$ (1,491,624)**	**$ (61,817,759)**	**$ 18,322,442**

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

GIYANI METALS CORP.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - expressed in Canadian dollars unless otherwise stated)

For the periods ended		June 30, 2025	June 30, 2024
Operating activities			
Net loss		$ **(1,511,975)**	$ (4,543,496)
Adjusted for:			
Depreciation	Note 4	**231,434**	33,074
Stock-based compensation	Note 13(v)	**23,132**	474,974
Finance expense, net		**1,100,068**	549,976
Gain on extinguishment of financial liability	Note 11	**(2,306,012)**	-
Fair value of Convertible Loan Facility	Note 9	**(333,393)**	355,160
Unrealized foreign exchange gain, net		**(424,264)**	437,973
Changes in working capital and other:			
(Increase) decrease in statutory receivable		**(70,225)**	(112,163)
Decrease (increase) in prepaids		**262,621**	(294,364)
Decrease (increase) in accounts payable and accrued liabilities		**95,553**	(678,973)
Cash used in operating activities		**(2,933,061)**	(3,777,839)
Investing activities			
Additions to property, plant and equipment	Note 4	**(3,704,831)**	(2,391,766)
Additions to exploration and evaluation expenditures	Note 5	**(2,043,858)**	(1,426,640)
Cash used in investing activities		**(5,748,689)**	(3,818,406)
Financing activities			
Proceeds from ARCH royalty	Note 11	**-**	7,024,514
Proceeds from ARCH equity financing	Notes 11,12b(i)	**-**	6,415,722
Proceeds from Convertible Loan Facility	Note 9	**5,408,450**	10,421,041
Issuance cost	Notes 11,12b(i)	**-**	(295,701)
Payment of lease liabilities	Note 8	**(689,659)**	(27,192)
Cash provided by financing activities		**4,718,791**	23,538,384
(Decrease) increase in cash		**(3,962,959)**	15,942,139
Cash position at beginning of the period		**13,183,551**	3,051,144
Effect of foreign exchange on cash		**(2)**	(14)
Cash position at end of the period		$ **9,220,590**	$ 18,993,269

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

1. Nature of operations and going concern

Giyani Metals Corp., formerly Giyani Gold Corp. ("**Giyani**", or "**the Company**"), was incorporated under the Canada Business Corporations Act on July 26, 2007, and continued under the Business Corporations Act of British Columbia on August 4, 2010.

Giyani is focused on becoming the preferred western-world producer of sustainable, low carbon high purity battery grade manganese for the electric vehicle ("**EV**") and energy storage system ("**ESS**") industry. The Company has developed a proprietary hydrometallurgical process to produce battery-grade high-purity manganese sulphate monohydrate ("**HPMSM**") and high-purity manganese oxide ("**HPMO**"), a lithium-ion battery cathode precursor materials critical for the EVs and ESS industries, directly from ore supplied by the Company's own manganese oxide ("**MnO**") deposits. These include the K.Hill Battery-Grade Manganese Project ("**K.Hill Project**"), the Otse MnO prospect ("**Otse**"), and the Lobatse MnO prospect ("**Lobatse**") which have all seen historical mining activities as well as other named assets, and targets within Giyani's 1,900 km^2 licence holding in Botswana. They are in the Kanye Basin of south-eastern Botswana (the "**Kanye Basin Prospects**") and held through Menzi Battery Metals (Pty) Limited ("**Menzi**"), a wholly owned subsidiary of Giyani.

The Company's registered address is Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, V6C 2X8. The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange ("**TSXV**") under the symbol EMM.

These unaudited condensed interim financial Statements ("**Interim Financial Statements**") have been prepared using IFRS® Accounting Standards as issued by the International Accounting Standards Board ("**IASB**") applicable to a "going concern", which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. These Interim Financial Statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. For the three and six months period ended June 30, 2025, the Company reported net (income) of $(765,201) and net loss of $1,511,975 (three and six months ended June 30, 2024: net loss of $2,905,240 and $4,543,496) and had an accumulated deficit of $61,817,759 at June 30, 2025 (December 31, 2024 - $60,305,783). The Company had negative working capital at June 30 of $1,857,999 (December 31, 2024 – positive working capital $4,588,643). The continuing operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that additional funds will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or terms acceptable to the Company. These factors indicate the existence of material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern and accordingly use accounting principles applicable to a going concern.

2. Basis of preparation

(a) Statement of compliance

These Interim Financial Statements as at and for the three and six months ended June 30, 2025 and 2024 have been prepared in accordance with International Accounting Standard (**IAS**) 34 "**Interim Financial Reporting**", using accounting policies consistent with IFRS® as issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the IFRS Interpretations Committee. The Board of Directors approved these Interim Financial Statements on August 20, 2025.

(b) Subsidiaries

These Interim Financial Statements incorporate the financial statements of the Company and its wholly controlled subsidiaries. Subsidiaries are consolidated where the Company has the ability to exercise control. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intercompany transactions and balances have been eliminated. The Interim Financial Statements includes a newly incorporated subsidiary.

During the six months period ended June 30, 2025, the Company incorporated a new wholly-owned subsidiary, Giyani (UK) Management Services Limited, on January 21, 2025, which has been included in the consolidated Interim Financial Statements from that date.

(Unaudited- expressed in Canadian dollars unless otherwise stated)

(c) Material accounting policies

The accounting policies and methods of computation applied by the Company in these Interim Financial Statements are the same as those applied in the Company's audited annual consolidated financial statements for the year ended December 31, 2024.

(d) Use of judgements and estimates

The preparation of the Interim Financial Statements in conformity with IFRS® requires management to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, income and expenses. Actual results could differ from these estimates, judgments and assumptions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant estimates and judgments applied in the preparation of these Interim Financial Statements are consistent with those applied and disclosed in Note 2(f) to the Company's audited consolidated financial statements for the year ended December 31, 2024.

3. Prepaids and other assets

	June 30 2025	December 31 2024
Deposits and advance payments	**$ 202,142**	$ 297,754
Prepaid insurance and fees	**31,040**	7,869
Deferred financing costs	**-**	217,851
Total prepaids and other assets	**$ 233,182**	$ 523,474

4. Property, plant and equipment

	Demonstration plant under construction	Furniture and Fixture	Equipment	Computer Equipment	Vehicles	ROU Property	ROU Equipment	Leasehold Improvements	Total
Cost									
At December 31, 2023	$ 7,567,611	$ 31,402	$ -	$ 6,802	$ 76,639	$ 198,818	$ -	$ 8,435	$ 7,889,707
Additions	10,831,013	-	44,829	13,339	-	-	1,061,324	-	11,950,505
Foreign exchange	2,325,959	(113)	5,078	351	11,478	29,776	120,217	1,262	2,494,008
At December 31, 2024	$ 20,724,583	$ 31,289	$ 49,907	$ 20,492	$ 88,117	$ 228,594	$ 1,181,541	$ 9,697	$ 22,334,220
Additions	5,599,726	-	45,429	41	38,932	485,166	-	-	6,169,294
Disposal	-	-		(1,388)	-	-	-	-	(1,388)
Foreign exchange	(1,973,697)	(2,906)	(5,245)	(1,756)	(8,707)	(27,743)	(96,833)	(901)	(2,117,788)
At June 30, 2025	**$ 24,350,612**	**$ 28,383**	**$ 90,091**	**$ 17,389**	**$ 118,342**	**$ 686,017**	**$ 1,084,708**	**$ 8,796**	**$ 26,384,338**
Accumulated depreciation									
At December 31, 2023	$ -	$ (12,767)	$ -	$ (3,209)	$ (38,224)	$ (121,057)	$ -	$ (8,435)	$ (183,692)
Depreciation	-	(2,752)	(1,868)	(2,565)	(11,902)	(51,195)	(17,689)	-	(87,971)
Foreign exchange	-	2,592	(212)	(254)	(7,075)	(23,931)	(2,004)	(1,262)	(32,146)
At December 31, 2024	$ -	$ (12,927)	$ (2,080)	$ (6,028)	$ (57,201)	$ (196,183)	$ (19,693)	$ (9,697)	$ (303,809)
Depreciation expense	-	(1,207)	(6,963)	(2,430)	(6,192)	(107,062)	(107,580)	-	(231,434)
Disposal	-	-	-	456	-	-	-	-	456
Foreign exchange	-	1,219	287	552	5,396	19,659	723	901	28,737
Disposal	-	-	-	-	-	-	-	-	-
At June 30, 2025	**$ -**	**$ (12,915)**	**$ (8,756)**	**$ (7,450)**	**$ (57,997)**	**$ (283,586)**	**$ (126,550)**	**$ (8,796)**	**$ (506,050)**
Net book value:									
At December 31, 2024	$ 20,724,583	$ 18,362	$ 47,827	$ 14,464	$ 30,916	$ 32,411	$ 1,161,848	$ -	$ 22,030,411
At June 30, 2025	**$ 24,350,612**	**$ 15,468**	**$ 81,335**	**$ 9,939**	**$ 60,345**	**$ 402,431**	**$ 958,158**	**$ -**	**$ 25,878,288**

The demonstration plant under construction is not being depreciated as it is not yet available for use. As at June 30, 2025, interest of $2,373,978 arising from IDC convertible loan has been capitalized (December 31, 2024 – $1,138,748).

(Unaudited- expressed in Canadian dollars unless otherwise stated)

5. Exploration and evaluation assets

Botswana

The following table shows the continuity of the acquisition costs and expenditures incurred on the Kanye Basin Prospects:

	June 30 2025	December 31 2024
Opening balance	**$ 19,539,969**	$ 12,386,409
Exploration and drilling	**-**	1,592,998
Engineering studies	**1,096,318**	1,205,285
Administrative and other field operations	**361,682**	1,153,493
Geoscience and tailing storage facility	**654,122**	417,336
Metallurgical test work and analysis	**68,383**	199,403
Acquisition costs and permits	**-**	121,759
Geological studies	**43,333**	102,987
Environmental studies	**93,232**	10,404
Foreign exchange	**(1,812,613)**	2,349,895
Ending balance	**$ 20,044,426**	$ 19,539,969

South Africa

Rock Island Gold Project

The Company previously entered into a joint operation agreement relating to the assets of Rock Island with Corridor Mining Resources (“**CMR**”). The joint operation was operated through Rock Island, a company incorporated in South Africa for which Giyani had a 28.8% effective ownership. For accounting purposes, an impairment of the full carrying amount of the Rock Island Gold Project was recorded in previous periods.

During the year ended December 31, 2019, the Company entered into a share sale agreement with CMR to sell the Company's effective interest of 28.8% or 45 shares in Rock Island (the "**Rock Island Agreement**") held through Lexshell 837 Investments (Pty) Ltd. ("**Lexshell**").

Also, during the year ended December 31, 2019, the Company entered into a share purchase agreement with Malungani Resources (Pty) Ltd ("**Malungani**") to acquire the remaining 36% of Lexshell it did not already own (the "**Lexshell Agreement**"). Under the original terms, one-third of the agreed consideration was paid in Giyani shares at closing, with the remaining two-thirds payable in Giyani shares upon receipt of the Rock Island sale proceeds. In 2021, the parties amended the Lexshell Agreement, cancelling the remaining share issuance obligation and settling it for cash consideration of $45,000, which was paid in full.

As at June 30, 2025, the Rock Island Agreement has not been completed. Subsequent to June 30, 2025, the Company received the outstanding payments from CMR related to the Rock Island Agreement of R1,580,031 ($121,504). The Company will work with CMR to close the transaction as contemplated in the Rock Island Agreement before the end of 2025.

6. Accounts payable and accrued liabilities

	June 30 2025	December 31 2024
Trade payables	**$ 1,939,288**	$ 263,132
Accrued liabilities	**1,330,115**	1,734,508
Total	**$ 3,269,403**	$ 1,997,640

7. Related party transactions

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company’s Board of Directors and corporate officers.

All related party transactions have occurred on an arm’s length basis.

Related party transactions for the three and six months periods ended June 30, 2025 and 2024 are as follows:

(Unaudited- expressed in Canadian dollars unless otherwise stated)

		For the three months ended		For the six months ended	
Transaction type	Nature of relationship	**June 30 2025**	June 30 2024	**June 30 2025**	June 30 2024
Remuneration	Officers	**$ 409,085**	$ 204,264	**$ 580,410**	$ 373,958
Director fees	Directors	**13,181**	(16,716)	**81,219**	79,720
Demonstration plant	Officer	**-**	67,579	**-**	165,600
Exploration and evaluation expenditures	Officer	**19,131**	326,807	**71,479**	455,590
Corporate, general and administrative expenses	Officer	**42,900**	63,009	**87,900**	63,009
Stock-based compensation	Directors and officers	**10,434**	27,767	**20,240**	327,709
Total		**$ 494,731**	$ 672,710	**$ 841,248**	$ 1,465,586

A summary of the amount due to related parties recorded in accounts payable and accrued liabilities is:

Transaction type	Nature of relationship	**June 30 2025**	December 31 2024
Remuneration and other	Officers and directors	**$ 555,488**	$ 381,056

8. Lease liabilities

	June 30 2025	December 31 2024
Lease liabilities, beginning of the period	**$ 1,122,835**	$ 78,529
Additions	**485,166**	1,061,324
Finance cost	**69,928**	16,178
Lease payments	**(689,659)**	(150,151)
Foreign exchange	**(97,588)**	116,955
Lease liabilities, end of the period	**$ 890,682**	$ 1,122,835

	June 30 2025	December 31 2024
Current portion of lease liabilities	**$ 620,927**	$ 1,122,835
Non-current portion of lease liabilities	**269,755**	-
Total	**$ 890,682**	$ 1,122,835

The Company has entered into leases with interest rates ranging between 8% - 14% per annum. For certain leases, the Company has an obligation to purchase the equipment at the end of the lease term. The present value of applicable lease payments has been recognized as an ROU asset, which was included as a non-cash addition to property, plant and equipment with a corresponding amount recognized as a lease liability.

9. Convertible loan

On November 30, 2023, the Company announced the signing of definitive agreements for funding of the equivalent of US$16 million ($22.5 million) up to ZAR 300,000,000 with the IDC in the form of convertible loan facilities (collectively the "**IDC Facility**"). The proceeds from the IDC Facility will be utilized for the construction and operation of the K.Hill Project demonstration plant and other K.Hill Project development activities. The IDC Facility was available for drawdown until March 31, 2025.

<u>IDC Facility:</u>

The IDC Facility is ZAR300,000,000 ($22.5 million).

ZAR234,375,000 ($17.6 million) is available to Giyani Metals South Africa Proprietary Limited ("**GMSA**"), a wholly owned subsidiary of Menzi, (the "**GMSA Facility**").

ZAR65,625,000 ($4.9 million) is available to Menzi (the "**Menzi Facility**").

As at June 30, 2025, the GMSA Facility and Menzi Facility were fully drawn.

<u>Interest Rate:</u>

Interest accrues and is capitalized in ZAR on drawn amounts on a daily basis from the drawdown date at the

(Unaudited- expressed in Canadian dollars unless otherwise stated)

South African Prime Rate at June 30, 2025 – 10.75% (at December 31, 2024 - 11.25%) plus 3% compounded monthly in arrears. The interest on the GMSA Facility will be capitalized to construction in progress and the interest on the Menzi Facility will be recorded in the statement of loss and comprehensive loss.

Conversion Options:

The IDC has an option to convert the outstanding loan amount and capitalized interest into the shares and shareholder loan of Thabatala Holding (Pty) Ltd ("**Project HoldCo**"), a wholly owned subsidiary of Giyani, at a 20% discount to the prevailing 30-day volume-weighted average price of the Company's shares in accordance with the terms of the IDC Facility. The IDC has a further option to convert Project HoldCo's shares and shareholder loan to the Company's shares upon the achievement of sustained commercial production at the prevailing 30-day volume-weighted average price of the Company's shares in accordance with the terms of the IDC Facility. The maximum permissible shareholding percentage for the IDC post-conversion is 19.9% in Project HoldCo's and Giyani's share capital, or such higher percentage as approved by Giyani's board and shareholders up to a maximum of 25%.

While the IDC Facility matures in 2028 and is designated at fair value, a portion ($7,766,369) of the total liability has been presented as a current liability to reflect the IDC's right to initiate a first conversion and settlement of the convertible loan into shares and shareholder loan of Project Holdco (up to 19.9% and as described above) within 12 months based on the current K.Hill Project schedule.

Maturity Date:

The IDC Facility matures on the last day of the fourth anniversary of the first drawdown date, i.e., April 23, 2028 for the GMSA Facility and May 2, 2028 for the Menzi Facility.

Security:

The Company has provided a guarantee on behalf of GMSA and Menzi in favour of the IDC, guaranteeing the obligations under the IDC Facility.

Breach of covenants:

During the quarter ended June 30, 2025, the IDC and the Company agreed to amend the IDC Facility to cure a breach of a loan covenant requiring the demonstration plant to be completed by April 23, 2025. An amendment was executed subsequent to the quarter end on August 8, 2025. The parties agreed to amend the Demonstration Plant Completion Deadline Date from April 23, 2025, to September 30, 2025, to align with the Company's revised project schedule. Other milestone dates related to the definitive feasibility study and future K.Hill financings have also been amended by mutual agreement. There have been no other breaches of covenants in the GMSA Facility and Menzi Facility. The principal drawn and interest accrued are payable only at the maturity dates if the IDC does not exercise its conversion option.

Reconciliation of movement in IDC Facility

		June 30 2025	December 31 2024
Convertible Loan Facility, beginning of period		**$ 21,679,558**	$ -
Proceeds from draw-downs/borrowings		**5,408,450**	17,241,706
Interest capitalized	Note 4	**1,235,230**	1,138,748
Interest expensed	Note 16	**359,110**	279,761
Fair value changes		**(333,393)**	958,994
Foreign currency translation		**(1,873,571)**	2,060,349
Convertible loan, end of the period		**$ 26,475,384**	$ 21,679,558
Convertible loan - current liability		**7,766,369**	6,295,414
Convertible loan - non-current liability		**18,709,015**	15,384,144
Convertible loan - total liability		**$ 26,475,384**	$ 21,679,558

The IDC Facility contains both a host loan liability and embedded derivatives for the conversion option, which are required to be separated from the host debt. All the conversion options are exposed to the same risk, i.e., the equity price risk of Giyani shares. Furthermore, the options are highly interdependent.

The process of conversion involves first converting the outstanding IDC Facility amounts to Project HoldCo's shares at the 30-day volume-weighted average price at the option of the IDC, based on the Giyani share price at the date of the first conversion at a 20% discount. At the option of the IDC, and if specific criteria as per the agreement are met, Project HoldCo's shares are then converted to the Company's shares based on the Company share price on the second conversion date at the 30-day volume-weighted average price. This implies that the conversion to Project HoldCo's shares is a prerequisite to the delivery of the Company's shares under the second conversion option. Accordingly, the conversion options will be treated as a single compound embedded derivative.

The Company has elected to designate the entire hybrid IDC Facility at FVTPL. The fair value was calculated using a Monte Carlo Simulation using the following assumptions:

- The value of the Project Holdco shares are equal to the value of the publicly traded Company's shares
- A volatility of 95% and 94% was used in the valuation on the December 31, 2024 and at June 30, 2025 respectively, which represents the historical volatility of the Company's share price commensurate with the term to maturity of the GMSA Facility and Menzi Facility.
- The risk-free rates of 2.88% and 2.61% used in the share price simulation were based on the Bank of Canada bond yield for a term commensurate to the remaining life of the IDC Facility as at the December 31, 2024 and June 30, 2025, respectively.
- CAD / ZAR foreign exchange forward curves were used since the IDC Facility is ZAR denominated.
- A credit spread over the ZAR risk free rate of 4.47% was determined at June 30, 2025 (4.35% on December 31, 2024), based on the ICE High Yield South African Issuers Index.
- Drawdown and conversion dates were based on management assumptions of progress on the K.Hill Project, market conditions, and the strategic intentions of the IDC.

10. RSU liability

The Company has adopted a Restricted Share Unit Plan (the "**RSU Plan**"), in accordance with the policies of the TSXV, under which the Board of Directors of the Company may grant to directors, officers, employees and consultants of the Company, non-transferable restricted share units ("**RSUs**") to acquire common shares or their cash equivalent at the end of the vesting period. The aggregate number of shares that may be issued under the RSU Plan together with the number of shares reserved for issuance under the stock option plan shall not exceed 10% of the issued and outstanding common shares.

As at December 31, 2024, 441,000 RSUs were outstanding. During the six months period ended June 30, 2025, 220,500 RSUs vested and were redeemed for their cash equivalent, and the remaining 220,500 RSUs were forfeited and cancelled.

11. Financial liability

The Company received $13,440,236 (US$10 million) from ARCH ("**ARCH Funding**") on February 20, 2024. The ARCH Funding consists of:

- $6,415,722 (US$4.8 million) from a unit offering ("**ARCH Offering**") of 54,835,235 units at $0.117 per unit, with each unit consisting of one common share and one common share purchase warrant exercisable at a price of $0.225 per warrant for five years (subject to acceleration); and
- $7,024,514 (US$5.2 million) for a 2% gross revenue royalty which includes a 1% buy-back provision and an automatic step-down by 0.5% after 20 years or 2.5Mt of battery-grade manganese production.

Key terms and conditions from the ARCH royalty agreement are as follows:

- The royalty is payable as a percentage of gross revenues, which include income from the sale of products, licensing, and other related activities.

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- Royalty payments are to be made quarterly with the obligation contingent upon the receipt of gross revenues by the Company. Detailed statements are required to support payment calculations.
- Payments are to be made in US$, with provisions for adjustments related to provisional sales and taxes.
- A "Buy Back Right" allows the Company to reduce the initial royalty percentage upon meeting specific conditions including written notification to ARCH before the "Buy Back Option End Date" of June 30, 2025. "Payment of the Buy Back Payment Amount" is due within six months of the "Buy Back Exercise Date".

The ARCH royalty was initially recorded as a financial liability and measured using an effective interest rate method of 22.0%.

During the quarter ended June 30, 2025, the Company revised the Project schedule, extending the expected timing of future royalty payments. This change in estimated cash flows exceeded the 10% threshold for a substantial modification under IFRS 9. As a result, the Company derecognized the original financial liability and recognized a new one, measured at the present value of the revised cash flows, discounted at the Company's effective interest rate of 22.26% at the modification date.

The Company recognized a gain on the extinguishment of original financial liability of $2,306,012 in the statement of (income) for the quarter ended June 30, 2025.

The activity for the period ended June 30, 2025, is as follows:

			June 30 2025		December 31 2024
Financial liability, beginning of the period		**$**	**8,849,494**	$	-
Proceeds			-		7,024,514
Accretion	Note 16		**671,030**		1,334,482
Issuance cost			-		(69,121)
Gain on extinguishment of financial liability			**(2,306,012)**		-
Foreign exchange			**(451,009)**		559,619
Financial liability, end of the period		**$**	**6,763,503**	$	8,849,494

12. Share capital

(a) Authorized share capital

Unlimited number of common shares without par value.

(b) Issued share capital

The following is a continuity of shares issued:

		Number of shares	Amount $
Balance, December 31, 2023		**219,478,095**	**$ 54,437,438**
Subscription agreement	(i)	54,835,235	6,415,722
Share issuance cost	(i)	-	(226,580)
Fair value of warrants issued in subscription agreement	(i)	-	(2,857,515)
Balance, December 31, 2024 and June 30, 2025		**274,313,330**	**$ 57,769,065**

(i) During the year ended December 31, 2024, the Company received $13,440,236 (US$10 million) from ARCH. The ARCH Funding consists of: (i) a $6,415,722 (US$4.8 million) unit offering of 54,835,235 units at $0.117 per unit, with each unit consisting of one common share and one common share purchase warrant exercisable at a price of $0.225 per warrant for five years (subject to acceleration); and (ii) $7,024,514 (US$5.2 million) for a 2% gross revenue royalty which includes a 1% buy-back provision and an automatic step-down by 0.5% after 20 years or 2.5Mt of battery-grade manganese production. Following completion of the ARCH Offering, ARCH held approximately 19.99% of the Company's issued shares. In conjunction with the subscription agreement, $226,580 was capitalized as share issuance cost.

The warrant exercise period may be accelerated, subject to the terms of the share purchase warrant, if the

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Company's common shares trade at a volume weighted average price ("**VWAP**") on the TSXV of at least $0.31 on 10 consecutive trading days. If the Company exercises its acceleration right, the expiry date of the share purchase warrants will be set to a date within 30 days of the date of the acceleration notice.

The 54,835,235 share purchase warrants were assigned a fair value of $2,857,515. Fair value was determined using the Black-Scholes option pricing model using the following weighted average assumptions: share price $0.13, dividend yield of 0%; expected volatility (based on historical price data of the Company's common share) of 124%; risk-free interest rate of 3.58%; and an expected life of five years.

13. Stock Options

The Company has adopted an omnibus long-term incentive plan on November 15, 2024 which replaced the previous stock option plan ("**SOP**") in accordance with the policies of the TSXV, under which the Board of Directors of the Company may grant to directors, officers, employees and consultants of the Company, non-transferable options to purchase common shares provided the number of shares reserved for issuance under the stock option plan shall not exceed 10% of the issued and outstanding common shares, exercisable for a period of up to five years from the date of grant. The Board of Directors determines the price per common share and the number of common shares, which may be allotted to directors, officers, employees and consultants, and all other terms and conditions of the option, subject to the rules of the TSXV.

Stock option transactions are summarized as follows:

		Number of stock options outstanding	Weighted average exercise price
Balance, December 31, 2023		**11,750,001**	**$ 0.27**
Granted	(i),(ii)	6,700,000	0.11
Forfeited	(iii)	(3,233,333)	0.17
Expired	(iii)	(2,850,001)	0.28
Balance, December 31, 2024		**12,366,667**	**$ 0.22**
Forfeited	(iv)	(200,000)	0.11
Expired	(iv)	(5,941,667)	0.20
Balance, June 30, 2025		**6,225,000**	**$ 0.24**

Stock options outstanding as at June 30, 2025:

Expiry date	**Exercise price ($)**	**Remaining contractual life (years)**	**Total options**	**Options exercisable**
July 05, 2025	0.15	0.01	375,000	375,000
September 24, 2025	0.185	0.24	400,000	400,000
April 21, 2026	0.53	0.81	875,000	875,000
September 02, 2026	0.48	1.18	650,000	650,000
April 01, 2027	0.33	1.75	225,000	225,000
June 17, 2027	0.36	1.96	300,000	300,000
January 26, 2029	0.115	3.58	650,000	650,000
February 20, 2029	0.11	3.65	2,750,000	1,900,000
		2.39	**6,225,000**	**5,375,000**

(i) During the year ended December 31, 2024, 1,500,000 stock options were granted to non-executive directors of the Company in accordance with the Company's SOP. Each stock option vested immediately upon grant and is exercisable into one common share of the Company at a price of $0.115 per common share for a period of five years from the date of grant. A fair value of $154,884 was determined using the Black Scholes option pricing model and the following assumptions: share price of $0.12, dividend yield of 0%; expected volatility (based on historical price data of the Company's common share) of 127%; risk-free interest rate of 3.58%; and an expected life of five years.

(ii) During the year ended December 31, 2024, the Company granted 5,200,000 stock options to certain directors, officers, and management of the Company in accordance with the Company's SOP. Of the total, 1,850,000 stock options were granted to officers, 3,150,000 stock options were granted to management and 200,000 stock options were granted to directors of the Company's subsidiary company in Botswana. Each option is exercisable into one common share of the Company at a price of $0.11 per common share for a period of five years from the date of grant. Stock options granted to directors of the Company's subsidiary vested immediately with the remaining 5,000,000 stock options vesting one-third immediately and a further one-third on each of the first and second anniversaries of the date of the grant. A fair value of $582,850 was determined using the Black Scholes option pricing model and the following assumptions: share price of $0.13, dividend yield of 0%; expected volatility (based on historical price data of the Company's common share) of 124%; risk-free interest rate of 3.58%; and an expected life of five years.

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(iii) For the year ended December 31, 2024, 2,850,001 stock options with exercise prices between $0.15 and $0.53 expired unexercised and 3,233,333 stock options with exercise prices between $0.11 and $0.20 were forfeited.

(iv) During the six months ended June 30, 2025, 200,000 stock options with an exercise price of $0.11 were forfeited and 5,941,667 stock options with exercise prices between $0.11 and $0.48 expired unexercised on June 30, 2025. On July 5, 2025, an additional 375,000 stock options with an exercise price of $0.15 expired unexercised.

(v) During the six months periods ended June 30, 2025, the Company recorded stock-based compensation in connection with the vesting of options totaling $30,330 (June 30, 2024 - $587,045). The allocation of this charge is as follows:

	For the three months ended		For the six months ended	
For the periods ended	**June 30 2025**	June 30 2024	**June 30 2025**	June 30 2024
Consolidated statement of loss and comprehensive loss	**$ 7,442**	$ 81,321	**$ 23,132**	$ 474,974
Demonstration plant under construction	**-**	13,276	**(6,536)**	57,512
Exploration and evaluation assets	**4,418**	13,244	**13,734**	54,559
	$ 11,860	**$ 107,841**	**$ 30,330**	$ 587,045

14. Warrants

Warrant transactions are summarized as follows:

		Number of warrants outstanding	Weighted average exercise price
Balance, December 31, 2023		**-**	**$ -**
Issued	Note 12b(i)	54,835,235	0.225
Balance, December 31, 2024 and June 30, 2025		**54,835,235**	**$ 0.225**

Warrants outstanding as at June 30, 2025:

Expiry date	**Exercise price ($)**	**Remaining contractual life (years)**	**Warrants exercisable**
February 20, 2029	0.225	3.65	54,835,235

(Unaudited- expressed in Canadian dollars unless otherwise stated)

15. Corporate, general and administrative

	For the three months ended		For the six months ended	
	June 30	June 30	**June 30**	June 30
For the periods ended	**2025**	2024	**2025**	2024
Remuneration	**$ 571,594**	$ 559,458	**$ 1,229,831**	$ 1,054,373
Accounting and audit	**107,852**	180,879	**312,237**	280,727
Investor relations and marketing	**185,661**	160,992	**308,900**	221,372
Travel	**133,204**	167,086	**241,018**	282,349
Legal	**127,698**	169,124	**178,761**	188,068
Corporate development	**128,512**	1,046	**179,402**	7,164
Director fees	**67,928**	329,590	**135,966**	426,026
General and administrative	**56,024**	44,681	**113,137**	73,498
Human resources	**29,492**	121,392	**88,613**	167,710
Filing and compliance fees	**31,433**	9,444	**55,470**	64,506
Insurance	**11,557**	18,530	**40,173**	36,993
Stock-based compensation	**7,442**	81,321	**23,132**	474,974
RSU	**-**	(17,221)	**-**	-
	$ 1,458,397	$ 1,826,322	**$ 2,906,640**	$ 3,277,760

16. Finance expense, net

		For the three months ended		For the six months ended	
		June 30	June 30	**June 30**	June 30
For the periods ended		**2025**	2024	**2025**	2024
Accretion	Note 11	**$ 226,667**	$ 262,760	**$ 671,030**	$ 523,424
Transaction costs		**(941)**	422,593	**212,912**	422,593
Interest on convertible loan facility	Note 9	**188,874**	46,957	**359,110**	46,957
Interest on lease liabilities	Note 8	**29,640**	1,286	**69,928**	2,793
Commitment fees		**(81)**	40,453	**4,931**	40,453
Bank charges and other		**2,200**	2,643	**4,619**	4,114
Raising fees	Note 9	**-**	218,284	**-**	218,284
Interest income		**(107,423)**	(249,077)	**(212,802)**	(305,848)
		$ 338,936	$ 745,899	**$ 1,109,728**	$ 952,770

17. Capital management

The Company’s policy is to maintain a strong capital base to maintain investor, creditor and market confidence and sustain future development of the business. The Company considers capital to include equity, the IDC Facility and funding from royalty arrangements.

The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company’s assets. To effectively manage the Company’s capital requirements, the Company has in place planning, budgeting and forecasting processes to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six months. As at June 30, 2025, the Company is compliant with known requirements including Policy 2.5 of the TSXV.

18. Financial instruments and risk management

The Company's risk exposure and the impact on the financial instruments are summarized below:

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash.

The Company has assessed the credit risk on its cash as low as the majority of its funds are held in large Canadian and African financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet its liabilities when they come due. The Company manages its liquidity risk by forecasting operations' required cash flows and anticipated investing and financing activities. The Company's current financial obligations, which represents cash-settled liabilities due in the near term, consist of accounts payable and accrued liabilities, and lease liabilities.

The Company had cash at June 30, 2025, of $9,220,590 (December 31, 2024 $13,183,551). As at June 30, 2025, the Company had total liabilities of $37,398,972 (December 31, 2024 $33,675,991).

Market Risk

Market risk is the risk that a financial instrument's fair value or future cash flows will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing cash in savings accounts at fixed interest rates. The Company's significant financial instruments valued using fluctuating risk-free interest rates are the components of the convertible loan (Note 9). The Company has not used any financial instrument to hedge potential fluctuations in interest rates and the exposure to interest rates for the Company is considered minimal.

b) Foreign Currency Risk

The Company is exposed to foreign currency risk of the South African rand, British pound, Botswana pula and United States dollar. Based on the net exposure at June 30, 2025, a 10% depreciation or appreciation of the South African rand, Botswana pula and United States dollar against the Canadian dollar would be approximately $772,092.

c) Other Price Risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

d) Fair value:

The fair value of the convertible loan is $ 26,475,384. A 5% increase or decrease in assumptions would change the fair value by approximately $1.3 million.

The financial liability is payable as a percentage of gross revenues, which includes income from the sale of products, licensing, and other related activities. The fair value of the financial liability is most sensitive to changes in HPMSM product pricing, as it directly impacts gross revenue. A +/- 10% change in HPMSM product pricing would result an insignificant difference when compared with the balance as at June 30, 2025.

19. Segmented information

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker, who has been identified as the company's CEO and is responsible for allocating resources and assessing the operating segments' performance.

The Company has two operating segments: (1) Botswana Battery Metals Project for the exploration, evaluation and development of its battery-grade manganese assets located in Botswana and the demonstration plant under construction in South Africa and (2) Corporate, which includes all other entities within the Company.

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June 30, 2025	**Botswana Battery Metals Project**	**Corporate**	**Total**
Total assets	**$ 50,319,010**	**$ 5,402,404**	**$ 55,721,414**
Total liabilities	**29,444,534**	**7,954,438**	**37,398,972**
Net loss	**786,688**	**725,287**	**1,511,975**

December 31, 2024	Botswana Battery Metals Project	Corporate	Total
Total assets	$ 47,001,235	$ 8,573,677	$ 55,574,912
Total liabilities	23,513,999	10,161,992	33,675,991
Net loss	2,400,699	6,746,951	9,147,650

20. Commitments

	Within one year	**Two-five years**	**Total**
Construction in progress	$ 1,054,029	$ -	$ 1,054,029
Minimum lease payments	620,927	269,755	890,682
	$ 1,674,956	**$ 269,755**	**$ 1,944,711**

Two contingent payments of R1 million each (approximately $76,000 each) are scheduled for October 2025 and October 2026, subject to a vendor complying with the terms of an agreement. As compliance has not yet been confirmed, it remains uncertain whether the obligations will be triggered.

21. Subsequent Event

On July 22, 2025, the Company announced a non-brokered private placement of up to 50,000,000 units (“**Units**”) at a price of $0.06 per Unit for gross proceeds of up to $3 million (the “**Offering**”). Each Unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at a price of $0.085 for a period of three years from the closing date of the Offering. In connection with the Offering, the Company proposed to pay finder’s fees in cash equal to 6.0% of the gross proceeds raised from investors introduced by eligible finders (the “**Finder’s Fees**”), and issue non-transferable finder’s warrants equal to 6.0% of the Units issued under the Offering to such investors (“**Finder’s Warrants**”).

The net proceeds of the Offering will be used to fund ongoing project development workstreams, corporate activities, and for general working capital purposes.

On August 19, 2025, the Company announced the closing of the Offering for approved upsized gross proceeds of $3,569,622 from the sale of the Units. The Company paid Finder’s Fees of $34,140 cash and issued 569,000 Finder's Warrants. The Finder’s Warrants are non-transferable and entitle the holders thereof to acquire one Common Share at a price of $0.06 per Common Share for a period of three years from the closing date of the Offering. The Offering is subject to receipt of final approval of the TSXV.