GIYANI METALS CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026

(Unaudited)

Expressed in Canadian dollars

These interim condensed consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards applicable to interim financial reporting and have not been reviewed by the Company's external auditors.

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars unless otherwise stated)

As at		March 31, 2026	December 31, 2025
ASSETS			
Current			
Cash		**$ 2,336,953**	$ 3,272,871
Statutory receivable		**173,864**	143,305
Prepaid and other assets	Note 3	**194,917**	270,411
Current		**2,705,734**	3,686,587
Non-current			
Property, plant and equipment	Note 4	**25,059,003**	29,096,022
Exploration and evaluation assets	Note 5	**23,400,603**	23,747,016
Non-current		**48,459,606**	52,843,038
Total assets		**$ 51,165,340**	$ 56,529,625
LIABILITIES			
Current			
Accounts payable and accrued liabilities	Notes 6,8	**$ 1,572,022**	$ 1,935,870
Lease liabilities	Note 7	**237,442**	235,037
Convertible loan	Note 9	**13,655,560**	9,854,787
Current		**15,465,024**	12,025,694
Non-current			
Lease liabilities	Note 7	**251,555**	319,820
Convertible loan	Note 9	**20,142,489**	21,184,879
Financial liability	Note 10	**8,154,172**	7,633,722
Non-current		**28,548,216**	29,138,421
Total liabilities		**$ 44,013,240**	$ 41,164,115
EQUITY			
Share capital	Note 11	**$ 60,355,270**	$ 60,352,066
Contributed surplus	Note 12	**10,177,547**	9,760,201
Warrants	Note 13	**14,978,819**	14,980,223
Cumulative translation adjustment		**(1,420,692)**	(680,339)
Deficit		**(76,938,844)**	(69,046,641)
		7,152,100	15,365,510
Total liabilities and equity		**$ 51,165,340**	$ 56,529,625

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 Loss and Comprehensive Loss

(Unaudited - expressed in Canadian dollars unless otherwise stated)

For the three months ended			March 31, 2026		March 31, 2025
Operating Expenses					
Demonstration plant costs	Note 14	$	1,176,257	$	-
Corporate, general and administrative expenses	Note 15		1,416,842		1,448,243
Total operating expenses			2,593,099		1,448,243
Depreciation	Note 4		3,685,896		117,279
Operating loss			6,278,995		1,565,522
Finance expenses and other items					
Foreign exchange (gain) loss, net			129,335		3,303
Change in fair value of Convertible Loan	Note 9		86,266		(62,441)
Finance expense, net	Note 16		1,397,607		770,792
Net loss		$	7,892,203	$	2,277,176
Other comprehensive loss					
Currency translation adjustment			740,353		1,397,981
Net loss and comprehensive loss for the period		$	8,632,556	$	3,675,157
Basic and diluted loss per share		$	0.02	$	0.01
Weighted average number of shares outstanding			333,832,025		274,313,330

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, 2024		**274,313,330**	**$ 57,769,065**	**$ 9,714,579**	**$ 14,117,851**	**$ 603,209**	**$ (60,305,783)**	**$ 21,898,921**
Stock-based compensation	12(iii)	-	-	18,470	-	-	-	18,470
Currency translation adjustment		-	-	-	-	(1,397,981)	-	(1,397,981)
Net loss		-	-	-	-	-	(2,277,176)	(2,277,176)
Balance at March 31, 2025		**274,313,330**	**57,769,065**	**9,733,049**	**14,117,851**	**(794,772)**	**(62,582,959)**	**18,242,234**
Private placement	11b(i)	59,493,695	3,569,622	-	-	-	-	3,569,622
Fair value of warrants issued in private placement	11b(i)	-	(835,772)	-	835,772	-	-	-
Fair value of finders warrants issued in private placement	11b(ii)	-	(26,600)	-	26,600	-	-	-
Share issuance costs	11b(i)	-	(124,249)	-	-	-	-	(124,249)
Stock-based compensation		-	-	27,152	-	-	-	27,152
Currency translation adjustment		-	-	-	-	114,433	-	114,433
Net loss		-	-	-	-	-	(6,463,682)	(6,463,682)
Balance at December 31, 2025	11b(ii)	**333,807,025**	**60,352,066**	**9,760,201**	**14,980,223**	**(680,339)**	**(69,046,641)**	**15,365,510**
Exercise of finders warrants	11b(ii)	30,000	3,204	-	(1,404)	-	-	1,800
Stock-based compensation	12(iii)	-	-	417,346	-	-	-	417,346
Currency translation adjustment		-	-	-	-	- 740,353	-	(740,353)
Net loss		-	-	-	-	-	(7,892,203)	(7,892,203)
Balance at March 31, 2026		**333,837,025**	**$ 60,355,270**	**$ 10,177,547**	**$ 14,978,819**	**$ (1,420,692)**	**$ (76,938,844)**	**$ 7,152,100**

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 three months ended			March 31, 2026		March 31, 2025
Operating activities					
Net loss		**$**	**(7,892,203)**	$	(2,277,176)
Adjusted for:					
Depreciation	Note 4		**3,685,896**		117,279
Stock-based compensation	Note 12(iii)		**368,800**		15,690
Finance expense, net			**1,413,002**		654,887
Fair value of Convertible Loan	Note 9		**86,266**		(62,441)
Unrealized foreign exchange gain, net			**26,774**		(57,832)
Changes in working capital and other:					
(Increase) in statutory receivable			**(36,247)**		(79,732)
Decrease in prepaids			**68,816**		203,756
Decrease in accounts payable and accrued liabilities			**205,579**		205,499
Cash used in operating activities			**(2,073,317)**		(1,280,070)
Investing activities					
Additions to property, plant and equipment	Note 4		**-**		(2,042,406)
Additions to exploration and evaluation expenditures	Note 5		**(1,303,844)**		(869,406)
Cash used in investing activities			**(1,303,844)**		(2,911,812)
Financing activities					
Proceeds from Convertible Loan	Note 9		**2,502,672**		5,408,450
Proceeds from exercise of warrants			**1,800**		-
Payment of lease liabilities	Note 7		**(63,229)**		(345,838)
Cash provided by financing activities			**2,441,243**		5,062,612
(Decrease) increase in cash			**(935,918)**		870,730
Cash position at beginning of the period			**3,272,871**		13,183,551
Effect of foreign exchange on cash			**-**		-
Cash position at end of the period		**$**	**2,336,953**	$	14,054,281

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 bespoke hydrometallurgical process to produce battery-grade manganese products for cathode precursor materials, critical to the EV 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 consolidated financial statements (“**Interim Financial Statements**”) have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and on a going concern basis, 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 period ended March 31, 2026, the Company reported a net loss of $7,892,203 (March 31, 2025 - $2,277,176) and had an accumulated deficit of $76,938,844 at March 31, 2026 (December 31, 2025 - $69,046,641). The Company has negative working capital of $12,759,290 as at March 31, 2026, compared to negative working capital of $8,339,107 as at December 31, 2025.

The Company’s ability to continue as a going concern is dependent on its ability to generate future cash flows or obtain additional financing. While management intends to secure additional funding, there can be no assurance that such financing will be obtained on a timely basis or on terms acceptable to the Company.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern.

2. Basis of preparation

(a) Statement of compliance

These Interim Financial Statements as at and for the three months ended March 31, 2026 and 2025 have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, as issued by the IASB.

These Interim Financial Statements do not include all disclosures required for annual financial statements and should be read in conjunction with the Company’s audited annual consolidated financial statements for the year ended December 31, 2025.

The accounting policies applied in these Interim Financial Statements are consistent with those applied in the Company’s most recent annual consolidated financial statements, unless otherwise noted.

These Interim Financial Statements were approved by the Board of Directors on June 1, 2026.

(Unaudited - expressed in Canadian dollars unless otherwise stated)

(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 is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

All intercompany transactions, balances, income and expenses have been eliminated on consolidation.

(c) 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 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, 2025, and there have been no significant changes in such estimates and judgments during the period. .

3. Prepaids and other assets

	March 31 2026	December 31 2025
Deposits and advance payments	**$ 59,557**	$ 64,308
Prepaid insurance and fees	**135,360**	206,103
Total prepaids and other assets	**$ 194,917**	$ 270,411

4. Property, plant and equipment

	Demonstration plant under construction	Demonstration plant	Furniture and Fixture	Equipment	Computer Equipment	Vehicles	ROU Property	ROU Equipment	Leasehold Improvements	Total
Cost										
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	8,876,891	-	-	79,168	2,044	38,740	692,920	-	-	9,689,763
Transfers	(28,400,409)	29,567,391	-	-	-	-	-	(1,166,982)	-	-
Disposal	-	-	-	-	(1,759)	-	-	-	-	(1,759)
Foreign exchange	(1,201,065)	1,411,626	(1,872)	1,579	(827)	(4,202)	16,363	(14,559)	(580)	206,463
At December 31, 2025	$ -	$ 30,979,017	$ 29,417	$ 130,654	$ 19,950	$ 122,655	$ 937,877	$ -	$ 9,117	$ 32,228,687
Foreign exchange	-	(495,586)	(1,471)	(4,846)	(833)	(6,134)	(29,409)	-	(456)	(538,735)
At March 31, 2026	**$ -**	**$ 30,483,431**	**$ 27,946**	**$ 125,808**	**$ 19,117**	**$ 116,521**	**$ 908,468**	**$ -**	**$ 8,661**	**$ 31,689,952**
Accumulated depreciation										
At December 31, 2024	$ -	$ -	$ (12,927)	$ (2,080)	$ (6,028)	$ (57,201)	$ (196,183)	$ (19,693)	$ (9,697)	(303,809)
Depreciation	-	(2,184,276)	(2,402)	(19,528)	(5,076)	(16,234)	(216,483)	(269,660)	-	(2,713,659)
Transfers	-	(302,552)	-	-	-	-	-	302,552	-	-
Disposal	-	-	-	-	828	-	-	-	-	828
Foreign exchange	-	(108,568)	707	(775)	131	2,974	2,125	(13,199)	580	(116,025)
At December 31, 2025	$ -	$ (2,595,396)	$ (14,622)	$ (22,383)	$ (10,145)	$ (70,461)	$ (410,541)	$ -	$ (9,117)	$ (3,132,665)
Depreciation expense	-	(3,614,669)	(513)	(7,093)	(1,294)	(4,367)	(57,960)	-	-	(3,685,896)
Foreign exchange	-	165,002	742	820	482	3,615	16,495	-	456	187,612
At March 31, 2026	**$ -**	**$ (6,045,063)**	**$ (14,393)**	**$ (28,656)**	**$ (10,957)**	**$ (71,213)**	**$ (452,006)**	**$ -**	**$ (8,661)**	**$ (6,630,949)**
Net book value:										
At December 31, 2025	$ -	$ 28,383,621	$ 14,795	$ 108,271	$ 9,805	$ 52,194	$ 527,336	$ -	$ -	$ 29,096,022
At March 31, 2026	**$ -**	**$ 24,438,368**	**$ 13,553**	**$ 97,152**	**$ 8,160**	**$ 45,308**	**$ 456,462**	**$ -**	**$ -**	**$ 25,059,003**

The demonstration plant became available for use on November 1, 2025, at which point depreciation commenced. Subsequent to this date, costs incurred are expensed as incurred (Note 14), unless they meet the criteria for capitalization in accordance with IAS 16.

(Unaudited - expressed in Canadian dollars unless otherwise stated)

During the year ended December 31, 2025, the Company exercised purchase options on certain leased equipment, resulting in the reclassification of the related right-of-use assets to the demonstration plant. In addition, borrowing costs of $3,363,849 (2024 – $1,138,748) related to the IDC convertible loan were capitalized in accordance with IAS 23.

In March 2026, the demonstration plant was placed under care and maintenance while the Company assesses strategic alternatives for its future use. Expenditures of $225,000 incurred during this period primarily relate to maintenance and preservation activities and have been expensed as incurred.

The placement of the demonstration plant on care and maintenance was identified as an indicator of impairment. Management performed an assessment in accordance with IAS 36, considering the temporary nature of the suspension, the continued strategic importance of the demonstration plant to the K.Hill Project, ongoing financing initiatives and the absence of changes to the intended use of the asset. Based on this assessment, management concluded that the recoverable amount of the demonstration plant exceeded its carrying value and, accordingly, no impairment was recognized as at March 31, 2026.

5. Exploration and evaluation assets

Botswana

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

	March 31 2026	December 31 2025
Opening balance	**$ 23,747,016**	$ 19,539,969
Exploration and drilling	**-**	-
Engineering studies	**440,573**	3,625,666
Administrative and other field operations	**227,744**	505,029
Geoscience and tailing storage facility	**99,883**	709,571
Metallurgical test work and analysis	**64,198**	148,907
Acquisition costs and permits	**-**	49,228
Geological studies	**2,654**	40,446
Environmental studies	**17,008**	123,760
Foreign exchange	**(1,198,473)**	(995,560)
Ending balance	**$ 23,400,603**	$ 23,747,016

South Africa

Rock Island Gold Project

The Company previously entered into a joint operation agreement for the Rock Island assets with Corridor Mining Resources (“**CMR**”). The joint operation was conducted through Rock Island, a company incorporated in South Africa, of 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 March 31, 2026, the Company is working with CMR to complete and close the Rock Island Agreement.

(Unaudited - expressed in Canadian dollars unless otherwise stated)

6. Accounts payable and accrued liabilities

		March 31 2026		December 31 2025
Trade payables	$	**651,955**	$	1,345,519
Accrued liabilities		**920,067**		590,351
Total	$	**1,572,022**	$	1,935,870

7. Lease liabilities

		March 31 2026		December 31 2025
Lease liabilities, beginning of the period	$	**554,857**	$	1,122,835
Additions		**-**		692,920
Finance cost		**10,782**		109,262
Lease payments		**(63,229)**		(1,325,391)
Foreign exchange		**(13,413)**		(44,769)
Lease liabilities, end of the period	$	**488,997**	$	554,857

		March 31 2026		December 31 2025
Current portion of lease liabilities	$	**237,442**	$	235,037
Non-current portion of lease liabilities		**251,555**		319,820
Total	$	**488,997**	$	554,857

The Company has entered into leases with incremental borrowing 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.

8. 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 periods ended March 31, 2026 and December 31, 2025 are as follows:

Transaction type	**Nature of relationship**		**March 31 2026**		March 31 2025
Remuneration	Officers	$	**342,284**	$	245,178
Director fees	Directors		**55,645**		68,038
Demonstration plant	Officer		**-**		254,223
Exploration and evaluation expenditures	Officer		**6,007**		105,759
Corporate, general and administrative expenses	Officer		**43,850**		45,000
Stock-based compensation	Directors and officers		**321,872**		3,270
Total		$	**769,658**	$	721,468

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

Transaction type	**Nature of relationship**		**March 31 2026**		December 31 2025
Remuneration and other	Officers and directors	$	**103,930**	$	104,281

(Unaudited - expressed in Canadian dollars unless otherwise stated)

9. Convertible loan

The Company has a convertible loan facility with the Industrial Development Corporation of South Africa Limited (the "**IDC Facility**") of ZAR 300,000,000 (approximately $22.6 million), which was fully drawn as at December 31, 2025, as described in Note 9 to the Company's audited consolidated financial statements. The IDC Facility consists of:

- a ZAR 234,375,000 facility made available to Giyani Metals South Africa Proprietary Limited ("**GMSA**"), a wholly owned subsidiary of Menzi (the "**GMSA Facility**"); and
- a ZAR 65,625,000 facility made available to Menzi (the "**Menzi Facility**").

The IDC Facility bears interest at the South African prime rate plus 3% (13.25% at March 31, 2026; December 31, 2025 – 13.25%), compounded monthly. Following the demonstration plant being available for use on November 1, 2025, interest is recognized in the consolidated statement of loss and comprehensive loss. No borrowing costs were capitalized during the three months ended March 31, 2026.

On February 26, 2026, the Company entered into a second amendment to the IDC Facility. The amendment increased the total facility amount by ZAR29.9 million, extended the availability period to June 30, 2026, and introduced additional funding conditions and security requirements.

The amended terms include requirements for the Company to secure additional funding to advance the project and meet revised development milestones. The Company is actively pursuing financing to meet these requirements.

The GMSA Facility matures on April 23, 2028 and the Menzi Facility matures on May 2, 2028.

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

There were no covenant breaches under the GMSA Facility or Menzi Facility during the period ended March 31, 2026.

The IDC Facility continues to be designated at fair value through profit or loss ("FVTPL").

Reconciliation of movement in IDC Facility is as follows:

		March 31 2026	December 31 2025
Convertible Loan, beginning of period		**$ 31,039,666**	$ 21,679,558
Proceeds from draw-downs/borrowings		**2,502,672**	5,408,450
Interest capitalized		**-**	2,225,101
Interest expensed	Note 16	**1,017,764**	1,255,865
Fair value changes		**86,266**	482,975
Foreign currency translation		**(848,319)**	(12,283)
Convertible loan, end of the period		**$ 33,798,049**	$ 31,039,666
Convertible loan - current liability		**13,655,560**	9,854,787
Convertible loan - non-current liability		**20,142,489**	21,184,879
Convertible loan - total liability		**$ 33,798,049**	$ 31,039,666

10. Financial liability

The Company received $13,440,236 (US$10 million) funding from ARCH Sustainable Resources Fund L.P. ("**ARCH**") on February 20, 2024, which included a gross revenue royalty, as described in Note 13 to the Company's audited consolidated financial statements for the year ended December 31, 2025.

The royalty obligation is accounted for as a financial liability and is measured at amortized cost using the effective interest method.

During the year ended December 31, 2025, the Company revised the project schedule, resulting in a change to the expected timing of future royalty payments. This was assessed as a substantial modification under IFRS

(Unaudited - expressed in Canadian dollars unless otherwise stated)

9 - Financial Instruments, and the original financial liability was derecognized and a new financial liability was recognized. The Company recognized a gain on extinguishment of the original financial liability of $2,306,012 in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2025.

There were no further modifications to the royalty arrangement during the three months ended March 31, 2026.

The activity for the three months ended March 31, 2026, is as follows:

			March 31 2026		December 31 2025
Financial liability, beginning of the period		**$**	**7,633,722**	$	8,849,494
Accretion	Note 16		**384,456**		1,519,408
Gain on extinguishment of financial liability			**-**		(2,306,012)
Foreign exchange			**135,994**		(429,168)
Financial liability, end of the period		**$**	**8,154,172**	$	7,633,722

11. 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, 2024		**274,313,330**	**$**	**57,769,065**
Private placement	(i)	59,493,695		3,569,622
Fair value of warrants issued in private placement	(i)	-		(835,772)
Fair value of warrants issued in subscription agreement	(i)	-		(26,600)
Share issuance costs	(i)			(124,249)
Balance, December 31, 2025		**333,807,025**	**$**	**60,352,066**
Exercise of finder's warrants	(ii)	30,000		3,204
Balance, March 31,2026		**333,837,025**	**$**	**60,355,270**

i. On August 18, 2025, the Company completed a non-brokered private placement for gross proceeds of $3,569,622 through the issuance of 59,493,695 units for $0.06 per unit, with each unit consisting of one common share and one-half of one common share purchase warrant. Of the total units issued, $193,800 related to the settlement of outstanding obligations.

   Each whole common share purchase warrant entitles the holder to acquire one common share for $0.085 per share for a period of three years, expiring August 18, 2028. The 29,746,845 share purchase warrants issued in connection with the placement were assigned a fair value of $835,772. Fair value was determined using the Black-Scholes option pricing model with the following weighted average assumptions: share price $0.07, dividend yield of 0%; expected volatility of 102.44%; risk-free interest rate of 2.74%; and an expected life of three years.

   In connection with the placement, the Company also issued 569,000 non-transferable finder's warrants. Each finder's warrant entitles the holder to acquire one common share for $0.06 per share for a period of three years from the closing date. The finder's warrants were assigned a fair value of $26,600, estimated using the same Black-Scholes model and assumptions as above, except for an exercise price of $0.06. The fair value of these warrants was included in total share issuance costs.

   Share issuance costs totaled $150,849, including the fair value of finder's warrants, of which $124,249 was paid in cash.

ii. During the three months ended March 31, 2026, 30,000 finder's warrants with an exercise price of $0.06 were exercised for gross proceeds of $1,800. The fair value of the finder's warrants exercised was $1,404, which was reallocated from warrants to share capital.

(Unaudited - expressed in Canadian dollars unless otherwise stated)

12. 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, 2024		**12,366,667**	**$**	**0.22**
Forfeited	(i)	(283,333)		0.11
Expired	(ii)	(6,883,334)		0.19
Balance, December 31, 2025		**5,200,000**	**$**	**0.25**
Granted	(ii)	10,650,000		0.08
Balance, March 31, 2026		**15,850,000**	**$**	**0.14**

Stock options outstanding as at March 31, 2026:

Expiry date	**Exercise price ($)**	**Remaining contractual life (years)**	**Total options**	**Options exercisable**
April 21, 2026	0.53	0.30	875,000	875,000
September 02, 2026	0.48	0.67	650,000	650,000
April 01, 2027	0.33	1.25	225,000	225,000
June 17, 2027	0.36	1.46	300,000	300,000
January 26, 2029	0.115	3.07	650,000	650,000
February 20, 2029	0.11	3.14	2,500,000	2,500,000
January 06, 2031	0.08	4.77	10,650,000	4,816,667
		3.84	**15,850,000**	**10,016,667**

(i) During year ended December 31, 2025, 283,333 stock options with an exercise price of $0.11 were forfeited and 6,883,334 stock options with exercise prices between $0.11 and $0.48 expired unexercised.

(ii) During the three months ended March 31, 2026, the Company granted 10,650,000 stock options to certain directors, consultants, and employees in accordance with the Company's stock option plan. Each option is exercisable into one common share of the Company at an exercise price of $0.08 per share for a period of five years from the date of grant.

Of the total options granted, 1,900,000 options were granted to directors and vested immediately. The remaining stock options vest one-third on the grant date and one-third on each of the first and second anniversaries of the grant date.

The fair value of the stock options granted was $752,015, determined using the Black-Scholes option pricing model with the following assumptions: share price of $0.09; dividend yield of 0%; expected volatility of 103.61% (based on historical share price data); risk-free interest rate of 2.97%; and an expected life of five years.

(iii) During the three months ended March 31, 2026, the Company recorded stock-based compensation in connection with the vesting of options totaling $417,346 (March 31, 2025 - $18,470). The allocation of this charge is as follows:

(Unaudited - expressed in Canadian dollars unless otherwise stated)

For the three months ended		March 31 2026		March 31 2025
Consolidated statement of loss and comprehensive loss	$	368,800	$	15,690
Demonstration plant under construction		-		(6,536)
Exploration and evaluation assets		48,546		9,316
	$	417,346	$	18,470

13. Warrants

Warrant transactions are summarized as follows:

		Number of warrants outstanding		Weighted average exercise price
Balance, December 31, 2024		**54,835,235**	**$**	**0.225**
Issued private placement and finder's warrants	Note 11b(i)	30,315,845		0.085
Balance, December 31, 2025		**85,151,080**	**$**	**0.175**
Exercise of finder's warrants	Note 11b(ii)	(30,000)		0.060
Balance, March 31, 2026		**85,121,080**	**$**	**0.175**

Warrants outstanding as at March 31, 2026:

Expiry date	Exercise price ($)	Remaining contractual life (years)	Warrants exercisable
August 18, 2028	0.085	2.39	29,746,845
August 18, 2028 (Finder's warrants)	0.060	2.39	539,000
February 20, 2029	0.085	2.90	54,835,235
		2.71	**85,121,080**

14. Demonstration plant costs

For the three months ended		March 31 2026		March 31 2025
Demonstration Plant labour costs	$	835,563	$	-
Demonstration Plant site and laboratory costs		175,054		-
Demonstration Plant operating costs		165,640		-
	$	1,176,257	$	-

15. Corporate, general and administrative

For the three months ended		March 31 2026		March 31 2025
Remuneration	$	539,227	$	658,237
Stock-based compensation		368,800		15,690
Travel		106,627		107,814
Accounting and audit		85,954		204,385
General and administrative		72,560		57,113
Director fees		55,645		68,038
Investor relations and marketing		54,478		123,239
Filing and compliance fees		51,417		24,037
Legal		48,613		51,063
Insurance		19,252		28,616
Corporate development		14,166		50,890
Human resources		103		59,121
	$	1,416,842	$	1,448,243

(Unaudited - expressed in Canadian dollars unless otherwise stated)

16. Finance expense, net

For the three months ended		March 31 2026	March 31 2025
Accretion	Note 10	**$ 384,456**	$ 444,363
Transaction costs		**-**	213,853
Interest on convertible loan	Note 9	**1,017,764**	170,236
Interest on lease liabilities	Note 7	**10,782**	40,288
Commitment fees		**514**	5,012
Bank charges and other		**2,231**	2,419
Interest income		**(18,140)**	(105,379)
		$ 1,397,607	$ 770,792

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 March 31, 2026, the Company did not have sufficient working capital to meet the six-month requirement and is dependent on securing additional financing to fund its operations and meet its obligations as they become due.

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 currently consist of accounts payable and accrued liabilities, and lease liabilities.

The Company had cash at March 31, 2026, of $2,336,953 (December 31, 2025: $3,272,871). As at March 31, 2026, the Company had total liabilities of $44,013,240 (December 31, 2025: $41,164,115).

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 March 31, 2026, a 10% depreciation or appreciation of the South African rand, Botswana pula and United States dollar against the Canadian dollar would be approximately $1,465,637.

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 IDC Facility is measured at fair value through profit or loss and is valued using a Monte Carlo simulation. Consistent with the prior year, the instrument is classified within Level 2 of the fair value hierarchy, as the significant inputs used in the valuation are based on observable market data. The fair value of the convertible loan is $33,798,049. A 5% increase or decrease in assumptions would change the fair value by approximately $1.7 million.

The ARCH royalty financial liability is measured at amortized cost. The fair value of the liability is determined using a discounted cash flow model based on internal project cash flow assumptions and is classified within Level 3 of the fair value hierarchy.

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 not result in a material change to the carrying value as at March 31, 2026.

During the period ended March 31, 2026, there were no transfers between levels 1, 2 and 3 and there were no changes in valuation techniques

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 in South Africa and (2) Corporate, which includes all other entities within the Company.

(Unaudited - expressed in Canadian dollars unless otherwise stated)

March 31, 2026	**Botswana Battery Metals Project**	**Corporate**	**Total**
Total assets	**$ 50,576,115**	**$ 589,225**	**$ 51,165,340**
Total liabilities	**35,440,760**	**8,572,480**	**44,013,240**
Net loss	**6,168,282**	**1,723,921**	**7,892,203**

December 31, 2025	Botswana Battery Metals Project	Corporate	Total
Total assets	$ 54,214,322	$ 2,315,303	$ 56,529,625
Total liabilities	33,090,603	8,073,512	41,164,115
Net loss	5,992,086	2,748,772	8,740,858

20. Commitments

	Within one year	**Two-five years**	**Total**
Construction in progress	$ 173,169	$ -	$ 173,169
Minimum lease payments	237,442	251,555	488,997
	$ 410,611	**$ 251,555**	**$ 662,166**

A contingent payment of R1 million ($78,000) is scheduled for 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 May 28, 2026, the Company announced the results of its Definitive Feasibility Study ("DFS"). The DFS supports the declaration of Mineral Reserves and includes an updated Mineral Resource estimate. The Company expects to file the supporting National Instrument 43-101 Technical Report within 45 days of the announcement.