African Metals Corporation
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the three months ended August 31, 2021 and 2020
(Expressed in Canadian Dollars)

African Metals Corporation

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

As at	**August 31 2021 $**	May 31 2021 $
ASSETS		
Current		
Cash and cash equivalents	**1,435,419**	1,390,197
Other receivables	**40,814**	40,086
Prepaid expenses	**2,102**	-
	1,478,335	1,430,283
Non-current		
Reclamation bond (note 3)	**31,606**	31,606
Total assets	**1,509,941**	1,461,889
LIABILITIES		
Current		
Trade and other payables	**93,328**	149,159
Total current liabilities	**93,328**	149,159
SHAREHOLDERS' EQUITY		
Common shares, proceeds to be received, reserves and other comprehensive income (note 5)	**32,030,596**	31,863,346
Deficit	**(30,613,983)**	(30,550,616)
Total shareholders' equity	**1,416,613**	1,312,730
Total liabilities and shareholders' equity	**1,509,941**	1,461,889

Nature of operations and going concern (note 1)
Subsequent event (note 11)

Approved on behalf of the board:

(signed) "David Mason"
Director

(signed) "John O'Donnell"
Director

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

African Metals Corporation

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

For the three months ended August 31	**2021**	2020
	$	$
Expenses		
Exploration and project evaluation (note 4)	**-**	6,393
General and administrative (note 7)	**60,255**	62,325
Foreign exchange loss	**3,112**	58,277
Net loss and comprehensive loss for the period	**63,367**	126,995
Loss per share – basic and fully diluted	**0.00**	0.01
Weighted average shares outstanding – basic and fully diluted	**18,038,681**	14,038,682

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

African Metals Corporation

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)

For the three months ended August 31	**2021**	2020
	$	$
Operating activities		
Net loss for the period	**(63,367)**	(126,995)
Items not affecting cash		
Foreign exchange	**-**	15,680
Net change in non-cash working capital balances related to operating activities:		
Other receivables	**(728)**	(23,392)
Prepaid expenses	**(2,102)**	-
Trade and other payables	**(55,831)**	(106,011)
Cash used in operating activities	**(122,028)**	(256,398)
Financing activities		
Issuance of common shares for cash, net of issuance expenses	**167,250**	-
Cash provided from financing activities	**167,250**	-
Net increase (decrease) in cash	**45,222**	(240,718)
Cash and cash equivalents, beginning of the period	**1,390,197**	1,842,910
Cash and cash equivalents, end of the period	**1,435,419**	1,602,192

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

African Metals Corporation
Condensed Consolidated Interim Statements of Equity
(Expressed in Canadian dollars)

	Share Capital		Proceeds to be received	Reserves	Sub-total	Deficit	Total
	#	$	$	$	$	$	$
Balance, May 31, 2020	**14,038,681**	**31,732,846**	**-**	**4,350,647**	**36,083,493**	**(34,294,761)**	**1,788,732**
Net income for the period	-	-	-	-	-	(126,995)	(126,995)
Balance, August 31, 2020	**14,038,681**	**31,732,846**	**-**	**4,350,647**	**36,083,493**	**(34,421,756)**	**1,661,737**
Private placement	4,000,000	300,000	-	-	300,000	-	300,000
Share issuance costs	-	(2,250)	-	-	(2,250)	-	(2,250)
Private placement proceeds to be received	-	-	(167,250)	-	(167,250)	-	(167,250)
Reserves transferred to deficit (note 5)	-	-	-	(4,350,647)	(4,350,647)	4,350,647	-
Net loss for the period	-	-	-	-	-	(479,507)	(479,507)
Balance, May 31, 2021	**18,038,681**	**32,030,596**	**(167,250)**	**-**	**31,863,346**	**(30,550,616)**	**1,312,730**
Private placement proceeds received	-	-	167,250	-	167,250	-	167,250
Net loss for the period	-	-	-	-	-	(63,367)	(63,367)
Balance, August 31, 2021	**18,038,681**	**32,030,596**	**-**	**-**	**31,863,346**	**(30,613,983)**	**1,312,730**

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements

1. Nature of operations, basis of presentation and going concern uncertainty

African Metals Corporation (the “African Metals” or the “Company”), an exploration stage company, was continued under the British Columbia Business Corporations Act effective January 4, 2005. Its current principal business activity is the exploration and evaluation of mineral assets.

On April 26, 2019, the Company announced that it had entered into an agreement whereby the Company may acquire a 51% interest in the Silver Bell - St. Lawrence Gold Project, in the Virginia City Mining District of Montana, USA (the “Project”) (Note 4).

The Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company has presented the Financial Statements for the three-month period ended August 31, 2021, and the comparative figures for the three-month period ended August 31, 2020. The Financial Statements have been prepared by management and approved by the Board of Directors on October 27, 2021.

These Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. African Metals is at an early stage of development and as is common with many exploration companies, it raises financing for its exploration and acquisition activities. As at August 31, 2021, the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. As at August 31, 2021, African Metals had a working capital surplus of $1,385,007 (a working capital surplus of $1,281,124 as at May 31, 2021), and has incurred losses since inception resulting in an accumulated operating deficit of $30,613,983. The Company’s ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurance that the Company will be successful in this regard, and therefore, there is substantial doubt regarding the Company’s ability to continue as a going concern, and accordingly, the use of accounting principles applicable to a going concern. These Financial Statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption were not appropriate for these Financial Statements, then adjustments to the carrying values of the assets and liabilities, the expenses and the balance sheet classifications, which could be material, would be necessary. The Company is not at risk as to its ability to meet its financial obligations or its administrative expenses in the reasonably foreseeable future as it has sufficient cash to meet obligations for at least the next 12 months.

2. Significant accounting policies

These Financial Statements have been prepared in accordance with IFRS as issued by the IASB applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The Financial Statements do not include all financial risk management information and disclosures as required in the audited annual financial statements. The Financial Statements should be read in conjunction with the audited annual financial statements for the year ended May 31, 2021, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies and methods of computation remain the same as presented in the audited annual financial statements for the year ended May 31, 2021.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these Financial Statements. The interim results for the three-month periods ended August 31, 2021, may not be indicative of the results for the year ending May 31, 2022.

(Expressed in Canadian dollars)

3. Reclamation bond

In connection with the Company's Silver Bell – St. Lawrence Gold Project, the Company posted a reclamation bond during the year ended May 31, 2020 with the State of Montana's Department of Environmental Quality in the amount of US$25,000.

4. Exploration and evaluation assets

Silver Bell – St. Lawrence Gold Project
On April 26, 2019, the Company entered into an agreement with a related party whereby the Company may acquire a 51% interest in the Silver Bell - St. Lawrence Gold Project, in the Virginia City Mining District of Montana, USA (the "Project"). Under the agreement, the Company may earn a 51% interest in the Project by making annual US$10,000 option payments (waived for 2020 and deferred by agreement for 2021) and spending US$1,000,000 in exploration expenditures within four years with a minimum of $200,000 in expenditures during the first two years.

A summary of exploration and evaluation expenditures is as follows:

	For the three months ended August 31 2021 $	Cumulative to May 31 2021 $
Assays	-	13,454
Drilling	-	187,497
Geology and field operations	-	86,951
Reporting	-	36,968
Other	-	5,664
	-	330,524

Based on the expenditures up to the year ended May 31, 2021, the Company has met the minimum of US$200,000 required. During this time period, the Company spent US$242,382.

5. Shareholders' equity

The authorized share capital of the Company is unlimited shares without par value.
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Share capital
Share capital comprises the following:

	Number of shares	Amount $
Balance, May 31, 2020	**14,038,681**	**31,732,846**
Private placement	4,000,000	300,000
Share issuance costs	-	(2,250)
Balance, May 31, 2021 and August 31, 2021	**18,038,681**	**32,030,596**

On May 18, 2021, the Company closed a private placement financing for gross proceeds of $300,000. The financing consisted of the issuance of 4,000,000 common shares at $0.075 per share. Of the gross proceeds $167,250 was received on June 2, 2021.

Stock options
The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's share capital issuable pursuant to options

(Expressed in Canadian dollars)

granted under the Plan may not exceed 10% of the issued and outstanding shares.

Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the discounted market price of the shares (defined as the last closing market price of the Company's shares immediately preceding the issuance of a news release announcing the granting of the options, less the maximum discount permitted by TSX Venture Exchange Policy) or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange. All options granted under the Plan will become vested in full upon grant, except options granted to consultants performing investor relations activities, which options are subject to vesting restrictions such that one-quarter of the options shall vest every three months subsequent to the date of the grant of the options.

The following summary sets out the activity in the Plan:

	Options #	Weighted average exercise price $
Outstanding and exercisable, May 31, 2020	**650,000**	**0.05**
Expired	(650,000)	0.05
Outstanding May 31, 2021 and August 31, 2021	**-**	**-**

Reserves for stock options were transferred to deficit upon expiry of the stock options.

6. Related party transactions

Compensation of key management and directors
Key management compensation expense includes the Chief Executive Officer, the Chief Financial Officer and directors. Compensation for the three months ended August 31, 2021 was $47,000 (August 31, 2020 - $42,000). Balances owing at August 31, 2021 were $19,000 (May 31, 2020 - $15,170) and are included in accounts payable.

7. General and administrative expenses

For the three months ended August 31	**2021** **$**	2020 $
Consulting, management and directors' fees	**47,000**	42,000
Professional fees (legal & audit)	**11,835**	5,349
Shareholder communications, advertising and promotion	**8,936**	8,669
Rent	**6,306**	6,600
Other	**(13,822)**	(293)
	60,255	62,325

8. Capital management

The mineral properties of the Company are in the exploration and development stage and, as a result, the Company currently has no source of operating cash flow. The Company intends to raise such funds as and when required to complete its projects. There is no assurance that the Company will be able to raise additional funds on reasonable terms. The only sources of future funds presently available to the Company are through the issuance of share and debt instruments. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years. The Company is not subject to any externally imposed capital requirements.

9. Financial instrument risk management

a) Fair value of financial instruments

The carrying value of cash, trade and other payables and due to related party approximates fair value due to the short-term nature of these financial instruments.

As of August 31, 2021, except for cash, none of the Company's financial instruments are recorded at fair value in the statements of financial position. Cash is classified as level 1 fair value.

b) Risk management

Credit risk
Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company is exposed to credit risk with respect to its cash. To minimize this risk, cash has been placed with major Canadian financial institutions.

Liquidity risk
Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, against cash and short-term investments. As at August 31, 2021, the Company has $1,435,419 in cash and current liabilities of $93,328. As the Company does not have operating cash flow, the Company has and will continue to rely primarily on equity financing to meet its capital requirements.

Market risk
Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its short-term investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. In addition, most of the Company's investments are in the resource sector.

Foreign currency risk
The Company's functional currency is the Canadian Dollar. There were minimal operational expenses and expenditures incurred by the Company in US Dollars. The assets and liabilities of the Company are recorded in Canadian Dollars.

The following summarizes the Canadian dollar amount of assets and liabilities denominated in other currencies

	US $
Cash	**1,223,241**

Based on the foreign currency exposure noted above, a 10% change in the exchange rate against the

Canadian dollar would result in an increase/decrease of $123,000 in net income.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Interest rate risk
Aside from cash and cash equivalents, the Company has no interest-bearing assets or debts. The Company excess cash balance earns interest in the accounts holding cash. The Company reviews its interest rate exposure periodically, considering potential renewals of existing positions and alternative financial investments. The Company is not exposed to significant interest rate risk.

Price Risk
The Company has no operating revenue, as a result the market price of the commodities it is exploring for does not have a material effect on the financial results of the Company.

Title and rights
The Company has investigated title to all of its exploration properties and, to the best of its knowledge, title to all of its properties, and properties that it has the right to acquire or earn an interest in are in good standing; however, the Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. These defects could adversely affect the Company's title to such properties or delay or increase the cost of the development of such properties.

COVID-19
Since March 2020, several governmental measures have been implemented in Canada and the rest of the world in response to the coronavirus (COVID-19) pandemic. While the impact of COVID-19 and these measures are expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company's business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2020. The Company continues to operate its business, and in response to Federal and Provincial emergency measures, has requested that its employees and consultants work remotely wherever possible. These government measures, which could include government mandated closures of the Company or its contractors, along with restrictions on access which may be imposed by Aboriginal/First Nations communities associated with the Company's properties in response to COVID-19, could impact, the Company's ability to access its exploration properties and conduct its exploration programs and business in a timely manner. The Company is evaluating the best way to move its exploration and other business activities forward during this pandemic and when the emergency measures are lifted.

10. Contingencies

On May 31, 2020, the Company abandoned its inactive subsidiaries KMR and LME. There were no assets or liabilities associated with these companies and as such, the gain on the abandonment of KMR and LME was $1,198,348 which represented the accumulated other comprehensive income reclassified to profit and loss. KMR and LME were legally dissolved on June 1, 2020. Should the DRC government and other vendors attempt to collect past dues, there is a risk the Company would be liable for these funds. The Company believes that the risk is remote.

11. Subsequent event

On September 1, 2021, the Company granted officers and directors a total of 1,800,000 stock options exercisable at $0.09 for a period of 5 years.