

NOTICE TO READER

On June 30, 2022, Battery Metals Royalties Corp. (the “Issuer”) filed the condensed interim consolidated financial statements for the three months ended March 31, 2022 of the Issuer (the “Interim Financial Statements”) in accordance with section 4.4 of National Instrument 51-102 – Continuous Disclosure Obligations.

The Interim Financial Statements have been refiled to incorporate non-material changes following a review of the Interim Financial Statements performed by the Issuer’s auditors in accordance with applicable standards. The changes to the Interim Financial Statements are as follows:

1. updated board of director approval from May 30, 2022 to June 30, 2022;
2. removed the “Notice of No Auditor Review of Interim Financial Statements”;
3. decrease of deficit and increase of non-controlling interest (\$412,826) within Equity and additional disclosure added to related Note 11;
4. reclassification of cash acquired from acquisition of Flying Nickel of \$6,715,407 from financing activities to investing activities on the cash flow statement;
5. disclosure of capital transactions undertaken by subsidiaries (Flying Nickel - \$2,818,794 and Nevada Vanadium - \$1,193,000) added to supplemental cash flow information; and
6. other immaterial changes.



BATTERY METALS ROYALTIES CORP.

Battery Metals Royalties Corp.

**Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2022**

(Expressed in Canadian Dollars)

Unaudited – Prepared by Management

RESPONSIBILITY FOR UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Battery Metals Royalties Corp. and all information in this financial report are the responsibility of the Board of Directors and Management. The interim unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), including International Accounting Standard (“IAS”) 34 – Interim Financial Reporting and, where appropriate, include management’s best estimates and judgments. Management maintains a system of internal control designed to provide reasonable assurance that assets are safeguarded from loss or unauthorized use, and that financial information is timely and reliable. However, any system of internal control over financial reporting, no matter how well designed and implemented, has inherent limitations and may not prevent or detect all misstatements. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the unaudited condensed interim consolidated financial statements. The Board of Directors carries out this responsibility principally through its Audit Committee. The Board of Directors appoints the Audit Committee, and all of its members are independent directors. The Audit Committee meets periodically with Management and the auditors to review internal controls, audit results, accounting principles and related matters. The Board of Directors approves the unaudited condensed interim consolidated financial statements on recommendation from the Audit Committee.

“John Lee”

John Lee, Chief Executive Officer

“Katerina Deluca”

Katerina Deluca, Chief Financial Officer

June 30, 2022

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BATTERY METALS ROYALTIES CORP.
Condensed Interim Consolidated Statements of Financial Position
As at March 31, 2022 and December 31, 2021
(Expressed in Canadian Dollars) (Unaudited)

	Notes	As at March 31, 2022	As at December 31, 2021
Assets			
Current assets			
Cash		\$ 5,044,393	\$ -
Receivables		42,429	-
Prepaid expenses	5,14	354,267	-
Due from related party	14	1,371,284	1
		6,812,373	1
Non-current assets			
Property and equipment	6	62,216	-
Mineral properties	7	56,189,674	-
Total assets		\$ 63,064,263	\$ 1
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	14	\$ 1,031,010	\$ 104,862
Due to related party	14	254,814	-
Premium on flow-through shares	9	74,191	-
		1,360,015	104,862
Equity			
Share Capital	10	25,874,291	1
Deficit		(1,935,275)	(104,862)
Total Shareholder's Equity		23,939,016	-
Non-controlling interest	11	37,765,232	-
Total equity		61,704,248	(104,861)
Total liabilities and equity		\$ 63,064,263	\$ 1

Description of Business and Nature of Operations (Note 1)
Subsequent Events (Note 13)

Approved on behalf of the Board:

"Danniel Oosterman"

"Harald Batista"

Danniel Oosterman
Director

Harald Batista
Director

Vancouver, British Columbia
June 30, 2022

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

BATTERY METALS ROYALTIES CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three months ended March 31, 2022
(Expressed in Canadian Dollars) (Unaudited)

	Notes	Three months ended March 31, 2022
General and Administrative Expenses		
Advertising and promotion	\$	476,703
Consulting and management fees	14	360,175
Depreciation	6	3,275
Directors fees	14	19,000
Insurance		4,542
Stock exchange and shareholder services		105,833
Office and administration		60,452
Salaries and benefits	14	344,566
Shared based payments	14	110,219
Professional fees		245,810
Travel and accomodation		52,487
		1,783,062
Other items		
Recovery of flow-through liability	9	(58,034)
Impairment	8	624,901
		2,349,929
Loss and Comprehensive Loss for the Period		
	\$	2,349,929
Loss attributable to:		
Shareholders		1,408,691
Non - controlling interest	11	941,238
	\$	2,349,929
Basic and diluted loss per common share attributable to shareholders		
		0.02
Weighted Average Number of Common Shares Outstanding		
		67,555,556

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

BATTERY METALS ROYALTIES CORP.
Condensed Interim Consolidated Statements of Changes in Equity
For the three months ended March 31, 2022
(Expressed in Canadian Dollars) (Unaudited)

	Notes	Number of shares issued and outstanding	Share Capital	Deficit	Total Shareholder's equity	Non- controlling interest	Total
Balance, December 31, 2021		1	\$ 1	\$ (104,862)	(104,861) \$	- \$	(104,861)
Share cancelled on completion of the Arrangement	10	(1)	(1)	-	(1)	-	(1)
Shares issued under the Arrangement	10	80,000,000	25,874,291	-	25,874,291	-	25,874,291
Recognition of non-controlling interest	11	-	-	-	-	34,743,666	34,743,666
Decrease in ownership of subsidiaries	11	-	-	(421,722)	(421,722)	4,283,887	3,862,165
Subsidiary share issue costs	11	-	-	-	-	(321,083)	(321,083)
Net loss and comprehensive loss for the period		-	-	(1,408,691)	(1,408,691)	(941,238)	(2,349,929)
Balance, March 31, 2022		80,000,000	\$ 25,874,291	\$ (1,935,275)	23,939,016 \$	37,765,232 \$	61,704,248

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

BATTERY METALS ROYALTIES CORP.
Condensed Interim Consolidated Statements of Cash Flows
For the three months ended March 31, 2022
(Expressed in Canadian Dollars) (Unaudited)

	Notes	Three months ended March 31, 2022
Operating Activities		
Net loss for period		\$ (2,349,929)
Items not affecting cash		-
Recovery of flow-through liability	9	(58,034)
Share based payment		110,219
Depreciation	6	3,275
Impairment of royalty interests	8	624,901
Changes to working capital items		
Receivables		(42,429)
Prepaid expenses	5	48,043
Due from related party	14	840,656
Accounts payable and accrued liabilities		(157,844)
Cash Used in Operating Activities		(981,142)
Investing Activities		
Cash acquired from acquisition of Flying Niickel	11	6,715,407
Cash acquired from acquisition of Nevada Vanadium	11	12,675
Mineral property expenditures	7	(537,668)
Cash Provided by Investing Activities		6,190,414
Financing Activities		
Share issue costs by subsidiary		(164,879)
Cash Used in Financing Activities		(164,879)
Net increase in cash		5,044,393
Cash - beginning of period		-
Cash - end of period		\$ 5,044,393

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

BATTERY METALS ROYALTIES CORP.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2022

(Expressed in Canadian Dollars) (Unaudited)

1. DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Battery Metals Royalties Corp. (the “Company” or “Battery Metals”) is a resource royalty and streaming investment company that is focused on acquiring investment opportunities in privately held and publicly traded companies with a focus on publicly traded resource issuers. The Company was incorporated as part of a plan of arrangement (the “Arrangement”). Pursuant to the Arrangement, the Company acquired investments in mineral exploration stage companies, Flying Nickel Mining Corp. (“Flying Nickel”) and Nevada Vanadium Mining Corp. (“Nevada Vanadium”) as well as certain mineral property royalties.

The Company was incorporated on July 9, 2021, under the laws of the province of British Columbia, Canada and maintains its registered and records office at Suite 1610 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

Following the completion of the Arrangement, as described in Note 2, the Company has a portfolio of royalty assets and equity holdings in the mineral resource industry.

These unaudited interim condensed consolidated financial statements (the “Interim Financial Statements”) have been prepared under the assumption that the Company is a going concern, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. As at March 31, 2022, the Company had a deficit of \$1,935,275. The operations of the Company have been primarily funded by the contributions of its parent company, Silver Elephant Mining Corp., and the issuance of capital stock.

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financings or generate profitable operations in the future. These material uncertainties may cast significant doubt on the entity’s ability to continue as a going concern. The consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue its business.

2. ARRANGEMENT AND TRANSFER OF ASSETS

On January 14, 2022, Silver Elephant Mining Corp. (“Silver Elephant” or “ELEF”) completed a strategic reorganization of its business through the Arrangement under the Business Corporations Act (British Columbia) pursuant to which certain assets of ELEF were spun-out to the Company. Pursuant to the Arrangement, the common shares of Silver Elephant Mining Corp. were consolidated on a 10:1 basis and each holder of common shares received in exchange for every 10 pre-Consolidation common shares held: (i) one post Consolidation common share of Silver Elephant Mining Corp.; (ii) one common share of Flying Nickel; (iii) one common share of Nevada Vanadium, and (iv) two common shares of Battery Metals.

The fair value of the net assets contributed pursuant to the Arrangement consisted of the following:

	Fair value of net assets	
Assets:		
Investment in Flying Nickel Mining Corp. (Note 11)	\$	16,067,794
Investment in Nevada Vanadium Mining Corp. (Note 11)		9,181,596
Royalty Interests (Note 8)		624,901
Fair value of net assets contributed	\$	25,874,291

Pursuant to the Arrangement, the Company issued 80,000,000 common shares in consideration for the net assets received which resulted in an increase of share capital amounting to \$25,874,291 (Note 10). The shares issued in consideration for investment in Flying Nickel and Nevada Vanadium were valued at the amount of equity acquired. The shares issued in consideration for the royalty interests were valued at the amount of equity issued with reference to the proposed concurrent financing.

BATTERY METALS ROYALTIES CORP.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2022

(Expressed in Canadian Dollars) (Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance and basis of preparation

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at and for the year ended December 31, 2021 ("Annual Financial Statements"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements as at and for the year ended December 31, 2021. These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the Annual Financial Statements, except as noted in Note 3 (d).

These unaudited condensed interim consolidated financial statements were approved and authorized for issue by the Audit Committee on June 30, 2022.

(b) Use of judgments and estimates

In preparing these unaudited condensed interim consolidated financial statements, management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Annual Financial Statements, except as noted in Note 3 (e).

(c) Basis of Consolidation

These unaudited condensed interim consolidated financial statements comprise the accounts of the parent company, and its subsidiaries, after the elimination of all intercompany balances and transactions. The results of each subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. 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.

The Company's controlled companies are as follows:

Name	Ownership %
Flying Nickel Mining Corp.	36.9%
Nevada Vanadium Mining Corp.	43.3%

On January 14, 2022, as part of the Arrangement, the Company acquired 39.69% interest in Flying Nickel, which was subsequently reduced to 36.9% pursuant to Flying Nickel's completed private placement, and 45.9% in Nevada Vanadium which was subsequently reduced to 43.3% due to Nevada Vanadium private placement (Note 2). Both controlled companies are mineral stage exploration companies with properties in Canada and the United States.

(d) New accounting policies adopted by the Company in the current period

Net assets acquired under the plan of arrangement

Assets and liabilities acquired under the plan of arrangement have been assessed individually to determine their fair value under current market conditions. Fair value is measured with reference to the fair value of the equity

BATTERY METALS ROYALTIES CORP.

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For the three months ended March 31, 2022

(Expressed in Canadian Dollars) (Unaudited)

acquired or equity issued. The Company believes that the valuation assumptions reflect a reasonable estimate of the fair value of each account or asset.

Leases

At inception of a contract, we assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. We assess whether the contract involves the use of an identified asset, whether we have the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if we have the right to direct the use of the asset. At inception or on assessment of a contract that contains a lease component, we allocate the consideration in the contract to each lease component on the basis of their relative stand-alone prices. As a lessee, we recognize a right-of-use asset, which is included in property, plant and equipment, and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received. The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, our incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if we are reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in our estimate or assessment of the expected amount payable under a residual value guarantee, purchase, and extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit (loss). We have elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit (loss) on a straight-line basis over the lease term.

The Company does not currently have any leases that satisfy the conditions under IFRS 16 – leases to record a right-of-use asset and corresponding lease liability. As at March 31, 2022, the Company has capitalized an amount of \$148,317 related to short-term leases to mineral properties.

Mineral properties

Mineral property assets consist of exploration and evaluation costs. Costs directly related to the exploration and evaluation of resource properties are capitalized to mineral properties once the legal rights to explore the resource properties are acquired or obtained. These costs include acquisition of rights to explore, license and application

BATTERY METALS ROYALTIES CORP.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2022

(Expressed in Canadian Dollars) (Unaudited)

fees, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling, and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed at least annually for indicators of impairment and are tested for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

From time to time, the Company acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After costs are recovered, the balances of the payments received are recorded as a gain on option or disposition of mineral property.

(i) Title to mineral properties

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title, nor has the Company insured title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

(ii) Realization of mineral property assets

The investment in and expenditures on mineral property interests comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, and the attainment of successful production from properties or from the proceeds of their disposal. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into profitable producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values.

(iii) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest.

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. As at March 31, 2022, the Company is not aware of any existing environmental issues related to any of its current or former properties that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

BATTERY METALS ROYALTIES CORP.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2022

(Expressed in Canadian Dollars) (Unaudited)

Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation of equipment is recorded on a declining-balance basis at the following annual rates:

Furniture and equipment	20%
Mining equipment	20%
Vehicles	30%

Royalty, stream and other interest

Royalty, stream and other interests consist of acquired royalty, stream and other interests in producing, development and exploration and evaluation stage properties. Royalty, stream and other interests are recorded at cost and capitalized. They are subsequently measured at cost less accumulated depletion and depreciation and accumulated impairment losses. The major categories of the Company's interests are exploration and evaluation. Producing assets are those that have generated revenue from steady-state operations for the Company. Development assets are interests in projects that are under development, in permitting or feasibility stage and that in management's view, can be reasonably expected to generate steady-state revenue for the Company in the near future. Exploration and evaluation assets represent properties that are not yet in development, permitting or feasibility stage or that are speculative in nature and are expected to require several years to generate revenue, if ever, or are currently not active.

Producing and development royalty, stream and other interests are recorded at cost and capitalized in accordance with IAS 16 Property, Plant and Equipment. Producing royalty, stream and other interests are depleted using the units-of production method over the life of the property to which the interest relates, which is estimated using available estimates of proven and probable mineral reserves specifically associated with the properties and may include a portion of resources expected to be converted into mineral reserves. Management relies on information available to it under contracts with the operators and / or public disclosures for information on proven and probable mineral reserves and resources from the operators of the producing royalty, stream and other interests.

On acquisition of a producing or a development royalty, stream and other interest, an allocation of the acquisition cost is made for the exploration potential based on its fair value. The estimated fair value of this acquired exploration potential is recorded as an asset (non-depreciable interest) on the acquisition date. Updated mineral reserve and resource information obtained from the operators of the properties is used to determine the amount to be converted from non-depreciable interest to depreciable interest.

Royalty, stream and other interests for exploration and evaluation assets are recorded at cost and capitalized in accordance with IFRS 6 Exploration for and Evaluation of Mineral Resources. Acquisition costs of exploration and evaluation royalty, stream and other interests are capitalized and are not depleted until such time as revenue-generating activities begin.

Producing and development royalty, stream and other interests are reviewed for impairment at each reporting date if there is any indication that the carrying amount may not be recoverable. Impairment is assessed at the level of Cash Generating Units ("CGU") which, in accordance with IAS 36 Impairment of Assets, are identified as the smallest identifiable group of assets that generates cash inflows, which are largely independent of the cash inflows

BATTERY METALS ROYALTIES CORP.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2022

(Expressed in Canadian Dollars) (Unaudited)

from other assets. This is usually at the individual royalty, stream and other interest level for each property from which cash inflows are generated.

Royalty, stream and other interests for exploration and evaluation assets are assessed for impairment whenever indicators of impairment exist in accordance with IFRS 6. An impairment loss is recognized for the amount by which the asset's carrying value exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value in-use. An interest that has previously been classified as exploration and evaluation is also assessed for impairment before reclassification to development or producing, and the impairment loss, if any, is recognized in net income.

Non-controlling interest

Non-controlling interest in the Company's less than wholly owned subsidiaries are classified as a separate component of equity. On initial recognition, non-controlling interest is measured at the fair value of the non-controlling entity's contribution into the related subsidiary. After the original transaction date, adjustments are made to the carrying amount of non-controlling interest for the non-controlling interest's share of changes to each subsidiary's equity. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amount of non-controlling interest is adjusted to reflect the change in the non-controlling interest's relative interest in the subsidiary, and the difference between the adjustment to the carrying amount of non-controlling interests and the Company's share of proceeds received and/or consideration paid is recognized directly in equity and attributed to owners of the Company.

Foreign currency translation

Transactions in currencies other than the functional currency are recorded at the prevailing exchange rates on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the prevailing exchange rates at the date of the consolidated statement of financial position. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated. Gains and losses arising from this translation are included in the determination of net gain or loss for the year.

(e) New judgements and estimates used by the Company in the current period

- (i) Determination of control over subsidiaries (Note 11);

The determination of control of subsidiaries involves significant judgment. De facto control exists in circumstances when an entity owns less than 50% voting rights in another entity but has control for reason other than voting rights or contractual and other statutory means. The consolidated financial statements include the results of Flying Nickel and Nevada Vanadium as management has determined that the Company has de facto control over the companies. The Company has the practical ability to direct the relevant activities of the companies and controls the Board of Directors.

- (ii) Impairment of royalty, stream and other interests (Note 8)

The assessment of the fair values of royalty, stream and other interests requires the use of estimates and assumptions for recoverable production, long-term commodity prices, discount rates, mineral reserve/resource conversion, net asset value multiples, foreign exchange rates, future capital expansion plans and the associated production implications. In addition, the Company may use other approaches in determining fair value which may include estimates related to (i) dollar value per ounce of mineral reserve/resource; (ii) cash-flow multiples; and (iii) market capitalization of comparable assets. Changes in any of the estimates used in determining the fair value of the royalty, stream and other interests could impact the impairment analysis.

BATTERY METALS ROYALTIES CORP.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2022

(Expressed in Canadian Dollars) (Unaudited)

4. SEGMENTED INFORMATION

The Company operates in two operating segments: the acquisition, exploration, and development of mineral properties and the acquisition of royalty and streaming interests. Geographic segmentation of the Company's non-current assets is as follows:

	31-Mar-22		
	Canada	USA	Total
Property, Plant and Equipment	\$ -	\$ 62,216	\$ 62,216
Mineral Properties	\$ 35,908,123	\$ 20,281,551	\$ 56,189,674
	\$ 35,908,123	\$ 20,343,767	\$ 56,251,890

5. PREPAID EXPENSES

	March 31, 2022	December 31, 2021
General	\$ 94,672	\$ -
Prepayment for management services (Note 14)	221,637	-
Insurance	37,958	-
	\$ 354,267	\$ -

6. PROPERTY AND EQUIPMENT

	Furniture & Equipment	Vehicles	Professional Equipment	Total
Carrying amount at December 31, 2021	\$ -	\$ -	\$ -	\$ -
Cost				
Balance, December 31, 2021	\$ -	\$ -	\$ -	\$ -
Assets transferred under the Arrangement	933	53,218	11,340	65,491
Balance, March 31, 2022	\$ 933	\$ 53,218	\$ 11,340	\$ 65,491
Accumulated depreciation				
Balance, December 31, 2021	\$ -	\$ -	\$ -	\$ -
Depreciation for the period	47	2,661	567	3,275
Balance, March 31, 2022	\$ 47	\$ 2,661	\$ 567	\$ 3,275
Carrying amount at March 31, 2022	\$ 886	\$ 50,557	\$ 10,773	\$ 62,216

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Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2022

(Expressed in Canadian Dollars) (Unaudited)

7. MINERAL PROPERTIES

Balance, December 31, 2021	Minago Project		Gibellini Project		Total
Additions:					
Assets transferred under the Arrangement	\$	35,031,008	\$	19,938,896	\$ 54,969,904
Exploration costs:					
Licences, tax, fees and permits	\$	26,260	\$	-	\$ 26,260
Geological and Consulting	\$	702,538	\$	342,655	\$ 1,045,193
Personal, camp and general	\$	148,317	\$	-	\$ 148,317
	\$	35,908,123	\$	20,281,551	\$ 56,189,674

Minago project

On January 14, 2022, pursuant to the Arrangement, Flying Nickel issued 50,000,000 common shares in consideration for Minago Nickel project mineral property assets and the assumption of certain liabilities related to the underlying assets. The fair value of Minago project of \$35,031,008 was determined based on Flying Nickel's private placement, pursuant to which 10,094,033 common shares were issued with a fair value of \$0.70 per share.

The Minago Project is located in northern Manitoba, Canada within the southern part of the Thompson Nickel Belt.

Minago royalty

On January 14, 2022, under the terms of the Arrangement and pursuant to the royalty agreement between Flying Nickel and ELEF dated August 25, 2021 ("Minago Royalty Agreement"), Flying Nickel has granted and agreed to pay, among other things, in each fiscal quarter where the average price per pound of nickel as reported on the Nominated Metals Exchange or Substitute Metals Exchange (in each case as defined in the Minago Royalty Agreement) in the event such pricing is not reported on the Nominated Metals Exchange exceeds \$15.00, a royalty equal to two per cent (2%) of returns in respect of all mineral products produced from certain mineral claims and leases in Manitoba, Canada which comprise Flying Nickel's Minago nickel property after the commencement of commercial production. Each royalty payment will be provisional and subject to adjustment in accordance with the Minago Royalty Agreement.

Glencore Net smelter royalty

The Minago property claims are subject to a net smelter return ("NSR") royalty interest (the "Glencore Royalty") retained by Glencore Canada Corporation ("Glencore"). The Glencore Royalty in respect of nickel, shall for any calendar quarter be: (i) 2% NSR royalty when the London Metals Exchange 3-month nickel price is equal to or greater than US\$13,227.74 per tonne in that quarter; and (ii) a 1% NSR when the London Metals Exchange 3-month nickel price is less than US\$13,227.74 per tonne in that quarter. The Glencore Royalty in respect of other minerals, metals and concentrates, shall be a 2% NSR. In the event that the Glencore Royalty consists of a 2% NSR royalty, Flying Nickel may purchase a portion of the royalty interest which represents in the aggregate no more than 1% of the royalty interest for \$1,000,000. The Glencore Royalty interest shall never be less than a 1% NSR.

Gibellini project

On January 14, 2022, pursuant to the Arrangement, Nevada Vanadium issued 50,000,000 common shares in consideration for Gibellini Vanadium project mineral property assets and the assumption of certain liabilities related to the underlying assets. The fair value of Gibellini project of \$19,938,896, as determined based on Nevada

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Vanadium's private placement, pursuant to which 2,982,500 common shares were issued with a fair value of \$0.40 per share.

The Gibellini vanadium project is comprised of the Gibellini, Louie Hill and Bisoni vanadium deposits and associated claims located in the State of Nevada, USA.

The Gibellini group of claims were acquired on June 22, 2017, through leasehold assignments from the claimant and then-holder of the Gibellini mineral claims (the "Gibellini Lessor"). Under the Gibellini mineral lease agreement (the "Gibellini MLA"), ELEF leased this core group of claims, which originally constituted the entire Gibellini Project, by, among other things, agreeing to pay to the Gibellini Lessor annual advance royalty payments. These payments are tied, based on an agreed formula not to exceed US\$120,000 per year, to the average vanadium pentoxide price of the prior year (each an "Advance Royalty Payment"). Upon commencement of production, the obligation to make Advance Royalty Payments will cease and Nevada Vanadium will instead maintain its acquisition through lease of the Gibellini group of claims by paying to the Gibellini Lessor, a 2.5% net smelter return royalty (the "Gibellini NSR Payments") until a total of US\$3 million is paid. Thereafter, the Gibellini NSR will be reduced to 2% over the remaining life of the mine (and referred to thereafter, as "Production Royalty Payments"). Upon commencement of production, any Advance Royalty Payments that have been made will be deducted as credits against the Gibellini NSR Payments or Production Royalty Payments, as applicable. The lease is for a term of 10 years, expiring on June 22, 2027, which can be extended for an additional 10 years, at the Nevada Vanadium option. On April 19, 2018, the Gibellini MLA was amended to grant ELEF the option, at any time during the term of the Gibellini MLA, which ends on June 22, 2027, to require the Gibellini Lessor to transfer their title over all of the leased mining claims (excluding four claims which will be retained by the Gibellini Lessor) (the "Transferred Claims") to ELEF in exchange for US\$1,000,000, which will be deemed an Advance Royalty Payment (the "Transfer Payment"). A credit of US\$99,027 in favour of ELEF towards the Transfer Payment was paid upon the execution of the amendment, with a remaining balance of US\$900,973 on the Transfer Payment due and payable by Nevada Vanadium to the Gibellini Lessor upon completion of transfer of the Transferred Claims from the Gibellini Lessor to Nevada Vanadium. The Advance Royalty Payment obligation and Production Royalty Payments will not be affected, reduced or relieved by the transfer of title. On June 22, 2020, ELEF paid US\$50,000 (2019 – US\$120,000, 2018 – US\$101,943) of the Advance Royalty Payment to the Gibellini Lessor. During year 2020, ELEF expanded the land position at the Gibellini Project, by staking a total of 32 new claims immediately adjacent to the Gibellini Project.

The Bisoni Group

On September 18, 2020, ELEF completed the acquisition of the Bisoni vanadium property situated immediately southwest of the Gibellini Project pursuant to an asset purchase agreement (the "Bisoni APA") dated August 18, 2020, with Cellcube Energy Storage Systems Inc. ("Cellcube"). The Bisoni property comprised of 201 lode mining claims. As consideration for the acquisition of the Bisoni property under the Bisoni APA, ELEF issued 4 million Common Shares (the "Bisoni APA Shares") and paid \$200,000 cash to Cellcube. Additionally, subject to TSX approval, if, on or before December 31, 2023, the price of European vanadium pentoxide on the Metal Bulletin (or an equivalent publication) exceeds US\$12 a pound for 30 consecutive days, Nevada Vanadium will issue to Cellcube additional Common Shares with a value of \$500,000 calculated based upon the 5-day volume weighted average price of the Common Shares immediately following the satisfaction of the vanadium pentoxide pricing condition

Louie Hill Net Smelter

The Gibellini property is subject to a net smelter return ("NSR") royalty interest retained by the Louie Hill Lessors. The Royalty Agreement provides Nevada Vanadium to pay the following royalties to the Louie Hill Lessors as an advance royalty: (i) US\$75,000 upon Nevada Vanadium achieving Commercial Production (as defined in the Royalty Agreement) at the Gibellini Project; (ii) US\$50,000 upon the Nevada Vanadium selling, conveying, transferring or assigning all or any portion of certain claims defined in the Royalty Agreement to any third party and (iii) annually upon the anniversary date of July 10, 2018, and the anniversary date of each year thereafter during the term of the Royalty Agreement: (a) if the average vanadium pentoxide price per pound as quoted on www.metalbulletin.com (the "Metal Bulletin") or another reliable and reputable industry source as agreed by the

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parties, remains below US\$7.00/lb during the preceding 12 months, US\$12,500; or (b) if the average vanadium pentoxide price per pound as quoted on Metal Bulletin or another reliable and reputable industry source as agreed by the parties, remains equal to or above US\$7.00/lb during the preceding 12 months, US\$2,000 x average vanadium pentoxide price per pound up to a maximum annual advance royalty payment of US\$28,000. Further, Nevada Vanadium will pay to the Louie Hill Lessors a 2.5% net smelter return royalty (the "Louie Hill NSR") payable on vanadium pentoxide produced from the area of the Louie Hill Claims contained within the Current Louie Hill Claims. Nevada Vanadium may purchase three-fifths of the Louie Hill NSR at any time for US\$1,000,000, leaving the total Louie Hill NSR payable by Nevada Vanadium at 1.0% for the remaining life of the mine. Any Louie Hill Advance Royalty Payments that have been made at the time of Commercial Production will be deducted as credits against future payments under the Louie Hill NSR. The payments under the Royalty Agreement will continue for an indefinite period and will be payable as long as Nevada Vanadium, its subsidiaries, or any of their permitted successors or assigns holds a valid and enforceable mining concession over the area.

8. ROYALTY INTERESTS

Balance, December 31, 2021	\$	-
Additions:		
Royalty interest transferred under the Arrangement	\$	624,901
Less:		
Impairment	\$	(624,901)
Balance, March 31, 2022	\$	-

On January 14, 2022, under the terms of the Arrangement, the Company acquired five mineral property net smelter royalty agreements ("Transferred Royalties") pursuant to a purchase and sale agreement entered into between ELEF and the Company (the "Royalty Transfer Agreement"). The Royalty Transfer Agreement provided for the purchase of the Transferred Royalties by the Company for total consideration of 1,785,430 Common Shares with a fair value of \$624,901.

During the period ended March 31, 2022, the Company assessed whether there were indicators of potential impairment of the royalty interests. Due to the absence of technical reports confirming the proven and probable reserves of the mineral products, and the uncertainty of the development and commencement of commercial production, the Company determined there are indicators of impairment and recognized an impairment loss of \$624,901.

The Transferred Royalties are comprised of the following:

(a) Ilumina Royalty Agreement

The Company will receive a two per cent (2%) royalty on all mineral products produced from certain mineral leases in Bolivia if the average price per ounce of silver exceeds \$30.

(b) Minago Royalty Agreement

The Company will receive a two per cent (2%) royalty on all mineral products produced from certain mineral claims and leases in Manitoba after the commencement of commercial production if the average price per pound of nickel exceeds \$15.

(c) Nevada Vanadium Royalty Agreement

The Company will receive a two per cent (2%) royalty on all mineral products produced from certain mineral claims and/or leases in Nevada, United States of America after the commencement of commercial production if the average V205 Vanadium Pentoxide Flake 98% price per pound exceeds \$12.

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(d) Titan Royalty Agreement

The Company will receive a two per cent (2%) royalty on all mineral products produced from certain mineral claims and leases in Manitoba after the commencement of commercial production if the V205 Vanadium Pentoxide Flake 98% price per pound exceeds \$12.

(e) Asia Mining Royalty Agreement

The Company will receive a two per cent (2%) royalty on all mineral products produced from certain mineral claims, other than coal produced from the Ulaan Ovoo Property in Mongolia after the commencement of commercial production and \$2.00 per tonne of coal extracted from the royalty area.

9. PREMIUM ON FLOW-THROUGH SHARES

During the period ended December 31, 2021, Flying Nickel recognized a deferred premium of flow-through shares of \$139,471.

A continuity of the premium on flow-through shares is as follows:

	As at March 31, 2022
Liability assumed under the plan of arrangement	\$ 132,225
Liability incurred on flow-through shares issued	-
Settlement on expenditures made recorded as other income	(58,034)
Balance, end of year	\$ 74,191

10. SHARE CAPITAL**a) Authorized share capital**

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value.

As at March 31, 2022, the Company had 80,000,000 (December 31, 2021: 1) common shares issued and outstanding.

Issued share capital

On January 14, 2022, the Company issued 78,214,570 common shares in consideration for 22,953,991 common shares of Flying Nickel and 22,953,991 common shares of Nevada Vanadium and 1,785,430 common shares in consideration for certain mineral property net smelter royalty agreements (Note 2).

On January 14, 2022, pursuant to the Arrangement, the Company cancelled one founder share with a fair value of \$1.

11. NON-CONTROLLING INTEREST

The following table presents the financial information for Flying Nickel and Nevada Vanadium, the controlled entities for which the Company is subject to a material non-controlling interest:

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	Flying Nickel	Nevada Vanadium	Total
Non-controlling interest, recognition	23,925,666	10,818,000	34,743,666
Increase in ownership percentage	\$ 3,149,131	\$ 1,134,756	\$ 4,283,887
Share issuance costs	(321,083)	-	(321,083)
Net loss	(745,804)	(195,434)	(941,238)
Non-controlling interest, March 31, 2022	\$ 26,007,910	\$ 11,757,322	\$ 37,765,232

The following table presents the non-controlling interest at recognition:

Recognition of non-controlling interest	Flying Nickel	Nevada Vanadium	Total
Non-controlling interest percentage	60%	54%	-
Assets			
Current	8,140,438	14,847	8,155,285
Non-current	35,031,008	20,024,928	55,055,936
	43,171,446	20,039,775	63,211,221
Liabilities			
Current	3,500,304	39,775	3,540,079
Net Assets	\$ 39,671,142	\$ 20,000,000	\$ 59,671,142
Non-controlling interest, recognition	\$ 23,925,666	\$ 10,818,000	\$ 34,743,666

The following table present the non-controlling interest as at March 31, 2022:

As at March 31, 2022	Flying Nickel	Nevada Vanadium	Total
Non-controlling interest percentage	63%	57%	-
Assets			
Current	5,954,795	914,861	6,869,656
Non-current	35,908,122	20,343,768	56,251,890
	41,862,917	21,258,629	63,121,546
Liabilities			
Current	600,169	515,294	1,115,463
Net Assets	\$ 41,262,748	\$ 20,743,335	\$ 62,006,083
Non-controlling interest	\$ 26,007,910	\$ 11,757,322	\$ 37,765,232

The following table presents the loss and comprehensive loss attributable to non-controlling interest:

	Three months ended
	31-Mar-22
Loss and comprehensive loss for the period	2,349,929
Loss and comprehensive loss attributable to non-controlling interest	-
Flying Nickel	745,804
Nevada Vanadium	195,434
Balance, March 31, 2022	\$ 941,238

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12. FINANCIAL INSTRUMENTS**a) Fair Value****Fair value hierarchy**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest to Level 3 inputs. The following table sets forth the Company's financial assets and financial liabilities measured at fair value by level within the fair value hierarchy.

	Level 1	Level 2	Level 3
Financial assets:			
Cash, March 31, 2022	\$ 5,044,393		

Categories of financial instruments

The Company considers that the carrying amount of all its financial assets and financial liabilities measured at amortized cost approximates their fair value due to their short term nature. Restricted cash approximates fair value due to the nature of the instrument. The Company does not offset financial assets with financial liabilities. There were no transfers between Level 1, 2 and 3 for the period ended March 31, 2022.

The Company's financial assets and financial liabilities are categorized as follows:

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	March 31, 2022	December 31, 2021
Financial assets:		
<i>Fair value through profit or loss</i>		
Cash and cash equivalents	5,044,393	-
<i>Amortized cost</i>		
Receivables	42,429	-
Due from related party	1,371,284	-
	\$ 6,458,106	\$ -
Financial liabilities:		
<i>Amortized cost</i>		
Accounts payable and accrued liabilities	1,031,010	104,862
Due to related party	254,814	-
	\$ 1,285,824	\$ 104,862

b) Financial risk management*Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at March 31, 2022, the Company's maximum exposure to credit risk is the carrying value of its financial assets.

Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its financial obligations as they fall due. The Company manages liquidity risk by preparing cash flow forecasts of upcoming cash requirements. As at March 31, 2022 the Company had a cash balance of \$5,044,393 and had accounts payable and accrued liabilities of \$1,031,010 (December 31, 2021: \$104,862), which have contractual maturities of 90 days or less.

The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of its mineral property interests. The Company coordinates this planning and budgeting process with its financing activities through the capital management process in normal circumstances.

Market Risk

The significant market risks to which the Company is exposed are interest rate risk, currency risk and equity price risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Because of the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as at March 31, 2022.

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(ii) Currency Risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. Nevada Vanadium has exploration projects in the US and undertakes transactions in US dollars. The Company is therefore exposed to foreign currency risk arising from transactions denominated in a foreign currency and the translation of financial instruments denominated in US dollars, into its functional and reporting currency, the Canadian dollar. Based on the above, net exposures as at March 31, 2022, with other variables unchanged, a 10% strengthening (weakening) of the US dollar against the Canadian dollar would impact net loss with other variables unchanged by \$51,000. The Company currently does not use any foreign exchange contracts to hedge this currency risk.

(iii) Equity Price Risk

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken. Fluctuations in value may be significant.

13. CAPITAL MANAGEMENT

Management considers its capital structure to consist of share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to, and required by the Company in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative returns on capital criteria for management. In order to facilitate the management of its capital requirement, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors. The annual and updated budgets are approved by the Board of Directors.

The properties, to which the Company currently has an interest in, are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and development and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. There were no changes in managements approach to capital management during the period ended March 31, 2022. The Company and its subsidiaries are not subject to externally imposed capital requirements.

14. RELATED PARTY DISCLOSURES**a) Related party balances**

	As at March 31,	As at December 31,
	2022	2021
Prepayment for management services	221,637	\$ -
Due from related party	1,371,284	\$ -
Due to related party	(254,814)	
Accounts payable and accrued liabilities	(47,000)	(99,862)
	\$ 1,291,107	\$ (99,862)

The Company, including its controlled entities, has entered into a Mutual Management Service Agreements (the "Agreements"), pursuant to which the Companies will provide each other with general, technical and administrative services, as reasonably requested. The prepayment for management services of \$221,637 represents the outstanding balance of \$500,000 prepaid by Flying Nickel to ELEF. In connection with the Agreement, Flying Nickel has recorded \$57,194 in cost recoveries related to services provided during the period ended March 31, 2022.

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In connection with the Agreement, the Company must make a prepayment of \$500,000 to ELEF as soon as practical after the effective date. As at March 31, 2022 and December 31, 2021, the balance due to ELEF for monthly service fee under the Agreement was \$254,814 and \$99,862, respectively.

During the three months ended March 31, 2022 ELEF charged \$154,952 to Battery Metals, \$169,803 to Nevada Vanadium and \$ 178,501 to Flying Nickel, in connection with the Mutual Management Service Agreement.

The due from related party balance as at March 31, 2022 represents the remaining balance receivable from ELEF relating to the amount received by ELEF upon the conversion of the FT Subscriptions Receipts on behalf of the Flying Nickel and other expenditures in regards to general, technical and administrative services provided by the Company to ELEF as well as amounts due from ELEF in connection with Nevada Vanadium private placement amount received by ELEF on behalf of Nevada Vanadium.

The accounts payable and accrued liabilities of \$47,000 as at March 31, 2022 represent \$7,000 payable for director fees and \$40,000 due John Lee, Executive Chairman of the Company.

b) Key management personnel compensation

During the three months ended March 31, 2022, the Company had related party transactions with key management personnel and a private company controlled by John Lee, Executive Chairman of the Company, in providing management and consulting services to the Company.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation is comprised of:

	Three months ended March 31, 2022
Consulting	71,166
Directors' fees	19,000
Share based payments	98,661
Salaries and wages	248,584
	\$ 437,411

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15. SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended March 31, 2022
Supplementary information	
Non-cash Financing and Investing Activities	
Shares issued for Flying Nickel net assets	\$ 16,067,794
Shares issued for Nevada Vanadium net assets	\$ 9,181,596
Acquisition of Royalty Assets per plan of arrangement	\$ 624,901
Cancellation of one founder share	\$ 1
Share based payment capitalized in mineral properties	\$ 10,724
Shares issuable by Nevada Vanadium	\$ 1,193,000
Conversion of Flying Nickel subscription receipts, net	\$ 2,818,794
Mineral property expenditures included in accounts payable	\$ 651,137

16. SUBSEQUENT EVENTS

The following events occurred subsequent to March 31, 2022:

- On March 31, 2021, the Company entered into a binding letter of intent (the "LOI") with ELEF pursuant to which the Company proposes to acquire a 45% equity interest of ELEF's wholly owned Mega Thermal Coal Corp.(formerly Asia Mining Inc.) ("Mega Coal"), which owns and operates the Ulaan Ovoo and Chandgana thermal coal mines in Mongolia through Mega Coal's wholly-owned Mongolian subsidiaries. The LOI was amended effective May 12, 2022. The proposed transaction ("Transaction") includes the following key terms:
 - ELEF will transfer to Mega Coal 9,000,000 Battery Metals common shares;
 - Battery Metals will issue 16,000,000 common shares to ELEF;
 - Battery Metals will complete a concurring private placement for gross proceeds of approximately \$2,000,000; and
 - Battery Metals will complete a listing on the TSX Venture Exchange or Canadian Securities Exchange.

In connection with the Letter of Intent, the Company also amended the NSR Agreement which will adjust the royalty payable to Battery Metals under an existing NSR agreement dated August 25, 2021 in respect of coal extracted from ELEF's Ulaan Ovoo coal mine in Mongolia from US\$2 per tonne to the greater of: (i) US\$3 per tonne; (ii) 5% of the gross coal sales price; and (iii) 3% of ICE New Catle 5,500GCV benchmark price if coal is sold to China. In consideration, Battery Metals transferred 990,485 common shares of Flying Nickel held by Battery Metals to ELEF.

- On April 6, 2022, Nevada Vanadium acquired Fish Creek Ranch property in Eureka County, Nevada, USA for USD 4,200,000. ELEF, on behalf of Nevada Vanadium, paid USD 1,200,000 in cash and Nevada Vanadium secured a USD 3,000,000 loan with Cache Valley Bank. The loan has a five-year term and bears interest at 5.5% per annum. The Fish Creek Ranch is adjacent to the Gibellini Project, contains a part of the irrigation canal, and will provide support to the Gibellini Project in the form of the water supply.