



Grid Battery Metals Inc.

Consolidated Financial Statements
For the Years Ended 30 June 2024 and 2023
(Expressed in Canadian Dollars)



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Grid Battery Metals Inc.

Opinion

We have audited the accompanying consolidated financial statements of Grid Battery Metals Inc. (the "Company"), which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at 30 June 2024, and its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The consolidated financial statements of the Company for the year ended 30 June 2023, and for the year ended 30 June 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 30 October 2023.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 30 June 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Dong H. Shim.

"SHIM & Associates LLP"

Chartered Professional Accountants

Vancouver, Canada
October 28, 2024

Grid Battery Metals Inc.
Consolidated Statements of Financial Position
As at 30 June 2024 and 2023
(Expressed in Canadian dollars)

As at	Notes	30 June 2024	30 June 2023
		\$	\$
ASSETS			
Current assets			
Cash	10	6,067,899	4,246,147
Amounts receivable	4,10	45,245	8,588
Short-term investments	5,6,12	-	3,000,000
Prepaid expenses		77,460	51,938
Total current assets		6,190,604	7,306,673
Exploration and evaluation properties	6	2,116,523	458,177
Reclamation bond	6	-	35,000
ROU asset	14	14,181	24,817
Total assets		8,321,308	7,824,667
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	7	126,074	29,659
Lease liability	12, 14	11,194	10,336
		137,268	39,995
Lease liability	12, 14	3,935	15,129
Total liabilities		141,203	55,124
Equity			
Common shares	8	15,259,304	13,482,924
Reserves	8	5,125,879	5,125,879
Deficit		(12,205,078)	(10,839,260)
Total equity		8,180,105	7,769,543
Total equity and liabilities		8,321,308	7,824,667

Nature of operations and going concern (Note 1)

Commitments and Contingencies (Note 15)

Subsequent event (Note 19)

APPROVED BY THE BOARD:

“Robert Setter”

“Timothy Fernback”

Robert Setter

Timothy Fernback

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

Grid Battery Metals Inc.

Consolidated Statements of Loss and Comprehensive Income (Loss)

For the years ended 30 June 2024 and 2023

(Expressed in Canadian dollars)

Year ended	Notes	2024	2023
		\$	\$
Administration expenses			
Accounting		70,664	37,329
Bank charges		2,947	1,553
Consulting	12	996,352	353,161
Depreciation	14	10,636	7,090
Insurance		30,066	20,015
Legal		63,000	2,976
Marketing and communications		1,985,914	18,750
Office and miscellaneous		60,647	8,054
Rent		-	25,402
Share-based payments	12	-	531,643
Transfer agent fees		101,554	69,160
Travel, lodging and food		129,854	9,133
Loss before other items		(3,451,634)	(1,084,266)
Other items			
Foreign exchange gain		9,534	15,071
Interest income		51,197	-
Accretion expense		(1,664)	(1,558)
Impairment of exploration and evaluation property	6	-	(374,750)
Gain on disposal of exploration and evaluation property	6	-	84,353
Gain on disposal of short term investment	5	3,451,749	-
Unrealized gain (loss) on short term investment	5,6	(1,425,000)	2,530,000
Net comprehensive income (loss) for the year		(1,365,818)	1,168,850
Income (loss) per share			
Basic	9	(0.007)	0.010
Diluted	9	(0.007)	0.010

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

Grid Battery Metals Inc.
Consolidated Statements of Cash Flows
For the years ended 30 June 2024 and 2023
(Expressed in Canadian dollars)

Year ended	Notes	2024	2023
		\$	\$
OPERATING ACTIVITIES			
Income (loss) for the year		(1,365,818)	1,168,850
Adjustment for:			
Depreciation	14	10,636	7,090
Share-based payments	8	-	531,643
Impairment of exploration and evaluation property	6	-	374,750
Unrealized gain/loss on short term investment	5	1,425,000	(2,530,000)
Gain on disposal of short term investment	5	(3,451,749)	-
Gain on disposal of exploration and evaluation property	6	-	(84,353)
Accretion expense	14	1,664	1,558
Changes in operating working capital:			
(Increase) decrease in amounts receivable	4	(36,657)	36,604
Increase in prepaid expenses		(25,522)	(28,991)
Increase in trade and other payables	7	112,953	8,176
Cash used in operating activities		(3,329,493)	(514,673)
INVESTING ACTIVITIES			
Exploration and evaluation properties expenditures	6	(663,504)	(132,753)
Reclamation bond received		35,000	-
Proceeds from sale of marketable securities		5,026,749	-
Cash from (used in) investing activities		4,398,245	(132,753)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares, net	8	480,000	4,399,464
Exercise of warrants	8	272,500	-
Exercise of options	8	12,500	-
Lease payments	14	(12,000)	(8,000)
Cash from financing activities		753,000	4,391,464
Increase in cash		1,821,752	3,744,038
Cash, beginning of year		4,246,147	502,109
Cash, end of year		6,067,899	4,246,147
Non-cash financing and investing activities			
Issuance of shares for finder's fee		48,000	240,525
Issuance of shares for exploration and evaluation property		1,219,000	-

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

Grid Battery Metals Inc.
Consolidated Statements of Changes in Equity
For the years ended 30 June 2024 and 2023
(Expressed in Canadian dollars)

	Notes	Number of common shares	Common shares	Stock option reserve	Warrant reserve	Deficit	Total
			\$	\$	\$	\$	\$
Balances, 30 June 2022		72,309,153	9,111,572	1,145,164	3,420,960	(12,008,110)	1,669,586
Shares issued for:							
Cash	8	93,304,000	4,665,200	-	-	-	4,665,200
Finder's fee	8	4,810,500	(265,736)	-	-	-	(265,736)
Share-based payments	8	-	-	531,643	-	-	531,643
Warrants valuation	8	-	(28,112)	-	28,112	-	-
Net income for the year		-	-	-	-	1,168,850	1,168,850
Balances, 30 June 2023		170,423,653	13,482,924	1,676,807	3,449,072	(10,839,260)	7,769,543
Shares issued for:							
Cash	8	4,000,000	480,000	-	-	-	480,000
Exercise of options	8	250,000	12,500	-	-	-	12,500
Exercise of warrants	8	4,500,000	272,500	-	-	-	272,500
Shares issued for finder's fee	8	400,000	48,000	-	-	-	48,000
Shares issued for mineral properties	6,8	8,707,142	1,219,000	-	-	-	1,219,000
Share issue costs	8	-	(48,000)	-	-	-	(48,000)
Adjustment on transfer of assets upon spin-out	6,8,17	-	(207,620)	-	-	-	(207,620)
Net loss for the year		-	-	-	-	(1,365,818)	(1,365,818)
Balances, 30 June 2024		188,280,795	15,259,304	1,676,807	3,449,072	(12,205,078)	8,180,105

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

Grid Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 30 June 2024 and 2023
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Grid Battery Metals Inc. (the “Company”) was incorporated on 2 June 2011 under the laws of the province of British Columbia. The Company is a reporting issuer in British Columbia and Alberta and the Company’s shares are listed on the TSX Venture Exchange (“TSXV”) under the trading symbol “CELL” and co-listed on the OTCQB (United States) under the symbol “EVKRF”. The Company is in the process of acquiring, exploring and developing mineral resources located in Nevada, USA and British Columbia, Canada. The Company will attempt to bring the properties to production, structure joint ventures with others, option or lease properties to third parties, or sell the properties outright. The Company has not yet determined whether these properties contain ore reserves, which are economically recoverable and the Company is considered to be in the exploration stage.

On 3 March 2016, the Company incorporated a wholly owned subsidiary in Nevada, USA, Nevada Energy Metals, USA Inc. (Note 2.1).

On 3 April 2023, the Company changed its name to Grid Battery Metals Inc., and its common shares started trading on the TSXV under the new symbol “CELL”.

On 19 April 2023, the Company changed OTC Market trading symbol to EVKRF (OTCQB:EVKRF)”. The previous trading symbol was NIKLF.

On 14 July 2023, the Company formed AC/DC Battery Metals Inc. (“AC/DC”) and subscribed to 100% of its shares (Note 2.1). On 27 September 2023, the Company completed a spin-out of its Nickel Project (Notes 6 and 17) into AC/DC and in exchange, shares of AC/DC were distributed to the Company and subsequently to the Company’s shareholders on a basis proportionate to their shareholdings of the Company. Upon completion of the spin-out, AC/DC ceased to be a subsidiary of the Company and became wholly owned by the shareholders of the Company.

The head office and principal address is located at 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to 30 June 2024, the Company has incurred \$12,205,078 in losses from operations, earned no revenues and has experienced negative cash flows from operating activities. As at 30 June 2024, the Company had cash of \$6,067,899 (2023: \$4,246,147) and working capital of \$6,053,336 (2023: \$7,266,678), but management cannot provide assurance that the Company will ultimately achieve profitable operations, or raise additional debt and/or equity capital.

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As at 30 June 2024, the Company has sufficient cash reserves to conduct exploration and to continue operations during the current year. However, the Company will require additional funding in the future to be able to advance and retain mineral exploration and evaluation property interests. The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or the disposition of properties in the future.

2. BASIS OF PREPARATION

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries as follows:

Name	Country of incorporation	% Equity interest at	
		30 June 2024	30 June 2023
AC/DC Battery Metals Inc. (Note 1)	Canada	-	-
Nevada Energy Metals USA Inc. (Note 1)	USA	100%	100%

Subsidiaries are those entities controlled by the Company. 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 consolidated financial statements of subsidiaries are included in the consolidated financial statements from the date that control is obtained to the date control ceases. All inter-company transactions, balances, income and expenses are eliminated upon consolidation.

These consolidated financial statements include the accounts of AC/DC from the date of incorporation on 14 July 2023 until it ceased to be a subsidiary of the Company upon the closing of the spin-out of Nickel Project (Notes 1, 6 and 17).

2.2 Basis of presentation

The Company’s consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 10, and are presented in Canadian dollars except where otherwise indicated. Certain prior period amounts have been reclassified to be consistent with current period presentation.

2.3 Statement of compliance

The consolidated financial statements of the Company and its subsidiary, including comparatives, have been prepared in accordance with accounting policies in compliance with IFRS and International Accounting Standards (“IAS”) issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), effective for the Company’s reporting for the year ended 30 June 2024.

Grid Battery Metals Inc.
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2.4 Approval of the consolidated financial statements

The consolidated financial statements of the Company for the year ended 30 June 2024 were approved and authorized for issue by the Board of Directors on 28 October 2024.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining the point at which a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop the property are capitalized into development assets. The determination may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of loss and comprehensive loss in the period when new information becomes available.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

Grid Battery Metals Inc.
Notes to the Consolidated Financial Statements
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(Expressed in Canadian dollars)

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during subsequent reporting periods.

Decommissioning and restoration costs

Management is not aware of any material restoration, rehabilitation and environmental provisions as at 30 June 2024 and 2023. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value and these estimates are updated annually. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the exploration and evaluation property. Such estimates are subject to change based on changes in laws, regulations and negotiations with regulatory authorities.

Share based payments

Management assesses the fair value of stock options granted in accordance with the accounting policy stated in note 3.11. The fair value of stock options is measured using the Black-Scholes Option Valuation Model. The fair value of stock options granted using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. Under the residual method, one component is measured first and the residual amount is allocated to the remaining component. The Company measures the value of the common shares first. The balance, if any, is allocated to the warrants. Any fair value attributed to the warrants is recorded as reserves.

Deferred income taxes

Judgement is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future years, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company and its subsidiary operate could limit the ability of the Company to obtain tax deductions in future years.

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(Expressed in Canadian dollars)

Going concern

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the of the reporting date. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions (Note 1.1).

Determination of functional currency

The functional currency of the Company and its subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgements to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic event.

3.2 Cash

Cash includes funds held in financial institutions.

3.3 Taxation

Deferred tax is provided, using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

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Notes to the Consolidated Financial Statements
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3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are recognized in income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment annually and if (i) sufficient data exists to determine technical feasibility and commercial viability, and/or (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties. A gain or loss may be incurred upon settlement of the decommissioning obligation.

Grid Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 30 June 2024 and 2023
(Expressed in Canadian dollars)

3.6 Financial assets and liabilities

The following is the Company’s accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

Financial assets/liabilities	IFRS 9 Classification
Cash	FVTPL
Short-term investment (Note 5)	FVTPL
Amounts receivable (Note 4)	Amortized cost
Trade payables (Note 7)	Amortized cost

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of income (loss) and comprehensive income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of income (loss) and comprehensive income (loss) in the period in which they arise.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income (“OCI”). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

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Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

3.7 Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3.8 Derecognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.9 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

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An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.10 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.11 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

The fair value of the options, as determined using the Black-Scholes Option Pricing Model, which incorporates all market vesting conditions are expensed to profit or loss. The corresponding amount is recorded to the stock options reserve. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.12 Foreign currency translation

The Company's reporting currency and the functional currency of all of its operations, including that of its subsidiary, is the Canadian dollar as this is the principal currency of the economic environment in which it operates.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transaction. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are included in profit and loss.

The results and financial position of a subsidiary that has a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated using exchange rates prevailing at the end of each reporting period;
- Income and expenses for each line item in the consolidated statement of loss and comprehensive loss are translated at average exchange rates for the period; and

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- All resulting exchange differences are recognized in other comprehensive income as cumulative translation adjustments.

On consolidation, exchange differences arising from the translation of the net investment in foreign entity is taken to accumulated other comprehensive loss. When a foreign operation is sold, such exchange differences are recognized in profit or loss as part of the gain or loss on sale.

3.13 Earnings (loss) per share

Basic per share amounts are calculated by dividing the earnings or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted per share amounts are determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares, which consist of share purchase warrants and stock options.

3.14 Standards, amendments and interpretations issued but not yet effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

4. AMOUNTS RECEIVABLE

The Company's amounts receivable are as follows:

30 June	2024	2023
	\$	\$
GST/HST receivable	17,089	8,588
Other amounts receivable	28,156	-
Total amounts receivable	45,245	8,588

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5. SHORT-TERM INVESTMENTS

On 7 July 2021, the Company entered into an option agreement with Surge Battery Metals Inc. (“Surge”), whereby Surge may earn an undivided 80% interest in the HN4 and N100 nickel group of claims, located in Northern British Columbia (Note 6.4). As consideration for the transaction, the Company received 5,000,000 common shares of Surge. In relation to this transaction, the Company recorded short term investments of \$1,075,000 as at date of closing.

On 31 March 2023, further to the option agreement dated 7 July 2021, Surge was granted the option to acquire the remaining 20% interest in the HN4 and N100 Claims, located in Northern British Columbia. As consideration for the transaction, the Company has received 1,000,000 shares of Surge with a fair value of \$220,000 (Notes 6.4 and 12).

During the year ended 30 June 2024, the Company sold all the shares and recognized gain on short-term investments of \$3,451,749 (2023: \$Nil).

	As at 30 June 2024		As at 30 June 2023	
	Cost	Fair Value	Cost	Fair Value
Surge Battery Metals Inc. Nil shares (30 June 2023: 6,000,000 shares)	\$ -	\$ -	\$ 1,575,000	\$ 3,000,000
Total short-term investments	-	-	1,575,000	3,000,000

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6. EXPLORATION AND EVALUATION PROPERTIES

Year ended 30 June 2024	Clayton Valley BFF-1	Volt Canyon	Texas Springs	Nickel Project	Total
	\$	\$		\$	\$
Balance, 30 June 2023	215,484	19,787	72,560	150,346	458,177
Acquisition cost	-	-	1,219,000	-	1,219,000
Claims and fees	60,587	42,816	36,232	-	139,635
Consulting	165,398	8,689	19,747	21,006	214,840
Geological	38,598	-	193,953	52,806	285,357
Field expenses	-	3,595	20,077	-	23,672
Transfer of asset upon spin-out (Note 17)	-	-	-	(224,158)	(224,158)
Net change for the year	264,583	55,100	1,489,009	(150,346)	1,658,346
Balance, 30 June 2024	480,067	74,887	1,561,569	-	2,116,523

Year ended 30 June 2023	Clayton Valley BFF-1	Volt Canyon	Texas Springs	Nickel Project	Total
	\$	\$		\$	\$
Balance, 30 June 2022	189,777	-	-	646,044	835,821
Acquisition cost	-	-	72,560	-	72,560
Claims and fees	25,707	1,842	-	14,699	42,248
Consulting	-	982	-	-	982
Field expenses	-	16,963	-	-	16,963
Value of shares received for option payment (Notes 5, 6.5, 12)	-	-	-	(135,647)	(135,647)
Impairment	-	-	-	(374,750)	(374,750)
Net change for the year	25,707	19,787	72,560	(495,698)	(377,644)
Balance, 30 June 2023	215,484	19,787	72,560	150,346	458,177

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6.1 Clayton Valley BFF-1

The Company staked claims located in Clayton Valley, Esmeralda County, Nevada (the “Clayton Valley BFF-1 Property”). In June 2021, the Company expanded its claims in Clayton Valley by staking 41 new lode claims.

6.2 Volt Canyon

The Company staked 80 placer claims located northeast of Tonopah, Nevada.

6.3 Texas Springs

The Company has entered into a Purchase and Sale Agreement dated 23 June 2023, to acquire a 100% interest in certain mineral lode claims from Springfield Land Limited Liability Company. The mineral lode claims are located in Elko County, Nevada.

The Company agreed to the following:

- a) reimbursing the staking and recording costs of the Vendor in the amount of US\$55,000 upon signing the Agreement (paid); and
- b) issuing to the Vendor or its beneficial owner 8,000,000 fully paid and non-assessable common shares in the capital of the Company upon TSXV acceptance of the transaction. Finder’s fees will be paid in connection with the transaction in accordance with TSXV policies and are subject to TSXV approval. On 13 July 2023, the Company issued 8,000,000 common shares and 707,142 finder’s shares (Note 8).

6.4 Nickel Project

On 23 October 2020, the Company entered into two purchase and sale agreements with John Malcolm Bell to acquire 100% interest, subject to a 2% net smelter royalty, in each of two nickel exploration projects located in British Columbia, Canada. Pursuant to the terms of the agreement the Company paid cash in the amount of \$19,500 and issued 5,000,000 common shares with a fair value of \$2,250,000. Additionally, the Company issued 500,000 finder’s shares with a fair value of \$225,000.

On 2 February 2021, the Company entered into an option agreement with a vendor 802213 AB Ltd. (Kelly Funk) for the purchase of a 100% interest, subject to a 2% net smelter royalty, in six mineral claims located in British Columbia. Additionally, the Company staked two adjoining claims. The Company may exercise the option by making a total of \$1,075,000 cash payments, issuing 6,000,000 common shares and incurring \$1,050,000 in exploration expenditures over a 4 year period and the conversion of the claims to a mining lease.

In relation to this option agreement, the Company made an initial cash payment of \$50,000 and issued 450,000 common shares with a fair value of \$121,500. On 2 February 2022, the Company paid \$75,000 and issued 450,000 common shares with a fair value of \$69,750 in relation to the first anniversary of the option agreement (Note 8).

The Company is required to issue shares, make payments and incur exploration expenditures as follows:

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		Payments	Shares	Exploration Expenditures
		\$		\$
On signing agreement	(paid)	50,000	-	-
On TSXV approval	(issued)	-	450,000	-
On or before 2 February 2022	(paid and issued)	75,000	450,000	100,000
On or before 2 February 2023		100,000	500,000	150,000
On or before 2 February 2024		150,000	600,000	300,000
On or before 2 February 2025		200,000	1,000,000	500,000
On conversion of the claims to a mining lease		500,000	3,000,000	-
		1,075,000	6,000,000	1,050,000

On commencement of commercial production, a 2% net smelter returns royalty will be payable to the optionor. The Company retains the option to purchase one-half of the net smelter return (being 0.5 of the 2%) for the sum of \$3,000,000.

On 13 March 2023, the Company sent notice of termination of the Option Agreement with respect to the 6 mineral claims. In Accordance with the Section 7.3 of the Agreement, the Company will keep the claims in good standing for a period of one year from 13 March 2023.

On 15 November 2021, the Company closed its disposition of certain nickel claims to Surge. The Company entered into an option agreement with Surge dated 7 July 2021, whereby Surge may earn an undivided 80% interest in the HN4 and N100 nickel group of claims, located in Northern British Columbia (Note 5).

As consideration for the transaction, the Company received 5,000,000 shares of Surge and Surge shall incur an aggregate of \$200,000 in exploration expenditures on the property on or before two years from the date of the agreement (Note 5).

On 31 March 2023, the Company closed the disposition of its remaining 20% interest on half of the remaining claims in the Property. As consideration for the transaction, The Company has received 1,000,000 shares of Surge (Note 5). In connection with this transaction, the Company recorded a gain on disposal of exploration and evaluation properties of \$84,353 during the year ended 30 June 2023.

On 27 September 2023, the Company signed an arranged agreement (the "Arrangement") with its newly incorporated wholly owned subsidiary AC/DC, pursuant to which the Company transferred the Nickel Project in exchange for 9,414,040 common shares of AC/DC (Note 17).

As at 30 June 2024, the Company had a \$Nil bond for exploration and reclamation activities on the Nickel Project (2023 - \$35,000).

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7. TRADE AND OTHER PAYABLES

The Company's trade payables and accrued liabilities are as follows:

As at 30 June	2024	2023
	\$	\$
Trade payables	101,074	2,659
Accrued liabilities	25,000	27,000
Total trade and other payables	126,074	29,659

8. SHARE CAPITAL

8.1 Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

As at 30 June 2024, the Company had 188,280,795 common shares outstanding (2023: 170,423,653).

8.2 Common shares issuances

a) Private Placements

On 21 September 2023, the Company issued 4,000,000 units at a price of \$0.12 per unit for cash proceeds of \$480,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.155 per share for a period of five years from closing. A value of \$Nil was assigned to the private placement warrants based on the residual method. The Company also paid finder 400,000 shares in connection with the private placement. The finder shares issued are valued at \$48,000.

On 22 June 2023, the Company issued 60,000,000 units at a price of \$0.05 per unit for cash proceeds of \$3,000,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.055 per share for a period of five years from closing. The Company also paid filing fees of \$21,232, Finder fees in the amount of \$191,950 cash and 1,710,000 shares and 702,000 warrants in connection with the private placement. The finder shares issued are valued \$85,500. The 702,000 finder warrants have the same terms as the private placement warrants. These finder's warrants had a fair value of \$28,112 using the Black-Scholes Option Pricing Model with the following assumptions:

- Risk-free interest rate 3.92%
- Expected term (in years) 1
- Estimated dividend yield 0%
- Weighted-average estimated volatility 115%

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On 21 February 2023, the Company issued 33,304,000 units at a price of \$0.05 per unit for cash proceeds of \$1,665,200. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.065 per share for a period of five years from closing. The Company also paid filing fees of \$12,554, Finder fees in the amount of \$40,000 cash and 3,100,500 shares in connection with the private placement. The finder shares issued are valued at \$155,025.

b) Exercise of Share Purchase Warrants

During the year ended 30 June 2024, the Company issued 4,500,000 common shares related to the exercise of 2,000,000 share purchase warrants at an exercise price of \$0.055 and 2,500,000 share purchase warrants at an exercise price of \$0.065.

c) Exercise of Stock Options

During the year ended 30 June 2024, the Company issued 250,000 common shares related to the exercise of 250,000 stock options at an exercise price of \$0.05. The quoted market price of the Company's shares for the options exercised was \$0.13.

d) Mineral property acquisition

During the year ended 30 June 2024, the Company issued 8,000,000 common shares with a fair value of \$1,120,000 in relation to the acquisition of Texas Spring property and 707,142 finder's shares with fair value of \$99,000 (Note 6.3).

8.3 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 30 June 2024 and 2023:

	30 June 2024		30 June 2023	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Outstanding, beginning	98,013,120	\$ 0.06	4,007,120	\$ 0.15
Issued	4,000,000	0.155	94,006,000	0.06
Exercised	(4,500,000)	0.06	-	-
Expired	(4,007,120)	0.15	-	-
Outstanding, end	93,506,000	0.06	98,013,120	0.06

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The following table summarizes information regarding warrants outstanding and exercisable as at 30 June 2024:

Expiry date	Number of warrants outstanding	Number of warrants exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise Price
21 September 2028	4,000,000	4,000,000	4.23	0.155
22 June 2028	58,702,000	58,702,000	3.98	0.055
21 February 2028	30,804,000	30,804,000	3.65	0.065
Total	93,506,000	93,506,000	3.88	0.060

8.4 Stock options

Effective 29 September 2016, the Company adopted a stock option plan whereby it is authorized to grant options to executive officers and directors, employees and/or consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. The aggregate maximum number of common shares issuable under the plan is 34,084,731 common shares. The aggregate number of options granted to one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but shall not be less than the last closing price of the Company's common shares on the day before the date on which the Directors grant such options.

The following is a summary of the changes in the Company's stock option activities for the years ended 30 June 2024 and 2023:

	30 June 2024		30 June 2023	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Outstanding, beginning	14,250,000	\$ 0.05	550,000	\$ 0.05
Granted	-	-	14,700,000	0.05
Exercised	(250,000)	0.05	-	-
Cancelled	-	-	(1,000,000)	0.05
Outstanding, end	14,000,000	0.05	14,250,000	0.05

On 6 June 2023, the Company granted 2,500,000 stock options to consultants, directors and officers of the Company. These stock options have an exercise price of \$0.05 per share and expire in 5 years. The fair value of these options was determined as \$91,587 using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

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- Risk-free interest rate 3.61%
- Expected term (in years) 2
- Estimated dividend yield 0%
- Weighted-average estimated volatility 108%

On 2 February 2023, the Company granted 12,200,000 stock options to consultants, directors and officers of the Company. These stock options have an exercise price of \$0.05 per share and expire in 5 years. The fair value of these options was determined as \$440,056 using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

- Risk-free interest rate 3.06%
- Expected term (in years) 2
- Estimated dividend yield 0%
- Weighted-average estimated volatility 106%

The following table summarizes information regarding stock options outstanding and exercisable as at 30 June 2024:

Expiry date	Number of options outstanding	Number of options exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise Price
17 September 2025	550,000	550,000	1.22	0.05
2 February 2028	10,950,000	10,950,000	3.59	0.05
6 June 2028	2,500,000	2,500,000	3.94	0.05
Total	14,000,000	14,000,000	3.56	0.05

8.5 Reserves

The reserve records items recognized as stock-based compensation expense and other share-based payments.

9. EARNINGS OR LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Year ended 30 June	2024	2023
Net income (loss) for the year	(\$1,365,818)	\$1,168,850
Weighted average number of shares – basic	185,895,159	86,527,959
Weighted average number of shares – diluted	185,895,159	95,288,906
Loss per share, basic	(\$0.007)	\$0.010
Loss per share, diluted	(\$0.007)	\$0.010

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The basic earnings (loss) per share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants are anti-dilutive for the year ended 30 June 2024. All of the stock options are dilutive and share purchase warrants were anti-dilutive for the year ended 30 June 2023.

10. FINANCIAL INSTRUMENTS

10.1 Categories of financial instruments

30 June	2024	2023
	\$	\$
FINANCIAL ASSETS		
FVTPL		
Cash	6,067,899	4,246,147
Short-term investment	-	3,000,000
Amortized Cost		
Amounts receivable	28,156	-
Total financial assets	6,096,055	7,246,147
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	101,074	2,659
Total financial liabilities	101,074	2,659

10.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the consolidated financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.

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- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

As at 30 June 2024	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets at fair value				
Cash	6,067,899	-	-	6,067,899
Total financial assets at fair value	6,067,899	-	-	6,067,899

As at 30 June 2023	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets at fair value				
Cash	4,246,147	-	-	4,246,147
Short-term investment	3,000,000	-	-	3,000,000
Total financial assets at fair value	7,246,147	-	-	7,246,147

There were no transfers between Level 1 and 2 and 3 in the years ended 30 June 2024 and 2023.

10.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk and currency risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash. The Company deposits cash with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 30 June 2024, the Company had a working capital of \$6,053,336 (2023: \$7,266,678) (Note 1.1).

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Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have financial instruments that are impacted by interest rate changes. Interest rate risk is assessed as minimal.

Currency Risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

11. CAPITAL RISK MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements.

The Company is dependent on external financing to fund its activities. In order to carry out its planned business strategy, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. As at 30 June 2024, the Company's capital structure consists of the equity of the Company (Note 8). The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

As at 30 June 2024, the Company's available capital resources, consisting of cash, totaled \$6,067,899 (2023: \$4,246,147). As at 30 June 2024, the Company's total payables are \$126,074 (2023: \$29,659). The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future.

12. RELATED PARTY TRANSACTIONS

For the years ended 30 June 2024 and 2023, the Company had related party transactions with the following parties related by way of management, directors or major shareholders in common:

As at 30 June 2024 and 2023, there is no amount due to related parties.

Grid Battery Metals Inc. (formerly Nickel Rock Resources Inc.)

Notes to the Consolidated Financial Statements

For the years ended 30 June 2024 and 2023

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12.1 Related party expenses

The Company's related party expenses are summarized as follows for the years ended 30 June 2024 and 2023:

Year ended 30 June	2024	2023
	\$	\$
Lease payments paid to President and CEO (Note 14)	12,000	8,000
Consulting fees to former CFO	-	24,000
Consulting fees to a Director and Chairman	24,000	24,000
Consulting fees to President and CEO	218,000	21,000
Consulting fees to CFO	70,000	28,000
Consulting fees to Corporate Secretary	109,000	93,000
Consulting fees to a Director	110,000	-
Share-based payments	-	79,354
Total related party expenses	543,000	277,354

12.2 Short-term investment

On 7 July 2021, the Company entered into an option agreement with Surge, whereby Surge may earn an undivided 80% interest in the HN4 and N100 nickel group of claims, located in Northern British Columbia (Note 6.4). As consideration for the transaction, the Company received 5,000,000 common shares of Surge. In relation to this transaction, the Company recorded short-term investments of \$1,075,000 as at date of (Note 5).

On 31 March 2023, further to the option agreement dated 7 July 2021, Surge was granted the option to acquire the remaining 20% interest in the HN4 and N100 Claims, located in Northern British Columbia. As consideration for the transaction, the Company has received 1,000,000 shares of Surge (Note 5).

During the year ended 30 June 2024, the Company sold all the shares of Surge and recognized gain on sale short-term investments of \$3,451,749 (2023: \$Nil).

13. KEY MANAGEMENT PERSONNEL COMPENSATION

The remuneration of directors and other members of key management for the years ended 30 June 2024 and 2023 were as follows:

Year ended 30 June	2024	2023
	\$	\$
Short-term benefits – management and consulting fees	531,000	190,000
Total key management personnel compensation	531,000	190,000

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14. RIGHT-OF-USE ASSET AND LEASE LIABILITY

On 1 November 2022, the Company entered into a rental agreement with the CEO of the Company. The term of the agreement is from 1 November 2022 to 31 October 2025. The lease liability was measured at the present value of the estimated lease payments and discounted using the Company's incremental borrowing rate, which is 8%.

The changes in the Company's ROU asset for the years ended 30 June 2024 and 2023 are as follows:

	Amounts
	\$
Balance at 30 June 2022	-
Additions	31,907
Depreciation for the year	(7,090)
Balance at 30 June 2023	24,817
Additions	-
Depreciation for the year	(10,636)
Balance at 30 June 2024	14,181

The changes in the Company's lease liability for the years ended 30 June 2024 and 2023 are as follows:

	Amounts
	\$
Balance at 30 June 2022	-
Additions	31,907
Lease payments (Note 12)	(8,000)
Finance charge	1,558
Balance at 30 June 2023	25,465
Lease payments (Note 12)	(12,000)
Finance charge	1,664
Balance at 30 June 2024	15,129
Less: current portion	11,194
Balance at 30 June 2024	3,935

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15. COMMITMENTS AND CONTINGENCIES

As at 30 June 2024, the Company had the following contingent liabilities resulting from exploration on evaluation assets:

- a) The Company's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- b) As at 30 June 2024, the Company owns various exploration and evaluation properties (Note 6). Management does not consider that any amounts related to decommissioning liabilities are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these obligations in the future.

On 28 February 2022, the Company extended the lease for its office space. The term was extended for one year from 1 June 2022 and ending on 31 May 2023. During the year ended 30 June 2023, the Company terminated the lease agreement.

16. SEGMENTED INFORMATION

The Company's only business activity is exploration and development of exploration and evaluation properties. This activity is carried out in Canada and the USA.

The breakdown of geographic area for the years ended 30 June 2024 and 2023 are as follows:

30 June 2024	Canada	USA	Total
	\$	\$	\$
Net loss for the year	1,365,818	-	1,365,818
Current assets	6,190,604	-	6,190,604
Exploration and evaluation properties	-	2,116,523	2,116,523
ROU Asset	14,181	-	14,181
Total assets	6,204,785	2,116,523	8,321,308

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For the years ended 30 June 2024 and 2023

(Expressed in Canadian dollars)

30 June 2023	Canada	USA	Total
	\$	\$	\$
Net income for the year	1,168,850	-	1,168,850
Current assets	7,306,673	-	7,306,673
Reclamation bond	35,000	-	35,000
Exploration and evaluation properties	150,346	307,831	458,177
ROU Asset	24,817	-	24,817
Total assets	7,516,836	307,831	7,824,667

17. TRANSFER OF ASSET UPON SPIN-OUT

On 25 April 2024, the Company completed a spin-out of its Nickel Project (Note 6) into a new company, AC/DC and in exchange, shares of AC/DC were distributed to the Company and subsequently to the Company's shareholders on a basis proportionate to their shareholdings of the Company.

On the basis that an accurate and fair valuation of the property is not otherwise reasonably determinable, the disposition has been recorded at fair value, defined to be equal to the current balances of deferred mineral property costs of the Company.

A breakdown of these amounts and of the resultant net reduction in the Company's equity is as follows:

	Amounts
	\$
Nickel Project	224,158
Accrued liabilities	(16,538)
Less: value assigned to AC/DC shares	-
	207,620

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18. TAXES

18.1 Provision for income taxes

Year ended 30 June	2024	2023
	\$	\$
Income (loss) before tax	(1,365,818)	1,168,850
Statutory tax rate	27%	27%
Expected income tax (recovery)	(368,771)	315,590
Non-deductible items and others	(87,219)	(75,517)
Change in unrecognized deductible temporary differences	455,990	(240,073)
Total income tax (recovery)	-	-

18.2 Deferred tax balances

As at 30 June	2024	2023
	\$	\$
Tax loss carry-forwards	2,144,869	1,684,487
Share issue costs	53,809	58,201
Investments	-	(460,350)
Mineral properties	533,115	533,115
Total deferred tax assets	2,731,793	1,815,453
Less: Unrecognized deferred tax assets	(2,731,793)	(1,815,453)
Net deferred tax assets	-	-

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18.3 Expiry dates

As at 30 June 2024, the Company had capital losses in Canada totaling \$Nil that may be carried forward indefinitely, cumulative exploration and development expenses of \$1,974,500, and a non-capital loss carry forward of \$7,943,961 available for tax purposes in Canada which expires as follows:

	As at 30 June 2024
	\$
Non-capital losses	
2034	81,536
2035	189,887
2036	635,899
2037	690,353
2039	682,298
2040	646,083
2041	1,853,192
2042	411,539
2043	1,048,232
2044	1,705,122
Total non-capital losses	7,943,961

19. SUBSEQUENT EVENT

On 29 August 2024, the Company has entered into a Purchase and Sale Agreement dated 26 August 2024 with AC/DC, to acquire a 100% interest in 17 mineral claims comprising 27,525.24 hectares located in North Central British Columbia. The region is host to numerous operating mines, good infrastructure including experienced exploration and supporting services.