

**LARGO PHYSICAL VANADIUM CORP.
(FORMERLY, COLUMN CAPITAL CORP.)**

CONSOLIDATED FINANCIAL STATEMENTS

**For the year ended July 31, 2022 and the period from incorporation on
November 26, 2020 to July 31, 2021**

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Largo Physical Vanadium Corp. (formerly Column Capital Corp.)

Opinion

We have audited the accompanying consolidated financial statements of Largo Physical Vanadium Corp. (formerly Column Capital Corp.) (the "Company"), which comprise the consolidated statements of financial position as at July 31, 2022 and 2021, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended July 31, 2022 and the period from incorporation on November 26, 2020 to July 31, 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2022 and 2021, and its financial performance and its cash flows for the year ended July 31, 2022 and the period from incorporation on November 26, 2020 to July 31, 2021 in accordance with International Financial Reporting Standards ("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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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 skepticism 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.

The engagement partner on the audit resulting in this independent auditor's report is Glenn Parchomchuk.

A handwritten signature in black ink that reads "Davidson & Coysany LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

October 26, 2022

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	July 31, 2022	July 31, 2021
	\$	\$
ASSETS		
Current assets		
Cash	184,533	267,897
Amounts receivable (Note 4)	65,938	-
Total assets	250,471	267,897
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 4 and 6)	70,698	42,811
Total liabilities	70,698	42,811
Shareholders' equity		
Share capital (Note 5)	245,522	245,522
Equity reserves (Note 5)	37,755	37,755
Deficit	(103,504)	(58,191)
Total shareholders' equity	179,773	225,086
Total liabilities and shareholders' equity	250,471	267,897

Basis of presentation (Note 2)

Events subsequent to the reporting date (Note 10)

On behalf of the Board:

Signed: "Paul Vollant" Director _____
Signed: "Jonathan Lee" Director

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

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Year Ended July 31, 2022	From Incorporation on November 26, 2020 to July 31, 2021
	\$	\$
EXPENSES		
Administrative and corporate services (Note 6)	18,900	9,450
Transfer agent, shareholder communications, listing and filing fees	15,090	5,271
Professional fees	11,294	14,883
Office and sundry	29	199
Share-based compensation (Notes 5 and 6)	-	28,388
Loss and comprehensive loss for the period	(45,313)	(58,191)
Basic and diluted loss per common share (Note 5)	(0.01)	(0.02)

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

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Share Capital		Equity Reserves	Deficit	Total
	Number of Shares	Amount			
		\$	\$	\$	\$
Balance, November 26, 2020	-	-	-	-	-
Shares issued	3,450,000	360,000	-	-	360,000
Share issuance costs	-	(114,478)	9,367	-	(105,111)
Share-based compensation	-	-	28,388	-	28,388
Net loss for the period	-	-	-	(58,191)	(58,191)
Balance, July 31, 2021	3,450,000	245,522	37,755	(58,191)	225,086
Net loss for the year	-	-	-	(45,313)	(45,313)
Balance, July 31, 2022	3,450,000	245,522	37,755	(103,504)	179,773

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

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Year Ended July 31, 2022	From Incorporation on November 26, 2020 to July 31, 2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(45,313)	(58,191)
Non-cash expenses:		
Share-based compensation	-	28,388
Changes in non-cash working capital items:		
Amounts receivable	(65,938)	-
Accounts payable and accrued liabilities related to operating activities	60,777	9,921
Net cash used in operating activities	(50,474)	(19,882)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments for share issuance costs	(32,890)	(72,221)
Proceeds from sale of shares	-	360,000
Net cash (used in) provided by financing activities	(32,890)	287,779
Change in cash during the period	(83,364)	267,897
Cash, beginning of period	267,897	-
Cash, end of period	184,533	267,897

Non-cash investing and financing activities:

In addition to \$72,221 in share issuance costs paid in the period from incorporation on November 26, 2020 to July 31, 2021, the Company recognized \$9,367 in non-cash share issuance costs for warrants issued in connection with the Company's initial public offering. Additionally, \$32,890 in share issuance costs were included in accounts payable and accrued liabilities as at July 31, 2021 and were paid during the year ended July 31, 2022.

There were no other non-cash investing or financing activities in the year ended July 31, 2022 or the period from incorporation on November 26, 2020 to July 31, 2021.

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

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO JULY 31, 2021

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Largo Physical Vanadium Corp. (formerly, Column Capital Corp. (the “Company”) was incorporated on November 26, 2020 under the Business Corporations Act (British Columbia). Following its initial public offering of common shares (the “IPO”) on June 15, 2021, became a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“TSX-V”) Policy 2.4 (“Policy 2.4”). As a CPC, the Company sought to acquire either operating assets or a business, subject to regulatory approval, that met the criteria of a Qualifying Transaction as defined by the TSX-V (“Qualifying Transaction”). Prior to the completion of its Qualifying Transaction, the Company had no revenue and incurred expenses primarily for Qualifying Transaction investigation, TSX-V listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4. Additional discussion on these restrictions is included in Note 8.

Qualifying Transaction

On September 15, 2022, the Company acquired 100% of the issued and outstanding shares of 1343840 B.C. Ltd, formerly Largo Physical Vanadium Corp., (“LPV”), a corporation formed under the laws of the Province of British Columbia (the “Transaction”). The Transaction was completed with the following steps:

1. the Company changed its name from Column Capital Corp. to Largo Physical Vanadium Corp.;
2. the Company consolidated its pre-Transaction share capital on a 7.547-for-1 basis (the “Consolidation”);
3. the Company issued 16,316,600 post-Consolidation common shares, of which 11,394,100 are held in escrow, in exchange for the common shares in LPV; and
4. LPV amalgamated with the Company’s wholly-owned subsidiary, and the company resulting from such amalgamation then amalgamated with the Company.

Following the Transaction, the Company is a publicly traded investment vehicle that holds substantially all of its assets in vanadium in physical form. The Company aims to provide a secure, convenient and exchange-traded investment alternative for investors interested in direct investment exposure to physical vanadium and not speculate with regard to short-term changes in vanadium prices. To manage this new operating model, the Company’s board of directors and officers were replaced with persons nominated by LPV.

The Company’s registered office address is Suite 1700, 666 Burrard St., Vancouver, British Columbia V6C 2X8.

These financial statements were authorized for issue by the Audit Committee and Board of Directors on October 26, 2022.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the COVID-19 coronavirus outbreak a pandemic, which continues to spread globally. As a CPC with no commercial operations prior to the Transaction on September 15, 2022, the COVID-19 pandemic did not have a significant impact on the Company’s operations or on the carrying value of its assets.

The pandemic’s effect on the Company following the Transaction is unknown. At this time the Company cannot accurately predict what effects these conditions will have on its long-term operations or financial results, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of the travel restrictions and business closures that have been or may be imposed by the governments of impacted countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in economic downturn that could result in a material adverse effect on the demand for the Company’s services, investor confidence, and general financial market liquidity, all of which may adversely affect the Company’s business. Accordingly, any outbreak or threat of an outbreak of an epidemic disease or similar public health emergency

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO JULY 31, 2021

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS (cont'd...)

COVID-19 Pandemic (cont'd...)

could have a material adverse effect on the Company's business, financial condition and results of operations as a result of delays of customer projects or government-mandated shutdowns.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency during the periods reported therein.

c) Continuation of Operations

As at July 31, 2022, the Company had cash of \$184,533 which, when combined with amounts receivable of \$65,938, is sufficient to pay \$70,698 in accounts payable and accrued liabilities then outstanding. Following the Transaction (Note 1), an additional \$29,693,572 held in escrow for LPV will be released to the Company and it is expected that this amount will be sufficient for the Company to maintain its post-Transaction operations for at least 12 months. As a result, these consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue its existence.

d) Basis of Consolidation

These consolidated financial statements include the financial results of the Company and all entities it controls from the date control commences until the date that control ceases. As such, these financial statements include the Company's accounts and those of its wholly-owned subsidiary, 1356909 B.C. Ltd. which was incorporated on April 5, 2022 to facilitate the Transaction (Note 1), but which is otherwise dormant. All transactions between consolidated entities are eliminated in these consolidated financial statements.

e) Reverse Takeover Reporting

The Transaction (Note 1) results in a reverse takeover (RTO) of the Company by LPV. These consolidated financial statements include only the accounts and activities of the reverse takeover acquiree and, unless otherwise stated, exclude LPV because the RTO occurred subsequent to the reporting date. It is expected that future financial statements, including comparative periods, will reflect the results and activities of LPV as the RTO acquiror.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value along with, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

- i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- ii) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). Any fair value changes due to credit risk for liabilities designated at fair value through profit and loss are recorded in other comprehensive income.

The Company has implemented the following classifications for financial instruments:

- The Company's financial assets include cash and amounts receivable. Cash is classified as an asset at fair value and any changes to fair value subsequent to initial recognition are recorded in profit or loss for the period in which they occur. Amounts receivable are classified as amortized cost and are measured using the effective interest rate method. Interest income is recorded in profit or loss, as applicable.
- Financial liabilities comprise of accounts payable and accrued liabilities. Accounts payable and accrued liabilities are classified as amortized cost and are measured using the effective interest rate method. Interest expense is recorded in profit or loss, as applicable.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Impairment of financial assets

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The Company has not recognized any impairment losses on its amounts receivable.

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO JULY 31, 2021

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financing costs

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

Share-based compensation

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date, using the Black-Scholes option pricing model, and are recognized as an expense over the vesting periods of the options on a graded basis. Options granted to consultants or other non-insiders are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. A corresponding increase is recorded to equity reserves for share-based compensation recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as equity reserves are recorded as share capital. When the right to receive options is forfeited before the options have vested, any expense previously recorded is reversed.

Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO JULY 31, 2021

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(Loss) earnings per share

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which includes shares held in escrow. Diluted (loss) earnings per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of “in-the-money” stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period.

In periods that the Company reports a net loss, any stock options or warrants outstanding are excluded from the calculation of diluted loss per share as their inclusion would be anti-dilutive.

Use of estimates and measurement uncertainties

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the measurements of assets, liabilities, revenues, expenses and certain disclosures reported in these financial statements. Significant estimates made by management include the following:

i. Valuation of share-based compensation and warrants

Management uses the Black-Scholes option pricing model to determine the fair value of employee stock options and compensatory warrants. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options and warrants, future risk-free interest rates and the dividend yield of the Company's common shares.

ii. Income taxes

Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, of deferred income tax assets and liabilities.

Accounting standards and interpretations issued but not yet effective

No future changes to accounting standards and interpretations that have been issued, but which were not effective in the preparation of these consolidated financial statements, are expected to apply to the recognition and presentation of amounts included herein.

4. AMOUNTS RECEIVABLE, ACCOUNTS PAYABLE AND ACCRUED LIABILITIES, AND TRANSACTION EXPENSES

Accounts payable and accrued liabilities as at July 31, 2022, includes \$58,498 for legal fees incurred in connection with the Transaction (Note 1). These and other expenses incurred for the Transaction were paid for by LPV and amounts receivable of \$65,938 have been recognized as at July 31, 2022 for amounts due from and subsequently paid by LPV.

Transaction expenses and the offsetting expense recoveries from LPV have been recorded in the same accounts in the consolidated statements of loss and comprehensive loss resulting in net Transaction-related expenses of \$nil.

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO JULY 31, 2021**

(Expressed in Canadian dollars)

5. SHAREHOLDERS' EQUITY**Authorized share capital**

The Company is authorized to issue unlimited numbers of common shares and preferred shares without par value. No preferred shares have been issued and changes to the number of common shares outstanding are as follows:

	Number of Shares	Assigned Value
Outstanding, November 26, 2020	-	\$ -
Shares issued	3,450,000	360,000
Outstanding, July 31, 2021 and 2022	3,450,000	\$ 360,000

On November 26, 2020, the Company issued 2,100,000 common shares at a price of \$0.075 per share for total proceeds of \$157,500 (the "Seed Shares"). As a CPC, the Seed Shares are held in escrow and will be released ratably over a period up to 18 months following the completion of the Transaction (Note 1).

On June 15, 2021, the Company completed the IPO issuing 1,350,000 of its common shares at a price of \$0.15 per share for gross proceeds of \$202,500. Share issuance costs for the IPO totaled \$114,478 that included \$105,111 in cash costs for TSX-V fees, legal and accounting fees, and agent's fees of which \$32,890 is included in accounts payable and accrued liabilities as at July 31, 2021. Additionally, the Company issued compensatory warrants with a \$9,367 fair value to the IPO agent.

Events subsequent to the reporting date

Changes to the Company's share capital subsequent to July 31, 2022 are discussed in Note 10.

Equity reserves*Stock options*

The Company has adopted an incentive stock option plan which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase its common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares, exercisable for a period of up to ten years from the date of grant. The vesting conditions, if any, for stock options granted are determined at the discretion of the Company's Board of Directors.

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO
JULY 31, 2021
(Expressed in Canadian dollars)

5. SHAREHOLDERS' EQUITY (cont'd...)

Equity reserves (cont'd...)

Stock options (cont'd...)

Changes to the Company's stock options outstanding are as follows:

	Number of Stock Options	Expiry Date	Exercise Price
			\$
Outstanding and exercisable, November 26, 2020	-	-	-
Options granted	225,000	June 15, 2026	0.15
Outstanding and exercisable, July 31, 2021 and 2022	225,000	June 15, 2026	0.15

On June 15, 2021, the Company granted 225,000 stock options to directors of the Company. These options have an exercise price of \$0.15 per common share and are exercisable until June 15, 2026 without further vesting conditions. The \$28,388 fair value of these stock options was recorded as a share-based compensation expense and was determined using the Black-Scholes option-pricing model using the following assumptions:

Risk-free interest rate	0.84%
Dividend yield	-
Expected stock price volatility	125%
Expected forfeiture rate	-
Expected life	5.0 years

Warrants

The Company may grant warrants that can be exercised to purchase its common shares at terms determined at the discretion of the Company's Board of Directors. These warrants may be included with common shares in future financings or granted as compensation for services provided to the Company.

Changes to the Company's warrants outstanding are as follows:

	Number of Warrants	Expiry Date	Exercise Price
			\$
Outstanding, November 26, 2020	-	-	-
Warrants issued	100,000	June 15, 2023	0.15
Outstanding, July 31, 2021 and 2022	100,000	June 15, 2023	0.15

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO
JULY 31, 2021
(Expressed in Canadian dollars)

5. SHAREHOLDERS' EQUITY (cont'd...)

Equity reserves (cont'd...)

Warrants (cont'd...)

On June 15, 2021, the Company issued 100,000 warrants for finder's services in connection with the Company's IPO. These warrants have an exercise price of \$0.15 per common share and are exercisable until June 15, 2023 without further vesting conditions. The \$9,367 fair value of these warrants was recorded as a share issuance cost and was determined using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.32%
Dividend yield	-
Expected stock price volatility	125%
Expected forfeiture rate	-
Expected life	2.0 years

Events subsequent to the reporting date

As discussed in Note 10, all stock options and warrants outstanding as at July 31, 2022 were subsequently exercised.

Per share amounts

Weighted average loss per share for the year ended July 31, 2022 and the period from incorporation on November 26, 2020 to July 31, 2021 is calculated as follows:

	Year Ended July 31, 2022	From Incorporation on November 26, 2020 to July 31, 2021
Numerator		
Net loss for the period	\$ (45,313)	\$ (58,191)
Denominator		
Weighted average number of common shares outstanding, basic and diluted	3,450,000	2,355,847
Loss per common share, basic and diluted	\$ (0.01)	\$ (0.02)

In accordance with the Company's accounting policy, weighted average number of common shares outstanding includes 2,100,000 shares held in escrow.

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO JULY 31, 2021

(Expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS

The Company is party to a management services agreement with Earlston Management Corp. (“Earlston”) whereby Earlston provides various administrative, management and corporate services to the Company for a fee of \$1,500 per month plus out-of-pocket costs. Additional fees may be paid to Earlston for non-standard services. For the year ended July 31, 2022, the Company recognized an expense of \$18,900 (the period from incorporation on November 26, 2020 to July 31, 2021 – \$9,450) for corporate and administrative services provided by Earlston of which \$1,575 is included in accounts payable and accrued liabilities as at July 31, 2022 (\$1,575). Additional payments to Earlston made in connection with the Transaction are discussed in Note 10.

During the period from incorporation on November 26, 2020 to July 31, 2021, the Company granted a total of 225,000 stock options to its directors. The stock options were fully-vested on their grant date and a related share-based compensation expense of \$28,388 was recognized in the period. The terms of the options are further discussed in Note 5.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at July 31, 2022, the Company’s financial instruments comprise cash, amounts receivable, and accounts payable and accrued liabilities. The fair values of amounts receivable and accounts payable and accrued liabilities approximate their carrying values due to their short term to maturity. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market data (unobservable inputs).

As at July 31, 2022, the fair value of cash held by the Company was based on level 1 inputs of the fair value hierarchy.

The Company’s risk exposures and the impact on the Company’s financial instruments as at July 31, 2022 are summarized below. The effects of the Transaction (Note 1) on these risks have not been assessed in the following discussion, but will be addressed in future reporting periods.

Credit risk

Credit risk is the risk of loss arising from a customer or third party to a financial instrument failing to meet its contractual obligations. The Company’s credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with a large Canadian financial institution. The credit risk related to amounts receivable as at July 31, 2022 is considered low because they relate to non-recurring expenses related to the Transaction and were subsequently paid by LPV (Note 4).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at July 31, 2022, the Company had a cash balance of \$184,533 which, when combined with amounts receivable of \$65,938, is sufficient to settle current liabilities of \$70,698 and anticipated short-term cash requirements.

The Company’s financial liabilities include trade payables that have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO
JULY 31, 2021
(Expressed in Canadian dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. As at July 31, 2022, the Company does not currently hold interest-bearing financial instruments other than cash, assets or liabilities denominated in a foreign currency, and marketable securities or other financial instruments subject to fluctuations in equity prices, it currently does not have exposure to these market risks.

8. CAPITAL MANAGEMENT

In the management of capital, the Company defines capital as its shareholders' equity. As at July 31, 2022, the Company's shareholders' equity was \$179,773.

Prior to the completion of the Transaction (Note 1) the Company's objectives when managing capital were to maintain a low level of on-going operating costs and to continue as a going concern until a Qualifying Transaction could be completed. As a CPC, the Company was subject to certain expenditure restrictions applicable under Policy 2.4. These expenditure restrictions limit the Company's on-going expenditures to reasonable expenditures relating to the IPO, reasonable expenses relating to a proposed Qualifying Transaction, assurance and audit fees, escrow agent and transfer agent fees, regulatory filing fees and a maximum of \$3,000 per month for other general and administrative costs.

Following the completion of the Transaction, the Policy 2.4. expenditure restrictions are no longer applicable.

9. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year Ended July 31, 2022	From Incorporation on November 26, 2020 to July 31, 2021
	\$	\$
Loss and comprehensive loss for the period	(45,313)	(58,191)
Expected income tax recovery	(12,000)	(16,000)
Permanent differences	-	(20,000)
Change in unrecognized deductible temporary differences	12,000	36,000
Total income tax recovery	-	-

The Company's combined federal and provincial tax rate applicable for the year ended July 31, 2022 and the period from incorporation on November 26, 2020 to July 31, 2021 was 27%.

The significant components of the Company's unrecorded deferred tax assets as at July 31, 2021 and 2022 are as follows:

	July 31, 2022	July 31, 2021
	\$	\$
Non-capital losses available for future periods	27,000	9,000
Share issuance costs	21,000	27,000
Unrecognized deferred tax assets	(48,000)	(36,000)
Net deferred tax assets	-	-

LARGO PHYSICAL VANADIUM CORP. (FORMERLY, COLUMN CAPITAL CORP.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2022 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 26, 2020 TO JULY 31, 2021

(Expressed in Canadian dollars)

9. INCOME TAXES (cont'd...)

The significant components of the Company's temporary differences and unused tax losses that have not been included on the statement of financial position are as follows:

	July 31, 2022		July 31, 2021	
	\$	Expiry date range	\$	Expiry date range
Non-capital losses available for future periods	100,000	2041-2042	34,000	2041
Share issuance costs	80,000	2043-2046	101,000	2042-2046

Tax attributes are subject to review, and potential adjustment, by tax authorities.

10. SUBSEQUENT EVENTS*Qualifying Transaction*

As discussed in Note 1, the Company completed the Transaction with LPV on September 15, 2022, which constituted the Company's Qualifying Transaction. In conjunction with the Transaction:

1. the Company changed its name from Column Capital Corp. to Largo Physical Vanadium Corp.;
2. the Company consolidated its pre-Transaction share capital on a 7.547-for-1 basis;
3. the Company issued 16,316,600 post-Consolidation common shares, of which 11,394,100 are held in escrow, in exchange for the common shares in LPV; and
4. LPV amalgamated with the Company's wholly-owned subsidiary, and the company resulting from such amalgamation then amalgamated with the Company.

On September 23, 2022, the TSX-V issued its final bulletin with respect to the Transaction, triggering the release of 25% of the post-Consolidation Seed Shares (Note 5) from escrow. The remaining Seed Shares will be released from escrow every six months thereafter.

Related party transaction

In September 2022, the Company paid Earlston (Note 6) \$37,500 for services provided in connection with the Transaction.

Exercise of stock options and warrants

All of the Company's warrants and stock options outstanding on July 31, 2022 (Note 5) were exercised in September 2022 for total proceeds of \$48,750. On a pre-Consolidation basis, a total of 325,000 (43,063 post-Consolidation) common shares in the Company were issued as a result of the warrant and stock option exercises.