



GIYANI METALS CORP.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022**

(Expressed in Canadian Dollars)

(UNAUDITED)

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

As at	September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
ASSETS		
Current		
Cash	\$ 16,133,286	\$ 20,250,602
Amount receivable	122,694	184,819
Prepaid and other expenses	166,681	69,442
Current assets	16,422,661	20,504,863
Non-current		
Property, plant and equipment	Note 5 1,643,333	160,935
Exploration and evaluation assets	Note 6 12,455,607	8,579,209
Total assets	\$ 30,521,601	\$ 29,245,007
LIABILITIES		
Current		
Accounts payable and accrued liabilities	Notes 7,10 \$ 2,162,468	\$ 1,459,972
Lease liabilities	Note 8 45,250	54,396
Current liabilities	2,207,718	1,514,368
Non-current		
Lease liabilities	Note 8 -	32,859
RSU liability	Note 9 -	25,968
Total liabilities	\$ 2,207,718	\$ 1,573,195
EQUITY		
Share capital	Note 11 \$ 54,285,787	\$ 48,077,609
Contributed surplus	Note 12 8,686,119	8,298,318
Warrants	Note 13 11,308,269	12,689,326
Cumulative translation adjustment	(606,536)	(475,578)
Deficit	(45,359,756)	(40,917,863)
	28,313,883	27,671,812
Total liabilities and equity	\$ 30,521,601	\$ 29,245,007

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

Nature of operations and going concern (note 1)

Approved by the Board of Directors:

Director: Stephanie Hart

Director: John L. Petersen

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

For the periods ended	For the three months ended		For the nine months ended		
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	
Expenses					
Corporate, general and administrative expenses	Note 14	1,156,916	1,555,738	4,649,772	3,840,644
Depreciation	Note 5	22,113	11,901	65,215	14,265
Net loss before finance charges and foreign exchange		1,179,029	1,567,639	4,714,987	3,854,909
Other items					
Foreign exchange (gain) loss, net		(4,224)	(92)	(10,961)	104,595
Loss on acquisition of remaining interest in Lexshell	Note 6	-	-	-	45,000
Gain on sale of Rock Island Trading (Pty) Ltd.	Note 6	(26,762)	(98,871)	(114,279)	(162,629)
Finance (income) cost, net		(90,585)	3,526	(147,854)	7,349
Net loss		\$ 1,057,458	\$ 1,472,202	\$ 4,441,893	\$ 3,849,224
Other comprehensive loss					
Items that may be subsequently reclassified to profit and loss:					
Currency translation adjustment		112,137	69,778	130,958	141,249
Net loss and comprehensive loss for the period		\$ 1,169,595	\$ 1,541,980	\$ 4,572,851	\$ 3,990,473
Basic and diluted loss per share		\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.01
Weighted average number of shares outstanding		218,409,672	174,396,965	208,699,430	167,958,153

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

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

	Notes	Number	Share Capital Amount	Contributed Surplus	Warrants	Cumulative Translation Adjustment	Deficit	Total
Balance at December 31, 2020		153,753,234	\$ 30,489,730	\$ 7,173,754	\$ 7,465,980	\$ (426,640)	\$ (35,805,640)	\$ 8,897,184
Bought deal equity financing	11b(i)	16,916,500	11,503,220	-	-	-	-	11,503,220
Share issuance costs	11b(i)	-	(922,353)	-	-	-	-	(922,353)
Warrants issued under bought deal equity financing	11b(i)	-	(2,348,136)	-	2,348,136	-	-	-
Broker warrants issued under bought deal equity financing	11b(i)	-	(352,500)	-	352,500	-	-	-
Exercise of stock options	11b(iii)	1,112,500	381,997	(171,247)	-	-	-	210,750
Exercise of warrants	11b(iv)	2,858,000	625,400	-	(164,425)	-	-	460,975
Stock-based compensation	12(i)	-	-	1,313,370	-	-	-	1,313,370
Currency translation adjustment		-	-	-	-	(141,249)	-	(141,249)
Net loss		-	-	-	-	-	(3,849,224)	(3,849,224)
Balance at September 30, 2021		174,640,234	\$ 39,377,358	\$ 8,315,877	\$ 10,002,191	\$ (567,889)	\$ (39,654,864)	\$ 17,472,673
Bought deal equity financing	11b(ii)	26,136,395	11,500,013	-	-	-	-	11,500,013
Share issuance costs	11b(ii)	-	(931,933)	-	-	-	-	(931,933)
Warrants issued under bought deal equity financing	11b(ii)	-	(2,498,045)	-	2,498,045	-	-	-
Broker warrants issued under bought deal equity financing	11b(ii)	-	(287,386)	-	287,386	-	-	-
Exercise of warrants	11b(iv)	1,249,000	441,846	-	(98,296)	-	-	343,550
Exercise of stock options	11b(iii)	1,150,000	475,756	(217,976)	-	-	-	257,780
Stock-based compensation	12(ii-vii)	-	-	200,417	-	-	-	200,417
Currency translation adjustment		-	-	-	-	92,311	-	92,311
Net loss		-	-	-	-	-	(1,262,999)	(1,262,999)
Balance at December 31, 2021		203,175,629	\$ 48,077,609	\$ 8,298,318	\$ 12,689,326	\$ (475,578)	\$ (40,917,863)	\$ 27,671,812
Exercise of warrants	11b(v)	13,872,682	5,531,660	-	(1,193,770)	-	-	4,337,890
Exercise of finders warrants	11b(v)	998,257	456,719	-	(187,287)	-	-	269,432
Stock-based compensation	12(vii)	-	-	469,751	-	-	-	469,751
Exercise of stock options	11b(vi)	300,000	183,950	(81,950)	-	-	-	102,000
Settlement of restricted share units (RSUs)	11b(vii)	94,340	35,849	-	-	-	-	35,849
Currency translation adjustment		-	-	-	-	(130,958)	-	(130,958)
Net loss		-	-	-	-	-	(4,441,893)	(4,441,893)
Balance at September 30, 2022		218,440,908	\$ 54,285,787	\$ 8,686,119	\$ 11,308,269	\$ (606,536)	\$ (45,359,756)	\$ 28,313,883

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

GIYANI METALS CORP.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

For the periods ended	September 30, 2022	September 30, 2021
Operating activities		
Net loss	\$ (4,441,893)	\$ (3,849,224)
Adjusted for:		
Depreciation	Note 5 65,215	14,265
Stock-based compensation	Notes 9,12 479,632	1,331,078
Finance cost, net	3,502	-
Unrealized foreign exchange loss (gain), net	65,020	(66,608)
Changes in working capital and other:		
Decrease in amount receivable	34,563	(3,124)
Decrease in subscription receivable	-	186,900
Increase in prepaids	(97,547)	(116,959)
Decrease (increase) in accounts payable and accrued liabilities	527,061	(53,131)
Cash used in operating activities	(3,364,447)	(2,556,803)
Investing activities		
Additions to property, plant and equipment	(1,303,156)	(27,596)
Additions to exploration and evaluation expenditures	(4,111,393)	(2,977,140)
Cash used in investing activities	(5,414,549)	(3,004,736)
Financing activities		
Proceeds from bought deal equity financing	-	11,503,220
Share issuance costs	-	(922,353)
Proceeds from exercise of stock options	102,000	210,750
Proceeds from exercise of warrants	Note 11b(v) 4,607,322	434,725
Payment of lease liabilities	Note 8 (44,519)	(11,067)
Cash provided by financing activities	4,664,803	11,215,275
(Decrease) increase in cash	(4,114,193)	5,653,736
Cash at beginning of the period	20,250,602	6,338,927
Effect of foreign exchange on cash	(3,123)	-
Cash position at end of the period	\$ 16,133,286	\$ 11,992,663

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

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

1. Nature of operations and going concern

Giyani Metals Corp., formerly Giyani Gold Corp. ("**Giyani**", or "**the Company**") was incorporated under the Canada Business Corporations Act on July 26, 2007, and continued under the Business Corporations Act of British Columbia on August 4, 2010. Since 2017, the Company has focused its full attention to advance its manganese assets within the Kanye Basin in south eastern Botswana, Africa (the "**Kanye Basin Prospects**") through its wholly owned Botswana subsidiary Menzi Battery Metals (Pty) Ltd. ("**Menzi**"). The Company's Kanye Basin Prospects consist of eight prospecting licences and include the past producing Kgwakgwe Hill mine and project ("**K.Hill Project**"), the Otse manganese prospect ("**Otse**") and the Lobatse manganese prospect ("**Lobatse**"), all of which have seen historical mining activities.

The Company's registered address is Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, V6C 2X8. The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange ("**TSXV**") under the symbol "EMM".

The Company's strategy is to become a responsible and low carbon producer of battery materials for the electric vehicle ("**EV**") industry. Giyani is developing a portfolio of manganese oxide deposits in the Kanye Basin of Botswana to produce high purity manganese sulphate monohydrate ("**HPMSM**"), a precursor chemical used in the production of lithium-ion batteries employed in EVs.

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel bans, quarantine periods and social distancing, have caused material disruption to businesses and supply chains globally. Global equity markets have experienced significant volatility. Despite the easing of travel restrictions, the duration of the pandemic and its impact on the Company and its operating subsidiaries in future periods cannot be reliably estimated. The Company continues to monitor the business environment to ensure minimal disruption to business operations and continues to operate all aspects of its business as intended as of the current date.

These unaudited condensed interim consolidated financial statements have been prepared using IFRS applicable to a "going concern", which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. These unaudited condensed interim consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. For the nine months ended September 30, 2022, the Company reported a net loss of \$4,441,893 (nine months ended September 30, 2021 - \$3,849,224) and had an accumulated deficit of \$45,359,756 at September 30, 2022 (December 31, 2021 - \$40,917,863). The Company has positive working capital of \$14,214,943 (December 31, 2021 - \$18,990,495). The continuing operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that additional funds will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern and accordingly use accounting principles applicable to a going concern.

2. Basis of preparation

(a) Statement of compliance

These unaudited condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2022 and 2021 have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" using accounting policies consistent with the International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the IFRS Interpretations Committee ("**IFRICs**").

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2021.

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

The Company is a resource development company that does not own any properties with established reserves and has no operating revenues. Further, there is no assurance that the evaluation and acquisition activities executed or planned by the Company for the Kanye Basin Prospects will result in the development of a profitable commercial operation. The Company will most likely continue to operate at a loss while the Company is evaluating the Kanye Basin Prospects and planning its potential development.

The Board of Directors approved these unaudited condensed interim consolidated financial statements on November 9, 2022.

(b) Use of judgements and estimates

The preparation of the unaudited condensed interim consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, income and expenses. Actual results could differ from these estimates, judgments and assumptions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant estimates and judgments applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in Note 2(f) to the Company's audited consolidated financial statements for the year ended December 31, 2021.

3. Significant accounting policies

The accounting policies and methods of computation applied by the Company in these unaudited condensed interim consolidated financial statements are the same as those applied in the Company's audited annual consolidated financial statements for the year ended December 31, 2021.

4. New standards and interpretations not yet adopted

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's unaudited condensed interim consolidated financial statements that the Company reasonably expects will have an impact on its disclosures, financial position or performance when applied at a future date, are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

(a) Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period";
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishments of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The amendment is not expected to have a material impact in these unaudited condensed interim consolidated financial statements.

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

(b) Definition of Accounting Estimates – Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1, 2023, and apply to changes in accounting policies and accounting estimates that occur on or after the start of that period. Earlier application is permitted if this fact is disclosed.

The amendments are not expected to have a material impact on the Company.

(c) Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality.

Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after January 1, 2023, with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary. The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company’s accounting policy disclosures.

(d) Amendments to IAS 12 Income taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction clarifies the accounting for deferred tax on transactions such as leases and decommissioning obligations by removing the initial recognition exemption for transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments are effective for annual periods beginning on or after January 1, 2023. The Company is currently assessing the impact of the amendments to determine the impact on the Company’s income tax provision.

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

5. Property, plant and equipment

	Construction in progress	Furniture and Fixture	Mining and Exploration Equipment	Computer Equipment	Vehicles	ROU Property	Leasehold Improvements	Total
Cost								
At December 31, 2020	\$ -	\$ 35,365	\$ 54,467	\$ 25,742	\$ -	\$ -	\$ -	\$ 115,574
Additions	-	25,951	-	5,047	46,161	116,551	7,405	201,115
Foreign exchange	-	(1,192)	-	(158)	(2,177)	(6,722)	(349)	(10,598)
Disposal	-	(31,186)	(54,467)	(25,742)	-	-	-	(111,395)
At December 31, 2021	\$ -	\$ 28,938	\$ -	\$ 4,889	\$ 43,984	\$ 109,829	\$ 7,056	\$ 194,696
Additions	1,504,981	5,230	-	6,756	40,425	-	2,538	1,559,930
Foreign exchange	(6,977)	(1,030)	-	(190)	(2,879)	(3,791)	(621)	(15,488)
At September 30, 2022	\$ 1,498,004	\$ 33,138	\$ -	\$ 11,455	\$ 81,530	\$ 106,038	\$ 8,973	\$ 1,739,138
Accumulated depreciation								
At December 31, 2020	\$ -	\$ (29,628)	\$ (47,507)	\$ (25,742)	\$ -	\$ -	\$ -	\$ (102,877)
Depreciation	-	(3,883)	(6,960)	(711)	(2,408)	(24,450)	(894)	(39,306)
Foreign exchange	-	202	-	49	209	744	12	1,216
Disposal	-	26,997	54,467	25,742	-	-	-	107,206
At December 31, 2021	\$ -	\$ (6,312)	\$ -	\$ (662)	\$ (2,199)	\$ (23,706)	\$ (882)	\$ (33,761)
Depreciation expense	-	(2,904)	-	(2,023)	(15,574)	(41,150)	(3,564)	(65,215)
Foreign exchange	-	171	-	47	600	2,203	150	3,171
At September 30, 2022	\$ -	\$ (9,045)	\$ -	\$ (2,638)	\$ (17,173)	\$ (62,653)	\$ (4,296)	\$ (95,805)
Net book value:								
At December 31, 2021	\$ -	\$ 22,626	\$ -	\$ 4,227	\$ 41,785	\$ 86,123	\$ 6,174	\$ 160,935
At September 30, 2022	\$ 1,498,004	\$ 24,093	\$ -	\$ 8,817	\$ 64,357	\$ 43,385	\$ 4,677	\$ 1,643,333

6. Exploration and evaluation assets

Botswana

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

	September 30 2022	December 31 2021
Opening balance	\$ 8,579,209	\$ 3,282,079
Exploration and drilling	1,347,106	1,705,209
Engineering studies	960,601	2,105,542
Environmental studies	44,678	117,512
Geological studies	1,055,242	777,338
Other field operations	109,096	294,602
Metallurgical test work and analysis	503,087	455,624
Acquisition costs and permits	55,358	79,812
Foreign exchange	(198,770)	(238,509)
Total	\$ 12,455,607	\$ 8,579,209

South Africa

Rock Island Gold Project

The Company had previously entered into a joint operation agreement relating to the assets of Rock Island Trading 17 (Pty) Ltd. (1) ("**Rock Island**") with Corridor Mining Resources ("**CMR**"). The Company funded the joint operation with CMR on a 50:50 basis, whereby both parties were to share the costs evenly on an ongoing basis. The joint operation was operated through Rock Island; a company incorporated in South Africa for which Giyani had 28.8% effective ownership.

During the year ended December 31, 2019, the Company entered into a share sale agreement with CMR to sell the Company's effective interest of 28.8% or 45 shares in Rock Island (the "**Rock Island Agreement**") held through Lexshell 837 Investments (Pty) Ltd. ("**Lexshell**").

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

Also, during the year ended December 31, 2019, the Company entered into a share purchase agreement with Malungani Resources (Pty) Ltd ("**Malungani**") to acquire the remaining 36% of Lexshell it did not already own (the "**Lexshell Agreement**"). The Company and Malungani agreed on the following:

- Upon completion of the Rock Island Agreement, Lexshell would transfer the sale proceeds to Giyani in settlement of certain inter-company debts.
- The Company would issue Malungani 1,248,999 common shares of Giyani. 416,333 or one-third of the shares were issued as of December 31, 2019, and the remaining two-thirds were to be issued once the Company received the remaining proceeds from the Rock Island Agreement.

During the year 2021, the Company and Malungani amended the terms and completed the Lexshell Agreement for cash consideration of \$45,000 as full and final settlement.

During the nine months ended September 30, 2022:

- The Rock Island Agreement had not been completed;
- The Company received ZAR1,400,000 (\$114,279) from CMR which was recorded in the condensed interim consolidated statement of loss and comprehensive loss as a gain on sale.

7. Accounts payable and accrued liabilities

	September 30 2022	December 31 2021
Trade payables	\$ 415,056	\$ 283,182
Accrued liabilities	1,747,412	1,176,790
Total	\$ 2,162,468	\$ 1,459,972

8. Lease liabilities

	September 30 2022	December 31 2021
Current portion of lease liabilities	\$ 45,250	\$ 54,396
Non-current portion of lease liabilities	-	32,859
Total	\$ 45,250	\$ 87,255

	September 30 2022	December 31 2021
Lease liabilities, beginning of the period	\$ 87,255	\$ -
Additions	-	116,551
Finance cost	4,167	2,854
Lease payments	(44,519)	(26,545)
Foreign exchange	(1,653)	(5,605)
Lease liabilities, end of the period	\$ 45,250	\$ 87,255

The Company recognized lease liabilities for the lease of several properties in Botswana at an incremental borrowing rate of 8.0%.

During the three and nine months ended September 30, 2022, payments made for short term leases are captured in the condensed interim consolidated statement of net loss and comprehensive loss for the amounts of \$990 and \$4,110 (three and nine months ended September 30, 2021 - \$7,573 and \$46,745).

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements
September 30, 2022 and 2021
(Expressed in Canadian dollars unless otherwise stated)
(Unaudited)

9. RSU liability

The Company has adopted a RSU Plan under which the Board of Directors of the Company may grant to directors, officers, employees and consultants of the Company, non-transferable RSUs to acquire common shares or their cash equivalent at the end of the vesting period. The aggregate number of shares that may be issued under the RSU Plan shall not exceed 10% of the issued and outstanding common shares.

On June 17, 2021, the Company granted 188,680 RSUs to an officer of the Company which were to vest equally on April 21, 2022, and April 21, 2023. The RSUs granted are accounted for under the liability method whereby a liability is recorded at grant date equal to the fair value of the RSUs. At each reporting date, changes in fair value are recognized in the stock-based compensation in the condensed interim consolidated statements of loss and comprehensive loss.

During the nine months ended September 30, 2022, 94,340 RSUs were settled, resulting in the issuance of the corresponding number of common shares and 94,340 RSUs were forfeited.

For the three and nine months ended September 30, 2022, the Company recorded stock-based compensation expenses for the RSUs of \$(19,676) and \$9,881 (three and nine months ended September 30, 2021, \$5,903 and \$17,708) in the condensed interim consolidated statements of loss and comprehensive loss.

As at September 30, 2022, no RSUs were outstanding.

10. Related party transactions

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Related party transactions for the three and nine months ended September 30, 2022 and 2021 are as follows:

Transaction type	Nature of relationship	For the three months ended		For the nine months ended	
		September 30 2022	September 30 2021	September 30 2022	September 30 2021
Management fees	Officers	\$ 512,159	\$ 338,954	\$ 1,445,531	\$ 726,076
Director fees	Directors	83,605	64,241	230,333	148,851
Exploration and evaluation expenditures	Management	90,439	338,063	438,331	787,233
Accounting and audit	Former officer	-	-	-	17,792
Stock-based compensation	Directors and officers	69,450	449,034	531,136	1,235,380
Total		\$ 755,653	\$ 1,190,292	\$ 2,645,331	\$ 2,915,332

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

Transaction type	Nature of relationship	September 30	December 31
		2022	2021
Management fees	Officers and management	\$ 505,738	\$ 324,309

11. Share capital

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

The following is a continuity of shares issued:

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

		Number of shares	Amount \$
Balance, December 31, 2020		153,753,234	\$ 30,489,730
Bought deals, equity financing	(i), (ii)	43,052,895	23,003,233
Fair value of warrants issued in bought deals financing	(i), (ii)	-	(4,846,181)
Fair value of broker warrants issued in bought deals financing	(i), (ii)	-	(639,886)
Share issuance costs	(i), (ii)	-	(1,854,286)
Exercise of stock options	(iii)	2,262,500	468,530
Fair value reclassified upon exercise of stock options	(iii)	-	389,223
Exercise of warrants	(iv)	4,107,000	804,525
Fair value reclassified upon exercise of warrants	(iv)	-	262,721
Balance, December 31, 2021		203,175,629	\$ 48,077,609
Exercise of warrants	(v)	13,872,682	4,337,890
Exercise of finders warrants	(v)	998,257	269,432
Fair value reclassified upon exercise of warrants and finders warrants	(v)	-	1,381,057
Exercise of stock options	(vi)	300,000	102,000
Fair value reclassified upon exercise of stock options	(vi)	-	81,950
Fair value of RSUs settled	(vii)	94,340	35,849
Balance, September 30, 2022		218,440,908	\$ 54,285,787

(i) On March 24, 2021, the Company closed a bought deal equity financing for gross proceeds of \$11,503,220 and issued 16,916,500 units at \$0.68 per unit. The financing included the exercise in full of the underwriter's over-allotment option to purchase up to an additional 15% of the units of the offering (2,206,500 units) on the same terms. Each unit consisted of one common share of Giyani and one half of a share purchase warrant exercisable at \$1.00 for a period of 18 months from the date of issuance. In conjunction with the bought deal financing, \$632,677 in finders' fees were paid and an additional \$163,798 in issuance costs were capitalized.

The 8,458,249 share purchase warrants and 930,407 broker warrants were assigned a fair value of \$2,348,136 and \$352,486, respectively. Fair value was determined using the Black-Scholes option pricing model using the following weighted average assumptions: share price - \$0.64, dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 138%; risk-free interest rate - 0.24%; and an expected life - 1.5 years. Each broker warrant is exercisable for one share at \$0.68 for a period of 1.5 years.

(ii) On December 3, 2021, the Company closed a bought deal equity financing for gross proceeds of \$11,500,013 and issued 26,136,395 units at \$0.44 per unit. The financing included the exercise in full of the underwriter's over-allotment option to purchase up to an additional 15% of the units of the offering (3,409,095 units) on the same terms. Each unit consisted of one common share of Giyani and one half of a share purchase warrant exercisable at \$0.60 for a period of 24 months from the date of issuance. In conjunction with the bought deal financing, \$616,748 in finders' fees were paid and an additional \$441,063 in issuance costs were capitalized.

The 13,068,197 share purchase warrants and 1,381,241 broker warrants were assigned a fair value of \$2,498,045 and \$287,400, respectively. Fair value was determined using the Black-Scholes option pricing model using the following weighted average assumptions: share price \$0.34, dividend yield 0%; expected volatility (based on historical price data of the Company's common share) 133%; risk-free interest rate 1.01%; and an expected life 2 years. Each broker warrant is exercisable for share at \$0.44 for a period of two years.

(iii) During the year ended December 31, 2021, a former officer, a current officer and a current director exercised 2,262,500 stock options exercisable between \$0.10 and \$0.34 for total gross proceeds of \$468,530. The fair value of the stock options exercised was \$389,223 which was reallocated from contributed surplus to share capital.

(iv) During the year ended December 31, 2021, 4,107,000 warrants with exercise prices between \$0.10 and \$0.35 were exercised for gross proceeds of \$804,525. The fair value of the warrants exercised was \$262,721 which was reallocated from warrants to share capital.

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

(v) For the nine months ended September 30, 2022, 13,872,682 warrants with exercise prices between \$0.20 and \$0.35 were exercised for gross proceeds of \$4,337,890. 998,257 of finders' warrants with exercise prices between \$0.125 and \$0.35 were exercised for gross proceeds of \$269,432. The fair value of the warrants and finders' warrants exercised was \$1,193,770 and \$187,287 which was reallocated from warrants to share capital.

(vi) For the nine months ended September 30, 2022, a current officer and a current director exercised 300,000 stock options with exercise price of \$0.34 for total gross proceeds of \$102,000. The fair value of the stock options exercised was \$81,950 which was reallocated from contributed surplus to share capital.

(vii) During the nine months ended September 30, 2022, an officer settled 94,340 RSUs resulting in 94,340 common shares issued. The fair value of the RSUs exercised was \$35,849 which was reallocated from RSU liability to share capital.

12. Stock options

The Company has adopted an incentive stock option plan in accordance with the policies of the TSXV, under which the Board of Directors of the Company may grant to directors, officers, employees and consultants of the Company, non-transferable options to purchase common shares provided the number of shares reserved for issuance under the stock option plan shall not exceed 10% of the issued and outstanding common shares, exercisable for a period of up to five years from the date of grant. The Board of Directors determines the price per common share and the number of common shares, which may be allotted to directors, officers, employees and consultants, and all other terms and conditions of the option, subject to the rules of the TSXV.

Stock option transactions are summarized as follows:

		Number of stock options outstanding	Weighted average exercise price
Balance, December 31, 2020		10,112,500	\$ 0.22
Exercised	note 11(b)(iii)	(2,262,500)	0.21
Granted	(i), (ii), (iii), (iv)	4,462,500	0.49
Forfeited	(v)	(500,000)	0.21
Balance, December 31, 2021		11,812,500	\$ 0.32
Exercised	note 11(b)(vi)	(300,000)	0.34
Granted	(vi, vii)	1,475,000	0.35
Forfeited	(viii)	(1,383,333)	0.27
Balance, September 30, 2022		11,604,167	\$ 0.33

(i) On January 18, 2021, the Company granted 750,000 stock options to management with each stock option exercisable into one common share of the Company at an exercise price of \$0.465 per common share until January 18, 2026, 250,000 stock options vested immediately and the remaining 500,000 stock options are set to vest equally on each of the one and two year anniversaries of the grant date subject to certain change of control provisions. A fair value of \$330,100 was determined using the Black-Scholes option pricing model. The following assumptions were used: share price \$0.49, dividend yield 0%; expected volatility (based on historical price data of the Company's common share) 145%; risk-free interest rate 0.42%; and an expected life 5 years.

(ii) On April 21, 2021, the Company granted 2,062,500 stock options to management with each stock option exercisable into one common share of the Company at an exercise price of \$0.53 per common share until April 21, 2026, 895,833 stock options vested immediately and the remaining 1,166,667 stock options are set to vest equally on each of the one and two year anniversaries of the grant date subject to certain change of control provisions. A fair value of \$974,100 was determined using the Black-Scholes option pricing model. The following assumptions were used: share price \$0.53, dividend yield 0%; expected volatility (based on historical price data of the Company's common share) 142%; risk-free interest rate 0.42%; and an expected life 5 years.

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

(iii) On June 18, 2021, the Company granted 450,000 stock options to directors with each stock option exercisable into one common share of the Company at an exercise price of \$0.40 per common share until June 18, 2026, vested immediately. A fair value of \$159,800 was determined using the Black Scholes option pricing model. The following assumptions were used: share price \$0.40, dividend yield 0%; expected volatility (based on historical price data of the Company's common share) 141%; risk-free interest rate 0.97%; and an expected life 5 years.

(iv) On September 2, 2021, the Company granted 1,200,000 stock options to directors and management with each stock option exercisable into one common share of the Company at an exercise price of \$0.48 per common share until September 2, 2026, 633,334 options vested immediately, 83,333 will vest in two equal tranches on September 2, 2022 and 2023; 150,000 options will vest on February 16, 2022; and 250,000 options will vest in thirds on January 26, 2022, July 26, 2022 and July 26, 2023. A fair value of \$511,829 was determined using the Black Scholes option pricing model. The following assumptions were used: share price \$0.48, dividend yield 0%; expected volatility (based on historical price data of the Company's common share) 142%; risk-free interest rate 0.77%; and an expected life 5 years.

(v) During the year ended December 31, 2021, 500,000 stock options with exercise prices between \$0.15 and \$0.53 were forfeited.

(vi) On April 1, 2022, 475,000 options were granted to certain officers and employees of the Company in accordance with the Company's current Stock Option Plan. Each option is exercisable into one common share of the Company at a price of \$0.33 per common share for a period of five years from the date of grant. 75,000 options vested on April 12, 2022; 250,000 options will vest in thirds on April 1, 2022, April 1, 2023, and April 1, 2024; and 150,000 options will vest in thirds on August 19, 2022, April 19, 2023, and April 19, 2024. A fair value of \$133,710 was determined using the Black Scholes option pricing model. The following assumptions were used: share price \$0.32, dividend yield 0%; expected volatility (based on historical price data of the Company's common share) 137%; risk-free interest rate – 2.46%; and an expected life 5 years.

(vii) On June 17, 2022, 1,000,000 options were granted to certain officers and directors of the Company in accordance with the Company's current Stock Option Plan. Each option is exercisable into one common share of the Company at a price of \$0.36 per common share for a period of five years from the date of grant. 750,000 options vested on June 17, 2022; 250,000 options will vest in thirds on July 2, 2022, July 2, 2023, and July 2, 2024. A fair value of \$326,579 was determined using the Black Scholes option pricing model. The following assumptions were used: share price \$0.37, dividend yield 0%; expected volatility (based on historical price data of the Company's common share) 136%; risk-free interest rate – 3.32%; and an expected life 5 years.

(viii) During the three and nine months ended September 30, 2022, the Company recorded stock-based compensation in connection with the vesting of options totaling \$(177,064) and \$469,751 (three months and nine months ended September 30, 2021 \$420,428 and \$1,313,370) in the condensed interim consolidated statements of loss and comprehensive loss. During the quarter ended September 30, 2022, 1,383,333 stock options with exercise prices between \$0.15 and \$0.53 were forfeited.

Stock options outstanding as at September 30, 2022:

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

Expiry date	Exercise price (\$)	Remaining contractual life (years)	Total options	Options exercisable
November 28, 2022	0.30	0.16	750,000	750,000
April 25, 2023	0.23	0.57	350,000	350,000
September 28, 2023	0.28	0.99	1,925,000	1,925,000
October 3, 2023	0.15	1.01	300,000	300,000
October 3, 2023	0.185	1.01	600,000	600,000
October 3, 2023	0.53	1.01	666,667	666,667
November 19, 2024	0.15	2.14	750,000	750,000
July 5, 2025	0.15	2.76	375,000	375,000
September 24, 2025	0.185	2.99	1,000,000	1,000,000
January 18, 2026	0.465	3.30	750,000	500,000
April 21, 2026	0.53	3.56	1,012,500	762,500
June 18, 2026	0.40	3.72	450,000	450,000
September 2, 2026	0.48	3.93	1,200,000	1,033,334
April 1, 2027	0.33	4.50	475,000	208,334
June 17, 2027	0.36	4.72	1,000,000	833,334
			11,604,167	10,504,169

13. Warrants

Warrant transactions are summarized as follows:

		Number of warrants outstanding	Weighted average exercise price
Balance, December 31, 2020		28,914,820	\$ 0.30
Issued	note 11b (i,ii)	23,838,094	0.74
Exercised	note 11b (iv)	(4,107,000)	0.20
Balance, December 31, 2021		48,645,914	\$ 0.52
Exercised	note 11b (v)	(14,870,939)	0.31
Expired		(18,113,038)	0.67
Balance, September 30, 2022		15,661,937	\$ 0.55

Warrants outstanding as at September 30, 2022:

Expiry date	Exercise price (\$)	Remaining contractual life (years)	Warrants exercisable
May 25, 2023	0.10	0.65	1,212,498
December 3, 2023	0.60	1.18	13,068,198
December 3, 2023 (broker warrants)	0.44	1.18	1,381,241
			15,661,937

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

14. Corporate, general and administrative

	For the three months ended		For the nine months ended	
	September 30 2022	September 30 2021	September 30 2022	September 30 2021
Management fees	\$ 744,282	\$ 548,772	\$ 2,173,701	\$ 1,088,281
Director fees	83,605	64,241	230,333	148,851
Stock-based compensation	(196,740)	426,331	479,632	1,331,078
Accounting and audit	129,290	33,575	364,349	122,558
Legal fees	41,199	26,347	126,966	170,279
Insurance	11,436	7,621	42,279	22,863
Investor relations and marketing	148,119	188,878	623,092	418,291
Filing and compliance fees	18,434	30,089	93,486	130,431
Corporate development	10,139	52,844	27,669	52,844
Travel	23,228	146,691	123,367	223,115
General and administrative	143,924	30,349	364,898	132,053
	\$ 1,156,916	\$ 1,555,738	\$ 4,649,772	\$ 3,840,644

15. Capital management

The Company's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and sustain future development of the business. The capital of the Company consists of equity.

The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the Company's capital requirements, the Company has in place planning, budgeting and forecasting processes to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of September 30, 2022, the Company is compliant with known requirements including Policy 2.5 of the TSXV.

16. Financial instruments and risk management

Below is the summary showing the classification and measurement bases of the Company's financial instruments:

Classification	IFRS 9
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized cost

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

The three levels of the fair value hierarchy are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

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

The fair values of the Company's cash, and accounts payable and accrued liabilities approximate carrying values recorded on the condensed interim consolidated statement of financial position.

Cash is a financial instrument measured at fair value through FVPTL using level 1.

During the three and nine months ended September 30, 2022, there were no transfers between levels 1, 2 and 3 and there were no changes in valuation techniques.

The Company's risk exposure and the impact on the financial instruments are summarized below:

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and amount receivable.

The Company has assessed the credit risk on its cash as low as the majority of its funds are held in large Canadian financial institutions. Management deems the credit risk associated with amount receivable as minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet its liabilities when they come due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company's financial obligations currently consist of accounts payable and accrued liabilities and lease liabilities.

The Company had cash at September 30, 2022, of \$16,133,286 (December 31, 2021 \$20,250,602). As at September 30, 2022, the Company had accounts payable and accrued liabilities and lease liabilities of \$2,207,718 (December 31, 2021 \$1,514,368).

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

a) Interest Rate Risk

The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Due to the short-term nature of these financial instruments fluctuations in market rates do not have a significant impact on estimated fair values. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The interest income earned on cash is minimal; therefore, the Company is not subject to material interest rate risk.

b) Foreign Currency Risk

The Company is exposed to foreign currency risk of the South African Rand, Great Britain Pound, Botswana Pula and United States dollar. Based on the net exposure at September 30, 2022, a 10% depreciation or appreciation of the South African Rand, Botswana Pula and United States dollar against the Canadian dollar would be approximately \$5,443.

c) Other Price Risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

GIYANI METALS CORP.

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2022 and 2021

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

17. Segmented information

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Company's CEO.

The Company has three operating segments: (1) Botswana Battery Metals Project for the exploration, evaluation and development of its manganese assets located in Botswana and assets under construction in South Africa, (2) South Africa Mining for activities related to legacy projects in South Africa. The rest of the entities within the Company are grouped into the Corporate segment.

The segment information is as follows:

September 30, 2022	Botswana Battery Metals Project	South Africa Mining	Corporate	Total
Total assets	\$ 14,291,532	\$ -	\$ 16,230,069	\$ 30,521,601
Total liabilities	352,100	279,748	1,575,870	2,207,718
Net loss (income)	366,432	(108,292)	4,183,753	4,441,893

December 31, 2021	Botswana Battery Metals Project	South Africa Mining	Corporate	Total
Total assets	\$ 9,131,987	\$ -	\$ 20,113,020	\$ 29,245,007
Total liabilities	217,524	283,392	1,072,279	1,573,195
Net loss (income)	326,153	(243,391)	5,029,461	5,112,223

18. Commitments

	Within one year	Two-five years	Total
Construction in progress	\$ 9,191,673	\$ -	\$ 9,191,673
Botswana licence activities	522,396	782,743	1,305,139
Minimum lease payments	46,925	-	46,925
	\$ 9,760,994	\$ 782,743	\$ 10,543,737

19. Reclassification

Certain comparative figures have been reclassified to conform to the current year presentation. The reclassification had no impact on the interim condensed consolidated statement of loss and comprehensive loss.