



PATRIOT BATTERY METALS INC.
Condensed Interim Consolidated Financial Statements
As at and for the three and six-month periods ended September 30, 2024
(Unaudited - Expressed in Canadian dollars)

Management's Responsibility for Financial Reporting

The unaudited condensed interim consolidated financial statements (the "Financial Statements") of Patriot Battery Metals Inc. ("the Company" or "Patriot") are the responsibility of the management and Board of Directors of the Company.

The Financial Statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the Financial Statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standard") applicable to the preparation of the Financial Statements, including International Accounting Standard 34, Interim Financial Reporting.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the Financial Statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit and Risks Committee assists the Board of Directors in fulfilling this responsibility. The Audit and Risks Committee meets with management to review the financial reporting process and the Financial Statements, together with other financial information of the Company. The Audit and Risks Committee reports its findings to the Board of Directors for its consideration in approving the Financial Statements and other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

The Company's independent auditor has not performed a review of these Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

"Ken Brinsden"

President, Chief Executive Officer and Managing Director

"Natacha Garoute"

Chief Financial Officer



PATRIOT BATTERY METALS INC.
Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Notes	September 30, 2024	March 31, 2024
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		70,460,000	73,004,000
Receivables	3	9,906,000	9,959,000
Prepaid expenses		1,711,000	699,000
Non-current assets		82,077,000	83,662,000
Exploration and evaluation assets	4	155,160,000	111,927,000
Property and equipment	5	69,101,000	52,327,000
Total assets		306,338,000	247,916,000
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		19,370,000	30,408,000
Current portion of lease liabilities		164,000	151,000
Flow-through premium liability	6	20,321,000	-
Non-current liabilities		39,855,000	30,559,000
Asset retirement obligation		2,799,000	2,218,000
Lease liabilities		291,000	214,000
Deferred income taxes		18,275,000	11,710,000
Total liabilities		61,220,000	44,701,000
EQUITY			
Share capital	7	249,246,000	207,770,000
Reserves	7	19,519,000	15,723,000
Accumulated other comprehensive income		1,000	1,000
Deficit		(23,648,000)	(20,279,000)
Total equity		245,118,000	203,215,000
Total liabilities and equity		306,338,000	247,916,000

Commitments (Note 10)

APPROVED ON BEHALF OF THE BOARD on November 14, 2024:

“Ken Brinsden”

Director

“Brian Jennings”

Director

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



PATRIOT BATTERY METALS INC.

Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian dollars)

	Notes	Three-month periods ended		Six-month periods ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		\$	\$	\$	\$
General and Administrative Expenses					
Share-based compensation	7	2,203,000	937,000	3,965,000	1,739,000
Salaries, benefits and management fees		1,362,000	1,698,000	2,575,000	2,374,000
Professional fees		449,000	985,000	1,136,000	1,554,000
Office and miscellaneous		845,000	560,000	1,429,000	806,000
Travel		428,000	263,000	925,000	618,000
Investor relations and business development		235,000	387,000	419,000	672,000
Consulting fees		200,000	158,000	383,000	321,000
Transfer agent and filing fees		118,000	217,000	241,000	314,000
Total general and administrative expenses		(5,840,000)	(5,205,000)	(11,073,000)	(8,398,000)
Other Income					
Flow-through premium income	6	10,899,000	5,329,000	12,621,000	9,334,000
Interest income		1,125,000	1,385,000	2,040,000	1,910,000
Income before income taxes		6,184,000	1,509,000	3,588,000	2,846,000
Income taxes					
Deferred income tax expense		(6,392,000)	(1,794,000)	(6,957,000)	(3,317,000)
Loss for the period		(208,000)	(285,000)	(3,369,000)	(471,000)
Other comprehensive income					
Foreign currency translation adjustment		-	5,000	-	3,000
Comprehensive Loss for the period		(208,000)	(280,000)	(3,369,000)	(468,000)
Loss per share					
Basic and diluted	8	(0.00)	(0.00)	(0.02)	(0.00)

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



PATRIOT BATTERY METALS INC.

Interim Consolidated Statements of Changes in Equity

(Unaudited - Expressed in Canadian dollars, except for number of shares)

	Number of shares	Share capital	Reserves	AOCI	Deficit	Total
		\$	\$	\$	\$	\$
Balances, March 31, 2023	99,357,207	77,966,000	14,922,000	-	(22,885,000)	70,003,000
Shares issued for:						
Cash	7,128,341	108,992,000	-	-	-	108,992,000
Warrants exercised	4,701,775	1,991,000	(122,000)	-	-	1,869,000
Options exercised	240,333	371,000	(159,000)	-	-	212,000
Share issuance costs	-	(2,725,000)	-	-	-	(2,725,000)
Share-based compensation	-	-	1,739,000	-	-	1,739,000
Net loss and comprehensive loss for the period	-	-	-	3,000	(471,000)	(468,000)
Balances, September 30, 2023	111,427,656	186,595,000	16,380,000	3,000	(23,356,000)	179,622,000
Balances, March 31, 2024	135,646,627	207,770,000	15,723,000	1,000	(20,279,000)	203,215,000
Shares issued for:						
Cash	5,159,959	75,000,000	-	-	-	75,000,000
Less flow-through liability related to the premium on flow-through shares	-	(34,082,000)	-	-	-	(34,082,000)
Mineral properties	150,000	1,304,000	-	-	-	1,304,000
Warrants exercised	160,000	120,000	-	-	-	120,000
Options exercised	392,379	221,000	(169,000)	-	-	52,000
Share issuance costs ¹	-	(1,087,000)	-	-	-	(1,087,000)
Share-based compensation	-	-	3,965,000	-	-	3,965,000
Net loss and comprehensive loss for the period	-	-	-	-	(3,369,000)	(3,369,000)
Balances, September 30, 2024	141,508,965	249,246,000	19,519,000	1,000	(23,648,000)	245,118,000

¹ Share issuance costs for the period total \$2,618,000 and relate to the \$75,000,000 flow-through offering completed on May 31, 2024 (See Note 6). \$1,140,000 was allocated as a reduction of the flow-through premium liability. Share issuance costs of \$1,087,000 represents the remaining \$1,478,000 balance, net of a deferred tax recovery amount of \$391,000 (March 31, 2024 - \$1,002,000).

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



PATRIOT BATTERY METALS INC.
Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Notes	Three-month periods ended		Six-month periods ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		\$	\$	\$	\$
OPERATING ACTIVITIES					
Net Loss for the period		(208,000)	(285,000)	(3,369,000)	(471,000)
Adjustments for non-cash items:					
Accrued interest income		-	(33,000)	-	(49,000)
Flow-through premium income	6	(10,899,000)	(5,329,000)	(12,621,000)	(9,334,000)
Share-based compensation	7	2,203,000	937,000	3,965,000	1,739,000
Deferred income tax expense		6,392,000	1,794,000	6,957,000	3,317,000
Other		17,000	40,000	46,000	69,000
Changes in non-cash working capital items:					
Decrease (increase) in receivables		(2,127,000)	98,000	53,000	(861,000)
Decrease (Increase) in prepaid expenses		(1,111,000)	11,000	(1,012,000)	(12,000)
Increase (decrease) in accounts payable and accrued liabilities		(1,060,000)	1,942,000	(1,735,000)	1,833,000
Cash used in operating activities		(6,793,000)	(825,000)	(7,716,000)	(3,769,000)
INVESTING ACTIVITIES					
Exploration and evaluation expenditures	4	(17,957,000)	(6,850,000)	(37,859,000)	(19,427,000)
Acquisition of property and equipment	5	(5,953,000)	(3,512,000)	(29,473,000)	(11,128,000)
Cash used in investing activities		(23,910,000)	(10,362,000)	(67,332,000)	(30,555,000)
FINANCING ACTIVITIES					
Proceeds from issuance of common shares	7	-	108,992,000	75,000,000	108,992,000
Proceeds from exercise of options	7	-	10,000	52,000	212,000
Proceeds from exercise of warrants	7	-	261,000	120,000	1,869,000
Principal payment of lease liabilities		(84,000)	-	(158,000)	-
Share issuance costs	7	(367,000)	-	(2,510,000)	-
Cash provided by (used in) financing activities		(451,000)	109,263,000	72,504,000	111,073,000
Increase (decrease) in cash and cash equivalents		(31,154,000)	98,076,000	(2,544,000)	76,749,000
Effect of exchange rate on cash		-	5,000	-	3,000
Cash and cash equivalents, beginning of period		101,614,000	35,395,000	73,004,000	56,724,000
Cash and cash equivalents, end of period		70,460,000	133,476,000	70,460,000	133,476,000

Supplemental cash flow information (Note 9)

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

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements For the three and six-month periods ended September 30, 2024 and 2023 (Unaudited - Expressed in Canadian dollars, unless specified otherwise)

I. CORPORATE INFORMATION

Patriot Battery Metals Inc. was incorporated on May 10, 2007, under the British Columbia Business Corporations Act. The principal business of the Company and its subsidiaries is the identification, evaluation and acquisition of exploration and evaluation assets, as well as exploration of those properties once acquired. The Company is domiciled in Canada and is a reporting issuer in all provinces of Canada.

The address of its head office is Suite 700-838 W Hastings Street, Vancouver, British Columbia, V6C 0A6 and the address of its registered and records office is Suite 1800, 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3. The Company operates from its Montreal office located at 1801, McGill College, Suite 900, H3A 1Z4. The Company's mineral properties are located in the provinces of Quebec, British Columbia, the Northwest Territories and in the State of Idaho (USA).

The shares of the Company are traded under the symbol "PMET" on the Toronto Stock Exchange ("TSX"), under the symbol "PMT" on the Australian Securities Exchange ("ASX"). Each share traded on the ASX settles in the form of CHESS Depositary Interests ("CDIs") at a ratio of 10 CDIs to 1 common share.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unaudited condensed interim consolidated financial statements (the "Financial Statements") have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standard") applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting. The unaudited condensed interim consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended March 31, 2024, which have been prepared in accordance with IFRS Accounting Standard.

These Financial Statements were approved and authorized for issue in accordance with a resolution from the Board of Directors on November 14, 2024.

2.2 Basis of presentation

Basis of Presentation

These Financial Statements include the accounts of the Company and the following wholly owned subsidiaries:

Subsidiary	Country of Incorporation	Date of Incorporation	Functional Currency
Metals Nevada Corp.	United States	March 2, 2021	U.S Dollars
Innova Lithium Inc.	Canada	October 5, 2023	Canadian Dollars
14352891 Canada Inc	Canada	October 5, 2023	Canadian Dollars
Patriot Battery Metals (Australia) Pty	Australia	July 23, 2024	Australian Dollars

All material inter-company balances and transactions have been eliminated upon consolidation.

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six-month periods ended September 30, 2024 and 2023

(Unaudited - Expressed in Canadian dollars, unless specified otherwise)

Basis of Measurement

The Company's Financial Statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the material accounting policies in Note 3 of the Company's audited consolidated financial statements for the year ended March 31, 2024. The Company's Financial Statements are presented in Canadian dollars except where otherwise indicated. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information.

Functional and Presentation Currency

These Financial Statements are presented in Canadian dollars, which is the Company's functional currency. Assets and liabilities of subsidiaries with a functional currency other than Canadian dollars are translated at the rate of exchange prevailing at the reporting date and their income and expense items are translated at average exchange rates for the period. Exchange differences arising on the translation are recognized in other comprehensive income.

2.3 Significant accounting policies

The accounting policies used in these financial statements are consistent with those disclosed in the Company's audited consolidated financial statements for the year ended March 31, 2024, except as noted below:

On July 1, 2024, the Company put into service its all-season road (the "Road") and transferred all costs incurred for its construction from Construction in progress to its own category within Property and equipment. The Road is depreciated over 10 years.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS Accounting Standards requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

2.5 Adoption of new revised standards and interpretation

Certain pronouncements were issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee that are mandatory for accounting years beginning on or after January 1, 2024. They are not applicable or do not have a significant impact on the Company.

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six-month periods ended September 30, 2024 and 2023
(Unaudited - Expressed in Canadian dollars, unless specified otherwise)

3. RECEIVABLES

The Company's receivables arise from Goods and Services Tax ("GST") and Quebec Sales Tax ("QST") due from the government taxation authorities and tax credits receivable.

	September 30, 2024	March 31, 2024
	\$	\$
GST receivable	1,478,000	3,027,000
QST receivable	2,957,000	5,112,000
Exploration tax credits	5,471,000	1,820,000
Total	9,906,000	9,959,000

4. EXPLORATION AND EVALUATION ASSETS

The Company's exploration and evaluation assets expenditures for the six-month period ended September 30, 2024 are as follows:

	Shaakichiu- waanaan Property <i>Quebec, Canada</i>	US Property <i>Idaho, USA</i>	Northwest Territories Property <i>NW Territories, Canada</i>	Other Quebec Properties <i>Quebec, Canada</i>	Total
	\$	\$	\$	\$	\$
Acquisition Costs					
Balance, March 31, 2024	5,871,000	880,000	177,000	3,768,000	10,696,000
Additions	1,833,000	15,000	1,000	-	1,849,000
Balance, September 30, 2024	7,704,000	895,000	178,000	3,768,000	12,545,000
Exploration and Evaluation Costs					
Balance, March 31, 2024	99,255,000	998,000	503,000	475,000	101,231,000
Additions					
Drilling expenditures	16,073,000	-	-	-	16,073,000
Transportation & accommodation	12,488,000	-	-	-	12,488,000
Studies	6,023,000	-	-	-	6,023,000
Geology services and expenditures	5,488,000	1,000	-	178,000	5,667,000
Depreciation	2,644,000	-	-	-	2,644,000
Assays and testing	1,184,000	-	-	-	1,184,000
Administrative and other	1,094,000	-	-	-	1,094,000
Exploration tax credits	(3,789,000)	-	-	-	(3,789,000)
Balance, September 30, 2024	140,460,000	999,000	503,000	653,000	142,615,000
Total, September 30, 2024	148,164,000	1,894,000	681,000	4,421,000	155,160,000

On July 31, 2024, the Company announced the renaming of the Corvette Property to the Shaakichiuwaanaan Property.

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six-month periods ended September 30, 2024 and 2023
(Unaudited - Expressed in Canadian dollars, unless specified otherwise)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

The Company's exploration and evaluation assets expenditures for the year ended March 31, 2024 are as follows:

	Shaakichiu- waanaan Property <i>Quebec, Canada</i>	US Property <i>Idaho, USA</i>	Northwest Territories Property <i>NW Territories, Canada</i>	Other Quebec Properties <i>Quebec, Canada</i>	Total
Acquisition Costs	\$	\$	\$	\$	\$
Balance, March 31, 2023	5,746,000	880,000	177,000	2,008,000	8,811,000
Additions	125,000	-	-	1,760,000	1,885,000
Balance, March 31, 2024	5,871,000	880,000	177,000	3,768,000	10,696,000
Exploration and Evaluation Costs					
Balance, March 31, 2023	35,600,000	890,000	503,000	464,000	37,457,000
Additions					
Drilling expenditures	26,761,000	-	-	-	26,761,000
Transportation & accommodation	20,388,000	-	-	-	20,388,000
Studies	5,694,000	-	-	-	5,694,000
Geology services and expenditures	9,587,000	82,000	-	7,000	9,676,000
Depreciation	860,000	-	-	-	860,000
Administrative and other	614,000	26,000	-	-	640,000
Assays and testing	1,441,000	-	-	4,000	1,445,000
Exploration tax credits	(1,690,000)	-	-	-	(1,690,000)
Balance, March 31, 2024	99,255,000	998,000	503,000	475,000	101,231,000
Total, March 31, 2024	105,126,000	1,878,000	680,000	4,243,000	111,927,000

5. PROPERTY AND EQUIPMENT

As at September 30, 2024, the Company had property and equipment as follows:

	Construction in progress	Camp	Road	Machinery and Equipment	Other	Total
Cost	\$	\$	\$	\$	\$	\$
Balance, March 31, 2024	32,199,000	18,216,000	-	2,439,000	370,000	53,224,000
Additions	19,070,000	-	-	232,000	125,000	19,427,000
Transfers	(33,234,000)	-	33,234,000	-	-	-
Balance, September 30, 2024	18,035,000	18,216,000	33,234,000	2,671,000	495,000	72,651,000
Accumulated Depreciation						
Balance, March 31, 2024	-	667,000	-	213,000	17,000	897,000
Depreciation	-	1,610,000	831,000	203,000	9,000	2,653,000
Balance, September 30, 2024	-	2,277,000	831,000	416,000	26,000	3,550,000
Net book value -						
September 30, 2024	18,035,000	15,939,000	32,403,000	2,255,000	469,000	69,101,000

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six-month periods ended September 30, 2024 and 2023
(Unaudited - Expressed in Canadian dollars, unless specified otherwise)

5. PROPERTY AND EQUIPMENT (CONTINUED)

As at March 31, 2024, the Company had property and equipment as follows:

Cost	Construction in progress	Camp	Machinery and Equipment	Other	Total
	\$	\$	\$	\$	\$
Balance, March 31, 2023	-	-	609,000	-	609,000
Additions	50,415,000	-	1,830,000	370,000	52,615,000
Transfers	(18,216,000)	18,216,000	-	-	-
Balance, March 31, 2024	32,199,000	18,216,000	2,439,000	370,000	53,224,000
Accumulated Depreciation					
Balance, March 31, 2023	-	-	21,000	-	21,000
Depreciation	-	667,000	192,000	17,000	876,000
Balance, March 31, 2024	-	667,000	213,000	17,000	897,000
Net book value -					
March 31, 2024	32,199,000	17,549,000	2,226,000	353,000	52,327,000

As at September 30, 2024, Property and equipment includes an amount of \$2,750,000 of asset retirement obligation (\$2,200,000 as at March 31, 2024).

6. FLOW-THROUGH PREMIUM LIABILITY

On May 30, 2024, the Company closed a private placement for 5,159,959 flow-through common shares at C\$14.54 per common share for aggregate gross proceeds of \$75,000,000 ("FT#24 Offering"). The trading share price at the date of issuance of the common shares was \$7.93 per common share, resulting in the recognition of a flow-through premium liability of \$6.61 per common share for a total balance of \$34,082,000. This balance was reduced by share issuance costs related to the private placement allocated to the flow-through premium liability (\$1,140,000), resulting in the recognition of a net balance of \$32,942,000. As at September 30, 2024, the Company incurred \$28,734,000 in flow-through eligible expenditures, reducing the flow-through premium liability to \$20,321,000.

The flow-through premium liability from the FT#24 Offering is amortized over the periods in which the funds are spent on qualifying expenditures.

	September 30, 2024	March 31, 2024
	\$	\$
Opening Balance	-	29,506,000
Flow-through share premium issuance: FT#24 Offering, net of issuance costs	32,942,000	-
Flow-through premium income	(12,621,000)	(29,506,000)
Ending Balance	20,321,000	-

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements **For the three and six-month periods ended September 30, 2024 and 2023** (Unaudited - Expressed in Canadian dollars, unless specified otherwise)

7. SHARE CAPITAL

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

7.1 Common Shares

During the six-month period ended September 30, 2024:

On May 2, 2024, the Company increased its land position at its Shaakichiuwaanaan property through the acquisition of a 100% interest in a proximal claim block, which is comprised of 39 claims. The Company paid an aggregate \$500,000 in cash and issued 150,000 common shares in the capital of the Company at a price of \$8.69 per common share. The claim block is subject to a 2% NSR.

On May 30, 2024, the Company closed a private placement for 5,159,959 flow-through common shares at C\$14.54 per common share for aggregate gross proceeds of \$75,000,000 ("FT#24 Offering"). Total share issuance costs amounted to \$2,618,000 for the six-month period ended September 30, 2024, of which \$1,478,000 was allocated to share capital and \$1,140,000 to flow-through premium liability.

During the six-month period ended September 30, 2023:

On August 3, 2023, the Company completed a private placement with Albemarle Inc. of 7,128,341 common shares at a price of \$15.29 per common share for aggregate gross proceeds of \$109 million. In connection with this private placement, the Company incurred \$3,733,000 in financing fees.

7.2 Share purchase warrants

During the six-month period ended September 30, 2024, the Company issued a total of 160,000 shares for warrants exercised, for total proceeds of \$120,000, at a weighted average exercise price of \$0.75 per warrant exercised. The weighted average share price at the exercise dates was \$7.91.

During the six-month period ended September 30, 2023, the Company issued a total of 4,701,775 shares for warrants exercised, for total proceeds of \$1,869,000, at a weighted average exercise price of \$0.40 per warrant exercised. The weighted average share price at the exercise dates was \$15.04.

As at September 30, 2024, there are 4,991,530 share purchase warrants outstanding, with a weighted average exercise price of \$0.83 and a weighted average 0.46 years to expiry.

7.3 Share-base payments

On January 20, 2023, the Company adopted the Omnibus Incentive Plan (the "Omnibus Plan") which was later approved by the Shareholders on March 3, 2023. The Omnibus Plan replaced the Company's Stock Option Plan (the "Plan") and the stock options which had been granted thereunder are now governed by the Omnibus Plan. On September 19, 2023, the Shareholders approved an amended Omnibus Equity Incentive Plan (the "Amended Omnibus Plan"). The objective of the Amended Omnibus incentive plan is to enhance the Company's ability to attract and retain talented employees and to provide alignment of interests between such employees and shareholders of the Company.

Under the Amended Omnibus Plan, the Company grants stock options, restricted shares units (RSUs), performance share units (PSUs) and deferred share units (DSUs).

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six-month periods ended September 30, 2024 and 2023
(Unaudited - Expressed in Canadian dollars, unless specified otherwise)

7.3 Share-base payments (continued)

The following table summarizes the share-based compensation expense for six-month periods ended September 30, 2024 and 2023:

	Three-month periods ended		Six-month periods ended	
	September 30, 2024 \$	September 30, 2023 \$	September 30, 2024 \$	September 30, 2023 \$
Stock options	1,970,000	807,000	3,503,000	1,606,000
RSUs	76,000	65,000	150,000	66,000
PSUs	76,000	65,000	150,000	67,000
DSUs	81,000	-	162,000	-
Total share-based compensation expense	2,203,000	937,000	3,965,000	1,739,000

7.3.1 Stock Options

During the six-month period ended September 30, 2024, 430,000 stock options were exercised for net proceeds of \$52,000, at a weighted average exercise price of \$0.53 per option exercised. A portion of the stock options were exercised utilizing the cashless exercise process available under the Amended Omnibus Plan. As a result, the Company issued a total of 392,379 shares during the period. The weighted average share price at the exercise dates was \$4.76.

During the six-month period ended September 30, 2024, the Company also issued 400,000 stock options to one of its executives.

The grant date fair value of the options granted during the six-month period ended September 30, 2024 was estimated at \$2.80 (March 31, 2024 - \$6.19) per option using the Black-Scholes Option Pricing Model. Expected volatility is based on the historical share price volatility.

The weighted average assumptions used for the calculation were:

	September 30, 2024	March 31, 2024
Share price at grant date	\$4.24	\$6.86
Risk free interest rate	3.22%	3.55%
Expected life (years)	3	5
Expected volatility	110%	150%
Fair market value of the option on grant date	\$2.80	\$6.19

During the six-month period ended September 30, 2023, 240,333 stock options were exercised for total proceeds of \$212,000, at a weighted average exercise price of \$0.88 per stock option exercised. The weighted average share price at the exercise dates was \$13.05.

As at September 30, 2024, there are 5,943,016 stock options outstanding, with a weighted average exercise price of \$7.44 and a weighted average 2.18 years to expiry.

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements
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(Unaudited - Expressed in Canadian dollars, unless specified otherwise)

8. LOSS PER SHARE

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

	Three-month periods ended		Six-month periods ended	
	September 30, 2024 \$	September 30, 2023 \$	September 30, 2024 \$	September 30, 2023 \$
Net loss for the period	(208,000)	(280,000)	(3,369,000)	(468,000)
Weighted average number of shares - basic and diluted	141,286,862	109,719,252	138,695,453	104,724,095
Loss per share, basic and diluted	(0.00)	(0.00)	(0.02)	(0.00)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options, share purchase warrants and PSUs and RSUs were anti-dilutive for the three and six-month periods ended September 30, 2024 and 2023 as the company incurred losses during these periods.

9. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash financing and investing transactions during the six-month periods ended September 30, 2024 and 2023.

	Three-month periods ended		Six-month periods ended	
	September 30, 2024 \$	September 30, 2023 \$	September 30, 2024 \$	September 30, 2023 \$
Non-cash investing activities:				
Shares issued for Exploration and evaluation assets	-	-	1,304,000	-
Depreciation of Property and Equipment capitalized in Exploration and evaluation assets	1,694,000	-	2,644,000	-
Asset retirement obligation within Property and equipment	550,000	-	550,000	-
Right-of-use assets within Property and equipment	-	-	232,000	110,000
Non-cash financing activities:				
Value of warrants exercised from reserves	-	-	-	122,000
Value of options exercised from reserves	135,000	24,000	169,000	159,000
Included in Accounts payable and accrued liabilities:				
Share issuance costs	108,000	3,733,000	108,000	3,733,000
Additions to Exploration and evaluation assets	15,789,000	6,802,000	15,789,000	6,802,000
Additions to Property and equipment	832,000	1,299,000	832,000	1,299,000

PATRIOT BATTERY METALS INC.

Notes to the Condensed Interim Consolidated Financial Statements

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10. COMMITMENTS

The Company has certain agreements with suppliers related to its exploration activities. Agreements include a \$1,065,000 commitment as at September 30, 2024 (March 31, 2024 - \$2,700,000) which has a maturity of less than a year.

11. SEGMENTED INFORMATION

The Company operates in one business segment, being the exploration and development of mineral properties. The Company's exploration and evaluation assets are broken down per geographical location as follows:

	Canada	US	Total
Balance, as at September 30, 2024			
Exploration and Evaluation assets	\$153,266,000	\$1,894,000	\$155,160,000
Balance, as at March 31, 2024			
Exploration and Evaluation assets	\$110,049,000	\$1,878,000	\$111,927,000

All of the Company's Property and equipment is located in Canada.