PATRIOT BATTERY METALS INC.
(Formerly Gaia Metals Corp.)
Consolidated Financial Statements
March 31, 2021 and 2020
(Expressed in Canadian dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Patriot Battery Metals Inc. (formerly Gaia Metals Corp.)

Opinion

We have audited the consolidated financial statements of Patriot Battery Metals Inc. (the "Company") which comprise the consolidated statements of financial position as at March 31, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information. In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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 audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commissions. 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 audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, 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 International Financial Reporting Standards as issued by the International Accounting Standards Board, 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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 auditors' report is Fernando J. Costa.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada July 8, 2021

(Expressed in Canadian dollars)

	Notes	March 31, 2021	March 31, 2020
ASSETS			
Current assets			
Cash and cash equivalents	4	**$ 149,554**	$ 255,889
Amounts receivable	5	**4,132**	8,185
Prepaid expenses	6	**6,054**	18,179
		159,740	282,253
Exploration and evaluation properties	7	**4,206,075**	2,666,124
Total assets		**$ 4,365,815**	$ 2,948,377
SHAREHOLDERS' EQUITY AND LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	8	**$ 113,876**	$ 43,244
Promissory note payable	7	**40,000**	-
Total liabilities		**153,876**	43,244
Shareholders' equity			
Share capital	9	**11,491,737**	9,811,299
Reserves	9	**1,607,953**	1,206,537
Deficit		**(8,887,751)**	(8,112,703)
Total equity		**4,211,939**	2,905,133
Total shareholders' equity and liabilities		**$ 4,365,815**	$ 2,948,377

Corporate Information and Going Concern (Note 1), Commitments (Note 16), and Events after the Reporting Period (Note 17)

APPROVED ON BEHALF OF THE BOARD:

"Todd Hanas" — Director

"Paul Chung" — Director

(Expressed in Canadian dollars)

	Notes	Year ended March 31, 2021		Year ended March 31, 2020	
Expenses					
Business development		**$**	**69,822**	$	35,140
Bank and interest charges			**873**		2,179
Consulting	13		**78,613**		149,660
Interest			**-**		6,325
Investor communications			**4,193**		11,380
Management and administration fees	13		**279,022**		178,544
Meals and entertainment			**3,813**		5,433
Office and miscellaneous			**13,474**		9,106
Professional fees			**61,834**		57,698
Rent			**20,219**		16,340
Share-based compensation	11, 13		**172,005**		211,172
Transfer agent and filing fees			**55,707**		50,791
Travel			**15,502**		26,570
Net loss for the year before other items			**(775,077)**		(760,338)
Other items					
Other income, net			**-**		249,834
Interest income			**29**		140
Impairment loss	7		**-**		(18,592)
Net loss and comprehensive loss for the year		**$**	**(775,048)**	$	(528,956)
Loss per common share					
Basic and diluted	10	**$**	**(0.03)**	$	(0.05)

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

(Expressed in Canadian dollars)

	Number of shares[1]	Share capital	Reserves	Deficit	Total
Balances, March 31, 2019	8,780,246	$ 9,359,987	$ 1,002,317	$ (7,583,747)	$ 2,778,557
Shares issued for:					
Cash	5,888,571	412,200	-	-	412,200
Mineral properties	100,000	30,000	-	-	30,000
Share issue costs	-	(7,840)	-	-	(7,840)
Stock options exercised	20,000	16,952	(6,952)	-	10,000
Share-based payments	-	-	211,172	-	211,172
Net loss and comprehensive loss for the year	-	-	-	(528,956)	(528,956)
Balances, March 31, 2020	14,788,817	$ 9,811,299	$ 1,206,537	$ (8,112,703)	$ 2,905,133
Shares issued for:					
Cash	11,040,000	963,000	-	-	963,000
Mineral properties	4,500,000	555,000	-	-	555,000
Share issuance costs	-	(93,889)	45,679	-	(48,210)
Warrants exercised	2,364,000	256,327	(40,677)	-	215,650
Warrants issued for mineral property	-	-	224,409	-	224,409
Share-based payments	-	-	172,005	-	172,005
Net loss and comprehensive loss for the year	-	-	-	(775,048)	(775,048)
Balances, March 31, 2021	**32,692,817**	**$ 11,491,737**	**$ 1,607,953**	**$ (8,887,751)**	**$ 4,211,939**

[1]Number of shares is not adjusted for the share consolidation completed on June 7, 2021 (see Note 17)

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

(Expressed in Canadian dollars)

	Year ended March 31,	
	2021	2020
OPERATING ACTIVITIES		
Net loss for the year	**$ (775,048)**	$ (528,956)
Adjustments for:		
Interest income accruals	**(29)**	(140)
Other income	**-**	(226,391)
Impairment loss	**-**	18,592
Share based compensation	**172,005**	211,172
Changes in non-cash working capital items		
Decrease (increase) in amounts receivable	**4,082**	(787)
Increase (decrease) in trade payables and accrued liabilities	**70,632**	(27,842)
Decrease in prepaid expenses	**12,125**	72,888
Cash used in operating activities	**(516,233)**	(481,464)
INVESTING ACTIVITIES		
Government grants received	**-**	94,511
Exploration and evaluation property expenditures	**(760,542)**	(469,964)
Cash used in investing activities	**(760,542)**	(375,453)
FINANCING ACTIVITIES		
Proceeds from issuance of common shares	**963,000**	412,200
Proceeds from promissory note	**40,000**	-
Proceeds from exercise of options	**-**	10,000
Proceeds from exercise of warrants	**215,650**	-
Share issue costs	**(48,210)**	(7,840)
Cash provided by financing activities	**1,170,440**	414,360
Decrease in cash and cash equivalents	**(106,335)**	(442,557)
Cash and cash equivalents, beginning of year	**255,889**	698,446
Cash and cash equivalents, end of year	**$ 149,554**	$ 255,889

Supplemental cash flow information (Note 14)

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

1. CORPORATE INFORMATION

Patriot Battery Metals Inc. (formerly Gaia Metals Corp.) (the "Company") 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 properties, as well as exploration of those properties once acquired The Company is domiciled in Canada and is a reporting issuer in British Columbia and Alberta, with its common shares publicly traded on the Canadian Securities Exchange (the "Exchange") on a post-consolidated basis under the stock symbol "PMET" (Note 17). The address of its head office and records office is Suite 500, 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 3P6. The Company has mineral properties in British Columbia, Northwest Territories, Quebec, and Idaho, USA.

On October 17, 2019, the shares of the Company commenced trading on TSXV on a consolidated basis under the stock symbol "GMC".

In June 2021, the Company changed its name from Gaia Metals Corp. to Patriot Battery Metals Inc. and enacted a consolidation of the Company's common shares on the basis of one (1) post-consolidated share for every three (3) pre-consolidated shares. See Note 17.

As at March 31, 2021, the Company has not yet determined whether the properties contained ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

For the year ended March 31, 2021, the Company incurred a net loss of $775,048 (2020 – $528,956). As at March 31, 2021, the Company had an accumulated deficit of $8,887,751 which has been funded by the issuance of equity (2020 – $8,112,703). The Company's ability to continue its operations and to realize its assets at their carrying values are dependent upon obtaining additional financing sufficient to cover its operating costs.

In order to meet exploration expenditure requirements and option payment and compliance obligations, the Company may need to seek additional sources of equity financing or debt financing. There is no assurance these activities will be successful. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern as described. These consolidated financial statements (the "Financial Statements") do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying Financial Statements.

2. BASIS OF PREPARATION

2.1 Basis of presentation

The Financial Statements include the accounts of the Company and Metals Nevada Corp., the US subsidiary of the Company incorporated on March 2, 2021. The subsidiary was inactive in the fiscal year ended March 31, 2021.

On September 10, 2012, the Company incorporated a wholly owned subsidiary, Petro Grande Energy Inc., which has been inactive and was dissolved during the year ended March 31, 2021. The comparative Financial Statements include the accounts of the Company and its previously wholly-owned subsidiary, Petro Grande Energy Inc. All material inter-company balances and transactions have been eliminated upon consolidation.

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 Note 12, and are presented in Canadian dollars except where otherwise indicated. The functional currency of the Company is the Canadian dollar.

2.2 Statement of compliance

The Financial Statements of the Company have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB").

These Financial Statements were approved and authorized for issue in accordance with a resolution from the Board of Directors on July 8, 2021.

2.3 Adoption of new and revised standards and interpretations

The IASB issued a number of new and revised IASs, International Financial Reporting Standards ("IFRS"), amendments and related IFRICs which are effective for the Company's financial year beginning on April 1, 2020. The Company has adopted all the following new standards relevant to the Company for the year ended March 31, 2021.

- IFRS 10 'Consolidated Financial Statements' amendments relate to sale or contribution of assets between and investor and its associate or joint venture and are applicable for annual periods beginning on or after a date to be determined by the IASB.
- IAS 1 'Presentation of Financial Statements' ("IAS 1") and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The adoption of the above standards did not have a material impact on the Company's Financial Statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of these Financial Statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These Financial Statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the Financial Statements and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting estimates

i. the inputs used in accounting for share-based payment expense in profit or loss;
ii. the assessment of indications of impairment of exploration and evaluation properties and related determination of net realizable values and write-down of the properties where applicable;
iii. the assessment of the amount of decommissioning liabilities;
iv. expected future tax rates used in the deferred income tax disclosures.

Critical accounting judgments

i. the determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management;
ii. the determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets; and
iii. the determination of the Company’s ability to continue as a going concern.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash and liquid investments, which are readily convertible into cash with maturities of three months or less when purchased. The Company's cash and cash equivalents are invested with major financial institutions and are not invested in any asset-backed deposits or investments.

3.3 Prepaid expenses

Prepaid expenses consist of expenditures paid for future services which will occur within one year. Prepaid expenses include cash prepayments for management services, rent expense, and transfer agent fees which are being amortized over the terms of their respective agreements.

3.4 Exploration and evaluation properties

All costs related to the acquisition, exploration and development of exploration and evaluation properties ("E&E assets") are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units of production method over estimated recoverable reserves. Management annually assesses carrying values of properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if (1) the property has been abandoned; (2) there are unfavorable changes in the property economics; (3) there are restrictions on development; or (4) when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written down to the estimated recoverable amount.

The recoverability of exploration and evaluation properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future exploration and evaluation properties contain economically recoverable reserves. Amounts capitalized to exploration and evaluation properties as exploration and development costs do not necessarily reflect present or future values. When options are granted on exploration and evaluation properties or when properties are sold, proceeds are credited to the cost of the property.

If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

Government grants related to exploration and evaluation properties

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions and requirements of the approved grant program and there is reasonable assurance that the grant will be received. Government grants are recorded as a reduction of carrying value of the exploration and evaluation properties acquired and shall be amortized to profit or loss as a reduced depreciation expense.

3.5 Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regards to previous years.

Taxes on income in the periods are accrued using the tax rate that would be applicable to expected total annual earnings. The tax rate used is the rate that is enacted or substantively enacted.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

3.6 Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of an exploration and evaluation property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

3.6 Decommissioning, restoration and similar liabilities (continued)

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

3.7 Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payment reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payment reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

3.8 Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the year. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

3.9 Share issue costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

3.10 Warrants issued in equity financing

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants.

3.10 Warrants issued in equity financing (continued)

Depending on the terms and conditions of each financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are accounted for using the residual method, following an allocation of the unit price to the fair value of the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

3.11 Flow-through shares

Current Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. The issue of flow-through shares is in substance an issue of ordinary shares and the sale of tax deductions. At the time the Company issues flow-through shares, the sale of tax deductions is deferred and presented as other liabilities in the statement of financial position to recognize the obligation to incur and renounce eligible resource exploration and evaluation expenditures. The tax deduction is measured as the difference between the current market price of the Company's common shares and the issue price of the flow-through share. Upon incurring and renouncing eligible resource exploration and evaluation expenditures, the Company recognizes the sale of tax deductions as a tax deduction recovery on the statement of comprehensive loss and reduces the other liability.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

3.12 Impairment of non-financial assets

At the end of each reporting period, the Company assesses each cash-generating unit to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

3.12 Impairment of non-financial assets (continued)

When impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3.13 Financial assets

At initial recognition, financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). Financial assets are recognized initially at fair value, unless they are trade receivables that do not contain a significant financing component in accordance with IFRS 15, which shall be measured at their transaction price. The subsequent measurement of financial assets depends on their classification based on both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets as follows:

Amortized Cost

The financial asset is subsequently measured at amortized cost if both the financial asset is held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are carried at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the financial assets are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivable are included in this category of financial assets.

Financial Assets at FVTOCI

The financial asset is subsequently measured at FVTOCI if both the financial asset is held within a business model whose objectives achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding or if an irrevocable election was made for certain equity instruments at initial recognition. After initial recognition, the financial assets are measured at fair value, with gains or losses recognized within other comprehensive income except for impairment gains (losses) and foreign exchange gain (losses). Accumulated changes in fair value are recorded as a separate component of equity until the financial asset is derecognized, at which point, they are reclassified from equity to profit or loss as a reclassification adjustment. Transaction costs are included in the initial carrying amount of the asset. The Company does not have any assets measured at FVTOCI.

3.13 Financial assets (continued)

Financial Assets at FVTPL

A financial asset shall be measured at FVTPL if it is not measured at amortized cost or at FVTOCI. If the financial asset that would otherwise be measured at FVTPL is not acquired or incurred principally for the purpose of selling or repurchasing it in the near term, not part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or a derivative, the Company may make an irrevocable election at initial recognition to present subsequent fair value changes of the equity instrument in OCI. Transaction costs associated with financial assets at FVTPL are expensed as incurred. These assets are carried at fair value with gains or losses recognized in profit or loss. Cash and cash equivalents are included in this category of financial assets.

3.14 Impairment of financial assets

The Company shall recognize a loss allowance for expected credit losses on financial assets measured at amortized cost or FVTOCI, a lease receivable, a contract asset or a loan commitment. If the credit risk on the financial instrument has increased significantly since initial recognition, the loss allowance shall be measured at an amount equal to the lifetime expected credit losses, otherwise, it shall be measured at an amount equal to the 12-month expected credit losses.

3.15 Financial liabilities

At initial recognition, financial liabilities are classified as financial liabilities measured at amortized cost unless they are financial liabilities at FVTPL (including derivatives that are liabilities), financial liabilities that arise when a transfer of financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market rate or contingent consideration recognized by an acquirer in a business combination. Financial liabilities are recognized initially at fair value. Transaction costs directly attributable to the issue of a financial liability are included in the initial carrying value of financial liabilities if they are not measured at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as follows:

Financial Liabilities Measured at Amortized Cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Accounts payables and promissory note payable are included in this category of financial liabilities.

3.15 Financial liabilities (continued)

Financial Liabilities at FVTPL

Financial liabilities are carried at fair value with gains or losses recognized in net income (loss). Where the financial liability is designated as at FVTPL, only the amount of change in the fair value of the financial liability that is attributable to the changes in the credit risk of that liability shall be presented in OCI and the remaining amount of changes in fair value presented in profit or loss. Transaction costs on financial liabilities at FVTPL are expensed as incurred. The Company does not have any liabilities measured at FVTPL.

Other Financial Liabilities

The Company does not hold or have any exposure to derivative instruments, financial liabilities that arise when a transfer of financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market rate or contingent consideration recognized by an acquirer in a business combination.

3.16 De-recognition of financial assets and liabilities

Financial assets are derecognized when the contractual rights to receive cash flows from the assets expire or, the financial assets are transferred, and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received, including any new asset obtained less any new liability assumed, is recognized in profit or loss. Where a transfer does not result in a derecognition due to continuing involvement, the Company shall continue to recognize the transferred asset and recognize a financial liability of the consideration received.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(Expressed in Canadian dollars)

4. CASH AND CASH EQUIVALENTS

As at March 31, 2021, a total amount of $11,500 (March 31, 2020 - $11,500) is secured against the Company's credit cards and held in a Guaranteed Investment Certificate ("GIC") (Note 5). The GIC earns interest at prime rate minus 2.25%.

5. AMOUNTS RECEIVABLE

The Company's amounts receivable arises from Goods and Services Tax ("GST") and Quebec Sales Tax ("QST") due from the government taxation authorities and accrued interest calculated on the GIC (Note 4).

6. PREPAID EXPENSES

The Company's prepaid expenses are as follows:

	March 31, 2021	March 31, 2020
Prepaid management fees	**$ -**	$ 13,205
Prepaid rent	**2,480**	2,480
Prepaid transfer agent and filing fees	**2,877**	-
Others	**697**	2,494
Total	**$ 6,054**	$ 18,179

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the year ended March 31, 2021 are as follows:

	Freeman Creek Property	Hidden Lake Lithium Property	Pontax Lithium Property	Golden Silica Property	Quebec Properties	Silver Sands Vanadium	Total
ACQUISITION COSTS							
Balance, March 31, 2020	$ -	$ 177,223	$ 417,500	$ 150,000	$ 281,580	$ 12,643	$ 1,038,946
Additions	869,409	-	-	-	-	-	869,409
Balance, March 31, 2021	$ 869,409	$ 177,223	$ 417,500	$ 150,000	$ 281,580	$ 12,643	$ 1,908,355
EXPLORATION AND EVALUATION COSTS							
Balance, March 31, 2020	$ -	$ 551,474	$ 188,243	$ 165,364	$ 719,964	$ 2,133	$ 1,627,178
Additions	670,420	-	122	-	-	-	670,542
Balance, March 31, 2021	$ 670,420	$ 551,474	$ 188,365	$ 165,364	$ 719,964	$ 2,133	$ 2,297,720
Total, March 31, 2021	$ 1,539,829	$ 728,697	$ 605,865	$ 315,364	$ 1,001,544	$ 14,776	$ 4,206,075

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION PROPERTIES (CONTINUED)

The Company's exploration and evaluation properties expenditures for the year ended March 31, 2020 are as follows:

	Hidden Lake Lithium Property	Pontax Lithium Property	Upper Ross Lake Property	Golden Silica Property	Quebec Properties	Silver Sands Vanadium	Total
ACQUISITION COSTS							
Balance, March 31, 2019	$ 177,223	$ 417,500	$ 3,256	$ 150,000	$ 251,580	$ 12,643	$ 1,012,202
Additions	-	-	-	-	30,000	-	30,000
Balance, March 31, 2020	$ 177,223	$ 417,500	$ 3,256	$ 150,000	$ 281,580	$ 12,643	$ 1,042,202
EXPLORATION AND EVALUATION COSTS							
Balance, March 31, 2019	$ 551,474	$ 210,773	$ 15,336	$ 160,188	$ 329,052	$ 238	$ 1,267,061
Additions	-	3,752	-	5,176	563,207	1,895	574,030
Exploration tax credits received	-	(26,282)	-	-	(68,670)	-	(94,952)
Advancements	-	-	-	-	(103,625)	-	(103,625)
Balance, March 31, 2020	$ 551,474	$ 188,243	$ 15,336	$ 165,364	$ 719,964	$ 2,133	$ 1,642,514
IMPAIRMENT	**$ -**	**$ -**	**$ (18,592)**	**$ -**	**$ -**	**$ -**	**$ (18,592)**
Total, March 31, 2020	**$ 728,697**	**$ 605,743**	**$ -**	**$ 315,364**	**$ 1,001,544**	**$ 14,776**	**$ 2,666,124**

7.1 Hidden Lake Lithium Property

On February 16, 2016, and as amended on November 27, 2017, the Company entered into an Agreement (the "Agreement") with arm's length parties for an option to acquire interest in two mineral claims located northeast of Yellowknife, Northwest Territories. Under the terms of the Agreement, the Company earned 100% interest by way of issuing 400,000 common shares valued at $380,000, cash of $85,000, and total exploration expenditures of $500,000.

The Hidden Lake Property is subject to 2% Net Smelter Royalty with respect to the production of all material from the property, 1% of which can be purchased back from an arm's length party by the Company within 5 years of the regulatory approval (April 26, 2016) for $2,000,000 (the "Royalty").

Joint Venture with Far Resources Ltd.

On January 22, 2018, the Company entered into an agreement to option out up to 90% of their interest in the Hidden Lake Property to Far Resources Ltd. ("Far") (the "Hidden Lake Option Out Agreement"), except for the Royalty. On May 16, 2019, Far had formally notified the Company of its intention to terminate its remaining earn-in for the Hidden Lake Property, originally announced on January 22, 2018. Under the terms of the new agreement, a joint venture between the companies will be formed for future exploration of the property. Far maintains a 60-percent interest earned through satisfying the year 1 conditions of the Option Agreement and the Company maintains a 40-percent interest in Hidden Lake. Far will remain as Operator and is responsible for financing the Joint Venture's initial $1 million in expenditures. As of the date of this report, no JV agreement has been completed yet.

7.2 Pontax Lithium - Gold Property

On July 25, 2016, and as amended on November 27, 2017, the Company entered into an agreement (the "Pontax Agreement") with arm's length parties for an option to acquire 100% interest in 104 mineral claims near Eastmain, Quebec by way of issuing 3,000,000 common shares valued at $360,000 and cash of $50,000.

Regulatory approval for the Pontax Agreement was obtained on September 20, 2016. The Pontax Agreement is subject to a 3% Net Smelter Royalty ("NSR"). The Company can purchase 1.5% NSR within 5 years of regulatory approval by paying $2,000,000 to arm's length party.

The Company has since expanded its land position, though online map designation, with the Pontax Property now comprised of 146 claims totaling 7,773 hectares.

7.3 Upper Ross Lake Property

On July 7, 2016, the Company staked 2 claims totaling 57 hectares in Upper Ross Lake, Northwest Territories. The Company decided to strategically focus on its other lithium assets and the Property has since lapsed. During the year ended March 31, 2020, the Company recognized impairment loss of $18,592 relating to this property bringing down the net book value of this property to $Nil.

7.4 Golden Silica Property (formerly referred to as "ZimFrac" or "Golden Frac Sand")

On January 27, 2014, the Company entered into a sale and purchase agreement (the "ZimFrac Agreement") with arm's length parties (collectively, the "Vendors") and purchased from the Vendors a 100% interest in certain silica claims located near Golden, BC (the "ZimFrac Property"). In consideration, the Company issued 40,000 common shares (20,000 common shares to each one of two arm's length parties issued on February 6, 2014), subject to a 2% Net Smelter Royalty ("NSR"). The Company also issued 4,000 common shares in 2014 with a fair value of $2.50 per share as a finder's fee.

The Company can purchase up to 1% NSR by paying an aggregate sum of $1,000,000 ($500,000 to each one of two arm's length parties).

The ZimFrac Agreement received regulatory approval on February 6, 2014.

On March 3, 2017, the Company entered into an agreement (the "Golden Frac Sand Agreement") with arm's length parties to purchase a 100% interest in certain mineral claims located near Golden, BC (the "Golden Frac Sand Property") to expand the size of the ZimFrac Property. In consideration, the Company paid $40,000.

The property has a Gross Over-Riding Royalty ("GORR") of 2% payable to arm's length party in the revenue from the sale of the production. The Company can purchase 1% of the GORR for $2,000,000 at any time.

7.5 Quebec Properties

On September 18, 2017, the Company entered into an agreement (the "Quebec Properties Agreement") with arm's length parties for an option to acquire interest in 115 mineral claims in the Eastmain Property, Lac Du Beryl Property and Corvette Property, located in the James Bay Region, Quebec. Under the terms of the Agreement, the Company earned 100% interest by way of 150,000 share purchase warrants issued and cash of $45,000 to an arm's length party.

The Quebec Properties Agreement is subject to a 2% Net Smelter Return with respect to the production of all materials from the properties.

Since the initial property agreement, the Lac du Beryl Property had been expanded to comprise an additional 12 claims; however, these 12 claims were allowed to lapse in early 2020 and the Property is currently comprised of the original 18 claim block.

(Expressed in Canadian dollars)

7.5 Quebec Properties (continued)

The Corvette Property has since been expanded and is now comprised of 172 claims totaling 8,808 hectares, forming one contiguous claim block.

FCI Property (East and West blocks)

On September 4, 2018, the Company entered into an Option Agreement (the "Agreement") with Osisko Mining Inc. ("Osisko") to acquire up to a 75% interest in 28 mineral claims ("FCI East") directly adjoining the Company's 100% owned Corvette Property. Under the terms of the Agreement, the Company would earn an initial 50% interest as follows:

	Common Shares*	Work exploration expenditures
	#	$
Upon closing date of the Agreement (issued) (September 14, 2018)	100,000	-
On or before the 1st anniversary date of closing (issued) (September 14, 2019)	100,000	250,000
To earn an initial 25% undivided interest		
On or before the 2nd anniversary date of closing (November 3, 2021, as amended)	-	800,000
To earn an additional 25% undivided interest (50% interest in total)		
On or before the 3rd anniversary date of closing (November 3, 2022, amended – Note 17)	-	1,200,000
Total	200,000	2,250,000

Osisko will act as Operator of the FCI Property for the term of the 50% earn-in, with a Steering Committee of equal representation formed to provide advice and direction to the Operator. Upon completion of the 50% earn-in (September 14, 2021), a Joint Venture Corporation will be formed with the Company retaining an Option to acquire a further 25% interest, for a total of 75% undivided interest, through funding of the next $2,000,000 in exploration expenditures. The Company may become Operator upon notice to Osisko that it intends to incur the $2,000,000 in work expenditures for a final undivided interest of 75%. Osisko's remaining 25% interest may be further reduced through dilution if they elect to not fund their portion of subsequent exploration/development. If ownership falls below 10%, Osisko will have the right to convert this remaining interest into a 1% Net Smelter Royalty (NSR), of which, the Company retains the right to buy for $5,000,000, and thereby, would obtain a 100% undivided interest in the FCI Property.

On April 24, 2019, the Company and Osisko entered into an amended agreement to include an additional 83 claims ("FCI West") under the same terms and conditions as the original agreement. No additional shares, cash, or work commitment is required by the Company, apart from general claim maintenance (i.e. renewal fees). Therefore, the FCI Property (East and West blocks) is currently comprised of 5,687 hectares over 111 claims.

7.5 Quebec Properties (continued)

Subsequent to the Agreement, the FCI Property was included in a corporate restructuring and spin-out of assets from Osisko into a new public company called O3 Mining Inc. ("O3 Mining"). The FCI Agreement was transferred from Osisko to O3 Mining at this time. Therefore, O3 Mining is now the Optionor and Operator of the Property and all other terms and conditions of the Agreement remaining unchanged.

During the year ended March 31, 2020, the Company provided a total of $297,701 (total from the start cumulative of $412,448) as cash call to Osisko/O3 Mining. As of March 31, 2020 and 2021, total expenditures amounted to $412,448 (payable to Osisko/O3 Mining amounted to $3,693 as at March 31, 2020 and 2021). Both parties have completed sufficient work expenditures to satisfy Year 1 of the Agreement. On September 19, 2019, the Company issued 100,000 common shares at $0.03 per share.

On July 6, 2020, the Company declared Force Majeure on the FCI Property due to COVID-19 and the agreement was paused for a period of approximately 50 days, resulting in a revised Anniversary Date of November 5, 2020 for Year 2.

On November 3, 2020, the Company declared Force Majeure due to COVID-19 and engaged with O3 Mining to work with respect to the FCI Property Option Agreement.

On January 26, 2021, the Company and O3 Mining finalized an agreement whereby the second anniversary expenditure amount of $800,000 for the FCI Property with an original deadline of November 3, 2020 was further extended to November 3, 2021. Additionally, the Company issued 500,000 common shares to O3 on February 25, 2021 and the Year 2 Anniversary Date was changed to November 3, 2021 (Note 9).

7.6 Silver Sands Vanadium Property

On November 13, 2018, the Company entered into an agreement with an arm's length party to acquire 100% interest in Silver Sands Vanadium Property (the "Silver Sands"), located in the Pine Pass area of eastern British Columbia. Silver Sands covers 3,735 hectares directly east of the Pine Pass Vanadium Property held by Ethos Gold Corp., which is located about 200 km north of Prince George, British Columbia.

Pursuant to the agreement, the Company acquired a 100% interest in Silver Sands by paying staking costs of $15,000. The vendor will retain a 2% Net Smelter Return on the Property.

As at March 31, 2021, the Company has incurred $14,776 (2020 - $14,776) in mineral expenditures pursuant to the agreement.

(Expressed in Canadian dollars)

7.7 Freeman Creek Property

On June 4, 2020, the Company entered into an agreement with an arm's length party to acquire a 100% interest in the Freeman Creek Property ("Freeman Creek"). Freeman Creek consists of 76 claims covering approximately 599 hectares located on Bureau of Land Management lands within Idaho, USA.

Under the terms of the Agreement, the Company may acquire a 100% interest in Freeman Creek by paying a total of $90,000, issuing an aggregate 4,000,000 common shares and 2,000,000 transferable common share purchase warrants, exercisable at $0.10 and expiring three years from issuance. Terms of the agreement are:

	Warrants	Common shares	Cash
	#	#	$
Upon closing (paid)	-	-	10,000(1)
Upon regulatory approval on August 12, 2020 (issued and paid)	1,000,000(2)	2,000,000(2)	40,000(1)
Upon one-year anniversary of regulatory approval	1,000,000(4)	2,000,000(4)	40,000(3)
Total	2,000,000(2)	4,000,000(2)	90,000

(1) Paid to three arm's length parties
(2) Issued to three arm's length parties. The warrants expire August 12, 2023.
(3) Issued a promissory note payable for this due by August 12, 2021.
(4) Issued to three arm's length parties. The warrants expire March 23, 2024.

In the event that a gold equivalent resource of more than 1 million ounces is outlined within a NI 43-101 Resource Estimate on the Property, the Company shall pay $1,000,000, payable in shares or cash or a combination of both, at the Company's discretion. In the case of a share issuance, the shares shall be issued at a price using the average market price of the previous 30 trading days preceding the share issuance.

The vendors shall retain a 2.5% Net Smelter Return royalty on the Property, of which the Company shall have the right to purchase half (1.25%) for $1,500,000.

On March 3, 2021, the Company amended the Freeman Creek Option agreement to accelerate the due date for the issuance of the 1,000,000 warrants and 2,000,000 common shares from August 12, 2021 to March 23, 2021. These warrants and shares were issued on March 23, 2021. In addition, a promissory note payable in the amount of $40,000 was issued on March 3, 2021 and is due on or before August 12, 2021. If the promissory note is not paid by August 12, 2021, the Company will be obligated to issue 500,000 common shares to the optionor in lieu of the cash payment. Pursuant to the issuance of the shares and warrants, the Company is deemed to have exercised the Option and have earned a 100% interest in and to the Property which will vest to the Company, subject to the NSR Royalty.

(Expressed in Canadian dollars)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to administrative activities and some mineral property expenditures. The usual credit period taken for trade purchases is between 30 to 90 days. As at March 31, 2021, the Company had $19,175 (2020 - $9,194) in accounts payable and $94,701 (2020 - $34,050) in accrued liabilities relating to the following:

	March 31, 2021	March 31, 2020
Management fees (Note 13)	**$ 64,500**	$ 7,500
Professional fees	**33,616**	34,050
Others (Note 13)	**15,760**	1,694
Total	**$ 113,876**	$ 43,244

9. SHARE CAPITAL

9.1 Authorized share capital

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

As at March 31, 2021, the Company had 32,692,817 common shares outstanding (2020 – 14,788,817).

See Note 17 for the details of the share consolidation completed in June 2021.

9.2 Share issuances

During the year ended March 31, 2021 the Company issued common shares as follows:

On July 17, 2020, the Company closed a non-brokered private placement, pursuant to which the Company issued 8,040,000 units at a price of $0.075 per unit for gross proceeds of $603,000. Each unit is comprised of one common share and one transferable share purchase warrant, exercisable for a period of 24 months at a price of $0.12 per share. In relation to this private placement, the Company paid finder's fees of $19,410 and issued 258,800 finder's warrants. Each finder's warrant is exercisable for a period of 24 months at a price of $0.12 per share.

On August 12, 2020, the Company closed a non-brokered private placement, pursuant to which the Company issued 3,000,000 units at a price of $0.12 per unit for gross proceeds of $360,000. Each unit is comprised of one common share and one transferable share purchase warrant, exercisable for a period of 24 months at a price of $0.12 per share. In relation to this private placement, the Company paid finder's fees of $28,800 and issued 240,000 finder's warrants. Each finder's warrant is exercisable for a period of 3 years at a price of $0.18 per share.

(Expressed in Canadian dollars)

9.2 Share issuances (continued)

On August 12, 2020, the Company issued 2,000,000 shares at $0.155 per share for the acquisition of the Freeman Creek Property (Note 7).

On February 25, 2021, the Company issued 500,000 shares at $0.11 per share in relation to the amendment to the Option Agreement on the FCI Property.

On March 23, 2021, the Company issued 2,000,000 shares at $0.095 per share for the acquisition of the Freeman Creek Property (Note 7).

During the year ended March 31, 2021, there were 2,364,000 shares issued for warrants exercised.

During the year ended March 31, 2020, the Company issued common shares as follows:

On December 2, 2019, the Company closed a non-brokered private placement financing for gross proceeds of $412,200 by issuing 5,888,571 units at a price of $0.07 per unit. Each Unit is comprised of one common share and one transferable share purchase warrant, with each warrant entitling the holder to purchase one additional common share of the Company for a period of up to thirty-nine months at a price of $0.09 in the first year, $0.15 in the second year and $0.20 in the third year. In connection with the private placement, the Company paid a finder's fee of $7,840 in cash.

On September 19, 2019, the Company issued 100,000 common shares at $0.30 per share for the acquisition of the Corvette-FCI Property (Note 7).

On April 26, 2019, the Company issued 20,000 common shares valued at $0.50 per share for 20,000 stock options exercised.

9.3 Share purchase warrants

A summary of changes in the Company's share purchase warrants outstanding as at March 31, 2021 and 2020 is as follows:

	March 31, 2021		March 31, 2020	
	Number of warrants[1]	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
Outstanding, beginning of period	**6,742,651**	**$ 0.22**	1,021,580	$ 1.10
Granted	**13,538,800**	**0.11**	5,888,571	0.09
Exercised	**(2,364,000)**	**0.09**	-	-
Expired	**-**	**-**	(167,500)	1.00
Outstanding, end of period	**17,917,451**	**$ 0.18**	6,742,651	$ 0.22

9.3 Share purchase warrants (continued)

During the year ended March 31, 2021:

On July 17, 2020, the Company granted 8,040,000 warrants in connection with a private placement and 258,800 to finders. The warrants' fair value of $19,825 was estimated using the Black-Scholes pricing model with a stock price of $0.095, volatility of 181.43%, risk-free rate of 0.27%, dividend yield of 0%, and expected life of 2 years.

On August 12, 2020 the Company granted 3,000,000 warrants in connection with a private placement and 240,000 to finders. The warrants' fair value of $25,856 was estimated using the Black-Scholes pricing model with a stock price of $0.125, volatility of 181.43%, risk-free rate of 0.30%, dividend yield of 0%, and expected life of 2 years.

On August 12, 2020, the Company granted 1,000,000 warrants in connection with the Freeman Creek Property (Note 7). The warrants' fair value of $140,756 was estimated using the Black-Scholes pricing model with a stock price of $0.155, volatility of 181.64%, risk-free rate of 0.30%, dividend yield of 0%, and expected life of 3 years.

On August 26, 2020 the Company granted 3,000,000 warrants in connection with a private placement and 240,000 to finders. The fair value of the 240,000 finders warrants was $25,854 and was estimated using the Black-Scholes pricing model with a stock price of $0.18, volatility of 181.43%, risk-free rate of 0.27%, dividend yield of 0%, and expected life of 3 years.

On March 23, 2021, the Company granted 1,000,000 warrants in connection with the Freeman Creek Property (Note 7). The warrants' fair value of $83,653 was estimated using the Black-Scholes pricing model with a stock price of $0.095, volatility of 180.98%, risk-free rate of 0.25%, dividend yield of 0%, and expected life of 3 years.

A total of 2,364,000 warrants were exercised at an average price of $0.09 per share (total value of $215,650).

During the year ended March 31, 2020:

On August 1, 2019, 167,500 warrants expired unexercised.

On December 2, 2019, the Company granted 5,888,571 warrants in connection with a private placement.

(Expressed in Canadian dollars)

9.3 Share purchase warrants (continued)

The following table summarizes information regarding share purchase warrants outstanding as at March 31, 2021:

Date issued	Number of warrants	Exercise price ($)	Expiry date	Weighted average remaining life
September 25, 2017	150,000	$ 1.50	September 25, 2022	0.01
December 27, 2018	704,080	1.00	December 27, 2021	0.03
December 2, 2019*	3,813,571	0.15	December 2, 2022	0.36
July 17, 2020	8,298,800	0.12	July 17, 2022	0.60
August 12, 2020	711,000	0.10	August 12, 2023	0.09
August 26, 2020	3,240,000	0.18	August 26, 2023	0.43
March 23, 2021	1,000,000	0.10	March 23, 2024	0.16
	17,917,451	**$ 0.18**		**1.69**

*Exercise price for this issuance is $0.09 in Year 1, $0.15 in Year 2 and $0.20 in Year 3.

The weighted average grant date fair value of the warrants granted during the year ended March 31, 2021 was $0.11 per warrant using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	March 31, 2021	March 31, 2020
Share price at grant date ($)	**$0.095 - $0.155**	-
Risk free interest rate (%)	**0.28%**	-
Expected life (years)	**2.90**	-
Expected volatility (%)	**181%**	-
Expected dividend per share	**-**	-
Fair market value of the warrant on grant date ($)	**$0.11**	-

9.4 Stock options

The Company has an incentive share option plan for granting options to directors, employees and consultants, under which the total outstanding options are limited 10% of the outstanding common shares at the time of each grant. Options granted may not exceed a term of ten years. All options vest when granted unless otherwise specified by the Board of Directors.

(Expressed in Canadian dollars)

9.4 Stock options (continued)

A summary of changes in the Company's stock options outstanding as at March 31, 2021 and 2020 is as follows:

	March 31, 2021			March 31, 2020		
	Number of options	**Weighted average exercise price**		Number of options	Weighted average exercise price	
Outstanding, beginning of period	**1,437,500**	**$**	**0.35**	572,500	$	0.80
Granted	**1,792,400**		**0.12**	1,105,000		0.24
Exercised	**-**		**-**	(20,000)		0.50
Expired/Cancelled	**(197,500)**		**0.80**	(220,000)		0.80
Forfeited	**(360,000)**		**-**	-		-
Outstanding, end of period	**2,672,400**	**$**	**0.13**	1,437,500	$	0.35

During the year ended March 31, 2021:

A total of 197,500 stock options expired unexercised and 360,000 stock options were forfeited.

On July 27, 2020, the Company granted an aggregate of 792,400 incentive stock options to officers, directors, and consultants of the Company. Each option is exercisable into one additional common share at $0.14 per share until July 27, 2022 and vested immediately on the date of grant. The fair value of $88,925 in share-based payments was estimated using the Black-Scholes pricing model with a stock price of $0.14, volatility of 181.66%, risk-free rate of 0.28%, dividend yield of 0%, and expected life of 2 years.

On October 13, 2020, 360,000 stock options were cancelled. These options were held by directors, a company controlled by the Chief Financial Officer, and a company controlled by the Corporate Secretary.

On November 19, 2020, the Company granted an aggregate of 1,000,000 incentive stock options to officers, directors, and consultants of the Company. Each option is exercisable into one additional common share at $0.10 per share until November 19, 2023 and vested immediately on the date of grant. The fair value of $83,080 in share-based payments was estimated using the Black-Scholes pricing model with a stock price of $0.10, volatility of 177.55%, risk-free rate of 0.3%, dividend yield of 0%, and expected life of 3 years.

9.4 Stock options (continued)

During the year ended March 31, 2020:

On February 3, 2020, the Company has granted 80,000 incentive stock options to an officer of the Company (Note 13). Each option is exercisable into one additional common share at $0.09 per share until February 3, 2023 and vested immediately on the date of grant. The fair value of $5,240 share-based payments was estimated using the Black-Scholes pricing model with the stock price of $0.08, volatility of 180.26%, risk-free rate of 1.46%, dividend yield of 0%, and expected life of 3 years.

On January 14, 2020, the Company has granted an aggregate of 675,000 incentive stock options to officers, directors and consultants of the Company. Each option is exercisable into one additional common share at $0.09 per share until January 24, 2023 and vested immediately on the date of grant. The fair value of $60,268 share-based payments was estimated using the Black-Scholes pricing model with a stock price of $0.10, volatility of 181.45%, risk-free rate of 1.69%, dividend yield of 0%, and expected life of 3 years.

A total of 125,000 stock options were cancelled.

On September 4, 2019, the Company granted a total of 100,000 stock options to a consultant of the Company. Each stock option is exercisable into one common share at $0.50 per share until September 4, 2020 and vested immediately on the date of grant. The Company recognized $26,623 as share-based payments on the statement of comprehensive loss on the grant of the stock options. The fair value of $26,623 share-based payments was estimated using the Black-Scholes pricing model with the stock price of $0.50, volatility 144.07%, risk-free rate 1.35%, dividend yield 0%, and expected life of 1 year.

On May 2, 2019, the Company granted a total of 250,000 stock options to a consultant, officers and directors of the Company. Each stock option is exercisable into one common share at $0.60 per share until May 2, 2022 and vested immediately on the date of grant. The Company recognized $119,041 as share-based payments in the statement of comprehensive loss on the grant of the stock options. The fair value of $119,041 share-based payments was estimated using the Black-Scholes pricing model with the stock price of $0.60, volatility 144.22%, risk-free rate 1.61%, dividend yield 0%, and expected life of 3 years.

On April 25, 2019, the Company issued 20,000 common shares for gross proceeds of $10,000 for options exercised.

(Expressed in Canadian dollars)

9.4 Stock options (continued)

The following table summarizes information regarding stock options outstanding and exercisable as at March 31, 2021:

Exercise price	Number of options outstanding	Expiration date	Weighted-average remaining contractual life (years)	Weighted average exercise price $
Options outstanding and exercisable				
$0.50	50,000	July 11, 2021	0.01	0.01
$1.00	15,000	May 4, 2021	0.00	0.01
$0.60	60,000	May 2, 2022	0.02	0.01
$0.09	675,000	January 14, 2023	0.45	0.02
$0.09	80,000	February 3, 2023	0.06	0.00
$0.14	792,400	July 27, 2022	0.39	0.04
$0.10	1,000,000	November 19, 2023	0.99	0.04
Total options outstanding and exercisable	**2,672,400**		**1.92**	**$ 0.13**

The weighted average grant date fair value of the options granted during the year ended March 31, 2021 was $0.08 (2020 - $0.20) per option using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	March 31, 2021	March 31, 2020
Share price at grant date ($)	**$0.10 - $0.14**	$0.08 - $0.60
Risk free interest rate (%)	**0.29%**	1.62%
Expected life (years)	**2.56**	2.82
Expected volatility (%)	**180%**	170%
Fair market value of the option on grant date ($)	**$0.078**	$0.201

(Expressed in Canadian dollars)

10. LOSS PER SHARE

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

	Year ended	
	March 31, 2021	March 31, 2020
Net loss for the year	**$ (775,048)**	$ (528,956)
Weighted average number of shares – basic and diluted	**24,782,387**	10,777,054
Loss per share, basic and diluted	**$ (0.03)**	$ (0.05)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. 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 year, if dilutive. All of the stock options and the share purchase warrants were anti-dilutive for the year ended March 31, 2021 and 2020 as the Company incurred losses during these periods.

On June 7, 2021, the Company completed a share consolidation based on one (1) post- consolidated share for every three (3) pre-consolidated shares (see Note 17). The share consolidation would have decreased the loss per share for year ended March 31,2021 from $(0.03) to $(0.09) (2020 – from $(0.05) to $(0.15)).

11. SHARE-BASED PAYMENTS

Share-based payments for options granted by the Company during the years ended March 31, 2021 and 2020 are amortized over their vesting period as follows:

	Fair value	Amount vested in the year ended	
Grant date		**March 31, 2021**	**March 31, 2020**
May 2, 2019	**$ 119,041**	**$ -**	$ 119,041
September 4, 2019	**26,623**	**-**	26,623
January 14, 2020	**60,268**	**-**	60,268
February 3, 2020	**5,240**	**-**	5,240
July 27, 2020	**88,925**	**88,925**	-
November 19, 2020	**83,080**	**83,080**	-
Total	**$ 351,521**	**$ 172,005**	$ 211,172

(Expressed in Canadian dollars)

12. FINANCIAL INSTRUMENTS

12.1 Categories of financial instruments

As at	**March 31, 2021** **$**	March 31, 2020 $
FINANCIAL ASSETS		
At FVTPL		
Cash and cash equivalents	**149,554**	255,889
Total financial assets	**149,554**	255,889
FINANCIAL LIABILITIES		
At amortized cost		
Trade payables	**19,175**	9,194
Total financial liabilities	**19,175**	9,194

12.2 Fair value

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

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

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at March 31, 2021, the Company does not have any Level 3 financial instruments.

(Expressed in Canadian dollars)

12. FINANCIAL INSTRUMENTS (CONTINUED)

As at March 31, 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value				
Cash and cash equivalents	**149,554**	**-**	**-**	**149,554**
Total financial assets at fair value	**149,554**	**-**	**-**	**149,554**

As at March 31, 2020	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value				
Cash and cash equivalents	255,889	-	-	255,889
Total financial assets at fair value	255,889	-	-	255,889

There were no transfers between Level 1, 2 and 3 in the year ended March 31, 2021 and 2020.

12.3 Management of capital and financial risks

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern.

The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high-quality financial institution.

12. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. As at March 31, 2021, all of the Company's trade payables of $19,175 (March 31, 2020 - $9,194) have contractual maturities of 30 to 90 days are subject to normal trade terms. The Company's loans payables are due on demand. The Company does not have investments in any asset backed deposits.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company does not have significant foreign exchange risk as the majority of its transactions are in Canadian dollars.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The Company is not exposed to significant interest rate risk.

(Expressed in Canadian dollars)

13. RELATED PARTY TRANSACTIONS

The amounts due to related parties are amounts due to directors and officers. The balances are unsecured, non-interest bearing and have no specific terms for repayment.

As at March 31, 2021, the Company has $3,704 (2020 - $379) due to the Corporate Secretary reported as part of accounts payable (Note 8). All remaining amounts due to related parties are included in accrued liabilities at March 31, 2021 and 2020.

Year ended		**March 31, 2021**		March 31, 2020
Chief Executive Officer	**$**	**15,125**	$	-
Chief Financial Officer		**9,575**		-
Corporate Secretary		**3,704**		379
President		**40,000**		-
Due to related parties	**$**	**68,404**	$	379

As at March 31, 2021, $Nil (2020 - $13,205) management fees and benefits were recorded as prepaid expenses (Note 6).

13.1 Related party expenses

During the years ended March 31, 2021 and 2020, the Company entered into the following transactions with related parties:

Year ended		**March 31, 2021**		March 31, 2020
Management and administration fees	**$**	**279,022**	$	178,544
Consulting fees		**30,000**		30,000
Share-based payments		**107,199**		146,572
Total related party expenses by type	**$**	**416,221**	$	355,116

The breakdown of the expenses by key management personnel is as follows:

Year ended		**March 31, 2021**		March 31, 2020
Chief Executive Officer	**$**	**140,565**	$	157,956
Chief Financial Officer		**107,517**		125,494
Corporate Secretary		**42,571**		50,833
President		**103,232**		-
Directors		**22,336**		20,833
Total related party expenses by key management personnel	**$**	**416,221**	$	355,116

(Expressed in Canadian dollars)

13. RELATED PARTY TRANSACTIONS (CONTINUED)

13.2 Key management personnel compensation

The Company has identified its directors and senior officers as its key management personnel. The remuneration of key management was as follows:

Year ended		March 31, 2021		March 31, 2020
Short-term benefits	$	309,022	$	208,544
Share-based payments		107,199		146,572
Total key management personnel compensation	$	416,221	$	355,116

14. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash investing and financing transactions during the year ended March 31, 2021 and 2020:

Year ended		March 31, 2021		March 31, 2020
Non-cash financing activities:				
Share-based payments	$	172,005	$	211,172
Finders' warrants		45,679		-
Fair value of options exercised		-		6,952
Non-cash investing activities:				
Shares issued for exploration and evaluations assets		555,000		30,000
Warrants issued for exploration and evaluations assets		224,409		-

15. TAXES

15.1 Provision for income taxes

	March 31, 2021 $	March 31, 2020 $
Loss before tax	775,048	528,956
Statutory tax rate	27%	27%
Expected tax recovery	209,263	142,818
Non-deductible items and other	(33,940)	5,612
Change in prior year provision to actual	58,753	(96,386)
Change in enacted tax rates	-	-
Change in deferred tax assets not recognized	(234,076)	(52,044)
Tax recovery for the year	-	-

(Expressed in Canadian dollars)

15. TAXES (CONTINUED)

15.2 Deferred tax balances

The tax effects of deductible temporary differences for which no deferred tax asset has been recognized are as follows:

	March 31, 2021 $	March 31, 2020 $
Tax loss carry-forwards	**1,969,541**	**1,799,885**
Net capital loss carry-forwards	**43,603**	**43,603**
Exploration and evaluation properties	**(12,593)**	**(71,344)**
Share issue costs	**16,829**	**11,161**
Deferred tax assets not recognized	**2,017,380**	**1,783,305**

15.3 Expiry dates

The Company’s unrecognized deferred tax assets related to unused tax losses have the following expiry dates:

	March 31, 2021 $
Non-capital losses	
2029	**17,141**
2030	**241,622**
2031	**540,868**
2032	**1,067,925**
2033	**824,649**
2034	**339,964**
2035	**399,070**
2036	**434,562**
2037	**694,826**
2038	**742,864**
2039	**816,753**
2040	**545,998**
2041	**628,353**
Total non-capital losses	**7,294,595**
Total resource-related deduction, no expiry	**4,159,064**

16. COMMITMENTS

The Company has certain commitments related to key management compensation for $26,500 per month with no specific expiry of terms (Note 13).

The Company appointed a director as President and is bound by a consulting agreement ("the agreement") according to which, in the event of termination of the agreement, the Company will be liable for the remaining balance of fees and a lump sum equal to 12 months of the standing monthly management fee expense.

The Company has certain commitments in connection with its mineral properties (Note 7).

17. EVENTS AFTER THE REPORTING PERIOD

On May 27, 2021 the company announced that the Canadian Securities Exchange (the "CSE") approved the listing of the Company's common shares (the "Shares") on the CSE (the "CSE Listing") and that its Shares will commence trading on the CSE at market open on May 31, 2021 under the symbol "GMC". In connection with the CSE Listing, the Company delisted its Shares from the TSX Venture Exchange ("TSXV") at the close of the market on May 28, 2021.

On June 7, 2021, the Company completed a share consolidation on one (1) post-consolidated share for every three (3) pre-consolidated shares. At March 31, 2021, the Company had 32,692,817 common shares issued and outstanding. Following the consolidation, the Company will have 10,897,605 common shares issued and outstanding. The number of shares, warrants and stock options shown in these consolidated financial statements are on a pre-consolidation basis.

The share consolidation would have decreased pre consolidation loss per share for the year ended March 31, 2021 from $(0.03) to $(0.09). See Note 7.

Effective at the opening on Thursday, June 10, 2021, the shares of the Company commenced trading on the Canadian Securities Exchange on a post-consolidated basis under the name "Patriot Battery Metals Inc." and stock symbol "PMET".

On June 30, 2021, the Company completed a private placement for gross proceeds of $3,709,120. The Company issued 23,182,000 units (post share-consolidation) at a price of $0.16 per unit. Each unit consisted of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.25 for a period of 24 months from the closing date.

On July 7, 2021, the Company amended the Corvette-FCI agreement to extend the due date for the exploration expenditures commitment to November 3, 2022. See Note 7.