

GLOBAL BATTERY METALS LTD

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED JANUARY 31, 2022 AND 2021

(Unaudited, expressed in Canadian Dollars, unless otherwise noted)

Notice of no Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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.

GLOBAL BATTERY METALS LTD.
Condensed Interim Consolidated Statements of Financial Position

As at

(Unaudited - Expressed in Canadian dollars)

	Note	January 31, 2022 \$	April 30, 2021 \$
Assets			
Current			
Cash		1,690,755	2,674,570
Receivables		6,365	13,834
Prepaid expenses and deposits		40,273	62,421
		1,737,393	2,750,825
Mineral property interests	4	4,857,018	4,765,888
		6,594,411	7,516,713
Liabilities			
Current			
Accounts payable and accrued liabilities	7	41,985	109,451
Equity			
Share capital	6	14,988,543	14,738,489
Contributed surplus	6	2,849,426	2,907,789
Accumulated other comprehensive income		(417,716)	(463,092)
Deficit		(12,858,820)	(11,750,128)
Equity attributable to shareholders		4,561,433	5,433,058
Non-controlling interest		1,990,993	1,974,204
		6,552,426	7,407,262
		6,594,411	7,516,713

Contingencies (Note 11)
Subsequent event (Note 12)

On behalf of the Board:

“Alan Matthews”

Director

“Michael Murphy”

Director

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

GLOBAL BATTERY METALS LTD.**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

For the three and nine months ended January 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended		Nine months ended	
		January 31		January 31,	
		2022	2021	2022	2021
		\$	\$	\$	\$
Business investigation costs		81,929	59,430	603,515	73,155
Consulting fees	7	5,484	6,860	21,001	18,646
Exploration costs	5, 7	5,655	8,126	24,034	60,455
Investor relations		11,183	11,914	57,693	12,994
Management salaries and benefits	7	38,473	38,417	114,141	113,844
Office administration		45,079	24,277	121,811	72,924
Professional fees		49,169	21,561	133,777	59,890
Property Investigation		6,833	143,168	12,202	166,573
Share-based payments	6	-	-	-	59,686
Shareholders' information		10,532	10,121	40,859	31,990
Loss for the period		(254,337)	(323,874)	(1,129,033)	(670,157)
Other comprehensive income (OCI)					
<i>Items that may be subsequently reclassified to profit or loss</i>					
Exchange differences on translating foreign operation		273,513	(236,333)	82,506	(833,317)
Total comprehensive earnings (loss) for the period		19,176	(560,207)	(1,046,527)	(1,503,474)
Loss for the period attributable to:					
Shareholders of the Company		(244,092)	(314,729)	(1,108,692)	(627,979)
Non-controlling interest (NCI)		(10,245)	(9,145)	(20,341)	(42,178)
		(254,337)	(323,874)	(1,129,033)	(670,157)
Comprehensive earnings (loss) for the period attributable to:					
Shareholders of the Company		(93,661)	(444,711)	(1,063,313)	(1,086,302)
Non-controlling interest (NCI)		112,837	(115,496)	16,789	(417,172)
		19,176	(560,207)	(1,046,527)	(1,503,474)
Loss per share					
Basic and diluted		(0.01)	(0.01)	(0.02)	(0.02)
Weighted average number of common shares outstanding					
Basic and diluted		55,996,989	41,838,520	55,665,134	35,480,066

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

GLOBAL BATTERY METALS LTD.**Condensed Interim Consolidated Statements of Equity**

For the nine months ended January 31,

(Unaudited - Expressed in Canadian dollars)

	Common Shares	Share Capital	Contributed Surplus	AOCI	Deficit	NCI	Total
	#	\$	\$	\$	\$	\$	\$
Balance, April 30, 2020	32,300,839	11,591,454	1,948,441	193,761	(9,795,921)	2,559,588	6,497,323
Shares issued pursuant to							
Private placement	10,350,000	1,035,000	-	-	-	-	1,035,000
Share issue costs	-	(110,632)	56,751	-	-	-	(53,881)
Exercise of warrants	555,555	83,333	-	-	-	-	83,333
Shares issued for consulting fees	250,000	25,000	-	-	-	-	25,000
Share-based payments	-	-	59,686	-	-	-	59,686
Net loss for the period	-	-	-	-	(627,979)	(42,178)	(670,157)
OCI for the period	-	-	-	(458,323)	-	(374,994)	(833,317)
Balance, January 31, 2021	43,456,394	12,624,155	2,064,878	(264,562)	(10,423,900)	2,142,416	6,142,987
Shares issued pursuant to							
Private placement	1,416,667	170,000	-	-	-	-	170,000
Exercise of warrants	8,428,517	1,558,717	(5,030)	-	-	-	1,553,687
Exercise of options	1,234,000	349,851	(163,451)	-	-	-	186,400
Exercise of compensation options	236,800	40,891	(17,211)	-	-	-	23,680
Share issue costs	-	(5,125)	-	-	-	-	(5,125)
Shares to be issued for business investigation	-	-	57,600	-	-	-	57,600
Share-based payments	-	-	971,003	-	-	-	971,003
Net loss for the period	-	-	-	-	(1,326,228)	(5,779)	(1,332,007)
OCI for the period	-	-	-	(198,530)	-	(162,433)	(360,963)
Balance, April 30, 2021	54,772,378	14,738,489	2,907,789	(463,092)	(11,750,128)	1,974,204	7,407,262
Shares issued pursuant to							
Exercise of warrants	904,611	136,454	(763)	-	-	-	135,691
Shares issued for consulting fees	320,000	113,600	(57,600)	-	-	-	56,000
Net loss for the period	-	-	-	-	(1,108,692)	(20,341)	(1,129,033)
OCI for the period	-	-	-	45,376	-	37,130	82,506
Balance, January 31, 2022	55,996,989	14,988,543	2,849,426	(417,716)	(12,858,820)	1,990,993	6,552,426

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

GLOBAL BATTERY METALS LTD.**Condensed Interim Consolidated Statements of Cash Flows**

For the three and nine months ended January 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

	Three months ended		Nine months ended	
	January 31		January 31	
	2022	2021	2022	2021
	\$	\$	\$	\$
Cash flows from operating activities				
Net loss for the period	(254,337)	(323,874)	(1,129,033)	(670,157)
Adjustments for:				
Shares issued for business investigation	-	-	56,000	-
Share-based payments	-	-	-	59,686
Shares issued for consulting	-	25,000	-	25,000
Changes in non-cash working capital items:				
Receivables	11,855	2,021	7,469	37,583
Prepaid expenses and advances	10,205	(14,330)	22,148	(40,912)
Accounts payable and accrued liabilities	(99,615)	(93,113)	(67,466)	(61,768)
Net cash used in operating activities	(331,892)	(404,296)	(1,110,882)	(650,298)
Cash flows from investing activities				
Mineral property acquisition costs	(29,862)	-	(268,497)	-
Cash received from option agreement	-	-	242,064	-
Net cash from (used in) investing activities	(29,862)	-	(26,433)	-
Cash flows from financing activity				
Proceeds from exercise of warrants	-	-	135,691	74,490
Proceeds of shares issued	-	1,035,000	-	1,035,000
Share issuance costs	-	(53,881)	-	(53,881)
Exercise of warrants	-	83,333	-	83,333
Net cash from financing activities	-	1,064,452	135,691	1,138,942
Foreign exchange on cash	15,224	(3,132)	17,809	(9,503)
Change in cash for the period	(346,530)	657,024	(983,815)	479,141
Cash, beginning of period	2,037,285	576,022	2,674,570	753,905
Cash, end of period	1,690,755	1,233,046	1,690,755	1,233,046

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

GLOBAL BATTERY METALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended January 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

1. Nature of operations and liquidity risk

The principal business activities of Global Battery Metals Ltd. (the “Company”) include the acquisition and exploration of mineral properties. The Company’s corporate head office is located at 1430-800 W Pender Street, Vancouver, British Columbia, Canada. The Company’s common shares are listed on the TSX Venture Exchange under the symbol GBML and the OTCQB under the symbol REZZF and the Frankfurt Stock Exchange under the symbol “3F2.F”.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months.

At January 31, 2022, the Company had a working capital of \$1,695,408 (April 30, 2021 – working capital of \$2,641,374), which the Company believes is sufficient to meet its obligations and continue its operations for at least the next twelve months.

Beyond the next 12 months, the Company’s ability to continue as a going concern will be dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

2. Basis of presentation

These condensed interim consolidated financial statements for the three and nine months ended January 31, 2022 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company’s April 30, 2021 annual consolidated financial statements. The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended April 30, 2021.

These condensed interim consolidated financial statements were approved by the board of directors and authorized for issue on April 1, 2022.

The condensed interim consolidated financial statements include the results of the Company. The functional currency of the parent company, Global Battery Metals Ltd., is the Canadian dollar, the functional currency of the Company’s subsidiary Minas Dixon S.A is the Peruvian Nuevo Sol and the functional currency of the Company’s subsidiary Compania Minera Oyamel, S.A de C.V is the US Dollar. The presentation currency of the Company is the Canadian dollar. The statement of financial position of each subsidiary is translated into Canadian dollars using the exchange rate at the statement of financial position date and the statement of operations is translated into Canadian dollars using the average exchange rate for the period. All gains and losses on translation from the functional currency to the presentation currency are charged to other comprehensive income. During the nine months ended January 31, 2022, the Company recorded income of \$82,506 (2021 – loss of \$833,317) through other comprehensive income related to the translation of its foreign subsidiaries.

GLOBAL BATTERY METALS LTD.**Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended January 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

The condensed interim consolidated financial statements include the results of the Company and its subsidiaries. Details of the Company's subsidiaries are as follows:

Name	Country of incorporation	Percentage owned January 31,	
		2022	2021
Compania Minera Oyamel, S.A de C.V	Mexico	100%	100%
Minas Dixon S.A ("Minas Dixon" or "Minas")	Peru	55%	55%
Michigan Battery Metals LLC	USA	100%	-
Utah Lithium LLC	USA	100%	-

Intercompany balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

3. Critical accounting estimates and judgments

There have been no changes to the critical accounting estimates and judgements. Refer to the Company's annual consolidated financial statements and notes for the year ended April 30, 2021.

4. Mineral property interests

Mineral property interests at January 31, 2022, the changes for the periods then ended, are as follows:

	Lara	NWL Property	Lithium King	Lapoile Lithium	Total
	\$	\$	\$		\$
Balance, April 30, 2020	5,605,215	181,266	-	-	5,786,481
Acquisition costs	-	32,162	207,147	-	239,309
Option agreement funds	(67,332)	-	-	-	(67,332)
Foreign exchange	(1,192,570)	-	-	-	(1,192,570)
Balance, April 30, 2021	4,345,313	213,428	207,147	-	4,765,888
Acquisition costs	-	237,697	-	30,800	268,497
Option Agreement funding	(242,064)	-	-	-	(242,064)
Foreign exchange	64,697	-	-	-	64,697
Balance, January 31, 2022	4,167,946	452,063	207,147	30,800	4,857,018

Lara Property

On February 4, 2013, the Company completed the requirements of the Lara option agreement with Lara Exploration Ltd. ("Lara Exploration") and acquired 55% of Minas Dixon, the registered owner of the Lara property in southern Peru. Under the option agreement, a Joint Venture agreement was entered into with the 45% owner, Lara Exploration. The Lara property is subject to a payment of \$500,000 to a past owner at the start of commercial production.

On July 28, 2020, the Company entered into an Option Agreement ("Option Agreement"), together with Lara Exploration through Minas Dixon, for the sale of the Lara Property to Minsur S.A and a 1.5% NSR royalty. Under the terms of the Option Agreement the Company and Lara Exploration have granted Minsur S.A an exclusive option to acquire a 100% interest in the Lara Property by making staged cash payments of US\$5,759,000, to Minas Dixon based on the satisfaction of the below milestones.

GLOBAL BATTERY METALS LTD.**Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended January 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

	Option Payments (US\$)
Payments received	
Upon Registration of the Agreement before Public Notary	59,000
One year from Registration of the Agreement	200,000
Milestone of potential future payments	
Approval of Environmental Study and Start of Work (“DIA-IA”)	200,000
One year from approval of the DIA-IA	300,000
Approval of Semi-Detailed Environmental Study (“EIA-SD”)	500,000
One year from approval of the EIA-SD	1,500,000
Upon transfer of Title	3,000,000
Total (US\$)	5,759,000

On July 23, 2021, the Company received US\$200,000 (CAD - \$242,064) related to the option agreement.

North West Leinster Lithium Property

On April 21, 2020, the Company entered into an amended Letter of Intent (the “LOI”) with LRH Resources Ltd (LRHR), an arm’s length private company. The LOI re-defines the option agreement as previously announced on October 28, 2018, in which the Company has the option to acquire up to 90% of the North West Leinster Lithium Property in the Republic of Ireland.

The Company now has the right to exercise the following options:

- By spending €85,000 on exploration expenditures and up to €6,500 in license charges, fees and rents to keep the property in good standing by October 12th, 2022 an initial 17.5% interest can be acquired by providing notice to LRHR (“1st Option Notice”). To date €160,500 (CAD \$269,859) of exploration expenditures have been incurred. The Company has not given the 1st Option Notice.
- The Company can exercise the second option by spending €500,000 on expenditures within two years following receipt by LRHR of the 1st Option Notice and paying LRHR €50,000 in either cash or a combination of cash and common shares of the Company, at the option of the Company, of which at least €5,000 is payable in cash. Upon the above, a further 37.5% interest can be acquired by providing notice to LRHR (“2nd Option Notice”).
- The Company can exercise the third option upon spending a further €1,000,000 on expenditures within two years following receipt by LRHR of the 2nd Option Notice and paying LRHR €200,000 in either cash or a combination of cash and common shares of the Company, at the option of the Company, of which at least €20,000 is payable in cash. Upon this, an additional 35% interest will be acquired by the Company.

Pursuant to the original agreement with LRHR the Company made a cash payment of €10,000 (Paid – CAD \$15,438) and incurred €106,654 (CAD - \$165,828) of exploration expenses. This completed the due diligence required to enter into the LOI above.

Lithium King Property

On April 5, 2021 the Company acquired through staking the Lithium King Property. It is located on the west side of the Great Salt Lake Basin in western Utah, adjacent to the community of Wendover, Utah.

GLOBAL BATTERY METALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended January 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

Lapoile Lithium Project

On November 16, 2021, The Company entered into an option agreement to acquire up to 100% interest in the Lapoile Lithium Project in Newfoundland, Canada.

Pursuant to the option agreement, in order to acquire the initial 51% interest, the Company will need to complete the following requirements:

- Pay \$30,800 due within five business day of execution of the option agreement (paid);
- Pay \$20,000 and issue \$25,000 in common shares on or before the first anniversary of the agreement;
- Pay \$30,000 and issue \$87,500 in common shares on or before the second anniversary of the agreement;
- Pay \$40,000 on or before the third anniversary of the agreement

In order to acquire an additional 24%, for a total of 75%, the Company must incur \$2,000,000 in exploration costs as defined in the agreement. The last 25% interest can be earned by paying \$50,000 and issuing \$425,000 in common shares within 30 days of delivery of an economic technical report.

5. Exploration expenditures

During the three and nine months ended January 31, 2022, the Company incurred \$5,655 and \$24,034 respectively on exploration and evaluation expenditures on the Lihium King property.

During the three and nine months ended January 31, 2021, the Company incurred \$8,126 and \$60,455 respectively on exploration and evaluation expenditures on the Lara property.

6. Share Capital

a) Authorized and issued

Unlimited common shares, without par value – 55,996,989

During the nine months ended January 31, 2022 a total of 904,611 warrants were exercised at \$0.15 for gross proceeds of \$135,691. The Company did not complete any other financings.

On November 10, 2020, the Company closed a non-brokered private placement of 10,350,000 units at a price of \$0.10 per unit, for gross proceeds of \$1,035,000. Each unit consists of one common share and one common share purchase warrant which is exercisable into one common share at an exercise price of \$0.15 for a period of 2 years. The Company applied the residual attribution approach and allocated a value of \$nil to the warrants. The Company incurred cash share issuance costs of \$53,882. The Company issued 149,000 broker warrants in connection with the private placement. Each broker warrant is exercisable into one common share at an exercise price of \$0.15 for a period of 2 years. The broker warrants were attributed a value of \$10,830. The Company issued 302,000 compensation options in connection to the private placement. Each compensation options entitles the holder to acquire one unit which consists of one common share and one share purchase warrant. The warrant entitles the holder to purchase an additional common share at a price of \$0.15 for a period of 2 years. The compensation options were attributed a value of \$45,921.

GLOBAL BATTERY METALS LTD.**Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended January 31, 2022 and 2021

*(Unaudited - Expressed in Canadian dollars)***b) Stock options**

The balance of options outstanding and exercisable as at January 31, 2022 and April 30, 2021 and the changes for the periods then ended is as follows:

	Number of options	Weighted average exercise price	Weighted average remaining life (years)
Balance April 30, 2020	2,571,000	\$0.16	2.24
Granted	3,335,000	\$0.32	
Expired	(272,000)	\$0.10	
Exercised	(1,234,000)	\$0.14	
Balance April 31, 2021	4,400,000	\$0.29	3.98
Balance January 31, 2022	4,400,000	\$0.29	3.22

At January 31, 2022, the Company had the following stock options outstanding:

Expiry Date	Exercise Price	Weighted average remaining life (years)	Number of options outstanding and exercisable
February 24, 2022	\$0.18	0.32	225,000
November 30, 2022	\$0.14	1.08	300,000
May 30, 2023	\$0.20	1.58	700,000
November 26, 2023	\$0.09	2.07	15,000
September 27, 2025	\$0.10	3.91	485,000
April 7, 2026	\$0.37	4.44	2,675,000
	\$0.29	3.22	4,400,000

c) Compensation options

A total of 302,000 compensation options were issued on November 10, 2020 pursuant to the private placement described in Note 6(a). Each compensation option entitles the holder to acquire one unit which consists of one common share and one warrant. The warrant entitles the holder to purchase an additional common share at a price of \$0.15 until November 10, 2022. During the year ended April 30, 2021, a total of 236,800 compensation options were exercised and 51,200 of the warrants were exercised for gross proceeds of \$31,360.

d) Warrants

The balance of warrants outstanding at January 31, 2022 and April 30, 2021 and the changes for the periods then ended is as follows:

	Number of warrants	Exercise price	Weighted average remaining life (years)
Balance, April 30, 2020	6,608,983	\$0.19	1.09
Expired	(8,984,072)	\$0.18	
Issued	12,152,467	\$0.15	
Balance, April 30, 2021	9,777,378	\$0.15	1.46
Exercised	(904,611)	\$0.15	
Expired	(100,000)	\$0.15	
Balance, January 31, 2022	8,772,767	\$0.15	0.82

GLOBAL BATTERY METALS LTD.**Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended January 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

At January 31, 2022, the Company had the following warrants outstanding:

Expiry Date	Exercise Price	Weighted average remaining life (years)	Number of warrants outstanding
November 10, 2022	\$0.15	1.03	7,356,100
February 8, 2023	\$0.18	1.27	1,416,667
	\$0.15	0.82	8,772,767

7. Related Party Transactions

Compensation paid or payable to Directors, the Chief Executive Officer and the Chief Financial Officer, for services provided during the three and nine months ended January 31, 2022 and 2021 was as follows:

	Three months ended January 31,		Nine months ended January 31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Management salaries and benefits	37,500	37,500	112,500	112,500
Business investigation	1,000	10,228	3,000	21,913
Consulting fees	5,483	6,860	21,000	18,646
Property Investigation	7,208	1,625	10,021	14,585
Property acquisition costs	-	-	1,813	-
Share-based payments	-	-	-	59,686
	51,191	56,213	148,334	227,330

Included in accounts payable and accrued liabilities at January 31, 2022, is \$nil (April 30, 2021 - \$8,218) due to an officer of the Company. The amount owing is non-interest bearing and due on demand.

8. Segmented Information

The Company has one operating segment, which is mineral exploration and development. Geographic information related to the location of the Company's significant non-current assets as at January 31, 2022 and April 30, 2021 is as follows:

	January 31, 2022	April 30, 2021
	\$	\$
Mineral property interests		
Ireland	451,125	213,428
Peru	4,167,946	4,345,313
Canada	30,800	-
USA	207,147	207,147
Total	4,857,018	4,765,888

GLOBAL BATTERY METALS LTD.**Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended January 31, 2022 and 2021

*(Unaudited - Expressed in Canadian dollars)***9. Non-controlling interest**

The Company owns a 55% controlling interest in Minas Dixon S.A; the remaining 45% is held by Lara Exploration and accounted for as a non-controlling interest. Financial information related to Minas Dixon S.A is as follows:

	January 31, 2022	April 30, 2021
	\$	\$
Current assets	240,020	25,284
Long term assets	4,167,946	4,345,313
Current liabilities	(1,250)	(1,190)
Due to Joint Venture partners	(1,018,142)	(998,752)

	Three months ended January 31,		Nine months ended January 31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Loss for the period	(22,766)	(20,320)	(45,202)	(93,732)
Other comprehensive loss for the period	273,516	(236,333)	82,506	(833,317)
Comprehensive loss for the period	250,750	(256,653)	37,304	(927,049)
Cash flows for the period:				
Cash flows from (used in) operating activities	(22,640)	(20,386)	(39,637)	(99,375)
Cash flows from financing activities	-	(321)	242,064	112,956
Net increase decrease in cash	(22,640)	(20,707)	202,427	13,581
Cash, beginning of period	247,430	61,085	19,780	33,168
Effect of foreign exchange rates on cash	15,230	(2,810)	17,814	(9,181)
Cash, end of period	240,020	37,568	240,020	37,568

10. Financial Instruments

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The Company classifies its cash and accounts payable and accrued liabilities as amortized cost. The fair value of these instruments approximates their carrying amounts due to their short-term to maturity.

There have been no changes to the Company's financial instruments and risk exposures. The Company's risks exposures and the impact on the Company's financial instruments are discussed in the consolidated financial statements for the year ended April 30, 2021.

11. Contingencies

The Company has approved a compensation package to the Chief Executive Officer. On the completion of a corporate acquisition or merger, bonuses of up to 500,000 stock options, restricted share units equal to 1% of the value of the transaction and cash in the amount equal to 0.25% of the value of the transaction would become payable. As at April 30, 2021 no corporate acquisition or merger has been entered into and therefore no accrual for the compensation package has been recorded.

GLOBAL BATTERY METALS LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended January 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

12. Subsequent event

Subsequent to January 31, 2022 the Company signed an option agreement and lease agreement on certain mineral rights for the Sawyer Camp in the Upper Peninsula region of the State of Michigan.

Under the option agreement, the Company has the right to explore the project initially for four years with the following exploration and rental payments requirements:

- An exploration commitment of US \$150,000 (US\$130,000 has already been incurred) and rental payment of US \$10,000 (paid subsequently)
- An exploration commitment of US \$500,000 and rental payment of US \$15/ acre
- An exploration commitment of US \$1,500,000 and rental payment of US \$25/acre
- An exploration commitment of US \$2,000 and rental payment of US \$35/acre

Upon completion of the option agreement, the Company may elect to enter the lease agreement that has a primary 15-year term followed by a 15- year extension term. A 3.0% NSR royalty is payable on production from their privately held mineral rights. A 0.5% NSR buy back is available at the Company's option by paying the greater of USD \$1 million or the NAV of the 0.5% royalty using consensus metal prices and a 10% discount rate