GIYANI METALS CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2021

(Expressed in Canadian Dollars)

(UNAUDITED)

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

As at	September 30, 2021	December 31, 2020
Assets		
Current assets		
Cash	**$ 11,992,663**	$ 6,338,927
Subscriptions receivable	**-**	186,900
Amounts receivable	**80,726**	51,352
Amounts due from related party (note 11)	**-**	100,000
Prepaids	**157,735**	40,776
Total current assets	**12,231,124**	6,717,955
Property, plant and equipment (note 3)	**101,799**	12,697
Exploration and evaluation assets (note 4)	**6,745,649**	3,282,079
Total Assets	**$ 19,078,572**	$ 10,012,731
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 5)	**$ 1,140,515**	$ 802,567
Lease liabilities (note 6)	**39,496**	-
Other liabilities	**106,943**	106,943
Amounts due to related parties (note 11)	**275,181**	206,037
Total current liabilities	**1,562,135**	1,115,547
Non-current liabilities		
Lease liabilities (note 6)	**26,056**	-
RSU liability (note 9)	**17,708**	-
Total Liabilities	**1,605,899**	1,115,547
Equity		
Share capital (note 7(b))	**39,377,358**	30,489,730
Contributed surplus	**8,315,877**	7,173,754
Warrants (note 10)	**10,002,191**	7,465,980
Cumulative translation adjustment	**(567,889)**	(426,640)
Deficit	**(39,654,864)**	(35,805,640)
	17,472,673	8,897,184
Total Liabilities and Equity	**$ 19,078,572**	$ 10,012,731

Nature of operations (note 1)
Subsequent events (note 16)

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

Approved by the Board of Directors:

Director: Stephanie Hart

Director: Jonathan Henry

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Expenses				
Corporate, general and administration (note 12)	**$ 1,559,264**	$ 815,119	**$ 3,847,993**	$ 1,365,001
Depreciation (note 3)	**11,901**	2,539	**14,265**	7,145
Net loss before interest and other items	**1,571,165**	817,658	**3,862,258**	1,372,146
Foreign exchange (gain) loss	**(92)**	25,898	**104,595**	17,834
Gain on debt settlement	**-**	-	**-**	(45,726)
Loss on acquisition of remaining interest in Lexshell (note 4)	**-**	-	**45,000**	-
Gain on sale of Rock Island Trading (Pty) Ltd. (note 4)	**(98,871)**	-	**(162,629)**	-
Net loss for the period	**1,472,202**	843,556	**3,849,224**	1,344,254
Other comprehensive loss				
Items that may be subsequently reclassified to profit and loss:				
Currency translation adjustment	**69,778**	(59,405)	**141,249**	(93,209)
Comprehensive loss for the period	**$ 1,541,980**	$ 784,151	**$ 3,990,473**	$ 1,251,045
Basic and diluted loss per share	**$ 0.01**	$ 0.01	**$ 0.02**	$ 0.01
Weighted average number of shares outstanding	**174,396,965**	103,573,886	**167,958,153**	93,769,427

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

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Number	Share Capital Amount	Contributed Surplus	Warrants	Cumulative Translation Adjustment	Deficit	Total
Balance, December 31, 2019	**85,424,211**	**$ 23,263,072**	**$ 6,704,144**	**$ 4,806,273**	**$ (128,066)**	**$ (33,685,851)**	**$ 959,572**
Private placement, net of costs	24,600,000	1,633,665	-	716,041	-	-	2,349,706
Shares issued for debt settlement	1,829,023	146,321		-	-	-	146,321
Exercise of warrants	525,000	80,220	-	(27,720)	-	-	52,500
Stock-based compensation	-	-	378,512	-	-	-	378,512
Currency translation adjustment	-	-	-	-	93,209	-	93,209
Net loss for the period	-	-	-	-	-	(1,344,254)	(1,344,254)
Balance, September 30, 2020	**112,378,234**	**$ 25,123,278**	**$ 7,082,656**	**$ 5,494,594**	**$ (34,857)**	**$ (35,030,105)**	**$ 2,635,566**
Balance, December 31, 2020	**153,753,234**	**$ 30,489,730**	**$ 7,173,754**	**$ 7,465,980**	**$ (426,640)**	**$ (35,805,640)**	**$ 8,897,184**
Bought deal equity financing, net of issuance costs	16,916,500	7,880,231	-	2,700,636	-	-	10,580,867
Exercise of stock options (notes 7 and 8)	1,112,500	381,997	(171,247)	-	-	-	210,750
Exercise of warrants (note 7)	2,858,000	625,400	-	(164,425)	-	-	460,975
Stock-based compensation (note 8)	-	-	1,313,370	-	-	-	1,313,370
Currency translation adjustment	-	-	-	-	(141,249)	-	(141,249)
Net loss for the period	-	-	-	-	-	(3,849,224)	(3,849,224)
Balance, September 30, 2021	**174,640,234**	**$ 39,377,358**	**$ 8,315,877**	**$ 10,002,191**	**$ (567,889)**	**$ (39,654,864)**	**$ 17,472,673**

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

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Operating Activities		
Net loss for the period	**$ (3,849,224)**	$ (1,344,254)
Items not affecting cash:		
Depreciation (note 3)	**14,265**	7,145
Stock-based compensation (notes 8 and 9)	**1,331,078**	378,512
Gain on debt settlement	**-**	(45,726)
Unrealized foreign exchange loss	**(66,608)**	(59,400)
Change in non-cash operating working capital:		
Subscription receivable	**186,900**	-
Amounts receivable	**(3,124)**	(110,191)
Amounts due from related party	**100,000**	20,000
Prepaids	**(116,959)**	(148,136)
Accounts payable and accrued liabilities	**(222,275)**	332,582
Amounts due to related parties	**69,144**	(296,055)
Net cash used in operating activities	**(2,556,803)**	(1,265,523)
Investing Activities		
Purchase of property, plant and equipment (note 3)	**(27,596)**	(4,643)
Exploration and evaluation asset expenditures	**(2,977,140)**	(500,365)
Net cash used in investing activities	**(3,004,736)**	(505,008)
Financing Activities		
Proceeds from bought deal equity financing, net of issuance costs	**10,580,867**	2,349,706
Proceeds from exercise of stock options	**210,750**	-
Proceeds from exercise of warrants	**434,725**	52,500
Repayment lease liability	**(11,067)**	-
Net cash provided by financing activities	**11,215,275**	2,402,206
Change in cash during the period	**5,653,736**	631,675
Cash, beginning of the period	**6,338,927**	8,758
Cash, end of the period	**$ 11,992,663**	$ 640,433
Supplemental cash flow information:		
Shares issued for settlement of debt	**$ -**	$ 146,321
Warrants receivable	**$ 26,250**	$ -

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

1. Nature of operations

Giyani Metals Corp., formerly Giyani Gold Corp. ("**Giyani**", or "**the Company**") was incorporated under the Canada Business Corporations Act on July 26, 2007 and continued under the Business Corporations Act of British Columbia on August 4, 2010. Since 2017, the Company has focused its full attention to advance its manganese assets within the Kanye Basin in south eastern Botswana, Africa (the "**Kanye Basin Prospects**"). The Company's strategy is to become a low-carbon footprint producer of high-purity electrolytic manganese precursor materials used by battery manufacturers for the expanding electric vehicle market. The registered address is Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8. The Company is a reporting issuer in British Columbia, Alberta and Ontario and uses the trading symbol under the TSX Venture Exchange ("**TSXV**") "**EMM**".

These unaudited condensed interim consolidated financial statements ("**Financial Statements**") have been prepared using International Financial Reporting Standards ("**IFRS**") applicable to a "going concern", which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The outbreak of the novel strain of coronavirus, specifically identified as "**COVID-19**", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods. The Company is monitoring the business environment as a result to ensure minimal disruption to business operations. The Company continues to operate all aspects of its business as intended as of the current date.

2. Basis of preparation

Statement of compliance

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("**IAS**") 34 'Interim Financial Reporting' (**"IAS 34**") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("**IASB**") and Interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**"). The accounting policies and methods of computation applied by the Company in these unaudited condensed interim consolidated financial statements are the same as those applied in the Company's audited annual consolidated financial statements for the year ended December 31, 2020, other than as noted below.

These Financial Statements were authorized for issuance by the Board of Directors of the Company on November 29, 2021.

New standards adopted

Amendment to IAS 16 - Property, Plant and equipment

In 2020, the IASB published Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16) ("**IAS 16 amendments**") which applies to annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. The Company has elected to early adopt these IAS 16 amendments effective January 1, 2021 and has applied the IAS 16 amendments retrospectively.

2. Basis of preparation (continued)

New standards adopted (continued)

Amendment to IAS 16 - Property, Plant and equipment (continued)

These IAS 16 amendments prohibit the deduction from the cost of an item of property, plant and equipment any net proceeds received from the sale of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the Company recognizes the proceeds from the sale of such items, and the cost of producing those items in the condensed consolidated statement of loss and comprehensive loss. No restatement of prior periods was required on adoption given the comparable periods contained no items that would have been impacted by this accounting amendment.

Accounting Policies

*Right-of-use ("**ROU**") assets*

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset by means of decision-making rights that are most relevant to changing how and for what purpose the asset is used. In the case where decisions about the asset's purpose is predetermined, the Company is deemed to have the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or,
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

The Company recognizes a ROU asset and lease liability at the lease commencement date. The initial measurement of the ROU asset is on a present value basis. This is based on the calculated lease liability plus any initial direct costs incurred, an estimate of removal or restoration costs, and any payments made prior to commencement of the lease less any lease incentives received. The ROU asset is subsequently depreciated using the straight-line method from the lease commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Share-based compensation

The Company grants share options to acquire common shares of the Company to directors, officers, consultants, and employees.

The fair value of the instruments granted is measured using a Black-Scholes model, taking into account the terms and conditions upon which the instruments are granted. The fair value of the awards is adjusted by the estimate of the number of awards that are expected to vest as a result of non-market conditions and is expensed over the vesting period using the graded vesting method of amortization. At each condensed consolidated statement of financial position date, the Company reviews its estimates of the number of options that are expected to vest based on the non-market vesting conditions including the impact of the revision to original estimates, if any, with corresponding adjustments to equity. Volatility, as input into the Black-Scholes model, measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the expected life of the option.

(Expressed in Canadian Dollars)

2. Basis of preparation (continued)

Accounting Policies (continued)

Share-based compensation (continued)

The Company offers a Restricted Share Unit ("**RSU**") Plan for directors, officers, consultants, and employees which can be settled in cash or common shares of the Company at the option of the RSU holder. There is a two-year vesting period with 50% vesting on the first anniversary and the remaining 50% vesting on the second anniversary of the grant date. The RSUs are accounted for under the liability method whereby the RSU liability is initially measured at fair value on the grant date and recognized as an obligation on the condensed consolidated statement of financial position. Fair value is recognized over the vesting period and reflects an estimate of forfeitures. RSUs terminate when an employee ceases to be employed by the Company.

New standards not yet adopted

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

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

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

This amendment is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

3. Property, plant and equipment

Cost	Furniture and Fixture	Mining and Exploration	Computer Equipment	Equipment	Right of Use Asset - Property	Total
Balance, December 31, 2019	$ 31,186	$ 21,724	$ 25,742	$ 32,743	$ -	$ 111,395
Additions	-	-	4,179	-	-	4,179
Balance, December 31, 2020	31,186	21,724	29,921	32,743	-	115,574
Additions	22,248	-	5,348	-	75,771	103,367
Balance, September 30, 2021	**$ 53,434**	**$ 21,724**	**$ 35,269**	**$ 32,743**	**$ 75,771**	**$ 218,941**
Accumulated depreciation						
Balance, December 31, 2019	$ 27,957	$ 21,724	$ 22,696	$ 22,843	$ -	$ 95,220
Depreciation for the year	1,671	-	3,046	2,940	-	7,657
Balance, December 31, 2020	29,628	21,724	25,742	25,783	-	102,877
Depreciation for the period	843	-	627	3,418	9,377	14,265
Balance, September 30, 2021	**$ 30,471**	**$ 21,724**	**$ 26,369**	**$ 29,201**	**$ 9,377**	**$ 117,142**
Net book value						
Balance, December 31, 2020	1,558	-	4,179	6,960	-	12,697
Balance, September 30, 2021	**$ 22,963**	**$ -**	**$ 8,900**	**$ 3,542**	**$ 66,394**	**$ 101,799**

(Expressed in Canadian Dollars)

4. Exploration and evaluation assets

Botswana

During the year ended December 31, 2017, the Company acquired 14 prospecting licenses within the Kanye Basin Prospects area which encompass the past producing Kgwakgwe Hill Manganese Mine ("**K.Hill**"). Giyani also acquired Menzi Battery (Pty) Limited ("**Menzi**"), a company incorporated in accordance with the laws of Botswana. The acquisition of Menzi was treated as an asset acquisition since it did not meet the definition of a business under IFRS.

The Company's renewal of 10 licenses was approved by the Botswana Department of Mines during the year ended December 31, 2020. The Company did not include four licenses in its renewal application as they were no longer considered prospective.

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

	Kanye Basin Prospects
Balance, December 31, 2019	$ 2,267,008
Current expenditures	1,049,256
Foreign exchange	(34,185)
Balance, December 31, 2020	**$ 3,282,079**
Current expenditures	3,538,009
Foreign exchange	(74,439)
Balance, September 30, 2021	**$ 6,745,649**

South Africa

Rock Island Gold Project

The Company had previously entered into a joint operation agreement relating to the assets of Rock Island Trading 17 (Pty) Ltd. (2) ("**Rock Island**"). The Company funded the joint operation with Corridor Mining Resources ("**CMR**") on a 50:50 basis, whereby both parties were to share the costs evenly on an ongoing basis. The joint operation was operated through Rock Island; a company incorporated in South Africa for which Giyani had 28.8% effective ownership.

The Company's exploration permits expired on July 10, 2015. Prior to expiry, an application to extend for a three-year retention permit was submitted to the South African Department of Mineral Resources (the "**DMR**"). This application was submitted by Giyani's partner CMR. At the time, no competing applications were submitted. The DMR confirmed receipt of the application on May 4, 2016. For accounting purposes, the Company had previously recorded the Rock Island Gold Project at $nil, with an impairment of the full carrying amount reported as a loss in previous periods.

During the year ended December 31, 2019, the Company entered into a share sale agreement with CMR to sell the Company's effective interest of 28.8% or 45 shares in Rock Island (the "**Rock Island Agreement**") held through Lexshell 837 Investments (Pty) Ltd. ("**Lexshell**"). The sale price was ZAR9,555,046 ($845,460) with one third ZAR3,185,015 due from CMR immediately on signing and the balance due upon closing of the Rock Island Agreement. During the year ended December 31, 2019, the Company received cash of ZAR3,185,015 ($280,346) from CMR.

(Expressed in Canadian Dollars)

4. Exploration and evaluation assets (continued)

South Africa (continued)

Rock Island Gold Project (continued)

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

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

As a result of the two agreements, an accounting gain of $213,733 was recorded in the condensed consolidated statements of loss and comprehensive loss during the year ended December 31, 2019.

As at and during the three and nine months ended September 30, 2021:

- The Rock Island Agreement had not been completed;
- The Company and Malungani amended the terms of, and completed the Lexshell Agreement for cash consideration of $45,000 as full and final settlement;
- The Company received ZAR1,000,000 ($98,871) and ZAR1,900,000($162,629) from CMR; and
- These items were recorded in the condensed interim consolidated statements of loss and comprehensive loss.

5. Account payable and accrued liabilities

	September 30, 2021	December 31, 2020
Trade and other payables	**$ 586,462**	$ 599,659
Accrued liabilities	**554,053**	202,908
	$ 1,140,515	$ 802,567

6. Lease liabilities

The lease liabilities are presented in the condensed interim consolidated statement of financial position as follow:

	September 30, 2021	December 31, 2020
Lease liabilities (current)	**$ 39,496**	$ -

Lease liabilities (non-current)		**26,056**		-
Total lease liabilities	**$**	**65,552**	$	-

(Expressed in Canadian Dollars)

6. Lease liabilities (continued)

The changes in the Company's lease liabilities during the nine months ended September 30, 2021, are as follows:

	September 30, 2021
Lease liabilities, beginning of the period	$ -
Additions	**75,771**
Foreign exchange	**(84)**
Interest expense	**932**
Lease payments	**(11,067)**
Lease liabilities, end of the period	**$ 65,552**

As a result of the adoption of IFRS 16, the Company recognized a lease liability of $75,771 for the lease of a corporate property in Botswana at an incremental borrowing rate of 8.0%. The undiscounted lease payments remaining as at September 30, 2021 are as follows:

	Within one year	One to two years	Total
Lease payments	$ 40,266	$ 30,200	$ 70,466

7. Share capital

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

The following is a continuity of shares issued:

	Shares	Amount
Balance, December 31, 2019	**85,424,211**	**$ 23,263,072**
Shares issued in settlement of debt (i)	1,829,023	146,321
Private placement (ii) (iii)	24,600,000	2,400,000
Fair value of warrants issued in private placement (ii) (iii)	-	(716,041)
Share issuance costs (iii)	-	(50,294)
Exercise of warrants (iv)	525,000	52,500
Fair value reclassed upon exercise of warrants (iv)	-	27,720
Balance, September 30, 2020	**112,378,234**	**$ 25,123,278**
Balance, December 31, 2020	**153,753,234**	**$ 30,489,730**
Bought deal equity financing (v)	16,916,500	11,503,220
Fair value of warrants issued in bought deal financing (v)	-	(2,348,136)
Share issuance costs (v)	-	(1,274,853)
Exercise of stock options (vi)	1,112,500	210,750
Fair value reclassed upon exercise of stock options (vi)	-	171,247
Exercise of warrants (vii)	2,858,000	460,975
Fair value reclassed upon exercise of warrants (vii)	-	164,425
Balance, September 30, 2021	**174,640,234**	**$ 39,377,358**

7. Share capital (continued)

(i) On May 19, 2020, the Company settled debt of $192,047 for 1,829,023 common shares at a price of $0.105 resulting in a gain of settlement of debt of $45,726. Directors and officers of the Company settled debt with a fair value of $127,537 as a result of this transaction.

(ii) On May 25, 2020, the Company closed a non-brokered private placement of 15,000,000 units at $0.08 per unit for total gross proceeds of $1,200,000. Each unit consisted of one common share of Giyani and one half of a share purchase warrant exercisable at $0.10 for a period of 3 years from the date of issuance.

The 7,500,000 full warrants were assigned a fair value of $346,608 which was determined using the Black-Scholes option pricing model. The following weighted average assumptions were used: share price - $0.13, dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 143.10%; risk-free interest rate - 0.27%; and an expected life - 3 years.

Directors and officers of the Company subscribed for 687,500 units in connection with this placement.

(iii) On September 18, 2020, the Company closed a brokered private placement of 9,600,000 units at $0.125 per unit for total gross proceeds of $1,200,000. Each unit consisted of one common share of Giyani and one half of a share purchase warrant exercisable at $0.20 for a period of 18 months from the date of issuance. As a result of the placement, $9,450 in finders' fees were paid and $40,844 in issuance costs were capitalized.

The 4,800,000 full warrants and 355,320 finders' warrants were assigned a fair value of $307,374 and $62,059 respectively, which was determined using the Black-Scholes option pricing model. The following weighted average assumptions were used: share price - $0.23, dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 157.38%; risk-free interest rate - 0.26%; and an expected life - 1.5 years.

Directors and management of the Company subscribed to 2,514,000 units in connection with this placement.

(iv) On September 18, 2020, 525,000 warrants with an exercise price of $0.10 were exercised for gross proceeds of $52,500. The fair value of the warrants exercised was $27,720 which was reallocated from warrants to share capital.

(v) On March 24, 2021, the Company closed a bought deal equity financing for gross proceeds of $11,503,220 and issued 16,916,500 units at $0.68 per unit. The financing included the exercise in full of an underwriter's over-allotment option to purchase up to an additional 15% of the units of the offering (2,206,500 units) on the same terms. Each unit consisted of one common share of Giyani and one half of a share purchase warrant exercisable at $1.00 for a period of 18 months from the date of issuance. In conjunction with the bought deal financing, $632,677 in finders' fees were paid and an additional $289,676 in issuance costs were capitalized.

The 8,458,250 share purchase warrants and 930,407 broker warrants were assigned a fair value of $2,348,136 and $352,500, respectively. Fair value was determined using the Black-Scholes option pricing model using the following weighted average assumptions: share price - $0.64, dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 138%; risk-free interest rate - 0.24%; and an expected life - 1.5 years.

(vi) During the nine months ended September 30, 2021, a former officer, a current officer and a current director exercised 1,112,500 stock options exercisable between $0.10 and $0.305 for total gross proceeds of $210,750. The fair value of the stock options exercised was $171,247 which was reallocated from contributed surplus to share capital.

(vii) During the nine months ended September 30, 2021, 2,858,000 warrants with exercise prices between $0.10 and $0.35 were exercised for gross proceeds of $460,975. The fair value of the warrants exercised was $164,425 which was reallocated from warrants to share capital. Subsequent to September 30, 2021, $26,250 of warrants exercised included in amounts receivable were collected.

(Expressed in Canadian Dollars)

8. Stock options

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

Stock option transactions are summarized as follows:

	Number of stock options outstanding	Weighted average exercise price
Balance, December 31, 2019	7,137,500	$ 0.24
Granted (i) (ii) (iii)	2,975,000	0.17
Balance, September 30, 2020	10,112,500	$ 0.22
Balance, December 31, 2020	**10,112,500**	**$ 0.22**
Exercised (note 7 (vi))	(1,112,500)	0.19
Forfeited (viii)	(500,000)	0.21
Granted (iv) (v) (vi) (vii)	4,462,500	0.49
Balance, September 30, 2021	**12,962,500**	**$ 0.32**

(i) On March 10, 2020, the Company granted 500,000 stock options to management with each option exercisable into one common share of the Company at an exercise price of $0.12 per share until March 10, 2025. A fair value of $52,900 was determined using the Black-Scholes option pricing model. The following assumptions were used: share price - $0.12, dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 135%; risk-free interest rate - 0.73%; and an expected life - 5 years and vested immediately.

(ii) On July 5, 2020, the Company granted 375,000 stock options to management with each option exercisable into one common share of the Company at an exercise price of $0.15 per share until July 5, 2025. A fair value of $49,403 was determined using the Black-Scholes option pricing model. The following assumptions were used: share price - $0.15, dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 138%; risk-free interest rate - 0.38%; and an expected life - 5 years and vested immediately.

(iii) On September 24, 2020, the Company granted 2,100,000 stock options to directors, management, and consultants with each option exercisable into one common share of the Company at an exercise price of $0.185 per share until September 24, 2025 and 1,400,000 stock option vesting immediately and 350,000 stock option vesting 1 year and 2 years from the date of grant, and subject to certain change of control provisions. A fair value of $398,922 was determined using the Black-Scholes option pricing model. The following assumptions were used: share price - $0.215, dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 137%; risk-free interest rate - 0.35%; and an expected life - 5 years.

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

(Expressed in Canadian Dollars)

8. Stock options (continued)

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

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

(vii) On September 2, 2021, the Company granted 1,200,000 stock options to directors and management with each option exercisable into one common share of the Company at an exercise price of $0.48 per share until September 2, 2026; 633,334 options vested immediately, 83,333 will vest in two equal tranches on September 2, 2022 and 2023; 150,000 options will vest on February 16, 2022; and 250,000 options will vest in thirds on January 26, 2022, July 26, 2022 and July 26, 2023. A fair value of $491,600 was determined using the Black-Scholes option pricing model. The following assumptions were used: share price - $0.48, dividend yield - 0%; expected volatility (based on historical price data of the Company's common share) - 129%; risk-free interest rate - 0.77%; and an expected life - 5 years.

(viii) During the nine months ended September 30, 2021, 500,000 stock options with exercise prices between $0.15 and $0.53 were forfeited.

During the three and nine months ended September 30, 2021, the Company recorded stock-based compensation in connection with the vesting of options totaling $420,428 and $1,313,370 (September 30, 2020 - $318,630 and $378,512) in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

Stock options outstanding as at September 30, 2021:

Expiry date	Exercise price ($)	Remaining contractual life (years)	Total options	Options exercisable
November 21, 2021	0.34	0.14	500,000	500,000
November 27, 2021	0.185	0.16	150,000	150,000
November 27, 2021	0.12	0.16	500,000	500,000
May 1, 2022	0.34	0.58	300,000	300,000
November 28, 2022	0.30	1.16	750,000	750,000
April 25, 2023	0.23	1.57	350,000	350,000
September 28, 2023	0.28	1.99	2,275,000	1,575,000
November 19, 2024	0.15	3.14	1,750,000	1,050,000
July 5, 2025	0.15	3.76	375,000	375,000
September 24, 2025	0.185	3.99	1,600,000	1,200,000
January 18, 2026	0.465	4.30	750,000	250,000
April 21, 2026	0.53	4.56	2,012,500	845,833
June 18, 2026	0.40	4.72	450,000	450,000
September 2, 2026	0.48	4.93	1,200,000	633,334
			12,962,500	8,929,167

(Expressed in Canadian Dollars)

9. Restricted Share Units ("RSUs")

The Company has adopted a Restricted Share Unit Plan (the "**RSU Plan**"), in accordance with the policies of the TSXV, under which the Board of Directors of the Company may grant to directors, officers, employees and consultants of the Company, non-transferable restricted share units ("**RSUs**") to acquire common shares or their cash equivalent at the end of the vesting period. The aggregate number of shares that may be issued under the RSU plan together with the number of shares reserved for issuance under the stock option plan shall not exceed 10% of the issued and outstanding common shares.

On June 17, 2021, the Company granted 188,680 RSU's to an officer of the Company which are to vest equally on the one and two-year anniversaries of the grant date. The RSUs granted are accounted for under the liability method whereby a liability is recorded at grant date equal to the fair value of the RSU. A fair value of $82,076 was determined based on the fair value of the Company's share price on the date of grant.

During the three and nine months ended September 30, 2021, the Company recorded share-based compensation expenses for the RSUs of $5,903 and $17,708 (three and nine months ended September 30, 2020 - $Nil and $Nil) in the condensed interim consolidated statements of loss and comprehensive loss.

10. Warrants

Warrant transactions are summarized as follows:

	Number of warrants outstanding	Weighted average exercise price ($)
Balance, December 31, 2019	1,356,000	0.28
Issued (note 7(b)(ii)(iii))	12,655,320	0.14
Exercised (note 7(b)(iv))	(525,000)	0.10
Balance, September 30, 2020	13,486,320	0.15
Balance, December 31, 2020	**28,914,820**	**0.30**
Issued (note 7(b)(v))	9,388,657	0.97
Exercised (note 7(b)(vii))	(2,858,000)	0.16
Balance, September 30, 2021	**35,445,477**	**0.49**

Warrants outstanding as at September 30, 2021:

Expiry date	Exercise price ($)	Remaining contractual life (years)	Warrants exercisable
March 18, 2022	0.20	0.46	4,142,000
March 18, 2022 (broker warrants)	0.125	0.46	355,320
June 23, 2022	0.35	0.73	18,250,000
June 23, 2022 (broker warrants)	0.35	0.73	2,097,000
September 24, 2022	1.00	0.98	8,458,250
September 24, 2022 (broker warrants)	0.68	0.98	930,407
May 25, 2023	0.10	1.65	1,212,500
			35,445,477

(Expressed in Canadian Dollars)

11. Related party transactions

Management and consulting fees of $338,954 and $726,076 (three and nine months ended September 30, 2020 - $183,091 and $410,032) were paid or accrued to officers and directors of the Company or to companies controlled by officers or directors of the Company during the three and nine months ended September 30, 2021.

The former Chief Financial Officer of the Company is a senior employee of Marrelli Support Services Inc. ("**MSSI**"). During the three and nine months ended September 30, 2021, the Company paid or accrued professional fees of $Nil and $17,792 (three and nine months ended September 30, 2020 - $10,586, and $31,318) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. MSSI also provides bookkeeping services to the Company.

As at September 30, 2021, the Company owed $275,181 (December 31, 2020 - $206,037) to directors and officers of the Company and entities controlled by or associated with directors and officers of the Company. As at September 30, 2021, MSSI was owed $6,038 (December 31, 2020 - $2,914) with respect to services provided. The balances owed were recorded in the unaudited condensed interim consolidated statement of financial position as amounts due to related parties. The Company incurred $787,233 related to exploration activities with a director and an officer of the Company. As at September 30, 2021, $Nil (December 31, 2020 - $Nil) was outstanding.

In December 2020, one investor of the Company's private placement financing was unable to remit their funds to the Company's trust account and instead remitted their funds directly to Giyani's Chief Executive Officer ("**CEO**"). The Company's Board of Directors approved an arrangement for the CEO to retain the funds as a prepayment of future fees and expenses. This arrangement was recorded as a related party receivable on the Company's consolidated statement of financial position as at December 31, 2020.

During the three and nine months ended September 30, 2021, $Nil and $100,000 of the CEO's fees and approved expense reimbursements were applied against the amount due from related party.

Additional remuneration of officers and directors of the Company was as follows:

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Stock-based compensation	**$ 449,034**	$ -	**$ 1,235,380**	$ 29,366
Management and consulting fees incentives	**211,867**	-	**211,867**	-
	$ 660,901	$ -	**$ 1,447,247**	$ 29,366

12. Corporate, general and administrative

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Professional fees	**$ 670,664**	$ 349,511	**$ 1,508,075**	$ 655,588
Director fees and benefits	**67,057**	32,367	**155,599**	98,169
Stock-based compensation	**426,331**	318,630	**1,331,078**	378,512
Investor relations and marketing	**198,278**	30,136	**423,212**	47,682
Shareholder information	**30,088**	70,752	**130,431**	122,384
Travel	**147,174**	11,874	**220,958**	38,123
General and administrative	**19,672**	1,849	**78,640**	24,543
	$ 1,559,264	$ 815,119	**$ 3,847,993**	$ 1,365,001

13. Capital management

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

The Company manages its capital structure and adjusts in light of the changes in its economic environment and the risk characteristics of the Company's assets. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the Exchange which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required to maintain operations and cover general and administrative expenses for a period of 6 months. As of September 30, 2021, the Company is compliant with known requirements including Policy 2.5 of the TSXV.

14. Financial instruments and risk management

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

Classification	IFRS 9
Cash	FVTPL
Subscriptions receivable	Amortized cost
Amounts receivables	Amortized cost
Amounts due from related party	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Other liabilities	Amortized cost
Amounts due to related parties	Amortized cost

Financial instruments are measured on initial recognition at fair value, and, in the case of financial instruments other than those classified as "fair value through profit and loss" ("**FVTPL**"), directly attributable transaction costs.

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the three and nine months ended September 30, 2021, there were no transfers between levels 1, 2 and 3 and there were no changes in valuation techniques.

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

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash, account receivable, subscription receivable and amounts due from related party.

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

14. Financial instruments and risk management (continued)

Liquidity Risk

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

The Company had cash at September 30, 2021 of $11,992,663 (December 31, 2020 - $6,338,927). As at September 30, 2021, the Company had accounts payable and accrued liabilities, amounts due to related parties, lease liabilities and RSU liability of $1,498,956 (December 31, 2020 - $1,008,604).

Market Risk

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

a) Interest Rate Risk

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

b) Foreign Currency Risk

The Company is exposed to foreign currency risk of the South African Rand, Great Britain Pound, Botswana Pula and United States dollar. Based on the net exposure at September 30, 2021, a 10% depreciation or appreciation of the South African Rand, Botswana Pula and United States dollar against the Canadian dollar would be approximately $21,531.

15. Segmented information

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

The Company has three operating segments: the exploration, evaluation and development of manganese mining projects located in Botswana ("**Botswana Mining**") and South Africa (“**South Africa Mining**”). The rest of the entities within the Company are grouped into a secondary segment (“**Corporate**”).

(Expressed in Canadian Dollars)

15. Segmented information (continued)

The segment information is as follows:

September 30, 2021	**Botswana Mining**	**South Africa Mining**	**Corporate**	**Total**
Total assets	**$ 7,052,917**	**$ -**	**$ 12,025,655**	**$ 19,078,572**
Total liabilities	**286,378**	**105,075**	**1,214,446**	**1,605,899**
Net loss	**185,649**	**-**	**3,663,575**	**3,849,224**

December 31, 2020	**Botswana Mining**	**South Africa Mining**	**Corporate**	**Total**
Total assets	$ 3,308,017	$ -	$ 6,704,714	$ 10,012,731
Total liabilities	-	107,402	1,008,145	1,115,547
Net loss	28,452	-	2,091,337	2,119,789

16. Subsequent events

On November 9, 2021, the Company announced that it had entered into an agreement with Cormark Securities Inc. co-led by Beacon Securities Limited ("**the Underwriters**") pursuant to which the Underwriters have agreed to purchase 22,727,300 units (the "**Units**") at $0.44 per Unit for total gross proceeds of approximately $10 million (the "**Offering**"). Each Unit will consist of one common share of Giyani and one half of a share purchase warrant exercisable at $0.60 for a period of 24 months from the closing of the Offering. In addition, the Company has granted the Underwriters an option (the "**Over-Allotment Option**") to purchase up to an additional 15% of the Units of the Offering on the same terms exercisable at any time up to 30 days following the closing of the Offering, for market stabilization purposes and to cover over-allotments, if any. Closing of the Offering is expected to occur on or about November 30, 2021, and is subject to certain conditions including, but not limited to, the receipt of all necessary corporate and regulatory approvals, including the approval of the TSXV and the applicable securities regulatory authorities.

Subsequent to September 30, 2021, 849,000 warrants with an exercise price between $0.20 and $0.35 were exercised for gross proceeds of $263,550.

Subsequent to September 30, 2021, 500,000 stock options were exercised with an exercise price at $0.34 for gross proceeds of $170,000.