GIYANI METALS CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022

(Expressed in Canadian Dollars)

(UNAUDITED)

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

As at		March 31, 2022 (Unaudited)	December 31, 2021 (Audited)
ASSETS			
Current			
Cash		**$ 18,618,376**	$ 20,250,602
Amount receivable	Note 5	**117,912**	184,819
Prepaid and other expenses		**129,710**	69,442
Current assets		**18,865,998**	20,504,863
Non-current			
Advance payments		**161,618**	-
Property, plant and equipment	Note 6	**188,707**	160,935
Exploration and evaluation assets	Note 7	**9,751,874**	8,579,209
Total assets		**$ 28,968,197**	$ 29,245,007
LIABILITIES			
Current			
Accounts payable and accrued liabilities	Notes 8,11	**$ 1,871,730**	$ 1,459,972
Lease liabilities	Note 9	**54,542**	54,396
Current liabilities		**1,926,272**	1,514,368
Non-current			
Lease liabilities	Note 9	**18,252**	32,859
RSU liability	Note 10	**36,719**	25,968
Total liabilities		**$ 1,981,243**	$ 1,573,195
EQUITY			
Share capital	Note 12	**$ 49,150,473**	$ 48,077,609
Contributed surplus	Note 13	**8,493,596**	8,298,318
Warrants	Note 14	**12,394,663**	12,689,326
Cumulative translation adjustment		**(566,299)**	(475,578)
Deficit		**(42,485,479)**	(40,917,863)
		26,986,954	27,671,812
Total liabilities and equity		**$ 28,968,197**	**$ 29,245,007**

The accompanying notes are an integral part of these condensed consolidated interim financial 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 unless otherwise stated)

(Unaudited)

For the periods ended		March 31, 2022	March 31, 2021
Expenses			
Corporate, general and adminstrative expenses	Note 15	**1,613,652**	790,908
Depreciation	Note 6	**20,113**	1,182
Net loss before finance charges and foreign exchange		**1,633,765**	792,090
Other items			
Foreign exchange (gain) loss, net		**(18,675)**	87,802
Loss on acquisition of remaining interest in Lexshell	Note 7	**-**	45,000
Gain on sale of Rock Island Trading (Pty) Ltd.	Note 7	**(29,670)**	(50,869)
Finance cost, net		**(17,804)**	2,229
Net loss		**$ 1,567,616**	$ 876,252
Other comprehensive loss			
Items that may be subsequently reclassified to profit and loss:			
Currency translation adjustment		**90,721**	43,703
Net loss and comprehensive loss for the period		**$ 1,658,337**	$ 919,955
Basic and diluted loss per share		**$ 0.01**	$ 0.01
Weighted average number of shares outstanding		**203,465,628**	155,581,895

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

GIYANI METALS CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

	Notes	Number	Share Capital Amount	Contributed Surplus	Warrants	Cumulative Translation Adjustment	Deficit	Total
Balance at December 31, 2020		**153,753,234**	**$ 30,489,730**	**$ 7,173,754**	**$ 7,465,980**	**$ (426,640)**	**$ (35,805,640)**	**$ 8,897,184**
Bought deal equity financing	12b(i)	16,916,500	11,503,220	-	-	-	-	11,503,220
Share issuance costs	12b(i)	-	(796,475)	-	-	-	-	(796,475)
Warrants issued under bought deal equity financing	12b(i)	-	(2,348,136)	-	2,348,136	-	-	-
Broker warrants issued under bought deal equity financing	12b(i)	-	(352,486)	-	352,486	-	-	-
Exercise of stock options	12b(iii)	262,500	102,290	(48,290)	-	-	-	54,000
Exercise of warrants	12b(iv)	2,320,500	405,035	-	(117,185)	-	-	287,850
Stock-based compensation	13(i)	-	-	191,724	-	-	-	191,724
Currency translation adjustment		-	-	-	-	(43,703)	-	(43,703)
Net loss		-	-	-	-	-	(876,252)	(876,252)
Balance at March 31, 2021		**173,252,734**	**$ 39,003,178**	**$ 7,317,188**	**$ 10,049,417**	**$ (470,343)**	**$ (36,681,892)**	**$ 19,217,548**
Bought deal equity financing	12b(ii)	26,136,395	11,500,013	-	-	-	-	11,500,013
Share issuance costs	12b(ii)	-	(1,057,811)	-	-	-	-	(1,057,811)
Warrants issued under bought deal equity financing	12b(ii)	-	(2,498,045)	-	2,498,045	-	-	-
Broker warrants issued under bought deal equity financing	12b(ii)	-	(287,400)	-	287,400	-	-	-
Exercise of warrants	12b(iv)	1,786,500	662,211	-	(145,536)	-	-	516,675
Exercise of stock options	12b(iii)	2,000,000	755,463	(340,933)	-	-	-	414,530
Stock-based compensation	13(ii-v)	-	-	1,322,063	-	-	-	1,322,063
Currency translation adjustment		-	-	-	-	(5,235)	-	(5,235)
Net loss		-	-	-	-	-	(4,235,971)	(4,235,971)
Balance at December 31, 2021		**203,175,629**	**$ 48,077,609**	**$ 8,298,318**	**$ 12,689,326**	**$ (475,578)**	**$ (40,917,863)**	**$ 27,671,812**
Exercise of warrants	12b(v)	3,867,336	1,072,864	-	(294,663)	-	-	778,201
Stock-based compensation	13(vi)	-	-	195,278	-	-	-	195,278
Currency translation adjustment		-	-	-	-	(90,721)	-	(90,721)
Net loss		-	-	-	-	-	(1,567,616)	(1,567,616)
Balance at March 31, 2022		**207,042,965**	**$ 49,150,473**	**$ 8,493,596**	**$ 12,394,663**	**$ (566,299)**	**$ (42,485,479)**	**$ 26,986,954**

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

GIYANI METALS CORP.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars unless otherwise stated)

(Unaudited)

For the periods ended			March 31 2022		March 31 2021
Operating activities					
Net loss		**$**	**(1,567,616)**	$	(876,252)
Adjusted for:					
Depreciation	Note 6		**20,113**		1,182
Stock-based compensation	Notes 10,13		**206,029**		191,724
Finance cost, net			**(17,804)**		-
Unrealized foreign exchange (gain) loss, net			**(4,869)**		3,217
Changes in working capital and other:					
Decrease in amount receivable			**44,011**		29,094
Decrease in subscription receivable			**-**		186,900
Increase in prepaids			**(60,960)**		(108,068)
Decrease in accounts payable and accrued liabilities			**335,343**		98,781
Increase in advance payments			**(161,618)**		-
Cash used in operating activities			**(1,207,371)**		**(473,422)**
Investing activities					
Additions to property, plant and equipment			**(52,334)**		-
Additions to exploration and evaluation expenditures			**(1,138,051)**		(1,337,337)
Cash used in investing activities			**(1,190,385)**		(1,337,337)
Financing activities					
Proceeds from bought deal equity financing			**-**		11,503,220
Share issuance costs			**-**		(796,475)
Proceeds from exercise of stock options			**-**		54,000
Proceeds from exercise of warrants	Note 12b(v)		**778,201**		287,850
Payment of lease liabilities	Note 9		**(15,388)**		-
Cash provided by financing activities			**762,813**		11,048,595
(Decrease) increase in cash			**(1,634,943)**		9,237,836
Cash at beginning of the period			**20,250,602**		6,338,927
Effect of foreign exchange on cash			**2,717**		-
Cash position at end of the period		**$**	**18,618,376**	$	15,576,763

The accompanying notes are an integral part of these condensed consolidated interim financial 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**") through its wholly owned Botswana subsidiary Menzi Battery Metals (Pty) Ltd. (“**Menzi**”). The Company’s Kanye Basin Prospects consist of 10 prospecting licences and include the past producing Kgwakgwe Hill mine and project (“**K.Hill Project**”), the Otse manganese prospect (“**Otse**”) and the Lobatse manganese prospect (“**Lobatse**”), all of which have seen historical mining activities.

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

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

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

2. Basis of preparation

(a) Statement of compliance

These unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2022 and 2021 have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting” using accounting policies consistent with the International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and interpretations issued by the IFRS Interpretations Committee (“**IFRICs**”).

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

These unaudited condensed interim consolidated financial statements have been prepared using IFRS applicable to a “going concern”, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

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

The Board of Directors approved these unaudited condensed interim consolidated financial statements on May 26, 2022.

(b) Use of judgements and estimates

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

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

3. Significant accounting policies

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

4. New standards and interpretations not yet adopted

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

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

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

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

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

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

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

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

(Expressed in Canadian dollars unless otherwise stated)

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

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

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

(d) Amendments to IAS 12 Income taxes

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

5. Amount receivable

	March 31 2022	December 31 2021
Statutory receivables	**117,912**	184,819
Total amount receivable	**$ 117,912**	$ 184,819

6. Property, plant and equipment

	Furniture and Fixture	Mining and Exploration Equipment	Computer Equipment	Vehicles	ROU Property	Leasehold Improvements	Total
Cost							
At December 31, 2020	$ 35,365	$ 54,467	$ 25,742	$ -	$ -	$ -	$ 115,574
Additions	25,951	-	5,047	46,161	116,551	7,405	201,115
Foreign exchange	(1,192)	-	(158)	(2,177)	(6,722)	(349)	(10,598)
Disposal	(31,186)	(54,467)	(25,742)	-	-	-	(111,395)
At December 31, 2021	$ 28,938	$ -	$ 4,889	$ 43,984	$ 109,829	$ 7,056	$ 194,696
Additions	4,932	-	2,945	41,919	-	2,538	52,334
Foreign exchange	(676)	-	(54)	(2,902)	(1,878)	(459)	(5,969)
At March 31, 2022	**$ 33,194**	**$ -**	**$ 7,780**	**$ 83,001**	**$ 107,951**	**$ 9,135**	**$ 241,061**
Accumulated depreciation							
At December 31, 2020	$ (29,628)	$ (47,507)	$ (25,742)	$ -	$ -	$ -	$ (102,877)
Depreciation	(3,883)	(6,960)	(711)	(2,408)	(24,450)	(894)	(39,306)
Foreign exchange	202	-	49	209	744	12	1,216
Disposal	26,997	54,467	25,742	-	-	-	107,206
At December 31, 2021	$ (6,312)	$ -	$ (662)	$ (2,199)	$ (23,706)	$ (882)	$ (33,761)
Depreciation expense	(966)	-	(523)	(3,350)	(14,224)	(1,050)	(20,113)
Foreign exchange	86	-	21	209	1,135	69	1,520
At March 31, 2022	**$ (7,192)**	**$ -**	**$ (1,164)**	**$ (5,340)**	**$ (36,795)**	**$ (1,863)**	**$ (52,354)**
Net book value:							
At December 31, 2021	$ 22,626	$ -	$ 4,227	$ 41,785	$ 86,123	$ 6,174	$ 160,935
At March 31, 2022	**$ 26,002**	**$ -**	**$ 6,616**	**$ 77,661**	**$ 71,156**	**$ 7,272**	**$ 188,707**

(Expressed in Canadian dollars unless otherwise stated)

7. Exploration and evaluation assets

Botswana

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

	March 31 2022	December 31 2021
Opening balance	**$ 8,579,209**	$ 3,282,079
Exploration and drilling	**393,635**	1,705,209
Engineering studies	**-**	2,105,542
Environmental studies	**15,777**	117,512
Geological studies	**681,679**	777,338
Other field operations	**45,456**	294,602
Metallurgical test work and analysis	**76,542**	455,624
Acquisition costs and permits	**52,686**	79,812
Demonstration plant	**5,212**	-
Foreign exchange	**(98,322)**	(238,509)
Total	**$ 9,751,874**	$ 8,579,209

South Africa

Rock Island Gold Project

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

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

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

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

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

During the three months ended March 31, 2022:

- The Rock Island Agreement had not been completed;
- The Company received ZAR350,000 ($29,670) from CMR which was recorded in the condensed interim consolidated statement of loss and comprehensive loss as a gain on sale.

(Expressed in Canadian dollars unless otherwise stated)

8. Accounts payable and accrued liabilities

	March 31 2022	December 31 2021
Trade payables	**$ 462,281**	$ 283,182
Accrued liabilities	**1,409,449**	1,176,790
Total	**$ 1,871,730**	$ 1,459,972

9. Lease liabilities

	March 31 2022	December 31 2021
Current portion of lease liabilities	**$ 54,542**	$ 54,396
Non-current portion of lease liabilities	**18,252**	32,859
Total	**$ 72,794**	$ 87,255

	March 31 2022	December 31 2021
Lease liabilities, beginning of the period	**$ 87,255**	$ -
Additions	**-**	116,551
Finance cost	**1,717**	2,854
Lease payments	**(15,388)**	(26,545)
Foreign exchange	**(790)**	(5,605)
Lease liabilities, end of the period	**$ 72,794**	$ 87,255

The Company recognized lease liabilities for the lease of several properties in Botswana at an incremental borrowing rate of 8.0%. The undiscounted lease payments remaining as at March 31, 2022, are as follows:

	2022+
Undiscounted lease payments	$ 76,969

During the three months ended March 31, 2022, payments made for short term leases are captured in the condensed interim consolidated statement of net loss and comprehensive loss for the amount $2,130 (three months ended March 31, 2021 - $13,463).

10. RSU liability

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

On June 17, 2021, the Company granted 188,680 RSU's to an officer of the Company which are to vest equally on April 21, 2022, and April 21, 2023. The RSUs granted are accounted for under the liability method whereby a liability is recorded at grant date equal to the fair value of the RSUs. 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 months ended March 31, 2022, the Company recorded share-based compensation expenses for the RSUs of $10,751 (three months ended March 31, 2021- $Nil) in the condensed interim consolidated statements of loss and comprehensive loss.

11. Related party transactions

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

(Expressed in Canadian dollars unless otherwise stated)

Related party transactions for the three months ended March 31, 2022 and 2021 are as follows:

Transaction type	Nature of relationship	March 31 2022	March 31 2021
Stock-based compensation	**Directors and officers**	**$ 159,456**	$ 191,724
Management fees	**Officers**	**444,784**	158,074
Director fees	**Directors**	**73,135**	31,779
Exploration and evaluation expenditures	**Management**	**174,891**	315,988
Professional fees	**Former officer**	-	7,992
Total		**$ 852,266**	**$ 705,557**

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

Transaction type	Nature of relationship	March 31 2022	December 31 2021
Management fees	**Officers**	**$ 434,306**	$ 324,309

12. 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:

		Number of shares	Amount $
Balance, December 31, 2020		**153,753,234**	**$ 30,489,730**
Bought deals, equity financing	(i), (ii)	43,052,895	23,003,233
Fair value of warrants issued in bought deals financing	(i), (ii)	-	(4,846,181)
Fair value of broker warrants issued in bought deals financing	(i), (ii)	-	(639,886)
Share issuance costs	(i), (ii)	-	(1,854,286)
Exercise of stock options	(iii)	2,262,500	468,530
Fair value reclassed upon exercise of stock options	(iii)	-	389,223
Exercise of warrants	(iv)	4,107,000	804,525
Fair value reclassed upon exercise of warrants	(iv)	-	262,721
Balance, December 31, 2021		**203,175,629**	**$ 48,077,609**
Exercise of warrants	(v)	3,512,016	733,786
Exercise of broker warrants	(v)	355,320	44,415
Fair value reclassed upon exercise of warrants and broker warrants	(v)	-	294,663
Balance, March 31, 2022		**207,042,965**	**$ 49,150,473**

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

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

(Expressed in Canadian dollars unless otherwise stated)

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

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

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

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

(v) During the three months ended March 31, 2022, 3,512,016 warrants with exercise prices between $0.20 and $0.35 were exercised for gross proceeds of $733,786. 355,320 finders' warrants with an exercise price of $0.125 were exercised for gross proceeds of $44,415. The fair value of the warrants and finders' warrants exercised was $232,604 and $62,059 which was reallocated from warrants to share capital. Additionally, 67,818 warrants expired during the three months ended March 31, 2022. Of the warrants exercised during the three months ended March 31, 2022, 63,166 shares had not been issued from treasury.

13. Stock options

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

Stock option transactions are summarized as follows:

		Number of stock options outstanding		Weighted average exercise price
Balance, December 31, 2020		**10,112,500**	**$**	**0.22**
Exercised	note 12(b)(iii)	(2,262,500)		0.21
Granted	(i), (ii), (iii), (iv)	4,462,500		0.49
Forfeited	(v)	(500,000)		0.21
Balance, December 31, 2021 and March 31, 2022		**11,812,500**	**$**	**0.32**

(Expressed in Canadian dollars unless otherwise stated)

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

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

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

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

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

(vi) During the three months ended March 31, 2022, the Company recorded stock-based compensation in connection with the vesting of options totaling $195,278 (three months ended March 31, 2021 - $191,724) in the condensed interim consolidated statements of loss and comprehensive loss.

Stock options outstanding as at March 31, 2022:

Expiry date	**Exercise price ($)**	**Remaining contractual life (years)**	**Total options**	**Options exercisable**
May 1, 2022	0.34	0.08	300,000	300,000
November 28, 2022	0.30	0.66	750,000	750,000
April 25, 2023	0.23	1.07	350,000	350,000
September 28, 2023	0.28	1.50	2,275,000	1,575,000
November 19, 2024	0.15	2.64	1,750,000	1,050,000
July 5, 2025	0.15	3.27	375,000	375,000
September 24, 2025	0.185	3.49	1,600,000	1,200,000
January 18, 2026	0.465	3.81	750,000	250,000
April 21, 2026	0.53	4.06	2,012,500	845,833
June 18, 2026	0.40	4.22	450,000	450,000
September 2, 2026	0.48	4.43	1,200,000	633,334
			11,812,500	**7,779,167**

(Expressed in Canadian dollars unless otherwise stated)

14. Warrants

Warrant transactions are summarized as follows:

		Number of warrants outstanding	Weighted average exercise price
Balance, December 31, 2020		**28,914,820**	**$ 0.30**
Issued	note 12b (i,ii)	23,838,094	0.74
Exercised	note 12b (iv)	(4,107,000)	0.20
Balance, December 31, 2021		**48,645,914**	**$ 0.52**
Exercised	note 12b (v)	(3,930,502)	0.20
Expired	note 12b (v)	(67,818)	0.20
Balance, March 31, 2022		**44,647,594**	**$ 0.55**

Warrants outstanding as at March 31, 2022:

Expiry date	**Exercise price ($)**	**Remaining contractual life (years)**	**Warrants exercisable**
June 23, 2022	0.35	0.23	17,500,000
June 23, 2022 (finders warrants)	0.35	0.23	2,097,000
September 24, 2022	1.00	0.48	8,458,250
September 24, 2022 (broker warrants)	0.68	0.48	930,407
May 25, 2023	0.10	1.15	1,212,498
December 3, 2023	0.60	1.68	13,068,198
December 3, 2023 (broker warrants)	0.44	1.68	1,381,241
			44,647,594

15. Corporate, general and administrative

	March 31 2022	March 31 2021
Management fees	**$ 664,984**	$ 226,495
Director fees	**73,135**	31,779
Stock-based compensation	**206,029**	191,724
Accounting and audit	**102,025**	43,234
Legal fees	**48,572**	44,149
Insurance	**18,093**	7,621
Investor relations and marketing	**224,113**	105,692
Filing and compliance fees	**43,035**	59,942
Corporate development	**12,678**	-
Travel	**181,010**	28,800
General and administrative	**39,978**	51,472
	$ 1,613,652	$ 790,908

16. Capital management

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

The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the Company's capital requirements, the Company has in place planning, budgeting and forecasting processes to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of March 31, 2022, the Company is compliant with known requirements including Policy 2.5 of the TSXV.

17. Financial instruments and risk management

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

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

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

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

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

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

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

The fair values of the Company's cash, amount receivable and accounts payable and accrued liabilities approximate carrying values recorded on the condensed interim consolidated statements of loss and comprehensive loss.

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

During the three months ended March 31, 2022, there were no transfers between levels 1, 2 and 3 and there were no changes in valuation techniques.

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

Credit Risk

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

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

Liquidity Risk

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

The Company had cash at March 31, 2022, of $18,618,376 (December 31, 2021 - $20,250,602). As at March 31, 2022, the Company had accounts payable and accrued liabilities, lease liabilities and RSU liabilities of $1,981,243 (December 31, 2021 - $1,573,195).

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 March 31, 2022, a 10% depreciation or appreciation of the South African Rand, Botswana Pula and United States dollar against the Canadian dollar would be approximately $40,082.

c) Other Price Risk

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

18. Segmented information

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

The Company has three operating segments: (1) Botswana Mining for the exploration, evaluation and development of manganese mining projects located in Botswana, (2) South Africa Mining for activities in South Africa. The rest of the entities within the Company are grouped into the Corporate segment.

The segment information is as follows:

(Expressed in Canadian dollars unless otherwise stated)

March 31, 2022	**Botswana Mining**	**South Africa Mining**	**Corporate**	**Total**
Total assets	**$ 10,248,566**	**$ -**	**$ 18,719,631**	**$ 28,968,197**
Total liabilities	**379,441**	**290,791**	**1,311,011**	**1,981,243**
Net loss (income)	**149,580**	**(29,670)**	**1,447,706**	**1,567,616**

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

19. Reclassification

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

20. Subsequent Events

Subsequent to March 31, 2022:

- 475,000 options were granted to certain officers and employees of the Company in accordance with the Company's current Stock Option Plan. Each option is exercisable into one common share of the Company at a price of $0.33 per common share for a period of five years from the date of grant. 75,000 options vested on April 12, 2022; 250,000 options will vest in thirds on April 1, 2022, April 1, 2023, and April 1, 2024; and 150,000 options will vest in thirds on August 19, 2022, April 19, 2023, and April 19, 2024;
- 667,750 warrants with exercise prices of $0.35 were exercised for gross proceeds of $213,713;
- 300,000 stock options with an exercise price of $0.34 were exercised for gross proceeds of $102,000; and
- 94,340 RSUs vested and the RSU holder elected to receive common shares of the Company.