

Enerev5 Metals Inc.
CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS

For the three and six months ended November 30, 2022 and 2021
(Expressed in Canadian Dollars)

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements (the "Financial Statements") for Enerev5 Metals Inc. (the "Company") have been prepared by management in accordance with International Financial Reporting Standards consistently applied ("IFRS"). These financial statements have been prepared on a historical cost basis with the exception of financial instruments classified as fair value through profit and loss. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

Enerev5 Metals Inc.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

As at	November 30 2022 \$	May 31 2022 \$
ASSETS		
Current		
Cash	15,984	27,617
Other receivables	16,640	21,738
Prepaid expenses	7,576	16,199
	40,200	65,554
Non-current		
Right of use asset (note 4)	14,477	31,850
Property, plant and equipment	-	1,448
Total assets	54,677	98,852
LIABILITIES		
Current		
Trade and other payables	128,689	79,100
Short term loans (note 5)	-	83,127
Current portion of lease liabilities (note 4)	16,744	36,115
Total current liabilities	145,433	198,342
Other liabilities (note 6)	164,336	164,336
Total liabilities	309,769	362,678
SHAREHOLDERS' EQUITY		
Common shares, reserves and contributed surplus (note 8)	36,775,041	36,393,508
Deficit	(37,030,133)	(36,657,334)
Total shareholders' equity	(255,092)	(263,826)
Total liabilities and shareholders' equity	54,677	98,852

Nature of operations and going concern (note 1)

Contingencies (note 12)

Approved on behalf of the board:

(signed) "M. Cachia"
Director

(signed) "J O'Donnell"
Chair and CEO

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Enerev5 Metals Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	For the three months ended		For the six months ended	
	November 30	November 30	November 30	November 30
	2022	2021	2022	2021
	\$	\$	\$	\$
Expenses				
General and administrative (note 9)	108,752	220,896	292,611	426,361
Exploration and evaluation costs (note 3)	42,581	-	42,581	
Depreciation	9,783	9,321	19,732	18,465
Share based compensation	2,864	10,439	9,543	24,792
Interest	2,948	1,182	8,692	2,576
(Gain)/loss on settlement of debt	-	30,000	-	(349,290)
Net loss and comprehensive loss for the period	166,928	271,838	372,799	122,894
Loss per share – basic and fully diluted	0.00	0.00	0.00	0.00
Weighted average shares outstanding – basic and fully diluted	230,626,125	219,592,173	228,715,800	218,390,615

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Enerev5 Metals Inc.

Condensed **Consolidated Interim Statements of Cash Flows**

(Expressed in Canadian dollars)

For the six months ended November 30	2022	2021
	\$	\$
Operating activities		
Net gain (loss) for the period	(372,799)	(122,894)
Items not affecting cash:		
Depreciation	18,821	18,465
Share based compensation	9,543	24,972
Interest on right-of-use asset	4,373	2,609
Gain on settlement of debt	-	(349,290)
Net change in non-cash working capital balances related to operating activities:		
Other receivables	5,098	24,750
Prepaid expenses	8,623	4,121
Trade and other payables	49,589	(216,327)
Cash used in operating activities	(276,752)	(613,594)
Financing activities		
Issuance of common shares for cash	408,780	-
Share issuance costs	(36,790)	-
Short term loan repayment	(87,500)	-
Exercise of warrants	-	219,750
Repayment of lease liabilities	(19,371)	(17,540)
Cash provided from financing activities	265,119	(202,210)
Net decrease in cash	(11,633)	(411,384)
Cash and cash equivalents, beginning of the period	27,617	548,894
Cash and cash equivalents, end of the period	15,984	137,510

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Enerev5 Metals Inc.

Condensed Consolidated Interim Statements of Shareholders' Equity

(Expressed in Canadian dollars)

	Share Capital		Warrants	Share based compensation	Restricted stock units	Contributed surplus	Sub-total	Deficit	Total
	#	\$	\$	\$	\$	\$			
Balance, May 31, 2021	217,202,118	28,342,437	1,071,880	1,732,643	450,000	4,330,143	35,927,103	(36,080,844)	(153,741)
Warrants exercised	4,395,000	622,770	(463,356)	-	-	-	159,414	-	159,414
Stock options cancelled	-	-	-	(1,133,512)	-	1,133,512	-	-	-
Share based compensation	-	-	-	24,972	-	-	24,972	-	24,972
Net loss for the period	-	-	-	-	-	-	-	122,894	122,894
Balance, November 30, 2021	221,597,118	28,965,207	608,524	624,103	450,000	5,463,655	36,111,489	(36,203,738)	(92,249)
Common shares issued for cash	4,310,000	176,701	38,799	-	-	-	215,500	-	215,500
Share issuance costs	-	(13,136)	(2,884)	-	-	-	(16,020)	-	(16,020)
Broker warrants	-	-	60,336	-	-	-	60,336	-	60,336
Restricted stock units cancelled	-	-	-	-	(450,000)	450,000	-	-	-
Share based compensation	-	-	-	32,642	-	-	32,642	-	32,642
Net loss for the period	-	-	-	-	-	-	-	(453,596)	(453,596)
Balance, May 31, 2022	225,907,118	29,128,772	704,775	646,306	-	5,913,655	36,393,508	(36,657,334)	(263,826)
Common shares issued for cash	8,175,600	291,953	116,827	-	-	-	408,780	-	408,780
Share issue costs	-	(56,068)	19,278	-	-	-	(36,790)	-	(36,790)
Expiry of warrants	-	-	(589,097)	-	-	589,097	-	-	-
Stock options cancelled	-	-	-	(382,986)	-	(382,986)	-	-	-
Share based compensation	-	-	-	9,543	-	-	9,543	-	9,543
Net loss for the period	-	-	-	-	-	-	-	(372,799)	(372,799)
Balance, November 30, 2022	234,082,718	29,364,657	251,783	272,863	-	6,885,738	36,775,041	(37,030,133)	(255,092)

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

1. Nature of operations, basis of presentation and going concern uncertainty

Enerev5 Metals Inc., (“Enerev5” or the “Company”), was incorporated under the laws of the Province of Ontario. The Company’s shares are listed on the TSX Venture Exchange. The registered head office of the Company is located at 141 Adelaide Street West, Suite 340, Toronto, Ontario, M5H 3L5.

The Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company has presented the Financial Statements for the three and six-month period ended November 30, 2022, and the comparative figures for the three and six-month period ended November 30, 2021. The Financial Statements have been prepared by management and approved by the Board of Directors on January 30, 2023.

These Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company is at an early stage of development and as is common with many exploration companies, it raises financing for its exploration and acquisition activities. As at November 30, 2022, the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. As at November 30, 2022, Enerev5 had a working capital deficit of \$105,233 (a working capital deficit of \$132,788 as at May 31, 2022), and has incurred losses since inception resulting in an accumulated operating deficit of \$37,030,133. The Company’s ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurance that the Company will be successful in this regard, and therefore, there is substantial doubt regarding the Company’s ability to continue as a going concern, and accordingly, the use of accounting principles applicable to a going concern. These Financial Statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption were not appropriate for these Financial Statements, then adjustments to the carrying values of the assets and liabilities, the expenses and the balance sheet classifications, which could be material, would be necessary. The Company does not believe it is at risk to meet its financial obligations or its administrative expenses in the reasonably foreseeable future as it has sufficient cash and financing commitments to meet obligations for at least the next 12 months. The ability of the Company to arrange the financing commitments in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed.

2. Significant accounting policies

These Financial Statements have been prepared in accordance with IFRS as issued by the IASB applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The Financial Statements do not include all financial risk management information and disclosures as required in the audited annual financial statements. The Financial Statements should be read in conjunction with the audited annual financial statements for the year ended May 31, 2022, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies and methods of computation remain the same as presented in the audited annual financial statements for the year ended May 31, 2022.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these Financial Statements. The interim results for the six-month period ended November 30, 2022, may not be indicative of the results for the year ending May 31, 2023.

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

3. Exploration and evaluation assets

	Additions during period and balance November 30, 2022 \$
Barbara Bay, acquisition costs	22,744
Goals Met, acquisition costs	19,837
Total	42,581

Barbara Bay

On October 31, 2022, the Company acquired through staking by arms length stakers, 447 mining claims comprising approximately 24,000 ha in the Province of Quebec. The Company paid \$2,000 for staking costs and \$32,731 in government claims costs. On December 5, 2022, the Company completed the acquisition of an additional 171 mining claims, comprising approximately 9,234 hectares in the Province of Quebec, for a total consideration of 5,000,000 common shares of the Company (the "Consideration Shares"). The Consideration Shares are fully paid and non-assessable shares of the Company issued at a deemed price of \$0.05 per share. The Consideration Shares are subject to escrow provisions requiring the shares to be released from escrow, 50% on closing of this agreement, subject to a four month hold period, and a further 50% six months from the date of closing. The Company has reimbursed the Vendors for their government staking fees of \$11,687.50 plus staking costs \$1,000 for a total of \$12,687.50. The project now comprises about 33,200 hectares of contiguous claims.

Goals Met

The Goals Met claims were acquired through the staking of 135 mining claims comprising approximately 7,290 hectares in the Province of Quebec using arms-length stakers.

4. Right-of-use asset and lease liability

The Company has a lease for its office premises until April 30, 2023. The associated lease liability and right-of-use asset information is summarized below.

	For the six months ending November 30, 2022	For the year ending May 31, 2022
Right-of-use asset		
Balance, beginning of period	31,850	66,596
Less depreciation	(17,373)	(34,746)
Balance end of period	14,477	31,850
Lease liability		
Balance, beginning of period	36,115	72,617
Lease payments	(20,495)	(40,992)
Finance expenses	1,124	4,490
Total lease liability	16,744	36,115
Less current portion	(16,744)	(36,115)
Long term portion	-	-
Lease commitments		
2023	17,080	37,576
Less finance charges	(336)	(1,461)
	16,744	36,115

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

5. Short term loans

On December 9, 2021, the Company entered into an unsecured loan agreement for an amount of \$87,500 for a period of one year. Interest of 10% per annum is payable on the loan in arrears. The loan may be repaid in part or in full at any time without penalty to the Company. The discount on issuance of the short-term loan totaling \$8,134 has been offset against the carrying amount of the short-term loan and is being amortized to net loss using the effective interest method, resulting in an effective interest rate of 10%. On November 11, 2022, the loan plus outstanding interest was fully paid. The loan was measured at amortized cost using a discount rate of 10%.

	\$
Principle amount of loan issued on December 10, 2021	87,500
Initial discount	(8,134)
Value allocated to debt on issue date	79,366
Accretion of discount	8,134
Less payment	(87,500)
Balance as at November 30, 2022	-

6. Other liabilities

As at November 30, 2022, the Company had other liabilities of \$164,336 (May 31, 2021 - \$164,336), relating to the transfer of \$164,336 of accounts payable (the "Statute-barred Claims") to other liabilities on the basis that any claims in respect of the Statute-barred Claims were statute-barred under the Limitations Act (Ontario). The Statute-barred Claims related to third party liabilities incurred by prior management of the Company prior to August 2018. However, for accounting purposes under IFRS, a debt can only be removed from the Company's Statement of Financial Position when it is extinguished meaning only when the contract is discharged or canceled or expires. The effect of the Limitations Act is to prevent a creditor from enforcing an obligation, but it does not formally extinguish the debt for accounting purposes. It is the position of management of the Company that the Statute-barred Claims cannot be enforced by the creditors, do not create any obligation for the Company to pay out any cash and do not affect the financial or working capital position of the Company. The Statute-barred Claims are required to be reflected on the Company's Statement of Financial Position as a result of the current interpretation of IFRS, but they are classified as other liabilities since the Company has no intention or obligation to pay these Statute-barred Claims and the creditors cannot enforce payment. While inclusion of these items is intended solely to comply with the requirements of IFRS, the Company in no way acknowledges any of the Statute-barred Claims.

7. Shareholders' equity

The authorized share capital of the Company is unlimited shares without par value.

Share capital

Share capital comprises the following:

	Number of shares	Amount \$
Balance, May 31, 2021	217,202,118	28,342,437
Common shares issued for cash	4,310,000	163,565
Warrants exercised	1,445,000	293,769
Broker warrants exercised	2,950,000	329,001
Balance, May 31, 2022	225,907,118	29,128,772
Common shares issued for cash	8,175,000	291,953
Share issuance costs	-	(56,068)
Balance, November 30, 2022	234,082,718	29,364,657

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

On July 5, 2022, the Company issued 725,600 units at a price of \$0.05 pursuant to a brokered private placement for gross proceeds of \$36,280. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.10 for a period of two years. In connection with the private placement, the Company paid agent's commission of \$3,265, and issued 72,560 non-transferable broker warrants. Each broker warrant entitles the holder to acquire one unit of the Company, having the same terms as the units issued to subscribers, at a price of \$0.05. Cash share issuance costs of \$3,265 were incurred. A fair value of \$4,589 was allocated to the warrants using the relative fair value method. The Black-Scholes pricing model was used with the following assumptions: share price - \$0.15, expected life – 2 years, risk free interest rate – 3.14%, volatility – 101.7% and expected dividend - nil.

On August 4, 2022, the Company issued 1,600,000 units at a price of \$0.05 pursuant to a brokered private placement for gross proceeds of \$80,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.10 for a period of two years. In connection with the private placement, the Company paid agent's commission of \$7,200, and issued 160,000 non-transferable broker warrants. Each broker warrant entitles the holder to acquire one unit of the Company, having the same terms as the units issued to subscribers, at a price of \$0.05. Cash share issuance costs of \$7,200 were incurred. A fair value of \$9,619 was allocated to the warrants using the relative fair value method. The Black-Scholes pricing model was used with the following assumptions: share price - \$0.015, expected life – 2 years, risk free interest rate – 3.19%, volatility – 100% and expected dividend - nil.

On September 23, 2022, the Company issued 2,100,000 units at a price of \$0.05 pursuant to a brokered private placement for gross proceeds of \$105,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.10 for a period of five years. In connection with the private placement, the Company paid agent's commission of \$9,450, and issued 160,000 non-transferable broker warrants, having the same terms as the units issued to subscribers, at a price of \$0.05. A fair value of \$35,791 was allocated to the warrants using the relative fair value method. The Black-Scholes pricing model was used with the following assumptions: share price - \$0.02, expected life – 5 years, risk free interest rate – 3.37%, volatility – 100% and expected dividend - nil.

On November 10, 2022, the Company issued 3,750,000 units at a price of \$0.05 pursuant to a brokered private placement for gross proceeds of \$187,500. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.10 for a period of five years. In connection with the private placement, the Company paid agent's commission of \$16,875, and issued 375,000 non-transferable broker warrants, having the same terms as the units issued to subscribers, at a price of \$0.05. A fair value of \$66,828 was allocated to the warrants using the relative fair value method. The Black-Scholes pricing model was used with the following assumptions: share price - \$0.025, expected life – 5 years, risk free interest rate – 3.38%, volatility – 100% and expected dividend - nil.

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

Warrants

Certain issuances of common shares include warrants entitling the holder to acquire additional common shares of the Company. A summary of the warrant activity is as follows:

	Warrants #	Weighted average exercise price \$
Balance, May 31, 2021	48,501,602	0.18
Issued – private placements	7,260,000	0.10
Broker warrants	356,000	0.05
Exercised	(4,395,000)	0.05
Balance, May 31, 2022	51,722,602	0.19
Issued – private placements	8,175,600	0.05
Broker units	817,560	0.05
Broker warrants	817,560	0.10
Expired	(44,110,000)	0.20
Balance, November 30, 2022	17,423,322	0.11

The composition of the outstanding warrants as at November 30, 2022 consists of the following:

	Expiry date	Number	Exercise Price
Warrants	January 11, 2023	24,902	\$0.05
Warrants	February 5, 2023	450,000	\$0.053
Warrants – Broker warrants	February 13, 2023	75,000	\$0.20
Warrants	September 2, 2024	2,166,667	\$0.20
Warrants	March 15, 2024	133,333	\$0.20
Warrants	March 15, 2024	96,700	\$0.20
Warrants	March 7, 2024	3,000,000	\$0.10
Warrants – Broker warrants	March 7, 2024	300,000	\$0.05
Warrants	April 26, 2024	750,000	\$0.10
Warrants	May 30, 2024	560,000	\$0.10
Warrants – Broker warrants	May 30, 2024	56,000	\$0.05
Warrants	July 5, 2024	725,600	\$0.10
Warrants – Broker units	July 5, 2024	72,560	\$0.05
Warrants – Broker warrants	July 5, 2024	72,560	\$0.10
Warrants	August 5, 2024	1,600,000	\$0.10
Warrants – Broker units	August 5, 2024	160,000	\$0.05
Warrants – Broker warrants	August 5, 2024	160,000	\$0.10
Warrants	September 23, 2027	2,100,000	\$0.10
Warrants – Broker units	September 23, 2027	210,000	\$0.05
Warrants – Broker warrants	September 23, 2027	210,000	\$0.10
Warrants	November 9, 2027	3,750,000	\$0.10
Warrants – Broker units	November 9, 2027	375,000	\$0.05
Warrants – Broker warrants	November 9, 2027	375,000	\$0.10
		17,423,322	

Stock options

The Company has adopted an incentive stock option plan (the “Plan”). The essential elements of the Plan provide that the aggregate number of shares of the Company’s share capital issuable pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding shares.

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the discounted market price of the shares (defined as the last closing market price of the Company's shares immediately preceding the issuance of a news release announcing the granting of the options, less the maximum discount permitted by TSX Venture Exchange Policy) or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange. All options granted under the Plan vest 25% on the date of grant, and 25% each on the 6, 12, and 24 month anniversaries of the grant. Options issued or granted to Investor Relations Participants must vest in stages over at least 12 months with no more than 25% of the Options vesting in any three-month period as determined by the Board.

The following summary sets out the activity in the Plan:

	Options #	Weighted average exercise price \$
Outstanding May 31, 2021	15,795,307	0.062
Cancelled	(4,995,307)	0.050
Granted	900,000	0.050
Outstanding, May 31, 2022	11,700,000	0.066
Cancelled	(6,700,000)	0.065
Balance, November 30, 2022	5,000,000	0.067

On November 9, 2021, the Company granted 200,000 stock options at an exercise price of \$0.05 exercisable for a period of 5 years. The options vest 25% on the date of grant, and 25% each on the 6, 12, and 24 month anniversaries of the grant. The fair value of the options was estimated to be \$9,051 using the Black-Scholes option pricing model with the following weighted average assumptions: share price - \$0.05, dividend yield - 0%; expected volatility - 147.9%; risk-free interest rate - 1.4%; and an expected life - 5 years.

On December 20, 2021, the Company granted 700,000 stock options at an exercise price of \$0.05 exercisable for a period of 5 years. The options vest 25% on the date of grant, and 25% each on the 6, 12, and 24 month anniversaries of the grant. The fair value of the options was estimated to be \$18,418 using the Black-Scholes option pricing model with the following weighted average assumptions: share price - \$0.03, dividend yield - 0%; expected volatility - 147.6%; risk-free interest rate - 0.41%; and an expected life - 5 years.

Reserves for stock options are transferred to contributed surplus upon expiry of the stock options.

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

8. Related party transactions

Compensation of key management and directors

Key management compensation expense includes the Chief Executive Officer, and the Chief Financial Officer.

For the six months ended November 30	2022	2021
	\$	\$
Management fees to CEO and CFO	32,500	-
Management fees to former CEO	92,500	150,000
Management fees to Hooper Mining Services, a company controlled by a former director and officer	-	66,000
Accounting fees to 1765271 Ontario Inc., a company controlled by a former officer	45,000	60,000
Directors' fees paid or accrued	38,250	48,255
	208,250	324,255

Included in accounts payable and accrued liabilities are amounts due to related parties. The total amount due to related parties as of November 30, 2022, was \$20,250 (May 31, 2022 - \$31,000).

9. General and administrative expenses

	For the three months ended November 30		For the six months ended November 30	
	2022	2021	2022	2021
	\$	\$	\$	\$
Consulting, management and directors' fees	70,500	161,255	208,250	324,255
Professional fees (legal & audit)	16,649	41,907	36,722	57,323
Office and general	12,874	6,899	33,480	24,747
Rent	8,729	10,835	14,159	19,846
	108,752	220,896	292,611	426,171

10. Capital management

The mineral properties of the Company are in the exploration and development stage and, as a result, the Company currently has no source of operating cash flow. The Company intends to raise such funds as and when required to complete its projects. There is no assurance that the Company will be able to raise additional funds on reasonable terms. The only sources of future funds presently available to the Company are through the issuance of share and debt instruments. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the periods of these financial statements. The Company is not subject to any externally imposed capital requirements.

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

11. Financial instrument risk management

a) Fair value of financial instruments

The carrying value of cash, other receivables, trade and other payables approximates fair value due to the short-term nature of these financial instruments.

As of November 30, 2022, except for cash, none of the Company's financial instruments are recorded at fair value in the statements of financial position. Cash is classified as level 1 fair value.

b) Risk management

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company is exposed to credit risk with respect to its cash. To minimize this risk, cash has been placed with major Canadian financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, against cash and short-term investments. As at November 30, 2022, the Company has \$15,984 in cash and current liabilities of \$145,433. As the Company does not have operating cash flow, the Company has and will continue to rely primarily on equity financing to meet its capital requirements.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

Foreign currency risk

The Company's functional currency is the Canadian Dollar. There were minimal operational expenses and expenditures incurred by the Company in US Dollars.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Interest rate risk

Cash flow interest rate risk is the risk that future cash flow of financial instruments will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk.

Price Risk

The Company has no operating revenue, as a result the market price of the commodities it is exploring for does not have a material effect on the financial results of the Company.

12. Contingencies

As announced on April 28, 2021, the Company received correspondence on behalf of a former independent contractor claiming entitlement to payment of alleged outstanding "salary" and expenses of US\$329,000, 300,000 common shares of the Company, and payment in respect of the termination of services. The Company considers the claims to be without merit. No amounts have been recognized in the financial statements related to this matter.

Enerev5 Metals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

November 30, 2022

(Expressed in Canadian dollars)

13. Subsequent events

On December 5, 2022, the Company completed the acquisition of an additional 171 mining claims, comprising approximately 9,234 hectares in the Province of Quebec, for a total consideration of 5,000,000 common shares of the Company (the "Consideration Shares"). The Consideration Shares are fully paid and non-assessable shares of the Company issued at a deemed price of \$0.05 per share. The Consideration Shares are subject to escrow provisions requiring the shares to be released from escrow, 50% on closing of this agreement, subject to a four month hold period, and a further 50% six months from the date of closing. The Company has reimbursed the Vendors for their government staking fees of \$11,687.50 plus staking costs \$1,000 for a total of \$12,687.50.

On December 19, 2022, the Company issued 1,000,000 units at a price of \$0.05 pursuant to a brokered private placement for gross proceeds of \$100,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.10 for a period of five years. In connection with the private placement, the Company paid agent's commission of \$9,000, and issued 200,000 non-transferable broker warrant. Each broker warrant entitles the holder to acquire one unit of the Company, having the same terms as the units issued to subscribers, at a price of \$0.05.