CONIAGAS BATTERY METALS INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Coniagas Battery Metals Inc.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at September 30, 2024	As at December 31, 2023
ASSETS		
Current assets		
Cash	**$ 105,714**	$ -
Amounts receivable	**124,804**	-
Prepaid expenses (note 7)	**368,708**	-
Due from related parties (note 7)	**259,443**	-
Total assets	**$ 858,669**	$ -
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables and accrued liabilities	**$ 248,401**	$ 426,585
Total liabilities	**248,401**	426,585
Shareholders' equity (deficiency)		
Share capital (note 4)	**8,067,260**	-
Warrants	**1,827,929**	-
Owner's investment	**-**	7,044,355
Deficit	**(9,284,921)**	(7,470,940)
Total equity (deficiency)	**610,268**	(426,585)
Total liabilities and equity (deficiency)	**$ 858,669**	$ -

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

Nature of business and going concern (note 1)
Commitments and contingencies (note 9)

Approved on behalf of the Board:

(Signed) "Frank Basa" Director

(Signed) "Aurelian Basa" Director

Coniagas Battery Metals Inc.

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

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Expenses				
Exploration and evaluation expenditures (notes 6 and 7)	**$ 148**	$ 70,066	**$ 24,027**	$ 148,422
Professional fees	**30,856**	27,838	**123,956**	36,479
Admin and general expenses	**23,843**	2,008	**81,883**	3,431
Filing costs	**7,757**	18,949	**41,237**	31,622
Marketing and communications	**115,506**	2,356	**186,413**	3,515
Consulting fees (note 7)	**-**	60,563	**13,101**	96,365
Salaries and wages	**-**	16,996	**787**	22,645
Travel, lodging and food	**-**	5,852	**2,749**	9,549
Loss before other items	**(178,110)**	(204,628)	**(474,153)**	(352,028)
Other items				
Listing expense (note 3)	**-**	-	**(1,339,828)**	-
Net loss and comprehensive loss for the period	**$ (178,110)**	$ (204,628)	**$ (1,813,981)**	$ (352,028)
Basic and diluted net comprehensive loss per share (note 8)	**$ (0.01)**	N/A	**$ (0.06)**	N/A
Weighted average number of common shares outstanding - basic and diluted (note 8)	**31,137,165**	N/A	**30,631,398**	N/A

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

Coniagas Battery Metals Inc.
Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian Dollars)
Unaudited

	Share capital					
	Number of shares	Amount	Warrants	Owner's investment	Deficit	Total
Balance, December 31, 2022	**-**	**$ -**	**$ -**	**$ 6,730,668**	**$ (7,183,373)**	**$ (452,705)**
Owner's contribution	-	-	-	354,752	-	354,752
Net loss and comprehensive loss for the period	-	-	-	-	(352,028)	(352,028)
Balance, September 30, 2023	**-**	**$ -**	**$ -**	**$ 7,085,420**	**$ (7,535,401)**	**$ (449,981)**
Balance, December 31, 2023	**-**	**$ -**	**$ -**	**$ 7,044,355**	**$ (7,470,940)**	**$ (426,585)**
Owner's contribution	-	-	-	16,968	-	16,968
Recognition of Arrangement	24,000,000	6,160,836	1,335,729	(7,061,323)	-	435,242
Considerations issued in Arrangement	6,250,000	1,606,250	360,750	-	-	1,967,000
Units issued for cash	4,059,433	487,132	-	-	-	487,132
Share issuance cost	85,683	(63,318)	7,810	-	-	(55,508)
Fair value of warrants	-	(123,640)	123,640	-	-	-
Net loss and comprehensive loss for the period	-	-	-	-	(1,813,981)	(1,813,981)
Balance, September 30, 2024	**34,395,116**	**$ 8,067,260**	**$ 1,827,929**	**$ -**	**$ (9,284,921)**	**$ 610,268**

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

Coniagas Battery Metals Inc.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Operating activities		
Net loss and comprehensive loss for the period	**$ (1,813,981)**	$ (352,028)
Adjustments for:		
Listing expense	**1,339,828**	-
Changes in non-cash working capital items:		
Amounts receivable	**(27,654)**	-
Prepaid expenses	**(56,541)**	-
Trade payables and accrued liabilities	**104,443**	(2,724)
Net cash used in operating activities	**(453,905)**	(354,752)
Investing activities		
Cash received from Arrangement	**370,470**	-
Net cash provided by investing activities	**370,470**	-
Financing activities		
Owner's contribution	**16,968**	354,752
Advances to related parties	**(259,443)**	-
Proceeds from units issued for cash	**487,132**	-
Share issuance costs	**(55,508)**	-
Net cash provided by financing activities	**189,149**	354,752
Net change in cash	**105,714**	-
Cash, beginning of period	**-**	-
Cash, end of period	**$ 105,714**	$ -

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

1. Nature of business and going concern

Coniagas Battery Metals Inc. ("Coniagas" or the "Company") is a company incorporated under the provisions of *Canada Business Corporations Act* on November 11, 2021 in order to complete the Arrangement (as defined below).

On March 18, 2024, the Company's common shares began trading on the TSX Venture Exchange under the symbol "COS".

The Company's registered and head office is located at 550 Burrard Street, Suite 2900, Vancouver, British Columbia V6C 0A3.

Arrangement

On February 29, 2024 (the "Arrangement Date"), the Company and the carve-out entity of Graal Property (the "Carve-out Entity") finalized a reverse takeover transaction whereby Nord, the former owners of the Carve-out Entity, received 24,000,000 common shares and 12,000,000 warrants of the Company for their 100% interest in the Carve-out Entity (the "Arrangement"). The Carve-out Entity represents the operational efforts towards the Graal Property in accordance with existing option agreements (see note 6). The 24,000,000 common shares received by Nord comprised 79% of the issued and outstanding common shares of the Company on the date of Arrangement, and the management of the Carve-out Entity continued as management of the Company. The Arrangement constitutes a "qualifying transaction" under securities law. Pursuant to the Arrangement, the Company became the owner of the Carve-out Entity, but the change in control of the Company by Nord (and related reverse takeover accounting guidance under International Financial Reporting Standards - see note 3) resulted in the Carve-out Entity continuing as the ongoing reporting entity (combining the Company's results into the Carve-out Entity from the Arrangement Date), with comparative financial information only of the Carve-out Entity. The equity component of the Carve-out Entity includes advances from the parent and net losses incurred and is referred to as "owner's investment". On recognition of the Arrangement, the owner's investment was allocated to share capital, as applicable (note 3).

Going concern

As at September 30, 2024, the Company had current assets $858,669 (December 31, 2023 - $nil) to fund current liabilities of $248,401 (December 31, 2023 - $426,585). Further, the Company had an accumulated deficit of $9,284,921 as of September 30, 2024 (December 31, 2023 - $7,470,940) and working capital of $610,268 (December 31, 2023 - working capital deficit of $426,585).

The Company's ability to continue operations is highly dependent on management's ability to secure additional financing. Management acknowledges that while it has been successful in raising capital, there can be no assurance it will be able to do so in the future. As a result, there is material uncertainty that results in significant doubt about the Company´s ability to continue as a going concern. These unaudited condensed interim financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

(Expressed in Canadian Dollars)

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of November 29, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2023. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2024 could result in restatement of these unaudited condensed interim financial statements.

3. Reverse takeover

On the Arrangement Date, Coniagas was not considered a business under IFRS 3, as it did not have inputs and substantive processes that could collectively contribute to the creation of outputs. As a result, the Arrangement was considered to be within the scope of IFRS 2 – Share-Based Payments and for accounting purposes (considering the change of control, see note 1), the Arrangement was accounted for as a reverse takeover transaction ("RTO"), with the Carve-out Entity identified as the accounting acquirer, and Coniagas identified as the accounting acquiree. These unaudited condensed interim financial statements are issued under the legal parent, Coniagas Battery Metals Inc., but are considered to be a continuation of the financial results of the Carve-out Entity.

At the Arrangement Date, the RTO was recorded as follows:

Fair value of considerations issued		
6,250,000 common shares (valued at $0.257 per share, see note 4(ii))	$	1,606,250
3,250,000 warrants (valued at $0.111 per warrant, see note 5(i))		360,750
	$	1,967,000
Net identifiable assets (liabilities) acquired		
Cash	$	370,470
Amounts receivable		97,150
Prepaid expenses		312,167
Trade payables and accrued liabilities		(152,615)
Net identifiable assets acquired		627,172
Listing expense		1,339,828
	$	1,967,000

The considerations comprise of 6,250,000 common shares and 3,250,000 warrants maintained by the original shareholders of the Company as consideration for its public listing with a fair value totaling $1,967,000 (see notes 4 and 5).

(Expressed in Canadian Dollars)

4. Share capital

(a) Authorized share capital

An unlimited number of common shares without par value, voting and participating

(b) Issued

	Number of shares		Share capital
Balance, December 31, 2022, September 30, 2023 and December 31, 2023	-	$	-
Recognition of Arrangement ((i) and note 1)	24,000,000		6,160,836
Consideration issued in Arrangement ((ii) and note 3)	6,250,000		1,606,250
Units issued for cash (iii)(iv)	4,059,433		487,132
Share issuance costs (iii)(iv)	85,683		(63,318)
Warrant valuations (iii)(iv)	-		(123,640)
Balance, September 30, 2024	34,395,116	$	8,067,260

(i) Pursuant to the Arrangement, the Company issued 24,000,000 common shares (valued at $6,160,836 or $0.257 per share) and 12,000,000 warrants (valued at $1,335,729 or $0.111 per warrant) based on the historical cost base of the owner's investment in the Carve-out Entity, adjusted for any liabilities assumed by the former owner of the Carve-out Entity on the Arrangement Date. Each warrant entitles its holder to purchase one additional common share of the Company at a price of $0.40 for 2 years from the respective dates of distribution to the shareholders of Nord.

The 12,000,000 warrants were assigned a value of $1,335,729 as estimated using the Black-Scholes model under the following assumptions: share price - $0.26, risk-free rate - 4.18%, expected dividend yield - 0%, expected stock volatility - 100%, and expected life - 2 years.

(ii) The Company also maintained 6,250,000 common shares held by the original shareholders of the Company (see note 3). The fair value of the consideration shares were determined to be $1,606,250 at $0.257 per share.

(iii) On September 5, 2024, the Company closed the first tranche of a non-brokered private placement, wherein the Company issued an aggregate of 3,201,166 units (the "Units") at a price of $0.12 per Unit for gross proceeds of $384,140. Each Unit is comprised of one common share and one-half of a common share purchase warrant. Each full warrant entitles the holder thereof to purchase one additional common share at a price of $0.15 for 5 years from the date of issuance. Of the 3,201,166 Units issued, 1,272,000 Units comprised of flow-through common shares.

The 1,600,583 warrants issued were valued at $97,365 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: unit price of $0.12, expected dividend yield of 0%, risk-free interest rate of 2.83%, volatility of 99% and an expected life of 5 years.

In connection with the private placement, the Company paid an aggregate cash finders' fees of $14,885 and issued an aggregate of 63,600 common shares and an aggregate of 124,040 finders' warrants (the "Finders' Warrants"). Each full Finders' Warrant entitles the holder to purchase one additional common share at a price of $0.15 for 2 years from the date of issuance.

The 124,040 Finders' Warrants issued were valued at $6,334 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: share price of $0.095, expected dividend yield of 0%, risk-free interest rate of 3.13%, volatility of 123% and an expected life of 2 years.

(Expressed in Canadian Dollars)

4. Share capital (continued)

(b) Issued (continued)

(iv) On September 30, 2024, the Company closed the second and final tranche of a non-brokered private placement, wherein the Company issued an aggregate of 858,266 Units at a price of $0.12 per Unit for gross proceeds of $102,992. Of the 858,266 Units issued, 441,666 Units comprised of flow-through common shares.

The 429,133 warrants issued were valued at $26,275 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: unit price of $0.12, expected dividend yield of 0%, risk-free interest rate of 2.91%, volatility of 100% and an expected life of 5 years.

In connection with the private placement, the Company paid an aggregate cash finders' fees of $3,710 and issued an aggregate of 22,083 common shares and an aggregate of 30,916 Finders' Warrants.

The 30,916 Finders' Warrants issued were valued at $1,476 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: share price of $0.09, expected dividend yield of 0%, risk-free interest rate of 2.91%, volatility of 124% and an expected life of 2 years.

5. Warrants

	Number of warrants	Weighted average exercise price
Balance, December 31, 2022, September 30, 2023 and December 31, 2023	-	$ -
Recognition of Arrangement (notes 1 and 4(b)(i))	12,000,000	0.40
Consideration issued in Arrangement ((i) and note 3)	3,250,000	0.40
Issued (note 4(b))	2,184,672	0.15
Balance, September 30, 2024	17,434,672	$ 0.37

(i) The Company maintained 3,250,000 common shares held by the original shareholders of the Company (see note 3). Each warrant entitles its holder to purchase one additional common share of the Company at a price of $0.40 until February 22, 2026. The fair value of the consideration warrants were determined to be $360,750 at $0.111 per warrant (see note 4(b)(i)).

(Expressed in Canadian Dollars)

5. Warrants (continued)

The following table reflects the warrants issued and outstanding as of September 30, 2024:

Expiry date	Exercise price ($)	Warrants outstanding
(ii)	0.40	12,000,000
February 22, 2026	0.40	3,250,000
September 5, 2026	0.15	124,040
September 30, 2026	0.15	30,916
September 5, 2029	0.15	1,600,583
September 30, 2029	0.15	429,133
	0.37	17,434,672

(ii) The warrants expire 2 years from the respective dates of distribution to the shareholders of Nord.

6. Exploration and evaluation projects

Graal Property, Quebec

As a result of the Arrangement (see note 1), the Company acquired a 100% interest in the Graal Property. The property consists of various claims in Quebec.

Lac Suzanne Property

In February 2021, Nord, the former owners of the Carve-out Entity, acquired a 100% interest in the Lac Suzanne Property, located in Northern Lac St-Jean, Quebec. In consideration for the 100% interest,

- An aggregate cash payment of $52,500 was made to the vendor; and
- An aggregate exploration expenditures of $200,000 was incurred on the property.

The property is subject to 2% Gross Metal Royalty.

Chute-des-Passes Property

In November 2021, Nord acquired a 100% ownership of the Chute-des-Passes Property claims from SOQUEM Inc. ("SOQUEM") (50% ownership) and Mines Coulon Inc. ("Mines Coulon") (50% ownership). In consideration for the 100% ownership, Nord made cash payments totalling $10,000 and each vendor retained an NSR.

In consideration for the purchase of its interest in the Chute-des-Passes Property, SOQUEM has the right to receive a royalty of 0.5% each of the NSR on the Chute-des-Passes Property, half of which is redeemable for an amount of $125,000. In return for the transfer of its interest in the Chute-des-Passes Property, Mines Coulon has the right to receive a royalty of 0.5% of the NSR on the Chute-des-Passes Property, half of which is redeemable for an amount of $125,000.

There is also an existing NSR of 1%, of which 0.5% is redeemable for $500,000. The total NSR on the property is 2% where 1% is redeemable for the sum of $750,000.

(Expressed in Canadian Dollars)

6. Exploration and evaluation projects (continued)

The following table shows exploration and evaluation expenses incurred on the properties

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Acquisition costs	**$ -**	$ 1,541	**$ -**	$ 5,868
Assay and testing	**-**	-	**1,250**	-
Drilling	**-**	-	**-**	16,167
Facility expenses	**-**	-	**-**	4,406
Consulting and professional fees	**148**	65,615	**22,777**	87,548
Geology, geophysics and surveys	**-**	1,060	**-**	31,813
Labour	**-**	1,850	**-**	2,620
Total	**$ 148**	$ 70,066	**$ 24,027**	$ 148,422

7. Related party transactions

The Company has entered into agreements with officers of the Company and private companies controlled by officers and directors of the Company for management consulting, geological consulting and other services required by the Company.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of officers and directors of the Company for the three and nine months ended September 30, 2024 was $14,135 and $26,572, respectively (2023 - $35,170 and $78,230, respectively). For the three and nine months ended September 30, 2024, $nil and $nil, respectively (2023 - $4,000 and $31,500, respectively) was included in exploration and evaluation expenses on the Company's unaudited condensed interim statements of loss and comprehensive loss.

As at September 30, 2024, the Company paid a drilling deposit of $150,000 to a company in which a director of the Company is a co-owner.

As at September 30, 2024, the Company advanced a total of $259,443 to companies with common officers and directors. The advance is unsecured, non-interest bearing with no fixed terms of repayment.

8. Loss per share

(i) The basic and diluted weighted average number of common shares is from the Arrangement Date (see note 1). $1,788,356 of the $1,813,981 net loss for the period ended September 30, 2024 related to the period post Arrangement.

(ii) The comparative period relate to the Carve-out Entity which was not an incorporated entity and therefore the loss per share information for the period prior to the reverse takeover transaction on February 29, 2024 (see note 1) is not applicable as the Carve-out Entity had no outstanding shares.

9. Commitments and contingencies

Environmental contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through obligations

Pursuant to the terms of flow-through share agreement, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As at September 30, 2024, the Company is committed to incurring approximately $205,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2025 arising from the flow-through offerings. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.