BATTERY MINERAL RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023
(Unaudited)

(Expressed in Canadian Dollars)

BATTERY MINERAL RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)
As at

Reported in CAD

	Note		June 30, 2023		December 31, 2022
ASSETS					
Current assets					
Cash		$	**2,114,783**	$	4,254,172
Receivables	4		**2,719,619**		3,178,208
Prepaids			**355,807**		227,321
Total current assets			**5,190,209**		7,659,701
Non-current assets					
Property, plant and equipment	5		**54,561,683**		53,088,950
Intangible assets			**142,875**		159,766
Exploration and evaluation assets	6		**52,495,439**		46,654,978
Total non-current assets			**107,199,997**		99,903,694
TOTAL ASSETS		$	**112,390,206**	$	107,563,395
LIABILITIES					
Current liabilities					
Trade and other payables		$	**4,534,556**	$	3,120,668
Income taxes payable			**2,614,772**		2,924,326
Current portion of lease liability			**299,861**		284,526
Current portion of loans and borrowings	11		**681,793**		628,185
Bridge loan and promissory note	9		**8,923,750**		2,073,146
Current portion of deferred payments on acquisition	8		**1,902,521**		1,846,486
Other current liabilities	7		**4,093,653**		3,413,811
Total current liabilities			**23,050,905**		14,291,148
Non-current liabilities					
Lease liability			**1,166,296**		1,351,056
Deferred payments on acquisition	8		**3,553,825**		4,053,305
Loans and borrowings	11		**2,126,949**		2,411,173
Convertible debenture	12		**9,855,943**		10,049,611
Asset retirement obligation	10		**11,801,842**		10,918,524
Total non-current liabilities			**28,504,855**		28,783,669
TOTAL LIABILITIES			**51,555,760**		43,074,817
EQUITY					
Share capital	13		**61,882,531**		60,952,703
Contributed surplus	12, 13		**25,223,972**		24,195,021
Accumulated other comprehensive loss			**(324,536)**		(639,050)
Deficit			**(25,947,521)**		(20,020,096)
TOTAL EQUITY			**60,834,446**		64,488,578
TOTAL LIABILITIES AND EQUITY		$	**112,390,206**	$	107,563,395

Nature of operations and going concern	1
Subsequent events	17

Approved on behalf of the Board:

/s/ Lazaros Nikeas   */s/ Stephen Dunmead*

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Note	For the three months ended June 30, 2023	Restated - Note 3 For the three months ended June 30, 2022	For the six months ended June 30, 2023	Restated - Note 3 For the six months ended June 30, 2022
REVENUE					
Sales	14	**$ 2,575,700**	$ 3,612,505	**$ 5,300,733**	$ 6,101,786
EXPENSES					
Cost of sales		**234,673**	496,978	**579,623**	604,583
Depreciation of equipment	5	**697,699**	737,938	**1,397,044**	1,460,465
Impairment of exploration and evaluation assets	6	**1,899**	13,137	**9,993**	33,091
Management fees		**424,977**	184,201	**862,122**	545,125
Operating and maintenance		**1,083,672**	980,959	**2,107,397**	2,018,181
Professional fees		**551,440**	437,266	**905,716**	749,314
Restricted stock units expense	13	**279,541**	601,391	**689,351**	1,338,339
Performance stock units expense	13	**35,205**	-	**35,205**	-
General and administration		**918,374**	1,526,511	**2,265,090**	2,630,820
Stock based compensation	13	**222,345**	533,487	**426,688**	847,479
Loss from operations		**(1,874,125)**	(1,899,363)	**(3,977,496)**	(4,125,611)
Finance costs	8-12	**(769,518)**	(561,034)	**(1,461,698)**	(747,207)
Foreign exchange (loss) gain		**(924,446)**	35,485	**(574,609)**	246,434
Gain on disposal of property and equipment	5	-	4,896,032	-	5,072,111
Other income		**23,773**	7,521	**86,378**	250,302
(Loss) gain for the period		**$ (3,544,316)**	$ 2,478,640	**$ (5,927,425)**	$ 696,029
Income tax expense		-	(1,437,759)	-	(1,437,759)
(Loss) gain for the period, after-tax		**(3,544,316)**	1,040,881	**(5,927,425)**	(741,730)
Currency translation adjustment		**(2,669,691)**	(4,164,074)	**314,514**	(2,096,847)
Comprehensive loss for the period attributable to common shareholders		**$ (6,214,007)**	$ (3,123,193)	**$ (5,612,911)**	$ (2,838,577)
(Loss) gain per share					
Basic (loss) gain per ordinary share		**$ (0.02)**	$ 0.01	**$ (0.03)**	$ (0.00)
Basic weighted average number of ordinary shares outstanding		**174,874,157**	171,705,612	**173,925,477**	171,291,248
Loss per share - attributable to common shareholders					
Basic loss per ordinary share		**$ (0.04)**	$ (0.02)	**$ (0.03)**	$ (0.02)
Basic weighted average number of ordinary shares outstanding		**174,874,157**	171,705,612	**173,925,477**	171,291,248
Loss per share - attributable to common shareholders					
Basic and diluted loss per ordinary share		**$ (0.04)**	$ (0.02)	**$ (0.03)**	$ (0.02)
Basic and diluted weighted average number of ordinary shares outstanding		**184,397,491**	178,157,278	**183,448,811**	177,742,914

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

BATTERY MINERAL RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars, except where indicated - Unaudited)

	# of shares issued	Share capital	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total equity
		$	$		$	$
Balance at December 31, 2021	**170,872,279**	**60,952,703**	**19,224,651**	**(3,864,284)**	**(16,523,929)**	**59,789,141**
Convertible debenture - equity (Note 12)	-	-	1,224,439	-	-	1,224,439
Convertible debenture issuance costs	-	-	(12,034)	-	-	(12,034)
Restricted share units (Note 13)	833,333	-	2,231,206	-	-	2,231,206
Stock options (Note 13)	-	-	1,526,759	-	-	1,526,759
Loss for the year	-	-	-	-	(3,496,167)	(3,496,167)
Currency translation adjustment	-	-	-	3,225,234	-	3,225,234
Balance at December 31, 2022	**171,705,612**	**60,952,703**	**24,195,021**	**(639,050)**	**(20,020,096)**	**64,488,578**
Performace share units (Note 13)	-	-	35,205	-	-	35,205
Restricted share units (Note 13)	604,165	99,791	589,560	-	-	689,351
Stock options (Note 13)	-	-	426,688	-	-	426,688
Convertible debenture, interest settlement transactions	5,217,186	830,037	(22,502)	-	-	807,535
Loss for the period	-	-	-	-	(5,927,425)	(5,927,425)
Currency translation adjustment	-	-	-	314,514	-	314,514
Balance at June 30, 2023	**177,526,963**	**61,882,531**	**25,223,972**	**(324,536)**	**(25,947,521)**	**60,834,446**

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	For the six months ended June 30, 2023	Restated - Note 3 For the six months ended June 30, 2022
CASH FLOWS FROM (TO) OPERATING ACTIVITIES		
Net loss for the period	$ (5,927,425)	$ (741,730)
Items not affecting cash:		
Accretion	1,232,536	103,505
Depreciation	1,397,044	1,460,465
Impairment of exploration and evaluation assets	9,993	33,091
Restricted stock units expense	689,351	1,338,339
Stock based compensation	426,688	847,479
Performance share units expense	35,205	
Recognition of flow-through premium	-	(214,541)
Gain on disposal of capital assets	-	(5,072,111)
Unrealized foreign exchange	574,609	(246,434)
Changes in non-cash working capital items:		
Inventory	117,277	-
Receivables	516,952	112,438
Prepaid expenses	(134,846)	(127,148)
Trade and other payables	815,893	273,272
Income taxes payable	(285,227)	1,225,257
Deferred revenue	254,288	117,867
Other current assets	(192,779)	-
Other current liabilities	(127,264)	-
Other non-current liabilities	(962,277)	-
Net cash used in continuing operating activities	(1,559,982)	(890,251)
CASH FLOWS FROM (TO) INVESTING ACTIVITIES		
Exploration and evaluation assets - Punitaqui	(4,924,120)	(9,085,134)
Exploration and evaluation assets - other	(214,905)	(1,075,454)
Other acquisition of property, plant and equipment	(1,335,982)	(1,519,657)
Purchase of intangible assets	(16,676)	345
Proceeds from disposal of capital assets	-	8,439,818
Changes in non-cash working capital items:		
Receivables	-	2,568
Trade and other payables	(9,823)	(22,985)
Net cash used in investing activities	(6,501,506)	(3,260,499)
CASH FLOWS FROM (TO) FINANCING ACTIVITIES		
Convertible debenture issuance costs	-	(25,096)
Proceeds from loans and borrowings	132,659	-
Proceeds from bridge loan	6,573,482	-
Repayment of long term debt	(433,286)	(4,386,428)
Proceeds from issuance of convertible debenture	-	10,375,460
Payments on MAP acquisition	-	(748,113)
Net cash provided by financing activities	6,272,855	5,215,823
Effects of exchange rate changes on cash and cash equivalents	(350,758)	1,009,729
Change in cash during the period	(2,139,389)	2,074,802
Cash, beginning of the period	4,254,172	2,629,995
Cash, end of the period	$ 2,114,783	$ 4,704,797
Supplementary cash flow information:		
Interest paid	(225,573)	(370,430)
Interest received	107,189	35,761
Income taxes paid	(213,845)	(212,502)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Battery Mineral Resources Corp. (the "Company" or "BMR") was incorporated on November 26, 2019 under the laws of British Columbia, Canada. The Company's registered office and principal place of business is located at 1040 West Georgia Street, Suite 1900, Vancouver, BC V6E 4H3. On February 12, 2021, the Company completed a reverse takeover transaction with Fusion Gold Ltd. ("Fusion") to execute a share exchange that resulted in the Company's shareholders taking over Fusion (the "Transaction"). The Transaction was structured as a three-cornered amalgamation under the British Columbia Business Corporations Act pursuant to which the Company amalgamated with 1234525 B.C. Ltd. ("Fusion Subco"). The amalgamated entity became a wholly-owned subsidiary of Fusion and the security holders of the Company exchanged securities of the Company for securities of Fusion on a one-for-one basis (after a consolidation of Fusion's common shares on a 2:1 basis). As a result of the shareholders of the Company owning more shares in the combined entity, the Company was deemed to control the new entity and the continuing financial statements are those of the Company. On closing of the Transaction, Fusion changed its name to "Battery Mineral Resources Corp.". Trading of the Company's common shares on the TSX Venture Exchange ("TSXV") commenced on February 22, 2021, under ticker "BMR".

The Company holds resource interests including copper, cobalt, lithium, and graphite properties. On the basis of information obtained to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as exploration and evaluation properties represent net costs to date, less amounts recovered or written off, and do not necessarily represent present or future values.

The Company's principal business activities include the resumption of operations and production of copper concentrates in 2024 at the Punitaqui Mining Complex (also referred to as "Punitaqui"), located in Chile, and the acquisition and exploration of mineral exploration and evaluation assets in Canada, the United States, Chile, and South Korea. The Company has not yet determined whether its exploration and evaluation assets contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, and the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

On September 9, 2020, the Company completed the acquisition of an 89.2% ownership interest in ESI Energy Services Inc. ("ESI"), a company in the business of selling and leasing backfill separation machines ("Padding Machines") to mainline pipeline contractors, renewables and utility construction contractors, as well as oilfield pipeline and construction contractors. On May 28, 2021, the Company acquired 100% of ESI common shares by completing a go private transaction; as a result, the Company currently has a 100% ownership interest in ESI.

At June 30, 2023, the Company had a working capital deficiency of $17,860,696 (December 31, 2022 – $6,631,447). For the six months ended June 30, 2023, the Company recorded a net loss of $5,927,425 (June 30, 2022 – loss of $741,730, Note 3). For the six months ended June 30, 2023, the Company recorded net cash used in operating activities of $1,559,982 (June 30, 2022 – $890,251, Note 3).

The above factors, together with the potential for additional unforeseen issues and delays in the realization of the potential benefits from the Company's capital projects, such as the Punitaqui Project, give rise to material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. The business of mining and exploration involves a high degree of risk and there can be no assurance that exploration and development programs will result in profitable mining operations. The Company does not currently generate sufficient revenue to fund it's planned exploration and development activities and will need to continue to obtain additional financing to execute such activities and discharge its day-to-day obligations. There is no assurance that the Company's funding initiatives will be successful, and these consolidated financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported consolidated statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements ("Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements were authorized for issue by the Board of Directors on August 29, 2023.

Basis of presentation

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value through profit and loss ("FVTPL"). In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These consolidated financial statements are presented in Canadian Dollars, unless otherwise noted, which is the functional currency of the parent.

The financial statements for the Company and each of its subsidiaries are prepared using their functional currencies. Functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of North American Cobalt Inc. (Canada) and ESI Energy Services Inc. is the Canadian dollar. The functional currency of North American Cobalt Inc. (USA), Battery Mineral Resources (Nevada), Inc. and Ozzies, Inc. is the US dollar. The functional currency of Minera BMR SpA is the Chilean peso. The functional currency of Opirus Minerals Group Pty Ltd. and Energy Services (Australia) Pty Ltd. is the Australian dollar. The functional currency of Battery Mineral Resources Korea is the South Korean won. The presentation currency of the Company is the Canadian dollar.

Basis of consolidation

These consolidated financial statements of the Company include the following wholly owned subsidiaries as follows:

Name of Subsidiaries	Principal Activity	Country of Incorporation
BMR Holdings Limited (formerly Battery Mineral Resources Corp.)	Intermediate Holding Company	Canada
North American Cobalt Inc. (formerly Battery Mineral Resources Limited)	Resource Exploration	Canada
North American Cobalt Inc.	Resource Exploration	USA
Battery Mineral Resources (Nevada), Inc.	Resource Exploration	USA
Opirus Minerals Group Pty Ltd.	Intermediate Holding Company	Australia
Battery Mineral Resources Korea (formerly Won Kwang Mines Inc.)	Resource Exploration	South Korea
ESI Energy Services Inc.	Oil and Gas Service Company	Canada
Ozzies, Inc. (formerly ESI Pipeline Services, Inc.)	Oil and Gas Service Company	USA
Energy Services (Australia) Pty Ltd.	Oil and Gas Service Company	Australia
Minera BMR SpA	Resource Exploration	Chile

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All inter-company transactions and balances have been eliminated upon consolidation. Assets, liabilities, income, and expenses of entities subject to consolidation are recorded from the date of acquisition to the date of disposal.

2. BASIS OF PREPARATION (cont'd…)

Critical estimates, judgements and assessments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported expenses during the year.

Although management uses historical experience and its best knowledge of the amount, events, or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Economic recoverability and probability of future economic benefits of exploration and evaluation assets

Management has determined that exploration, evaluation, and related costs incurred which were capitalized may not have future economic benefits have been written off. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Asset acquisition

The Company accounted for the acquisition of certain mineral properties, plant and equipment related to the Punitaqui Mining Complex in Chile as an asset acquisition. Significant judgement and estimates were required to determine that the application of this accounting treatment was appropriate for the transaction. These included, among others, the determination that the assets together were not considered a business under IFRS 3 –Business Combinations as they did not have significant inputs, processes and outputs, that together constitute a business. In addition, the Company made estimates of allocation of consideration using estimates of fair values and future cash flows related to deferred consideration as part of the Punitaqui acquisition.

Asset retirement obligation

The Company has an obligation related to reclamation and other closure activities related to the Punitaqui Mining Complex. The obligation is estimated by the Company using mine closure plans and external experts which includes the estimation of future costs, timing of expenditures, foreign exchange and discount rates. The obligations are dependent on the laws and regulations of the country in which the mine is located, the requirements could change as a result of amendments in the laws and regulations relating to environmental protection and other legislation affecting natural resource extracting companies.

Convertible debentures

Convertible debentures issued by the Company represent compound financial instruments that require assessment whether the convertible component qualifies as equity or is considered a derivative liability. The instrument contains anti-dilution adjustments to the conversion price in the event of certain transactions. The features were assessed as anti-dilutive and therefore do not represent a derivative. Management has incorporated a market rate of interest to measure the host debt instrument and the residual is allocated to the equity conversion feature.

Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

2. BASIS OF PREPARATION (cont'd…)

Critical estimates, judgements and assessments (cont'd…)

Deferred tax

Deferred income tax assets are recorded to the extent that it is probable that the deductible temporary differences will be recoverable in future periods. The recoverability assessment involves a significant amount of estimation including an evaluation of when the temporary differences will reverse, an analysis of the amount of future taxable earnings, the availability of taxable profits to offset the tax assets when the reversal occurs and the application of tax laws. There are some transactions for which the ultimate tax determination is uncertain. To the extent that assumptions used in the recoverability assessment change, there may be a significant impact on the Consolidated Financial Statements of future periods.

Other estimates

Other significant estimates which could materially impact the financial statements include:

- The inputs used in accounting for share purchase option expense in the consolidated statements of loss; and
- The estimated useful lives of property, plant and equipment and intangibles which are included in the consolidated statements of financial position and the related depreciation included in the consolidated statements of loss.

(Expressed in Canadian Dollars)

3. PRIOR PERIOD RESTATEMENT

Restatement of the convertible debentures issued in the first quarter of 2022

The Company identified that there was an error in the accounting for the convertible debentures in the interim consolidated financial statements for the three and six months ended June 30, 2022. As a result, the Company has restated its Consolidated Statement of Loss and Comprehensive Loss, and Consolidated Statement of Cash Flows for the comparative periods of the three and six months ended June 30, 2022. The restatement was due to the change in the discount rate to a market rate and the increase in finance costs due to accretion expenses. The tables below include a reconciliation of the items affected by the restatement.

i. Reconciliation of the Consolidated Statement of Loss and Comprehensive Loss:

	For the three months ended June 30, 2022		
	Previously reported	Restatement adjustment	Restated
Loss from operations	**(1,899,364)**	**-**	**(1,899,364)**
Finance costs	(545,664)	(15,370)	(561,034)
Gain (loss) for the period	**2,494,010**	**(15,370)**	**2,478,640**
Income tax (expense) recovery	(1,437,759)	-	(1,437,759)
Gain (loss) for the period, after tax	**1,056,251**	**(15,370)**	**1,040,881**
Cumulative translation adjustment	(4,164,074)	-	(4,164,074)
Comprehensive loss for the period attributable to common shareholders	**(3,107,823)**	**(15,370)**	**(3,123,193)**

	For the six months ended June 30, 2022		
	Previously reported	Restatement adjustment	Restated
Loss from operations	**(4,125,611)**	**-**	**(4,125,611)**
Finance costs	(643,702)	(103,505)	(747,207)
Gain (loss) for the period	**799,534**	**(103,505)**	**696,029**
Income tax (expense) recovery	(1,437,759)	-	(1,437,759)
Loss for the period, after tax	**(638,225)**	**(103,505)**	**(741,730)**
Cumulative translation adjustment	(2,096,847)	-	(2,096,847)
Comprehensive loss for the period attributable to common shareholders	**(2,735,072)**	**(103,505)**	**(2,838,577)**

ii. Reconciliation of the Consolidated Statement of Cash Flows:

	As at June 30, 2022		
	Previously reported	Restatement adjustment	Restated
CASH FLOWS FROM (TO) OPERATING ACTIVITIES			
Loss for the period	(638,225)	(103,505)	(741,730)
Items not affecting cash:			
Accretion	-	103,505	103,505
Net cash used in operating activities	**(890,251)**	**-**	**(890,251)**

(Expressed in Canadian Dollars)

4. RECEIVABLES

	30-Jun-23	31-Dec-22
Accounts receivable	**$ 1,764,619**	$ 1,586,293
Finance lease receivable	**205,341**	1,123,597
Sales or value added tax receivables	**749,659**	468,318
Total	**$ 2,719,619**	$ 3,178,208

5. PROPERTY PLANT AND EQUIPMENT

	Land and Buildings	Plant and Mining equipment	Padding equipment	Spare parts	Motor vehicles	Computer equipment	Office equipment	Right-of-use assets	Total
Cost									
At December 31, 2021	$ 12,960,391	$ 14,400,302	$ 35,601,475	$ 2,306,123	$ 13,465	$ 50,796	$ 25,803	$ -	$ 65,358,355
Additions	6,121	2,147,856	1,514,914	572,874	5,810	70,910	-	542,414	4,860,899
Additions - Asset retirement obligation	-	9,702,357	-	-	-	-	-	-	9,702,357
Disposals	(4,174,713)	(85,208)	(1,264,215)	-	-	(19,059)	-	-	(5,543,195)
Foreign currency translation adjustment	614,863	1,968,296	2,073,349	136,317	272	5,822	5,043	-	4,803,962
At December 31, 2022	**$ 9,406,662**	**$ 28,133,603**	**$ 37,925,523**	**$ 3,015,314**	**$ 19,547**	**$ 108,469**	**$ 30,846**	**$ 542,414**	**$ 79,182,378**
Additions	-	375,662	1,103,930	71,299	-	227,370	-	-	1,778,261
Disposals	(26)	-	-	(56,538)	-	-	-	(10,052)	(66,616)
Re - classification	-	-	(312,348)	-	-	-	-	-	(312,348)
Foreign currency translation adjustment	302,707	1,117,312	(746,093)	88,151	(1,339)	524	(5,776)	-	755,486
At June 30, 2023	**$ 9,709,343**	**$ 29,626,577**	**$ 37,971,012**	**$ 3,118,226**	**$ 18,208**	**$ 336,363**	**$ 25,070**	**$ 532,362**	**$ 81,337,161**
Accumulated depreciation									
At December 31, 2021	$ (2,759,930)	$ (27,700)	$ (21,954,393)	$ -	$ (9,498)	$ (23,997)	$ (18,983)	$ -	$ (24,794,501)
Depreciation	(123,129)	(26,185)	(2,772,747)	-	(7,787)	(15,347)	(7,426)	(144,799)	(3,097,420)
Disposals	1,941,335	53,885	1,142,760	-	-	39,344	-	-	3,177,324
Foreign currency translation adjustment	(66,642)	-	(1,308,161)	-	-	(4,028)	-	-	(1,378,831)
At December 31, 2022	**$ (1,008,366)**	**$ -**	**$ (24,892,541)**	**$ -**	**$ (17,285)**	**$ (4,028)**	**$ (26,409)**	**$ (144,799)**	**$ (26,093,428)**
Depreciation	(43,518)	645	(1,280,423)	-	-	(4,016)	-	(40,775)	(1,368,087)
Disposals	-	-	-	-	-	-	-	-	-
Re - classification	-	-	167,303	-	-	-	-	-	167,303
Foreign currency translation adjustment	17,586	152	494,424	-	1,184	(85)	5,473	-	518,734
At June 30, 2023	**$ (1,034,298)**	**$ 797**	**$ (25,511,237)**	**$ -**	**$ (16,101)**	**$ (8,129)**	**$ (20,936)**	**$ (185,574)**	**$ (26,775,478)**
Carrying amounts									
At December 31, 2022	$ 8,398,296	$ 28,133,603	$ 13,032,982	$ 3,015,314	$ 2,262	$ 104,441	$ 4,437	$ 397,615	$ 53,088,950
At June 30, 2023	**$ 8,675,045**	**$ 29,627,374**	**$ 12,459,775**	**$ 3,118,226**	**$ 2,107**	**$ 328,234**	**$ 4,134**	**$ 346,788**	**$ 54,561,683**

There were no assets disposals during the six months ended June 30, 2023. During the twelve months ended December 31, 2022, the Company disposed plant and mining equipment, computer equipment, 3 pieces of padding equipment, and land and building located in Phoenix, AZ for combined proceeds of $8,494,300 resulting in a $4,834,165 gain.

As at June 30, 2023, included in padding equipment were assets under construction with a cost of $1,101,323 (December 31, 2022 - $897,649). No depreciation was recorded for assets under construction.

As at June 30, 2023, certain property, plant and equipment in the amount of $17,678,671 (December 31, 2022 - $15,379,874) is related to the development of the Punitaqui Mining Complex and has not been put into use and therefore depreciation has not commenced on these assets.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

The following table represents expenditures incurred on the exploration and evaluation assets for the six months ended June 30, 2023 and for the year ended December 31, 2022:

	Canadian Cobalt Projects	U.S. Cobalt Projects	U.S. Lithium Projects	South Korea Graphite Projects	Chile Copper Punitaqui Project	Total
	$	$	$	$	$	$
Balance as December 31, 2021	**21,870,114**	**1,591,003**	**382,870**	**1,933,932**	**5,323,560**	**31,101,479**
Additions during the year	951,370	157,515	5,348	171,508	13,822,505	15,108,246
Impairment	(840,642)	-	-	-	-	(840,642)
Currency translation adjustment	-	39,576	7,597	27,359	1,211,363	1,285,895
Balance as December 31, 2022	**21,980,842**	**1,788,094**	**395,815**	**2,132,799**	**20,357,428**	**46,654,978**
Additions during the period	103,796	18,172	-	92,406	5,087,260	5,301,634
Impairment	(9,993)	-	-		-	(9,993)
Currency translation adjustment	-	(40,460)	(8,884)	(148,863)	747,027	548,820
Balance as June 30, 2023	**22,074,645**	**1,765,806**	**386,931**	**2,076,342**	**26,191,715**	**52,495,439**

Chile Copper Project

Punitaqui Mining Complex, Chile

The Company holds the rights to 100% equity interest in the Punitaqui Mining Complex in the Coquimbo region of Chile.

Punitaqui includes a centralized process plant. The Company is currently modifying its existing tailings disposal permit while consolidating its various exploitation permits. Punitaqui is a past-producing mining operation which consists of an integrated copper and silver mining complex including all required infrastructure and sources of water and power.

The copper-silver process plant that is classified as property, plant and equipment consists of a standard copper sulphide crush-grind-flotation circuit to produce a marketable copper-silver concentrate. Port facilities are generally available for shipping to smelters.

(Expressed in Canadian Dollars)

7. OTHER CURRENT LIABILITIES

		30-Jun-23		31-Dec-22
VAT liability	**$**	**3,530,023**	$	3,100,404
Deferred revenue		**563,630**		313,407
Total	**$**	**4,093,653**	$	3,413,811

VAT liability

Following the acquisition of the Punitaqui Mining Complex, the Company filed an application with, and received approval from, the Chilean Ministry of Economy, Development and Tourism (the "Ministry of Economy") to participate in a VAT-recovery program set in place by the Chilean government to incentivize Chilean exports (the "VAT Program"). The VAT Program allows the Company to recover the VAT paid on goods and services purchased by the Company, in advance of achieving agreed-upon amounts of to-be-exported mineral concentrates. As of June 30, 2023, the Company recovered $3,530,023 under the VAT Program.

As part of the VAT Program, the Company issued, to the Chilean Treasury Department, promissory notes for the same amount of the VAT Recovered. The Promissory Notes guarantee the VAT Recovered in case the Company is not able to demonstrate to the Ministry of Economy that it has exported mineral concentrates having a minimum value of USD$35.1 million (the "Export Value"), by December 31, 2023. The Company does not estimate it will be able to achieve the Export Value by December 31, 2023. However, the Company has the right to file a request (the "Request"), with the Ministry of Economy, to extend the deadline to demonstrate the Export Value and intends to do so. Therefore, the Company has recorded a liability for VAT to be repaid.

Deferred revenue

Deferred revenue consists of spare parts and consumables related to rented machines that are invoiced in advance.

8. DEFERRED PAYMENTS ON ACQUISITION

		30-Jun-23		31-Dec-22
Deferred payment at beginning of the period	**$**	**5,899,791**	$	6,997,500
Payments during the period		**(966,938)**		(2,204,418)
Accretion expense		**333,154**		703,316
Currency translation adjustment, net of foreign currency impact		**190,339**		403,393
Deferred payments at end of the period	**$**	**5,456,346**	$	5,899,791
Current		**(1,902,521)**		(1,846,486)
Long term		**3,553,825**		4,053,305

The undiscounted amount of payments at inception was $10,625,167 and the liability was discounted at a rate of 11%. The undiscounted payments remaining as at June 30, 2023, is $6,658,823 (December 31, 2022 - $7,391,420), while the total discounted deferred payments amount as at June 30, 2023 is $5,456,346 (December 31, 2022 - $5,899,791).

(Expressed in Canadian Dollars)

9. BRIDGE LOAN AND PROMISSORY NOTE

i. Bridge Loan

Bridge Loan		30-Jun-23		31-Dec-22
Principal amount	$	7,017,200	$	2,055,550
Interest accrued		183,820		17,596
Total	$	7,201,020	$	2,073,146

A financing and security agreement (the “Loan Agreement”) was executed on October 20, 2022, between Weston Energy LLC (a related party), Battery Mineral Resources Corp. (the “Borrower”), and Ozzie’s, Inc. (the “Guarantor”, and together with the Borrower, each an “Obligor” and together the “Obligors”). By means of this Loan Agreement, Weston Energy LLC agreed to advance to the Company one or more loans (the “Loans”), from time to time prior to the maturity date, in an aggregate principal amount not to exceed USD$4,000,000.

The outstanding principal balance of the Loans shall bear interest at the rate of (i) six percent (6%) per annum for the first sixty (60) days following the closing date and (ii) eight percent (8%) per annum at all times thereafter until repayment in full of all amounts payable hereunder. After the occurrence and during the continuance of any event of default hereunder, the loans shall bear interest at the rate described above plus an additional two percent (2%). The Company may prepay all or any part of the outstanding principal amount of each loan at any time without notice or penalty provided that such prepayment is accompanied by all accrued and unpaid interest on the principal amount prepaid; provided, however, that once repaid, no amounts borrowed hereunder may be reborrowed. The Loan Agreement was first amended on February 17, 2023 and the due date of the principal amount together with all accrued and unpaid interest was extended to April 18, 2023. On April 17, 2023, the Loan Agreement was again amended to extend its maturity date to June 17, 2023. The Loan Agreement was further amended on June 6, 2023, to increase the facility size from USD$4,000,000 to USD$5,300,000 and extend the maturity date to September 15, 2023. All other terms remained unchanged.

ii. Promissory Note

Promissory Note		30-Jun-23		31-Dec-22
Principal amount	$	1,721,200	$	-
Interest accrued		1,530		-
Total	$	1,722,730	$	-

On June 22, 2023, the Company entered into a debt financing arrangement with Weston Energy LLC for maximum aggregate proceeds of USD $2,000,000. In connection with this debt financing agreement, the Company issued a promissory note to Weston Energy LLC, which matures on September 15, 2023, and bears interest at a rate of eight percent (8%) per annum, with interest payable at the maturity of the promissory note. As of June 30, 2023, the Company had drawn USD $1,300,000 under the promissory note.

10. ASSET RETIREMENT OBLIGATION

		30-Jun-23		31-Dec-22
Balance at the beginning of the period / Initial recognition	$	10,918,524	$	9,640,033
Changes in estimates		17,846		62,324
Accretion expense		114,662		49,676
Foreign currency translation adjustment		323,791		230,088
Currency translation adjustment		427,019		936,403
Balance as June 30, 2023	$	11,801,842	$	10,918,524

On October 4, 2022, the Chilean mining authorities approved the transfer of the Punitaqui operational mining permits, which triggered the Company to recognize the asset retirement obligation arising from mining equipment and previously mined property interests. The provision consists primarily of costs associated with mine reclamation and closure activities. These activities, which tend to be site specific, generally include costs for decommissioning the mill complex and related infrastructure, physical and chemical stability of the tailings area and post-closure site security and monitoring costs. The Company regularly reviews the estimate and considers such factors as changes in laws and regulations, and requirements under existing permits in determining the estimated costs.

The estimated undiscounted cash flows required to satisfy the reclamation and closure cost obligation as at June 30, 2023, were $14,762,696 (December 31, 2022 – $13,704,012). The undiscounted cash flows were discounted using the ten-year Government of Chile Benchmark Bond rate of 2.02% for bonds issued in Chilean Units of Accounts (UF) to arrive at a discounted liability of $11,801,842 (December 31, 2022 - $10,918,524). The foreign currency translation adjustment from UF to Chilean pesos for the six months ended June 30, 2023 was $323,791 (six months ended June 30, 2022: $nil), while the cumulative translation adjustment from Chilean pesos to the Company's functional currency (Canadian Dollar) for the six months ended June 30, 2023 was $427,019 (six months ended June 30, 2022: $nil).

11. LOANS AND BORROWINGS

		30-Jun-23		31-Dec-22
Finance agreements	$	2,808,742	$	3,039,358
Total loans and borrowings		**2,808,742**		**3,039,358**
Less: current portion		681,793		628,185
Long-term portion	$	**2,126,949**	$	**2,411,173**

All finance agreements were undertaken by the Company's subsidiaries ESI Energy Services Inc. and Ozzies Inc. and include five US dollar denominated loans outstanding as of June 30, 2023, relating to the purchase of three compact track loaders and two vehicles that were financed through dealers in 2019 through 2023, and a sixth loan which is a lease agreement secured by Company equipment. The first five loans have terms ranging from two to five years with variable rates of interest, averaging 7.62%. The sixth loan is the largest which has a four-year term at an interest rate of $10.48% with monthly rental costs of $51,190.

12. CONVERTIBLE DEBENTURES

		30-Jun-23		31-Dec-22
Convertible unsecured subordinated debentures				
Balance at the beginning of the period	$	**10,049,611**	$	-
Issuance of convertible debentures		-		10,285,526
Equity component		**22,502**		(1,224,439)
Interest payments settled through issuance of shares		**(830,037)**		-
Accretion expense		**613,866**		988,524
Balance as June 30, 2023	$	**9,855,943**	$	10,049,611

The Company completed a non-brokered private placement of unsecured convertible debentures (the "Debentures") for gross proceeds of $10,375,460. There were four tranches of Debentures, each with a three year term and bearing annual interest of 8%. The holder of any Debenture may, at its option, at any time from six months from the date of issuance, and prior to the close of business on the business day immediately preceding the Maturity Date, convert all, but not less than all, of the principal amount of the instrument into common shares of the Company at the conversion price of $0.65 per share. Weston Energy LLC ("Weston") subscribed for $9,651,500 of the Debentures.

The estimated fair value of the Debentures was calculated as $9,151,021 using a discount rate of 11-13% and $1,224,439 being allocated to the conversion feature. The effective interest rate of the Debentures was estimated to be between 11-13%.

During the six months ended June 30, 2023, the Company issued in total 5,217,186 common shares at prices ranging from $0.14 to $0.19 per share to settle the first-year interest payment of $830,037.

(Expressed in Canadian Dollars)

13. SHARE CAPITAL

a) Authorized share capital

The Company has authorized share capital of unlimited common shares without par value.

b) Share issuances

During the six months ended June 30, 2023, the Company:

i. Issued 604,165 common shares that were exercised, related to the restricted stock units.

ii. Issued 5,217,186 common shares to fulfill the interest payment obligation related the convertible debentures outstanding (Note 12)

During the year ended December 31, 2022, the Company:

i. Issued 833,333 common shares that were exercised, related to the restricted stock units.

c) Restricted stock units

The Company adopted the restricted share units plan ("RSU's") to allow the Board of Directors to grant the Company's officers, directors, and consultants non-transferable share units based on the fair value of the units at the date of grant. The awards vest over a one or three-year period and expire after eight years. The total RSU expense for the six months ended June 30, 2023 was $689,351 (six months ended June 30, 2022: $1,338,339).

Movements in the number of restricted share units outstanding are as follows:

	RSU
Outstanding at December 31, 2021	6,250,000
Granted	2,280,832
Excercised	(833,333)
Outstanding at December 31, 2022	7,697,499
Granted	100,000
Excercised	(604,165)
Outstanding at June 30, 2023	7,193,334

d) Stock options

The Company has an equity settled common share purchase plan (the "Stock Option Plan") under which the Board of Directors may grant options to purchase common shares to directors, officers, employees and independent contractors of the Company and/or its affiliates (collectively, the "Service Providers"). The maximum aggregate number of common shares under option at any time pursuant to the Stock Option Plan was 10% of the issued and outstanding common shares at the time of the grant.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

(Expressed in Canadian Dollars)

	Options	Weighted average excercise price
Outstanding at December 31, 2021	6,262,500	0.84
Granted	3,120,832	0.65
Outstanding at December 31, 2022	9,383,332	0.78
Granted	350,000	0.43
Outstanding at June 30, 2023	9,733,332	0.77

The Company uses the Black-Scholes option pricing model to estimate the fair value for all stock-based compensation. The expected volatility assumption inherent in the pricing model is based on the historical volatility of comparable companies over a term equal to the expected term of the option granted. Total stock-based compensation expense for the six months ended June 30, 2023, was $426,688 (six months ended June 30, 2022: $847,479).

During the six-month period ended June 30, 2023, the Company granted 350,000 stock options at a weighted average exercise price of $0.43. The weighted average assumptions used in the stock option pricing model and the resulting weighted average fair values per option for the options granted during the six-month period ended June 30, 2023, were as follows:

Risk-free rate:	2.90%
Expected life:	8 years (350,000)
Expected volatility:	76.56 % based on comparable companies
Expected dividends:	Nil
Weighted average fair value per option:	$0.13
Forfeiture rate:	0%

During the year ended December 31, 2022, the Company granted 3,120,832 stock options at a weighted average exercise price of $0.65 to directors, officers, employees, and Service Providers. The weighted average assumptions used in the stock option pricing model and the resulting weighted average fair values per option for the options granted during the year ended December 31, 2022 were as follows:

Risk-free rate:	3.23%
Expected life:	8 years (2,920,832)/ 1 year (200,000)
Expected volatility:	77.84 % based on comparable companies
Expected dividends:	Nil
Weighted average fair value per option:	$0.37
Forfeiture rate:	0%

As of June 30, 2023, the Company had outstanding and exercisable stock options as follows:

(Expressed in Canadian Dollars)

Options outstanding					Options exercisable		
Price	**Number outstanding**	**Weighted-average remaining contractual life (years)**	**Weighted-average excerise price**	**Weighted-average Fair Value**	**Number excerisable**	**Weighted-average remaining contractual life (years)**	**Weighted-average exercise price**
$0.20	12,500	0.47	0.20	-	12,500	0.47	0.20
$0.85	5,000,000	6.01	0.85	0.41	3,333,333	6.01	0.85
$0.85	1,000,000	6.26	0.85	0.65	333,333	6.26	0.85
$0.75	250,000	3.59	0.75	0.25	250,000	3.59	0.75
$0.65	270,832	6.76	0.65	0.29	270,832	6.76	0.65
$0.65	75,000	6.76	0.65	0.29	25,000	6.76	0.65
$0.65	200,000	-	0.65	0.04	200,000	-	0.65
$0.65	1,475,000	6.95	0.65	0.24	491,667	6.95	0.65
$0.65	1,100,000	7.08	0.65	0.24	-	-	-
$0.43	350,000	7.63	0.43	0.13	-	-	-
	9,733,332	6.19	0.77	0.36	4,916,665	5.78	0.80

e) Performance share units

The Company adopted the performance share unit plan (“PSUs”) to allow the Board of Directors to grant the Company’s management personnel, officers and directors non-transferrable share units based on the fair value of the Company’s common shares on the date of the grant. All the PSUs were granted in 2023 to certain management personnel, officers, and directors of the Company, in connection with the Company’s 2022 fiscal year bonus incentive plan. The awards shall be fully vested on any single day that the Company’s closing stock price reaches or exceeds $0.50 within the performance cycle between March 30, 2023 and March 30, 2026. The total PSU expense for the six months ended June 30, 2023, was $35,205 (six months ended June 30, 2022: nil).

Movements in the number of performance share units outstanding are as follows:

	PSU
Outstanding at January 1, 2023	-
Granted	2,330,000
Outstanding at June 30, 2023	2,330,000

(Expressed in Canadian Dollars)

14. REVENUE

ESI's revenue during the three and six months ended June 30, 2023 and the three and six months ended June 30, 2022, was comprised of the following:

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Machine Rental				
Padding machines				
Large padders	$ 212,619	$ 754,881	$ 506,680	$ 1,675,585
Small padders	1,238,689	1,280,499	2,498,717	2,234,597
Screening buckets	193,934	169,143	292,128	282,969
Other services	88,486	11,328	102,466	32,328
Rental revenue	$ 1,733,728	$ 2,215,851	$ 3,399,991	$ 4,225,479
Mobilization	251,499	191,799	403,790	342,954
Spare part sales	180,832	217,899	459,272	346,556
Machine sales	310,155	783,942	701,649	871,593
Other services	99,486	203,014	336,031	315,204
Other revenue	$ 841,972	$ 1,396,654	$ 1,900,742	$ 1,876,307
Total	$ 2,575,700	$ 3,612,505	$ 5,300,733	$ 6,101,786

For the six months ended June 30, 2023, $2,929,652 (six months ended June 30, 2022: $4,503,976) of revenue was derived from six (six months ended June 30, 2022: nine) customers that represented 55% (six months ended June 30, 2022: 74%) of the Company revenue for the period. As at June 30, 2023, $1,035,084 (June 30, 2022 - $1,845,728) from these customers was included in accounts receivable.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

Fair values of financial assets and liabilities are determined based on available market information and valuation methodologies appropriate to each situation. Judgments are required in the interpretation of the market data to produce the most appropriate fair value estimates. The use of different market information and/or evaluation methodologies may have a material effect on the fair value amounts.

The Company's financial instruments consist of cash, receivables, and trade and other payables, deferred payments on acquisition, loans and borrowings, convertible debenture and bridge loan. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these instruments. The fair value of long-term debt approximates its carrying value as the contractual interest rates are comparable to current market interest rates. The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity, and commodity price.

Currency risk

The Company conducts exploration and evaluation activities in the United States, Canada, South Korea and Chile and is exposed to currency risk due to fluctuations in the exchange rates of foreign currencies. As at June 30, 2023, the Company had foreign currency assets and foreign currency liabilities in United States Dollars ("USD"), Korean Won ("KRW") and Chilean Pesos ("CLP"). On June 30, 2023, the spot exchange rates to convert 1 USD, 1 KRW and 1 CLP to Canadian dollars were 1.3240, 0.001004 and 0.001653 respectively. Each 10% change in the foreign currencies relative to the Canadian dollar will result in a foreign exchange gain/loss of approximately $2,316,204.

The table below shows the balances denominated in foreign currency:

June 30, 2023	USD $	KRW $	CLP $	Equivalent CAD $
Cash	4,169	5,481,581	255,200,857	432,768
Receivables	-	-	198,555,669	328,133
Prepaids	-	761,871	-	765
Trade and other payables	3,545	57,694,092	1,014,204,733	1,738,693
Income taxes payable	-	-	-	-
VAT liability	-	-	2,136,042,176	3,530,023
Bridge loan and promissory note	6,739,992	-	-	8,923,750
Deferred payments on acquisition	-	-	3,301,673,576	5,456,346
Lease liability	1,107,369	-	-	1,466,156
Loans and borrowings	2,121,406	-	-	2,808,742
Net exposure	**(9,968,143)**	**(51,450,640)**	**(5,998,163,959)**	**(23,162,045)**

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 minimizes its credit exposure related to short term investments when applicable by selecting counterparties based on credit ratings and monitors all investments to ensure a stable return, avoiding complex investment vehicles with higher risk such as asset backed commercial paper. The Company's cash is held in significant financial institutions and the Company considers this risk to be remote. The Company invests cash with financial institutions that are financially sound based on their credit rating. The Company's receivables primarily include balances receivable from the government of Canada and Chile, which are considered low risk. ESI also has finance lease receivables with exposure to credit risk influenced mainly by the characteristics of its customers, who have historically met their contractual obligations.

(Expressed in Canadian Dollars)

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Expected Credit Losses
The Company recognizes loss allowances for Expected Credit Losses (ECLs) on its financial assets measured at amortized cost. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability-weighted estimate of credit losses.

The following tables summarize the loss allowance calculation:

As at June 30, 2023	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
Expected loss rate	1.50%	2.40%	14.90%	20.00%	
Gross carrying amount ($)	1,070,809	565,885	23,743	151,869	
Loss allowance ($)	16,062	13,581	3,538	30,374	63,555

As at December 31, 2022	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
Expected loss rate	1.10%	2.00%	14.10%	20.40%	
Gross carrying amount ($)	395,457	775,204	81,330	346,219	
Loss allowance ($)	4,350	15,504	11,468	70,629	101,951

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates, The Company's interest rate risk is minimal as there are no variable rate interest-bearing outstanding loans. The Company has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the exposure of the Company to the risk of being unable to meet its financial obligations as they come due. The Company manages liquidity risk by monitoring, reviewing and adjusting actual and forecasted cash flows to ensure there are available cash resources to meet these needs.

The Company does not currently generate sufficient revenue to fund its planned exploration and development activities and will need to continue to obtain additional financing to execute such activities and discharge its day-to-day obligations. There is no assurance that the Company's funding initiatives will be successful.

Contractual cash flow requirements as at June 30, 2023 were as follows:

	year 1 **$**	**year 2** **$**	**year 3** **$**	**year 4** **$**	**> 4 years** **$**	**Total** **$**
Loans and borrowings	681,793	742,330	819,887	541,182	23,550	2,808,742
Trade payables	3,161,164	-	-	-	-	3,161,164
Income tax payables	2,614,772	-	-	-	-	2,614,772
Lease liability	299,861	347,276	400,418	418,601	-	1,466,156
Other current liabilities	3,530,023	-	-	-	-	3,530,023
Bridge Loan and Promissory Note	8,923,750	-	-	-	-	8,923,750
Deferred payments on acquisition	1,902,521	1,595,415	1,428,052	657,502	-	5,583,490
Convertible debenture	-	9,855,943	-	-	-	9,855,943
Total	**21,113,883**	**12,540,964**	**2,648,357**	**1,617,285**	**23,550**	**37,944,040**

Commodity price risk

The ability of the Company to raise funds to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of copper, gold, silver, cobalt, lithium, and graphite. The Company monitors copper, gold, silver, cobalt, lithium, and graphite prices to determine the appropriate course of action to be taken. The Company does not engage in programs to mitigate its exposure to commodity price risk. On June 30, 2023, the spot copper price was USD$ 3.72/lb.

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION

Operating segments are determined by the way information is reported and used by the Company's Chief Operating Decision Maker ("CODM") to review operating performance. The Company monitors the operating results of its operating segments independently for the purpose of making decisions about resource allocation and performance assessment.

The Company operates in three segments: one segment being the acquisition and exploration of mineral exploration and evaluation assets located in Canada, United States, Chile and South Korea, the second segment being the operations of ESI, located in Canada and United States, and the third segment being the corporate head office located in Canada.

The following table presents geographic information regarding operating segments.

For the period ended December 31, 2022	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Exploration and evaluation	-	21,980,842	2,183,909	2,132,799	20,357,428	-	**46,654,978**
Property, plant, equipment	14,513,388	-	-	6,700	38,564,090	4,772	**53,088,950**
Total assets	25,119,316	21,977,537	2,183,909	2,158,583	55,280,536	843,514	**107,563,395**
Total liabilities	8,944,215	-	-	3,314	11,652,336	22,474,952	**43,074,817**

For the period ended June 30, 2023	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Exploration and evaluation	-	22,084,565	2,152,737	2,076,342	26,191,716	-	**52,505,360**
Property, plant, equipment	13,853,423	-	-	6,241	40,697,247	4,772	**54,561,683**
Total assets	17,593,800	22,238,068	2,152,737	2,133,045	67,638,841	643,637	**112,400,128**
Total liabilities	8,590,980	-	-	57,925	13,477,917	29,428,939	**51,555,761**

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION (cont'd…)

For the six months ended June 30, 2022	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Revenue from contracts with customers	6,101,786	-	-	-	-	-	6,101,786
Total revenue	**6,101,786**	**-**	**-**	**-**	**-**	**-**	**6,101,786**
Depreciation of equipment	(1,447,244)	(13,221)	-	-	-	-	(1,460,465)
Impairment of exploration and evaluation assets	-	(33,091)	-	-	-	-	(33,091)
Management fees	-	(59,864)	(251,187)	-	-	(234,074)	(545,125)
Professional fees	-	-	(587)	-	-	(748,727)	(749,314)
Restricted stock units expense	-	-	-	-	-	(1,338,339)	(1,338,339)
Stock based compensation	-	-	-	-	-	(847,479)	(847,479)
Other costs and expenses	(4,160,194)	(4,459)	(353)	(2,059)	-	(1,086,519)	(5,253,584)
Loss from operations	**494,348**	**(110,635)**	**(252,127)**	**(2,059)**	**-**	**(4,255,138)**	**(4,125,611)**
Foreign exchange (loss) /gain	(180,977)	-	(216,508)	107,128	890,211	(353,420)	246,434
Finance costs	(370,430)	-	-	-	-	(376,777)	(747,207)
Gain on disposal of property and equipment	5,072,111	-	-	-	-	-	5,072,111
Other income	35,761	-	-	-	-	214,541	250,302
Gain (loss) for the year from continuing operations	**5,050,813**	**(110,635)**	**(468,635)**	**105,069**	**890,211**	**(4,770,794)**	**696,029**
Cumulative translation adjustment	387,823	-	-	-	(2,484,670)	-	(2,096,847)
Total net income (loss)	**5,438,636**	**(110,635)**	**(468,635)**	**105,069**	**(1,594,459)**	**(4,770,794)**	**(1,400,818)**

Non-cash items in net income (loss):

(Expressed in Canadian Dollars)

For the six months ended June 30, 2022	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Accretion	-	-	-	-	-	(376,777)	(376,777)
Depreciation of equipment	(1,447,244)	(13,221)	-	-	-	-	(1,460,465)
Impairment of exploration and evaluation assets	-	(33,091)	-	-	-	-	(33,091)
Restricted stock units expense	-	-	-	-	-	(1,338,339)	(1,338,339)
Stock based compensation	-	-	-	-	-	(847,479)	(847,479)
Recognition of flow-through premium	-	-	-	-	-	214,541	214,541
Gain on disposal of property and equipment	5,072,111	-	-	-	-	-	5,072,111
Unrealized forex translation loss (gain)	180,977	-	216,508	(107,128)	(890,211)	353,420	(246,434)
Total non- cash items in net income (loss)	**3,805,844**	**(46,312)**	**216,508**	**(107,128)**	**(890,211)**	**(1,994,634)**	**984,067**

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION (cont'd…)

For the six months ended June 30, 2023	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Revenue from contracts with customers	5,300,733	-	-	-	-	-	5,300,733
Total revenue	**5,300,733**	-	-	-	-	-	**5,300,733**
Depreciation of equipment	(1,397,044)	-	-	-	-	-	(1,397,044)
Impairment of exploration and evaluation assets	-	(9,993)	-	-	-	-	(9,993)
Management fees	(297,695)	-	(196,927)	-	-	(367,500)	(862,122)
Professional fees	-	-	-	-	-	(905,716)	(905,716)
Performance share units expense	-	-	-	-	-	(35,205)	(35,205)
Restricted stock units expense	-	-	-	-	-	(689,351)	(689,351)
Stock based compensation	-	-	-	-	-	(426,688)	(426,688)
Other costs and expenses	(4,159,737)	(1,827)	(323)	(73)	(31,038)	(759,112)	(4,952,110)
Loss from operations	**(553,743)**	**(11,820)**	**(197,250)**	**(73)**	**(31,038)**	**(3,183,572)**	**(3,977,496)**
Foreign exchange gain (loss)	70,988	-	(34,399)	90,973	(760,243)	58,072	(574,609)
Finance costs	(229,162)	-	-	-	(114,663)	(1,117,873)	(1,461,698)
Other income	86,378	-	-	-	-	-	86,378
(Loss) gain for the period from continuing operations	**(625,539)**	**(11,820)**	**(231,649)**	**90,900**	**(905,944)**	**(4,243,373)**	**(5,927,425)**
Cumulative translation adjustment	(306,190)	-	(49,344)	(148,863)	818,911	-	314,514
Total net loss	**(931,729)**	**(11,820)**	**(280,993)**	**(57,963)**	**(87,033)**	**(4,243,373)**	**(5,612,911)**

Non-cash items in net income (loss):

For the six months ended June 30, 2023	ESI	Exploration and Evaluation Properties				Corporate	Total
		Canada	USA	South Korea	Chile		
Accretion	-	-	-	-	(114,662)	(1,117,873)	(1,232,535)
Depreciation of equipment	(1,397,044)	-	-	-	-	-	(1,397,044)
Impairment of exploration and evaluation assets	-	(9,993)	-	-	-	-	(9,993)
Performance share units expense	-	-	-	-	-	(35,205)	(35,205)
Restricted stock units expense	-	-	-	-	-	(689,351)	(689,351)
Stock based compensation	-	-	-	-	-	(426,688)	(426,688)
Unrealized forex translation loss (gain)	72,021	-	(34,277)	93,155	549,980	(106,270)	574,609
Total non- cash items in net income (loss)	**(1,325,023)**	**(9,993)**	**(34,277)**	**93,155**	**435,318**	**(2,375,387)**	**(3,216,207)**

17. SUBSEQUENT EVENTS

There were no subsequent events as of August 29, 2023.