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**LI-METAL CORP. (FORMERLY EUROTIN INC.)**  
**CONDENSED INTERIM**  
**FINANCIAL STATEMENTS**  
**SIX MONTHS ENDED SEPTEMBER 30, 2021**  
**(EXPRESSED IN CANADIAN DOLLARS)**

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**(UNAUDITED)**

The accompanying unaudited condensed interim financial statements of the Corporation have been prepared by and are the responsibility of management. These unaudited condensed interim financial statements as of and for the six months ended September 30, 2021 have not been reviewed by the Corporation's auditors.

# Management's Responsibility for Financial Statements

The accompanying unaudited condensed interim financial statements of Li-Metal Corp. (formerly Eurotin Inc.) (the "Corporation") are the responsibility of management and the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in compliance with all applicable International Financial Reporting Standards.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence to ensure that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim financial statements and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "Maciej Jastrzebski"

Chief Executive Officer

Toronto, Canada  
November 29, 2021

(signed) "Carlos Pinglo"

Chief Financial Officer

**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Condensed Interim Statements of Financial Position**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

	As at September 30, 2021	As at March 31, 2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 3,885	\$ 3,734
Amounts receivable and other assets (note 5)	9,213	9,772
<b>Total assets</b>	<b>\$ 13,098</b>	<b>\$ 13,506</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Amounts payable and other liabilities	\$ 1,892,843	\$ 1,710,794
<b>Total liabilities</b>	<b>1,892,843</b>	<b>1,710,794</b>
<b>Equity</b>		
Share capital (note 6)	31,495,696	31,495,696
Contributed surplus	3,768,236	3,768,236
Deficit	(37,143,677)	(36,961,220)
<b>Total equity</b>	<b>(1,879,745)</b>	<b>(1,697,288)</b>
<b>Total equity and liabilities</b>	<b>\$ 13,098</b>	<b>\$ 13,506</b>

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

Nature of operations and going concern (note 1)  
Subsequent events (note 10)

**Approved on behalf of the Board:**

(Signed) "Maciej Jastrzebski", Director

(Signed) "Mark Wellings", Director

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**Li-Metal Corp. (Formerly Eurotin Inc.)****Condensed Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian dollars)****(Unaudited)**

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	<b>Three Months Ended September 30</b>		<b>Six Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Operating expenses</b>				
General and administrative (note 8)	\$ 77,120	\$ 87,201	\$ 182,457	\$ 171,295
<b>Total loss and comprehensive loss for the period</b>	\$ (77,120)	\$ (87,201)	\$ (182,457)	\$ (171,295)
<b>Basic and diluted loss per share (note 7)</b>	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
<b>Weighted average number of common shares outstanding</b>	<b>106,741,332</b>	106,741,332	<b>106,741,332</b>	106,741,332

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**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Condensed Interim Statements of Cash Flows**  
(Expressed in Canadian dollars)  
(Unaudited)

<b>Six Months Ended September 30,</b>	<b>2021</b>	<b>2020</b>
<b>Operating activities</b>		
Net loss for the period	\$ (182,457)	\$ (171,295)
Adjustments for:		
	(182,457)	(171,295)
Non-cash working capital items:		
Amounts receivable and other assets	559	21,447
Amounts payable and other liabilities	39,352	46,468
<b>Net cash used in operating activities</b>	<b>(142,546)</b>	<b>(103,380)</b>
<b>Financing activities</b>		
Advance from related party for shares to be issued (note 9)	142,697	101,271
<b>Net cash provided by financing activities</b>	<b>142,697</b>	<b>101,271</b>
<b>Net change in cash</b>	<b>151</b>	<b>(2,109)</b>
<b>Cash, beginning of the period</b>	<b>3,734</b>	<b>2,700</b>
<b>Cash, end of the period</b>	<b>\$ 3,885</b>	<b>\$ 591</b>

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

**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Condensed Interim Statements of Changes in Equity**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

	Number of shares	Share capital	Contributed surplus	Deficit	Total
<b>Balance, March 31, 2020</b>	<b>106,741,332</b>	<b>\$ 31,495,696</b>	<b>\$ 3,768,236</b>	<b>\$ (36,602,598)</b>	<b>\$ (1,338,666)</b>
Net loss and comprehensive loss for the period	-	-	-	(171,295)	(171,295)
<b>Balance, September 30, 2020</b>	<b>106,741,332</b>	<b>\$ 31,495,696</b>	<b>\$ 3,768,236</b>	<b>\$ (36,773,893)</b>	<b>\$ (1,509,961)</b>
<b>Balance, March 31, 2021</b>	<b>106,741,332</b>	<b>\$ 31,495,696</b>	<b>\$ 3,768,236</b>	<b>\$ (36,961,220)</b>	<b>\$ (1,697,288)</b>
Net loss and comprehensive loss for the period	-	-	-	(182,457)	(182,457)
<b>Balance, September 30, 2021</b>	<b>106,741,332</b>	<b>\$ 31,495,696</b>	<b>\$ 3,768,236</b>	<b>\$ (37,143,677)</b>	<b>\$ (1,879,745)</b>

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

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**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2021**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

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**1. Nature of operations and going concern**

Nature of operations

Li-Metal Corp. (formerly Eurotin Inc.) ("the "Company" or "Li-Metal") was incorporated under the Ontario Business Corporations Act on July 31, 2008 as a "Capital Pool Corporation" ("CPC"), as this term is defined in the policies of the TSX Venture Exchange (the "Exchange"). On April 18, 2011, Stannico Resources Inc. ("Stannico") completed a reverse takeover ("RTO") of Li-Metal. Li-Metal had no significant assets other than cash with no commercial operations at the time. On April 18, 2011, Li-Metal changed its year end to March 31.

Stannico Resources Inc. was incorporated on October 9, 2008 under the laws of the province of Ontario. The Company controlled 100% of the issued common shares of Minas De Estano De Espana, S.L.U. ("MESPA" or "MEE"), a private corporation incorporated on November 29, 2006 in Spain whose business is exploration, research, exploitation and utilization of mineral deposits, resources and substances, as well as the establishment of industries related to them, to obtain mining, industrial and chemical products and processed products in general.

On December 28, 2018, Li-Metal Corp. and Stannico Resources Inc. amalgamated.

The Company operates from its headquarters in Ontario, Canada. The address of the registered office is 77 King Street West, TD North Tower, Suite 700, Toronto ON M5K 1G6.

On January 4, 2019, the Company completed its plan of arrangement with Elementos Limited ("Elementos"). The plan provided for the transfer by Li-Metal to Elementos of 100% of the issued and outstanding securities in MESPA, a wholly owned subsidiary of Li-Metal and holder of Li-Metal's Oropesa tin project in Spain. In consideration for the acquisition of Oropesa, Elementos issued one billion convertible redeemable preference shares (the "CRPS") which were distributed pro-rata to Li-Metal's shareholders. Holders of common shares of Li-Metal (the "TIN Shareholders") as of December 31, 2018 (the "Record Date") received their pro-rata portion of the CRPS resulting in the issuance of 9.37 CRPS for every common share of Li-Metal (the "Common Shares") held by a TIN Shareholder. On the Record Date the shares of Elementos were trading on the Australian Stock Exchange at AUD\$0.005 per share, therefore the fair value of the consideration at that date was AUD\$5,000,000 which was equivalent to \$4,741,500.

In addition, Elementos assumed a shareholder loan (the "Wellings Loan") owing by the Company to the Company's CEO and major shareholder, Mark Wellings. The Wellings Loan is in respect of capital advanced by Mr. Wellings to fund operations of the Company and is for a principal amount of \$1 million.

On December 20, 2018, the Company received final approval from the Ontario Superior Court of Justice for the Arrangement.

On December 6, 2019, the Company and Elementos waived the Regional Mining Approval requirement.

On January 14, 2020, the Company announced that it had completed the final step in its transaction with Elementos and consequently the one billion convertible redeemable preference shares of Elementos previously issued to Li-Metal's shareholders have now been converted into common shares of Elementos.

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**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2021**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

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**1. Nature of operations and going concern (continued)**

*Going concern*

These unaudited condensed interim financial statements have been prepared based upon accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

As at September 30, 2021, the Company had working capital deficiency of \$1,879,745 (March 31, 2021 - \$1,697,288), had not yet achieved profitable operations, had accumulated losses of \$37,143,677 (March 31, 2021 - \$36,961,220) and expects to incur further losses in the development of its business.

On July 13, 2021, the Company and 2555663 Ontario Limited, doing business as Li-Metal ("Li-Metal") entered into an amalgamation agreement by way of a reverse take-over (the "RTO"). Upon completion of the RTO, the combined entity will continue to carry on the business of Li-Metal and will have its shares listed on the Canadian Securities Exchange.

In addition, Li-Metal intends to complete financings to raise aggregate gross proceeds of a minimum of US\$10,500,000 and Li-Metal also intends to complete a debt conversion of approximately \$1,950,000 of outstanding debt or debt expected to be owed to certain insiders and service providers.

There is no assurance that the amalgamation agreement the financing and the debt conversion described above will be completed as intended, therefore the Company may need further financing to operate over the next 12 months.

Management acknowledges that uncertainty remains over the ability of the Company to meet its funding requirements but believes that financing will be available and continues to explore debt and equity financing options that would provide the Company with sufficient cash to continue with its exploration activities. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. These circumstances indicate the existence of material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern.

There is, however, no assurance that the sources of funding described above will be available to the Corporation, or that they will be available on terms and timely basis that are acceptable to the Corporation. Accordingly, these financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications used that would be necessary should the Corporation be unable to continue as a going concern. These adjustments could be material.

**2. Basis of presentation and statement of compliance**

*Statement of compliance*

The Corporation 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, 2021, 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 March 31, 2021, except as noted below.



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**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2021**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

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**2. Basis of presentation and statement of compliance (continued)**

*Accounting standards and interpretations issued but not yet effective*

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

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

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

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

**3. Capital risk management**

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, which comprises share capital, contributed surplus, and deficit, which at September 30, 2021, totalled negative \$1,879,745 (March 31, 2021 - \$1,697,288).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its exploration and evaluation assets. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the period ended September 30, 2021.

**4. Financial risk management**

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2021**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

**4. Financial risk management (continued)**

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with select major Canadian chartered banks and the amount receivable that are related to value-added taxes receivable and prepaid expenses from which management believes the risk of loss to be minimal.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. The Company prepares annual capital expenditure budgets, which are monitored and updated as required. In addition, the Company requires authorization for expenditures on projects to assist with the management of capital. The Company's financial liabilities comprise accounts payable and other liabilities, which are due within normal trade terms, generally 30 days.

(iii) Market risk

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

(a) Interest rate risk

The Company currently does not have any interest bearing debt and, as such, the Company's current exposure to interest rate risk is minimal as at September 30, 2021.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and the Company holds cash balances in Euro which could give rise to exposure to foreign exchange risk. It is not the Company's policy to hedge its foreign currency.

**5. Amounts receivable and other assets**

	<b>As at September 30, 2021</b>	<b>As at March 31, 2021</b>
Amounts receivable	\$ -	\$ 2,809
Value-added taxes receivable	<b>4,961</b>	2,711
Prepaid expenses	<b>4,252</b>	4,252
	<b>\$ 9,213</b>	<b>\$ 9,772</b>

**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2021**  
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**6. Share capital**

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

At September 30, 2021, the issued share capital amounted to \$31,495,696. The changes in issued share capital for the periods were as follows:

	Number of common shares	Amount
Balance, March 31, 2020, March 31, 2021 and September 30, 2021	106,741,332	\$ 31,495,696

**7. Net loss per common share**

The calculation of basic and diluted loss per share for the six months ended September 30, 2021 was based on the loss attributable to common shares of \$182,457 (six months ended September 30, 2020 - \$171,295) and the weighted average number of common shares outstanding of 106,741,332 (three months ended September 30, 2020 - 106,741,332).

**8. General and administrative**

Three Months Ended September 30,	Three Months Ended September 30,		Six Months Ended September 30,	
	2021	2020	2021	2020
Salaries and benefits	\$ 41,250	\$ 42,315	\$ 96,491	\$ 83,565
Directors fees	1,375	10,000	11,375	20,000
Professional fees	23,715	21,766	51,692	31,265
Administrative	4,028	3,213	5,330	22,969
Investor relations	7,792	7,677	18,613	11,441
Foreign exchange gain	(1,040)	2,230	(1,044)	2,055
	\$ 77,120	\$ 87,201	\$ 182,457	\$ 171,295

**9. Related party balances and transactions**

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties) and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) The Company entered into the following transactions with related parties:

During the three and six months ended September 30, 2021, Mark Wellings, director and officer of the Company advanced \$72,697 and \$142,697, respectively (three and six months ended September 30, 2020 - \$21,271 and \$101,271) to the Company for shares to be issued in the future. As at September 30, 2021, \$1,382,197 (March 31, 2021 - \$1,309,500) was outstanding for shares to be issued and this amount was included in the accounts payable and accrued liabilities on the unaudited condensed interim statements of financial position.

**Li-Metal Corp. (Formerly Eurotin Inc.)**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2021**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

**9. Related party balances and transactions (continued)**

(b) Remuneration of Directors and key management personnel of the Corporation was as follows:

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Salaries, benefits and director fees <sup>(1)</sup>	\$ 49,950	\$ 51,250	\$ 101,200	\$ 102,500

<sup>(1)</sup> Other than the Chief Financial Officer, the board of directors and select officers do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services and officers are also entitled to stock options for their services. During the three months ended September 30, 2021, the director fees have been accrued and included in the Company's current liabilities and since his appointment on November 2015, Mark Wellings, Director and CEO does not receive any compensation.

(c) To the knowledge of the directors and senior officers of the Company, as at September 30, 2021, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all of the common shares of the Company other than Mark Wellings, the President, CEO and a director of the Company.

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

The Company is not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company. To the knowledge of the directors and senior officers, the Company is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

**10. Subsequent events**

On October 25, 2021, the Company announced the completion of the reverse takeover transaction pursuant to which 2555663 Ontario Limited, doing business as Li-Metal ("Li-Metal") acquired Eurotin Inc ("Eurotin"). Under the terms of an amalgamation agreement previously entered into between Eurotin, Li-Metal and 2848302 Ontario Inc., a wholly owned subsidiary of Eurotin ("Subco"), the RTO was completed by way of a three-cornered amalgamation under the laws of the Province of Ontario. Pursuant to the RTO, Subco amalgamated with Li-Metal, with Li-Metal surviving as a whollyowned subsidiary of Eurotin, known as Li-Metal North America Inc. In addition, Eurotin underwent a 125 to 1 share consolidation and changed its name to "Li-Metal Corp.". Immediately following the closing of the RTO, the Resulting Issuer and Li-Metal North America Inc. amalgamated by way of a short-form amalgamation under the laws of the Province of Ontario, with the Resulting Issuer surviving the amalgamation. The Resulting Issuer now holds all of Li-Metal's assets and conducts the business of Li-Metal under the Li-Metal name.