

United Battery Metals Corp.
Condensed Consolidated Interim Financial Statements
Six Months Ended January 31, 2020 and 2019

(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

These unaudited condensed consolidated interim financial statements of United Battery Metals Corp. for the six months ended January 31, 2020, have been prepared by management and approved by the Board of Directors. These unaudited condensed consolidated interim financial statements have not been reviewed by the Company's external auditors.

United Battery Metals Corp.
Condensed Consolidated Interim Statement of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Notes	January 31, 2020	July 31, 2019
ASSETS			
Current assets			
Cash		\$ 5,267	\$ 68,167
Receivables		1,883	3,560
Prepaid expenses	3	6,062	12,412
		13,212	84,139
TOTAL ASSETS		\$ 13,212	\$ 84,139
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5,8	\$ 58,977	\$ 21,804
Loans payable	6	15,187	-
TOTAL LIABILITIES		74,164	21,804
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	7	4,043,706	4,043,706
Reserve	7	708,463	708,463
Accumulated other comprehensive loss		(1,051)	(1,076)
Deficit		(4,812,070)	(4,688,758)
SHAREHOLDERS' EQUITY (DEFICIENCY)		(60,952)	62,335
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		\$ 13,212	\$ 84,139

Nature of operations and going concern (Note 1)

Subsequent event (Note 10)

Approved and authorized on behalf of the Board on March 23, 2020:

"Faizaan Lalani" Director "Michael Dehn" Director

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

United Battery Metals Corp.
Condensed Consolidated Interim Statement of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	For the three months ended January 31, 2020	For the three months ended January 31, 2019	For the six months ended January 31, 2020	For the six months ended January 31, 2019
Expenses				
General and administration	\$ 586	\$ 5,001	1,755	8,167
Investor relations	-	899	300	10,436
Management and consulting fees	24,000	61,532	80,000	101,163
Marketing	-	417,819	-	2,047,694
Professional fees	13,876	47,772	23,622	75,496
Project generation	-	-	3,762	-
Public company costs	1,875	1,875	3,750	4,183
Regulatory and transfer agent fees	7,135	6,819	10,123	13,815
Share-based payments	-	334,585	-	530,665
Travel	-	-	-	1,073
Total expenses	(47,472)	(876,302)	(123,312)	(2,792,692)
Net loss	\$ (47,472)	\$ (876,302)	(123,312)	(2,792,692)
Other comprehensive loss				
Exchange difference on translation	-	(1,086)	25	(1,199)
Total comprehensive loss	\$ (47,472)	\$ (877,388)	\$ (123,287)	\$ (2,793,891)
Basic and diluted loss per share	\$ (0.01)	\$ (0.24)	\$ (0.03)	\$ (0.82)
Weighted average number of common shares outstanding	3,624,632	3,620,111	3,624,632	3,396,326

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

United Battery Metals Corp.
Condensed Consolidated Interim Statement of Changes in Shareholders' Equity (Deficiency)
(Unaudited - Expressed in Canadian Dollars)

	Notes	Share capital		Reserve	Accumulated other comprehensive loss	Deficit	Total
		Number of shares	Amount				
Balance at July 31, 2018		2,290,614	\$ 1,471,494	\$ 10,609	\$ -	\$ (358,611)	\$ 1,123,492
Shares issued, private placement		606,882	2,063,349	-	-	-	2,063,349
Share issuance costs		-	(40,299)	-	-	-	(40,299)
Finders warrants		-	(31,615)	31,615	-	-	-
Warrants exercised		727,136	580,777	-	-	-	580,777
Share-based payments		-	-	530,665	-	-	530,665
Exchange difference on translation		-	-	-	(1,199)	-	(1,199)
Net loss for the period		-	-	-	-	(2,792,692)	(2,792,692)
Balance at January 31, 2019		3,624,632	4,043,706	572,889	(1,199)	(3,151,303)	1,464,093
Balance at July 31, 2019		3,624,632	4,043,706	708,463	(1,076)	(4,688,758)	62,335
Exchange difference on translation		-	-	-	25	-	25
Net loss for the period		-	-	-	-	(123,312)	(123,312)
Balance at January 31, 2020		3,624,632	\$ 4,043,706	\$ 708,463	\$ (1,051)	\$ (4,812,070)	\$ (60,952)

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

United Battery Metals Corp.
Condensed Consolidated Interim Statement of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	For the six months ended January 31, 2020	For the six months ended January 31, 2019
Operating activities		
Net loss for the period	\$ (123,312)	\$ (2,792,692)
Adjustments for non-cash items:		
Share-based payments	-	530,665
Accrued interest	187	-
Changes in non-cash working capital items:		
Receivables	1,677	(3,559)
Prepaid expenses	6,350	(25,122)
Accounts payable and accrued liabilities	44,673	11,042
Net cash flows used in operating activities	(70,425)	(2,279,666)
Investing activities		
Exploration and evaluation assets	-	(90,735)
Net cash flows used in investing activities	-	(90,735)
Financing activities		
Shares issued	-	2,063,349
Share issuance costs	-	(39,960)
Warrants exercised	-	580,777
Proceeds from loan	7,500	-
Net cash flows provided by financing activities	7,500	2,604,166
Foreign exchange impact on cash	25	(1,199)
Increase (decrease) in cash	(62,900)	232,566
Cash, beginning of the period	68,167	70,234
Cash, end of the period	\$ 5,267	\$ 302,800

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

1. Nature of operations and going concern

United Battery Metals Corp. (formerly United Lithium Corp.) (the “Company”) was incorporated on April 28, 2017 under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in the United States.

The head office and principal address of the Company is located at 789 West Pender Street, Suite 1080, Vancouver, British Columbia, Canada, V6C 1H2. The Company’s registered and records office address is 789 West Pender Street, Suite 1080, Vancouver, British Columbia, Canada, V6C 1H2.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. At January 31, 2020, the Company had not achieved profitable operations, had a net loss of \$123,312 for the period ended January 31, 2020, an accumulated deficit of \$4,812,070 at January 31, 2020 and expects to incur further losses in the development of its business, all of which indicates a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance that it will be able to do so in the future.

2. Significant accounting policies and basis of preparation

These condensed consolidated interim financial statements were authorized for issue by the directors of the Company on March 23, 2020.

Statement of compliance with International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. Certain information and note disclosures normally included in the audited annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed. As a result, these condensed consolidated interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended July 31, 2019.

Basis of preparation

These condensed consolidated interim financial statements of the Company have been prepared on a historical cost basis except for certain financial assets measured at fair value. These condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise specified. The financial statements of the Company reflect the consolidation of the financial results of the wholly owned entities controlled since existence.

United Battery Metals Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended January 31, 2020 and 2019
(Unaudited – Expressed in Canadian Dollars)

2. Significant accounting policies and basis of preparation (cont'd)

Consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its controlled subsidiaries. Details of controlled subsidiaries are as follows:

	Country of incorporation	Percentage owned*	
		January 31, 2020	July 31, 2019
Greenhat Mineral Holdings Ltd.	U.S.	100%	100%
Greenhat Minerals Holdings (US) Ltd.	U.S.	100%	100%

*Percentage of voting power is in proportion to ownership.

New accounting standards and interpretations

Leases

On August 1, 2019, the Company adopted IFRS 16. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The main provision of IFRS 16 is the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases that were previously classified as operating leases. Under IFRS 16, a lessee is required to do the following: (i) recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet; and (ii) recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant, as the right-of-use asset is depreciated and the lease liability is accreted using the effective interest method. The adoption of IFRS 16 had no impact on the Company's financial statements as the Company has no leases.

Other accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company's condensed consolidated interim financial statements.

3. Prepaid expenses

Prepaid expenses consist primarily of transfer agent fees and prepaid insurance fees for the periods ended January 31, 2020 and 2019.

4. Exploration and evaluation assets

Wray Mesa Project – Montrose County, Colorado, USA

In July 2018, the Company entered into a share purchase agreement to acquire 100% of the outstanding shares of Greenhat Mineral Holdings Ltd. ("Greenhat"). Greenhat holds the rights to the Wray Mesa project, an exploration stage uranium/vanadium property located in Montrose County, Colorado, USA. In consideration for the shares of Greenhat, the Company paid \$50,000 in cash and issued 2,050,000 common shares of the Company with a fair value of \$1,025,000, for total consideration of \$1,075,000. The acquisition costs of Greenhat were allocated entirely to the property.

On July 31, 2019, the Company decided not to proceed with the project and recorded an impairment of \$1,238,251 in the consolidated statements of loss and comprehensive loss.

United Battery Metals Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended January 31, 2020 and 2019
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5. Accounts payable and accrued liabilities

	January 31, 2020	July 31, 2019
Accounts payable	\$ 22,477	\$ 1,804
Amounts due to related parties (Note 8)	28,000	-
Accrued liabilities	8,500	20,000
Total accounts payable and accrued liabilities	\$ 58,977	\$ 21,804

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

6. Loans payable

On November 26, 2019, the Company received a loan in the amount of \$7,500. The loan is secured by a promissory note and bears interest at 8% per annum. Principal and any unpaid interest are due on November 25, 2020. During the period ended January 31, 2020, the Company recorded \$110 in interest on the loan. The balance of the loan at January 31, 2020 is \$7,610.

On December 16, 2019, the Company received a loan in the amount of \$7,500. The loan is secured by a promissory note and bears interest at 8% per annum. Principal and any unpaid interest are due on December 15, 2020. During the period ended January 31, 2020, the Company recorded \$77 in interest on the loan. The balance of the loan at January 31, 2020 is \$7,577.

7. Share capital and reserves

Authorized share capital

An unlimited number of common shares without par value.

Issued share capital

At January 31, 2020, there were 3,624,632 (July 31, 2019 – 3,624,632) issued and fully paid common shares.

During the period ended January 31, 2020, no shares were issued.

Share consolidation

Subsequent to January 31, 2020, the Company consolidated its common shares on the basis of 1 new share for every 7 old shares (the “Consolidation”). Prior to the Consolidation, the Company had 25,372,544 common shares issued and outstanding. No fractional shares were issued pursuant to the Consolidation, and subsequent to the Consolidation, the Company had 3,624,632 common shares issued and outstanding.

All comparative references herein to the number of shares, options, warrants, weighted average number of common shares and loss per share have been restated for the Consolidation, including all such numbers presented for the prior year.

Stock options

On June 19, 2017, the Company implemented a stock option plan (the “Plan”), enabling the Board to grant stock options to purchase common shares in the capital of the Company from time to time to eligible persons (collectively, “Optionees”) in consideration of such Optionees providing services to the Company or a subsidiary of the Company. The number of stock options granted by the Company to Optionees is determined by the Board, within the guidelines established by the Plan. The stock options enable such persons to purchase common shares at a price fixed under such guidelines.

United Battery Metals Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended January 31, 2020 and 2019
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7. **Share capital and reserves** (cont'd)

Stock options (cont'd)

The aggregate number of shares that may be issued pursuant to options granted under the Plan, unless otherwise approved by shareholders, may not exceed that number which is equal to 10% of the issued and outstanding shares of the Company at the time of the grant and the term of any stock option will not exceed ten years.

Share-based payments of \$Nil (2018 - \$530,655) were recorded in the period ended January 31, 2020.

During the period ended January 31, 2019, the Company granted 100,000 stock options to directors and officers of the Company at an exercise price of \$6.30 per share, exercisable for five years. The fair value of the options granted was \$584,258 determined using the Black Scholes Option-Pricing Model with the following assumptions: risk free rate of 2.32%, volatility of 158.2%, and expected life of 5 years.

The following table summarizes information about the stock option transactions for the period ended January 31, 2020:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, July 31, 2019	128,568	5.67
Stock options cancelled	(100,000)	6.30
Balance, January 31, 2020	28,568	3.50

Stock options outstanding at January 31, 2020 are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price (\$)	Expiry Date
28,568	28,568	3.50	July 9, 2023
28,568	28,568		

Warrants

The following table summarizes information about the warrant transactions for the period ended January 31, 2020:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, July 31, 2019	316,095	4.69
Expired	(281,424)	4.20
Balance, January 31, 2020	34,671	8.75

Warrants outstanding at January 31, 2020 are as follows:

Number of Warrants	Exercise Price (\$)	Expiry Date
34,671	8.75	November 6, 2020

7. Share capital and reserves (cont'd)

Reserves

Stock option

The stock option reserves record items recognized as share-based payments until such time that the stock options are exercised, at which time the corresponding amount is transferred to share capital.

8. Related party transactions

Balances

As at January 31, 2020, \$28,000 (July 31, 2019 - \$nil) is due to related parties and is included in accounts payable and accrued liabilities (Note 5).

Transactions

During the six months ended January 31, 2020 and 2019, the following amounts were incurred with directors and officers of the Company:

	January 31, 2020	January 31, 2019
Management fees paid to a company controlled by a former director	32,000	27,000
Management fees paid to the former CEO	-	76,794
Management fees paid to the CEO	48,000	28,000
Share-based payments to former directors and officers	-	530,666
	\$ 80,000	\$ 662,460

9. Financial risk and capital management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts at a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Credit risk is assessed as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to necessary levels of equity funding. Liquidity risk is assessed as high.

9. Financial risk and capital management (cont'd)

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. As at January 31, 2020, there were \$264 in US dollar denominated financial assets therefore foreign currency risk is not significant.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risks.

Capital Management

The Company's policy is, if permitted by market conditions, to maintain a strong capital base so as to support investor and creditor confidence and support future development of the business. The capital structure of the Company consists of equity, comprising share capital and reserves net of accumulated deficit. The Company is not subject to any externally imposed capital requirements. There has been no change in the Company's management of capital during the period ended January 31, 2020.

Fair value

The Company's financial instruments consist of cash and trade payables. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these investments. Cash is measured at fair value using Level 1 inputs.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

10. Subsequent event

On February 18, 2020, the Company completed a consolidation of its authorized and issued common shares on the basis of a one post-consolidation common share for every seven pre-consolidation common shares. After consolidation, 3,624,632 common shares were issued and outstanding.