EV Nickel Inc.

Condensed Interim Financial Statements

For the three and nine months ended March 31, 2023 and 2022

[Unaudited - expressed in Canadian Dollars]

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of EV Nickel Inc. (“the Company”) for the three and nine months ended March 31, 2023, have been prepared by management and have not been reviewed by the Company’s external independent auditors.

EV Nickel Inc.
Interim Financial Statements
For the three and nine months ended March 31, 2023 and 2022
(Unaudited - expressed in Canadian Dollars)

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EV Nickel Inc.
Condensed Interim Statements of Financial Position
As at March 31, 2023 and June 30, 2022
(Unaudited - expressed in Canadian Dollars)

	Note		As at March 31, 2023		June 30, 2022
Assets					
Current assets					
Cash		**$**	**348,633**	$	1,529,742
Other receivables and HST recoverable			**317,719**		414,128
Prepaid expenses			**193,482**		160,965
			859,834		2,104,835
Payment advance	7		**360,250**		344,950
Equipment	5		**34,624**		43,020
Right-of-use assets	6		**43,018**		21,557
Total assets		**$**	**1,297,726**	$	2,514,362
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities		**$**	**612,731**	$	1,436,973
Due to related parties	7		**1,794**		68,540
Current portion of lease liability	6		**4,712**		4,719
Flow-through share liability	8		**208,455**		-
			827,692		1,510,232
Lease liability	6		**-**		5,377
Total liabilities		**$**	**827,692**	$	1,515,609
Shareholders' equity					
Share capital	8	**$**	**9,618,633**	$	7,528,846
Warrants reserve	8		**1,982,965**		1,676,624
Deficit			**(11,131,564)**		(8,206,717)
Total shareholders' equity		**$**	**470,034**	$	998,753
Total liabilities and shareholders' equity		**$**	**1,297,726**	$	2,514,362

Nature of Operations and Going Concern (Note 1)

Commitments (Note 13)

Approved by:

(Signed) "Sean Samson," Director

(Signed) "Gadi Levin," Director

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

EV Nickel Inc.
Condensed Interim Statements of Loss and Comprehensive Loss
For the three and nine months ended March 31, 2023 and 2022
(Unaudited - expressed in Canadian Dollars)

	Note		**Three months ended March 31, 2023**		Three months ended March 31, 2022		**Nine months ended March 31, 2023**		Nine months ended March 31, 2022
Operating expenses									
Exploration expenditures	4, 7	**$**	**809,340**	$	385,708	**$**	**2,386,901**	$	1,472,395
General and administrative	7		**317,805**		312,098		**1,096,301**		489,068
Stock based compensation	7, 8		**62,342**		-		**114,975**		-
Operating loss			**(1,189,487)**		(697,806)		**(3,598,177)**		(1,961,463)
Other income									
Interest income	7		**5,100**		-		**15,531**		-
Flow through premium	8		**163,140**		48,095		**459,324**		57,058
Part XII.6 tax			**-**		-		**(1,525)**		-
Government funding	9		**140,000**		-		**200,000**		-
Net loss and comprehensive loss for the period		**$**	**(881,247)**	$	(649,711)	**$**	**(2,924,847)**	$	(1,904,405)
Weighted average number of shares, basic and diluted			**51,396,937**		30,355,667		**46,487,147**		27,572,824
Loss per share, basic and diluted		**$**	**(0.02)**	$	(0.02)	**$**	**(0.06)**	$	(0.07)

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

(Unaudited - expressed in Canadian Dollars)

	Number of common shares		Share capital		Reserve		Deficit		Total
Balance, June 30, 2021	**26,813,467**	**$**	**4,020,766**	**$**	**435,634**	**$**	**(2,973,762)**	**$**	**1,482,638**
Founders' shares	(3,500,000)	$	(35)	$	-	$	-	$	(35)
Common shares issued at IPO	5,600,000		2,683,168		1,516,832		-		4,200,000
Flow-through shares issued at IPO	1,442,200		1,240,292		-		-		1,240,292
Flow-through share premium	-		(158,642)		-		-		(158,642)
Share issue costs	-		(1,646,052)		-		-		(1,646,052)
Share issue costs, non-cash	-		(398,023)		398,023		-		-
Broker warrants issued at IPO	-		4,200		-		-		4,200
Loss for the period	-		-		-		(1,904,405)		(1,904,405)
Balance, March 31, 2022	**30,355,667**	**$**	**5,745,674**	**$**	**2,350,489**	**$**	**(4,878,167)**	**$**	**3,217,996**

Balance, June 30, 2022	**32,855,667**	**$**	**7,528,846**	**$**	**1,676,624**	**$**	**(8,206,717)**	**$**	**998,753**
Private placement	18,541,270		2,981,215		260,136		-		3,241,351
Flow-through share premium	-		(667,779)		-		-		(667,779)
Share issue costs	-		(253,965)		(38,454)		-		(292,419)
Share issue costs, non-cash	-		(35,257)		35,257		-		-
Stock based compensation	-		65,573		49,402		-		114,975
Comprehensive loss for the period	-		-		-		(2,924,847)		(2,924,847)
Balance, March 31, 2023	**51,396,937**	**$**	**9,618,633**	**$**	**1,982,965**	**$**	**(11,131,564)**	**$**	**470,034**

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

(Unaudited - expressed in Canadian Dollars)

	Notes		**March 31, 2023**		March 31, 2022
Cash used from operations					
Net loss for the period		**$**	**(2,924,847)**	$	(1,904,405)
Stock based compensation	7, 8		**114,975**		-
Depreciation	5, 6		**20,156**		12,316
Flow through premium			**459,324**		-
Changes in non-cash working capital:					
Prepaid expenses			**(42,942)**		(174,350)
Other receivables			**68,855**		-
HST recoverable			**27,554**		(256,815)
Accounts payable and accrued liabilities			**(847,270)**		206,067
Due to related parties	7		**(56,320)**		48,896
Net cash used in operations			**(3,157,488)**		(2,068,291)
Cash generated from investing					
Purchase of equipment	5		**-**		(24,950)
Acquisition of right-of-use assts	6		**(34,221)**		(67,262)
Net cash used in investing			**(34,221)**		(92,212)
Cash generated from financing					
Financing proceeds	8		**2,322,703**		5,444,457
Share issuance cost	7		**(292,419)**		(1,646,052)
Lease payments	6		**(4,384)**		(488)
Payment advance	7		**(15,300)**		-
Due from related parties			**-**		(160,000)
Accounts payable for share issue costs	8		**23,028**		88,673
Net cash generated from financing			**2,010,600**		3,726,590
Net change in cash			**(1,181,109)**		1,566,087
Cash, beginning of period			**1,529,742**		1,374,506
Cash, end of period		**$**	**348,633**	$	2,940,593

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

1. Nature of Operations and Going Concern

EV Nickel Inc. (the "**Company**") was incorporated on January 28, 2021 under the Business Corporations Act (Ontario). The Company was formed for the purposes of exploring, development, and acquisition of mineral properties. On May 25, 2021, the Company filed on SEDAR materials related to its planned Initial Public Offering. These materials included an Independent NI 43-101 Technical Report on the Langmuir Nickel Project, prepared by Caracle Creek International Consulting Inc. and a preliminary long form prospectus (the "Preliminary Prospectus"). The Preliminary Prospectus was filed under Multilateral Instrument 11-102 Passport System in each of the provinces of Canada other than Quebec. The final long form prospectus was filed on November 19, 2021 and an updated technical report was also filed on November 19, 2021. The Company completed its initial public offering on December 2, 2021. The Company is listed on the TSX-Venture Exchange (the "TSX.V"), trading under the symbol "EVNI." The registered, head, and records office of the Company is Suite 200, 150 King Street West, Toronto, Ontario, M5H 1J9.

For the Company's exploration stage mineral properties, the Company is in the process of exploration and has not yet determined whether they contain economically recoverable reserves. The recoverability of amounts shown for exploration stage mineral properties is dependent upon the discovery of economically recoverable reserves in its mineral properties, the ability of the Company to obtain the necessary financing to complete development, maintenance of the Company's interest in the underlying mineral claims and upon future profitable production from or the proceeds from the disposition of its mineral properties.

In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. For the nine months ended March 31, 2023, the Company has a net loss of $(2,924,847) and an accumulated deficit of $(11,131,564).

These circumstances create material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern.

2. Significant Accounting Policies

The accounting policies followed in these condensed interim financial statements are consistent with those disclosed in Note 2 of the Company's financial statements for the year ended June 30, 2022.

Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as applicable to financial reports including International Accounting Standard ("IAS") 34 Financial Reporting.

These statements have been approved by the Board of Directors on May 29, 2023.

Basis of preparation

These condensed interim financial statements have been prepared by management on a going concern basis assuming the Company will continue in operation for at least the next twelve months and will be able to realize its assets and discharge its liabilities in the normal course of operations.

3. Critical Accounting Judgements and Estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the Interim Financial Statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Allocation of flow-through funds

The Company, from time to time, finances a potion of its planned exploration and development activities through the issue of flow-through shares. Under the terms of the flow-through agreements, the income tax deductions attributable to the capital expenditures are renounced to the subscribers. The difference between the subscription price of the flow-through shares and the common share prices at the date of issuance is initially recognized as a liability on the statement of financial position. Any difference between the liability as a result of the premium paid on the flow-through share and deferred tax liability is recognized in comprehensive loss as a deferred tax expense or recovery.

Eligible flow-through expenditures

The Company is required to spend proceeds received from the issuance of flow-through units or shares on qualifying Canadian exploration expenditures. Management judgment is applied in determining whether qualified expenditures have been incurred. Differences in judgment between management and regulatory authorities may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

4. Mineral Exploration and Evaluation

The Shaw Dome Project

a) Langmuir

The Langmuir Property comprises 212 claims near Timmins, Ontario that hosts a nickel and copper mineral resource and other prospective nickel/copper targets.

On March 4, 2021, the Company entered into an agreement under which it would acquire a 100% interest (subject to an existing royalty agreement for a 2% net-smelter royalty) in the Langmuir Property from Rogue Resources Inc. ("Rogue") in exchange for a $150,000 cash payment and the issuance of 6,666,667 common shares of the Company.

One of the conditions of closing was the completion of a concurrent financing at a price of $0.30 per share. The Company closed the concurrent financing on March 31, 2021 (Note 8) and paid $150,000 cash and issued 6,666,667 common shares, valued at $2,000,000 by reference to the subscription price of the concurrent financing, in exchange for the interest in the Langmuir Property.

Under the terms of the agreement, within 24 months of the closing date (now extended to the end of 2023, see below), the Company must complete and announce the results of an updated mineral resource estimate that classifies the nickel deposits acquired as either equal to or above 0.6% nickel or below 0.6% nickel. The Company will then have the option to pay the “EV Resource Payment”:

The EV Resource Payment is to be calculated as:

1) $1.00 for each 30 nickel equivalent pounds of indicated mineral resources with a grade of 0.6% nickel or greater which are in excess of the 2010 Mineral Resource Estimate, plus

2) $1.00 for each 1,500 nickel equivalent pounds of indicated mineral resources with a grade of less than 0.6% nickel;

to an aggregate maximum of $5,000,000.

At the Company’s discretion, the EV Resource Payment may be paid in cash or common shares of the Company based on the 10-day volume weighted average share price.

If the Company fails to complete and announce the updated mineral resource estimate within 24 months of the closing date or it elects not to make the EV Nickel Payment, Rogue has the option to reacquire a 51% interest in the Langmuir Property for $150,000.

On March 28, 2022, the Company amended the Langmuir Property purchase agreement, extending the required timing for the EV Resource Payment from within 24 months of the closing date (which would have been March 26, 2023) to the end of 2023. In exchange for this amendment and the added time, the Company has agreed to provide the vendor with access to an advance on the EV Resource Payment. The advance carries an interest rate of 6%. At March 31, 2023, $340,000 has been advanced to Rogue excluding interest costs.

b) The Shaw Dome Property

On April 1, 2022, the Company completed the acquisition of properties within and to the south of the Shaw Dome, spread across 12 townships (the "Acquisition Package" or the "Shaw Dome Acquisition Properties") incorporating 942 staked mining claims over almost 21,000 hectares of prospective land to the north, west and south of the Company’s Langmuir Project.

The Acquisition Package was acquired from 2812794 Ontario Inc. (the "Vendor”). The purchase price for 100% ownership of the Acquisition Package was $350,000 (paid) plus 2,500,000 of the Company’s shares valued at $650,000 (paid).

In addition to the consideration paid, the Company and the Vendor entered into a 2.75% net-smelter royalty agreement with respect to certain Shaw Dome properties and a 2.75% net-smelter royalty agreement with respect to a cluster of properties known as the “Groves” properties. Pursuant to the Royalty Agreements, the Company may re-purchase 50% of the royalties granted thereunder for $1,850,000 in the case of the Shaw Dome Royalty Agreement and $1,500,000 in the case of the Groves Royalty Agreement.

For ease of reference, after this transaction the Company refers to Langmuir and the Shaw Dome Acquisition Properties in combination as the “Shaw Dome Project.”

The Company’s exploration expenditures for the nine months ended March 31, 2023 totaled $2,386,901 as compared to $1,472,395 spent for the same period in 2022.

(Unaudited - expressed in Canadian Dollars)

5. Equipment

Balance as at June 30, 2021	$	24,890
Additions		24,950
Depreciation		(6,820)
Balance as at June 30, 2022	$	43,020
Depreciation		(8,396)
Balance as at March 31, 2023	**$**	**34,624**

6. Right-Of-Use Assets

Value of right-of-use assets as at June 30, 2021	$	-
Additions		27,408
Depreciation		(6,851)
Value of right-of-use assets as at June 30, 2022	$	21,557
Additions		34,221
Depreciation		(11,760)
Value of right-of-use assets as at March 31, 2023	**$**	**43,018**

Lease liability

Lease liability recognized as at June 30, 2021	$	-
Additions		28,408
Lease deposit		(17,372)
Lease payments		(1,427)
Interest expense		487
Lease liability recognized as at June 30, 2022	$	10,096
Additions		34,221
Lease payments		(41,894)
Interest expense		2,288
Lease liability recognized as at March 31, 2023	**$**	**4,712**

Current portion	$	4,712
Non-current portion		-
	$	**4,712**

(Unaudited - expressed in Canadian Dollars)

7. Related Party Transactions and balances

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and consist of its directors, President and Chief Executive Officer (the "CEO"), Chief Financial Officer and Vice President, Exploration. Compensation of the directors, officers and/or companies controlled by these individuals for the nine months ended March 31, 2023, and 2022, were as follows:

Key management compensation		**2023**		2022
Exploration expenditures	**$**	**121,000**	$	74,000
General and administrative		**219,463**		163,313
Stock based compensation		**96,143**		-
Total compensation of key management personnel	**$**	**436,606**	$	237,313

In the year ended June 30, 2022, the Company loaned $340,000 to Rogue, a related company, as part of an agreed advance against the EV Resource Payment (Note 4). This advance carries an interest rate of 6% and will be settled by the deadline for payment of the EV Resource Payment.

On January 11, 2022, the CEO sold equipment to the Company for total cash consideration of $22,600. On January 24, 2023, the Company entered into short-term lease transactions for two additional vehicles with the CEO which were subsequently purchased by the Company for total cash consideration of $34,221. All sales were transacted at fair market value.

Amounts due to related parties amounted to $1,794 as at March 31, 2023 (June 30, 2022 - $68,540). Amounts due to related parties are unsecured, non-interest bearing and have no specific repayment terms.

8. Share Capital

The Company is authorized to issue an unlimited number of common shares.

On October 1, 2021, the Company cancelled 3,500,000 of the common shares it had issued on March 31, 2021, valued at $0.0001 per share, pursuant to an agreement with the Ontario Securities Commission.

On December 2, 2021, the Company completed its initial public offering ("IPO") and listing on the TSX-Venture Exchange, trading under the ticker symbol "EVNI." The Company issued 5,600,000 IPO units at $0.75 per unit for a total of $4,200,000 consisting of one common share and one common share purchase warrant ("Warrant"). The Warrant has an exercise period of 24 months and an exercise price of $1.05. The Company also issued 1,442,200 Flow Through shares ("FT shares") issued at $0.86 per FT share for a total of $1,240,292.

As part of the IPO, the Company issued 468,728 broker warrants (the "Brokered Offered Warrants") to purchase that number of units ("Broker Units") at an exercise price of $0.75. Each Broker Unit consisted of one common share and one common share purchase warrant; such warrant is exercisable to acquire one common share at an exercise price of $1.05 for a period of 24 months from the date of closing. The brokers also exercised their option pursuant to the agency agreement, and paid $4,200 to purchase 840,000 additional broker offered warrants (the “Additional Brokered Offered Warrants”) with the same terms as the Brokered Offered Warrants.

On April 1, 2022, the Company acquired the Shaw Dome Acquisition Properties (Note 4). The purchase price included 2,500,000 of the Company’s shares, along with $350,000 in cash consideration.

On March 4, 2022, the Company entered into compensation security agreements with its directors and officers. One of the compensation security agreements included 650,000 restricted share units (“RSUs”) valued at $0.195 per unit vesting over three years. The other compensation security agreement granted 375,000 options at an exercise price of $0.195 per option. They vesting over three years and expire after five years.

On July 7, 2022, the Company closed a non-brokered private placement financing, issuing a total of 11,151,841 share units for gross proceeds of $2,206,831. Pursuant to the Offering, the Company issued (i) 7,826,841 flow-through units of the Company (each, a “FT Unit”) at a price of $0.18 per Unit for gross proceeds of $1,408,831; and (ii) 3,325,000 FT Units to be sold to charitable purchasers (each, a “Charity FT Unit”) at a price of $0.24 per Charity FT Unit for gross proceeds of $798,000.

Each FT Unit and Charity FT Unit consists of one common share of the Company, issued as a flow-through share and one half of one common share purchase warrant. Each Warrant entitles the holder thereof to purchase one common share of the Company at a price of $0.25 for a period of 24 months following the transaction closing date.

Finder’s fees totaled $147,258 in cash and 754,964 warrants in the Company (“Finder’s Warrants”) exercisable at any time from the closing date of the transaction to the day prior to the date that is 24 months following the date hereof to acquire common shares in the Company at an exercise price equal to $0.16 per common share. Red Cloud Securities Inc. and PowerOne Capital Markets Limited acted as finders in connection with the Offering.

On December 21, 2022, the Company issued 7,389,429 FT Units of the Company at a price of $0.14 per Unit for gross proceeds of $1,034,520. Each FT Unit consists of one common share of the Company to be issued as a FT Share and one half of one common share purchase warrant. Each Warrant entitles the holder thereof to purchase one common share of the Company at a price of $0.21 for a period of 24 months following the closing date.

Finder’s fees of $69,266 in cash were recorded in the period and 515,760 Finder’s Warrants were issued. The Finder’s Warrants are exercisable at any time from the closing date to the day prior to the date that is 24 months following that date to acquire common shares in the Company at an exercise price equal to $0.14 per Finder Warrant. Red Cloud Securities Inc. and Echelon Wealth Partners Inc. acted as finders in connection with the Offering.

During the three months ended March 31, 2023, the Company granted 1,800,000 RSUs to officers of the Company. The RSUs were valued at $0.12 per unit and vest over three years. The Company also granted 4,725,000 options to directors, officers and certain consultants at an exercise price of $0.12 per option, vesting over three years and expiring after five years.

(Unaudited - expressed in Canadian Dollars)

A summary of the Company's warrant activity for the fiscal year ended June 30, 2022 and the nine months ended March 31, 2023 is as follows:

	Weighted Average Exercise Price ($)	Warrants
Balance, June 30, 2021	0.30	2,000,002
Broker Offered Warrants	0.75	468,728
Additional broker offered warrants	0.75	840,000
Warrants	1.05	5,600,000
Balance, June 30, 2022	**0.84**	**8,908,730**
Warrants	0.25	5,575,920
Finders' Warrants	0.16	754,964
Warrants	0.21	7,389,429
Finders' Warrants	0.14	515,760
Balance, March 31, 2023	**0.46**	**23,144,803**

A summary of the Company's warrants outstanding as at March 31, 2023 is as follows:

Expiry Date	Exercise Price ($)	Warrants
April 15, 2023	0.30	2,000,002
December 2, 2023	0.75	1,308,728
December 2, 2023	1.05	5,600,000
July 7, 2024	0.25	5,575,920
July 7, 2024	0.16	754,964
December 21, 2024	0.21	7,389,429
December 21, 2024	0.14	515,760
Balance, March 31, 2023		**23,144,803**

As at March 31, 2023, the weighted average remaining contractual life of the Company's share purchase warrants is 1.14 years and the weighted average exercise price is $0.46.

(Unaudited - expressed in Canadian Dollars)

The following table summarizes the assumptions used in the Black-Scholes valuation model for the determination of the cost of warrants and stock options issued during the nine months ended March 31, 2023.

	July 7, 2022 Warrants	July 7, 2022 Finders' Warrants	December 21, 2022 Warrants	December 21, 2022 Finders' Warrants	March 1, 2023 Stock Options
Risk free interest rate	3.30%	3.30%	3.72%	3.72%	3.59%
Expected life (years)	2	2	2	2	5
Volatility	99%	99%	103%	103%	97%
Expected dividends	0%	0%	0%	0%	0%
Forfeiture rate	0%	0%	0%	0%	0%
Fair value of warrants or options issued	**$ 0.033**	**$ 0.026**	**$ 0.016**	**$ 0.020**	**$ 0.125**

A summary of the Company's RSU activity for the fiscal year ended June 30, 2022 and the nine months ended March 31, 2023 is as follows:

	Grant Price ($)	RSUs
Balance, June 30, 2021	-	-
Granted	0.195	650,000
Balance, June 30, 2022	0.195	650,000
Granted	0.120	1,800,000
Balance, March 31, 2023	**0.140**	**2,450,000**

As at March 31, 2023, the weighted average exercise price is $0.140.

A summary of the Company's stock option activity for the fiscal year ended June 30, 2022 and the nine months ended March 31, 2023 is as follows:

	Grant Price ($)	Options
Balance, June 30, 2021	-	-
Granted	0.195	375,000
Balance, June 30, 2022	0.195	375,000
Granted	0.120	4,725,000
Balance, March 31, 2023	**0.126**	**5,100,000**

As at March 31, 2023, the weighted average remaining contractual life of the Company's stock options is 4.9 years and the weighted average exercise price is $0.126.

(Unaudited - expressed in Canadian Dollars)

A summary of the Company's stock options outstanding as at March 31, 2023 is as follows:

Number of stock options outstanding	Number of stock options exercisable	**Grant Price ($)**	**Remaining contractual life (years)**	**Expiry Date**
375,000	250,000	0.195	3.9	March 4, 2027
4,725,000	-	0.120	4.9	March 1, 2028
5,100,000	**250,000**	**0.126**	**4.9**	

9. Government funding

The Company was approved for up to $200,000 of funding for the 2022-2023 Ontario Junior Exploration Program ("OJEP") through the Ontario Ministry of Mines. In the three months ended March 31, 2023, the Company received the second and final disbursement of $140,000 of the funding allocation towards the Langmuir Nickel Project ($200,000 received in total). The funds are recorded in Other income on the Condensed Interim Statements of Loss and Comprehensive Loss. The Company has applied for the 2023-2024 OJEP and is awaiting confirmation of acceptance into the program. No provision has been made in these financial statements for these additional funds.

On March 6, 2023 the Company announced that it had been awarded $500,000 of non-dilutive funding through the Critical Minerals Innovation Fund ("CMIF"), also administered by the Ontario Ministry of Mines. CMIF is specifically funding two separate research and development project streams under EV Nickel's Clean Nickel™ strategy. This includes work advancing "bioleaching"; a process through which bacteria erodes the rock around the critical mineral naturally and with zero carbon emissions. The second focuses on developing an integrated carbon capture and storage process, to earn carbon credits alongside the Clean Nickel™ production. It is anticipated that the Company will receive the contracted funding in the coming months.

10. Management of Capital

The Company considers its capital to include the components of equity attributable to common shareholders and comprises share capital and deficit.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to develop, market, and maintain its ongoing exploration operations. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of debt or equity.

The Company is not subject to externally imposed capital requirements at March 31, 2023.

11. Financial Risk Management

Fair value hierarchy

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy is summarized as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets and liabilities.

(Unaudited - expressed in Canadian Dollars)

Level 2 Inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data.

Level 3 Inputs for assets and liabilities not based upon observable market data.

Currency risk: Currency risk is the risk that fluctuations in the rates of exchange on foreign currencies would impact the Company's future cash flows. The Company is currently not exposed to the foreign exchange market.

Interest rate risk: The Company does not believe it is exposed to any significant risk related to the movements in interest rates.

Price risk: Price risk is the risk of a decline in the value of a security or an investment portfolio due to multiple factors. The Company doesn't own any marketable securities.

Credit risk: The Company it not exposed to any significant concentration of credit risk.

Liquidity risk: Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due.

The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

As at March 31, 2023, the Company had current liabilities of $827,692 due within 12 months, cash of $348,633, and working capital of $32,142.

12. Segmented Information

The Company currently has one operating segment; the exploration and development of its mineral and exploration interest in Canada (Note 4).

13. Commitments

As of March 31, 2023, the Company had successfully met 100% of its flow through commitment related to its July 7, 2022 financing and approximately 17% of its December 21, 2022 financing.

As at March 31, 2023, the Company had entered into three equipment lease agreement to lease three vehicles for the exploration site. The final lease ends December 2023 (fiscal 2024). The commitments for these leases (including HST) are as follows:

Fiscal year		**Amount**
2023	$	1,300
2024		3,100
	$	**4,400**