

PHILIPPINE METALS INC.



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The accompanying unaudited condensed consolidated interim financial statements of the Company as at December 31, 2021 and for the three and nine months ended December 31, 2021 and 2020 have been prepared by and are the responsibility of the Company's management. The Company's Audit Committee and Board of Directors have reviewed and approved these interim financial statements. In accordance with National Instrument 51 – 102, the Company discloses that its auditors have not reviewed the accompanying unaudited condensed consolidated interim financial statements for the nine months ended December 31, 2021.

PHILIPPINE METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (unaudited)
(Expressed in Canadian dollars)

	December 31, 2021	March 31, 2021
ASSETS		
Current assets		
Cash	\$ 78,677	\$ 163,015
Receivables (Note 3)	9,152	1,646
Investments (Note 4)	25,000	25,000
Private placement escrow (Note 8)	2,590,397	-
Prepaid expenses and advances	<u>2,256</u>	<u>2,269</u>
	2,705,482	191,930
Exploration and evaluation assets (Note 7)	<u>2</u>	<u>5,002</u>
TOTAL ASSETS	\$ 2,705,484	\$ 196,932
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 335,992	\$ 113,915
Accounts payable to related parties (Note 7)	<u>13,650</u>	<u>4,725</u>
	<u>349,642</u>	<u>118,640</u>
Shareholders' equity		
Share capital (Note 8)	16,070,651	13,481,174
Equity reserves (Note 8)	244,097	236,122
Deficit	<u>(13,958,906)</u>	<u>(13,639,004)</u>
	<u>2,355,842</u>	<u>78,292</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 2,705,482	\$ 196,932

Nature operations (Note 1)
Subsequent events (Note 11)

Approved and authorized by the Board on February 28, 2022

"Craig Lindsay" Director

"Blair McIntyre" Director

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

PHILIPPINE METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS (unaudited)
(Expressed in Canadian dollars)
FOR THE NINE MONTHS ENDED DECEMBER 31, 2021 AND 2020

	Three Month Period Ended December 31, 2021	Three Month Period Ended December 31, 2020	Nine Month Period Ended December 31, 2021	Nine Month Period Ended December 31, 2020
GENERAL AND ADMINISTRATIVE EXPENSES				
Accounting and audit	\$ 8,000	\$ 8,000	\$ 27,288	\$ 24,421
Administration fees	3,188	9,920	14,158	14,321
Consulting fees	5,600	-	5,600	-
Legal	3,927	8,138	9,193	13,520
Office and miscellaneous	5,832	1,311	7,612	12,730
Rent and utilities	-	1,800	600	5,700
Financing commission fees (Note 7)	140,293	-	140,293	-
Stock based compensation (Note 7)	-	-	7,975	-
Telephone	-	286	-	562
Transfer agent and filing fees	6,761	1,931	15,236	11,585
Transaction costs (Note 8)	65,822	-	89,091	2,295
Travel	-	-	-	1,100
Loss before other items	<u>(239,423)</u>	<u>(31,386)</u>	<u>(317,046)</u>	<u>(86,234)</u>
OTHER ITEMS				
Foreign exchange gain (loss)	510	289	2,138	425
Impairment of exploration and evaluation assets (Note 5)	-	-	(5,000)	-
Interest income	<u>3</u>	<u>110,000</u>	<u>6</u>	<u>110,000</u>
	<u>513</u>	<u>110,290</u>	<u>(2,856)</u>	<u>110,431</u>
(Loss) income and comprehensive (loss) income for the period	(238,910)	78,903	(319,902)	24,197
Basic and diluted loss per common share (Note 9)				
	\$ (0.00)	\$ 0.01	\$ (0.02)	\$ 0.00
Weighted average number of common shares outstanding				
	15,728,361	14,845,386	15,198,373	14,845,386

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

PHILIPPINE METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (unaudited)
(Expressed in Canadian dollars)
FOR THE NINE MONTHS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) income for the period	\$ (319,902)	\$ 24,197
Items not involving cash:		
Stock-based (compensation) income	7,975	(25,000)
Impairment of exploration and evaluation assets	5,000	(25,000)
Changes in non-cash working capital items:		
Increase in receivables	(7,506)	(3,856)
Decrease (increase) in prepaid expenses	13	(389)
Increase (decrease) in accounts payable and accrued liabilities	208,427	(3,323)
Increase in accounts payable to related parties	<u>22,575</u>	<u>15,512</u>
Net cash used in operating activities	<u>(83,418)</u>	<u>7,141</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement	2,590,397	-
Share issue costs	(920)	-
Proceeds held in trust	<u>(2,590,397)</u>	<u>-</u>
Net cash provided by financing activities	<u>(920)</u>	<u>-</u>
Increase in cash during the period	(84,338)	7,141
Cash, beginning of period	<u>163,015</u>	<u>188,810</u>
Cash, end of period	\$ 78,677	\$ 195,951

Supplemental disclosure with respect to cash flows (Note 10)

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

PHILIPPINE METALS INC.**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)**

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021 AND 2020

	Number of Shares	Share Capital	Equity Reserves	Deficit	Total equity
Balance, March 31, 2020	20,118,338	\$ 13,481,174	\$ 245,827	\$ (13,631,001)	\$ (96,000)
Comprehensive loss for the period	-	-	-	24,197	24,197
Balance, December 31, 2020	20,118,338	\$ 13,481,174	\$ 245,827	\$ (13,606,805)	\$ 120,196
Balance, March 31, 2021	20,118,338	\$ 13,481,174	\$ 236,122	\$ (13,639,004)	\$ 78,292
Private placement	5,180,793	2,590,397	-	-	2,590,397
Share issue costs	-	(920)	-	-	(920)
Stock-based compensation	-	-	7,975	-	7,975
Comprehensive (loss) income for the period	-	-	-	(319,902)	(319,902)
Balance, December 31, 2021	25,299,131	\$ 16,070,601	\$ 244,097	\$ (13,958,906)	\$ 2,355,842

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

PHILIPPINE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

1. NATURE OF OPERATIONS

Philippine Metals Inc. (the “Company”) was incorporated on April 7, 1989 under the laws of the Province of Alberta. On April 17, 2018, the Company was continued into the Province of British Columbia. The Company’s head office and registered and records office address is Suite 580 – 625 Howe Street, Vancouver, BC, V6C 2T6.

The condensed consolidated interim financial statements of the Company are presented in Canadian dollars, unless otherwise indicated, which is the functional currency of the parent company and its subsidiaries.

The Company is a mineral exploration stage public company and its principal business activity is the exploration of its exploration and evaluation assets, located in the Philippines.

During the year ended March 31, 2018, the Company completed the divestment of Coronado (Note 4). At the date of these condensed consolidated interim financial statements, the Company has not been able to identify a known body of commercial grade ore on any of its exploration and evaluation assets. The ability of the Company to realize the costs it has incurred to date on these exploration and evaluation assets is dependent upon the Company being able to identify a commercial ore body, to finance its exploration costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the exploration and evaluation assets. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

These condensed consolidated interim financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. At December 31, 2021, the Company had working capital of \$2,355,840, has not yet achieved profitable operations and has an accumulated deficit of \$13,355,840 since its inception. The Company expects to incur further losses in the development of its business, all of which cast substantial doubt on the Company’s ability to continue as a going concern. The Company will require additional financing in order to meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these financial statements.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

2. BASIS OF PRESENTATION

Statement of compliance with International Financial Reporting Standards (“IFRS”)

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34 *Interim*

PHILIPPINE METALS INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)
(Expressed in Canadian dollars)
FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

2. BASIS OF PRESENTATION (cont'd...)

Statement of compliance with International Financial Reporting Standards (“IFRS”) (cont'd...)

Financial Reporting.

These condensed interim consolidated financial statements follow the same accounting policies and methods of application as the Company’s most recent annual financial statements. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements as at and for the year ended March 31, 2021, which were prepared in accordance with IFRS as issued by the IASB.

New standards, interpretations and amendments adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ending March 31, 2022 and have not been applied in preparing these financial statements. The new and revised standards are as follows:

- IAS 16 – Property, Plant and Equipment: The amendment to IAS 16 prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, a company will recognize such sale proceeds and related cost in profit or loss. It is effective for annual periods beginning on or after January 1, 2022 with early adoption permitted. Management has estimated that the standard will not have an impact on the Company’s financial statements.

3. RECEIVABLES

The following receivables were outstanding as at December 31, 2021 and March 31, 2020:

	December 31, 2020	March 31, 2020
	\$	\$
Other receivables	9,152	1,646
	<u>9,152</u>	<u>1,646</u>

4. PROPOSED TRANSACTIONS

Acquisition of ReVolve Renewable Power Limited

On June 16, 2021, the Company entered into a letter of intent to acquire ReVolve Renewal Power Limited (“ReVolve”) (“ReVolve Proposed Transaction”). Pursuant to the ReVolve Proposed Transaction:

- The Company’s common shares will be consolidated on a 4 to 1 basis (“PMI Consolidated Shares”);
- The Company will issue 35,100,000 PMI Consolidated Shares to acquire all of the issued and outstanding shares of ReVolve;
- ReVolve will complete a concurring financing for a minimum of €2,000,000 and a maximum of €5,000,000 at approximately €0.815 per unit (“ReVolve Unit”), with each ReVolve Unit comprising one ReVolve common share (“ReVolve Share”) and one ReVolve common share purchase warrant (“ReVolve Warrant”), with each ReVolve Warrant entitling the holder to acquire one additional ReVolve Share at a price of €1.20 per ReVolve Share for a period of 18 months.

PHILIPPINE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

5. PROPOSED TRANSACTIONS (cont'd...)

Acquisition of ReVolve Renewable Power Limited (cont'd...)

- Each ReVolve Unit will be exchanged for every 2.5 post-consolidated units of the Company (“PHI Units”), with each PHI Unit comprising of one PMI Consolidated Share and one post-consolidated warrant of the Company (“PMI Consolidated Warrants”), with each PMI Consolidated Warrant entitling the holder to purchase one PMI Consolidated Share at a price of \$0.75 per PMI Consolidated Share for a period of 18 months; and
- The Company will complete a concurring PHI Unit private placement of a minimum \$1,500,000 at a price of \$0.50 per PHI Unit.

Acquisition of Bravo Zulu Defense Inc.

- On June 22, 2020, the Company entered into a letter of intent to acquire Bravo Zulu Drone Defense Inc. (“Bravo Zulu Proposed Transaction”). During the year ended March 31, 2021, the letter of intent expired. In connection with the expiry of the letter intent, the Company signed a mutual release with Bravo Zulu whereby the Company received \$85,000 in cash and 100,000 Bravo Zulu common shares valued at \$25,000. The Company incurred transaction costs of \$2,295 in connection with the Bravo Zulu Proposed Transaction.

Sale of Pacific Metals Canada Philippines Inc.

- During the period ended December 31, 2021, the Company has agreed to sell its Philippine subsidiary, Pacific Metals Canada Philippines Inc. (“PMCPPI”), to an arms length third party for \$1.00. Pursuant to the sale, PMCPPI will grant the vendor a 1% NSR royalty from the commercial production relating to the Malitao and Dilong Projects in the Philippines. The sale is subject to the approval of the TSX Venture Exchange and several regulatory authorities in the Philippines. Upon completion of the sale, the Company will wind up its two Guernsey subsidiaries.

5. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets, and, to the best of its knowledge, title to all of its properties, except as described below, are properly registered and in good standing. However, there can be no guarantee of title and the exploration and evaluation assets may otherwise be subject to prior claims, agreements, or transfers and rights of ownership may be affected by undetected defects.

PHILIPPINE METALS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)**

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

5. EXPLORATION AND EVALUATION ASSETS (cont'd...)

	Consortium (Canada)	Dilong (Philippines)	Malitao (Philippines)	Total
Acquisition costs, March 31, 2020	\$ -	\$ 1	\$ 1	\$ 2
Additions during the year	5,000	-	-	5,000
Acquisition costs, March 31, 2021	\$ 5,000	\$ 1	\$ 1	\$ 5,002
Write-off of acquisition costs during the period	(5,000)	-	-	(5,000)
Acquisition costs, September 30, 2021	\$ -	\$ 1	\$ 1	\$ 2

The

Company did not incur any exploration and evaluation expenditures during the periods ended September 30, 2021 and 2020.

Canada

On January 11, 2021, the Company entered into an option agreement with Rich River Exploration Ltd. to earn up to a 100% interest in the Consortium Project located south of Sayward, British Columbia by:

- a) To acquire the initial 51% interest in the property, paying \$5,000 upon signing (paid);
- b) To acquire the additional 49% interest in the property, paying an aggregate of \$160,000 and issuing 800,000 common shares, and incurring aggregate exploration expenditures of \$500,000 as follows:
 - Issuing 150,000 common shares within 5 business days of TSX Venture Exchange approval;
 - Paying \$10,000 and issuing 150,000 common shares by January 11, 2022;
 - Paying \$20,000, issuing 200,000 common shares and incurring \$100,000 in exploration expenditures by January 11, 2023;
 - Paying \$30,000, issuing 300,000 common shares and incurring \$100,000 in exploration expenditures by January 11, 2024; and
 - Paying \$100,000 and incurring \$300,000 in exploration expenditures by January 11, 2025.

The Consortium Project is subject to a 3% net smelter return (“NSR”) royalty. The Company may purchase the first 1% NSR royalty for \$750,000 and the remaining 2% for an additional \$1,000,000.

On June 16, 2021, the Company terminated the option agreement. Accordingly, the Company recorded an impairment of exploration and evaluation assets of \$5,000 during the period ended September 30, 2021 (2020 - \$Nil).

Philippines

The Company entered into a letter of intent (“LOI”) dated November 18, 2007 with Metex Mineral Resources Corporation (“Metex”) wherein Metex will assign, subject to the provisions of the LOI, all its rights, title, and interests in certain mining tenements/tenement applications in the Philippines (namely the Malitao and Dilong properties) to the Company.

PHILIPPINE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

5. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Philippines (cont'd...)

Malitao property

Pursuant to the LOI, Metex has agreed to supersede the terms and conditions under a Memorandum of Agreement with Al Magan Mining Exploration Corp. (“AMMEC”) in respect of an Exploration Permit Application in the Province of Apayao (“Malitao EXPA”) and entered into an agreement with AMMEC and the Company. Under the new agreement dated July 14, 2008, AMMEC agreed to sell, transfer, assign and convey the legal title and all rights and privileges conferred under the Malitao EXPA.

The Malitao exploration permit application (“EXPA”) has not yet been approved by the Philippine Department of Environmental and Natural Resources (“DENR”) and an exploration permit has not been granted. In fiscal 2011, Olpaten Resources Corporation (“Olpaten”) filed an adverse claim against the Company in regards to its Malitao EXPA. The matter remains before the relevant body of the DENR awaiting resolution.

During the year ended March 31, 2013, on the basis that there has been limited progress toward a resolution of the adverse claim filed by Olpaten, the Company wrote off all acquisition costs and deferred exploration costs related to the property to a nominal amount of \$1.

Dilong property

In February 2011, the Company received notification from DENR that its Dilong EXPA had been cancelled. The Company has filed with the Philippine Mines and Geosciences Bureau office the appropriate objection notice to have the application re-instated. At this time, the likelihood of the outcome is uncertain and there has been no progress toward a re-instatement of the Dilong EXPA.

During the year ended March 31, 2013, on the basis that there has been limited progress toward a resolution of the cancellation of the Dilong EXPA, the Company wrote off all acquisition costs and deferred exploration costs related to the property to a nominal amount of \$1.

Escrowed shares

As at March 31, 2018, there were 562,500 shares issued to Metex as consideration for the Malitao and Dilong EXPAs held in escrow to be released to Metex upon approval by the DENR of the EXPAs. These shares have been released from escrow and the Company is in the process of cancelling these shares.

PHILIPPINE METALS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)**

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

6. RELATED PARTY TRANSACTIONS

During the nine-month period ended December 31, the Company carried out the following transactions with related parties:

c) Purchase of services:

	December 31, 2021	December 31, 2020
Paid and accrued accounting and administrative services to the CFO of the Company	\$ 13,500	\$ 13,500

During the nine-month period ended December 31, the Company carried out the following transactions with related parties:

d) Accounts payable to related parties:

	December 31, 2021	March 31, 2021
Key management or companies controlled by them for administration fees, accounting fees and related out-of-pocket expenses	\$ 13,650	\$ 4,725

Amounts due to related parties are due to officers and companies controlled by directors and officers, are unsecured, are non-interest bearing and have no specific terms of repayment.

7. SHARE CAPITAL AND EQUITY RESERVES**Common shares**

The Company is authorized to issue an unlimited number of common voting shares with no par value.

Preference shares

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

Share capital transactions

During the period ended December 31, 2021 the following shares were issued:

- On December 8, 2021, the Company closed a first tranche of a private placement financing issuing 3,180,793 common shares at a price of \$0.50 per share for gross proceeds of \$1,590,396.50.
- On December 30, 2021, the Company closed a second tranche of a private placement financing issuing 2,000,000 common shares at a price of \$0.50 per share for gross proceeds of \$1,000,000.

There were no common shares issued during the period ended December 31, 2020.

PHILIPPINE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

7. SHARE CAPITAL AND EQUITY RESERVES (cont'd...)**Escrow of share capital funds**

Pursuant to an agreement between the Company and Computershare Trust Company of Canada, signed on December 8, 2021, all proceeds from the private placement, totaling \$2,590,396.50 will be held on escrow until all conditions of the reverse takeover have been met. If conditions are not met, subscribers will be refunded.

Stock Options

The Company has an incentive stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants equal to up to 1,107,906 common shares of the Company. The terms upon which any options issued under the plan are subject to vesting provisions determined by the board of directors. The term of any options granted may not exceed 10 years and their exercise price will be determined by the board of directors pursuant to the policies of the TSX Venture Exchange.

On September 29, 2021, the Company granted to a director incentive stock options to purchase 150,000 common shares of the Company at an exercise price of \$0.075 per share. The TSXV has since disallowed this option grant (Note 11).

There were no stock options issued during the period ended December 31, 2020.

Stock option activity is summarized as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Outstanding at March 31, 2020	1,000,000	0.07
Cancelled	(150,000)	(0.07)
Outstanding at March 31, 2021	850,000	0.07
Granted	150,000	0.075
Outstanding at December 31, 2021	1,000,000	0.07

The following stock options were outstanding and exercisable as at the date of the release of these financial statements:

Number of options	Exercise Price	Expiry Date
850,000	\$ 0.07	July 7, 2022

Stock-Based Compensation

Total stock-based compensation recognized under the fair value method was \$7,975 (2020 - \$Nil) using the Black-Scholes option pricing model. The stock-based compensation expense for the year was \$7,975 (2020 - \$Nil), leaving an \$Nil unamortized balance.

PHILIPPINE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

7. SHARE CAPITAL AND EQUITY RESERVES (cont'd...)**Warrants**

	Number of warrants	Weighted Average Exercise Price
Outstanding at March 31, 2020	1,428,688	\$ 0.10
Expired	<u>(1,428,668)</u>	(0.10)
Outstanding at March 31, 2021	-	\$ -
Granted	<u>5,180,793</u>	\$ 0.75
Outstanding at December 31, 2021	<u>5,180,793</u>	\$ 0.75

The warrants granted during the period ended December 31, 2021 were valued at \$Nil.

8. LOSS PER SHARE

The calculation of basic and diluted loss per share for the three and nine-month periods ended December 31, 2021 was based on the loss attributable to common shareholders of \$238,910 (2020 – gain of \$78,903) and \$319,902 (20 – gain of \$24,197), respectively, and a weighted average number of common shares outstanding of 15,198,373 (2020 – 14,845,386).

9. SEGMENTED INFORMATION

The Company has one reportable operating segment, being the acquisition and exploration of mineral properties.

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There were no significant non-cash transactions for the periods ended December 31, 2021 and 2020.

PHILIPPINE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

(Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

11. SUBSEQUENT EVENTS

Signing of Definitive Agreement with ReVolve

On February 7, 2022, the Company signed a Definitive Agreement with ReVolve Renewable Power Limited in connection with its reverse takeover transaction (Note 4). The Transaction is subject to, among other things, the conditional approval of the TSX Venture Exchange.

Release of Filing Statement and Conditional approval of reverse takeover Transaction

On February 17, 2022, the Company released on SEDAR, the Filing Statement in connection with its reverse takeover transaction and announced that TSX Venture Exchange conditionally approved the reverse takeover transaction (Note 4).

Cancellation of options

The TSX Venture exchange disallowed the issuance of 150,000 stock options to a director of the Company that were previously granted on September 29, 2021.