EV Nickel Inc.

Condensed Interim Financial Statements

For the three months ended September 30, 2023

[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. for the three months ended September 30, 2023, have been prepared by management and have not been reviewed by the Company’s external independent auditors.

EV Nickel Inc.
Condensed Interim Financial Statements
For the three months ended September 30, 2023
(Unaudited - Expressed in Canadian Dollars)

Table of Contents **Page**

EV Nickel Inc.
Condensed Interim Statements of Financial Position
(Unaudited - expressed in Canadian Dollars)

	Note		As at September 30, 2023		As at June 30, 2023
Assets					
Current assets					
Cash		**$**	**1,209,131**	$	142,748
Other receivables and taxes recoverable			**119,091**		82,994
Prepaid expenses			**113,708**		182,671
			1,441,930		408,413
Equipment	5		**29,040**		31,822
Right-of-use assets	6		**33,202**		38,110
Total assets		**$**	**1,504,172**	$	478,345
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities		**$**	**689,182**	$	964,605
Due to related parties	7		**21,799**		55,683
Current portion of lease liability	6		**2,496**		3,629
Flow-through share liability	8		**-**		89,075
			713,477		1,112,992
Total liabilities		**$**	**713,477**	$	1,112,992
Shareholders' equity (deficit)					
Share capital	8	**$**	**10,283,108**	$	9,411,935
Warrants reserve	8		**3,227,644**		1,874,021
Deficit			**(12,720,057)**		(11,920,603)
Total shareholders' equity (deficit)		**$**	**790,695**	$	(634,647)
Total liabilities and shareholders' equity		**$**	**1,504,172**	$	478,345

Nature of Operations and Going Concern (Note 1)

Commitments (Note 13)

Approved by:

(Signed) "Sean Samson," Director

(Signed) "Gadi Levin," Director

(Unaudited - expressed in Canadian Dollars)

	Note		Three months ended September 30, 2023		2022
Operating expenses					
Exploration expenditures	4, 7	$	**540,417**	$	1,110,417
General and administrative	7		**246,803**		377,149
Stock based compensation	7, 8		**134,393**		26,316
Operating loss			**(921,613)**		(1,513,882)
Other income					
Interest income	7		**5,985**		5,330
Flow through premium	8		**89,075**		208,276
Government funding	9		**27,099**		60,000
Net loss and comprehensive loss		$	**(799,454)**	$	(1,240,276)
Weighted average number of shares, basic and diluted			**59,217,883**		43,280,213
Loss per share, basic and diluted		$	**(0.01)**	$	(0.02)

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, 2022	32,855,667	$	7,528,846	$	1,676,624	$	(8,206,717)	$	998,753
Private placement	11,151,841		2,063,676		143,155		-		2,206,831
Flow-through share premium	-		(415,288)		-		-		(415,288)
Share issue costs	-		(147,258)		-		-		(147,258)
Share issue costs, non-cash	-		(24,908)		24,908		-		-
Stock based compensation	-		-		26,317		-		26,317
Comprehensive loss for the period	-		-		-		(1,240,276)		(1,240,275)
Balance, September 30, 2022	44,007,508	**$**	9,005,068	**$**	1,871,004	**$**	(9,446,993)	**$**	1,429,079
Balance, June 30, 2023	51,613,603	$	9,411,935	$	1,874,021	$	(11,920,603)	$	(634,647)
Private placement	35,000,332		865,043		1,234,977		-		2,100,020
Share issue costs	-		(137,758)		(67,881)		-		(205,639)
Share issue costs, non-cash	-		(52,133)		52,133		-		-
Share for mineral property	3,267,016		196,021		-		-		196,021
Stock based compensation	-		-		134,394		-		134,394
Comprehensive loss for the year	-		-		-		(799,454)		(799,454)
Balance, September 30, 2023	**89,880,951**	**$**	**10,283,108**	**$**	**3,227,644**	**$**	**(12,720,057)**	**$**	**790,695**

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

(Unaudited - expressed in Canadian Dollars)

	Notes	Three months ended September 30, 2023	2022
Cash used from operations			
Net loss for the period		**$ (799,453)**	$ (1,240,276)
Adjustments to net income for non-cash items			
Share issued for exploration property	4	**196,021**	-
Stock based compensation	7, 8	**134,393**	26,316
Depreciation	5, 6	**7,690**	6,229
Flow through premium		**(89,074)**	(208,276)
Changes in non-cash working capital:			
Prepaid expenses		**68,963**	51,531
Other receivables		**(26,207)**	(20,000)
Taxes recoverable		**(9,889)**	71,512
Accounts payable and accrued liabilities		**(374,553)**	375,190
Due to related parties	7	**(33,884)**	(19,762)
Net cash used in operations		**(925,993)**	(957,536)
Cash generated from financing			
Financing proceeds	8	**2,100,020**	2,206,831
Share issuance cost	8	**(205,639)**	(147,258)
Lease payments	6	**(1,132)**	(3,216)
Payment advance	7	**-**	(5,100)
Accounts payable for share issue costs	8	**99,127**	4,913
Net cash generated from financing		**1,992,376**	2,056,170
Net change in cash		**1,066,383**	1,098,634
Cash, beginning of year		**142,748**	1,529,742
Cash, end of period		**$ 1,209,131**	$ 2,628,376

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

1. Nature of Operations and Going Concern

EV Nickel Inc. ("EVNI" or 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. 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 three months ended September 30, 2023, the Company has a net loss of $(799,453) and an accumulated deficit of $(12,720,057).

These circumstances create material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern. These financial statements do not give effect to adjustments to the carrying value and classification of assets and liabilities and related revenue and expenses that would be necessary should the Company be unable to continue as a going concern and such adjustments may be material.

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, 2023.

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 November 27, 2023.

Basis of preparation

These 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.

Discount rate used for right-of-use asset/lease liability

The Company uses estimation in determining the incremental borrowing rate used to measure the lease liability, right-of-use asset, specific to the asset, underlying currency and geographic location. Where the rate implicit in the lease is not readily determinable, the discount rate of the lease obligations is estimated using a discount rate similar to the Company's specific borrowing rate. This rate represents the rate that the Company would incur to obtain the funds necessary to purchase the asset of a similar value, with similar payment terms and security in a similar environment.

Right-of-use assets

The Company applies judgment in determining whether a contract contains an identified asset, whether the Company has the right to control the asset, and the lease term. The lease term is based on considering facts and circumstances, both qualitative and quantitative that can create an economic incentive to exercise renewal options. Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option.

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.

Income taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

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 (later 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 ("VWAP").

On March 28, 2022, the Company amended the Langmuir Property purchase agreement, extending the required timing for the EV Resource Payment 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%. On June 12, 2023, the Company announced its updated mineral resource estimate and on September 14, 2023, announced the settlement of the EV Resource Payment. The total value of the EV Resource Payment was calculated as $772,262. The Company had previously advanced $384,140 to Rogue and elected to pay the balance entirely in EVNI common shares. Pursuant to the 10-day VWAP as set out in the APA, the Company issued 3,267,016 Common Shares to Rogue on September 22, 2023.On the date of issuance, EVNi common shares were valued at $0.06.

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, the Company now refers to Langmuir and the Shaw Dome Acquisition Properties in combination as the "Shaw Dome Project."

The Company's exploration expenditures for the three months ended September 30, 2023 totaled $540,417 (September 30, 2022 - $1,110,417).

(Unaudited - expressed in Canadian Dollars)

5. Equipment

Balance as at June 30, 2022	$	43,020
Additions		0
Depreciation		(11,198)
Balance as at June 30, 2023	$	31,822
Depreciation		(2,782)
Balance as at September 30, 2023	**$**	**29,040**

6. Right-Of-Use Assets

Value of right-of-use assets as at June 30, 2022	$	21,557
Additions		34,221
Depreciation		(15,668)
Value of right-of-use assets as at June 30, 2023	$	38,110
Depreciation		(4,908)
Value of right-of-use assets as at September 30, 2023	**$**	**33,202**

Lease liability

Lease liability recognized as at June 30, 2022	$	10,096
Additions		34,221
Lease payments		(41,040)
Interest expense		352
Lease liability recognized as at June 30, 2023	$	3,629
Lease payments		(1,179)
Interest expense		46
Lease liability recognized as at September 30, 2023	**$**	**2,496**

Current portion	$	2,496
Non-current portion		-
	$	**2,496**

(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 three months ended September 30, 2023, and 2022, were as follows:

	For the three months ended September 30	
	2023	2022
Key management compensation		
Exploration expenditures	**$ 48,000**	$ 34,000
General and administrative	**59,375**	50,463
Stock based compensation	**98,660**	23,721
Total compensation of key management personnel	**$ 206,035**	$ 108,184

During the year ended June 30, 2023, the Company had loaned $340,000 to Rogue, a related company, as part of an agreed advance against the EV Resource Payment (Note 4). This advance carried an interest rate of 6% and was settled by the EV Resource Payment in the quarter ending September 30, 2023.

Amounts due to related parties amounted to $21,799 as at September 30, 2023 (September 30, 2022 - $48,778). 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 July 21, 2023, the Company announced the closing of the first tranche of a non-brokered private placement financing, issuing 1,367,000 share units (each, a "Unit"), for gross proceeds of $82,020. On September 14, 2023, the Company closed the second and final tranche of the same financing, issuing 33,633,332 Units for gross proceeds of $2,018,000. Each Unit consists of one common share in the capital of the Company and one common share purchase warrant (each, a "Warrant"). Each Warrant will entitle the holder thereof to purchase one common share at an exercise price of $0.09 for a period of 24 months following the respective Closing Date. Finders' fees totaled $88,761 in cash and 1,479,357 in common share purchase warrants (the "Broker Warrants"). Each Broker Warrant will entitle the holder thereof to purchase one common share at an exercise price of C$0.09 for a period of 24 months following the Closing Date.

On September 14, 2023, the Company also announced the agreement with Rogue Resources on the final resource payment owed to Rogue related to the sale of the Langmuir property in March 2021. The Company elected to pay the balance entirely in common shares, which, pursuant to the 10-day VWAP as set out in the asset purchase agreement translated, to 3,267,016 common shares in the Company.

(Unaudited - expressed in Canadian Dollars)

A summary of the Company's warrant activity for the fiscal year ended June 30, 2023 and the three months ended September 30, 2023 is as follows:

	Weighted Average Exercise Price ($)	Warrants
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
Warrants expired	0.30	(2,000,002)
Balance, June 30, 2023	**0.47**	**21,144,801**
Warrants	0.09	35,000,332
Finders' Warrants	0.09	1,479,357
Balance, September 30, 2023	**0.23**	**57,624,490**

A summary of the Company's warrants outstanding as at September 30, 2023 is as follows:

Expiry Date	Exercise Price ($)	Warrants
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
July 21, 2025	0.09	1,406,690
September 14, 2025	0.09	35,072,999
Balance, September 30, 2023		**57,624,490**

As at September 30, 2023, the weighted average remaining contractual life of the Company's share purchase warrants is 1.51 years and the weighted average exercise price is $0.23.

(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 three months ended September 30, 2023.

	July 21, 2023 Warrants and Finders' Warrants	**September 14, 2023 Warrants and Finders' Warrants**
Risk free interest rate	4.65%	4.95%
Expected life (years)	2	2
Volatility	104%	104%
Expected dividends	0%	0%
Forfeiture rate	0%	0%
Fair value of warrants or options issued	**$ 0.039**	**$ 0.035**

A summary of the Company's RSU activity for the three months ended September 30, 2023 and the fiscal year ended June 30, 2023 is as follows:

	Grant Price ($)	**RSUs**
Balance, June 30, 2022	0.195	650,000
Granted	0.120	1,800,000
Vested	0.195	(216,667)
Balance, June 30 and September 30, 2023	**0.135**	**2,233,333**

As at September 30, 2023, the weighted average grant price is $0.135.

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

	Grant Price ($)	**Options**
Balance, June 30, 2022	0.195	375,000
Granted	0.120	4,725,000
Balance, June 30 and September 30, 2023	**0.126**	**5,100,000**

As at September 30, 2023, the weighted average remaining contractual life of the Company's stock options is 4.35 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 September 30, 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	3.7	March 4, 2027
4,725,000	-	0.120	4.7	March 1, 2028
5,100,000	**250,000**	**0.126**	**4.6**	

9. Government funding

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. No funds were received in the current quarter; at September 30, 2023, the Company received $200,000 of the funds awarded.

The National Research Council of Canada's Industrial Research Assistance Program ("NRC IRAP") has also provided funding for the implementation of EVNI's Clean Nickel™ Research and Development Program. At September 30, 2023, the Company received $27,099.

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 September 30, 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.
- 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.

(Unaudited - expressed in Canadian Dollars)

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 September 30, 2023, the Company had current liabilities of $713,477 due within 12 months, cash of $1,209,131 and working capital of $728,453.

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 September 30, 2023, the Company had successfully met 100% of its flow through commitment related to its July 7, 2022 and December 21, 2022 financing.

As at September 30, 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
2024		1,300
	$	**1,300**