



Grid Battery Metals Inc.

(formerly Nickel Rock Resources Inc.)

Management's Discussion and Analysis

For the three months ended 30 September 2023 and 2022

NOTICE OF NO AUDITOR REVIEW OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited consolidated interim financial statements of Grid Battery Metals Inc. (the “Company”) have been prepared by and are the responsibility of the Company’s management. The unaudited consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management’s best estimates and judgment based on information currently available.

The Company’s independent auditor has not performed a review of these consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of consolidated interim financial statements by an entity’s auditor.

Introduction

The following discussion of performance and financial condition should be read in conjunction with the audited consolidated financial statements of Grid Battery Metals Inc. (formerly Nickel Rock Resources Inc.) (the “Company” or “CELL”) for the year ended 30 June 2023. The Company’s consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The Company’s reporting currency is the Canadian dollars unless otherwise stated. This Management’s Discussion and Analysis (“MD&A”) is dated 24 November 2023.

Description of Business

The Company was incorporated under the laws of the province of British Columbia on 2 June 2011.

The Company is a reporting issuer in British Columbia and Alberta. The Company has been listed on the TSX Venture Exchange since 28 October 2013 under the trading symbol “NICL”. On 3 April 2023, the Company changed its name to Grid Battery Metals Inc., and its common shares started trading on the TSX Venture Exchange under the new symbol “CELL”.

On 3 March 2016, the Company incorporated a wholly owned subsidiary in Nevada, US, Nevada Energy Metals, USA Inc.

The head office and principal address is located at 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

The Company’s business consists of the acquisition, exploration and development of clay and brine-based lithium and hard rock nickel exploration targets and mineral resource properties in British Columbia Canada and Nevada, USA.

Project Overview

Nevada, USA

CLAYTON VALLEY LITHIUM PROJECT

The Clayton Valley Lithium Project southern boundary lies 250 meters from Albemarle Corporation’s Silver Peak lithium mine and brine processing operations. The mine has been in operation since 1967 and remains the only brine-based lithium producer in North America. It is also the location of Pure Energy Minerals’ 816,000 metric tonnes Lithium Carbonate Equivalent (LCE) Inferred Resource NI 43-101 announced in July 2015. Clayton Valley’s centralized location between Nevada and Reno and its highways, access to power, water and labor provide excellent infrastructure for mineral exploration and development. The Clayton Valley BFF-1 Lithium Project is approximately 3.5 hours away from Tesla’s Gigafactory.

Clayton Valley is one of the few locations globally known to contain commercial-grade lithium-enriched brine. The Valley is an internally drained closed-basin and is surrounded by mountains, hills and ridges on all sides. It contains an underground unconsolidated water bearing system (or aquifer system) which is host to lithium-enriched brines and is contained by the surrounding rock.

The claims cover an area of playa, including the Goat Island graben (inferred from gravity inversion; Quantec, 2008; Petrick, 2008), that encompasses a portion of a deep-circulation geothermal system beneath basin-fill sediments locally blanketed with travertine in north-western Clayton Valley. The Goat Island

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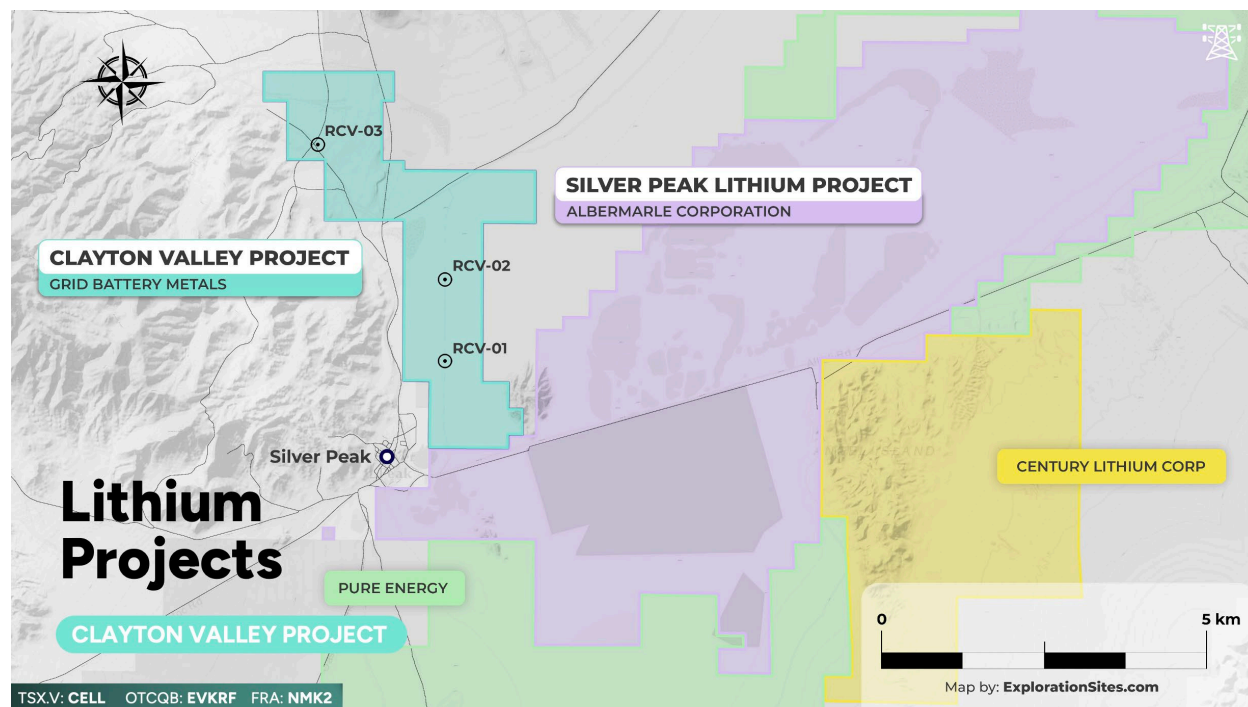
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graben segments Clayton Valley into a northerly-trending, 1-2 km-wide sub-basin with a distinct escarpment on each side. Geological modeling and assessment of historical drilling results by J.B. Hulen, PG, (31 July 2008 report) concluded that both shallow thermal-gradient and lithium-exploration drilling demonstrates that the northern portion of Clayton Valley contains the valley's highest subsurface temperatures and that these temperatures may be localized in the Goat Island graben and its structural projections to the northeast and south.

Significantly, within the graben and within the boundary of the claim block, a drill hole by Western Geothermal Partners 2007 logged as WGP#2 reported as follows: 'From 280 – to 305 ft., fine grained green sand and silt logged as volcanic ash was encountered. This unit may be correlative to the Main Ash Aquifer, which is a marker bed in other areas of the Clayton Valley Basin.' J.B. Hulen, PG, (31 July 2008.)

The property was acquired for cost of staking with no overriding royalties.

On 26 January 2021, the Company has expanded its Clayton Valley, Esmeralda County, Nevada, lithium property holdings by the staking of additional lithium exploration claims that add to its overall lithium exploration land package which is directly adjoining a western portion of neighboring lithium producer Albemarle's lithium evaporation ponds. The new ground adjoins the previous property position to the north and west and significantly expands the company's land position in the area. The new claim block consists of 41 lode claims covering about 847 acres (343 hectares) bringing the Clayton Valley land package to 2,300 acres (930 Ha).



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Past Work Programs

In 2021, the Company completed an exploration program consisting of three reverse circulation holes totalling 356 metres (1155 feet). The holes were intended to test the presence of lithium bearing clay members of the lakebed sediments.

Drillhole RCV-01, drilled to a depth of 130 metres (425 feet), designed to twin a geothermal gradient hole drilled by a previous explorer. Results of this hole correlated with the log of the previous hole including intervals of volcanic ash and dark green clay. The hole ended in alluvial gravel made up of metamorphic rocks shed from the Silver Peak Range. The hole did not reach the planned depth of 183 metres due to poor ground conditions but did assess the lake sediment target section. Assay results from this hole showed mixed results with only the top 6 meters (20 feet) of the hole returning more than 75 ppm Li. The average grade of the interval 0-6.1 metres was 309 ppm Li. Two water samples were collected from the borehole at 99 metres (325 feet) and 129 metres (425 feet) ran 31.4 and 41.0 mg/L Li, respectively.

Hole RCV-02 was drilled about 1260 meters north of RCV-01. RCV-02 was drilled to a depth of 136 metres (445 ft) and penetrated a section consisting primarily of rhyolitic volcanic ash and interbedded sediments. RCV-02 penetrated a 4.5 metre section of dark green clay from 105.1 to 109.7 metres (345-360 ft) before entering the metamorphic alluvium. Poor drilling conditions and high-water flows ended the hole before reaching the target depth but after successfully evaluating the lake sediment section.

Analytical results from this hole fared better than the RCV-01 with the interval 0 – 36.6 metres (0-120 feet) averaging 196 ppm Li. Within this interval, and from 18.3 to 25.9 metres (60 – 85 feet) an elevated Li zone was intersected averaging 279 ppm Li with the single best interval in this hole being 332 ppm between 18.3 and 19.8 m (60 – 65 feet). Water samples at 74.6 metres (245 feet), 105.1 metres (345 feet), and 137 metres (450 feet) ran 20.5, 21.0, and 32.8 mg/L Li, respectively.

Hole RCV-03 was designed to look for a perched section of volcanoclastic sediments beneath an alluvial fan. Previous water well logs indicated a layer of clay, ash, and silt beneath the alluvium and above the bedrock. While drilling, this hole encountered metamorphosed dolomite at a depth of 56 metres (185 feet) about the projected elevation of the sedimentary section. The hole lost circulation in an apparent karst horizon at 65.5 metres (215 feet) and was terminated at 79.2 metres (260 ft) without regaining sample return. Since the target sediments were not encountered, this hole was not assayed.

Drill chip samples were partially dried at the drill sites for two days in the case of RCV-01 and overnight in the case of RCV-02 before being picked up by a driver for Paragon Geochemical. The samples were transported to the Paragon laboratory on 2 April 2021 where they were dried, crushed, and pulverized. Analysis was by ICP- Mass Spectrometry following an aqua regia leach using a 0.5-gram sample aliquot.

Envelopes of standard material obtained from Minerals Exploration Geochemistry of Lamoille, Nevada were inserted into the sample stream at roughly 30.5 metres (100 foot) intervals. The eight standard samples returned lithium values ranging from 482 to 599 ppm Li with an average of 557 ppm Li. The analytical variability of about 20% is a bit high and is possible the small aliquot size and aqua regia leach may have played a role in this. However, the values are acceptable for an early-stage program. Other elements showed a similar range of values while others were within much tighter limits.

Water samples were collected by the project geologist and delivered to the ALS Global sample preparation lab in Elko, Nevada 5 April 2021. Samples were filtered and analyzed by a combination of ICP-MS and ICP-OES methods by ALS Global. Standards were not inserted into the sample stream. A sample of drill make up water taken from the Silver Peak municipal well was used as a background sample; it ran 70 micro grams per liter (70 parts per billion).

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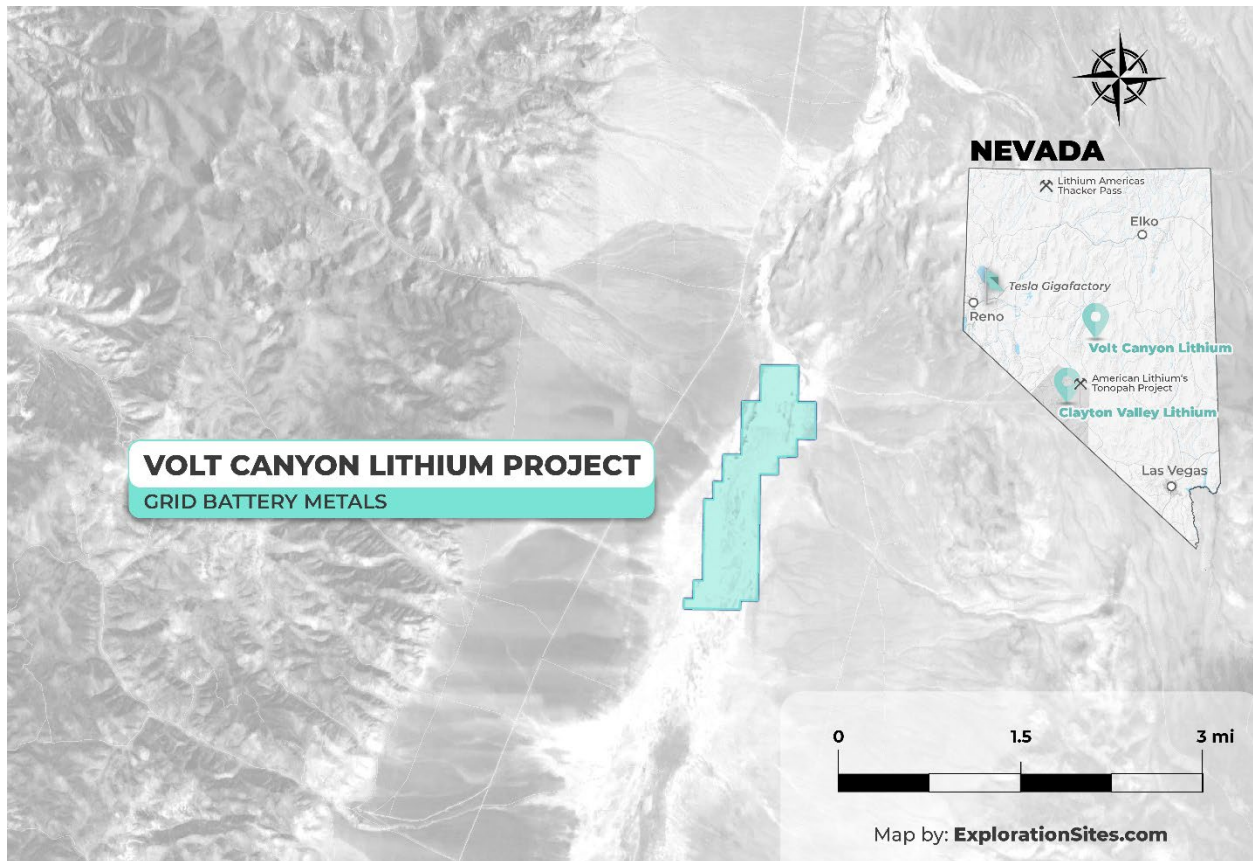
VOLT CANYON LITHIUM PROJECT

On 29 March 2023, the Company staked 80 placer claims covering approximately 635 hectares of alluvial sediments and clays located 122 km northeast of Tonopah, Nevada. The Volt Canyon Lithium Property is located in Monitor Valley, Nevada, about 122 km north-northeast of Tonopah, Nevada. The center of the property is about 38.96° North Latitude, 116.70° West Longitude.

Geology and Mineralization:

The Volt Canyon Lithium Property is sediment-hosted lithium clay targets. Access to the property is good and both future exploration and exploitation work could be conducted year-round.

The origin of this lithium deposit is suspected to be similar to Clayton Valley clay deposits located about 180 km to the south. Both areas are reasonably well represented by the USGS preliminary deposit model, which describes the primary characteristics as light-colored, ash-rich, lacustrine (lake) rocks containing swelling clays.



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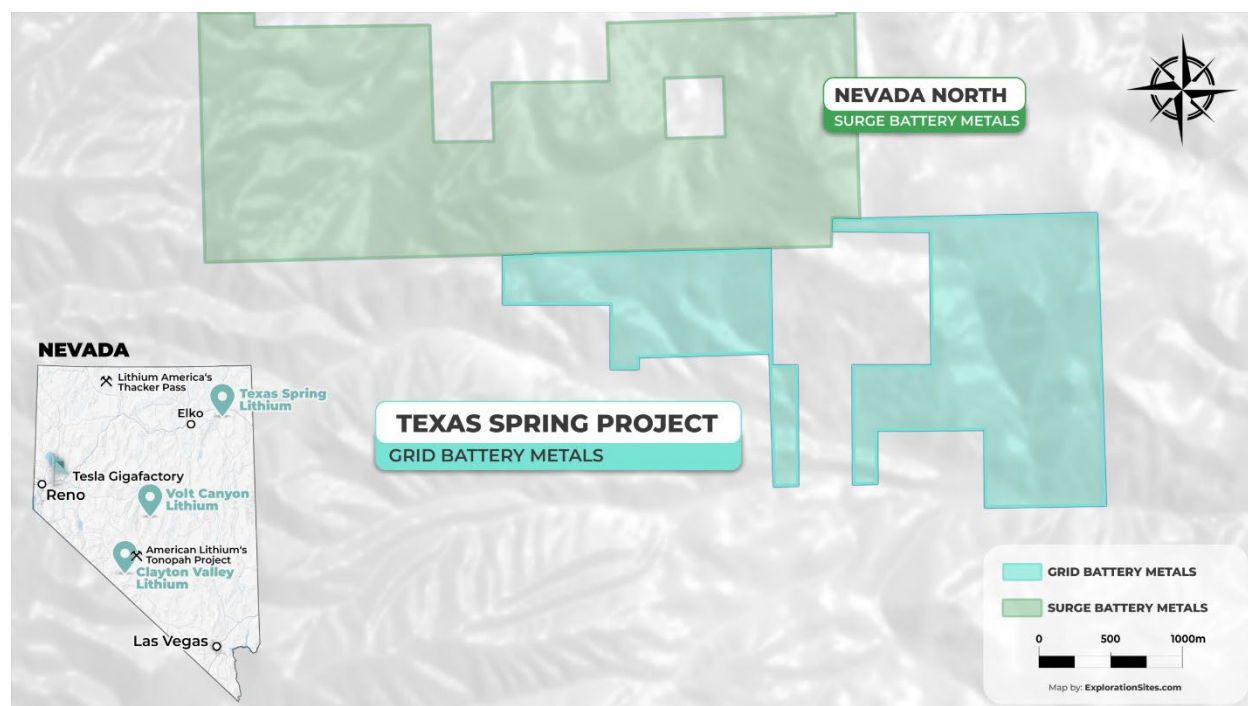
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TEXAS SPRING LITHIUM PROJECT

The Texas Spring Property consists of mineral lode claims located in Elko County, Nevada. The Property is in the Granite Range southeast of Jackpot, Nevada, about 73 km north-northeast of Wells, Nevada. The target is a lithium clay deposit in volcanic tuff and tuffaceous sediments of the Humbolt Formation.

The Texas Spring property adjoins the southern border of the Nevada North Lithium Project – owned by Surge Battery Metals Inc. and comprised of 303 mineral claims. Surge's first round of drilling identified strongly mineralized lithium bearing clays. The average lithium content within all near surface clay zones intersected in the 2022 drilling program, applying a 1000 ppm cut-off, was 3254 ppm.



Qualified Person Statement

“Project Overview” and “Subsequent Event” sections of this report have been reviewed and approved for technical content by Seth Cude, PG (Principal Geologist), a Qualified Person under the provisions of NI 43-101.

British Columbia, Canada

GRID NICKEL PROJECT

On 23 October 2020, the Company has entered into two purchase and sale agreements with John Malcolm Bell to acquire 100% interest, subject to a 2% net smelter royalty, in each of two nickel exploration projects located in British Columbia, Canada. Pursuant to the terms of the agreement the company paid cash in the amount of \$19,500 and will issue five million common shares.

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On 02 February 2021, the Company has entered into an option agreement with arm's-length vendor 802213 AB Ltd. (Kelly Funk) for the purchase of a 100-per-cent interest, subject to a 2-per-cent net smelter royalty, in six mineral claims located approximately 15 kilometers west of Mt. Sydney Williams near Fort St James, B.C. Additionally, the Company staked two adjoining claims. The Company may exercise the option by making a total of \$1,075,000 cash payments, issuing 6,000,000 common shares and incurring \$1,050,000 in exploration expenditures over a 4-year period and the conversion of the claims to a mining lease. In relation to this option agreement, the Company made an initial cash payment of \$50,000 and issued 450,000 common shares.

On 2 February 2022 the company paid \$75,000 and issued 450,000 common shares with a fair value of \$69,750 in relation to the first anniversary of the Kelly Funk option agreement. The acquisition of these claims has increased the company's prospective land position west of the Decar nickel deposit owned by FPX Nickel Corp. from 1,151 to 4,146 hectares. The company will control a 100-per-cent interest in over 13,704 hectares in the district. On 13 March 2023, the Company sent notice of termination of the Option Agreement with respect to the 6 mineral claims. In Accordance with the Section 7.3 of the Agreement, the Company will keep the claims in good standing for a period of one year from 13 March 2023.

On commencement of commercial production, a 2-per-cent net smelter returns royalty will be payable to the optionor. Nickel Rock retains the option to purchase one-half of the NSR (being one-half of the 2 per cent) for the sum of \$3-million.

On 15 November, 2021, the Company closed its non-arm's-length disposition of certain nickel claims to Surge Battery Metals Inc. ("Surge"). The Company entered into an option agreement with Surge Battery Metals Inc. dated 7 July 2021, whereby Surge may earn an undivided 80-per-cent interest in the HN4 and N100 nickel group of claims, located in Northern British Columbia. The company optioned out these claims to Surge to concentrate on its exploration efforts on the nickel group claims directly adjacent to FPX Nickel Corp.'s Baptiste nickel deposit.

On 31 March 2023, the Company closed the disposition of its remaining twenty percent (20%) interest in and to the Property, further to the agreement with Surge dated 7 July 2021.

Pursuant to the terms of the Agreement, the Option will be exercised by Surge issuing 1,000,000 fully paid and non-assessable common shares of the Company to the Grid upon approval of the Exchange.

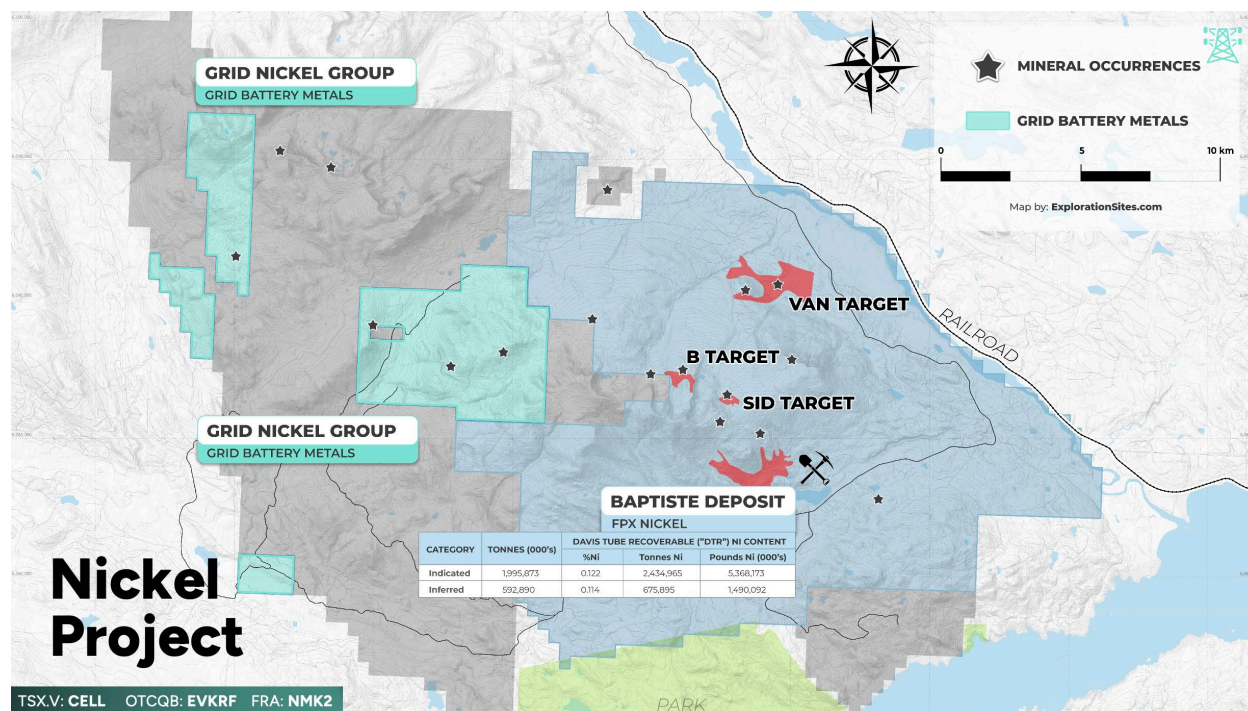
As consideration for the transaction, the Company received the total 6,000,000 shares of Surge and Surge shall incur an aggregate of \$200,000 in exploration expenditures on the property on or before two years from the date of the agreement.

In relation to this transaction, the Company recorded short term investments cost of \$1,295,000. During the year ended 30 June 2023 the Company recorded an adjustment to gain on change of fair value of short term investment of \$2,530,000 to reflect the market value of 6,000,000 shares of \$3,000,000 at end of the year.

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2021 Work Program and NI #43-101 Report

The Company's exploration plans include strategic trenching, surface exploration diamond drilling, camp construction, and exploration activities to support drilling and trenching such as soil sampling, rock sampling, prospecting, and geological mapping. The Company proposes to have a 12-man exploration camp built on the north slope of the un-named mountain west of and adjacent to Mount Sydney Williams and will be built next to a sub-alpine lake at the headwaters of Van Decar Creek.

Easily accessible by helicopter, the location of the exploration camp was selected based on past exploration camps at this location and its overall suitability for exploration support and ability to accommodate enough field personnel for the exploration work.

NI #43-101 Report Highlights:

- The Nickel Project ("project") consists of four non-contiguous mineral claims groups held by Nickel Rock Resources Inc. ("company") through three separate agreements. The exploration stage project is in the Takla Lake area of central British Columbia, partially adjacent to FPX Nickel Corp.'s Decar Nickel Project. The Decar Nickel Project is an advanced project targeting awaruite, a nickel-iron alloy mineral, hosted by serpentinized ultramafic intrusive rocks of the Trembleur Ultramafic Unit within the Permian to Triassic age Cache Creek Complex.
- The principal target on the project is nickel occurring as awaruite, but at the exploration stage all other styles of mineralization should be considered.
- Systematic, ground-based exploration work began within the area of the claims now covered by the Nickel Project under the direction of Ms. Ursula Mowat, P.Geo. in 1987, continuing intermittently until 2012. This work established the presence of elevated nickel, cobalt and chromium values in rocks, soils, and stream sediments.

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- The area of the claim groups of the project were included in Geoscience BC's QUEST and QUEST-West projects, including multiparameter regional geophysical surveys, and regional stream sediment reanalyses and data compilations between 2008 and 2009.
- Britten's technical paper "Regional Metallogeny and Genesis of a New Deposit Type – Disseminated Awaruite (Ni₃Fe) Mineralization Hosted in the Cache Creek Terrane published in 2017 in Economic Geology should be utilized as an interim mineral deposit model or profile for the Nickel Project.

2023 Work Program

Hardline Exploration Corp has completed a three day geological and geochemical work program on the Nickel Center claims from June 16 – 18th. The primary focus of the 2023 exploration program targeted geophysical magnetic anomalies hosted within ultramafic intrusive rocks with potential to host awaruite and nickel sulphide mineralization. Historic exploration showed the presence of elevated nickel, cobalt and chromium in soil and rock sampling; however, no Davis Tube Recoverable (DTR) nickel testing was previously reported within ultramafic intrusive rocks on the property.

Access to the claims was via helicopter. Elevations of work areas ranged from 1240 to 1730 meters in tree covered to sub-alpine terrain. Areas were explored for exposures on ridges and hill slopes were crews identified for sampling and geological outcrop descriptions.

Exploration comprised of geological mapping, structural data collection and rock sampling. In total 85 original rock samples were collected across the Nickel Center Property, in addition to 3 QAQC of certified standards/blanks were added to the sample stream. Rocks encountered were primarily ultramafic intrusive of the Trembleur Ultramafic unit with varying amounts of serpentinization. Samples were tested with a magnetic susceptibility reader (KT-10) upon collection and sample photographs and descriptions recorded by field geologists. Overall rock sampling was successful in covering the magnetic anomalies on the Nickel Center claims. A historic reference to "Vass's Pit" shown in assessment reports was located where bornite mineralization was noted in an outcrop to subcrop setting. Sample C00180515 located at 337441mE, 6087726mN, 1351 masl, returned up to 4.01% Cu and 23 ppm Ag.

Samples were shipped to SGS laboratories in Burnaby, BC to undergo processing and analysis. Rock samples were submitted for crushing to 75% passing 2mm, riffle splitting 250g and pulverization of the split to better than 85% passing 105 microns, and processing with four acid digestion followed by analysis using ICP-OES.

Of the rocks sampled, 21 rocks were in excess of 2000 ppm Ni, the average of the samples was 1557 ppm Ni. The majority of the samples focused on the strong magnetic high within tenure 1078864. A 900m long gulley feature strikes NNW and is a topographic "anomaly" to the slope. Follow-up analysis included the selection of 28 samples to undergo Davis Tube analysis to determine DTR Ni%. The results included up to 0.069% Davis Tube Recoverable ("DTR") nickel (Sample C00180527).

KLONE GROUP

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On 15 October 2020, the Company entered into an option agreement to earn 100% interest in the Klone Group of mineral claims located in Fort St. James in British Columbia. The Company may exercise the option by making a total of \$305,000 cash payments, issuing 550,000 common shares and incurring \$1,200,000 in exploration expenditures over 5 years.

In relation to this option agreement, the Company made an initial cash payment of \$35,000 and issued 75,000 common shares. Additionally, the Company issued 100,000 finder's shares.

During the year ended 30 June 2022, the agreement for Klone Group was terminated and the Company recognized an impairment of \$60,607.

Qualified Person Statement

Jeremy Hanson, a qualified person as defined by NI 43 – 101, is responsible for the technical information contained about the Company's British Columbia projects in this MD&A. Readers are cautioned that the information in this discussion regarding the property of FPX Nickel Corp is not necessarily indicative of the mineralization on the property of interest.

SELECTED ANNUAL FINANCIAL INFORMATION

The following selected financial information is derived from the audited consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

	Years Ended 30 June (audited)		
	2023	2022	2021
	\$	\$	\$
Total revenues	-	-	-
General and administrative expenses	1,084,266	380,733	2,088,268
Mineral property cash costs incurred	132,753	536,541	479,538
Mineral property impairment/disposals	374,750	1,812,415	-
Net income (loss)	1,168,850	(3,021,247)	(2,078,265)
Net income (loss) per share – Basic	0.010	(0.043)	(0.052)
Net income (loss) per share – Diluted	0.010	(0.043)	(0.052)
Total assets	7,824,667	1,691,069	4,523,712
Total long-term liabilities	-	-	-
Cash dividends declared per share	Nil	Nil	Nil

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the audited consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec
	2023	2023	2023	2022	2022	2022	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
Total revenues	-	-	-	-	-	-	-	-
Net income (loss)	1,629,822	2,098,769	(740,740)	(92,738)	(96,441)	(626,834)	(1,144,308)	(1,106,801)

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Net income (loss) per share	0.001	0.016	(0.008)	(0.001)	(0.001)	(0.009)	(0.016)	(0.016)
Total assets	10,696,022	7,824,666	2,975,236	1,480,880	1,796,738	1,691,069	2,343,979	3,422,796

RESULTS OF OPERATIONS**For the three months ended 30 September 2023 compared to the same period in 2022.**

Comprehensive income for the three months ended 30 September 2023 was \$1,168,850 as compared to the comprehensive loss of \$3,021,247 for the same period in 2022. Being at the exploration stage, the Company did not generate any revenue from operations. The decrease in comprehensive loss of \$4,190,097 was mainly attributable to the net effect of:

- Increase of \$63,747 in Bank and service charges from \$209 in 2022 to \$63,956 in 2023. The increase is due to the sale of short-term investments during the period ended 30 September 2023.
- Increase of \$118,173 in Consulting fees, from \$58,675 in 2022 to \$176,848 in 2023.
- Increase of \$2,659 in Depreciation expenses from \$Nil in 2022 to \$2,659 in 2023.
- Increase of \$5,569 in Insurance from \$Nil in 2022 to \$5,569 in 2023.
- Increase of \$2,637 in Legal from \$7,685 in 2022 to \$10,322 in 2023.
- Increase of \$1,106,761 in Marketing & communications, from \$963 in 2022 to \$1,107,724 in 2023. The increase is due to the full blast promotional campaign in different platforms.
- Increase of \$4,114 in Office and miscellaneous, from \$8,442 in 2022 to \$12,556 in 2023.
- Decrease of \$20,902 in Rent, from \$20,902 in 2022 to \$Nil in 2023.
- Increase of \$4,602 in Transfer agent fees, from \$Nil in 2022 to \$4,602 in 2023.
- Decrease of \$25,159 in Travel, lodging and food, from \$6,417 in 2022 to \$31,576 in 2023.
- Increase of \$29,184 in Foreign exchange gain, from \$266 (loss) in 2022 to \$28,918 (gain) in 2023.
- Increase of \$493 in Accretion expense, from \$Nil in 2022 to \$493 in 2023.
- Increase of \$2,213,666 in Gain on sale of short-term investments, from \$Nil in 2022 to \$2,213,666 in 2023.
- Increase of \$603,939 in Unrealized gain on short-term investment, from \$200,000 in 2022 to \$803,939 in 2023.

Selected Financial Information

To date, the Company has not commenced commercial operations.

Liquidity and Capital Resources

As at 30 September 2023, the Company had working capital of \$9,309,190 (30 June 2023: \$7,266,678).

As at 30 September 2023, the Shareholders' equity of \$10,659,364 (30 June 2023: \$7,769,543) consisted of share capital of \$14,291,956 (30 June 2023: \$13,482,923), reserves of \$5,576,846 (30 June 2023: \$5,125,879) and deficit of \$9,209,438 (30 June 2023: \$10,839,260).

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Outstanding Share Data

The Company's Authorized Share Capital consists of an unlimited number of common shares without par value.

As at 30 September 2023, the Company had 186,780,795 common shares outstanding (30 June 2023: 170,423,653 common shares).

The Company has adopted a "fixed" stock option plan (the "Plan"), pursuant to which a maximum of 14,461,830 common shares at 30 September 2023 and at the date of this MD&A, being 20% of the issued and outstanding Common Shares of the Company at the time an option is granted, less any outstanding stock options previously granted, will be reserved for issuance as options and will be granted at the discretion of the Corporation's Board of Directors to eligible optionees (the "Optionees") under the Plan.

As at 30 September 2023 and the date of this MD&A, the Company had 14,000,000 stock options outstanding.

As at 30 September 2023 and the date of this MD&A, the Company had 98,513,120 share purchase warrants outstanding.

Common shares issuances

a) Private Placements

On 21 September 2023, the Company issued 4,000,000 units at a price of \$0.12 per unit for cash proceeds of \$480,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.155 per share for a period of five years from closing. The private placement warrants had a fair value of \$450,967 using the Black-Scholes Option Pricing Model with the following assumptions:

- Risk-free interest rate 3.39%
- Expected term (in years) 5
- Estimated dividend yield 0%
- Weighted-average estimated volatility 148.98%

On 22 June 2023, the Company issued 60,000,000 units at a price of \$0.05 per unit for cash proceeds of \$3,000,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.055 per share for a period of five years from closing. The Company also paid filing fees of \$21,232, Finder fees in the amount of \$191,950 cash and 1,710,000 shares and 702,000 warrants in connection with the private placement. The finder shares issued are valued \$85,500. The 702,000 finder warrants have the same terms as the private placement warrants. These finder warrants had a fair value of \$28,112 using the Black-Scholes Option Pricing Model with the following assumptions:

- Risk-free interest rate 3.92%
- Expected term (in years) 1
- Estimated dividend yield 0%
- Weighted-average estimated volatility 115%

On 21 February 2023, the Company issued 33,304,000 units at a price of \$0.05 per unit for cash proceeds of \$1,665,200. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.065 per share for a period of five years from closing. The Company also paid

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filing fees of \$12,554, Finder fees in the amount of \$40,000 cash and 3,100,500 shares in connection with the private placement. The finder shares issued are valued at \$155,025.

b) Exercise of Share Purchase Warrants

During the year ended 30 June 2022, the Company issued 1,150,000 common shares related to the exercise of 1,100,000 share purchase warrants at an exercise price of \$0.06 and 50,000 share purchase warrants at an exercise price of \$0.15.

c) Issuance and Exercise of Stock Options

During the year ended 30 June 2022, the Company issued 1,230,000 common shares related to the exercise of 730,000 stock options at an exercise price of \$0.075 and 500,000 stock options at an exercise price of \$0.05.

On 6 June 2023, the Company granted 2,500,000 stock options to consultants, directors and officers of the Company. These stock options have an exercise price of \$0.05 per share and expire in 5 years. The fair value of these options was determined as \$91,587 using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

- Risk-free interest rate 3.61%
- Expected term (in years) 2
- Estimated dividend yield 0%
- Weighted-average estimated volatility 108%

On 2 February 2023, the Company granted 12,200,000 stock options to consultants, directors and officers of the Company. These stock options have an exercise price of \$0.05 per share and expire in 5 years. The fair value of these options was determined as \$440,056 using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

- Risk-free interest rate 3.06%
- Expected term (in years) 2
- Estimated dividend yield 0%
- Weighted-average estimated volatility 106%

d) Mineral property acquisition

During the year ended 30 June 2022, the Company issued 450,000 common shares with a fair value of \$69,750 in relation to the first anniversary of the option agreement for Kelly Funk. There were no shares issued for mineral properties during the year ended 30 June 2023.

Financial and Other Instrument

The Company's financial assets and liabilities consist of cash, amounts receivable, short-term investment, and trade payables. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair value of these instruments approximates their carrying value due to the short-term nature of their maturity.

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Related party expenses

The Company's related party expenses are summarized as follows for the three months ended 30 September 2023 and 2022:

	30 September 2023	30 September 2022
	\$	\$
Lease payments paid to President and CEO (Note 14)	3,000	-
Consulting fees to former CFO	-	12,000
Consulting fees to a Director and Chairman	6,000	6,000
Consulting fees to President and CEO	42,000	-
Consulting fees to CFO	15,000	-
Consulting fees to Corporate Secretary	21,000	21,000
Total related party expenses	87,000	39,000

Short-term investment

On 7 July 2021, the company entered into an option agreement with Surge Battery Metals Inc., whereby Surge may earn an undivided 80% interest in the HN4 and N100 nickel group of claims, located in Northern British Columbia (Note 6.5). As consideration for the transaction, the Company received 5,000,000 common shares of Surge. In relation to this transaction, the Company recorded short-term investments of \$1,075,000 as at date of (Note 5).

On 31 March 2023, further to the option agreement dated 7 July 2021, Surge was granted the option to acquire the remaining 20% interest in the HN4 and N100 Claims, located in Northern British Columbia. As consideration for the transaction, the Company has received 1,000,000 shares of Surge.

During the year ended 30 June 2023 the Company recognized a gain on change of fair value of short-term investment of \$2,530,000 to reflect the fair value of 6,000,000 shares at year end.

As at 30 September 2023, the book value of the remaining 3,193,600 shares short-term investment is \$836,917 with the market value of \$3,065,856.

Key Management Personnel Compensation

The remuneration of directors and other members of key management for the three months ended 30 September 2023 and 2022 were as follows:

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As at 30 September	2023	2022
	\$	\$
Short-term benefits – management and consulting fees	84,000	39,000
Total key management personnel compensation	84,000	39,000

Right-of-Use Asset and Lease Liability

On November 1, 2022, the Company entered into a rental agreement with the CEO of the Company. The term of the agreement is from November 1, 2022 to October 31, 2025. The lease liability was measured at the present value of the estimated lease payments and discounted using the Company's incremental borrowing rate, which is 8%.

The changes in the Company's ROU asset for the period ended 30 September 2023 are as follows:

	30 September 2023
	\$
Balance at 30 June 2023	24,817
Additions	-
Depreciation for the period	(2,659)
Balance at 30 September 2023	22,158

The changes in the Company's lease liability for the period ended 30 June 2023 are as follows:

	30 September 2023
	\$
Balance at 30 June 2023	25,465
Additions	-
Lease payments	(3,000)
Finance charge	493
Balance at 30 September 2023	22,958
Less: current portion	10,336
Balance at 30 September 2023	12,622

Critical Accounting Estimates

The preparation of consolidated financial statements requires the Company to select from possible alternative accounting principles, and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date and reported costs and expenditures during the reporting period. Estimates and assumptions may be revised as new information is obtained and are subject

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to change. The Company's accounting policies and estimates used in the preparation of the consolidated financial statements are considered appropriate in the circumstances but are subject to judgments and uncertainties inherent in the financial reporting process.

Off-Balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements during the period.

Outlook

Although current management has demonstrated its ability to raise funds in the past, with the current financial market conditions and global economic uncertainty, there can be no assurance they will be able to do so in the future. The financial results and discussion do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

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Caution Regarding Forward Looking Statements

Except for historical information contained in this discussion and analysis, disclosure statements contained herein are forward-looking. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially, from those in such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

Other Information

Additional information about the Company is available on SEDAR at www.sedar.com.

Subsequent Events

On 11 October 2023, the Company amended the consulting agreement with Triomphe Holding to pay an additional fee of \$60,000 to the Consultant and the Agreement will be extended for an additional three month term from 11 October 2023. Pursuant to the terms of the Amending Agreement, the Company has also granted incentive stock options to the Consultant to purchase 400,000 common shares at an exercise price of \$0.09 per share for a period of five years from the date of grant. The stock options granted will vest in 25% increments every three months over a 12 month period. The stock options granted are also subject to a 4 month and a day hold period in accordance with applicable Canadian Securities Laws. The

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stock options are subject to the terms and conditions of the Company's stock option plan and the policies of the Exchange.

On 17 November 2023, the Company amended the terms of the engagement with TD Media LLC d/b/a Life Water Media LLC ("Life Water Media") to help raise online marketing awareness and to provide a comprehensive digital media marketing campaign for the Company, the parties have agreed to amend certain terms of the Digital Marketing Services Agreement which Agreement was approved by the TSX Venture Exchange on 28 September 2023. The amended terms are that the Company will pay an additional fee of US\$300,000 to the Consultant and extend the Agreement for an additional two-month term upon approval by the Exchange.