Grid Battery Metals Inc.

Management's Discussion and Analysis

For the years ended 30 June 2025 and 2024

The following management discussion and analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2025. Results have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All monetary amounts are reported in Canadian dollars unless otherwise indicated.

For further information on the Company reference should be made to the Company's public filings which are available on SEDAR.

This MD&A contains forward-looking information. See "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

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. (the "Company" or "CELL") for the year ended 30 June 2025. The Company's consolidated financial statements are prepared in accordance with IFRS Accounting Standards 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 October 2025.

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 and the Company's shares are listed on the TSX Venture Exchange ("TSXV") under the trading symbol "CELL" and co-listed on the OTCQB (United States) under the symbol "EVKRF".

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

On 14 July 2023, the Company formed AC/DC Battery Metals Inc. ("AC/DC") and subscribed to 100% of its shares.

On 27 September 2023, the Company completed a spin-out of its Nickel Project into AC/DC and in exchange, shares of AC/DC were distributed to the Company and subsequently to the Company's shareholders on a basis proportionate to their shareholdings of the Company. Upon completion of the spin-out, AC/DC ceased to be a subsidiary of the Company and became wholly owned by the shareholders of the Company.

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. Clayton Valley is also the location of Pure Energy Minerals' NI-43-101 inferred resource of 217,700 metric tonnes of Lithium Carbonate Equivalent (LCE) announced in July 2015. Clayton Valley is centrally located between and connected to Las Vegas and Reno by highway. Power and water necessary for exploration and development are accessible in nearby Silver Peak, and both Las Vegas and Reno provide ample labor markets. In addition, the Clayton Valley BFF-1 Lithium Project is located approximately 3.5 hours away from Tesla's Gigafactory east of Reno.

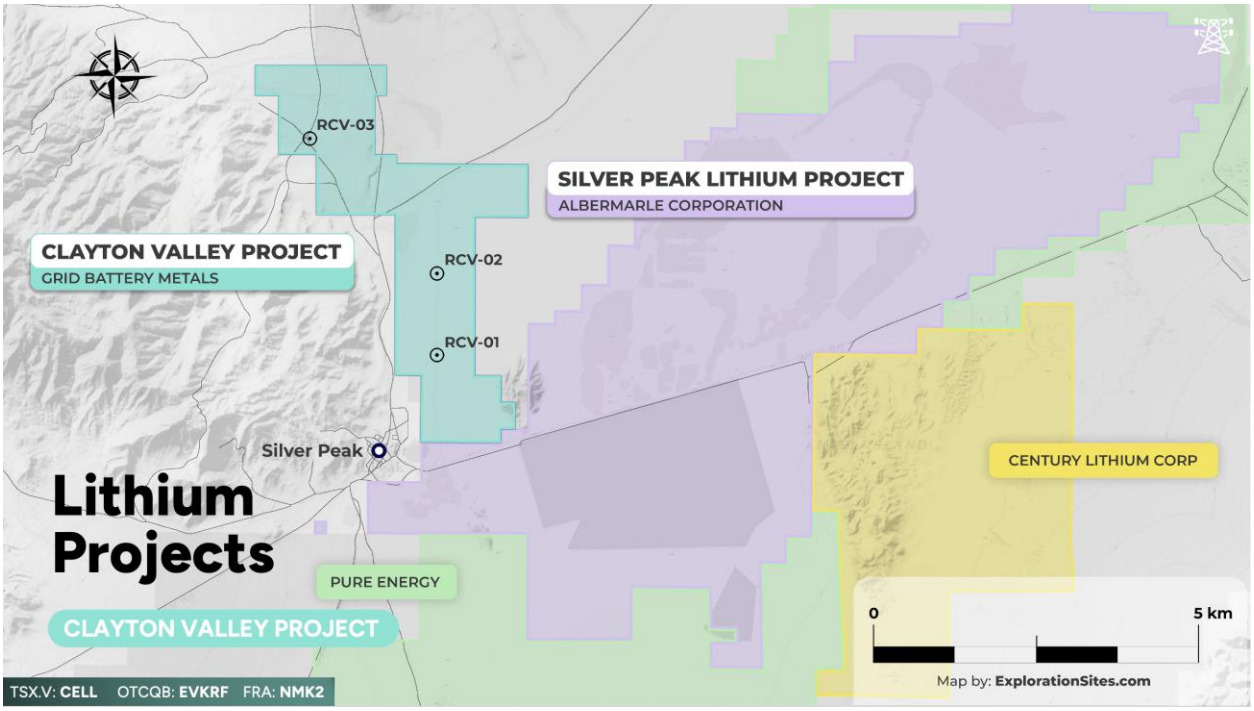
Clayton Valley is one of the few locations globally known to contain commercial-grade lithium-enriched brine. The Valley is an internally drained closed-basin surrounded by mountains, hills and ridges on all sides. It contains an underground unconsolidated water bearing system (or aquifer system) which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

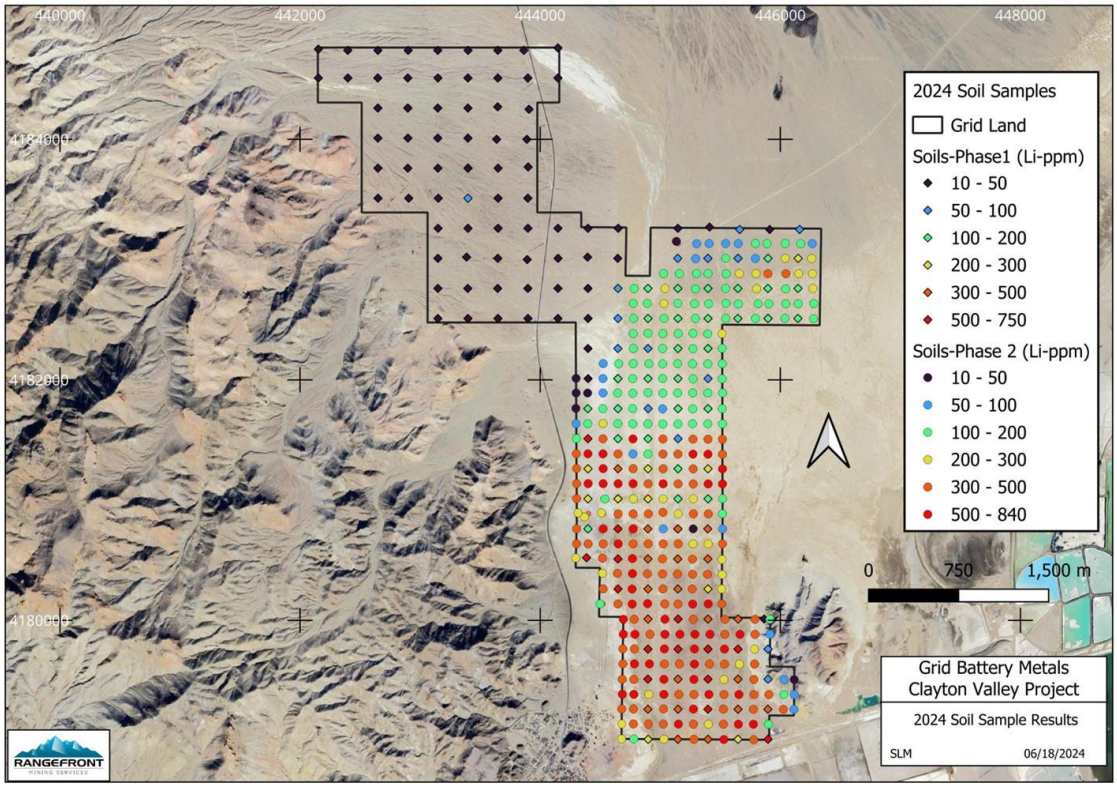


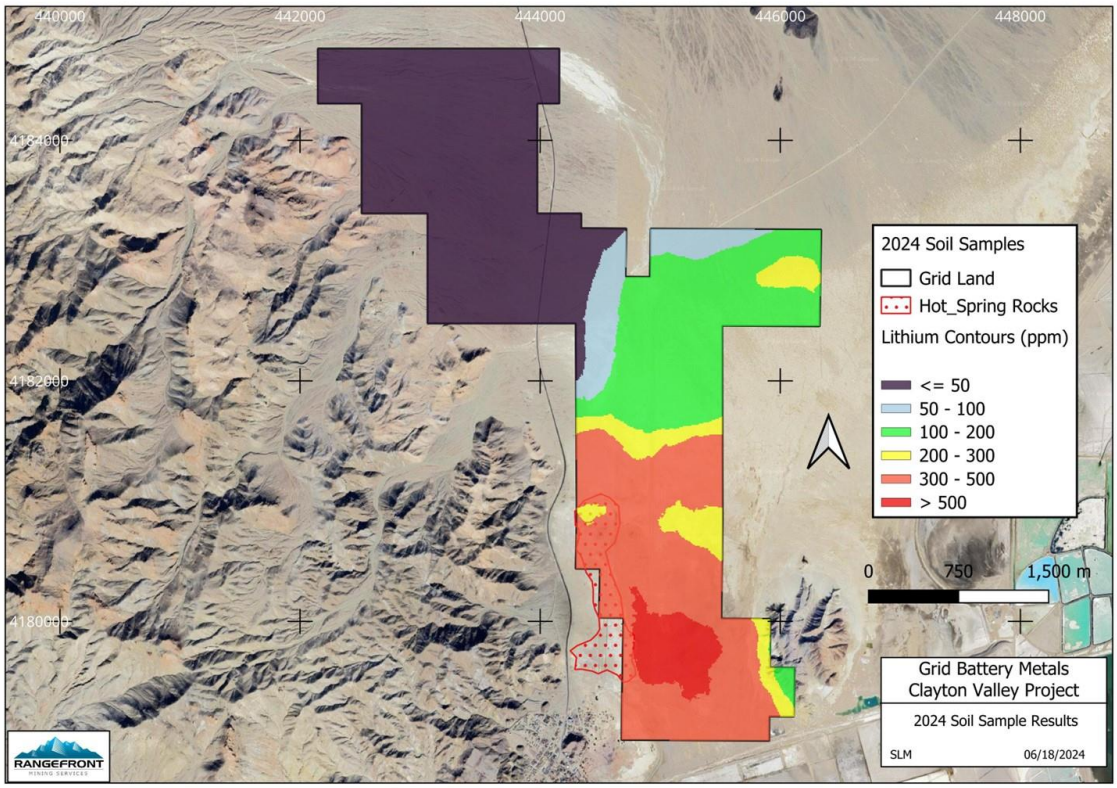
Project area and 2021 drill hole locations

Results from its second phase of exploration and its plans for the third phase of its spring/summer exploration program at its Clayton Valley Lithium Property near Silver Peak, Nevada, which includes a four-hole drill program for September 2024.

At the Clayton Valley Lithium Project, the infill soil sampling exploration work performed by Rangefront Geological Geologist / Company Qualified Person Steven McMillin P.G., has now been completed and results have come back from the assay lab.

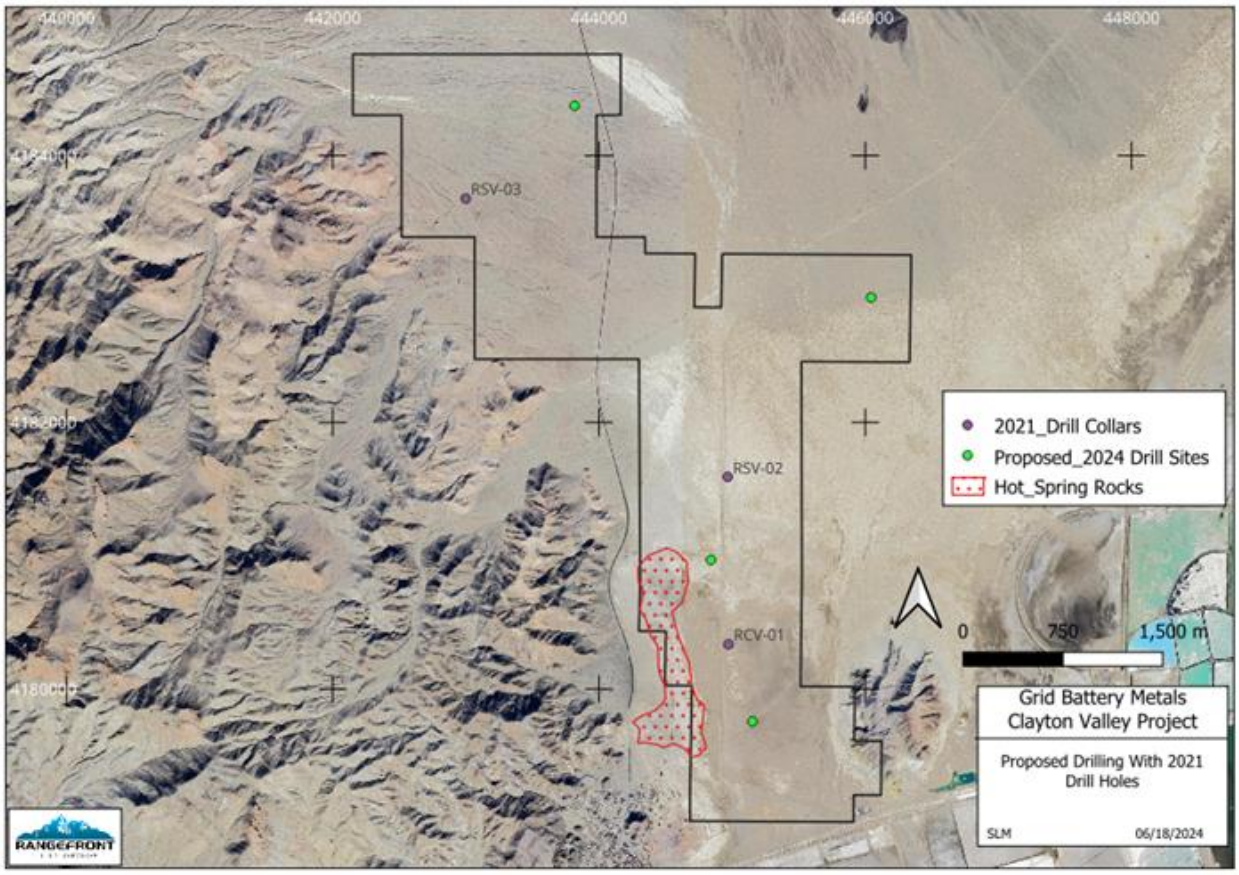
Infill Soil Samples Results (Clayton Valley Lithium Project)

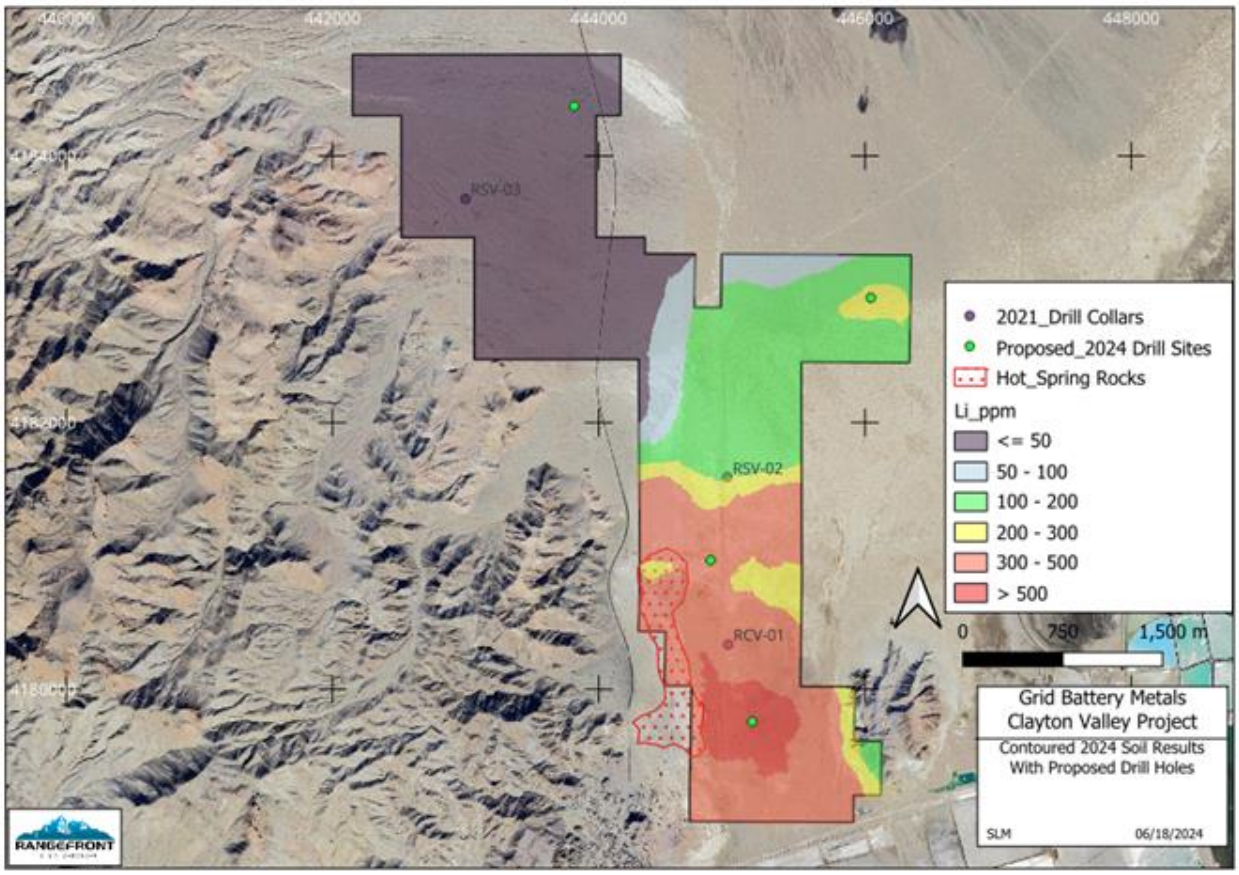




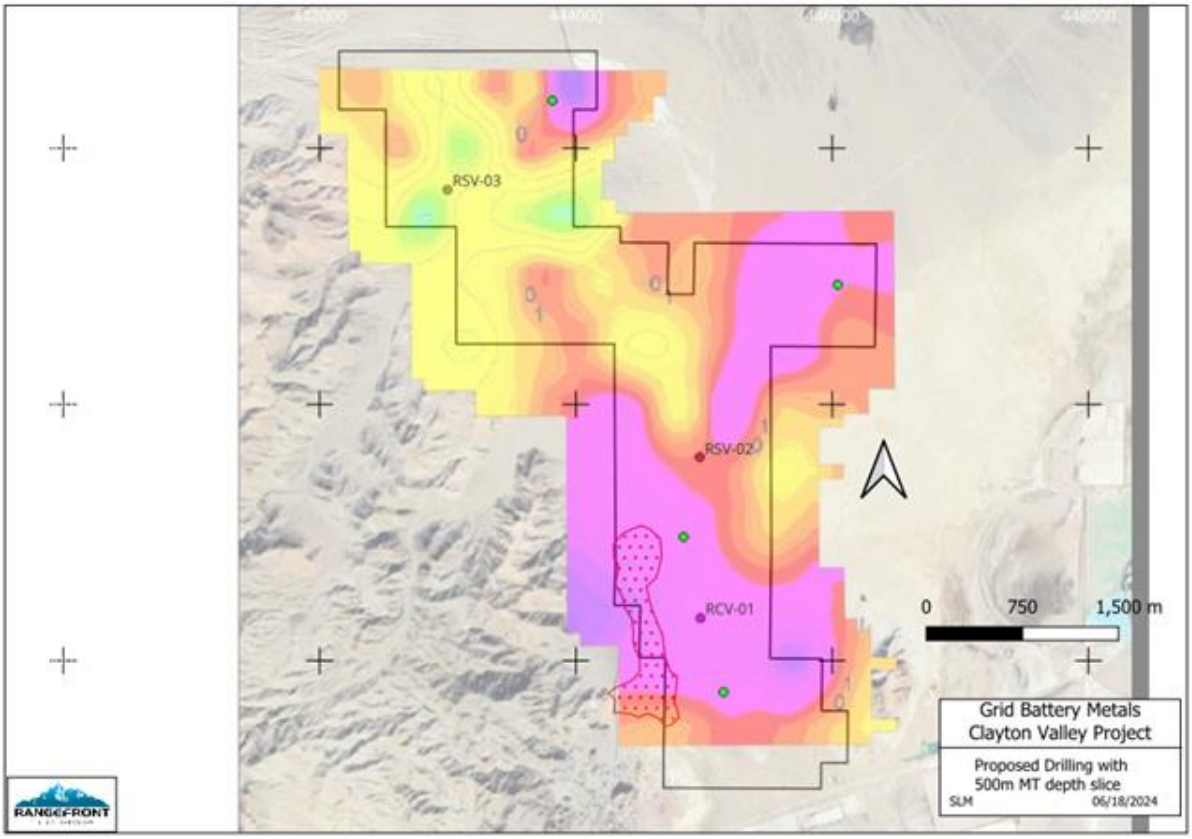
These results, together with the Company's recently completed magnetotelluric geophysics survey, are geological techniques that should help predict geological structure and possible locations for lithium accumulation within claystone and brine at depth.

Proposed Drill Locations (Clayton Valley Lithium Project)




442000
444000
446000
448000
RSV-03
RSV-02
RCV-01
2021_Drill Collars
Proposed_2024 Drill Sites
Hot_Spring Rocks
Li_ppm
<= 50
50 - 100
100 - 200
200 - 300
300 - 500
> 500
0
750
1,500 m
Grid Battery Metals
Clayton Valley Project
Contoured 2024 Soil Results
With Proposed Drill Holes
SLM
06/18/2024
RANGEFRONT

MT Geophysics Results (Clayton Valley Lithium Project) – 500m MT depth slice



Mr. Steven McMillin P.G. comments "A major northeast fault interpreted from gravity bisects the claim block and is best apparent in the 500m slice even though the slice is below the basin floor. This suggests that the fault may be a fluid conduit at depth. Three drill holes in the south were selected by our team based on the combination of geophysics data and soil sample data that point to possible lithium accumulation within claystone and brine. The hole located at the north of the property has no significant soil signature as it is buried by alluvium, but it has a low-resistivity anomaly with a significant depth extent. A claystone dominant host for lithium is hypothesized at this location.

Tim Fernback, Grid President & CEO comments "Now that the soil sampling, geophysical survey programs and 3D Leapfrog model of the subsurface are now complete at Clayton Valley, we have identified these four drilling targets to test for the depth and extent of lithium bearing brine and claystone. We are very excited about the results to date on the property and look forward to our drilling program later this year."

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 meters (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.

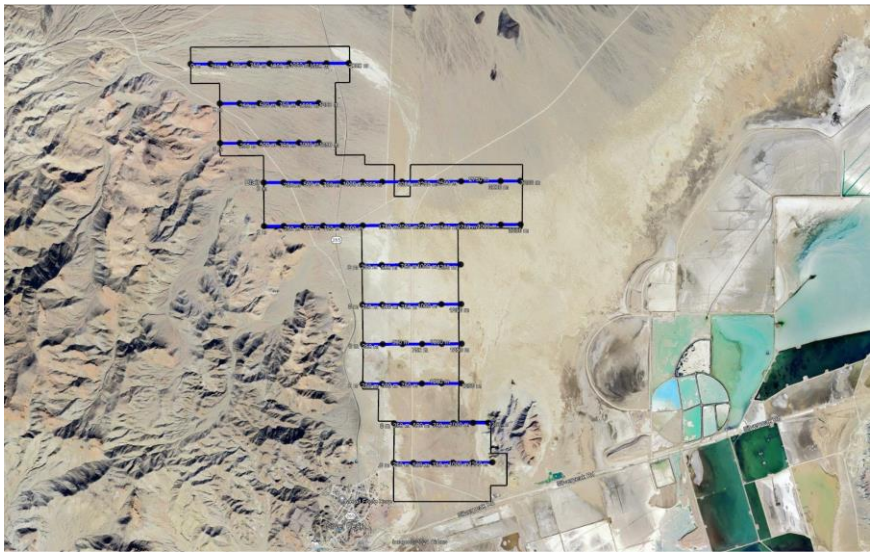
Drill chip samples were partially dried at the drill sites for two days in the case of RCV-01 and overnight in the case of RCV-02 before being picked up by a driver for Paragon Geochemical. The samples were transported to the Paragon laboratory on 2 April 2021 where they were dried, crushed, and pulverized. 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).

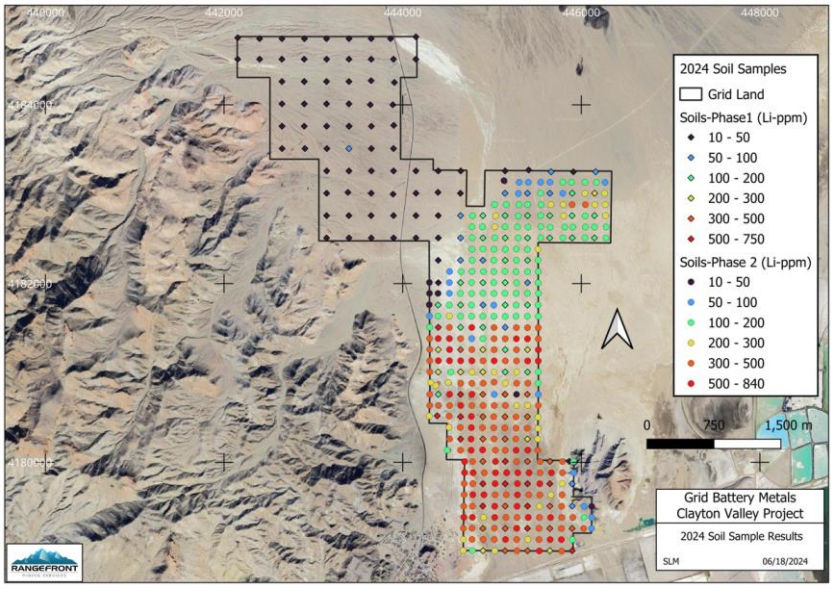
On 1 March 2024, a NI43-101 document on Clayton Valley was submitted to Grid Battery Metals and SEDAR that included local and regional geology, previous drill data, and recommendations for further work.

In March 2024, KLM Geoscience was contracted to conduct an MT (magneto-telluric) survey to look for conducting surfaces at depth. They completed eleven east-west lines spaced 500 m apart and stations spaced 250 m apart. A total of 18.5 line-km was covered by the survey. Both shallow and deep level conductors were delineated.



2024 MT survey lines

In April and May 2024, a soil sampling program was conducted over the Grid claim block in two separate phases. Phase one covered the property on a 250 m x 250 m grid, and 168 samples were collected. Phase 2 followed up the results from Phase 1 but on a grid of approximately 125 x 125 m, and 286 samples were collected. The results for the sampling from both phases are shown.



Results of 2024 soil samples

The objective of the soil sampling and MT surveys was to generate drill targets.

On 28 October 2024, the Company completed the reverse circulation drilling program on the Company's claim block at Silver Peak, Clayton Valley, Esmeralda County, Nevada. This strategic land package, covering approximately 2,300 acres (930 ha), directly adjoins the western portion of lithium producer Albemarle's (NYSE: ALB) evaporation ponds and is nearby Century Lithium Corp.'s (TSXV: LCE) (OTCQB: CYDVF) proposed 5,430-acre Angel Island Lithium Mine, which recently released a Positive Feasibility Study detailing a 40-year mine life and an after-tax NPV8 of $3.01 billion.

Mr. Tim Fernback, Company President and CEO comments "Now that our fall drilling program at our Clayton Valley Lithium Project has been successfully completed, we are eagerly awaiting the lithium assay results from the lab. One of the stated goals of the planned drilling program was to test the depth of the accumulated lithium brine and claystones on our property. With this knowledge, we can propose a significant follow-on exploration program that will work towards an eventual maiden resource calculation and NI# 43-101 Preliminary Economic Assessment. We remain very excited about this opportunity in Nevada for our company and shareholders."

Area Map (Clayton Valley Lithium Project) With Drill Hole Locations

Exploration Images from the Clayton Valley Lithium Project

Mr. Steven McMillin P.G. comments "We ended the drilling program with our last hole drilled to a depth of 1,160 feet, testing a considerable section of possible lithium bearing sediments on the property. In total, five holes were completed for 4730 total feet. Four holes were originally planned, but a fifth hole (RCV-08) was offset from RCV-06 that was lost at a shallow depth to bad ground conditions. We encountered highly variable drilling conditions in each hole including high water temperatures and volumes. Lithologies were also variable from hole to hole. However, in most holes we encountered evidence of hot spring style alteration within the first 600 feet in the form travertine and tufa. Several heavy clay layers were encountered in most holes that could have originally been tuff units. Our last hole (RCV-08) was terminated by an impenetrable zone of heavy brick red ball clay. In Clayton Valley, sinter, travertine, and tufa are considered surface evidence of geothermal waters that can leach and mobilize lithium from ash layers at depth. Both drill cuttings and water were sent for analysis."

Samples and Assay Results

Cutting samples were sent to Bureau Veritas ("BV") laboratory in Reno. Samples were processed, weighed and air-dried. The air drying was recommended by Applied Hydrologic of Reno because normal drying temperatures in a lab may volatilize lithium. Unfortunately, additional time was added to sample processing. After weighing, samples were crushed to 70%, passing 10 mesh in a 250 g split. The analysis was by multi-acid digest with ICP-MS/ES finish.

Water samples were delivered to the ALS Global laboratory in Elko. The water samples were kept in a cooler with ice until delivery. Samples were logged in, filtered, and acidified. The analysis was done by ICP instrumentation.

Lithology samples were captured every 5 feet using a strainer and placed into 20-compartment plastic chip trays for geologic logging. Chip logging into an Excel spreadsheet was conducted during night and day shifts. and lithology, structure, alteration, and mineralization were logged into separate worksheets.

Table 1 is a summary of assay results. Water assays were collected in 500 ml plastic bottles every 20 feet and sent to ALS Global where they were weighed, filtered, acidified, and analyzed by ICP-AP. Cutting samples were collected every 5 feet and sent to Bureau Veritas in Reno for analysis. Samples were processed, weighed and air-dried. Samples were crushed to 70% passing 10 mesh in a 250 g split. The analysis was by multi-acid digest with ICP-MS/ES finish. QA/QC standards, blanks, and field duplicates were inserted approximately every 20 samples.

Lithium concentrations in water samples were determined in all holes. The best drill-cutting intercept occurs in RCV-04 in tuffaceous sediments between 80 and 250 feet with an average of 298 ppm Li **that includes grades to 741 ppm and is worthy of further exploration**. Published low-grade clay-hosted lithium assays are approximately 800-850 ppm. While lithium assays generally diminish to the north, **there is still untested property to the south to explore for shallow, but higher-grade lithium which is of considerable interest to the Grid Exploration Team.**

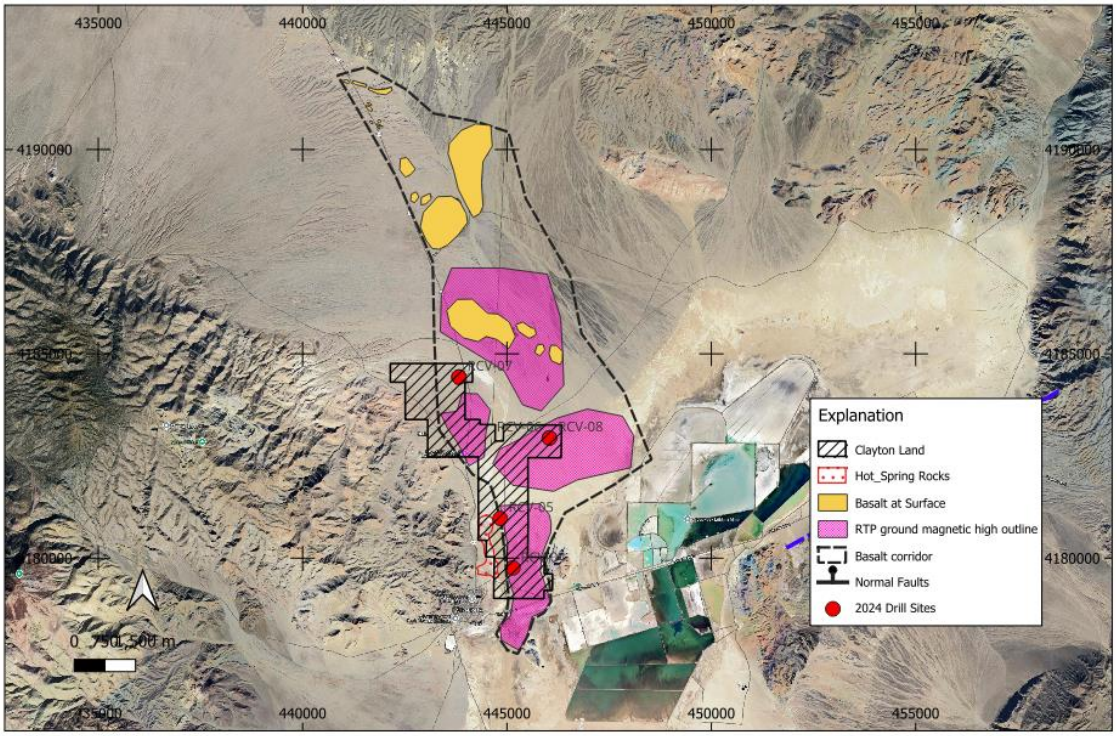
Drillhole Geology

The geology of all holes drilled is summarized in Table 1. Material drilled includes lacustrine alluvial sediments, and basalt Common features encountered in nearly every hole include:

- Thin recent alluvium cover of approximately 20 feet.
- Clay and travertine/sinter intervals to approximately 400 feet from the surface.
- Basalt from approximately 400 feet with an unknown total thickness. The exceptions are RCV-06 and RCV-08 where no basalt was drilled.
- Groundwater temperatures of 85˚-120˚F. RCV-05 ended with 180˚ F water.
- Evidence of active hydrothermal alteration at multiple elevations in multiple lithologies.
- Water flows of up to 220 gallons per minute.

The anticipated thickness of the sediments above Cambrian basement (1500-1800 feet) in the Goat Island Graben appears thinned by the presence of basalt with an unknown thickness that may occur along the length of the Graben. However, this "flow" may lie on top of older sediments within the graben, G. and could potentially act as an aquitard for lithium brines (See interpretative section). Seismic survey lines would help to establish the basalt depth and plan for deeper drill targets. Additionally, while lithium assays generally diminish to the north, there is still untested property to explore for shallow, but higher-grade surface lithium which is of considerable interest to the Grid Exploration Team.

The location of surface basalt and ground magnetic high anomalies suggests that basalt could extend from surface deposits to the north and through the project as an arcuate belt. Surface basalt occurs in discreet eruptive centers. The magnetic anomalies suggestive of basalt follow the same pattern.



A follow-up program consisting of shallow holes less than 600 feet could rapidly test for higher grade lithium to the south of RCV-04. For a deeper test beneath basalt, an active seismic program should be considered to identify the basalt thickness and hopefully the graben bottom. Drilled lithologies, particularly basalt, will help calibrate the seismic results. If the results indicate there is a lower package of sediments, then more lines to the south RCV-04 and possibly over holes drilled to the north could be conducted. Magnetotelluric results in conjunction with seismic results can be reinterpreted. From this, a much better geologic model can be constructed to plan deeper drill holes and interpret the results. Grid Battery Metals will consider its exploration options for 2025.

Interpretive north facing cross-section showing extended hot-springs rocks and basalt. Section is located between RCV-01 and RCV-05

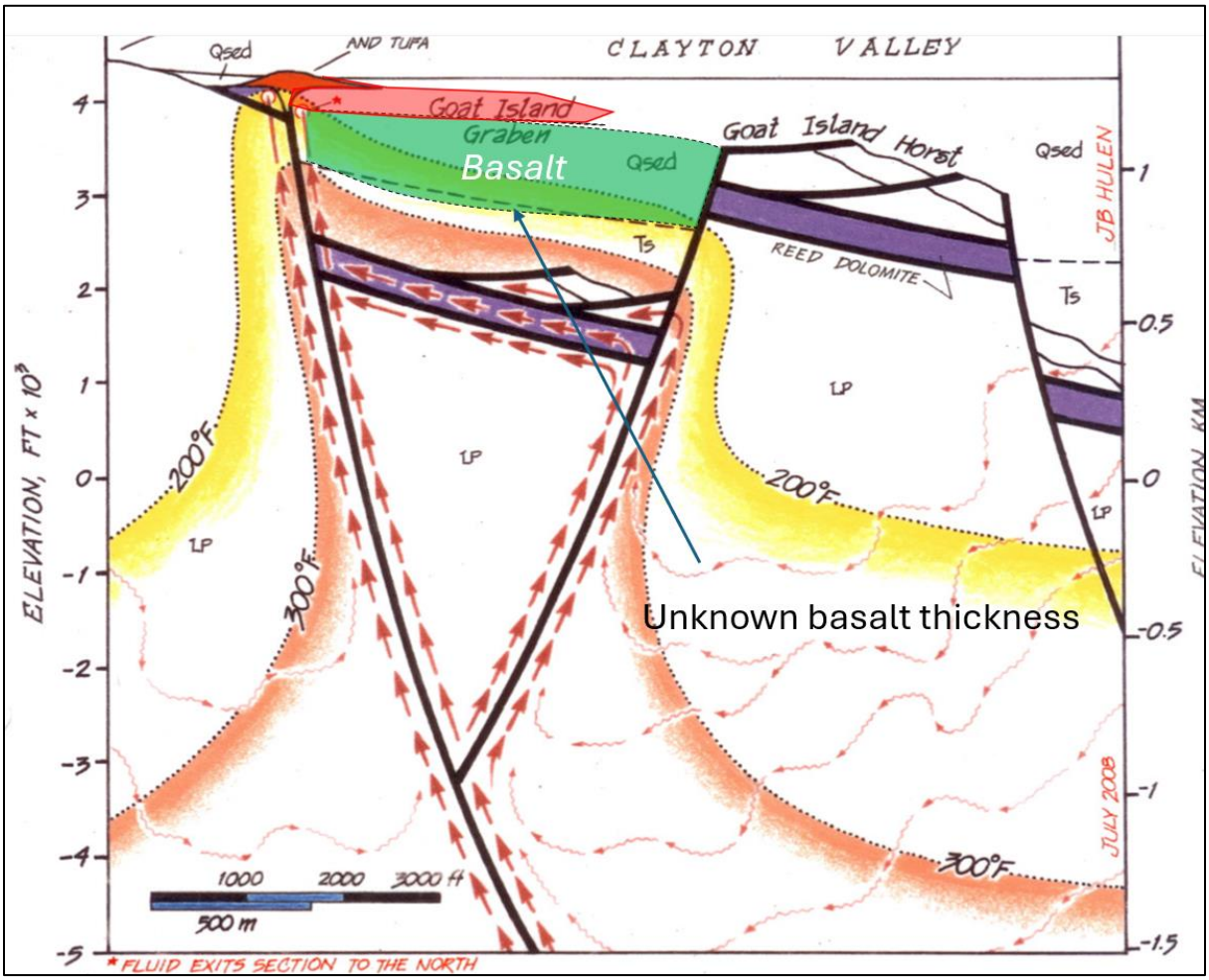


Table 1: Summary of Results

Hole	Footage From	Footage To	Interval	Li-ppm		From	To	Interval	Li-ppm
RCV-04	0	15	15	229.8					
	45	50	5	272.9					
	80	250	170	298.04	including	90	95	5	741
			0		and	90	110	20	561.8
			0		and	135	155	20	472.8
			0		and	190	205	15	458.75
RCV-05	0	20	20	180.9					
RCV-06	5	50	45	102.93					
	75	95	20	124.95					
	105	110	5	126.3					
	130	150	20	112.9					
RCV-07	420	1360	940	40.7					
RCV-08	965	995	30	158.33					
	1015	1080	65	138.13	including	1025	1040	15	223.7
2021 Results									
RCV-01	0	20	20	309					
RCV-02	0	170	170	180	including	0	30	30	221
						60	85	25	279
						100	120	20	211
						150	160	10	210

Assays from RCV-04 approaching lowest reported grades of neighboring clay hosted lithium.
Cypress Development reported in 2022: 70 meters of 1336 ppm of clay hosted lithium.
Century Lithium reports 2022 results of clay hosted lithium: 833 to 1610 ppm.

Water Assays			Samples start from first measureable groundwater
Hole	**Interval**	**mg/l**	**Description**
RCV-04	140 ft	30.6	Lacustrine and alluvial sediments including tuffs,sinter/travertine, and gravel
	140-420 ft	10.82	same
	420-860 ft	35.95	Basalt
RCV-05	140-420 ft	42.46	Lacustrine and alluvial sediments including tuffs,sinter/travertine, and gravel
	420-700 ft	40.69	Variably altered basalt +/- conglomerate
			Water temperature peaked at 85˚C and drilling was terminated
RCV-06	240-640 ft	25	Lacustrine and alluvial sediments including tuffs,sinter/travertine, and gravel
RCV-07	440-960 ft	21.97	Alluvial gravel from 0 to 440 ft
RCV-08	660-960 ft	26.86	Lacustrine and alluvial sediments including tuffs,sinter/travertine, and gravel
	960-1060 ft	35.73	

VOLT CANYON LITHIUM PROJECT

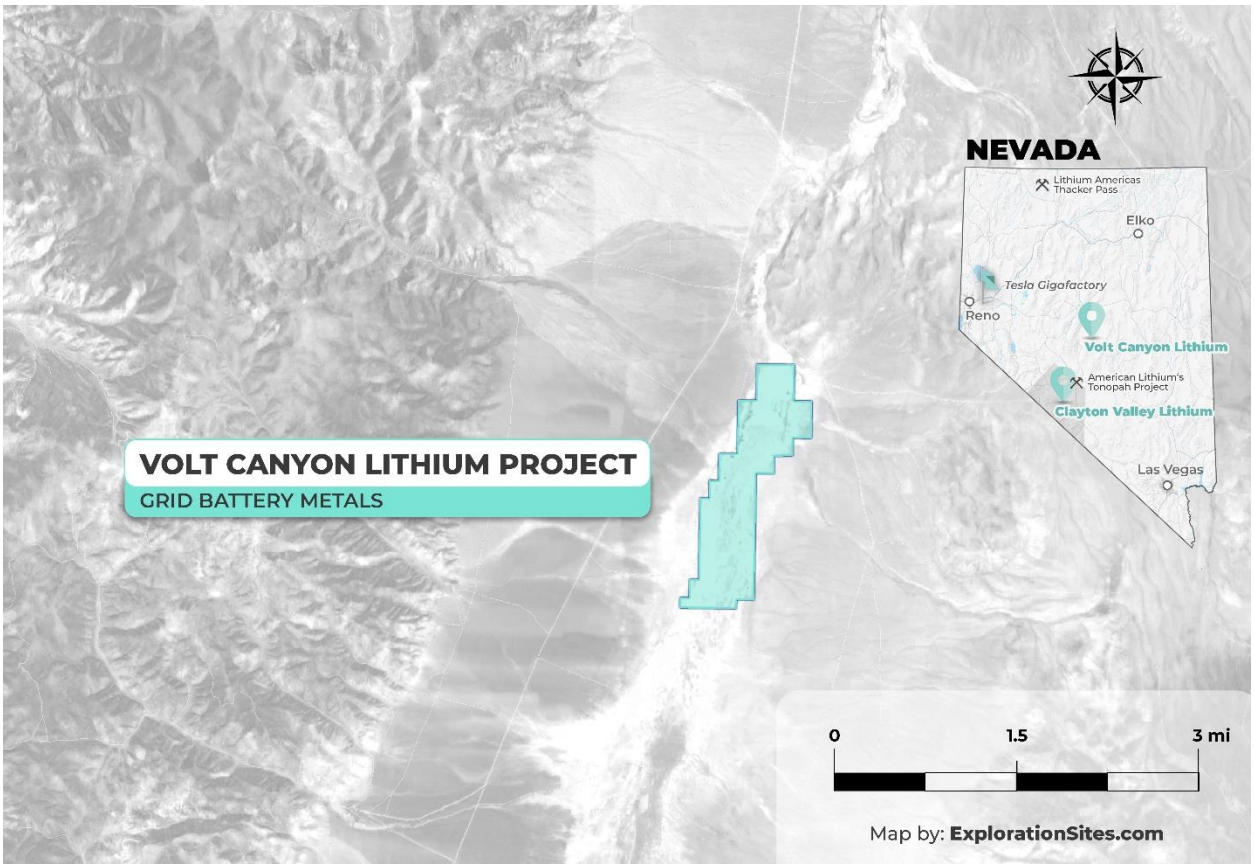
On 29 March 2023, the Company staked 80 placer claims covering approximately 635 hectares of alluvial sediments and clays located 122 km northeast of Tonopah, Nevada. The Volt Canyon Lithium Property is located in Monitor Valley, Nevada, about 122 km north-northeast of Tonopah, Nevada. The center of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

The Company does not have any planned or budgeted activities on this project at this time. As a result, an amount of $74,886 was recognized as an impairment loss on this project for the year ended 30 June 2025.



Volt Canyon Location

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.

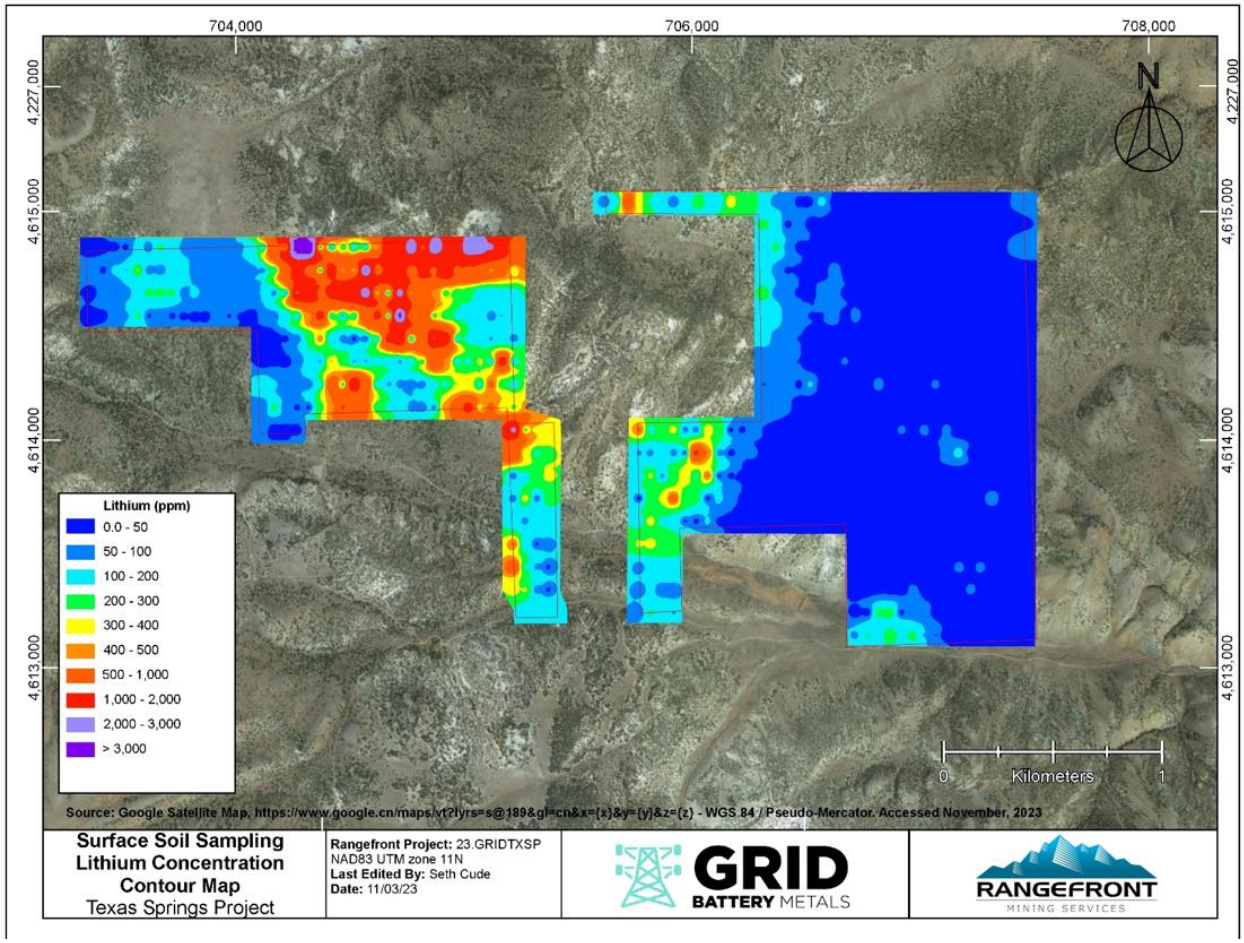
The Texas Spring property adjoins the southern border of the Nevada North Lithium Project – owned by Surge Battery Metals Inc. and comprised of 303 mineral claims. Surge's first round of drilling identified strongly mineralized lithium bearing clays. The average lithium content within all near surface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

Previous Work

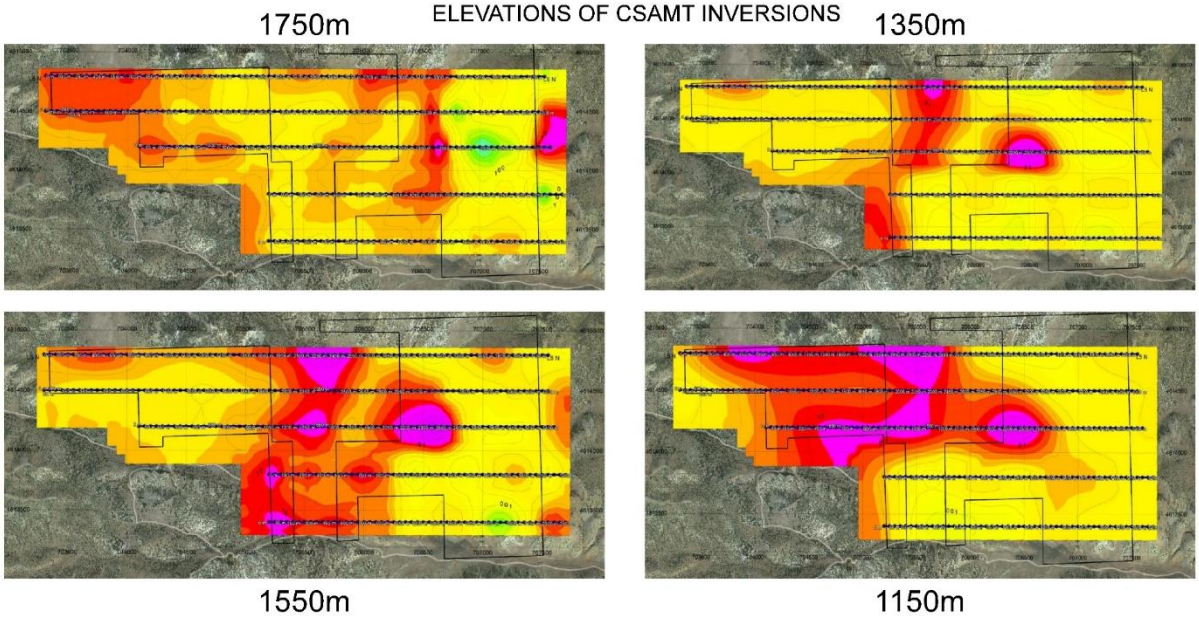
In September 2023, 809 soils samples were collected on a 50m x 100m grid across the claim block. Samples were taken from approximately 7.5 to 30.5 cm (3 to 10 in) depth, targeting the 'B' soil horizon.

Also in September 2023, A Controlled Source Audio Magnetotelluric (CSAMT) survey was conducted by in September 2023 KLM Geoscience at the Project. The program encompassed five east-west-oriented CSAMT lines for a combined length of 17-line km (10.6-line mi) with electric dipoles evenly spaced every 50m (164 ft) in each line. A Phoenix RXU-8A Receiver and TXD-1 Transmitter Driver were used to collect data by transmitting a controlled electrical signal into the ground at a wide range of frequencies between 1 Hz to 10 kHz.

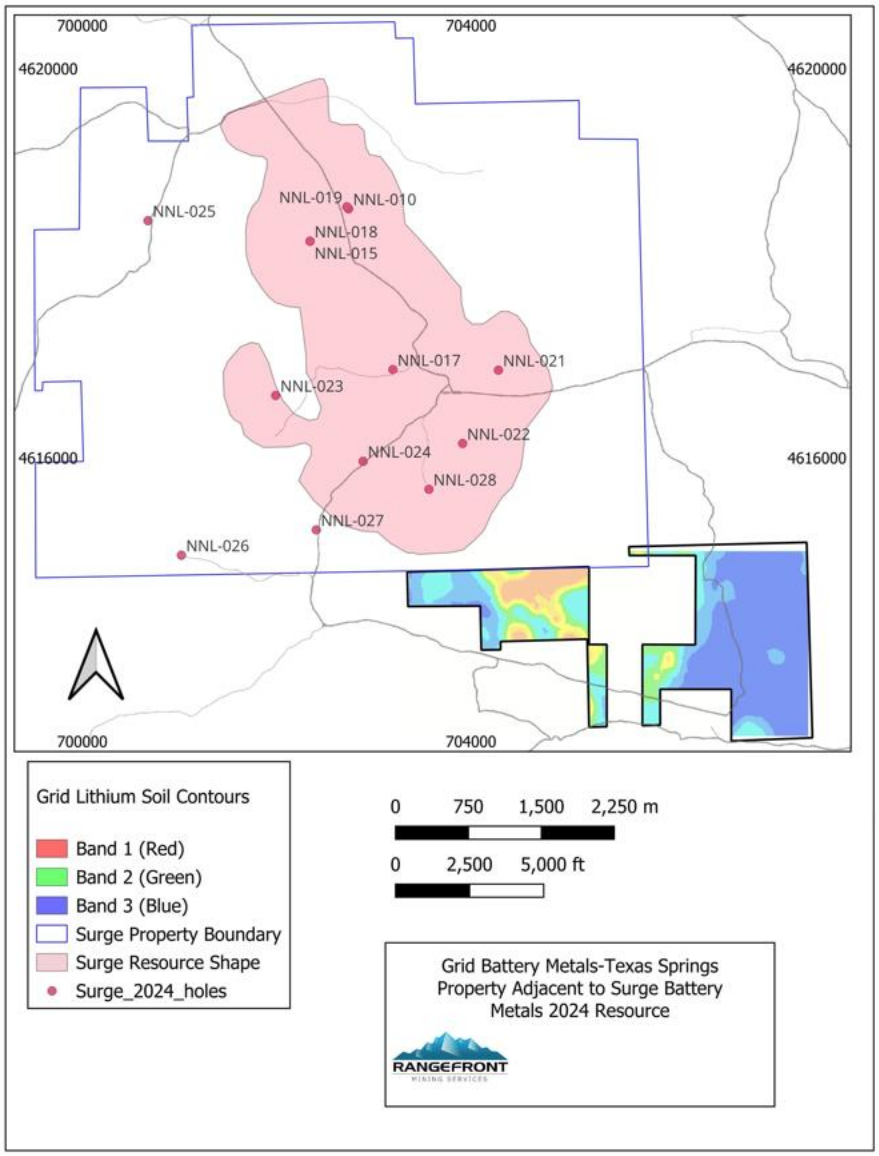
The data was quality checked in the field by verifying electric dipole and magnetic coil polarity and instrumental noise. After collection, the data was processed in 1D and 2D inversions Campbell & Walker Geophysics Ltd. using EM Power software from Phoenix Geophysics. The data was modeled in between the lines to interpolate values across the site to a depth of 970 (3,182 ft) elevation. Plan level CSAMT inversions are shown.

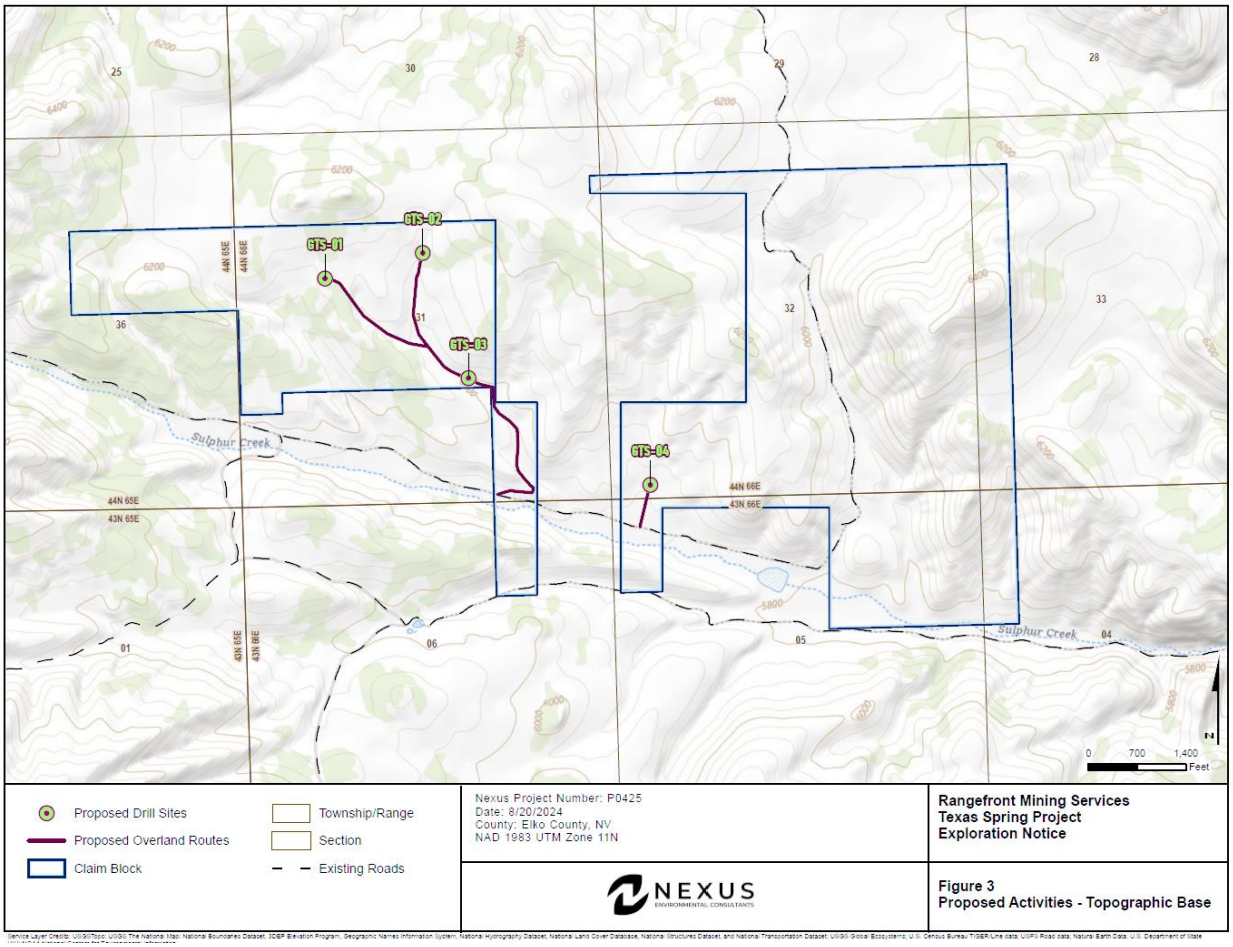


Surface soil sample results



The Surge October 2024 resource shape is shown adjacent to the Grid land position that shows contoured soil sample results. In December 2024 a drill program was proposed that consists of four holes located in the strongest anomaly. A Notice of Operations was sent to the BLM office in Elko, and a bond determination was approved in February 2025. The locations of the holes are shown below.




GTS-01
GTS-02
GTS-03
GTS-04
Sulphur Creek
Sulphur Creek
44N 65E
43N 65E
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25
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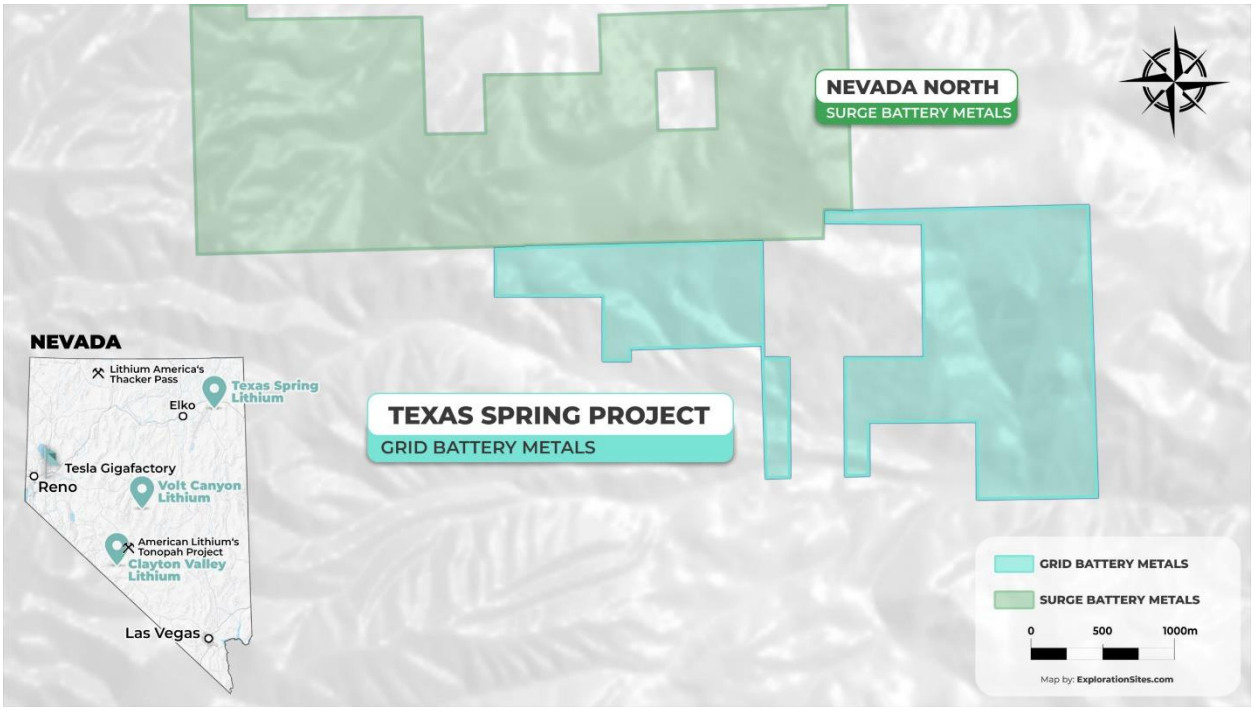
6200
6400
5800
6000
0
700
1,400
Feet
N
Proposed Drill Sites
Proposed Overland Routes
Claim Block
Township/Range
Section
Existing Roads
Nexus Project Number: P0425
Date: 8/20/2024
County: Elko County, NV
NAD 1983 UTM Zone 11N
NEXUS
ENVIRONMENTAL CONSULTANTS
Rangefront Mining Services
Texas Spring Project
Exploration Notice
Figure 3
Proposed Activities - Topographic Base



Texas Spring Location

Qualified Person Statement

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

British Columbia, Canada

COPPER PROPERTY

On 25 July 2024, the Company has acquired from the Vendor a 100% interest in 17 mineral claims covering approximately 27,525.24 hectares located in the Omenica Division, North Central British Columbia.

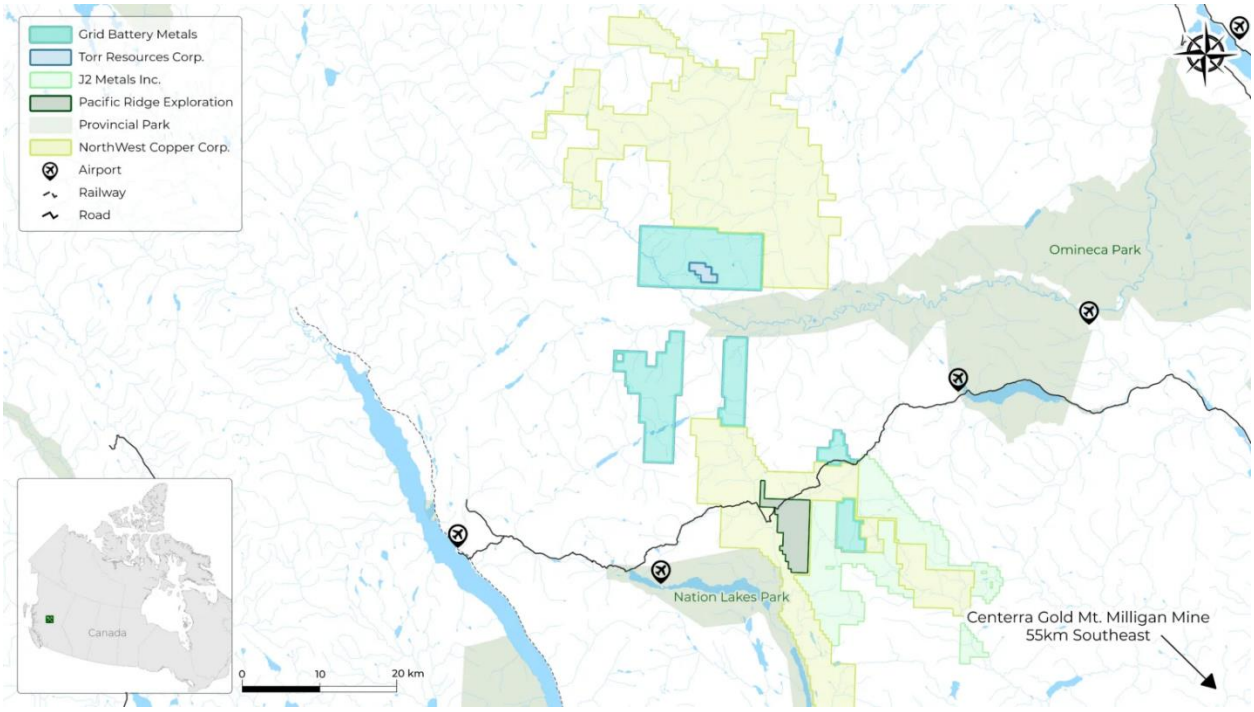
The Copper Property consist of 17 claims comprising 27,525.24 hectares located in the Omineca Mining Division of north-central British Columbia, approximately 150 km north of Fort St. James. The claims are not subject to any royalty terms, back-in rights, payments or any other agreements and encumbrances. Approximately 275 km2 of tenures in such a favourable mining region within BC. This area of the Province has already generated several promising projects, and the land package is strategically situated to exploit the high copper-gold values of the region. NorthWest Copper Corp. (TSXV: NWST) on the nearby Kwanika project intercepted 400 metres of 1.01 Copper equivalent (News Release 16 January 2023 Northwest Copper Corp). BC is a mining-friendly jurisdiction with reasonable processes, good infrastructure and potential First Nation partners – extending AC/DC's land holdings in BC which makes our company stronger and increases the value of our mining assets in the region. Something we plan on turning into a tangible value for our shareholders."

B.C. Minfile assessment report data indicates that most of the area covered by the Copper Property was at one time or another covered by staking during surges of exploration in B.C. dating from the 1940's to present day. Largely the claims appear to have been minimally explored with little follow-up. However, some work was recorded on several claims with results for stream sediment sampling showing anomalous to highly anomalous results for gold in a few areas. These areas were recommended for detailed follow-up, however due to a downturn no further work was recorded

Prominent among early discoveries in the Omineca region were the nearby Lustdust/Stardust property (a property developed by Lorraine Copper that was sold to Sun Metals Corp. which eventually merged with Serengeti Resources to become NorthWest Copper Corp.) covering a large, coherent integrated porphyry-skarn, epithermal system; the Kwanika property (a Serengeti/POSCO Daewoo property also became a NorthWest Copper Corp. property upon the merger with Serengeti Resources) a promising advanced stage copper-gold project; the Lorraine property (originally discovered by Lorraine Copper and now a NorthWest Copper Corp. property)an alkalic copper-gold porphyryr. The tenures are located between the Kemess North project being developed by Centerra Gold Inc. (TSX: CG, NYSE: CGAU) and its operating Mt Milligan mine, which is reported to 1.8 million ounces of gold and 742 million pounds of copper (Technical Report on the Mount Milligan Mine, 7 November 2022, Borntrager. B, et al.)

The Omineca Group claim areas are within the northern Quesnel Trough underlain by Cache Creek Terrane and lies close to the Pinchi Fault. The Quesnel Trough hosts numerous porphyry copper-gold deposits. The Pinchi Fault can be traced for 600 km through north-central B.C and separates Cache Creek rocks from the Jurassic Hogem Batholith and Triassic-Jurassic Takla rocks to the west. Rocks have a north-northwest strike trend typical of the entire Intermontane Belt in which the Cache Creek Terrane lies (Gabrielse and Yorath, 1992). A wide range of Jurassic to Tertiary intrusions cuts the Cache Creek Assemblage and many of these are emplaced along the prominent NW-trending structures and stratigraphic breaks. Numerous mercury occurrences are present along the length of the Pinchi fault (Albino, 1987) and a few gold and base metal occurrences are present near the Pinchi fault including the Lustdust, Lorraine, Indata and Axelgold properties. There are at least two alkalic gold-copper Porphyry systems in the immediate Lustdust (now known as Stardust) area: J49 and Axel Properties (Schiarrizza, 2000).

On 17 March 2025, the Company issued 5,000,000 common shares with a fair value of $125,000 to AC/DC in relation to the acquisition of BC Copper property. The Company also made a cash payment of $48,172 for reimbursement of staking costs to AC/DC.



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)		
	2025	2024	2023
	$	$	$
Total revenues	-	-	-
General and administrative expenses	3,856,829	3,451,634	1,084,266
Mineral property cash costs incurred	909,847	611,966	132,753
Mineral property impairment/disposals	74,886	-	374,750
Net income (loss)	3,888,561	1,365,818	1,168,850
Net income (loss) per share – Basic	0.020	0.007	0.010
Net income (loss) per share – Diluted	0.020	0.007	0.010
Total assets	4,495,049	8,321,308	7,824,667
Total long-term liabilities	-	3,935	-
Cash dividends declared per share	Nil	Nil	Nil

SELECTED QUARTERLY FINANCIAL INFORMATION

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

	For the Quarters Ended (unaudited)							
	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
	$	$	$	$	$	$	$	$
Total revenues	-	-	-	-	-	-	-	-
Net (loss) income	(624,089)	(1,545,037)	(998,991)	(720,444)	(552,702)	(821,714)	(1,621,224)	1,629,822
Net (loss) income per share	(0.003)	(0.008)	(0.005)	(0.004)	(0.003)	(0.004)	(0.008)	0.001
Total assets	4,495,049	5,172,447	6,560,771	7,669,637	8,321,308	8,389,632	9,126,330	10,696,022

RESULTS OF OPERATIONS

For the year ended 30 June 2025 compared to the same period in 2024.

Comprehensive loss for the year ended 30 June 2025 was $3,888,561 as compared to the comprehensive loss of $1,365,818 for the same period in 2024. Being at the exploration stage, the Company did not generate any revenue from operations. The increase in comprehensive loss of $2,522,743 was mainly attributable to the net effect of:

- Decrease of $36,014 in Accounting, from $70,664 in 2024 to $34,650 in 2025.
- Decrease of $324 in Bank and service charges, from $2,947 in 2024 to $2,623 in 2025.
- Decrease of $177,997 in Consulting fees, from $996,352 in 2024 to $818,355 in 2025.
- No change in Depreciation expenses from $10,636 in 2024 to $10,636 in 2025.
- Increase of $17,784 in Insurance, from $30,066 in 2024 to $47,850 in 2025.
- Increase of $309,821 in Legal, from $63,000 in 2024 to $372,821 in 2025.
- Increase of $296,994 in Marketing & communications, from $1,985,914 in 2024 to $2,282,908 in 2025. The increase is due to the full-blast promotional campaign on different platforms.
- Decrease of $22,205 in Office and miscellaneous, from $60,647 in 2024 to $38,442 in 2025.
- Decrease of $55,822 in Transfer agent fees, from $101,554 in 2024 to $45,732 in 2025.
- Increase of $72,958 in Travel, lodging and food, from $129,854 in 2024 to $202,812 in 2025.
- Decrease of $70,227 in Foreign exchange, from a gain of $9,534 in 2024 to a loss of $60,693 in 2025.
- Increase of $53,456 in Interest income, from $51,197 in 2024 to $104,653 in 2025.
- Decrease of $858 in Accretion expense, from $1,664 in 2024 to $806 in 2025.
- Increase of $74,886 in Impairment of exploration and evaluation property, from $Nil in 2024 to $74,886 in 2025.
- Decrease of $3,451,749 in Gain on sale of short-term investments, from $3,451,749 in 2024 to $Nil in 2025.
- Decrease of $1,425,000 in Unrealized loss on short-term investment, from a loss of $1,425,000 in 2024 to $Nil in 2025.

For the three months ended 30 June 2025 compared to the same period in 2024.

Comprehensive loss for the three months ended 30 June 2025 was $549,200 as compared to the comprehensive loss of $298,709 for the same period in 2024. Being at the exploration stage, the Company did not generate any revenue from operations. The increase in comprehensive loss of $250,491 was mainly attributable to the net effect of:

- Decrease of $5,750 in Accounting, from $25,000 in 2024 to $19,250 in 2025.
- Increase of $125,375 in Bank and service charges, from a recovery of $124,929 in 2024 to $506 in 2025.
- Increase of $6,952 in Consulting fees, from $197,595 in 2024 to $204,547 in 2025.
- No change in Depreciation expenses from $2,659 in 2024 to $2,659 in 2025.
- Decrease $5,111 in Insurance, from $14,059 in 2024 to $8,948 in 2025.
- Increase of $115,491 in Legal, from $35,544 in 2024 to $151,035 in 2025.
- Decrease of $132,318 in Marketing & communications, from $232,292 in 2024 to $99,974 in 2025.
- Decrease of $17,274 in Office and miscellaneous, from $30,006 in 2024 to $12,732 in 2025.
- Decrease of $1,830 in Transfer agent fees, from $17,546 in 2024 to $15,716 in 2025.
- Decrease of $30,960 in Travel, lodging and food, from $59,929 in 2024 to $28,969 in 2025.
- Decrease of $13,245 in Foreign exchange gain, from $14,540 in 2024 to $1,295 in 2025.
- Decrease of $221 in Accretion expense, from $338 in 2024 to $117 in 2025.
- Decrease of $154,123 in Gain on sale of short-term investments, from $154,123 in 2024 to $Nil in 2025.
- Decrease of $22,667 in Unrealized gain on short-term investment, from $22,667 in 2024 to $Nil in 2025.

Selected Financial Information

To date, the Company has not commenced commercial operations.

Liquidity and Capital Resources

As at 30 June 2025, the Company had working capital of $1,342,015 (2024: $6,053,336).

As at 30 June 2025, the Shareholders' equity of $4,422,044 (2024: $8,180,105) consisted of share capital of $15,389,804 (2024: $15,259,304), reserves of $5,125,879 (2024: $5,125,879) and deficit of $16,093,639 (2024: $12,205,078).

Outstanding Share Data

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

As at 30 June 2025 and the date of this MD&A, the Company had 193,280,795 common shares outstanding (2024: 188,280,795 common shares).

The Company has adopted a "fixed" stock option plan (the "Plan"), pursuant to which a maximum of 38,656,159 common shares at 30 June 2025 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 June 2025, the Company had 13,750,000 stock options outstanding. As at the date of this MD&A, the Company had 13,350,000 stock options outstanding.

As at 30 June 2025 and the date of this MD&A, the Company had 93,406,000 share purchase warrants outstanding.

Common shares issuances

a) Private Placements

There was no private placements during the year ended 30 June 2025.

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. A value of $Nil was assigned to the private placement warrants based on the residual method. The Company also paid finder 400,000 shares in connection with the private placement. The finder shares issued are valued at $48,000.

b) Exercise of Share Purchase Warrants

During the year ended 30 June 2025, the Company issued 100,000 common shares related to the exercise of 100,000 share purchase warrants at an exercise price of $0.055.

During the year ended 30 June 2024, the Company issued 4,500,000 common shares related to the exercise of 3,500,000 share purchase warrants at an exercise price of $0.055 and 2,500,000 share purchase warrants at an exercise price of $0.065.

c) Issuance and Exercise of Stock Options

During the year ended 30 June 2024, the Company issued 250,000 common shares related to the exercise of 250,000 stock options at an exercise price of $0.05. The quoted market price of the Company's shares for the options exercised was $0.13.

d) Mineral property acquisition

During the year ended 30 June 2025, the Company issued 5,000,000 common shares with a fair value of $125,000 in relation to the acquisition of Copper Property.

During the year ended 30 June 2024, the Company issued 8,000,000 common shares with a fair value of $1,120,000 in relation to the acquisition of Texas Spring property and 707,142 finder's shares with fair value of $99,000.

Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 30 June 2025 and 2024:

	30 June 2025		30 June 2024	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
		$		$
Outstanding, beginning	**93,506,000**	**0.06**	98,013,120	0.06
Issued	**-**	**-**	4,000,000	0.155
Exercised	**(100,000)**	**0.055**	(4,500,000)	0.06
Expired	**-**	**-**	(4,007,120)	0.15
Outstanding, end	**93,406,000**	**0.06**	93,506,000	0.06

The following table summarizes information regarding warrants outstanding and exercisable as at 30 June 2025:

Expiry date	**Number of warrants outstanding**	**Number of warrants exercisable**	**Weighted-average remaining contractual life (years)**	**Weighted-average exercise Price ($)**
21 February 2028	30,804,000	30,804,000	2.65	0.065
22 June 2028	58,602,000	58,602,000	2.98	0.055
21 September 2028	4,000,000	4,000,000	3.23	0.155
Total	**93,406,000**	**93,406,000**	**2.88**	**0.063**

Stock options

The following is a summary of the changes in the Company's stock option activities for the years ended 30 June 2025 and 2024:

	30 June 2025		30 June 2024	
	Number of options	**Weighted-average exercise price**	Number of options	Weighted-average exercise price
		$		$
Outstanding, beginning	**14,000,000**	**0.05**	14,250,000	0.05
Exercised	**-**	**-**	(250,000)	0.05
Cancelled	**(250,000)**	**0.05**	-	-
Outstanding, end	**13,750,000**	**0.05**	14,000,000	0.05

The following table summarizes information regarding stock options outstanding and exercisable as at 30 June 2025:

Expiry date	**Number of options outstanding**	**Number of options exercisable**	**Weighted-average remaining contractual life (years)**	**Weighted-average exercise Price**
17 September 2025	400,000	400,000	0.22	0.05
2 February 2028	10,850,000	10,850,000	2.59	0.05
6 June 2028	2,500,000	2,500,000	2.94	0.05
Total	**13,750,000**	**13,750,000**	**2.59**	**0.05**

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.

Related party expenses

The Company's related party expenses are summarized as follows for the years ended 30 June 2025 and 2024:

Year ended 30 June	**2025**	2024
	$	$
Lease payments paid to President, Chief Executive Officer ("CEO") and Chairman	**12,000**	12,000
Consulting fees to a Director and former Chairman	**24,000**	24,000
Consulting fees to President, CEO and Chairman	**178,000**	218,000
Consulting fees to Chief Financial Officer	**65,000**	70,000
Consulting fees to Corporate Secretary	**91,500**	109,000
Consulting fees to a Director	**74,000**	110,000
Total related party expenses	**444,500**	543,000

Due to related parties

Trade payables of the Company include the following amount due to related party:

As at 30 June	**2025**	2024
	$	**$**
President, CEO and Chairman	**20,880**	-
Total amount due to related party	**20,880**	-

Short-term investment

On 7 July 2021, the Company entered into an option agreement with Surge, whereby Surge may earn an undivided 80% interest in the HN4 and N100 nickel group of claims, located in Northern British Columbia. 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 closing

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 2024, the Company sold all the shares of Surge and recognized gain on sale short-term investments of $3,451,749.

Key Management Personnel Compensation

The remuneration of directors and other members of key management for the years ended 30 June 2025 and 2024 were as follows:

Year ended 30 June	**2025**	2024
	$	**$**
Short-term benefits – management and consulting fees	**432,500**	531,000
Total key management personnel compensation	**432,500**	531,000

Right-of-Use Asset and Lease Liability

On 1 November 2022, the Company entered into a rental agreement with the CEO of the Company. The term of the agreement is from 1 November 2022 to 31 October 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 Right-of-use ("ROU") asset for the years ended 30 June 2025 and 2024 are as follows:

	Amounts
	$
Balance at 30 June 2023	24,817
Depreciation for the year	(10,636)
Balance at 30 June 2024	**14,181**
Depreciation for the year	**(10,636)**
Balance at 30 June 2025	**3,545**

The changes in the Company's lease liability for the years ended 30 June 2025 and 2024 are as follows:

	Amounts
	$
Balance at 30 June 2023	25,465
Lease payments	(12,000)
Finance charge	1,664
Balance at 30 June 2024	**15,129**
Lease payments	**(12,000)**
Finance charge	**806**
Balance at 30 June 2025	**3,935**
Less: current portion of lease liability – 30 June 2025	**(3,935)**
Long-term portion of lease liability – 30 June 2025	**-**

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 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.

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.sedarplus.ca

Subsequent events

On 9 July 2025, the Company held its 2025 Annual General Meeting, where all resolutions proposed to shareholders were approved with over 99.86% voting in favour. The resolutions included: (1) the re-election of Tim Fernback, Robert Setter, Ali Alizadeh, and Solange Khan as Directors; (2) the appointment of SHIM & Associates LLP, Chartered Professional Accountants, as the Company's auditors; and (3) the approval of an amendment to the Company's 20% fixed Stock Option Plan.

Effective 31 May 2025, the aggregate maximum number of common shares issuable under the plan is 38,656,159 common shares, increasing from 34,084,731 common shares. The aggregate number of options granted to one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

Following the meeting, the Board of Directors appointed Tim Fernback as President and Chief Executive Officer, Robert Guanzon as Chief Financial Officer, and Tina Whyte as Corporate Secretary. Tim Fernback, Ali Alizadeh, and Solange Khan were also appointed as members of the Audit Committee for the ensuing year.

On 31 August 2025, the Company did not renew and pay the claims for the Volt Canyon property. The Company does not have any planned or budgeted activities on this project.

On 17 September 2025, the Company announced the completion of the first phase of its 2025 fall exploration program at its British Columbia Gold-Copper Property. The program was conducted by Hardline Exploration, a leading geological consulting firm based in western Canada that works closely with local contractors and First Nations communities.

Phase 1 activities included assaying, trenching, sampling, and geophysics across the Jupiter and Starlight claim blocks, both part of the Company's recently acquired 275 km² land package. Assay results are expected by the end of the fall, with subsequent exploration steps to be determined upon review. The program builds on prior exploration work completed in 2023 and focuses on untested magnetic features and targeted areas for both gold and copper.

On 25 September 2025, the Company announced the completion of the second phase of its 2025 fall exploration program on its 275 km² Gold-Copper Property in Central British Columbia. The program was conducted by Hardline Exploration, a geological consulting firm based in western Canada.

Phase 2 focused on additional exploration work across the Jupiter and Starlight claim blocks, including soil, rock, and geochemical sampling. The program followed up on prior exploration conducted by Equity Exploration in 2021 and targeted high-priority anomalies identified in "Work Area 15." Results from the program are expected by the end of the fall, with subsequent exploration steps to be determined there after.