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PATRIOT BATTERY METALS INC.

Condensed Interim Consolidated Financial Statements

For the three and six-month periods ended September 30, 2023 and 2022

(Expressed in Canadian dollars)

Unaudited

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Management's Responsibility for Financial Reporting

The unaudited condensed interim consolidated financial statements (the "Financial Statements") of Patriot Battery Metals Inc. ("the Company" or "Patriot") are the responsibility of the management and Board of Directors of the Company.

The Financial Statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the Financial Statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the Financial Statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the Financial Statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the Financial Statements, together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the Financial Statements and other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Blair Way"
President and Chief Executive Officer

"Natacha Garoute"
Chief Financial Officer

NOTICE TO READER
The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements for the three and six-month periods ended September 30, 2023 and 2022 have not been reviewed by the Company's auditors.

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PATRIOT BATTERY METALS INC.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

	Notes	September 30, 2023 (Unaudited)	March 31, 2023 (Audited)
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	3	**133,476,000**	56,724,000
Receivables	4	**4,817,000**	3,891,000
Prepaid expenses		**261,000**	249,000
		138,554,000	60,864,000
Non-current assets			
Exploration and evaluation properties	5	**67,998,000**	46,268,000
Property and equipment	6	**13,871,000**	588,000
Total assets		**220,423,000**	107,720,000
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**15,191,000**	5,507,000
Current portion of lease liabilities	7	**75,000**	-
Flow-through premium liability	8	**20,172,000**	29,506,000
		35,438,000	35,013,000
Non-current liabilities			
Lease liabilities	7	**350,000**	-
Deferred income taxes		**5,013,000**	2,704,000
Total liabilities		**40,801,000**	37,717,000
EQUITY			
Share capital	9	**186,595,000**	77,966,000
Reserves	9	**16,380,000**	14,922,000
Accumulated other comprehensive loss		**3,000**	-
Deficit		**(23,356,000)**	(22,885,000)
Total equity		**179,622,000**	70,003,000
Total liabilities and equity		**220,423,000**	107,720,000

Commitments (Note 14) and Events After the Reporting Period (Note 16)

APPROVED ON BEHALF OF THE BOARD on November 10, 2023:

"Blair Way"
Director

"Brian Jennings"
Director

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

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PATRIOT BATTERY METALS INC.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited)
(Expressed in Canadian dollars)

	Notes	Three-month periods ended		Six-month periods ended	
		September 30, 2023	September 30, 2022	**September 30, 2023**	September 30, 2022
		$	$	**$**	$
General and Administrative Expenses					
Business development		**205,000**	125,000	**319,000**	223,000
Consulting fees	12	**158,000**	45,000	**321,000**	75,000
Investor communications		**182,000**	11,000	**353,000**	24,000
Salaries, benefits and management fees	12	**1,698,000**	140,000	**2,374,000**	582,000
Office and miscellaneous		**560,000**	24,000	**806,000**	39,000
Professional fees		**985,000**	196,000	**1,554,000**	291,000
Share-based compensation	9, 12	**937,000**	6,002,000	**1,739,000**	9,631,000
Transfer agent and filing fees		**217,000**	42,000	**314,000**	73,000
Travel		**263,000**	97,000	**618,000**	148,000
Total general and administrative expenses		**(5,205,000)**	(6,682,000)	**(8,398,000)**	(11,086,000)
Other Income (Loss)					
Flow-through premium income	8	**5,329,000**	1,286,000	**9,334,000**	1,862,000
Interest income		**1,385,000**	-	**1,910,000**	(2,000)
Flow-through interest		**-**	(9,000)	**-**	(44,000)
Income (Loss) before income taxes		**1,509,000**	(5,405,000)	**2,846,000**	(9,270,000)
Income taxes					
Deferred income tax expense		**(1,794,000)**	-	**(3,317,000)**	-
Net Loss for the period		**(285,000)**	(5,405,000)	**(471,000)**	(9,270,000)
Other comprehensive income					
Foreign currency translation adjustment		**5,000**	2,000	**3,000**	2,000
Net Loss and Comprehensive Loss for the period		**(280,000)**	(5,403,000)	**(468,000)**	(9,268,000)
Loss per common share					
Basic and diluted	10	**(0.00)**	(0.06)	**(0.00)**	(0.11)

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

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PATRIOT BATTERY METALS INC.
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited)
(Expressed in Canadian dollars)

	Number of shares[1]	Share capital	Subscriptions received	Reserves	AOCI	Deficit	Total
		$	$	$	$	$	$
Balances, March 31, 2022	78,548,991	32,922,000	252,000	3,460,000	-	(12,770,000)	23,864,000
Shares issued for:							
Mineral properties	220,000	1,454,000	-	-	-	-	1,454,000
Warrants exercised	9,023,926	3,085,000	-	-	-	-	3,085,000
Options exercised	1,937,630	885,000	-	-	-	-	885,000
Fair value of warrants exercised	-	30,000	-	(30,000)	-	-	-
Fair value of options exercised	-	685,000	-	(685,000)	-	-	-
Share issuance costs - warrants	-	(685,000)	-	685,000	-	-	-
Share issuance costs - cash	-	(12,000)	-	-	-	-	(12,000)
Shares to be issued	-	-	(252,000)	-	-	-	(252,000)
Share-based compensation	-	-	-	9,631,000	-	-	9,631,000
Net loss and comprehensive loss for the period	-	-	-	-	2,000	(9,270,000)	(9,268,000)
Balances, September 30, 2022	**89,730,547**	**38,364,000**	**-**	**13,061,000**	**2,000**	**(22,040,000)**	**29,387,000**
Balances, March 31, 2023	**99,357,207**	**77,966,000**	**-**	**14,922,000**	**-**	**(22,885,000)**	**70,003,000**
Shares issued for:							
Cash	7,128,341	108,992,000	-	-	-	-	108,992,000
Warrants exercised	4,701,775	1,869,000	-	-	-	-	1,869,000
Options exercised	240,333	212,000	-	-	-	-	212,000
Fair value of warrants exercised	-	122,000	-	(122,000)	-	-	-
Fair value of options exercised	-	159,000	-	(159,000)	-	-	-
Share issuance costs - cash[2]	-	(2,725,000)	-	-	-	-	(2,725,000)
Share-based compensation	-	-	-	1,739,000	-	-	1,739,000
Net loss and comprehensive loss for the period	-	-	-	-	3,000	(471,000)	(468,000)
Balances, September 30, 2023	**111,427,656**	**186,595,000**	**-**	**16,380,000**	**3,000**	**(23,356,000)**	**179,622,000**

[1] Number of shares are adjusted for the share consolidation of one post-consolidated share for every 3 pre-consolidated share on June 7, 2021 (Note 9).

[2] During the six-month period ended September 30, 2023, the Company recognized a deferred tax recovery in share issuance costs within equity in the amount of $1,008,000 (March 31, 2023 - $447,000). The deferred tax recorded in equity relates to deductible temporary differences in relation to share issuance costs.

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

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PATRIOT BATTERY METALS INC.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited)
(Expressed in Canadian dollars)

		Six-month periods ended	
	Notes	**September 30, 2023**	September 30, 2022
		$	$
OPERATING ACTIVITIES			
Net loss for the year		**(471,000)**	(9,270,000)
Adjustments for:			
Accrued interest income		**(49,000)**	-
Flow-through premium income	8	**(9,334,000)**	(1,863,000)
Depreciation	6	**69,000**	-
Share-based compensation	9, 12	**1,739,000**	9,631,000
Deferred income tax expense		**3,317,000**	-
Changes in non-cash working capital items			
Increase in receivables	4	**(861,000)**	(977,000)
Increase in prepaid expenses		**(12,000)**	(67,000)
Increase in flow-through taxes payable		**-**	44,000
Decrease in accounts payable and accrued liabilities		**1,833,000**	21,000
Cash used in operating activities		**(3,769,000)**	(2,481,000)
INVESTING ACTIVITIES			
Property and equipment	6	**(11,128,000)**	-
Exploration and evaluation property expenditures	5	**(19,427,000)**	(10,062,000)
Cash used in investing activities		**(30,555,000)**	(10,062,000)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares		**108,992,000**	-
Proceeds from exercise of options	9	**212,000**	885,000
Proceeds from exercise of warrants	9	**1,869,000**	3,085,000
Share issuance costs-cash	9	**-**	(12,000)
Subscriptions received		**-**	(252,000)
Cash provided by financing activities		**111,073,000**	3,706,000
Increase (decrease) in cash and cash equivalents		**76,749,000**	(8,837,000)
Effect of exchange rate on cash		**3,000**	2,000
Cash and cash equivalents, beginning of period		**56,724,000**	11,698,000
Cash and cash equivalents, end of period		**133,476,000**	2,863,000

Supplemental cash flow information (Note 13)

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

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1. CORPORATE INFORMATION

Patriot Battery Metals Inc. was incorporated on May 10, 2007, under the British Columbia Business Corporations Act. The principal business of the Company and its subsidiaries is the identification, evaluation and acquisition of exploration and evaluation properties, as well as exploration of those properties once acquired. The Company is domiciled in Canada and is a reporting issuer in British Columbia, Alberta and Ontario. The address of its head office is Suite 700-838 W Hastings Street, Vancouver, British Columbia, V6C 0A6 and the address of its registered and records office is Suite 1800, 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3.The Company's mineral properties are located in the provinces of Quebec, British Columbia, the Northwest Territories and in Idaho (USA).

On December 7, 2022, the shares of the Company commenced trading on the Australian Securities Exchange ("ASX") under the stock symbol "PMT". Each share settles in the form of CHESS Depositary Interests ("CDIs") at a ratio of 10 CDIs to 1 common share.

On December 8, 2022, the shares of the Company commenced trading on the OTC Market in the United States under the symbol "PMETF".

As at September 30, 2023, the Company has not yet determined whether its mineral properties contained ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

For the six-month period ended September 30, 2023, the Company incurred a net loss and comprehensive loss of $468,000 (2022 – loss of 9,268,000). As at September 30, 2023, the Company had an accumulated deficit of $23,356,000 (March 31, 2023 - $22,885,000) which has been funded by the issuance of equity and working capital of $123,288,000, excluding the flow-through premium liability (March 31, 2023 - $55,357,000). The Company's ability to continue its operations and to realize its assets at their carrying values are dependent upon obtaining additional financing sufficient to cover its operating costs. The Company believes it has sufficient funds to meet its obligations and existing commitments for at least the next 12 months. The Company's business plan is dependent on raising additional funds to pursue the exploration and development of its projects, which may be completed in a number of ways, including the issuance of equity instruments or other types of financing arrangements. While the Company has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding will be available to the Company or that they will be available on terms which are acceptable to the Company.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The unaudited condensed interim consolidated financial statements (the "Financial Statements") of the Company, including comparative disclosure, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), and in accordance with the same accounting policies and methods of computation as compared with the most recent annual financial statements, being for the year ended March 31, 2023.

These Financial Statements were approved and authorized for issue in accordance with a resolution from the Board of Directors on November 10, 2023.

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2.2 Basis of presentation

The Financial Statements include the accounts of the Company and Metals Nevada Corp. ("Metals Nevada"), a wholly owned US subsidiary of the Company incorporated on March 2, 2021. All material inter-company balances and transactions have been eliminated upon consolidation.

The Company's Financial Statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as detailed in Note 11 and are presented in Canadian dollars except where otherwise indicated. The functional currency of Metals Nevada is U.S. Dollars. The assets and liabilities of Metals Nevada are translated into Canadian dollars at the rate of exchange prevailing at the reporting date and their income and expense items are translated at average exchange rates for the period. Exchange differences arising on the translation are recognized in other comprehensive income. The Company's functional currency is the Canadian dollar.

Certain comparative amounts have been reclassified to conform with the current year's Financial Statement presentation. Such reclassifications were not considered material.

2.3 Adoption of new and revised standards and interpretation

At the date of authorization of these Financial Statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's Financial Statements.

2.4 Significant accounting policies

The significant accounting policies followed in these Financial Statements are consistent with those applied in the Company's audited annual consolidated financial statements for the year ended March 31, 2023, except as noted below:

Leases

In accordance with *IFRS 16-Leases*, at the commencement date of a lease, the Company recognizes a lease liability and an asset representing the right to use the underlying asset during the lease term (i.e. the "right-of-use" asset) unless the underlying asset has a low value or the lease term is twelve months or less, which are expensed in the period incurred. At this date, the right-of-use asset is measured at cost, which includes the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred and also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset.

The right-of-use asset is then amortized using the straight-line method from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. The right-of-use asset may also be reduced for any impairment losses, if any.

At the lease commencement date, the lease liability is measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate, which is the rate the Company would pay for similar assets at similar locations over a similar term. The lease liability is measured at amortized cost using the effective interest method.

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2.4 Significant accounting policies (continued)

Leases (continued)

The lease liability is re-measured when there is a change in future lease payments due to a change in an index or rate, a change in the Company's estimate of an amount payable under residual value guarantee, or if there is a change in the assessment of whether the Company will exercise a purchase, termination or extension option. When the lease liability is re-measured, a corresponding adjustment is made to the right-of-use asset or recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2.5 Significant accounting judgments, estimates and assumptions

The preparation of these Financial Statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed by management on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year if the revision affects both current and future year.

In preparing these Financial Statements, the significant judgments and estimates made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended March 31, 2023.

3. CASH AND CASH EQUIVALENTS

As at September 30, 2023 and March 31, 2023, cash and cash equivalents include $2,000,000 held in a GIC, redeemable anytime.

4. RECEIVABLES

The Company's receivables arise from Goods and Services Tax ("GST") and Quebec Sales Tax ("QST") due from the government taxation authorities, tax credit receivable and accrued interest calculated on the GICs (Note 3).

	September 30, 2023	March 31, 2023
	$	$
GST receivable	**1,678,000**	1,491,000
QST receivable	**1,816,000**	771,000
Quebec tax credit receivable	**1,258,000**	1,258,000
Interest receivable	**65,000**	20,000
Other receivable	**-**	351,000
Total	**4,817,000**	3,891,000

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5. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the six-month period ended September 30, 2023 are as follows:

	Corvette Property *Quebec, Canada*	US Property *Idaho, USA*	Northwest Territories Property *NW Territories, Canada*	Other Quebec Properties *Quebec, Canada*	Total
	$	$	$	$	$
Acquisition Costs					
Balance, March 31, 2023	5,746,000	880,000	177,000	2,008,000	8,811,000
Additions	109,000	-	-	14,000	123,000
Balance, September 30, 2023	**5,855,000**	**880,000**	**177,000**	**2,022,000**	**8,934,000**
Exploration and Evaluation Costs					
Balance, March 31, 2023	35,600,000	890,000	503,000	464,000	37,457,000
Additions					
Consulting	-	13,000	-	-	13,000
Assays and testing	387,000	-	-	-	387,000
Reports and admin	1,401,000	-	-	-	1,401,000
Geology salaries and expenditures	3,372,000	-	-	5,000	3,377,000
Drilling expenditures	6,935,000	-	-	-	6,935,000
Geophysics and remote sensing	21,000	-	-	-	21,000
Travel and accomodation	3,450,000	-	-	-	3,450,000
Transportation costs	5,212,000	-	-	-	5,212,000
Environmental Studies	1,071,000	-	-	-	1,071,000
Advances	(260,000)	-	-	-	(260,000)
Balance, September 30, 2023	**57,189,000**	**903,000**	**503,000**	**469,000**	**59,064,000**
Total, September 30, 2023	**63,044,000**	**1,783,000**	**680,000**	**2,491,000**	**67,998,000**

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5. EXPLORATION AND EVALUATION PROPERTIES (CONTINUED)

The Company's exploration and evaluation properties expenditures for the year ended March 31, 2023 are as follows:

	Corvette Property *Quebec, Canada*	US Property *Idaho, USA*	Northwest Territories Property *NW Territories, Canada*	Other Quebec Properties *Quebec, Canada*	Total
	$	$	$	$	$
Acquisition Costs					
Balance, March 31, 2022	5,743,000	880,000	177,000	454,000	7,254,000
Additions	3,000	-	-	1,554,000	1,557,000
Balance, March 31, 2023	**5,746,000**	**880,000**	**177,000**	**2,008,000**	**8,811,000**
Exploration and Evaluation Costs					
Balance, March 31, 2022	5,525,000	844,000	551,000	238,000	7,158,000
Additions					
Consulting	134,000	32,000	-	3,000	169,000
Assays and testing	964,000	13,000	-	13,000	990,000
Reports and admin	1,830,000	1,000	-	36,000	1,867,000
Geology salaries and expenditures	3,877,000	-	-	47,000	3,924,000
Drilling expenditures	14,270,000	-	-	-	14,270,000
Geophysics and remote sensing	179,000	-	-	68,000	247,000
Travel and accomodation	3,438,000	-	-	19,000	3,457,000
Transportation costs	6,078,000	-	-	46,000	6,124,000
Environmental Studies	472,000	-	-	-	472,000
Advances (Refunds)	924,000	-	(48,000)	(6,000)	870,000
Exploration tax credit	(2,091,000)	-	-	-	(2,091,000)
Balance, March 31, 2023	**35,600,000**	**890,000**	**503,000**	**464,000**	**37,457,000**
Total, March 31, 2023	**41,346,000**	**1,770,000**	**680,000**	**2,472,000**	**46,268,000**

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6. PROPERTY AND EQUIPMENT

As at September 30, 2023, the Company had property and equipment with a net book value of $13,871,000 (March 31, 2023 - $588,000), as follows:

	Machinery and Equipment	Construction in progress	Office Lease	Vehicle	Software	Total
Cost	$	$	$	$	$	$
Balance, March 31, 2023	609,000	-	-	-	-	609,000
Additions	542,000	12,303,000	409,000	60,000	38,000	13,352,000
Balance, September 30, 2023	1,151,000	12,303,000	409,000	60,000	38,000	13,961,000
Accumulated Depreciation						
Balance, March 31, 2023	21,000	-				21,000
Depreciation	37,000	-	29,000	3,000		69,000
Balance, September 30, 2023	58,000	-	29,000	3,000	-	90,000
Net book value						
At September 30, 2023	**1,093,000**	**12,303,000**	**380,000**	**57,000**	**38,000**	**13,871,000**

7. LEASES

The Company's right-of-use assets are included in Property and Equipment. The imputed financing costs on the liability were determined based on the Company's incremental borrowing rate and similar finance leases to mining companies, which has been estimated at 9.45%. Lease liabilities recognized at September 30, 2023 and March 31, 2023 are as follows:

	September 30, 2023	March 31, 2023
	$	$
Lease liability		
Balance, beginning of the period	-	-
Additions	409,000	-
Repayment of lease obligation	-	-
Interest expense	16,000	-
Balance, end of period	425,000	-
Less: Current portion	(75,000)	-
Non-current portion of lease liability	**350,000**	-

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8. FLOW-THROUGH PREMIUM LIABILITY

On October 6, 2022, the Company closed a private placement for 1,507,170 flow-through common shares at $13.27 per common share for gross proceeds of $20,000,000 (“FT#22 Offering”). The fair value of the common shares was $6.50 per common share, resulting in the recognition of a flow-through premium liability of $6.77 per common share for a total of $10,203,000. As at September 30, 2023, the Company has incurred all of the required flow-through expenditures (March 31, 2023 - $16,812,000) in flow-through eligible expenditures, extinguishing the flow-through premium liability (March 31, 2023 - $1,627,000).

On March 20, 2023, the Company closed a private placement for 2,215,134 flow-through common shares at $22.57 per common share for gross proceeds of $50,000,000 ("FT#23 Offering”). The fair value of the common shares was $10.05 per common share, resulting in the recognition of a flow-through premium liability of $12.52 per common share for a total of $27,738,000. As at September 30, 2023, the Company incurred $13,638,000 in flow-through eligible expenditures (March 31, 2023 - $nil), reducing the flow-through premium liability from $27,738,000 at March 31, 2023 to $20,172,000 at September 30, 2023.

The flow-through premium liability from the FT#22 and FT#23 offerings is amortized over the periods in which the funds are spent on qualifying expenditures.

	September 30, 2023	March 31, 2023
	$	$
Opening Balance	**29,506,000**	1,863,000
Flow-through share premium issuance:		
FT#22 Offering	**-**	10,203,000
FT#23 Offering	**-**	27,738,000
Flow-through premium income	**(9,334,000)**	(10,298,000)
Ending Balance	**20,172,000**	29,506,000

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9. SHARE CAPITAL

The Company has authorized an unlimited number of common shares with no par value.

9.1 Share issuances

During the six-month periods ended September 30, 2023, and 2022, the Company issued the following shares:

	Shares #	Proceeds $	Fair Value $
Balance, March 31, 2022	78,548,991		
Shares issued for mineral properties	220,000	1,454,000	1,454,000
Shares issued for warrants exercised	9,023,926	3,085,000	30,000
Shares issued for options exercised	1,937,630	885,000	685,000
Balance, September 30, 2022	89,730,547		
Balance, March 31, 2023	**99,357,207**		
Shares issued for cash[1]	**7,128,341**	108,992,000	108,992,000
Shares issued for warrants exercised	**4,701,775**	1,869,000	122,000
Shares issued for options exercised	**240,333**	212,000	159,000
Balance, September 30, 2023	**111,427,656**		

[1] On August 3, 2023, the Company completed a private placement with Albemarle Inc. of 7,128,341 common shares at a price of $15.29 per common share for aggregate gross proceeds of $109 million. In connection with this private placement, the Company incurred $3,733,000 in financing fees.

9.2 Share purchase warrants

A summary of changes in the Company's share purchase warrants outstanding as at September 30, 2023 and 2022 is as follows:

	September 30, 2023		September 30, 2022	
	Number of warrants [1]	**Weighted average exercise price ($)**	Number of warrants [1]	Weighted average exercise price ($)
Outstanding, beginning of period	**30,754,010**	**0.68**	39,627,038	0.59
Granted	**-**	**-**	4,313,726	0.60
Exercised	**(4,701,775)**	**0.40**	(9,023,926)	0.65
Expired	**(875)**	**0.25**	-	-
Outstanding, end of period	**26,051,360**	**0.73**	34,916,838	0.58

[1] Warrants were adjusted to reflect the share consolidation on June 7, 2021 and the broker units asssociated to the broker's warrants.

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9.2 Share purchase warrants (continued)

During the six-month period ended September 30, 2023:

The Company issued a total of 4,701,775 shares for warrants exercised, for net proceeds of $1,869,000.

During the six-month period ended September 30, 2022:

The Company issued a total of 9,023,926 shares for warrants exercised, for net proceeds of $3,085,000.

The Company issued 2,156,863 broker warrant units in connection with the private placement that was completed on December 21, 2021. The broker's warrants entitle the holders to purchase a unit of the Company (a "Broker Unit") at a price of $0.45 until December 21, 2023. A Broker Unit consists of one common share of the Company and one common share purchase warrant, exercisable at $0.75 until December 21, 2023. The fair value of the brokers' warrants was estimated at $685,000.

The warrant units' fair value of $0.32 per warrant was estimated using the Black-Scholes Pricing Model, based on the following assumptions.

	September 30, 2022 $
Share price at grant date ($)	0.48
Risk free interest rate (%)	1.05%
Expected life (years)	3.94
Expected volatility (%)	307%
Expected dividend per share	-
Fair market value of the warrant on grant date ($)	0.32

As at September 30, 2023, there are 26,051,360 share purchase warrants outstanding, with a weighted average exercise price of $0.73 and a weighted average of 0.51 year to expiry, as follows:

Date issued	**Number of warrants** [1]	**Exercise price ($)**	**Expiry date**
March 23, 2021	166,666	0.30	March 23, 2024
December 21, 2021	16,706,301	0.75	December 21, 2023
December 21, 2021	2,156,863	0.45	December 21, 2023
March 21, 2022	5,510,000	0.75	March 21, 2025
March 21, 2022	720,000	0.50	March 21, 2024
March 21, 2022	720,000	0.75	March 21, 2024
October 6, 2022	71,530	6.35	October 6, 2024
Outstanding, end of period	**26,051,360**		

[1] Warrants were adjusted to reflect the share consolidation on June 7, 2021 and the broker units

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9.3 Stock options

On January 20, 2023, the Company adopted the Omnibus Incentive Plan (the "Omnibus Plan") which was later approved by the Shareholders on March 3, 2023. The Omnibus Plan replaced the Company's Stock Option Plan (the "Plan") and the stock options which had been granted thereunder are now governed by the Omnibus Plan. On September 19, 2023, the Shareholders approved an amended Omnibus Equity Incentive Plan (the "Amended Omnibus Plan"). The objective of the Amended Omnibus incentive plan is to enhance the Company's ability to attract and retain talented employees and to provide alignment of interests between such employees and the shareholders of the Company.

Under the Amended Omnibus Plan, the Company grants stock options, restricted share units ("RSU"), performance share units ("PSU") and deferred share units ("DSU").

A summary of changes in the Company's stock options outstanding as at September 30, 2023 and 2022 is as follows:

	September 30, 2023		September 30, 2022	
	Number of options [1]	**Weighted average exercise price ($)**	Number of options [1]	Weighted average exercise price ($)
Outstanding, opening balance	**8,141,671**	**4.09**	5,069,300	0.45
Granted	**-**	**-**	5,275,000	4.54
Exercised	**(240,333)**	**0.88**	(1,937,630)	0.45
Expired/Cancelled	**(5)**	**-**	(45,000)	0.36
Outstanding, ending balance	**7,901,333**	**4.19**	8,361,670	3.05

[1] Options were adjusted to reflect the share consolidation on June 7, 2021.

All stock options presented above vest immediately upon grant, other than the following:

- 2,525,000 options granted on April 5, 2022: 2,385,000 vested upon grant, with 70,000 vesting 12 months from date of grant and the remaining 70,000 vesting 24 months from date of grant;
- 750,000 options granted on January 25, 2023: 250,000 vested upon grant, with 250,000 vesting 12 months from date of grant and the remaining 250,000 vesting 24 months from date of grant.

In accordance with IFRS 2 Share-based Payment, the value of stock options with graded vesting is expensed over the vesting period. During the six-month periods ended September 30, 2023 and 2022, the Company recognized a share-based compensation expense related to the vesting of stock options of $1,606,000 and $9,631,000, respectively.

During the six-month period ended September 30, 2023:

The Company issued a total of 240,333 shares for options exercised, for net proceeds of $212,000.

During the six-month period ended September 30, 2022:

The Company issued a total of 1,937,630 shares for options exercised, for net proceeds of $885,000.

The Company granted through different grants a total of 5,275,000 stock options to officers, directors and consultants of the Company.

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9.3 Stock options (continued)

The weighted average grant date fair value of the options granted during the six-month period ended September 30, 2022 was estimated at $1.85 per option using the Black-Scholes Option Pricing Model. Where relevant, the expected life has been adjusted based on management's best estimate for the effects of historical forfeitures and behavioral considerations. Expected volatility is based on the historical share price volatility.

The weighted average assumptions used for the calculation were:

	September 30, 2022
Share price at grant date	$3.05
Risk free interest rate	2.93%
Expected life (years)	2
Expected volatility	132.97%
Fair market value of the option on grant date	$1.85

The following table summarizes information regarding the Company's outstanding and exercisable stock options as at September 30, 2023:

	Options oustanding			Options exercisable		
Range of exercise price per share ($)	Weighted-average remaining years of contractual life	Number of stocks options outstanding	Weighted average exercice price ($)	Weighted-average remaining years of contractual life	Number of stocks options exercisable	Weighted average exercice price ($)
0.30 to 0.53	1.00	2,858,333	0.45	1.00	2,858,333	0.45
1.74 to 2.58	1.58	2,043,000	1.95	1.59	1,973,000	1.95
7.00 to 9.20	2.90	2,250,000	8.20	2.90	2,250,000	8.20
12.50	2.32	750,000	12.50	2.32	250,000	12.50
0.30 to 12.50	1.82	7,901,333	4.19	1.79	7,331,333	3.65

9.4 Performance share units and restricted share units

On June 29, 2023, the Company granted an aggregate of 48,002 restricted share units (the "RSUs") and 48,002 performance share units (the "PSUs") to employees and consultants of the Company. All were granted in accordance with the Company's Omnibus Equity Incentive Plan.

100% of the RSUs will vest on the date which is three years from their date of grant. Up to 72,003 common shares are issuable pursuant to the vesting of the PSUs upon the achievement of certain performance milestones by the Company.

During the six-month period ended September 30, 2023, the Company recognized a share-based compensation expense related to the vesting of PSUs and RSUs of $133,000 (2022 - $nil).

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10. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	Three-Month Period Ended		Six-Month Period Ended	
	September 30, 2023	September 30, 2022	**September 30, 2023**	September 30, 2022
	$	$	$	$
Net loss for the period	**(280,000)**	(5,403,000)	**(468,000)**	(9,268,000)
Weighted average number of shares - basic and diluted	**109,719,252**	88,045,779	**104,724,095**	85,635,565
Loss per share, basic and diluted	**(0.00)**	**(0.06)**	**(0.00)**	**(0.11)**

[1] On June 7, 2021, the Company completed a share consolidation based on one (1) post-consolidated share for every three (3) pre-consolidated shares.

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and the share purchase warrants were anti-dilutive for the six-month periods ended September 30, 2023 and 2022 as the Company incurred losses during these periods.

11. FINANCIAL INSTRUMENTS

11.1 Categories of financial instruments

	September 30, 2023	March 31, 2023
	$	$
Financial assets		
At fair value through profit or loss		
Cash and cash equivalents (Level 1)	**133,476,000**	56,724,000
At amortized cost		
Receivables (Level 1)	**-**	351,000
Total financial assets	**133,476,000**	57,075,000
Financial liabilities		
At amortized cost		
Accounts payable and accrued liabilities (Level 1)	**15,146,000**	5,463,000
Total financial liabilities	**15,146,000**	5,463,000

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11.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value in the fair value hierarchy.

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Valuation techniques using input other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Valuation techniques using inputs for the asset or liability that are not based on observable market data.

As at September 30, 2023 and March 31, 2023, the carrying value of the Company's financial assets and liabilities approximate their fair values due to their nature and their short-term to maturity.

12. RELATED PARTY TRANSACTIONS

The Company's related parties include its subsidiary and key management personnel. Key management personnel are considered to be those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management includes senior officers and directors of the Company as at September 30, 2023 and 2022.

Related party transactions to key management personnel are as follows:

Six-Month Period Ended	**September 30, 2023** $	September 30, 2022 $
Management and administration fees	**1,170,000**	532,000
Consulting fees	**-**	71,000
Management and consulting fees included in Exploration and Evaluation properties	**500,000**	45,000
Share-based compensation	**1,056,000**	8,306,000
Total key management compensation	**2,726,000**	8,954,000

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13. SUPPLEMENTAL CASH FLOW INFORMATION

Six-month periods ended	**September 30, 2023 $**	September 30, 2022 $
Supplemental cash flow information		
Non-cash financing activities:		
Fair value of warrants exercised	**122,000**	30,000
Fair value of options exercised	**159,000**	685,000
Share issuance costs - warrants	**-**	(685,000)
Included in Accounts payable and accrued liabilities:		
Share issuance costs-cash	**3,733,000**	-
Additions to Exploration and evaluation activities	**6,802,000**	1,926,000
Additions to Property and equipment	**1,299,000**	-

14. COMMITMENTS

The Company has an agreement with a vendor related to accommodation at its Corvette property. The agreement includes a $2,400,000 commitment as at September 30, 2023 (March 31, 2023 - $3,200,000) which has a maturity of less than a year.

15. SEGMENTED INFORMATION

The Company operates in one business segment, being the exploration and development of mineral properties. The Company's exploration and evaluation assets are broken down per geographical location as follows:

	Canada	**US**	**Total**
Balance, as at September 30, 2023			
Exploration and evaluation assets	$66,215,000	$1,783,000	$67,998,000
Balance, as at March 31, 2023			
Exploration and evaluation assets	$44,498,000	$1,770,000	$46,268,000

16. EVENTS AFTER THE REPORTING PERIOD

Subsequent to September 30, 2023, the Company issued 2,999,700 common shares for warrants exercised and 3,000 common shares for options exercised.

On October 31, 2023, the Company increased its land position at its Eastmain Project, located in the James Bay region, Quebec, through the acquisition of a 100% interest in two proximal claim blocks. The new claim blocks total 73 claims (3,851.5 ha) and are located immediately adjacent to Alkem Limited's James Bay Lithium Project, and on strike of the James Bay Lithium Deposit, within the prospective Eastmain Greenstone Belt. The Company paid an aggregate $500,000 cash (CAD) and issued 120,000 common shares in the capital of the Company. There are no royalty rights associated with the acquisition.

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PATRIOT BATTERY METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As at and for the three and six-month periods ended September 30, 2023

TSXV: PMET - ASX: PMT - OTCQX: PMETF

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1. OVERVIEW

The following is a Management's Discussion and Analysis ("MD&A") of Patriot Battery Metals Inc. (the "Company" or "Patriot"), prepared as of November 10, 2023.

This MD&A should be read in conjunction with the interim condensed consolidated financial statements for the three and six-month periods ended September 30, 2023, and related notes thereto (the "Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), a copy of which is filed on SEDAR+ at www.sedarplus.com and on the ASX at www.asx.com.au.

For the purposes of preparing this MD&A, management, in conjunction with the board of directors of the Company (the "Board of Directors" or the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares (the "Common Shares"); or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the existing information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Unless otherwise indicated, all references to "$" in this MD&A are to Canadian dollars. References to "US$" in this MD&A are to US dollars.

The information in this MD&A that relates to:

- the CV5 Pegmatite Maiden Mineral Resource Estimate was first reported by the Company in a market announcement titled "Patriot Announces the Largest Lithium Pegmatite Resource in the Americas at CV5, Corvette Property, Quebec, Canada" dated July 30, 2023 (Vancouver time);
- the filing of a technical report prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") on September 8, 2023 (the "Technical Report") was first reported by the Company in a market announcement titled "Patriot Files NI 43-101 Technical Report on the CV5 Mineral Resource Estimate, Corvette Property, Quebec, Canada" dated 8 September 2023 (Vancouver time);
- the discovery of new near-surface high-grade zone at the CV13 Spodumene Pegmatite was first reported by the Company in a market announcement titled "Patriot Discovers New High-Grade Zone at the CV13 Spodumene Pegmatite, Corvette Property, Quebec, Canada" dated 18 October 2023 (Vancouver time);
- the Company's final core assay results for the 2023 winter drill program was first reported by the Company in a market announcement titled "Patriot Announces Final Core Assay Results from its 2023 Winter Drill Program, including 108.0 m at 2.44% Li2O, at the CV5 Pegmatite, Corvette Property, Quebec, Canada" dated 10 July 2023 (Vancouver time); and
- the Company's summer program results was first reported by the Company in a market announcement titled "Patriot Extends Strike Length to 4.35 km at the CV5 Spodumene Pegmatite, Corvette Property, Quebec, Canada" dated 24 September 2023 (Vancouver time).

These announcements are available on the Company's website at https://patriotbatterymetals.com, on SEDAR+ at www.sedarplus.com and on the ASX at www.asx.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information contained in these market announcements and that all material assumptions and technical parameters underpinning the estimates contained therein continue to apply and have not materially changed.

2. CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" or "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements are included to provide information about management's current expectations and plans that allows investors and others to have a better understanding of the Company's business plans and financial performance and condition.

All statements, other than statements of historical fact included in this MD&A, regarding the Company's strategy, future operations, financial position, prospects, plans and objectives of management are forward-looking statements. Forward-looking statements are typically identified by words such as "plan", "expect", "estimate", "intend", "anticipate", "believe", or variations of such words and phrases or statements that certain actions, events, or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. In particular and without limitation, this MD&A contains forward-looking statements pertaining to the proceeds from the sale of Common Shares pursuant to the subscription agreement with respect to the private placement by Albemarle Corporation ("Albemarle"); the intended use of the proceeds from the Strategic Investment; the completion of a study for a lithium hydroxide plant and the formation of a joint venture or partnership with Albemarle pursuant to the non-binding memorandum of understanding (the "MOU"); the Company's graduation to the Toronto Stock Exchange (the "TSX"); the development of the Company's non-core assets; the Company's intentions with respect to its business and operations; the Company's expectations regarding its ability to raise capital and grow its business; the Company's growth strategy and opportunities; anticipated trends and challenges in the Company's business and the industry in which it operates; the perceived merit and further potential of the Company's properties; preliminary economic assessments and other development study results; exploration results at the Company's properties; budgets; strategic plans; market price and demand for lithium; permitting or other timelines; government regulations and relations.

Forward-looking information is based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performance, or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such information or statements. There can be no assurance that such information or statements will prove to be accurate. Key assumptions upon which the Company's forward-looking information is based include the total funding required to complete the Company's Corvette property (the "Corvette Property"); the Company's ability to raise additional financing when needed and on reasonable terms; the Company's ability to achieve current exploration, development and other objectives concerning the Company's properties; the Company's expectation that the current price and demand for lithium and other commodities will be sustained or will improve; the Company's ability to obtain requisite licences and necessary governmental approvals; the Company's ability to attract and retain key personnel; general business and economic conditions and conditions, including competitive conditions, in the market in which the Company operates.

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Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Forward-looking statements are also subject to risks and uncertainties facing the Company's business, any of which could have a material adverse effect on the Company's business, financial condition, results of operations and growth prospects. Some of the risks the Company faces and the uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements include, among others, the Company's ability to execute on plans relating to its Corvette project including the timing thereof the Company's ability to generate revenue and future capital requirements; the Company's profitability in the short or medium term; mineral resource estimation risks; exploration, development and operating risks and costs; the Company's dependence upon the Corvette Property; the titles to the Company's mineral properties being challenged or impugned; the Company receiving and maintaining licenses and permits from appropriate governmental authorities; environmental and safety regulations; land access risk; access to sufficient used and new equipment; maintenance of equipment; the Company's reliance on key personnel; the Company's reliance on key business relationships; the Company's growth strategy; the Company's ability to obtain insurance; occupational health and safety risks; adverse publicity risks; third party risks; disruptions to the Company's business operations; the Company's reliance on technology and information systems; litigation risks; tax risks; unforeseen expenses; public health crises; climate change; general economic conditions; commodity prices and exchange rate risks; lithium demand; volatility of share price; public company obligations; competition risk; dividend policy; policies and legislation; force majeure; and changes in technology.

Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. As such, these risks are not exhaustive; however, they should be considered carefully. If any of these risks or uncertainties materialize, actual results may vary materially from those anticipated in the forward-looking statements found herein. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are presented for the purpose of assisting investors in understanding the Company's expected financial and operational performance and results as at and for the periods ended on the dates presented in the Company's plans and objectives and may not be appropriate for other purposes. The assumptions referred to above and described in greater detail in the "Risk and Uncertainties" section of this MD&A should be considered carefully by readers.

The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable law. The Company qualifies all of its forward-looking statements by these cautionary statements.

3. NATURE OF BUSINESS

The Company was incorporated on May 10, 2007, under the *Business Corporations Act* (British Columbia). The Company is domiciled in Canada and is a reporting issuer in British Columbia, Alberta and Ontario. See the "Liquidity and Capital Resources" section of this MD&A.

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The address of its head office is Suite 700-838 W Hastings Street, Vancouver, British Columbia, V6C 0A6 and the address of its registered and records office is Suite 1800, 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3.

The Company is a hard-rock lithium exploration company focused on advancing its district-scale 100% owned Corvette Property located in the Eeyou Istchee James Bay region of Quebec, Canada, and proximal to regional road and powerline infrastructure. The Corvette Property hosts the CV5 Spodumene Pegmatite ("CV5") with a maiden inferred mineral resource estimate of 109.2 Mt at 1.42% Li2O and 160 ppm Ta2O5 (at a cut-off of 0.40% Li2O) and ranks as the largest lithium pegmatite resource in the Americas based on contained lithium carbonate equivalent ("LCE") and one of the top 10 largest lithium pegmatite resources in the world. Additionally, the Corvette Property hosts multiple other spodumene pegmatite clusters that remain to be drill tested, as well as more than 20 km of prospective trend that remains to be assessed.

Mineral resources are not mineral reserves as they do not have demonstrated economic viability. The effective date of the mineral resource estimate is June 25, 2023 (through drill hole CV23-190).

The Company also holds several other non-core assets located in British Columbia, Quebec, Idaho and the Northwest Territories, which are considered prospective for lithium, copper, silver, and gold.

The Common Shares are listed and posted for trading on the TSX-V under the symbol "PMET", on the ASX under the symbol "PMT" and are traded on the OTC Market in the United States under the symbol "PMETF" and on the Börse Frankfurt (Frankfurt Stock Exchange) in Germany under the symbol "R9GA".

For further information regarding the Company and its material mineral projects, in addition to what is provided in this MD&A, please refer to the Company's Annual Information Form for the year ended March 31, 2023, dated as of June 29, 2023 ("AIF"), the press release dated July 30, 2023 in which Patriot announces the largest lithium pegmatite resource in the Americas at CV5, Corvette Property, Quebec, Canada and the Technical Report prepared in accordance with NI 43-101

4. HIGHLIGHTS

4.1. Fiscal second quarter 2023

The Company's site-based activities were suspended on June 3, 2023, by the provincial legislation due to wildfires in northern Quebec. The activities on the Corvette property resumed on July 26, 2023 when the ban on entry to the forest due to the wildfires was lifted by the Government and the Company could remobilize personnel safely.

A. Exploration

- Completion of a Maiden Mineral Resource Estimate ("MRE") for the CV5 Pegmatite
  - Confirmed CV5 Spodumene Pegmatite as the largest lithium pegmatite mineral resource in the Americas based on contained lithium carbonate equivalent and one of the top 10 largest lithium pegmatite resources globally. 109.2 Mt at 1.42% Li2O and 160 ppm Ta2O5 inferred, (0.40% Li2O cut-off grade). Mineral resources are not mineral reserves as they do not have demonstrated economic viability. The effective date of the mineral resource estimate was June 25, 2023 (through drill hole CV23-190).

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- Based on 163 core holes totalling 56,385 m.

- Geological model interpreted a single, continuous, principal pegmatite body ranging in true thickness from ~8 m to upwards of ~130 m, extending over a strike length of 3.7 km (drill hole to drill hole), and which is flanked by multiple subordinate lenses.

- Filing of a Technical Report on September 8, 2023, titled "Mineral Resource Estimate for the CV5 Pegmatite, Corvette Property", for the CV5 Pegmatite – 109.2 Mt at 1.42% Li2O and 160 ppm Ta2O5. Mineral resources are not mineral reserves as they do not have demonstrated economic viability. The effective date of the mineral resource estimate was June 25, 2023 (through drill hole CV23-190).

- Final core assay results for the 2023 winter drill program were reported and include 108.0 m at 2.44% Li2O, including 37.5 m at 3.58% Li2O (CV23-181), 115.3 m at 1.81% Li2O, including 89.6 m at 2.20% Li2O (CV23-177).

- Extension of the CV5 Spodumene Pegmatite by an additional 0.65 km along strike to the west.

B. Financing

- Closing of a private placement of approximately $109 million (the "Strategic Investment") by Albemarle on August 3, 2023 for an aggregate of 7,128,341 Common Shares at a price of $15.29 per Common Share.

- Commitment to an MOU with Albemarle to assess partnership opportunities to study the viability of a downstream lithium hydroxide plant integrated with the Property and located in Canada or the United States, including options in the Province of Quebec.

C. Project Development

- Advancement of the all-season road upgrade despite delays associated with the wildfires in the region and the related road closures during the summer 2023. Phase I will be completed as scheduled before the end of the calendar year.

- Progress of the 100% owned exploration camp installation. All the earthworks are complete while all modules are set and leveled in the final position. The exterior complexing is underway.

- Commencement of the engineering for the Pre-Feasibility Study ("PFS") has commenced for a targeted completion date in late 2024 or early 2025.

D. ESG

- Continuation of the baseline data collection after the ban on entry to the forest due to the wildfires was lifted. The process is conducted with First Nation consulting firms and experts from the local Chisasibi Cree Community.

- Completion of activities required towards the Ecologo certification including training provided by third parties on business ethics, adherence to the Code of Ethics and Business Conduct, and health and safety.

- Recognition of the National Day for Truth and Reconciliation on September 30 under the theme "I'm listening and learning", by encouraging all the workers to wear orange as a sign of solidarity, learn about this part of history and its impact, and appreciate the richness of Indigenous cultures.

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E. Corporate

- Strengthening of shareholder communications and investor awareness:
  - Bradley Seward was appointed Vice President of Investor Relations effective September 11, 2023;
  - Olivier Caza-Lapointe was appointed Head of Investor Relations, North America effective August 29, 2023;
- Inclusion in the Standard & Poors ("S&P")/ASX 300 Index by S&P Dow Jones effective on September 18, 2023.

4.2. Events subsequent to September 30, 2023

- Discovery of new near-surface high-grade zone at the CV13 Spodumene Pegmatite. Drill intersections include 12.7 m at 2.46% Li2O, including 7.6 m at 3.82% Li2O (CV23 191), and 8.0 m at 2.86% Li2O, including 4.3 m at 5.03% Li2O (CV23 195)), 10.2 m at 2.70% Li2O, including 5.8 m at 4.48% Li2O (CV23-198) and 10.7 m at 2.79% Li2O.
- Expansion of the Company's land position at its Eastmain Project located in the Eeyou Istchee James Bay region, Quebec, through the acquisition of a 100% interest in two (2) proximal claim blocks. The new claim blocks are located immediately adjacent to Alkem Limited's James Bay Lithium Project, and on strike of the James Bay Lithium Deposit. See the "Mineral Property Interests - Other Properties" section of this MD&A.

5. COMPANY'S OUTLOOK FOR THE FINANCIAL YEAR ENDING MARCH 31, 2024

Q3 FY 2024

- Submission of the project description, officially commencing the permitting process
- Opening of the 80-person 100%-owned exploration camp
- Continued westward drilling from CV5 towards CV13 to test potential connectivity
- Graduation to the TSX, subject to TSX approval and fulfillment of all applicable listing requirements

Q4 FY 2024

- Commencement of 2024 winter 10-rig drill program
- Completion of the all-season road in the spring of 2024

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6. MINERAL PROPERTY INTERESTS

The Company's exploration and evaluation properties expenditures for the six-month period ended September 30, 2023, and the year ended March 31, 2023, are as follows:

	Corvette Property *Quebec, Canada*	US Property *Idaho, USA*	Northwest Territories Property *NW Territories, Canada*	Other Quebec Properties *Quebec, Canada*	Total
	$	$	$	$	$
Acquisition Costs					
Balance, March 31, 2022	5,743,000	880,000	177,000	454,000	7,254,000
Additions	3,000	-	-	1,554,000	1,557,000
Balance, March 31, 2023	**5,746,000**	**880,000**	**177,000**	**2,008,000**	**8,811,000**
Additions	109,000	-	-	14,000	123,000
Balance, September 30, 2023	**5,855,000**	**880,000**	**177,000**	**2,022,000**	**8,934,000**
Exploration and Evaluation Costs					
Balance, March 31, 2022	5,525,000	844,000	551,000	238,000	7,158,000
Additions	30,075,000	46,000	(48,000)	226,000	30,299,000
Balance, March 31, 2023	**35,600,000**	**890,000**	**503,000**	**464,000**	**37,457,000**
Additions	21,589,000	13,000	-	5,000	21,607,000
Balance, September 30, 2023	**57,189,000**	**903,000**	**503,000**	**469,000**	**59,064,000**
Total, March 31, 2023	41,346,000	1,770,000	680,000	2,472,000	46,268,000
Total, September 30, 2023	**63,044,000**	**1,783,000**	**680,000**	**2,491,000**	**67,998,000**

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6.1. Corvette Property (Lithium, Tantalum) – James Bay Region, Quebec, Canada

A. Maiden Resource Estimate

On September 8, 2023, the Company filed a Technical Report titled "Mineral Resource Estimate for the CV5 Pegmatite, Corvette Property". The Technical Report has been prepared by BBA Engineering Ltd., with contributions from Primero Group Americas Inc., both consulting groups are independent of the Company, in accordance with NI 43-101. The report is available on SEDAR+ at www.sedarplus.com.

The MRE for the CV5 Spodumene Pegmatite at the Corvette Property has firmly established the deposit as the largest lithium pegmatite mineral resource in the Americas based on contained LCE and one of the top 10 largest lithium pegmatite resources globally, returning 109.2 Mt at 1.42% Li2O and 160 ppm Ta2O5, inferred, at a cut-off grade of 0.40% Li2O. Mineral resources are not mineral reserves as they do not have demonstrated economic viability. The effective date of the mineral resource estimate was June 25, 2023 (through drill hole CV23-190).

The geological model underpinning the MRE interprets a single, continuous, principal spodumene pegmatite body ranging in true thickness from ~8 m to upwards of ~130 m, extending over a strike length of approximately 3.7 km (drill hole to drill hole), and which is flanked by multiple subordinate lenses. Additionally, the resource and geological modelling has outlined significant potential for growth at CV5, which remains open at both ends along strike, and to depth along a significant portion of its length. The MRE includes only the CV5 Spodumene Pegmatite (previously also termed the "CV5 Pegmatite Cluster", or "CV5"), and therefore does not include any of the other known spodumene pegmatite clusters on the Corvette Property, namely CV4, CV8, CV9, CV10, CV12, and CV13. Refer to the following figure for further information.

The Corvette Property is the Company's flagship asset and is comprised of 424 claims, totalling 21,715 ha, extending for approximately 50 km along the La Grande Greenstone Belt. For clarity, the total number of claims at the Corvette Property now includes the seven (7) claims from KM270 Claim Group Property acquired during the quarter (i.e., collectively, referred to as the "Corvette Property").

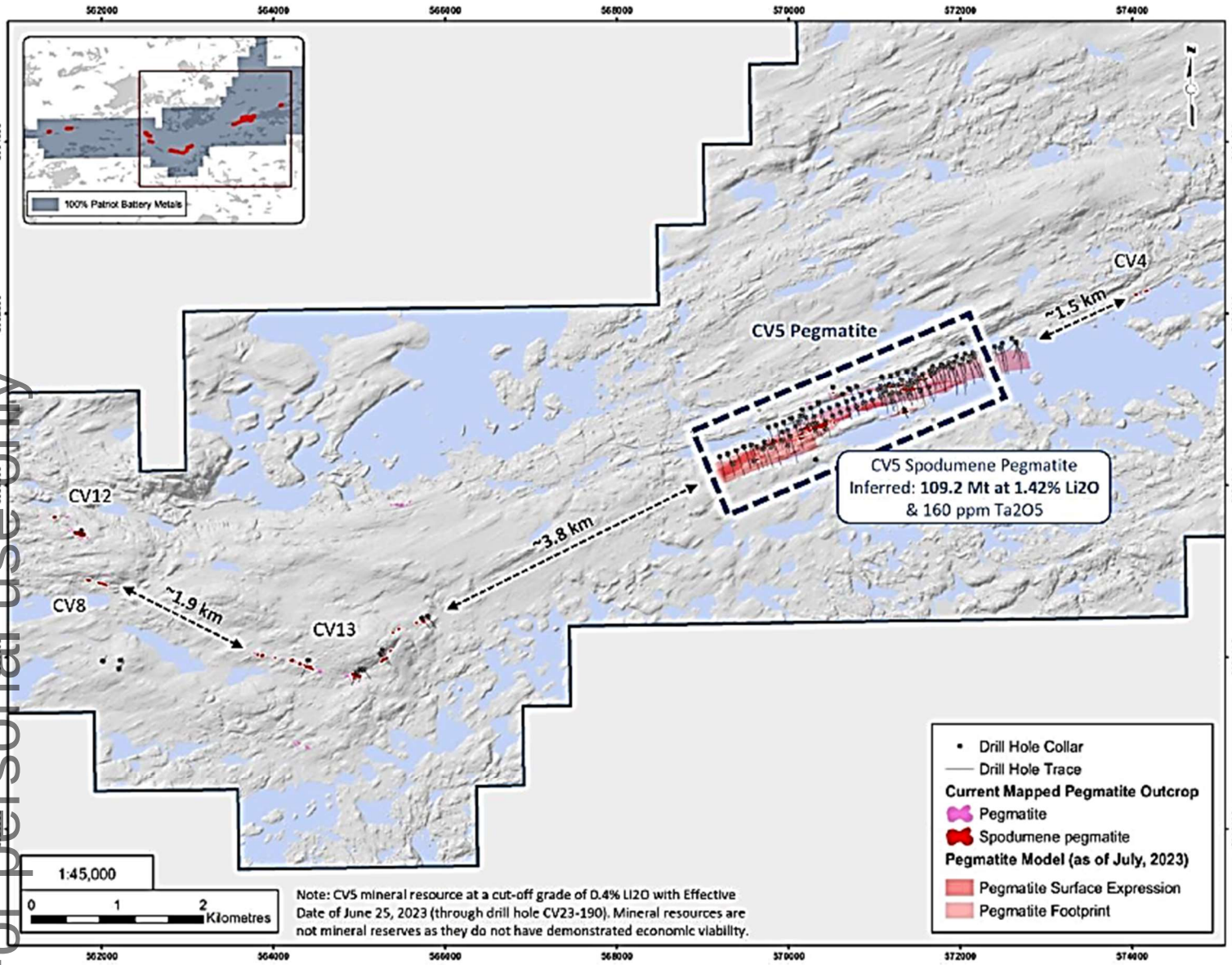

Figure: Extent of CV5 Spodumene Pegmatite's MRE, highlighting potential along trend at proximal spodumene pegmatite clusters

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Mineral Resources Statement (NI 43-101) for the CV5 Spodumene Pegmatite

Cut-off Grade Li_2O (%)	Classification	Tonnes	Li_2O (%)	Ta_2O_5 (ppm)	Contained Li_2O (Mt)	Contained LCE (Mt)
0.40	Inferred	109,242,000	1.42	160	1,551,000	3,835,000

- Mineral resources were prepared in accordance with NI 43-101 and the CIM Definition Standards (2014). Mineral resources that are not mineral reserves do not have demonstrated economic viability. This estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, economic, or other relevant issues.
- The effective date of the estimate is June 25, 2023 (through drill hole CV23-190).
- Estimation was completed using a combination of ordinary kriging and inverse distance (ID2) in Leapfrog Edge software with dynamic anisotropy search ellipse on specific domains.
- Drill hole composites average 1 m in length. Block size is 10 m x 5 m x 5 m with sub-blocking.
- Open-pit mineral resources statement is reported at a cut-off grade of 0.40% Li_2O and is based on a spodumene concentrate price of US$1,500/tonne and an exchange rate of 0.76 CAD/USD.
- Rounding may result in apparent summation differences between tonnes, grade, and contained metal content.
- Tonnage and grade measurements are in metric units.
- Conversion factors used: Li_2O = Li x 2.153; LCE (i.e., Li_2CO_3) = Li_2O x 2.473, Ta_2O_5 = Ta x 1.221.
- Densities for pegmatite blocks were estimated using a linear regression function (SG = 0.0709 x Li_2O% + 2.6217) derived from 1,408 SG field measurements and Li_2O grade. Non-pegmatite blocks were assigned a fixed SG based on the field measurement median value of their respective lithology.

Based on publicly available defined mineral resource estimates completed in accordance with NI 43-101, JORC, or equivalent regulatory body, the maiden MRE for the CV5 Spodumene Pegmatite firmly establishes it as the largest lithium pegmatite resource in the Americas, based on contained LCE. Refer to the following figure for further information.

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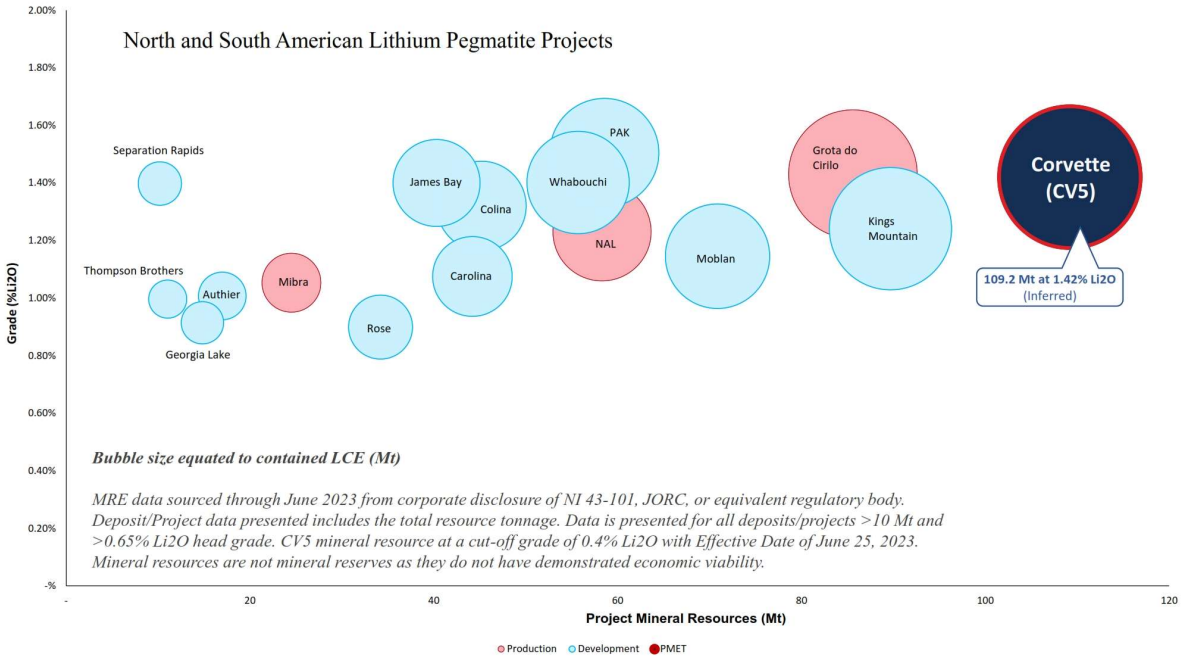

Figure: MRE tonnage vs grade chart, highlighting the CV5 Spodumene Pegmatite as the largest lithium pegmatite mineral resource in the Americas as of June 25, 2023 (see Appendices 1 and 2 below).

B. Exploration Program

1) Fiscal second quarter ended September 30, 2023

The Company received the final core assay results for the 2023 winter drill program. Results included:

- 108.0 m at 2.44% Li2O, including 37.5 m at 3.58% Li2O (CV23-181)
- 115.3 m at 1.81% Li2O, including 89.6 m at 2.20% Li2O (CV23-177)
- Wide widths and strong grades in the final drill hole completed –139.2 m at 1.26% Li2O, including 36.2 m at 1.74% Li2O (CV23-190)
- Wide widths and strong grades returned in one of the most eastwardly drill holes completed to date at the CV5 Pegmatite, highlighting the strong potential of area – 36.0 m at 1.36% Li2O, including 17.0 m at 2.31% Li2O (CV23-165)

During the period, the Company continued its summer-fall Drill Program and extended the CV5 Spodumene Pegmatite by 650 m to the west. The CV5 Spodumene Pegmatite has now been traced continuously by drilling over a lateral distance of at least 4.35 km and remains open. Multiple drill holes have returned continuous core-length spodumene pegmatite intersections exceeding 30 m, and up to 56.8 m (drill hole CV23-231). Several drill holes have returned composited core-length pegmatite intersections (i.e., sum of all pegmatite intervals within the hole) of over 90 m, to a peak of approximately 144 m (CV23-223).

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In the summer program, fifty-three (53) drill holes, totalling approximately 15,614 m, have been completed through September 18, 2023. Thirty (30) holes (~10,757 m) were completed at the CV5 Spodumene Pegmatite and twenty (20) holes (~4,707 m) completed at the CV13 Spodumene Pegmatite. The remaining three (3) holes (~150 m) were completed at the KM-270 camp site for hydrogeology. Finally, the initial drill testing of the CV9 Spodumene Pegmatite cluster recently commenced.

During the six-month period ended September 30, 2023, the Company incurred $21,589,000 in exploration expenditures for the Corvette Property, net of exploration tax credits (March 31, 2023 - $30,075,000).

For further information on the Company's Corvette Property, please refer to the Company's Annual MD&A, dated as of June 29, 2023.

2) <u>Subsequent events</u>

On October 18, 2023, the Company reported the discovery of a new high-grade zone (with sample ranges including 3 – 5% Li2O) near-surface at the CV13 Spodumene Pegmatite. Results included:

- 12.7 m at 2.46% Li2O, including 7.6 m at 3.82% Li2O (CV23-191)
- 8.0 m at 2.86% Li2O, including 4.3 m at 5.03% Li2O (CV23-195)
- 10.2 m at 2.70% Li2O, including 5.8 m at 4.48% Li2O (CV23-198)
- 10.7 m at 2.79% Li2O, including 7.3 m at 3.94% Li2O (CV23-200)

The CV13 Spodumene Pegmatite trend extends over an approximate 2.3 km strike length through multiple outcrop exposures, of which, approximately 1.1 km has now been traced continuously by drilling. The trend remains open along strike at both ends and to depth. With significant mineralization now delineated further west at CV5 and at CV13, there are now several options for the mining starter pit.

C. PROJECT DEVELOPMENT

The Quebec wildfire situation impacted project development activities during the quarter. The ban on entry to the forest and the road closures to the west and south of the project site prevented mobilization of personnel and equipment. Overall, access to the site was restricted for a period of 80 days from early June to late August.

Following the re-opening of site access in late August, delivery of the remaining camp modules, camp installation, and access road construction recommenced. All camp modules are now set and level with the exterior enclosure of the complex progressing well. The initial phase of the camp, with 80 rooms, is expected to be operational during November 2023. In addition, two critical work packages, the installation of the camp water well and the fabrication of the camp wastewater treatment plant progressed during the quarter. These pieces of equipment are critical to permit the next phase of the camp which will accommodate up to 120 workers.

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The first phase of the all-season road progressed despite the reduced construction period available due to the wildfires. The road substructure and Phase I road access to the site will be completed before the end of the calendar year. The second and final phase of the all-season road upgrade, including the rolling surface installation, will be completed in early spring 2024.

The engineering packages to support the PFS were awarded during the quarter. Other work packages for specialist technical support were also awarded and progressed during the period.

Finally, the Company received results with respect to the preliminary Heavy Liquid Separation ("HLS") at CV13. HLS testwork on five (5) core sample composites from the CV13 Pegmatite cluster indicates that a simple Dense Media Separation ("DMS") process flowsheet is applicable. Furthermore, HLS testwork followed by magnetic separation produced 6+% Li2O spodumene concentrates at overall lithium recoveries exceeding 70%. These results provide a strong indication that material from both the CV13 Pegmatite and CV5 Pegmatite may be processed jointly using the same design criteria and flowsheet (i.e., processed at the same plant).

D. ESG

The Environmental and Social Impact Assessment ("ESIA") process is a key component in evaluating the potential development of a mining project in Quebec, Canada, and ultimately obtaining the permit to operate. Environmental surveys are required on numerous components, such as: vegetation and wetlands, surface water and hydrology, fish and fish habitat, and small mammals. The information collected from these surveys, which must be performed at a certain time of the year, will feed into the overall ESIA process for the Corvette Project. The various environmental surveys will collectively form a baseline in order to evaluate potential impacts of the Corvette Project under a preferred development scenario and determine corresponding mitigation measures.

Despite, the wildfires affecting the region during the three-month period ended September 30, 2023, the Company was able to progress the environmental baseline data collection. The local community and Indigenous peoples continued to be involved throughout the entire process including the environmental baseline data collection. Their involvement will continue on the various additional environmental surveys planned to complete the ESIA.

In addition to the environmental baseline data collection, groundwater was sampled once more in the observation wells at CV5 in the envisioned pit area, which will form the basis of an initial hydrogeological model. The environmental geochemical characterization of mineralization, waste rock, and tailings is also ongoing.

During the period ended September 30, 2023, the Company continued to obtain permits. It also submitted an authorization request to the Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs ("MELCCFP") for the installation of a wastewater treatment system to service the phase 2 expansion of the exploration camp. A pumping test on the drinking water well is ongoing to prepare the hydrogeological study that will be included in the future authorization request to MELCCFP for drinking water withdrawal for the camp.

The Company continued to create mutual understanding and strengthen the collaboration with the local community through twenty-one communications activities with local stakeholders, including twenty activities specific to Chisasibi Cree communities' members and representatives, using a variety of channels (in-person and virtual meetings, texts, phone calls).

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In August 2023, during a community visit in Chisasibi, the Company held six (6) in-person meetings with the Chief, the Deputy Chief and the Councillors, the members of the Tallyman's family (trapline CH39), the Coordinator of the Chisasibi Elder Council and the Principal of the James Bay Eeyou.

On September 30, 2023, the Company recognized the National Day of Truth and Reconciliation under the theme "I'm listening and learning". The Company encouraged all its workers to wear orange as a sign of solidarity, learn about this part of history and its impact and learn and appreciate the richness of Indigenous cultures. Books were provided as well as suggestions for films, TV series, documentaries, podcasts, etc. to get employees started on their learning journey. Finally, the Company made a donation to the Chisasibi community. The donation was utilized to rebuild a sweat lodge, a cultural site with spiritual significance, in preparation for a gathering to be held in November. At this event, guests will share testimonials about their experiences in residential schools.

During the same period, work progressed to obtain the Ecologo Certification, North America's largest and most respected environmental standard and certification mark for exploration.

6.2. Other Properties

During six-month period ended September 30, 2023, the Company incurred $13,000 in exploration expenditures on the Freeman Creek Property (March 31, 2023 - $46,000) and $5,000 in exploration expenditures on the Pontax Property (March 31, 2023 - $160,000). The Company did not incur exploration expenditures on the Pontois Property (March 31, 2023 - $17,000). No field exploration was completed at the Hidden Lake in six-month period ended September 30, 2023 and the fiscal year ended March 31, 2023, as the Company concentrated its exploration efforts on the Corvette Property. The Hidden Lake Property claims are in good standing until 2026.

During six-month period ended September 30, 2023, the Company did not incur exploration expenditures on the Lac du Beryl Property (March 31, 2023 - $29,000). The Company did not incur exploration expenditures on the Eastmain property (March 31, 2023 - $20,000).

On October 30, 2023, the Company increased its land position at its Eastmain Project, located in the James Bay region, Quebec, through the arms' length acquisition of a 100% interest in two (2) proximal claim blocks. The new claim blocks total 73 claims (3,851.5 ha) and are located immediately adjacent to Alkem Limited's James Bay Lithium Project, and on strike of the James Bay Lithium Deposit within the prospective Eastmain Greenstone Belt. The Company paid an aggregate $500,000 cash and issued 120,000 Common Shares in the capital of the Company. There are no royalty rights associated with the acquisition.

Collectively, the Eastmain Project, now consisting of four (4) blocks totalling 86 claims (4,538.0 ha), forms part of the Company's non-core lithium asset portfolio which includes the Pontax (100%), Lac du Beryl (100%), and Hidden Lake (40%) properties. To date, lithium pegmatite has been confirmed at Pontax and Hidden Lake, with significant lithium exploration potential present throughout its non-core property portfolio.

For further information on the Company's other properties, please refer to the Company's Annual MD&A, dated as of June 29, 2023.

7. RESULTS OF OPERATIONS

The following table sets forth selected financial information for the Company, which should be read in conjunction with the Company's Financial Statements and its audited consolidated financial statements for the years ended March 31, 2023, and 2022, including the notes thereto.

	September 30, 2023	March 31, 2023	March 31, 2022
	$	$	$
Total assets	220,423,000	107,720,000	26,621,000
Total exploration and evaluation properties	67,998,000	46,268,000	14,412,000
Total property and equipment	13,871,000	588,000	-
Total non-current financial liabilities	5,363,000	2,704,000	-
Working capital, excluding flow-through premium liability	123,288,000	55,357,000	11,315,000

Total exploration and evaluation properties have increased period over period as a result of the Company's investments in its flagship asset, the Corvette Property. The Company primary investments consist of its exploration programs for which expenditures are mainly composed of:

- Drilling ($3.8M and $6.9M for the three and six-month periods ended September 30, 2023, respectively)
- Helicopter transportation costs ($3.8M and $5.3M for the three and six-month periods ended September 30, 2023, respectively)
- Geology salaries ($1.9M and $3.4M for the three and six-month periods ended September 30, 2023, respectively)
- Travel and accommodation ($1.7M and $3.5M for the three and six-month periods ended September 30, 2023, respectively)

The variation in property and equipment between March 31, 2023 and September 30, 2023 reflects the Company's decision to build a 100%-owned exploration camp to accommodate its workers. The 100%-owned exploration camp will significantly decrease the travel time for personnel and reduce the dependency on helicopters. With the possibility of expanding the exploration camp in the near future, the Company could increase its drilling capacity and accelerate the exploration program at the Corvette Property. The Company's investments in property and equipment are mainly composed of construction in progress related to the 100%-owned exploration camp. $4.5M and $12.3M for the three and six-month period ended September 30, 2023, respectively, were incurred and essentially relate to purchase of equipment, camp supplies and camp laydown.

Non-current financial liabilities have increased due to recognition of a deferred tax liability relating to flow-through share financings as of September 30, 2023 and March 31, 2023.

On August 3, 2023, the Company closed a private placement of approximately $109 million with Albemarle contributing to increase its working capital from $37,574,000 as of June 30, 2023 to $123,288,000 after the investments described earlier.

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The following table presents the interim condensed consolidated statements of loss and comprehensive loss for the three and six-month periods ended September 30, 2023, and 2022:

		Three-month periods ended		Six-month periods ended	
	Notes	**September 30, 2023**	September 30, 2022	**September 30, 2023**	September 30, 2022
		$	$	**$**	$
General and Administrative Expenses					
Business development		**205,000**	125,000	**319,000**	223,000
Consulting fees	12	**158,000**	45,000	**321,000**	75,000
Investor communications		**182,000**	11,000	**353,000**	24,000
Salaries, benefits and management fees	12	**1,698,000**	140,000	**2,374,000**	582,000
Office and miscellaneous		**560,000**	24,000	**806,000**	39,000
Professional fees		**985,000**	196,000	**1,554,000**	291,000
Share-based compensation	9, 12	**937,000**	6,002,000	**1,739,000**	9,631,000
Transfer agent and filing fees		**217,000**	42,000	**314,000**	73,000
Travel		**263,000**	97,000	**618,000**	148,000
Total general and administrative expenses		**(5,205,000)**	(6,682,000)	**(8,398,000)**	(11,086,000)
Other Income (Loss)					
Flow-through premium income	8	**5,329,000**	1,286,000	**9,334,000**	1,862,000
Interest income		**1,385,000**	-	**1,910,000**	(2,000)
Flow-through interest		**-**	(9,000)	**-**	(44,000)
Income (Loss) before income taxes		**1,509,000**	(5,405,000)	**2,846,000**	(9,270,000)
Income taxes					
Deferred income tax expense		**(1,794,000)**	-	**(3,317,000)**	-
Net Loss for the period		**(285,000)**	(5,405,000)	**(471,000)**	(9,270,000)
Other comprehensive income					
Foreign currency translation adjustment		**5,000**	2,000	**3,000**	2,000
Net Loss and Comprehensive Loss for the period		**(280,000)**	(5,403,000)	**(468,000)**	(9,268,000)
Loss per common share					
Basic and diluted	10	**(0.00)**	(0.06)	**(0.00)**	(0.11)

Three-Month Periods Ended September 30, 2023, and 2022:

General and Administrative Expenses

Total general and administrative expenses decreased to $5,205,000 from $6,682,000 for the same period in 2022, mainly due to:

- **Share-Based Compensation**. Given that the Company had made a material lithium raw materials discovery at the Corvette project, building the Company's capacity to realize the Corvette project's potential as soon as possible was key during the fiscal year ended March 2023. To achieve this objective, stock option grants were an important tool to attract top industry talent. Given the Company was cash-constrained, the Company also used stock options as compensation for suppliers with the right skills and experience.

For the fiscal year ending March 31, 2024, the Board of Directors adopted a formal compensation program based on the recommendations of an independent expert composed of stock options restricted share units ("RSUs"), performance share units ("PSUs") and deferred share units ("DSUs") in accordance with the Omnibus Equity Incentive Plan (the "Omnibus Plan"). As the annual long-term incentive grant for the fiscal year ending March 31, 2024 occurred on June 29, 2023, the share-based compensation expense recognized during the three-month period ended September 30, 2023 totalled $937,000 (compared with $6,002,000 for the three-month period ended September 30, 2022) and relates to the vesting of stock options PSUs and RSUs granted previously.

- The decrease in share-based compensation during the three-month period ended September 30, 2023, was partially offset by increases in costs in the following activities to sustain the accelerated growth of the Company.
  - **Salaries, benefits and management fees** totalling $1,698,000 (compared with $140,000 for the three-month period ended September 30, 2022) reflect the increase in headcount, the addition of key personnel to the management team and accruals related to management incentives as the Company pursues its growth.
  - **Professional fees** totalling $985,000 (compared with $196,000 for the three-month period ended September 30, 2022) were driven by additional activities relating to general corporate matters and by the fact that the Company uses its financial liquidities as opposed to granting stock options to pay its experienced professionals and additional activities to sustain the Company's strategic plan.
  - **Office and administrative costs** totalling $560,000 (compared with $24,000 for the three-month period ended September 30, 2022) include recruitment fees, and costs associated with the enhancement of the information technology systems. It also reflects the higher insurance premium associated with the development stage of the Company and its impact of its dual listings.

Other Income (Loss)

The flow-through premium income of $5,329,000 (compared with $1,286,000 for the three-month period ended September 30, 2022) relates to the realization of premium from the flow-through offering that closed on March 20, 2023. The variation between periods reflects the size and greater stock price of the Company associated with the financing, along with the increase in qualifying expenditures in the three-month period ended September 30, 2023, resulting in a higher premium in the period.

Interest income of $1,385,000 (nil for the three-month period ended September 30, 2022) is the result of interest earned on high balances in the Company's operating bank accounts.

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Income Taxes

Deferred income tax expense for the period is non-cash and essentially due to the recognition of a deferred tax provision of $1,794,000 (nil for the three-month period ended September 30, 2022) that arose following the capitalization for accounting purposes of exploration expenses, while such expenses are being renounced to investors for tax purposes.

Net Loss and Comprehensive Loss

Due to the variances detailed above, the Company's net loss and comprehensive loss for the three-month period ended September 30, 2023, totalled $280,000 compared to a net loss and comprehensive loss of $5,403,000 for the three-month period ended September 30, 2022.

Six-Month Periods Ended September 30, 2023, and 2022:

General and Administrative Expenses

Total general and administrative expenses decreased to $8,398,000 from $11,086,000 for the same period in 2022, mainly due to:

- **Share-Based Compensation**. Given that the Company had made a material lithium raw materials discovery at the Corvette project, building the Company's capacity to realize the Corvette project's potential as soon as possible was key during the fiscal year ended March 2023. To achieve this objective, stock option grants were an important tool to attract top industry talent. Given the Company was cash-constrained, the Company also used stock options as compensation for suppliers with the right skills and experience.

The share-based compensation expense recognized during the six-month period ended September 30, 2023 totalled $1,739,000 (compared with $9,631,000 for the six-month period ended September 30, 2022) and relates to the vesting of stock options PSUs and RSUs granted previously.

- The decrease in share-based compensation during the six-month period ended September 30, 2023, was partially offset by increases in costs in the following activities to sustain the accelerated growth of the Company.
    - **Salaries, benefits and management fees** totalling $2,374,000 (compared with $582,000 for the six-month period ended September 30, 2022) reflect the increase in headcount, the addition of key personnel to the management team and accruals related to management incentives as the Company pursues its growth.
    - **Professional fees** totalling $1,554,000 (compared with $291,000 for the six-month period ended September 30, 2022) were mainly driven by additional activities relating to general corporate matters as the Company pursues its growth.
    - **Office and miscellaneous** totalling $806,000 (compared with $39,000 for the six-month period ended September 30, 2022) is supported by the expansion of personnel and therefore the expansion of the needs for technological supplies, recruitment, insurance and the impact of its dual listing.

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Other Income (Loss)

The flow-through premium income of $9,334,000 (compared with $1,862,000 for the six-month period ended September 30, 2022) relates to the realization of premium from the flow-through offering that closed on October 6, 2022 and the flow-through offering that closed on March 20, 2023. The variation between periods reflects the size and greater stock price of the Company associated with each financing, along with an increase in qualifying expenditures in the six-month period, resulting in a higher premium in the period.

Interest income of $1,910,000 (compared with expense of $2,000 for the six-month period ended September 30, 2022) is the result of interest earned on high balances in the Company's operating bank accounts.

Income Taxes

Deferred income tax expense for the period is non-cash and essentially due to the recognition of a deferred tax provision of $3,317,000 (nil for the six-month period ended September 30, 2022) that arose following the capitalization for accounting purposes of exploration expenses, while such expenses are being renounced to investors for tax purposes.

Net Loss and Comprehensive Loss

Due to the variances detailed above, the Company's net loss and comprehensive loss for the period ended September 30, 2023, totalled $468,000 compared to a net loss and comprehensive loss of $9,268,000 for the six-month period ended September 30, 2022.

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The following table sets forth the interim condensed consolidated statements of cash flows for the six-month periods ended September 30, 2023, and 2022:

		Six-month periods ended	
	Notes	**September 30, 2023**	September 30, 2022
		$	$
OPERATING ACTIVITIES			
Net loss for the year		**(471,000)**	(9,270,000)
Adjustments for:			
Accrued interest income		**(49,000)**	-
Flow-through premium income	8	**(9,334,000)**	(1,863,000)
Depreciation	6	**69,000**	-
Share-based compensation	9, 12	**1,739,000**	9,631,000
Deferred income tax expense		**3,317,000**	-
Changes in non-cash working capital items			
Increase in receivables	4	**(861,000)**	(977,000)
Increase in prepaid expenses		**(12,000)**	(67,000)
Increase in flow-through taxes payable		**-**	44,000
Decrease in accounts payable and accrued liabilities		**1,833,000**	21,000
Cash used in operating activities		**(3,769,000)**	(2,481,000)
INVESTING ACTIVITIES			
Property and equipment	6	**(11,128,000)**	-
Exploration and evaluation property expenditures	5	**(19,427,000)**	(10,062,000)
Cash used in investing activities		**(30,555,000)**	(10,062,000)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares		**108,992,000**	-
Proceeds from exercise of options	9	**212,000**	885,000
Proceeds from exercise of warrants	9	**1,869,000**	3,085,000
Share issuance costs-cash	9	**-**	(12,000)
Subscriptions received		**-**	(252,000)
Cash provided by financing activities		**111,073,000**	3,706,000
Increase (decrease) in cash and cash equivalents		**76,749,000**	(8,837,000)
Effect of exchange rate on cash		**3,000**	2,000
Cash and cash equivalents, beginning of period		**56,724,000**	11,698,000
Cash and cash equivalents, end of period		**133,476,000**	2,863,000

As the Company is in the exploration phase, it does not receive, nor does it anticipate receiving any revenue in the next fiscal year. The Company's mineral interests do not currently generate cash flow from operations.

During the six-month period ended September 30, 2023, the Company's cash and cash equivalents increased by $76,749,000 compared to a decrease of $8,837,000 during the six-month period ended September 30, 2022.

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Cash used for operating activities amounted to $3,769,000 (compared to $2,481,000 used during the same period in 2022), resulting from the net loss of $471,000 for the six-month period ended September 30, 2023 (2022: net loss of $9,270,000), flow-through premium income and changes in non-cash working capital, offset by non-cash items such as share-based compensation and deferred income tax expense.

The Company's investments amounted to $30,555,000 (compared with $10,062,000 for six-month period ended September 30, 2022), consisting higher exploration and evaluation expenditures, and property and equipment associated to increased activity levels on site. Even though on-site activities were halted as a result of the wildfires, exploration and evaluation expenditures are higher than the same semester last year due to a higher number of rigs active at the Corvette Property, combined with the expenditures associated with the completion of the MRE. Property and equipment investments include $1,648,000 for the camp exploration modules and $10,611,000 associated with civil earthworks and utility supplies costs.

Cash inflows consisted of cash provided by financing activities totalling $111,073,000 compared with $3,706,000 for the six-month period ended September 30, 2022. The increase is due to the proceeds received from the Strategic Investment with Albemarle, along with proceeds from share purchase warrants and stock options exercised during both periods.

8. SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight (8) most recent quarters, derived from the financial statements and prepared in accordance with IFRS:

Three-month period ended	Comprehensive Income (Loss) for the period	Basic and Diluted Earnings (Loss) per Share
September 30, 2023	(280,000)	(0.00)
June 30, 2023	(188,000)	(0.00)
March 31, 2023	(1,661,000)	(0.02)
December 31, 2022	816,000	0.01
September 30, 2022	(5,403,000)	(0.06)
June 30, 2022	(3,864,000)	(0.05)
March 31, 2022	(62,000)	(0.00)
December 31, 2021	(1,677,000)	(0.04)

Variations over the last eight (8) quarters are primarily due to the following factors:

- Timing of stock options grants under the previous Omnibus plan,
- Increase in corporate activities and personnel costs to support the Company's growth.
- Timing of FT financings and qualifying expenditures: FT premium liabilities are amortized over the period in which the funds are spent on qualifying expenditures.
- Recognition of deferred tax income taxes arising following the capitalization for accounting purposes of exploration expenses, while such expenses are being renounced to investors for tax purposes.

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9. LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2023, the Company had working capital of $123,288,000, excluding the FT premium liability (March 31, 2023 – $55,357,000). The change in working capital during the six-month period ended September 30, 2023 is primarily due to the $109 million private placement, offset by. amounts invested in exploration and evaluation expenditures and property and equipment.

As at September 30, 2023, the Company has not advanced its exploration and evaluation properties to commercial production. The Company's continuation as a going concern is dependent upon successful results from exploration activities on its mineral properties and its ability to attain profitable operations and generate cash from its operations in the foreseeable future.

As at September 30, 2023, the Company has an accumulated deficit of $23,356,000 (March 31, 2023 - $22,885,000) since inception and is expected to incur further losses in the development of its business. The Company will have to rely on the issuance of equity instruments or other types of financing arrangements to fund ongoing operations and investment.

The Company believes it has sufficient working capital to meet its exploration and administrative overhead expenses and maintain its planned exploration activities for the next 12 months. The ability of the Company to raise capital will depend on market conditions, and it may not be possible for the Company to issue Common Shares on acceptable terms or at all.

For more information on the financial risks facing the Company and their potential impact, please refer to the "Risk and Uncertainties" section of this MD&A.

10. OUTSTANDING SHARE DATA

As at	September 30, 2023	November 9, 2023
Issued and outstanding Common Shares	111,427,656	114,550,356(1) (2)
Share purchase warrants outstanding	26,051,360	23,051,660(1)
Stock options outstanding	7,901,333	7,898,333(1)
Preferred share units	48,002	48,002
Restricted share units	48,002	48,002

Note: Subsequent to September 30, 2023:

(1) The Company issued 2,999,700 Common Shares for warrants exercised and 3,000 Common Shares for options exercised.
(2) The Company issued 120,000 Common Shares as part of its acquisition of two (2) claim blocks at its Eastmain Project.

11. RELATED PARTY TRANSACTIONS

The Company's related parties include its subsidiary and key management personnel. Key management personnel are considered to be those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management personnel refers to directors and senior officers of the Company, more specifically the President and Chief Executive Officer, the Chief Financial Officer and the Vice President, Exploration.

In the six-month periods ended September 30, 2023, and 2022 key management personnel of the Company received the following:

Six-Month Period Ended	September 30, 2023 $	September 30, 2022 $
Management and administration fees	**1,170,000**	532,000
Consulting fees	**-**	71,000
Management and consulting fees included in Exploration and Evaluation properties	**500,000**	45,000
Share-based compensation	**1,056,000**	8,306,000
Total key management compensation	**2,726,000**	8,954,000

All transactions with related parties were made in the normal course of business. Share-based compensation expense was calculated using the Black-Scholes option-pricing model. Additional information on this valuation model can be found in Note 3 to the Company's audited consolidated financial statements for the years ended March 31, 2023, and 2022, available on SEDAR+ at www.sedarplus.com and on the ASX at www.asx.com.au.

12. COMMITMENTS

The Company has an agreement with a vendor related to accommodation at its Corvette Property. The agreement includes a $2,400,000 commitment as at September 30, 2023 (March 31, 2023 - $3,200,000), which has a maturity of less than a year.

13. SEGMENTED INFORMATION

The Company operates in one business segment, the exploration and development of mineral properties. Geographical information is as follows:

	Canada	US	Total
Balance, as at September 30, 2023			
Exploration and evaluation assets	$66,215,000	$1,783,000	$67,998,000
Balance, as at March 31, 2023			
Exploration and evaluation assets	$44,498,000	$1,770,000	$46,268,000

14. CHANGES IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

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Critical accounting estimates and assumptions as well as critical judgments in applying the Company's accounting policies are detailed in Note 3 of the Company's audited consolidated financial statements for the years ended March 31, 2023, and 2022, which are available on SEDAR+ at www.sedarplus.com and on the ASX at www.asx.com.au.

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards are not expected to have a material impact on the Company in the current or future reporting periods. There were no significant changes in the Company's accounting policies during the six-month period ended September 30, 2023.

15. OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any material off-balance sheet arrangements.

16. PROPOSED TRANSACTIONS

The Company has no proposed transactions.

17. CAPITAL DISCLOSURE

The Company considers its capital structure to include net residual equity of all assets, less liabilities.

The Company's objectives when managing capital are to: (i) maintain financial flexibility in order to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to finance its growth using internally-generated cash flow and debt capacity; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust, the amount of cash and cash equivalents and receivables.

18. FINANCIAL INSTRUMENTS

The nature and extent of risks arising from the Company's financial instruments are summarized in Note 11 of the Company's Financial Statements and in Note 12 to the Company's audited consolidated financial statements for the years ended March 31, 2023, and 2022, available on SEDAR+ at www.sedarplus.com and on the ASX at www.asx.com.au.

19. RISKS AND UNCERTAINTIES

As a mining company, the Company faces the financial and operational risks inherent to the nature of its business that may have a material adverse effect on its financial condition, results of operations or the trading price of the Company's shares.

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For a description of the risk factors related to the Company and its activities, please refer to the section entitled "Risk Factors" of the Company's AIF dated June 29, 2023, available on SEDAR+ at www.sedarplus.com and on the ASX at www.asx.com.au. This section is incorporated by reference into this MD&A.

20. NATURE OF SECURITIES

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

21. INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings or, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Controls Over Financial Reporting

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's internal controls over financial reporting include policies and procedures that: pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with the authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

As at September 30, 2023, there has not been any material change to internal controls over financial reporting for the period. Management, including the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting. As of September 30, 2023, the Chief Executive Officer and Chief Financial Officer have each concluded that the Company's internal controls over financial reporting, as defined in National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, are effective to achieve the purpose for which they have been designed. Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements.

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Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. The control framework used to evaluate the effectiveness of the design and operation of the Company's internal controls over financial reporting is the 2013 Internal Control– *Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission.

22. ADDITIONAL INFORMATION

Additional information about the Company, including its AIF dated June 29, 2023, can be found on SEDAR+ at www.sedarplus.com and on the ASX at www.asx.com.au.

23. QUALIFIED PERSON

Darren L. Smith, M.Sc., P.Geo., who is a Qualified Person as defined by NI 43-101, and member in good standing with the Ordre des Géologues du Québec (Geologist Permit number 1968), and with the Association of Professional Engineers and Geoscientists of Alberta (member number 87868) has reviewed and approved the technical information in this MD&A.

Mr. Smith is the Vice President of Exploration for the Company. Mr. Smith holds Common Shares and stock options in the Company. Mr. Smith consents to the inclusion in this MD&A of the matters based on his information in the form and context in which it appears.

24. APPROVAL

The content of this MD&A has been approved by the Board of Directors and the Audit Committee of the Company.

"Blair Way"

Blair Way
President, CEO and Director

November 10, 2023

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APPENDIX 1: SOURCES FOR TONNAGE VS GRADE CHART (AS OF JUNE 25, 2023)

Company name	Stock Ticker	Project Name	Source
Livent / IQ	AKE	Whabouchi	ASX announcement dated May 10, 2023
Allkem	AKE	James Bay	ASX announcement dated May 10, 2023
Critical Elements	CRE	Rose	NI 43-101 technical report dated July 26, 2022
Albemarle	ALB	Kings Mountain	SEC filing dated February 15, 2023
Sayona Mining	SYA	Authier	ASX announcement dated April 14, 2023
Sayona Mining	SYA	NAL	ASX announcement dated April 14, 2023
Sayona Mining	SYA	Moblan	ASX announcement dated April 17, 2023
AMG Lithium	AMG	Mibra	Euronext announcement dated April 3, 2017
Frontier Lithium	FL	PAK (+Spark)	NI 43-101 technical report dated May 9, 2022
Sigma Lithium	SGML	Grota do Cirilo	TSX.V announcement dated December 4, 2022
Piedmont Lithium	PLL	Carolina	ASX announcement dated October 21, 2021
Avalon Advanced Materials	AVL	Separation Rapids	TSX.V announcement dated August 21, 2018
Snow Lake Resources	SLR	Thompson Brothers	SEC filing effective June 9, 2021
Latin Resources	LRS	Colina	ASX announcement dated June 20, 2023
Rock Tech Lithium	RCK	Georgia Lake	TSX.V announcement dated 21 April 2021

APPENDIX 2: MINERAL RESOURCE DETAILS FOR DEPOSITS/PROJECTS USED IN TONNAGE VS GRADE CHART (AS OF JUNE 25, 2023)

Company Name	Project Name	Region	Stage	Category	Tonnage (Mt)	Grade (Li_2O)
Livent / IQ	Whabouchi	Americas	Development	Measured	17.7	1.60%
				Indicated	20.8	1.33%
				Inferred	17.2	1.29%
Allkem	James Bay	Americas	Development	Measured	-	-
				Indicated	40.3	1.40%
				Inferred	-	-
Critical Elements	Rose	Americas	Development	Measured	-	-
				Indicated	31.5	0.91%
				Inferred	2.7	0.77%
Albemarle	Kings Mountain	Americas	Development	Measured	-	-
				Indicated	46.8	1.37%
				Inferred	42.9	1.10%
Sayona Mining	Authier	Americas	Development	Measured	6.0	0.98%
				Indicated	8.1	1.03%
				Inferred	2.9	1.00%
Sayona Mining	NAL	Americas	Production	Measured	1.0	1.19%
				Indicated	24.0	1.23%
				Inferred	33.0	1.23%
Sayona Mining	Moblan	Americas	Development	Measured	6.3	1.46%
				Indicated	43.6	1.16%
				Inferred	21.0	1.02%

AMG Lithium	Mibra	Americas	Production	Measured	3.4	1.00%
				Indicated	16.9	1.07%
				Inferred	4.2	1.03%
Frontier Lithium	PAK	Americas	Development	Measured	1.3	2.14%
				Indicated	24.7	1.59%
				Inferred	32.5	1.41%
Sigma Lithium	Grota do Cirilo	Americas	Production	Measured	37.1	1.43%
				Indicated	39.9	1.43%
				Inferred	8.6	1.43%
Piedmont Lithium	Carolina	Americas	Development	Measured	-	-
				Indicated	28.2	1.11%
				Inferred	15.9	1.02%
Avalon Advanced Materials	Separation Rapids	Americas	Development	Measured	3.4	1.43%
				Indicated	5.0	1.39%
				Inferred	1.8	1.35%
Snow Lake Resources	Thompson Brothers	Americas	Development	Measured	-	-
				Indicated	9.1	1.00%
				Inferred	2.0	0.98%
Latin Resources	Colina	Americas	Development	Measured	0.4	1.34%
				Indicated	29.7	1.37%
				Inferred	15.0	1.22%
Rock Tech Lithium	Georgia Lake	Americas	Development	Measured	-	-
				Indicated	10.6	0.88%
				Inferred	4.2	1.00%
Patriot Battery Metals	Corvette	Americas	Development	Measured	-	-
				Indicated	-	-
				Inferred	109.2	1.42%

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