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PATRIOT BATTERY METALS INC.
Condensed Interim Consolidated Financial Statements
For the three and nine-month periods ended December 31, 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.

"Ken Brinsden"
President, Chief Executive Officer and Managing Director

"Natacha Garoute"
Chief Financial Officer

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

	Notes	December 31, 2023 (Unaudited)	March 31, 2023 (Audited)
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		**105,755,000**	56,724,000
Receivables		**5,127,000**	3,891,000
Prepaid expenses		**1,008,000**	249,000
		111,890,000	60,864,000
Non-current assets			
Exploration and evaluation properties	3	**85,937,000**	46,268,000
Property and equipment	4	**32,687,000**	588,000
Total assets		**230,514,000**	107,720,000
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**10,311,000**	5,507,000
Current portion of lease liabilities		**29,000**	-
Flow-through premium liability	5	**11,466,000**	29,506,000
		21,806,000	35,013,000
Non-current liabilities			
Asset retirement obligation	6	**2,200,000**	-
Lease liabilities		**88,000**	-
Deferred income taxes		**8,647,000**	2,704,000
Total liabilities		**32,741,000**	37,717,000
EQUITY			
Share capital	7	**202,775,000**	77,966,000
Reserves	7	**15,994,000**	14,922,000
Accumulated other comprehensive loss		**(1,000)**	-
Deficit		**(20,995,000)**	(22,885,000)
Total equity		**197,773,000**	70,003,000
Total liabilities and equity		**230,514,000**	107,720,000

Commitments (Note 12) and Events After the Reporting Period (Note 14)

APPROVED ON BEHALF OF THE BOARD on February 14, 2024:

"Ken Brinsden" — 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 Income (Loss) and Comprehensive Income (Loss)
(Unaudited)
(Expressed in Canadian dollars)

	Notes	Three-month periods ended		Nine-month periods ended	
		December 31, 2023	December 31, 2022	**December 31, 2023**	December 31, 2022
		$	$	$	$
General and Administrative Expenses					
Investor relations and business development		**263,000**	143,000	**935,000**	390,000
Consulting fees	10	**72,000**	78,000	**393,000**	153,000
Salaries, benefits and management fees	10	**1,214,000**	142,000	**3,588,000**	724,000
Office and miscellaneous		**389,000**	21,000	**1,195,000**	60,000
Professional fees		**1,270,000**	159,000	**2,824,000**	450,000
Share-based compensation	7,10	**947,000**	37,000	**2,686,000**	9,668,000
Transfer agent and filing fees		**72,000**	183,000	**386,000**	255,000
Travel		**84,000**	77,000	**702,000**	225,000
Total general and administrative expenses		**(4,311,000)**	(840,000)	**(12,709,000)**	(11,925,000)
Other Income (Loss)					
Flow-through premium income	5	**8,706,000**	1,651,000	**18,040,000**	3,513,000
Interest income		**1,613,000**	4,000	**3,523,000**	3,000
Flow-through interest		**-**	-	**-**	(44,000)
Income (Loss) before income taxes		**6,008,000**	815,000	**8,854,000**	(8,453,000)
Income taxes					
Deferred income tax expense		**(3,647,000)**	-	**(6,964,000)**	-
Net Income (Loss) for the period		**2,361,000**	815,000	**1,890,000**	(8,453,000)
Other comprehensive income					
Foreign currency translation adjustment		**(4,000)**	-	**(1,000)**	1,000
Net Income (Loss) and Comprehensive Income (Loss) for the period		**2,357,000**	815,000	**1,889,000**	(8,452,000)
Earnings (Loss) per share					
Basic	8	**0.02**	0.01	**0.02**	(0.10)
Diluted	8	**0.02**	0.01	**0.02**	(0.10)

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	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:							
Cash	2,207,170	13,618,000	-	-	-	-	13,618,000
Mineral properties	220,000	1,454,000	-	-	-	-	1,454,000
Warrants exercised	9,761,448	3,409,000	(213,000)	-	-	-	3,196,000
Options exercised	2,052,630	1,071,000	(39,000)	-	-	-	1,032,000
Fair value of warrants exercised	-	30,000	-	(30,000)	-	-	-
Fair value of options exercised	-	808,000	-	(808,000)	-	-	-
Share issuance costs - warrants	-	(1,001,000)	-	1,001,000	-	-	-
Share issuance costs - cash	-	(694,000)	-	-	-	-	(694,000)
Share-based compensation	-	-	-	9,668,000	-	-	9,668,000
Net loss and comprehensive loss for the period	-	-	-	-	1,000	(8,453,000)	(8,452,000)
Balances, December 31, 2022	**92,790,239**	**51,617,000**	**-**	**13,291,000**	**1,000**	**(21,223,000)**	**43,686,000**
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
Mineral properties	120,000	1,244,000	-	-	-	-	1,244,000
Warrants exercised	23,664,939	15,444,000	-	-	-	-	15,444,000
Options exercised	1,399,474	272,000	-	-	-	-	272,000
Fair value of warrants exercised	-	807,000	-	(807,000)	-	-	-
Fair value of options exercised	-	807,000	-	(807,000)	-	-	-
Share issuance costs - cash[1]	-	(2,757,000)	-	-	-	-	(2,757,000)
Share-based compensation	-	-	-	2,686,000	-	-	2,686,000
Net income and comprehensive income for the period	-	-	-	-	(1,000)	1,890,000	1,889,000
Balances, December 31, 2023	**131,669,961**	**202,775,000**	**-**	**15,994,000**	**(1,000)**	**(20,995,000)**	**197,773,000**

[1] Share issuance costs-cash are presented net of a deferred tax recovery in the amount of $1,021,000 (March 31, 2023 - $447,000), which 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)

		Nine-month periods ended	
	Notes	**December 31, 2023**	December 31, 2022
		$	$
OPERATING ACTIVITIES			
Net income (loss) for the year		**1,890,000**	(8,453,000)
Adjustments for non-cash items:			
Accrued interest income		**(61,000)**	(4,000)
Flow-through premium income	5	**(18,040,000)**	(3,513,000)
Share-based compensation	7,10	**2,686,000**	9,668,000
Deferred income tax expense		**6,964,000**	-
Changes in non-cash working capital items			
Increase in receivables		**(1,168,000)**	(1,007,000)
Increase in prepaid expenses		**(759,000)**	(123,000)
Increase (decrease) in accounts payable and accrued liabilities		**916,000**	(716,000)
Cash used in operating activities		**(7,572,000)**	(4,148,000)
INVESTING ACTIVITIES			
Exploration and evaluation property expenditures	3	**(38,074,000)**	(15,561,000)
Property and equipment	4	**(26,252,000)**	-
Cash used in investing activities		**(64,326,000)**	(15,561,000)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares	7	**108,992,000**	23,821,000
Proceeds from exercise of options	7	**272,000**	1,071,000
Proceeds from exercise of warrants	7	**15,444,000**	3,409,000
Share issuance costs-cash	7	**(3,778,000)**	(694,000)
Subscriptions received		**-**	(252,000)
Cash provided by financing activities		**120,930,000**	27,355,000
Increase in cash and cash equivalents		**49,032,000**	7,646,000
Effect of exchange rate on cash		**(1,000)**	1,000
Cash and cash equivalents, beginning of period		**56,724,000**	11,698,000
Cash and cash equivalents, end of period		**105,755,000**	19,345,000
Interest received		**3,462,000**	3,000

Supplemental cash flow information (Note 11)

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 900-1801 McGill College, Montreal, Quebec, H3A 1Z4.The Company's mineral properties are located in the provinces of Quebec, British Columbia, the Northwest Territories and in Idaho (USA).

On July 14, 2022, the shares of the Company commenced trading on the TSXV under the current stock symbol "PMET". 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 December 31, 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 nine-month period ended December 31, 2023, the Company incurred a net income and comprehensive income of $1,889,000 (2022 – loss of 8,452,000). As at December 31, 2023, the Company had an accumulated deficit of $20,995,000 (March 31, 2023 - $22,885,000). 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 February 14, 2024.

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2.2 Basis of presentation

The Financial Statements include the accounts of the Company, Metals Nevada Corp. ("Metals Nevada"), a wholly owned US subsidiary of the Company incorporated on March 2, 2021, Innova Lithium Inc. and 14352891 Canada Inc., two wholly owned subsidiaries of the Company both incorporated on October 5, 2023. 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 9 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 functional currency of the Company and the two Canadian subsidiaries 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:

Asset retirement obligation

An asset retirement obligation is recognized for the expected costs of reclamation with respect to property and equipment where the Company is legally or contractually responsible for such costs. Asset retirement obligations arise from the Company's obligation to undertake camp reclamation and remediation in connection with its property and equipment. The Company recognizes the estimated reclamation costs when an environmental disturbance occurs but only when a reasonable estimate can be made. The asset retirement obligation recognized is estimated on the risk-adjusted costs required to settle present obligations, discounted using a pre-tax risk-free discount rate consistent with the expected timing of expected cash flows. Changes in the estimated undiscounted cash flows and risk-free discount rate used in calculating the present value of the asset retirement obligation are offset to the reclamation cost asset previously recognized for the specific property. Actual reclamation expenditures incurred reduce the carrying value of the reclamation provision.

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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 Company'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, except as noted below.

Asset retirement obligation

The asset retirement obligation is based on the best estimate of the expenditures required to settle the present obligation at the end of the reporting period, including but not limited to dismantling and removing infrastructure and operating facilities. The estimate of the expenditure required to settle the present obligation is the amount that the Company would rationally pay to settle obligation at the end of the reporting period or to transfer it to a third party. The asset retirement obligation has been determined based on the Company's best internal estimates. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed at each reporting period to take into account any material changes to the assumptions, including regulatory changes and cost increases.

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3. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the nine-month period ended December 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, 2023	5,746,000	880,000	177,000	2,008,000	8,811,000
Additions	125,000	-	-	1,758,000	1,883,000
Balance, December 31, 2023	**5,871,000**	**880,000**	**177,000**	**3,766,000**	**10,694,000**
Exploration and Evaluation Costs					
Balance, March 31, 2023	35,600,000	890,000	503,000	464,000	37,457,000
Additions					
Advances (Refunds)	(1,066,000)	-	-	-	(1,066,000)
Assays and testing	876,000	-	-	4,000	880,000
Consulting	-	104,000	-	-	104,000
Depreciation	126,000	-	-	-	126,000
Drilling expenditures	14,108,000	-	-	-	14,108,000
Environmental Studies	2,012,000	-	-	-	2,012,000
Geology salaries and expenditures	5,457,000	-	-	6,000	5,463,000
Geophysics and remote sensing	66,000	-	-	-	66,000
Reports and admin	2,358,000	-	-	-	2,358,000
Transportation costs	9,952,000	-	-	-	9,952,000
Travel and accomodation	3,783,000	-	-	-	3,783,000
Balance, December 31, 2023	**73,272,000**	**994,000**	**503,000**	**474,000**	**75,243,000**
Total, December 31, 2023	**79,143,000**	**1,874,000**	**680,000**	**4,240,000**	**85,937,000**

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3. 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					
Advances (Refunds)	924,000	-	(48,000)	(6,000)	870,000
Assays and testing	964,000	13,000	-	13,000	990,000
Consulting	134,000	32,000	-	3,000	169,000
Drilling expenditures	14,270,000	-	-	-	14,270,000
Environmental Studies	472,000	-	-	-	472,000
Geology salaries and expenditures	3,877,000	-	-	47,000	3,924,000
Geophysics and remote sensing	179,000	-	-	68,000	247,000
Reports and admin	1,830,000	1,000	-	36,000	1,867,000
Transportation costs	6,078,000	-	-	46,000	6,124,000
Travel and accomodation	3,438,000	-	-	19,000	3,457,000
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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4. PROPERTY AND EQUIPMENT

As at December 31, 2023, the Company had property and equipment with a net book value of $32,687,000 (March 31, 2023 - $588,000), as follows:

	Machinery and Equipment	Construction in progress[1]	Office Lease	Vehicle	Software	Total
Cost	$	$	$	$	$	$
Balance, March 31, 2023	609,000	-	-	-	-	609,000
Additions	1,518,000	30,330,000	110,000	60,000	207,000	32,225,000
Balance, December 31, 2023	2,127,000	30,330,000	110,000	60,000	207,000	32,834,000
Accumulated Depreciation						
Balance, March 31, 2023	21,000	-				21,000
Depreciation	105,000	-	13,000	8,000		126,000
Balance, December 31, 2023	126,000	-	13,000	8,000	-	147,000
Net book value						
At March 31, 2023	**588,000**	**-**	**-**	**-**	**-**	**588,000**
At December 31, 2023	**2,001,000**	**30,330,000**	**97,000**	**52,000**	**207,000**	**32,687,000**

[1] As at December 31, 2023, Construction in progress includes an amount of $2,200,000 of asset retirement obligation (note 6).

5. 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 December 31, 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 December 31, 2023, the Company incurred $29,332,000 in flow-through eligible expenditures (March 31, 2023 - $nil), reducing the flow-through premium liability from $27,738,000 at March 31, 2023 to $11,466,000 at December 31, 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.

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5. FLOW-THROUGH PREMIUM LIABILITY (CONTINUED)

	December 31, 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	**(18,040,000)**	(10,298,000)
Ending Balance	**11,466,000**	29,506,000

6. ASSET RETIREMENT OBLIGATION

The obligation is estimated based on the Company's 100% owned exploration camp remediation and restoration plan and the estimated timing of the costs to be paid in future years. The following table summarizes the Company's asset retirement obligation:

	December 31, 2023	March 31, 2023
	$	$
Opening Balance	**-**	-
Addition	**2,200,000**	-
Accretion	**-**	-
Change in estimate	**-**	-
Ending Balance	**2,200,000**	-

The assumptions used for the calculation were:

	December 31, 2023
Total undiscounted value of payments ($)	2,268,000
Discount rate (%)	3.22%
Expected life (years)	6
Inflation rate (%)	2.71%

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7. SHARE CAPITAL

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

7.1 Common Shares

The following table summarizes the continuity of the common share issued for the nine-month periods ended December 31, 2023 and December 31, 2022.

	Shares #	Proceeds $	Fair Value $
Balance, March 31, 2022	78,548,991		
Shares issued for cash	2,207,170	13,618,000	13,618,000
Shares issued for mineral properties	220,000	1,454,000	1,454,000
Shares issued for warrants exercised	9,761,448	3,409,000	30,000
Shares issued for options exercised	2,052,630	1,071,000	808,000
Balance, December 31, 2022	92,790,239		
Balance, March 31, 2023	**99,357,207**		
Shares issued for cash	**7,128,341**	108,992,000	108,992,000
Shares issued for mineral properties	**120,000**	1,244,000	1,244,000
Shares issued for warrants exercised	**23,664,939**	15,444,000	807,000
Shares issued for options exercised	**1,399,474**	272,000	807,000
Balance, December 31, 2023	**131,669,961**		

During the nine-month period ended December 31, 2023:

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.

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 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.

During the nine-month period ended December 31, 2022:

On September 7, 2022, the Company issued 220,000 common shares at a deemed price of $6.61 per share for the acquisition of Pontois Property.

On October 6, 2022, the Company issued 1,507,170 common shares in connection with a private placement of charity flow-through shares ("FT#22 Shares") at a price of $13.27per FT#22 Share for aggregate gross proceeds of $20,000,145 (FT#22 Offering). In connection with the FT#22 Offering, the Company paid broker fees of $454,217 in cash and issued 71,530 broker warrants entitling the holder to obtain one common share in the Company at a price of $6.35 for a period of two years from the date of the closing of the FT#22 Offering.

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7.1 Common Shares (continued)

On November 29, 2022, the Company issued 700,000 common shares in connection with the initial public offering on the Australian Securities Exchange ("ASX") of 7,000,000 CHESS Depository Interests ("CDI") at a price of AUD$0.60 per CDI for gross proceeds of AUD$4,200,000 (CAD$3,821,160). The CDIs are eligible for conversion to common shares on a 10:1 basis, resulting in an issue price per underlying common share of AUD$6.00.

7.2 Share purchase warrants

A summary of changes in the Company's share purchase warrants outstanding as at December 31, 2023 and 2022 is as follows:

	December 31, 2023		December 31, 2022	
	Number of warrants	**Weighted average exercise price ($)**	Number of warrants	Weighted average exercise price ($)
Outstanding, beginning of period	**30,754,010**	**0.68**	39,627,038	0.59
Granted	**-**	**-**	4,385,256	0.93
Exercised	**(23,664,939)**	**0.65**	(9,761,448)	0.63
Expired	**(875)**	**0.25**	-	-
Outstanding, end of period	**7,088,196**	**0.77**	34,250,846	0.68

During the nine-month period ended December 31, 2023:

The Company issued a total of 23,664,939 shares for warrants exercised, for net proceeds of $15,444,000.

During the nine-month period ended December 31, 2022:

The Company issued a total of 9,761,448 shares for warrants exercised, for net proceeds of $3,409,000.

In connection with the FT#22 Offering, the Company paid broker fees of $454,000 in cash and issued 71,530 broker warrants entitling the holder to obtain one common share in the Company at a price of $6.35 for a period of two years from the date of the closing of the FT#22 Offering. The fair value of warrants issued amounting to $316,000 was estimated using the Black-Scholes pricing model with a stock price of $6.50, volatility of 135.40%, risk-free rate of 3.99%, dividend yield of 0% and expected life of 2 years.

The Company also 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.

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7.2 Share purchase warrants (continued)

The weighted average grant date fair value of the warrants granted during the nine months ended December 31, 2022, was $0.23 per warrant using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	December 31, 2022
Share price at grant date ($)	0.57
Risk free interest rate (%)	1.10%
Expected life (years)	2.00
Expected volatility (%)	156%
Expected dividend per share	-
Fair market value of the warrant on grant date ($)	0.23

As at December 31, 2023, there are 7,088,196 share purchase warrants outstanding, with a weighted average exercise price of $0.77 and a weighted average of 0.99 year to expiry, as follows:

Date issued	Number of warrants	Exercise price ($)	Expiry date
March 23, 2021	166,666	0.30	March 23, 2024
March 21, 2022	5,410,000	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	**7,088,196**		

7.3 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").

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7.3 Stock options (continued)

A summary of changes in the Company's stock options outstanding as at December 31, 2023 and 2022 is as follows:

	December 31, 2023		December 31, 2022	
	Number of options	**Weighted average exercise price ($)**	Number of options	Weighted average exercise price ($)
Outstanding, opening balance	**8,141,671**	**4.09**	5,069,300	0.45
Granted	**-**	**-**	5,275,000	4.54
Exercised	**(1,476,666)**	**0.68**	(2,052,630)	0.52
Expired/Cancelled	**(5)**	**-**	(45,000)	0.36
Outstanding, ending balance	**6,665,000**	**4.85**	8,246,670	3.07

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

- 2,525,000 stock 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 stock 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 nine-month periods ended December 31, 2023 and 2022, the Company recognized a share-based compensation expense related to the vesting of stock options of $2,691,000 and $9,668,000, respectively.

During the nine-month period ended December 31, 2023:

During the period, 1,476,666 stock options were exercised for net proceeds of $272,000. A portion of the stock options were exercised utilizing the cashless exercise process available under the Amended Omnibus Plan and the Company issued a total of 1,399,474 shares during the period. The weighted average share price at the exercise dates was $9.79.

During the nine-month period ended December 31, 2022:

The Company issued a total of 2,052,630 shares for options exercised, for net proceeds of $1,071,000. The weighted average share price at the exercise dates was $4.05.

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

The weighted average grant date fair value of the options granted during the nine-month period ended December 31, 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.

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7.3 Stock options (continued)

The weighted average assumptions used for the calculation were:

	December 31, 2022
Share price at grant date ($)	3.05
Risk free interest rate (%)	2.93%
Expected life (years)	2
Expected volatility (%)	133%
Fair market value of the option on grant date ($)	1.85

The following table summarizes information regarding the Company's outstanding and exercisable stock options as at December 31, 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	0.82	1,825,000	0.47	0.82	1,825,000	0.47
1.74 to 2.58	1.34	1,840,000	1.97	1.34	1,770,000	1.98
7.00 to 9.20	2.65	2,250,000	8.20	2.65	2,250,000	8.20
12.50	2.07	750,000	12.50	2.07	250,000	12.50
0.30 to 12.50	1.72	6,665,000	4.85	1.70	6,095,000	4.26

7.4 Performance share units and restricted share units

On June 29, 2023, the Company granted an aggregate of 48,002 RSUs and 48,002 PSUs to employees and consultants of the Company. On November 9, 2023, the Company granted an aggregate of 7,687 RSUs and 7,687 PSUs to employees of the Company. All equity awards were granted in accordance with the Company's Omnibus Equity Incentive Plan.

The entirety of the RSUs will vest on the date which is three years from their date of grant. Up to 83,534 common shares are issuable pursuant to the vesting of the PSUs upon the achievement of certain performance milestones by the Company. During the nine-month period ended December 31, 2023, the Company recognized a share-based compensation expense related to the vesting of PSUs and RSUs of $276,000 (2022 - $nil).

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8. EARNINGS (LOSS) PER SHARE

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

	Three-month period ended		Nine-month period ended	
	December 31, 2023	December 31, 2022	**December 31, 2023**	December 31, 2022
	$	$	**$**	$
Net income (loss) for the period	**2,361,000**	815,000	**1,890,000**	(8,453,000)
Earnings (loss) per share				
Basic	**0.02**	0.01	**0.02**	(0.10)
Diluted	**0.02**	0.01	**0.02**	(0.10)
Weighted average number of shares				
Basic	**120,305,498**	91,904,726	**109,543,591**	87,732,885
Diluted	**130,568,042**	127,618,105	**119,806,135**	87,732,885

The basic earnings (loss) per share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the period. The diluted earnings (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 nine-month period ended December 31, 2022 as the Company incurred losses during this period.

9. FINANCIAL INSTRUMENTS

9.1 Categories of financial instruments

	December 31, 2023	March 31, 2023
	$	$
Financial assets		
At fair value through profit or loss		
Cash and cash equivalents (Level 1)	**105,755,000**	56,724,000
At amortized cost		
Receivables	**-**	351,000
Total financial assets	**105,755,000**	57,075,000
Financial liabilities		
At amortized cost		
Accounts payable and accrued liabilities	**10,266,000**	5,463,000
Total financial liabilities	**10,266,000**	5,463,000

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9.2 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 December 31, 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.

10. RELATED PARTY TRANSACTIONS

The Company's related parties include its subsidiaries 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 December 31, 2023 and 2022.

Related party transactions to key management personnel are as follows:

Nine-month period ended	**December 31, 2023**	December 31, 2022
	$	$
Management and administration fees	**2,331,000**	725,000
Consulting fees	**-**	111,000
Management and consulting fees included in Exploration and Evaluation properties	**650,000**	150,000
Share-based compensation	**1,587,000**	8,306,000
Total key management compensation	**4,568,000**	9,292,000

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11. SUPPLEMENTAL CASH FLOW INFORMATION

Nine-month periods ended	December 31, 2023 $	December 31, 2022 $
Non-cash investing activities:		
Shares issued for Exploration and evaluation properties	**1,244,000**	-
Depreciation within Exploration and evaluation properties	**126,000**	-
Asset retirement obligation within Property and equipment	**2,200,000**	-
Office lease within Property and equipment	**110,000**	-
Non-cash financing activities:		
Fair value of warrants exercised	**807,000**	30,000
Fair value of options exercised	**807,000**	808,000
Share issuance costs - warrants	**-**	(1,001,000)
Included in Accounts payable and accrued liabilities:		
Additions to Exploration and evaluation properties	**4,324,000**	1,626,000
Additions to Property and equipment	**3,663,000**	-

12. COMMITMENTS

The Company has an agreement with a vendor related to accommodation at its Corvette property. The agreement includes a $4,300,000 commitment as at December 31, 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, 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 December 31, 2023			
Exploration and evaluation assets	$84,063,000	$1,874,000	$85,937,000
Balance, as at March 31, 2023			
Exploration and evaluation assets	$44,498,000	$1,770,000	$46,268,000

All of the Company's Property and equipment is located in Canada.

14. EVENTS AFTER THE REPORTING PERIOD

Subsequent to December 31, 2023, the Company issued 166,666 common shares for warrants exercised.

On January 24, 2024, the Company granted an aggregate of 1,348,016 stock options and an aggregate of 20,085 deferred share units to certain directors of the Company.

On January 31, 2024, the Company received final approval from the Toronto Stock Exchange (TSX) to list its common shares effective upon market open on February 1, 2024. The common shares continue to trade under its current symbol "PMET".

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PATRIOT BATTERY METALS INC.

Management's Discussion and Analysis

For the three and nine-month periods ended December 31, 2023

TSX: PMET - ASX: PMT - OTCQX: PMETF

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1. OVERVIEW

The following is Management's Discussion and Analysis ("MD&A") of the condensed interim consolidated financial statements of operations of Patriot Battery Metals Inc. and its subsidiaries (together, the "Company" or "Patriot") for the three and nine months ended December 31, 2023. This MD&A should be read in conjunction with the condensed interim consolidated financial statements for the three and nine months ended December 31, 2023 and 2022 (the "Financial Statements") and the audited consolidated financial statements for the year ended March 31, 2023 and 2022 including the notes thereto, prepared in accordance with the International Financial Reporting Standards("IFRS"). A copy of this MD&A is filed on SEDAR+ at www.sedarplus.com and on the Australian Securities Exchange (ASX) at www.asx.com.au.

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 MD&A is prepared by management and approved by the Board of Directors as of February 14, 2024. All figures are in Canadian dollars unless stated otherwise. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

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.

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 intended use of the proceeds from the sale of Common Shares pursuant to the subscription agreement with respect to the private placement by Albemarle Corporation ("Albemarle") (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 development of the Corvette Property; 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

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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.

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 ability to obtain social acceptability by First Nations with respect to its Corvette project 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 "Risks 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.

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 operates from its Montreal office located at 1801, McGill College, Suite 900, H3A 1Z4.

The Company is a hard-rock lithium exploration company focused on advancing its district-scale 100% owned Corvette Property 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). The Corvette Property 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 and 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 in Quebec, Northwest Territories, British Columbia and Idaho, which are considered prospective for lithium, copper, silver, and gold.

The Common Shares are listed and posted for trading on the Toronto Stock Exchange (TSX) (since February 1, 2024 and previously on the TSX-V) under the symbol "PMET" and 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".

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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.

4. QUARTERLY HIGHLIGHTS

A. EXPLORATION

- Awarded the 2023 "Discovery of the Year" from the Quebec Mineral Exploration Association for the discovery of the CV5 Spodumene Pegmatite.
- Drill results confirmed the extension of the CV5 Spodumene Pegmatite to 4.35 km in strike length, which remains open. As of the end of the quarter, drill results for an additional 0.25 km of prospective strike length remained to be reported.
- Drill results for 1.1 km of the CV13 Spodumene Pegmatite's collective 2.3 km strike length – as defined by outcrop and drill hole – were reported. As of the end of the quarter, drill results for an additional 1.2 km of prospective strike length remained to be reported.
- Discovery of a new high-grade zone (with sample ranges including 3 – 5% Li2O) near-surface at the CV13 Spodumene Pegmatite.
- Discovery of significant widths (60+ m core length) of pegmatite at depth at the CV9 Pegmatite, with spodumene mineralization identified in multiple holes over the program. The CV9 Pegmatite was traced by drilling over an approximate 450 m strike length and is located approximately 14 km west of the CV5 mineral resource. As of the end of the quarter, core assay results remained to be reported.

B. PROJECT DEVELOPMENT

- Progress of the all-season Road Phase I continues. CV5 is now accessible via a combination of all-season road and winter road.
- Progress of the 100% owned exploration camp installation; substantially completed and operational as of January 4, 2024.
- Progress of the engineering for the Pre-Feasibility Study ("PFS") for a targeted completion date in late 2024 or early 2025.

C. ESG

- Submission of the Preliminary Information Statement for the Corvette Mine Project starting the Environmental and Social Impact Assessment or "ESIA" process.
- Submission of the Policies and Procedures Manual for the UL2723 ECOLOGO audit process along with supporting documentation.
- In collaboration with the tallyman's family, unveiling the name and logo selected for the Company's exploration camp: "Shaakichiuwaanan" – a Cree word meaning "climbing up a hill or mountain".

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D. CORPORATE

- Cash on hand of $106 million as of December 31, 2023.
- Expansion of the Company's land position at its Eastmain Project in the Eeyou Istchee James Bay region, Quebec, by acquiring a 100% interest in two (2) proximal claim blocks. The new claim blocks are immediately adjacent to Arcadium's James Bay Lithium Project and on strike of the James Bay Lithium Deposit.

E. EVENTS SUBSEQUENT TO DECEMBER 31, 2023

- Revisions to both the Board and the Company's Executive team in support of the further rapid progress of the Company's Corvette Project.
- Ken Brinsden, transitioned from Non-Executive Chair to CEO / President / Managing Director residing in Montreal, Quebec. Under Mr. Brinsden's leadership, the Pilbara Mineral's valuation soared to AUD $11 billion, with an impressive annual production and sale of over 600,000 tonnes of spodumene concentrate. Throughout his career, Mr. Brinsden demonstrated a keen aptitude for navigating through corporate development, financing, project execution, and production phases with success while contributing positively to local communities.
- Pierre Boivin, the Quebec Leader of the Global Metals & Mining Group and National Leader of the Africa Group and Member of the Strategic Advisors Committee for McCarthy Tétrault, a prominent Canadian law firm, stepped into the role of Non-Executive Chair from Non-Executive Director. With more than 40 years of experience in business law, Mr. Boivin has specialized in mergers and acquisitions, private equity and related commercial matters. He has been repeatedly recognized as a leading Canadian lawyer, notably in the mining and oil and gas sectors, and is also an experienced board director, notably currently sitting on the boards of Export Development Canada ("EDC").
- Former CEO / President, Blair Way, transitioned into the Chief Operating Officer role, retaining his Executive Board position.
- Graduation to the TSX effective as of February 1, 2024.

5. CORVETTE PROJECT EXPLORATION AND DEVELOPMENT UPDATES

A. EXPLORATION PROGRAM

During the three months ended December 31, 2023, the Company received the 2023 "Discovery of the Year" award from the Quebec Mineral Exploration Association ("QMEA") in the presence of the Cree tallyman, his wife and his four sons. The award, presented to the Company in early November at the QMEA's 2023 Xplor Convention, is a recognition by industry peers for discovering the CV5 Spodumene Pegmatite at the Corvette Property. The Xplor Convention, hosted annually by the QMEA in Montreal, Quebec, is one of the province's most prominent mineral exploration industry events.

a) CV5 Mineral Resource ("CV5")

At CV5, step-out drilling over the western extension, outside of the June 2023 CV5 mineral resource estimate, returned strong grades including at least four (4) intervals of 5+ m at 3.4+% Li2O. Additional step-out results include:

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- 56.6 m at 1.37% Li2O (CV23-231), and
- 25.6 m at 1.98% Li2O (CV23-222).

Infill drilling also returned wide and well-mineralized intercepts, including:

- 67.1 m at 1.56% Li2O (CV23-241).

Through the end of the 2023 program, the Company has extended the CV5 Pegmatite to approximately 4.35 km total strike length. It remains open, with drill results for an additional 0.25 km of prospective strike length remaining to be reported.

b) CV13 Pegmatite ("CV13")

At CV13, step-out drilling has returned well-mineralized pegmatite intercepts including:

- 19.2 m at 1.74% Li2O (CV23-215), and
- 14.8 m at 1.36% Li2O (CV23-210).

The summer-fall program has also identified a new high-grade zone near-surface (~40-50 m vertical depth). It remains open in multiple directions with a current strike length of at least 200+ m. Results from this zone 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).

As of December 31, 2023, CV13 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 with core assay results announced. The CV13 Pegmatite remains open along strike at both ends and at depth, with core assay results for drill holes covering an additional ~1.2 km of prospective strike length remaining to be reported.

c) CV9 Pegmatite ("CV9")

In summer-fall 2023, the Company completed its first drill program at "CV9", located approximately 14 km west of the CV5 mineral resource. The program included 18 diamond drill holes, totalling approximately 4,070 m. The drilling returned multiple holes with 10+ m pegmatite intersections, including 3 holes with 60+ m pegmatite intersections. Spodumene mineralization was observed within the pegmatite intervals of multiple holes. Based on the initial drill testing, the CV9 Pegmatite is interpreted to be a single principal dyke, which outcrops at surface, has a steep northerly dip, and is moderately plunging to the east-southeast. Drill core sample assay results remain to be reported for all 18 drill holes.

d) Summary of CV9, CV13, and CV5

Combining the exploration programs at CV9, CV13, and CV5, the Company completed its 2023 summer fall exploration drill program during the quarter by drilling 177 holes, totalling 45,764 m. Collectively, the Company completed 266 holes, totalling 78,213 m, over its 2023 drill campaign.

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B. PROJECT DEVELOPMENT

Following the re-opening of site access in late August, delivery of the remaining camp modules, camp installation, and access road construction were recommenced. During the three-month period ended December 31, 2023, respectively up to 40 and 24 people worked on the all-season and exploration camp.

The commissioning of the exploration camp ("Shaakichiuwaanan") started in December 2023 with occupation commencing in January 4, 2024. At the beginning of February 2023, 75 workers were lodged at camp Shaakichiuwaanan. An official opening ceremony with the local community is scheduled for the first calendar quarter of 2024.

The enhancement of the former winter road and more specifically, the road substructure and Phase I road access progressed during the three-month period ended December 2023. The Company is now using the services of two different contractors, including one from the local Cree Community of Chisasibi. CV5 is currently road accessible via a combination of all-season and winter road. The finalization of the all-season road is scheduled after the thawing season.

C. ESG

On November 30, 2023, Patriot filed the Preliminary Information Statement for the Corvette Mine Project with the Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs (MELCCFP). Submission of this document represents the first step in the Environmental and Social Impact Assessment or "ESIA" process. The MELCCFP forwarded the file to the Evaluating Committee or "COMEV"; a committee composed of members appointed by the Cree Nation Government, the Government of Québec, and the Canadian Government. The COMEV is analyzing the documentation presented and will issue guidelines outlining the scope and nature of the impact study that must be undertaken for the Project. The next stage for the Company will be to conduct an impact study that complies with the guidelines. In parallel, the Company has prepared a Project Description to meet Federal Government's Impact Assessment Act (IAA) requirements.

In collaboration with the tallyman's family, Patriot announced the name and logo for the Company's exploration camp. The camp name is "Shaakichiuwaanan" – a Cree word meaning "climbing up a hill or mountain". The family consulted elders in the community of Chisasibi and land users from the trapline to recommend the name. The name is a reference to the area with the CV5 outcrop/hill and the lake overlying part of the CV5 deposit. The logo includes items representing the CV5 outcrop/mountain and the lake as well as elements of the Cree culture such as a goose, teepee and syllabic writing. Finally, the three stars represent team spirit. Referring to a geographic landmark, Shaakichiuwaanan is also a metaphor on the journey we are undertaking with our Cree partners and how it will be rewarding to enjoy the view together when we reach our common goals.

On November 17, 2023, Patriot submitted the Policies and Procedures Manual for the ECOLOGO audit process. Ecologo certification for mineral exploration features third-party certification of environmental, social and economic practices for mineral exploration companies.

Finally, the Company continued its engagement with the local communities. During Q3 2023, more than 30 community communication activities were conducted with stakeholders, two third of these activities with Cree Nation of Chisasibi community members. Patriot hosted a public information event in Chisasibi to present an update on the Corvette Project including the ways in which Chisasibi community members have been participating in the project and to discuss the preliminary field survey results on winter birds and large mammals. Introduction meetings were also held with the Localité de Radisson.

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6. EXPLORATION AND EVALUATION EXPENDITURES

The Company's exploration and evaluation properties expenditures for the nine-month period ended December 31, 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
	$	$	$	$	$
EXPLORATION AND EVALUATION COSTS					
Balance, March 31, 2023	35,600,000	890,000	503,000	464,000	37,457,000
Additions					
Advances (Refunds)	(1,066,000)	-	-	-	(1,066,000)
Assays and testing	876,000	-	-	4,000	880,000
Consulting	-	104,000	-	-	104,000
Depreciation	126,000	-	-	-	126,000
Drilling expenditures	14,108,000	-	-	-	14,108,000
Environmental Studies	2,012,000	-	-	-	2,012,000
Geology salaries and expenditures	5,457,000	-	-	6,000	5,463,000
Geophysics and remote sensing	66,000	-	-	-	66,000
Reports and admin	2,358,000	-	-	-	2,358,000
Transportation costs	9,952,000	-	-	-	9,952,000
Travel and accomodation	3,783,000	-	-	-	3,783,000
Balance, December 31, 2023	**73,272,000**	**994,000**	**503,000**	**474,000**	**75,243,000**
ACQUISITION COSTS					
Balance, March 31, 2023	5,746,000	880,000	177,000	2,008,000	8,811,000
Additions	125,000	-	-	1,758,000	1,883,000
Balance, December 31, 2023	**5,871,000**	**880,000**	**177,000**	**3,766,000**	**10,694,000**
Total, December 31, 2023	**79,143,000**	**1,874,000**	**680,000**	**4,240,000**	**85,937,000**

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A. EXPLORATION AND EVALUATION COSTS

a) Corvette Property

During the nine-month period ending December 31, 2023 the Company capitalized $37,672,000 in exploration and evaluation costs for our Corvette Property. The more significant additions during the period were as follows:

- Geology and drilling expenditures of $5,457,000 and $14,108,000 respectively, are associated with the acceleration of the exploration program during the period ended December 31, 2024. More than 52,000 metres of diamond drilling were completed during the period. Approximately 34,000 m was completed at CV5, with a significant portion targeting infill drilling, while approximately 15,000 metres and 4,000 metres were completed at CV13 and CV9, respectively targeting exploration drilling.

- Travel and accommodation of $3,783,000 and transportation costs of $9.952.000, reflect the intensity of the activities undertaken as the Company's exploration activities ramped up from 6 rigs in April 2023 to 8 rigs in operation at one point during the fall of 2023. These costs also include demobilization and remobilization costs incurred due to the wildfires in Quebec.

- Environmental Studies expenditures of 2,012,000 during the nine months ended December 31, 2023 are mainly due to expenditures relating to the completion of the Preliminary Information Statement, starting the permitting process, and progressing the various components that feed into the Pre-Feasibility Study.

B. ACQUISITION COSTS

a) Other Properties

During the nine-month period ending December 31, 2023 the Company capitalized $1,758,000 in acquisition costs for our other Quebec Properties, as explained below.

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 Arcadium 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. Apart from these acquisition costs included in additions related to other Quebec properties, the Company did not incur material expenditures on its other properties as the Company concentrated its exploration efforts on the Corvette Property. All other properties' claims are in good standing.

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7. RESULTS OF OPERATIONS

The following table presents the interim condensed consolidated statements of income (loss) and comprehensive income (loss) for the three and nine-month periods ended December 31, 2023, and 2022:

	Three-month periods ended		Nine-month periods ended	
	December 31, 2023	December 31, 2022	**December 31, 2023**	December 31, 2022
	$	$	**$**	$
General and Administrative Expenses				
Investor relations and business development	**263,000**	143,000	**935,000**	390,000
Consulting fees	**72,000**	78,000	**393,000**	153,000
Salaries, benefits and management fees	**1,214,000**	142,000	**3,588,000**	724,000
Office and miscellaneous	**389,000**	21,000	**1,195,000**	60,000
Professional fees	**1,270,000**	159,000	**2,824,000**	450,000
Share-based compensation	**947,000**	37,000	**2,686,000**	9,668,000
Transfer agent and filing fees	**72,000**	183,000	**386,000**	255,000
Travel	**84,000**	77,000	**702,000**	225,000
Total general and administrative expenses	**(4,311,000)**	(840,000)	**(12,709,000)**	(11,925,000)
Other Income (Loss)				
Flow-through premium income	**8,706,000**	1,651,000	**18,040,000**	3,513,000
Interest income	**1,613,000**	4,000	**3,523,000**	3,000
Flow-through interest	**-**	-	**-**	(44,000)
Income (Loss) before income taxes	**6,008,000**	815,000	**8,854,000**	(8,453,000)
Income taxes				
Deferred income tax expense	**(3,647,000)**	-	**(6,964,000)**	-
Net Income (Loss) for the period	**2,361,000**	815,000	**1,890,000**	(8,453,000)
Other comprehensive income				
Foreign currency translation adjustment	**(4,000)**	-	**(1,000)**	1,000
Net Income (Loss) and Comprehensive Income (Loss) for the period	**2,357,000**	815,000	**1,889,000**	(8,452,000)
Earnings (Loss) per share				
Basic	**0.02**	0.01	**0.02**	(0.10)
Diluted	**0.02**	0.01	**0.02**	(0.10)

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A. THREE-MONTH PERIOD ENDED DECEMBER 31, 2023 AND DECEMBER 31, 2022

a) Net Income

Net income was $2,357,000 or $0.02 per share for the three months ended December 31, 2023 compared to net income of $815,000 or $0.01 per share for the prior period. The more significant differences between the periods are as follows:

b) General and Administrative Expenses

General and administrative expenses totalled $4,311,000 for the three-month period ended December 31, 2023, compared to $840,000 for the same period in 2022. The increase is a direct result of the growth of the Company over the last 12 months.

Salaries, benefits and management fees totalled $1,214,000 for the quarter ended December 31, 2023, compared to $142,000 for the same period in 2022. The increase reflects a higher headcount as the Company built its management team and transitioned from a consultant-based model in the previous year to an in-house based model. Costs also include accruals related to management incentives based on the Company's Short-Term Incentive Program ("STIP") suggested by an independent remuneration expert.

For the three months ended December 31, 2023, professional fees totalled $1,270,000, compared to $159,000 for the comparative period. The increase was the result of an accelerated exploration program and development of the Corvette Project combined with the additional costs related to the complexity of our shares being listed in different jurisdictions and different stock exchanges.

Share-based Compensation was $947,000 for the three-month period ended December 31, 2023 compared to $37,000 for the comparative period. The increase is due to vesting of equity awards under the Omnibus Plan for compensation for the Long-Term Incentive Program ("LTIP") which did not exist in the prior period.

The increase in the remaining general and administrative expenses is mainly due to an increase in costs associated with the mind and management being physically located in Montreal, Quebec, since June 2023.

c) Other Income (Loss)

Upon completing a flow-through financing, the Company recognizes a flow-through premium liability for the difference between the price of the flow-through common shares and the fair value of the Company's common shares at the time of the equity issuance. The flow-through premium liability is amortized over the periods in which the funds are spent on qualifying Canadian Eligible Exploration Expenditures via the flow-through premium income. The flow-through premium income is non-cash and totalled $8,706,000 for the three months ended December 31, 2023 compared with $1,651,000 for the three months ended December 31, 2022. A larger financing in March 2023 at a higher stock price than the one completed in October 2022 and an increase in qualifying expenditures period-over-period contributed to the higher premium income for the current period.

Interest income of $1,613,000 results from interest earned on high cash balances in the Company's operating bank accounts.

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d) Income Taxes

Deferred income tax expense for the period totalling $3,647,000 is non-cash. The Company capitalizes Canadian Eligible Exploration Expenses ("CEE") in its Financial Statements. However, from a tax perspective, the CEE are being renounced in favour of the Charity Flow-Through investors that participated in past equity financings. As such, the Company will not be able to reduce its future income tax with tax depreciation associated with the CEE. Consequently, the Company recognized a deferred tax liability and a related non-cash deferred tax expense.

B. NINE-MONTH PERIOD ENDED DECEMBER 31, 2023 AND DECEMBER 31, 2022

a) Net income

Net income was $1,889,000 or $0.02 per share for the nine months ended December 31, 2023 compared to net loss of $8,452,000 or $0.10 per share for the prior period. The more significant differences between the periods are as follows:

b) General and Administrative Expenses

General and Administrative Expenses totalled $12,709,000 compared $11,925,000 for the comparative period.

Salaries, benefits and management fees totalling $3,588,000 for that period compared with $724,000 for the nine months ended December 31, 2022. The increase reflects the addition of key personnel to the management team, accruals for the STIP as well as the March 31, 2023 financial year-end bonus paid to the executive team totalling $850,000.

For the nine months ended December 31, 2023, professional fees totalled $2,824,00,000 compared to $450,000 for the comparative period. The increase was the result of additional activities relating to general corporate matters as the Company pursues its growth.

Share-based compensation is a non-cash expenditure. The expenditures for the period ended December 31, 2023, relate to the amortization of the expenses associated with the grant of stock options, restricted shares units and performance share units over their vesting periods to employees hired since January 2023. For the comparative period, the share-based compensation expenditures include the fair value of stock options granted to directors and consultants that also vested immediately. The share-based compensation expense recognized during the nine months ended December 31, 2023, was $2,686,000, compared to $9,668,000 for the nine months ended December 31, 2022, and relates to the vesting of stock options PSUs and RSUs granted previously.

The increase in the remaining expenses reflects the opening of a management office, higher travel costs, and investor relations activities associated with the dual listings and shareholders located in Australia, Europe, and North America.

c) Other Income (Loss)

The flow-through premium income of $18,040,000 for the nine months that ended December 31, 2023, compared with $3,513,000 for the nine months ended December 31, 2022, relates to the realization of a non-cash premium income 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 nine-month period, resulting in a higher premium in the period.

Interest income of $3,523,000 for the period results from interests earned on high balances in the Company's operating bank accounts.

d) Income Taxes

For the nine months ended December 31, 2023, deferred income tax expense is non-cash and essentially due to the recognition of a deferred tax provision of $6,964,000 (nil for the nine months ended December 31, 2022) that arose following the capitalization for accounting purposes of exploration expenses, while such expenses are being renounced to investors for tax purposes.

8. FINANCIAL POSITION

A. ASSETS

As at December 31, 2023, the Company had total assets of $230,514,000, a notable increase from March 31, 2023 when the Company had total assets of $107,720,000. The Companies assets consist of the following significant items:

Current assets totalling $111,890,000 ($60,864,000 as at March 31, 2023. Current assets consist essentially of cash and cash equivalents of $105,755,000 ($56,724,000 as at March 31, 2023), and accounts receivable of $5,127,000 and $3,891,000. Cash and cash equivalents is held in high-interest bank accounts. The increase in cash from March 2023 and December 2023 is mainly due to cash generated from the Strategic Investment, totalling 109,000,000 before transaction costs. Accounts receivable is comprised of sales tax receivable, which is recovered quarterly from the Federal and Quebec Government tax authorities.

The non-current assets as at December 31, 2023, include exploration and evaluation assets of 85,937,000 (for more details, see section 6 – Exploration and Evaluation Assets of this MD&A) and new property and equipment totalling $32,687,000, (588,000 as at March 31, 2023). The property and equipment during the nine-month period ended December 31, 2023, reflects the Company's cost of to construct a camp to accommodate its workers as well as the construction costs for the 2022 winter road into an all-season road. These investments will significantly decrease the accommodation cost and travel time for personnel and reduce the dependency on helicopters and third-party accommodations. The Company also recognized $2,200,000 during the third quarter an asset retirement obligation associated with these two construction projects.

B. LIABILITIES

As at December 31, 2023, the Company had total liabilities of $32,741,000 ($37,717,000 as at March 31, 2023) which consisted of current liabilities of $21,806,000 ($35,013,000 as at March 31, 2023) and long-term liabilities of $10,935,000 ($2,704,000 as at March 31, 2023).

Current liabilities consist of accounts payable and accrued liabilities of $10,311,000 associated with the Corvette Property ($5,507,000 as at March 31, 2023) and non-cash flow through liability of $11,466,000 ($29,506,000 as at March 31, 2023). The higher accounts payable and accrued liabilities as at December 31, 2023 compared to March 31, 2023 is mainly due to the increased level of exploration activities at the Corvette project along with the ongoing construction of the exploration camp and the all-season road. The reduced

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flow-through liability results from the amortization of this non-cash liability over the periods in which the flow-through financing proceeds are spent on qualifying expenditures. Long-term liabilities include the asset retirement obligation associated with the exploration camp and the all-season road. The deferred income tax liability of $8,647,000 ($2,704,000) relates to the permanent difference associated with the capitalization of CEE renounced in favour of Flow-Through investors.

9. CASH FLOW

As the Company is in the exploration phase, it does not receive or anticipate any cash revenue in the next financial year. The Company's mineral interests do not currently generate cash flow from operations.

The following table summarizes cash flow activities:

	Nine-month periods ended	
	December 31, 2023	December 31, 2022
	$	$
Cash used in operating activities before working capital	**(6,561,000)**	(2,302,000)
Changes in non-cash working capital items	**(1,011,000)**	(1,846,000)
Cash used in operating activities	**(7,572,000)**	(4,148,000)
Cash used in investing activities	**(64,326,000)**	(15,561,000)
Cash provided by financing activities	**120,930,000**	27,355,000
Increase in cash and cash equivalents	**49,032,000**	7,646,000
Effect of exchange rate on cash	**(1,000)**	1,000
Cash and cash equivalents, beginning of period	**56,724,000**	11,698,000
Cash and cash equivalents, end of period	**105,755,000**	19,345,000

During the nine-month period ended December 31, 2023, the Company's cash and cash equivalents increased by $49,032,000 compared to $7,646,000 during the nine-month period ended December 31, 2022.

A. OPERATING

Cash used for operating activities amounted to $7,572,000 for the nine-month period ended December 31, 2023 compared to $4,148,000 during the same period in 2022. Net of non-cash adjustments, the increase of $3,424,000 in cash utilized is essentially due to higher general and administrative expenses reflecting the larger team and the more advanced development stage of the Company when compared to the same period the year prior, partially offset by the interest income.

B. INVESTING

The Company's investments amounted to $64,326,000 for the nine-month period ended December 31, 2023 compared with $15,561,000 for the nine months ended December 31, 2022. Investments in exploration and evaluation asset expenditures more than doubled as a result of operating 8 drill rigs in December 31, 2023, compared to 3 drill rigs in December 31, 2022. Investments also include expenditures associated with the preparation of the Preliminary Information Statement, starting the permitting process, and engineering studies for the MRE and the PFS. Property and equipment comprise investments totalling $19,355,000 for the exploration camp, now 95% complete and $8,713,000 associated with the all-season road.

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C. FINANCING

Cash inflows consisted of cash provided by financing activities totalling $120,930,000 for the nine-month period ended December 31, 2023 compared with $27,355,000 for the nine months ended December 31, 2022. The increase is mainly due to the net proceeds of $105,214,000 from the Strategic Investment made by Albemarle. The proceeds from the exercise of the share purchase warrants amounting to $15,444,000 are associated with equity issuances completed in the calendar years 2020 to 2022.

This table sets out, as at December 31, 2023, the particulars of how the Company is and has been using the proceeds, as well as variations, if any, from the Company's anticipated use of proceeds, from (i) the Company's prior financings during the Company's fiscal year ended March 31, 2023 and the nine-period ended December 31, 2023:

Financings	Anticipated Use of Proceeds Allocated	Allocated Proceeds ($)	Actual Use of Proceeds (as at December 31, 2023) ($)	Variation from Anticipated Use of Proceeds	Explanation and Impact
Private placement to Albemarle Corporation for proceeds of approximately $109,000,000 (August 8, 2023)	Corvette development program General corporate purposes	$87,200,000 $21,800,000	$31,806,000 $758,000	The Company has not yet spent all of the proceeds of the financing.	N/A
Private placement of charity flow-through common shares for proceeds of $50,000,000 (March 20, 2023)	Qualifying critical mineral mining expenditures Transaction costs	$48,800,000 $1,200,000	$29,332,000 1,200,000	The Company has not yet spent all of the proceeds of the financing.	N/A
Prospectus offering in Australia for proceeds of AU$4,200,000 (November 9, 2022)	Exploration program Transaction costs General corporate purposes	AU$3,591,000 AU$105,000 AU$504,000	AU$3,591,000 AU$105,000 AU$504,000	N/A	N/A
Private placement of charity flow-through common shares for proceeds for $20,000,000 (October 6, 2022)	Qualifying critical mineral mining expenditures	$20,000,000	$20,000,000	N/A	N/A

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10. 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	Dec 31 2023	Sept 30 2023	June 30 2023	March 31 2023	Dec 31 2022	Sept 30 2022	June 30 2022	March 31 2022
Operating Results								
Net Income (Loss)	2,361,000	(285,000)	(186,000)	(1,661,000)	815,000	(5,405,000)	(3,864,000)	(62,000)
Basic & Diluted Earnings (Loss) per share	0.02	(0.00)	(0.00)	(0.02)	0.01	(0.06)	(0.05)	(0.00)
Financial Position								
Working Capital	90,084,000	103,116,000	12,073,000	25,851,000	8,989,000	1,532,000	6,847,000	9,452,000
Exploration and Evaluation Assets	85,937,000	67,998,000	55,603,000	46,268,000	33,052,565	27,854,380	19,110,000	14,412,000
Property and Equipement	32,687,000	13,871,000	9,343,000	588,000	-	-	-	-
Shares issued and outstanding	131,669,961	111,427,656	103,918,623	99,357,207	92,790,239	89,730,547	86,617,287	78,548,991

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

- Increase in corporate activities and personnel costs to support the Company's growth.
- Timing and vesting of stock options grants and under the previous Omnibus Plan.
- Timing of Flow-Through financings, the period the funds are spent on qualifying expenditures and the deferred income tax liability arising from the financing.

11. LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2023, the Company had a cash balance of $105,755,000 ($56,724,000 as of March 31, 2023) and had working capital of $101,550,000, excluding the FT premium liability ($55,357,000 as of March 31, 2023).

During the nine months ended December 31, 2023, the Company's main source of funds has been through equity issuances.

On August 3, 2023, the Company completed a private placement with Albemarle Inc. of 7,128,341 common shares for $15.29 per common share for aggregate gross proceeds of $105,214,000 net of financing fees. The Company also received $15,444,000 in proceeds related to the exercise of warrants during the nine-month period ended December 31, 2023.

Currently, the Company's operations do not generate cash in-flows, and its financial success depends on management's ability to discover and bring to a production stage an economically viable mineral deposit. The mineral exploration process can take many years and is subject to factors beyond the Company's control. To finance the Company's exploration programs, detailed engineering, and environmental assessment and to cover administrative and overhead expenses, the Company raises money through equity issuances.

Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to several factors, including the progress of exploration and development activities.

Management believes it will be able to raise capital as required in the long term but recognizes risks may be involved beyond its control. If the Company cannot raise sufficient financing, it may need to scale back its intended operational programs and other expenses. Other than as discussed herein, the Company is unaware of any trends, demands, commitments, events or uncertainties that may result in its liquidity materially increasing or decreasing at present or in the foreseeable future, other than general market conditions, which are uncertain for exploration companies. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration and development programs and its continued ability to raise capital.

The Company believes it has sufficient working capital to meet its exploration and administrative overhead expenses and maintain its planned 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 "Risks and Uncertainties" section of this MD&A.

12. OUTSTANDING SHARE DATA

As at	December 31, 2023	February 13, 2024
Issued and outstanding Common Shares	131,669,961	131,836,627[(1)]
Share purchase warrants outstanding	7,088,196	6,921,530[(1)]
Stock options outstanding	6,665,000	8,013,016[(2)]
Preferred share units	58,252	58,252
Restricted share units	58,252	58,252
Deferred share units	Nil	20,085[(2)]

Note: Subsequent to December 31, 2023:

(1) The Company issued 166,666 Common Shares further the exercise of share purchase warrants.
(2) The Company granted an aggregate of 1,348,016 stock options and an aggregate of 20,085 deferred share units to certain directors of the Company.

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13. RELATED PARTY TRANSACTIONS

The Company's related parties include its subsidiaries 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.

In the nine-month periods ended December 31, 2023, and 2022, key management personnel of the Company received the following:

Nine-month period ended	**December 31, 2023** $	December 31, 2022 $
Management and administration fees	**2,331,000**	725,000
Consulting fees	**-**	111,000
Management and consulting fees included in Exploration and Evaluation properties	**650,000**	150,000
Share-based compensation	**1,587,000**	8,306,000
Total key management compensation	**4,568,000**	9,292,000

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 year-ended March 31, 2023, and 2022, available on SEDAR+ at www.sedarplus.com and on the ASX at www.asx.com.au.

14. COMMITMENTS

The Company has an agreement with a vendor for lodging personnel, consultants and contractors working at its Corvette Property. The agreement includes a $4,300,000 commitment as at December 31, 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, the exploration and development of mineral properties. Geographical information is as follows:

	Canada	**US**	**Total**
Balance, as at December 31, 2023			
Exploration and evaluation assets	$84,063,000	$1,874,000	$85,937,000
Balance, as at March 31, 2023			
Exploration and evaluation assets	$44,498,000	$1,770,000	$46,268,000

All of the Company's Property and equipment is located in Canada.

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16. CHANGES IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Estimates and assumptions are continually evaluated 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.

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 year-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 nine-month period ended December 31, 2023, except those detailed in the Financial Statements.

17. OFF-BALANCE SHEET ARRANGEMENTS

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

18. PROPOSED TRANSACTIONS

The Company has no proposed transactions.

19. RISKS AND UNCERTAINTIES

As an exploration company, the Company faces the financial and operational risks inherent to 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.

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.

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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 December 31, 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 December 31, 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.

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.

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23. QUALIFIED PERSON

The information in this news release that relates to exploration results for the Corvette Property is based on, and fairly represents, information compiled by 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). Mr. Smith 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 has sufficient experience, which is relevant to the style of mineralization, type of deposit under consideration, and to the activities being undertaken to qualify as a Competent Person as described by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). 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.

The information in this MD&A relates to:

- the CV5 Pegmatite Maiden Mineral Resource Estimate ("MRE") 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); and
- 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).

These announcements are available on the Company's website at www.patriotbatterymetals.com, on SEDAR+ at www.sedarplus.com and on the Australian Securities Exchange (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 MRE contained therein continue to apply and have not materially changed.

24. APPROVAL

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

"Ken Brinsden"

Ken Brinsden
President, CEO and Managing Director

February 14, 2024