



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **GREEN SHIFT COMMODITIES LTD.**

**SIX MONTHS ENDED JUNE 30, 2024**

**Prepared by:**

**Green Shift Commodities Ltd.**

217 Queen Street West, Suite 401  
Toronto, Ontario M5V 0R2, Canada

[www.greenshiftcommodities.com](http://www.greenshiftcommodities.com)

## Introduction

This Management's Discussion and Analysis ("MD&A") is dated August 26, 2024, unless otherwise indicated, and should be read in conjunction with the unaudited condensed interim consolidated financial statements of Green Shift Commodities Ltd. ("GCOM", or the "Company") for the six months ended June 30, 2024 and the related notes. This MD&A was written to comply with National Instrument 51-102 – Continuous Disclosure Obligations. Results are reported in Canadian Dollars, unless otherwise noted. The results presented for the six months ended June 30, 2024, are not necessarily indicative of the results that may be expected for any future period.

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") for the six months ended June 30, 2024. Information about U3O8 Corp., its minerals resources and technical reports prepared in accordance with National Instrument 43-101 ("NI 43-101") are available at [www.greenshiftcommodities.com](http://www.greenshiftcommodities.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Highlights

The second quarter of 2024 saw the Company continue its transformation. The following events occurred:

- On December 8, 2023, the Company announced that it had entered into a definitive agreement to sell its 100% interest in the Berlin Project located in Caldas, Colombia. GCOM received \$20,000 cash for the Berlin Project. Upon meeting certain future milestones, GCOM will receive a minimum of C\$5 million in post-listing common shares of the purchaser, and cash payments of up to \$6 million. Further GCOM retains a 1% net smelter return ("NSR") royalty payable on all production from the Berlin Project. This sale substantially strengthened the GCOM balance sheet as \$2.7 million of liabilities were removed with the sale. The Company announced the close of the sale on April 9, 2024.
- On June 12, 2024, GCOM sold the NSR to a private company for deemed proceeds of \$3.0 million.
- On June 24, 2024, announced the closing of a \$2.1 million private placement.
- On July 1, 2024, announced the sale of the Argentina lithium assets in exchange for 1,460,000 common shares and 500,000 warrants of Lion Critical Elements Corp.

These transactions position the Company well going forward, as it maintains equity interests in the properties sold, while not requiring the Company to raise and use funds for exploration.

## Overview

### Introduction

Green Shift is a Toronto-based company with active and passive exploration and development investments in lithium and battery commodities projects in North and South America. The Company has equity investments in companies pursuing uranium exploration in Colombia and Argentina, and in lithium exploration projects in Argentina. The Company also has an active exploration project in Ontario.

### Armstrong Lithium Project

On September 15, 2023, the Company acquired a 100% interest in the Armstrong Lithium Project (the "ALP"). ALP consists of 90 contiguous claims totaling ~1,800 ha, located in the Seymour-Crescent-Falcon lithium belt, ~55 km northeast of the town of Armstrong and ~245 km from Thunder Bay in Ontario, Canada.

ALP expands GCOM's lithium portfolio into the mining friendly jurisdiction of Ontario, Canada and adds a third project in a known lithium belt, recognized for its recent exploration successes. ALP also offers the potential upside of critical metals – Molybdenum, Copper, Silver with untested exploration upside.

GCOM paid \$15,000 cash and issued 1,600,000 common shares as consideration for ALP. Further potential consideration includes; (i) CAD\$20,000 in cash payable before November 21, 2024, (ii) CAD\$60,000 in cash, payable within five business days after the date upon which GCOM has first completed one or more equity offerings for gross proceeds of a minimum of CAD\$5,000,000 in the aggregate, (iii) a 1.0% net smelter royalty for any production from ALP, subject to a repurchase option for \$200,000, and (iv) in respect of the first financing that the Company completes following the exercise of the Option, the Company has agreed to grant the optionor the right to participate in such financing and subscribe for a maximum of 100,000 Common Shares upon the same terms as the financing.

The Company spent approximately \$134,000 on field work for Armstrong and released the results of the work in a January 9, 2024 press release.

### **Argentina Lithium Projects**

In 2023, the Company acquired two lithium projects in Argentina through investments in LFP Resources and a 25% interest in Pampa Lito S. A. ("Pampa Lito"). On July 2, 2024, the Company sold these assets to Lion Critical Elements Corp. ("Lion") for 1,460,000 Lion common shares at a deemed price of US\$0.75 per share and 500,000 Lion common share purchase warrants at a strike price of US\$1.00 per common share for a term of three years.

### **LFP Resources**

On March 20, 2023, the Company closed its acquisition of LFP Resources. LFP holds approximately 300,000 Ha of mineral concessions and applications, with the option to acquire an additional approximately 200,000 Ha of prospective lithium pegmatite ground in three provinces in Argentina. Part of the ground was explored in the 1960's when 19 separate pegmatite bodies were identified with assay results from 60 rock chip samples, taken during the past exploration of the project, ranging from 0.6% Li<sub>2</sub>O to 4.1% Li<sub>2</sub>O, averaging 2.0% Li<sub>2</sub>O.

Over 800 structures (possible pegmatite bodies) have been mapped through satellite image interpretation in the Mamuel Choique ("MC") pegmatite field. This work showed that the identified structures have a total strike length of over 100km. A recent file visit confirmed the existence of many of the target structures identified on satellite imagery. Many of the trenches sampled the State in the 1960's are still open and accessible for resampling in the planned exploration program.

This project gives GCOM early mover advantage as GCOM is one of only a handful of companies pursuing lithium pegmatite opportunities in Argentina, a premier lithium mining jurisdiction. Management is excited about the outcropping lithium bearing pegmatites which could lead to a significant new discovery of lithium in this mining friendly country.

### **Pampa Lito**

On May 11, 2023, the Company closed the acquisition of a 25% interest in Pampa Lito S.A. ("Pampa Lito"). Pampa Lito is a private Argentinean company exploring for hard rock spodumene bearing pegmatites in the Pampean Ranges of Central Argentina.

Pampa Lito was created by Argentinean geologists to explore for hard rock lithium bearing pegmatites, particularly within the Province of San Luis, which has historical occurrences of lithium bearing pegmatites. New Peak acquired an interest in the Mineral Exploration Tenements of Pampa Lito and completed a number of GCOM is entering into this Agreement to continue these early-stage exploration programs in a highly prospective region.

To date Pampa Lito has applied for four exploration titles totaling 34,300 hectares within the San Luis Province in Argentina. The Pampean Ranges are host to numerous granitic pegmatites with historic mineral

resources that have been mined during the past 90 years, accounting for the majority of the feldspar, quartz, mica, beryllium, tungsten, lithium, tantalum and rubidium produced in Argentina.

### **Frac Sand**

The Company has a 38.9% interest in an early-stage investee company, South American Silica Corp. ("SAS"), a private company dedicated to the identification of frac sand deposits in southern South America – the principal target market for which would be the Vaca Muerta shale oil and gas reservoir in Argentina. This project has been dormant for a significant period of time and the Company does not expect to pursue its interest.

### **Colombia Uranium Project**

#### **Berlin Deposit**

The Company's uranium-phosphate-vanadium-nickel – rare earth element ("REE") Berlin Deposit had a preliminary economic assessment ("PEA")<sup>1</sup> undertaken in 2013. The PEA is now considered outdated. A high capital cost estimate ("capex") has made it difficult to advance the Project in a declining uranium market and it was written down to \$Nil during the year ended December 31, 2016. Estimates in the PEA were that uranium, at a price of US\$60 per pound ("lb"), would contribute approximately one third of revenue while battery commodities (phosphate, nickel, vanadium and zinc) would contribute approximately two thirds of revenue.

An updated technical report, with an effective date of April 22, 2022, was filed on Sedar.<sup>2</sup>

On December 8, 2023, the Company announced that it had entered into a definitive agreement to sell its 100% interest in the Berlin Project located in Caldas, Colombia. The sale closed in April 2024. GCOM received \$20,000 cash for the Berlin Project. Upon meeting certain future milestones, GCOM will receive a minimum of C\$5 million in post-listing common shares of the purchaser, and cash payments of up to \$6 million. Further GCOM retained a 1% net smelter return ("NSR") royalty payable on all production from the Berlin Project. On June 12, 2024, the Company announced the sale of the Berlin NSR to a private company for deemed proceeds of \$3,000,000.

This sale substantially strengthened the GCOM balance sheet as \$2.9 million of Berlin-related liabilities were removed with the sale. The 2024 results and financial position of Colombia has been reported as discontinued operations as a result of this sale.

### **Financial**

To date, the Company has not earned any revenues from its exploration for lithium, uranium, other battery commodities or frac sand.

In the six-month period ended June 30, 2024, the Company incurred minimal cumulative cash exploration expenditures. The Company recognized a large gain on sale of its interests in LFP, Pampa Litio, Berlin and the Berlin NSR.

At June 30, 2024, the Company had \$0.5 million in cash ("total cash") (December 31, 2023 – \$0.3 million) and working capital of \$7.5 million (December 31, 2023 – working capital of \$1.4 million after removing Colombia liabilities).

<sup>1</sup> PEA – See the January 18, 2013 technical report: "Berlin Project, Colombia – Preliminary Economic Assessment, NI 43-101 Report." The PEA is preliminary in nature. The PEAs include Inferred mineral resources that are considered too speculative geologically for economic consideration that would enable them to be classified as mineral reserves. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that the results of the Berlin PEA will be realized.

<sup>2</sup> Technical Report on the Berlin Uranium – Battery Commodity Deposit, Colombia, report dated April 28, 2022 with an effective date of April 22, 2022.

In the six-month period ended June 30, 2024, the Company received proceeds of \$326,184 on the sale of investments.

### **Future Funding Options**

Further financings will be required to develop the Company's portfolio of exploration projects and investments, to meet ongoing obligations and discharge liabilities in the normal course of business. Strong demand for battery commodities and lithium has made capital markets more accessible for junior exploration companies. However, there is no guarantee that funds can be raised on terms acceptable to the Company. The Company's planned activities to advance its projects towards production are largely discretionary and therefore there is some flexibility in the pace and timing of development of the projects. Expenditures may be adjusted, limited, or deferred subject to current capital resources and potential to raise funds. The Company will continue to manage its expenditures that are essential to the viability of its properties.

### **Listing**

As of December 31, 2019, the Company was not in compliance with Toronto Stock Exchange ("TSX") requirements and on February 26, 2020, the Company was delisted from the TSX and trading opened concurrently on the NEX, a trading platform of the TSX Venture Exchange ("TSXV"). There was no change in the Company's name, no change in its CUSIP number and no consolidation of capital. The symbol extension (".H") differentiates the NEX listing from Tier 1 or Tier 2 symbols within the TSXV. The NEX board is designed as a platform for the trading of publicly listed companies while they seek, and undertake, transactions in furtherance of their reactivation as companies that will carry on an active business.

On August 5, 2022, the Company was up-listed from the NEX Exchange to the Venture Exchange and its Common Shares commenced trading on the TSXV under the symbol UWE.V. With the October 19, 2022, name change, the Company changed its trading symbol to "GCOM", from "UWE".

On April 3, 2023, the Company announced that its common shares had commenced trading on the OCTQB under the symbol UWEFF. The listing complements GCOM's recent eligibility for electronic clearing and settlement through the Depository Trust Company in the United States. On May 4, 2023, the trading symbol on the OTCQB was changed to GRCMF.

### **Change in Directors**

On March 20, 2023, Richard Spencer resigned as Chairman of the Board and Peter Mullens was added as Executive Chairman. Mr. Mullens is a seasoned geologist with 35 years experience across a wide range of commodities and countries. He worked as a mine geologist at Broken Hill Australia from 1983 to 1987 and with Mt. Isa Mines in Queensland from 1987 to 1997. He was appointed district manager for Argentina and subsequently Central America, from 1994 to 1997, exploring for gold and base metals. Afterwards, he was based in Lima, Peru and consulted to the mining industry.

Mr. Mullens joined Laramide Resources and Aquiline Resources in 2002. Both companies were successful with Mr. Mullens being responsible for the acquisition of key projects in Argentina for Aquiline, which subsequently led to the buyout by Pan American Silver in 2009 for \$645 million. At Laramide, Mr. Mullens was VP Exploration and Director playing a key role in helping to identify and acquire the Westmore and Homestake projects in Queensland and the USA, respectively. Laramide was ranked the #1 company on the TSXV in 2005. Mr. Mullens was also a founder and director of Lydian Resources with discovered the 5 million ounce Amulsar gold deposit located in Armenia.

On August 15, 2023, Dr. Spencer resigned from the Board.

## **Going Concern**

The Company is in the exploration and evaluation stage and, as is common with many exploration companies, it raises funds for its exploration and evaluation activities through the sale of equities. Historically, the Company has explored for uranium and related battery commodities such as vanadium, nickel and phosphate. The price of this suite of commodities has been on an uptrend in the last few years. As the battery elements market has matured, so focus of materials for lithium-ion batteries has incorporated phosphate in addition to cobalt, nickel and manganese.

While the Company reported a profit in the June 2024 quarter, most of the profit occurred on one-time sales of exploration projects. Although the Company has incurred a net income for the three and six months ended June 30, 2024 of \$4,107,941 and \$3,846,918 (three and six months ended June 30, 2023 – loss of \$1,017,652 and \$1,847,480) it has an accumulated deficit at June 30, 2024 of \$108,446,202 (December 31, 2023 - \$112,293,120). In addition, the Company had working capital of \$7,495,044 at June 30, 2024 (December 31, 2023 - working capital deficiency of \$1,368,838).

The consolidated interim financial statements have been prepared on a basis which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The certainty of funding future exploration expenditures and availability of sources of additional financing cannot be assured at this time and accordingly, these uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The consolidated financial statements do not include adjustments to the carrying values of recorded liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern.

## **Principal Asset**

The Company is transitioning its exploration focus from uranium to lithium. Although the Armstrong Project is the principal project in the near term, investments in the Pampa Litio and LFP Projects in Argentina, and the Berlin Uranium Project in Colombia, hold great potential for the longer term.

## **Trends**

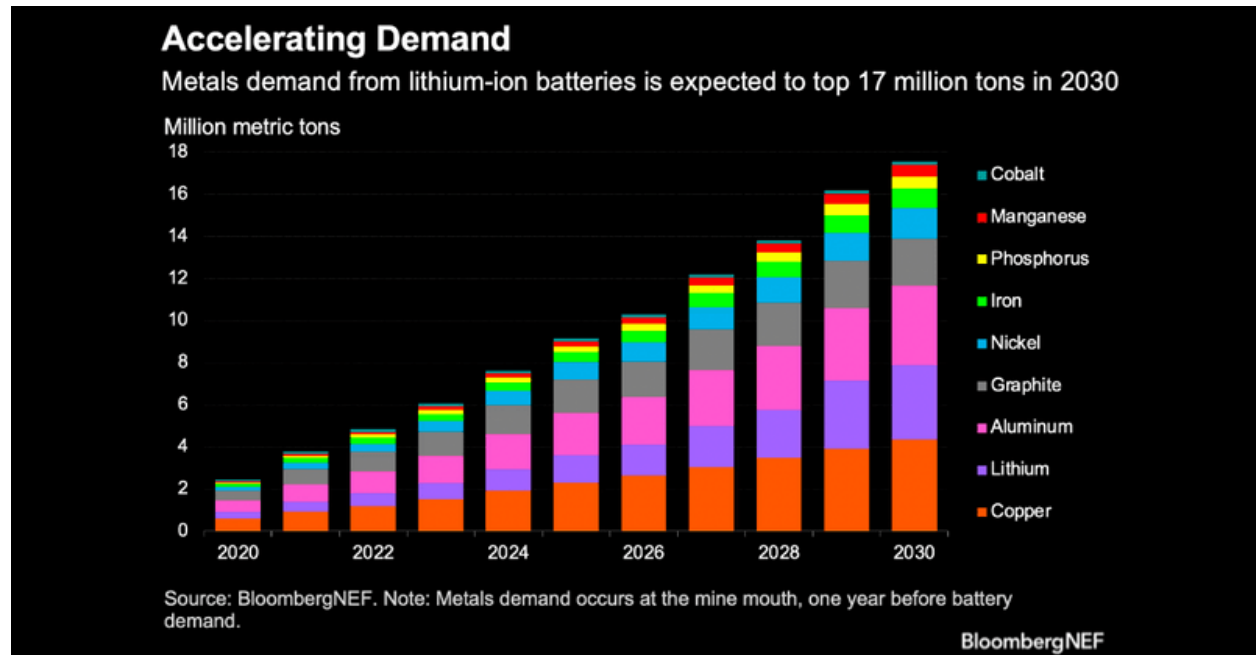
### **Economic Viability of Green Shift's Deposits**

The Company's financial success depends largely on the extent to which it can demonstrate the economic viability of its properties.

The Company, to date, has not produced any revenues. The sales value of any mineralization discovered by the Company is, to some extent, dependent upon factors beyond the Company's control, such as the market value of the commodities.

### **Battery Commodities**

Energy storage for variable output renewables and electric vehicles is drawing attention to the commodities required for batteries as many countries strive to reduce their carbon footprint. Bloomberg has recently highlighted the importance of other battery commodities apart from those that have been in the limelight for the last couple of years, namely lithium and cobalt. Demand for nickel and phosphorous is predicted to increase significantly as a result of battery demand.



Estimated increase in demand for the principal commodities used in battery manufacture (source: BloombergNEF – July 15, 2022).

### Metal content by battery chemistry

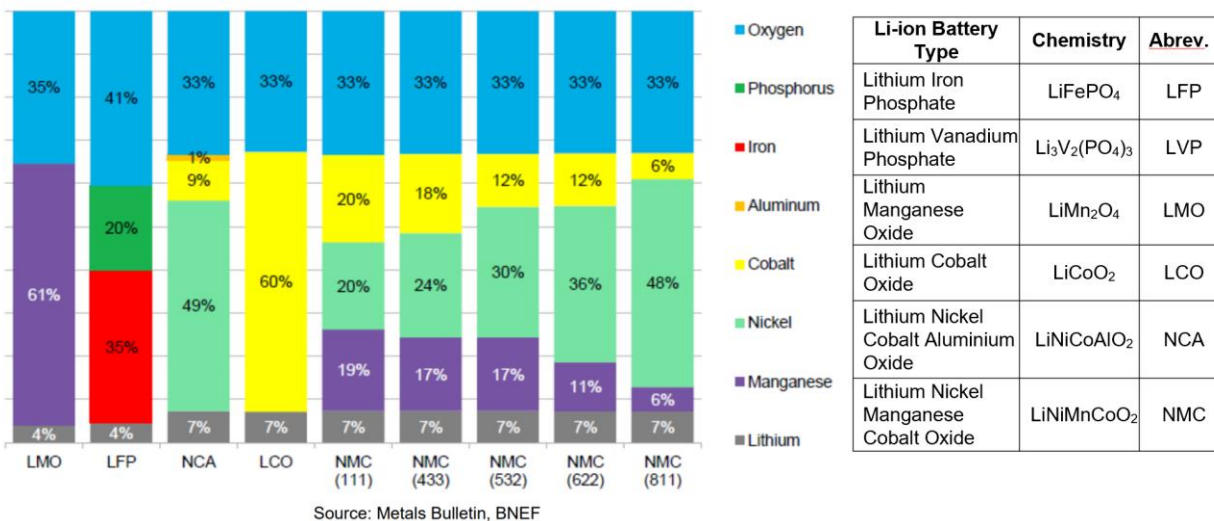


Illustration of commodity content of various lithium-ion batteries.

## Lithium

Despite the pull back in the lithium prices which started in late 2022, Statista (2024) (<https://www.statista.com/statistics/1419502/global-lithium-ion-battery-demand-forecast/>) expects the lithium market is expected to increase from approximately 0.7 million metric tons of lithium carbonate equivalent (LCE) in 2022 to some 4.7 million metric tons in 2030. The major driver of this will continue to be the growing EV car market. McKinsey also forecasts continued growth of Li-ion batteries at an annual compound rate of approximately 30%. By 2030, EVs, along with energy-storage systems, e-bikes, electrification of tools, and other battery-intensive applications, could account for 4.7 TWh at a value of \$400 billion. The 2023 slide in lithium prices can be directly related to the Chinese government ending cash subsidies for households purchasing new EV vehicles and the over production of batteries at the end of 2022 to take advantage of subsidies. However, with the likes of the EU phasing out carbon-emitting cars by 2035 adds to the long-term growth and bullish case for stockpiles of lithium to thin out and result in significantly increased lithium prices into 2030.

## Financial Risk

In April 2024, the Company announced the sale of its Berlin Project for cash of \$20,000 and contingent consideration on meeting certain criteria. The Company was able to remove almost \$2.9 million of accounts payable related to the Berlin Project.

Management monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in short-term operating and longer-term strategic decisions. See "Risk Factors" below.

## Technical Disclosure

Mr. Peter Mullens, Executive Chairman of the Company, is a "qualified person" as defined by NI 43-101. Mr. Mullens has supervised the preparation of, and verified, all technical information contained in this MD&A related to the Company's projects in South America.

## Selected Annual Financial Information

Selected annual financial information for the Corporation is summarized below.

### *Selected annual financial information for Green Shift*

For Year Ended December 31,	2023	2022	2021
Net gain (loss)	\$(3,703,859)	\$(3,120,577)	\$901,831
Net gain (loss) per share (basic and fully diluted)*	\$(0.03)	\$(0.07)	\$0.03
As at December 31,	2023	2022	2021
Total assets	\$ 5,254,122	\$ 5,183,001	\$ 2,904,880

(\*) Green Shift did not have any loss before discontinued operations or extraordinary items for each period presented. The 2021 gain reflects a \$1.9 million gain on sale of Argentina assets, a \$0.5 million mark-to-market unrealized gain on securities received for the sale, and a \$1.1 million expense related to Colombia exploration.

## Summary of Quarterly Results

The results for the eight most recent quarters have been prepared in accordance with IFRS as listed below.

**Summary of quarterly results, Green Shift**

Three Months Ended (*)	Net Gain (Loss) (\$)	Basic and Diluted Loss Per Share (\$)
2024 June 30	4,107,941	0.04
2024 March 31	(475,384)	(0.00)
2023 December 31	(1,861,771)	(0.02)
2023 September 30	5,392	0.01
2023 June 30	(969,790)	(0.01)
2023 March 31	(877,690)	(0.01)
2022 December 31	(2,337,609)	(0.04)
2022 September 30	(270,065)	(0.01)

(\*) Green Shift did not have any income (loss) before discontinued operations or extraordinary items for each period presented. The June 2023 gain was created from the sale of the Berlin Project in Colombia and the Argentina Lithium Assets. The December 2022 loss resulted from Colombia exploration costs and from mark to market losses on investments. The June 2024 gain is mostly the result of the sale of exploration projects. The Company is an exploration company focused on defining mineral resources, establishing the economic viability of these deposits, and advancing them towards production. At this time, commodity market fluctuations have no direct impact on the Company's results or operations but influence the exploration approach based on the Company's ability to raise capital to advance its projects. The Company's policy is to expense its exploration costs.

**Results of Operations for the Three Months ended June, 2024 and 2023**

In the three months ended June 30, 2024, the Company's net income was \$4,107,941 or \$0.04 per share (Q2 2023 – loss of \$969,790 or \$0.01 per share). The most significant component of the 2024 profit was the gain on sale of properties.

Exploration expense for the three months ended June 30, 2024 decreased compared to those in the three months ended June 30, 2023, in both Argentina and Colombia, as the Company sold its assets for equity positions in the purchasing companies. Further, the proceeds from an OJEP grant were received in 2024 and these funds were applied against exploration when received.

In Colombia, the Company sold its 100% interest in the Berlin Project located in Caldas, Colombia. The sale closed in the June 2024 quarter. GCOM received \$20,000 cash for the Berlin Project. Upon meeting certain future milestones, GCOM will receive a minimum of C\$5 million in post-listing common shares of the purchaser, and cash payments of up to \$6 million. Further, via the sale, GCOM retained a 1% net smelter return ("NSR") royalty payable on all production from the Berlin Project. On June 12, 2024, the Company announced the sale of the Berlin NSR to a private company for deemed proceeds of \$3,000,000.

This sale substantially strengthened the GCOM balance sheet as \$2.9 million of Berlin-related liabilities were removed with the sale. The 2024 results and financial position of Colombia has been reported as discontinued operations as a result of this sale.

In 2023, the Company acquired two lithium projects in Argentina through investments in LFP Resources and a 25% interest in Pampio Litio S. A. ("Pampa Litio"). In the June 2024 quarter, the Company sold these assets to Lion Critical Elements Corp. ("Lion") for 1,460,000 Lion common shares at a deemed price of US\$0.75 per share and 500,000 Lion common share purchase warrants at a strike price of US\$1.00 per common share for a term of three years.

Colombia exploration expenses in the three months ended June 30, 2024 were \$200,454, mostly related to land payment accruals. Colombia exploration expenses in the three months ended June 30, 2023 were

\$131,356. The Company was working with the government in its efforts to restart exploration on the Berlin project. Late in the March 31, 2021 quarter, the Company engaged in a study to determine the effectiveness of membrane technology to reduce both capex and opex relative to revenue at Berlin, as compared to the results reported in the PEA. If successful, this technology could improve the project economics. In late 2022, the Company accrued for significant expenses related to property and tax payments required to bring the Berlin Project back into good standing.

Argentine exploration expenses in the three months ended June 30, 2024 were \$139,920, (three months ended June 30, 2023 - \$223,486). Expenditure focused on maintaining the Company's exploration concessions that lie outside of the Laguna Salada Project, in good standing.

Armstrong, Ontario exploration reported a return of \$74,222 in the June 2024 quarter. During 2024, the Company received an OJEP cash grant which was applied as a recovery of previous exploration spending.

General and administrative ("G&A") expenses decreased to \$363,002 for Q2 2024 (Q2 2023 - \$743,297). Investor relations costs were reduced to \$2,856 in Q2 2024 from \$343,014 incurred in Q2 2023 as a campaign to communicate the new Company strategy to investors in 2023 was non-recurring in 2024. Professional fees of \$234,107 in Q2 2024 (Q2 2023 - \$184,955) mostly relates to help with corporate matters and with negotiations for the sales of subsidiaries and the royalty. The non-cash stock-based compensation expense in Q2 2024 was \$26,525 (Q2 2023 - \$Nil) as granted options had vested. The CFO and CEO management fees are reflected in professional fees for all periods. A finance cost Q2 2024 and 2023 related to the office lease.

The Company recognized a mark-to market gain on its CUR and LUR shares in Q2 2024 and Q2 2023.

## **Results of Operations for the Six Months ended June 30, 2024 and 2023**

In the six months ended June 30, 2023, the Company's net income was \$3,846,918 or \$0.04 per share (six months ended June 30, 2023 - loss of \$1,847,480 or \$0.02 per share).

Exploration expense for the six months ended June 30, 2024 decreased compare to those in the six months ended June 30, 2023, projects were sold and as an OJEP grant was applied against 2023 exploration expenses already incurred. A meeting was held with the Rio Negro Minister of Mines in Argentina to review progress of the applications for granting of tenements located in the Mamuel Choica project Rio Negro. The Company has been informed that the applications are progressing and should be granted during the 2nd half of 2024.

Colombia exploration expenses for both periods were reclassified as discontinuing operations. The Berlin Deposit was sold in the quarter ended June 30, 2024. However, significant expenses were incurred in Q1 2024 related to land payments, legal costs, and the effects of foreign exchange on the Colombia accounts payable.

The Company commenced exploration at its Armstrong Lithium Project in September 2023. In 2024, the Company received a \$74,222 grant from the Ontario Junior Exploration Program. The Company has completed its exploration commitment against this grant on the Armstrong Project.

***Exploration spending for the six months ending June 30, 2024 and 2023.***

Six Months Ended June 30, 2024	Argentina	Berlin Project Colombia	Armstrong, Ontario	Total
Administrative expense	\$ 65,170	\$161,153	\$ -	\$ 226,323
Salaries and benefits	-	-	-	-
<b>Total location costs</b>	<b>65,170</b>	<b>161,153</b>	<b>-</b>	<b>226,323</b>
<b>Exploration expense</b>	<b>74,750</b>	<b>39,301</b>	<b>(74,222)</b>	<b>39,829</b>
<b>Total</b>	<b>\$ 139,920</b>	<b>200,454</b>	<b>\$ (74,222)</b>	<b>\$ 266,152</b>

Six Months Ended June 30, 2023	Argentina	Berlin Project Colombia	Total
Administrative expense	\$ 223,486	\$ 179,218	\$ 402,704
Salaries and benefits	-	-	-
<b>Total location costs</b>	<b>223,486</b>	<b>179,218</b>	<b>402,704</b>
<b>Total field costs</b>	<b>-</b>	<b>-</b>	<b>-</b>
Option payment	-	-	-
<b>Exploration expense</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$ 223,486</b>	<b>\$ 179,218</b>	<b>\$ 402,704</b>

General and administrative (“G&A”) expenses decreased to \$659,559 for the first six months of 2024 (first six months of 2023 – \$1,206,139), as investor relations spending decreased by \$589,858 in the first six months of 2024. The campaign to communicate the new Company strategy to investors ended in 2023. The CEO and CFO management fees are reflected in professional fees for both periods.

Professional fees increased in the first half of 2024, to \$371,750 (six months 2023 - \$304,800) due to legal assistance with the Berlin Project, the sale of the exploration projects, and general corporate matters. CEO and CFO fees are also included in professional fees, with audit, accounting, and other corporate secretarial fees.

The Company incurred new costs in 2023 related to an office lease and depreciation for office furniture. These costs extended into 2024 and will continue for a further four years under the existing lease. A finance cost in the first half of 2024 and 2023 related to the office lease.

The Company sold 75,000 ISO shares in Q1 2024 for cash proceeds of \$326,184, realizing a gain of \$98,874 on disposition. Further, the Company recognized a mark-to-market gain of \$12,585 on its portfolio of investments. The Company recognized a mark-to-market loss of \$226,001 in the first half of 2023 on its investments as the market retracted substantially.

## Liquidity and Capital Resources

Green Shift is an exploration company that does not have operating revenues and therefore it must utilize its current cash reserves, income from investments, funds obtained from the exercise of stock options and

**GREEN SHIFT COMMODITIES LTD.**

Management's Discussion & Analysis

Period Ended June 30, 2024

warrants and other financing transactions, to support planned exploration programs, to fund any further development activities and to meet ongoing obligations.

At June 30, 2024 total cash was \$531,957 (December 31, 2023 – \$271,617) and the working capital was \$7,495,044 (December 31, 2023 – \$1,381,728 working capital, excluding discontinued operations). The June 30, 2024 working capital included accounts payable and other current liabilities of \$444,627 (December 31, 2023 – \$471,047, which excludes liabilities from Colombia). The principal current liabilities at June 30, 2024 related mostly to activities from the Toronto office and at December 31, 2023 related to mostly to Colombia operations, which were sold in the June 2024 quarter, and were removed from working capital calculations.

As of the date of this MD&A, Green Shift has issued and outstanding and fully diluted shares as indicated below. The full exercise of all options and warrants could raise approximately \$12.0 million, However, as the strike price of all options and warrants is not currently in the money, such exercise is not anticipated until the market value of our shares of common stock increases in value.

***Corporate equity structure.***

	<b>August 26, 2024</b>	<b>June 30, 2024</b>	<b>Dec. 31, 2023</b>
Common Shares	137,726,218	137,726,218	95,788,818
Warrants	82,467,657	82,467,657	39,963,257
Stock Options	9,565,000	9,565,000	5,315,000
Fully diluted	229,758,875	229,758,875	141,067,075

Green Shift's credit and interest rate risk is limited to interest-bearing assets of cash deposits. Accounts payable and accrued liabilities are short-term and non-interest bearing. The Company's liquidity risk with financial instruments is minimal as excess cash is held in major Canadian chartered banks. In addition, amounts receivable are composed mainly of federal Harmonized Sales Tax (Canada) recoveries, deposits with service providers and balances owing from related parties.

While the Company has been able to raise funds as needed, further financings will be required in 2024 to develop the Company's Property, to meet ongoing obligations and discharge its liabilities in the normal course of business. Long-term financial success requires that the Company develops operational cash flow, which is dependent upon economically recoverable reserves as well as funding to bring such reserves into production. Materially all the Company's exploration activities are discretionary. Therefore, there is flexibility in terms of the pace and timing of exploration and how expenditures have been, or may be, adjusted, limited or deferred subject to current capital resources and potential to raise further funds. The Company will continue ongoing cost containment initiatives and manage its expenditures essential to the viability of its material Property. However, the Company will require additional funds from equity sources to meet current liabilities, maintain momentum and to complete the development of its Berlin Project, if warranted. The Company is currently pursuing multiple near-term and longer-term financing options including potential strategic investors, joint venture partnerships and merger opportunities. There is no assurance that funds can be raised upon terms acceptable to the Company, or at all. Accordingly, the Company's financial statements have been prepared on a going concern basis. Material adjustments could be required if the Company cannot obtain adequate financing. See "Risks Factors" below.

**Related Party Transactions**

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Related parties include the Board of Directors, close family members

and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The Company defines its key management personnel as its Board of Directors, Chief Executive Officer ("CEO"), and CFO. Remuneration of the Company's Directors and key management personnel included above for the six-month periods ended June 30, 2024 and 2023 is shown below.

The related party transactions into which the Company has entered are shown below.

***Summary of Green Shift's related parties.***

Six months ended June 30,	2024	2023
John C. Ross Consulting <sup>(i)</sup>	\$45,000	\$45,000
Lincoln Hold Co Ltd. <sup>(ii)</sup>	90,000	75,000
Director fees and consulting <sup>(iii)</sup>	55,000	55,000

- (i) Chief Financial Officer ("CFO") fees expensed to a company controlled by the current CFO of the Company. At June 30, 2024, \$Nil is included in amounts payable and other liabilities (December 31, 2023 - \$Nil).
- (ii) Chief Executive Officer ("CEO") fees expensed to a company controlled by the current CEO of the Company. At June 30, 2024, \$Nil is included in amounts payable and other liabilities (December 31, 2023 - \$Nil).
- (iii) During the period ended June 30, 2024, director monthly fees incurred were \$5,000, amounting to \$30,000 (period ended December 31, 2023 - \$22,500). A Director also charged consulting fees of \$25,000 during the period ended June 30, 2024 (period ended June 30, 2023 - \$nil). At June 30, 2024, \$nil is included in amounts payable and other liabilities (December 31, 2023 - \$nil).

***Summary of remuneration of Directors and key management personnel of the Company.***

Six months ended June 30,	2024	2023
Stock-based compensation	51,297	15,765

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

**Off-Balance Sheet Arrangements**

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

**Proposed Transactions**

Discussions are in progress on possible business relationships regarding the remaining uranium exploration projects in Argentina. In addition, the Company continues to evaluate properties and corporate opportunities.

**Subsequent Event**

Subsequent to June 30, 2024, the Company sold the Las Altares uranium project located in Argentina, for \$350,000 in cash and common shares in the acquiring company at a deemed value of \$650,000.

## **Critical Accounting Estimates & Changes in Accounting Policies**

Significant assumptions about the future and other sources of estimation uncertainty that Management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, relate to, but are not limited to, the following:

- The Company reviews its South American property interests for impairment based on results to date and when events and changes in circumstances indicate that the carrying value of the assets may not be recoverable. IFRS 6 - Exploration for and evaluation of mineral resources and IAS 36 – Impairment of assets requires the Company to make certain judgments in respect of such events and changes in circumstances, and in assessing their impact on the valuations of the affected assets.
- The estimated useful lives of equipment. Each significant component of an item of equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and experience, and take into consideration the anticipated physical life of the asset, existing long-term sales agreements and contracts, current and forecasted demand, and the potential for technological obsolescence.
- Share-based payments expense. The Company measures its share-based payments expense by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures.

## **Critical Accounting Judgements**

- Management's assessment of going concern and uncertainties of the Company's ability to raise additional capital and/or obtain financing to advance the mineral properties.
- Management applied judgment in determining the functional currency of the Company as Canadian Dollars and the functional currency of its subsidiaries, based on the facts and circumstances that existed during the period.
- Management's determination of no material restoration, rehabilitation and environmental exposure, based on the facts and circumstances that existed during the period.
- The measurement of income taxes payable and deferred income tax assets and liabilities requires Management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only become final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the consolidated financial statements.

## **Management of Capital**

The Company manages its capital to ensure that funds are available or are scheduled to be raised to provide adequate funds to carry out its defined exploration programs and to meet its ongoing administrative costs. However, the capital markets remain challenging for junior exploration companies and there is no guarantee that funds can be raised on terms acceptable to the Company. The Company considers its capital to be equity, which comprises share capital, reserves and deficit, which at June 30, 2024, totalled \$7,821,249 (December 31, 2023 –\$1,876,261).

This capital management is achieved by the Board of Directors' review and acceptance of exploration budgets that are achievable within existing resources and the timely matching and release of the next stage of expenditures with the resources made available from private placements or other means of raising funds.

A significant change in the management of capital occurred during 2022 and 2023 with changes to the Board of Directors and management.

The Company's capital management objectives, policies and processes have remained unchanged during the period ended June 30, 2024 and the year ended December 31, 2023. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Section 710 of the TSX Company Manual which requires adequate working capital or financial resources such that, in the opinion of TSX, the listed issuer will be able to continue as a going concern. The TSX will consider, among other things, the listed issuer's ability to meet its obligations as they come due, as well as its working capital position, quick asset position, total assets, capitalization, cash flow and earnings as well as accountants' or auditors' disclosures in financial statements regarding the listed issuer's ability to continue as a going concern.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the Company's size, is appropriate.

## **Internal Controls Over Financial Reporting and Disclosure Controls and Procedures**

There were no significant changes in the Company's internal controls over financial reporting and disclosure controls and procedures during the quarter ended June 30, 2024 and subsequent to June 30, 2024, being the date the CEO and CFO evaluated such internal controls, nor were there any significant deficiencies in the Company's internal controls identified requiring corrective actions.

The Company's Management, with the participation of its CEO and CFO, has evaluated the effectiveness of the Company's internal controls over financial reporting and disclosure controls and procedures. Based on that evaluation, the Company's CEO and CFO have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures and internal controls over financial reporting were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports that it files is recorded, processed, summarized and reported, within the appropriate time periods.

The Company's Management, including the CEO and the CFO, does not expect that its disclosure controls and internal controls over financial reporting will prevent or detect all errors and fraud. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

## **Financial Instruments**

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and uranium and battery commodity price risk).

Risk management is carried out by Management with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

### **Credit Risk**

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Green Shift's credit risk is primarily attributable to cash and amounts receivable. Most of the Company's cash is held with major Canadian chartered banks, from which Management believes the risk of loss to be minimal. Financial instruments included in accounts receivable consist of sales tax receivable from government authorities in Canada Management believes that the credit risk with respect to financial instruments included in accounts receivable is minimal.

## **Liquidity Risk**

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. Cash flow is primarily from the Company's financing activities.

As at June 30, 2024, Green Shift had total cash of \$531,957 (December 31, 2023 - \$271,617) to settle current liabilities of \$444,627 (December 31, 2023 - \$3,221,613, which included \$2,750,566 of liabilities related to Colombia liabilities). Its current financial liabilities have contractual maturities from less than 30 days to 365 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

The Company will need to secure additional financing to meet its ongoing obligations. However, there is no assurance that it will be able to do so. See "Liquidity and Capital Resources" above.

## **Market Risk**

### **Interest Rate Risk**

The Company has cash balances and its debt bears interest at a fixed rate. Its current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

### **Foreign Currency Risk**

Green Shift's functional and reporting currency is the Canadian Dollar and major purchases are transacted in Canadian Dollars. As of June 30, 2024, the Company funds certain operations, exploration and administrative expenses in Argentina on a cash call basis using US Dollar currency converted from its Canadian Dollar bank accounts held in Canada. The Company maintains US Dollar bank accounts in Canada. The Company is subject to gains and losses from fluctuations in the US Dollar, the Argentinean Peso against the Canadian Dollar.

### **Price Risk**

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

### **Commodity Price Risk**

The Company is exposed to price risk with respect to lithium, uranium and other battery commodity prices. Commodity price risk is defined as the potential adverse impact on earnings due to the price and volatility of lithium, uranium, phosphate, vanadium, nickel and REE. The Company closely monitors the prices of these commodities to determine the appropriate course of action to be taken in terms of exploration expenditures and to ensure that its focus is on projects that have potential cost production profiles consistent with the longer-term price projections related to forecast demand and supply. Further discussion on commodity prices may be found under "Trends" above.

## **Sensitivity Analysis**

The sensitivity analysis shown below may differ materially from actual results. Based on Management's knowledge and experience of the financial markets, we believe the following movements are "reasonably possible" over a 12-month period:

1. Cash is subject to floating interest rates. Sensitivity to a plus or minus 1% change in interest rates would not materially affect the reported loss and comprehensive loss.

2. The Company holds balances, mostly accounts payable, in foreign currencies which creates foreign exchange risk. Sensitivity to a plus or minus 10% change in foreign exchange rates against the Canadian Dollar would have a minimal affect on the reported annual loss and comprehensive loss due to the sale of exploration operations in Colombia and Argentina.
3. Lithium, uranium and battery commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of uranium, vanadium, nickel, phosphate and REE. The price of these commodities has fluctuated significantly in recent years and there is no assurance that, even as commercial quantities of uranium, vanadium, nickel, phosphate and REE may be produced in the future, a profitable market will exist for them. As of June 30, 2024, the Company was not a uranium or battery commodity producer. As a result, uranium and related mineral price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

### Risk Factors

An investment in the securities of Green Shift is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors described below, which have affected, and which in the future are reasonably expected to affect, the Company, its financial position or the trading price of its common shares.

### Caution Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-Looking Statements	Assumptions	Risk Factors
Inability to meet minimum operating commitments could impair exploration rights (see Results of Operations and Liquidity and Capital Resources)	<p>Operating and exploration activities and associated costs will be consistent with current expectations.</p> <p>The Company will continue to operate, realize its assets and meet its liabilities in the normal course of business.</p> <p>Capital markets and financing opportunities are favourable to the Company.</p> <p>Sale of any investments, if warranted, on acceptable terms.</p>	<p>Volatility in the capital markets impacting availability and timing of financings on acceptable terms and value and liquidity of investments may affect the Company's ability to obtain funding to continue as a going concern.</p> <p>Increases in costs, environmental compliance and changes in environmental, other local legislation and regulation.</p> <p>Adjustments to currently proposed operating and exploration activities and costs.</p>

Forward-Looking Statements	Assumptions	Risk Factors
		Price volatility of uranium and other commodities impacting sentiment for investment in the resource markets.
Plans, costs, timing and capital for future exploration and development of the Company's properties including the potential impact of complying with existing and proposed laws and regulations (see Highlights, Overview, Outlook and Priority Exploration Projects)	<p>Availability of financing.</p> <p>Actual results of exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>Operating, exploration and development costs will be consistent with our expectations.</p> <p>Ability to retain and attract skilled staff.</p> <p>All requisite regulatory and governmental approvals will be received on a timely basis on acceptable terms.</p> <p>Economic, political and industry market conditions will be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Uncertainties involved in interpreting geological data and confirming title to acquired properties.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Inability to attract and retain skilled staff.</p> <p>Increases in costs, environmental compliance and changes in environmental, local legislation and regulation, community support and the political and economic climate.</p> <p>Delays in obtaining applicable permits or unavailability of permits.</p>
Management's outlook regarding future trends (see Overview, Outlook, and Priority Exploration Projects)	<p>Availability of financing.</p> <p>Actual results of exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>Prices for uranium and other commodities will be as modeled in the PEAs.</p> <p>Fundamentals of the uranium market continue to be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Price volatility of uranium and other commodities impacting the economics of our projects, appetite for investing in uranium equities and growth in the nuclear industry.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Increases in costs, environmental compliance and changes in economic, political and industry market climate.</p>

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors listed in the "Risk Factors" section above. Readers are cautioned that the above chart is not exhaustive of the factors that may affect the forward-looking statements, and that the underlying assumptions may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.