



**International
Lithium
Corp.**

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

**Suite 1120 – 789 West Pender Street
Vancouver, British Columbia
Canada V6C 1H2**

**TELEPHONE: +1 604.449.6520
EMAIL: ir@internationallithium.ca**

The following management's discussion and analysis ("MD&A"), prepared as of April 30, 2025, should be read together with the audited consolidated financial statements for the year ended December 31, 2024 and related notes attached thereto, which are prepared in accordance with International Financial Reporting Standards. All amounts are stated in Canadian dollars unless otherwise indicated. Additional information related to the Company is available on the Company's website at www.internationallithium.ca and SEDAR at www.sedarplus.ca

FORWARD LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. Forward-looking information or forward-looking statements may include: the effect of results of anticipated production rates, the timing and/or anticipated results of drilling on the Raleigh Lake or Firesteel projects or potentially in future in Zimbabwe, the expectation of resource estimates, preliminary economic assessments, feasibility studies, lithium or rubidium or copper recoveries, modeling of capital and operating costs, results of studies utilizing various technologies at the company's projects, budgeted expenditures and planned exploration work, increased value of shareholder investments, and assumptions about ethical behaviour by our joint venture partners where we have them. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained in this report should not be unduly relied upon. These statements speak only as of the date of this report. 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 report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of commodities;
- the availability of financing for the Company's development of projects on reasonable terms;
- the political and regulatory environment of countries in which the Company operates;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; and
- the ability to attract and retain skilled staff.

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity prices, access to skilled mining development personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors hereinabove. Additional risk factors are described in more detail hereinafter. **Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risks they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.**

DESCRIPTION OF BUSINESS

International Lithium Corp. (the “Company” or “ILC”) was incorporated under the laws of the Province of British Columbia on March 26, 2009 and is in the process of exploring its resource properties. It became a listed public company on the TSX Venture Exchange in 2011 and trades under the stock symbol “ILC”.

The Company is in the process of exploring and developing its mineral properties located in Canada. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company and of its development partners to obtain necessary financing to complete the development of those reserves and upon future profitable production.

As an exploration company, ILC structurally requires money for acquisition and exploration of properties. There can be no assurance that such financing will be available or, if available, that it will be on reasonable terms. If financing is obtained by issuing common shares from treasury, control of the Company may change and investors may suffer additional dilution. To the extent financing is not available, lease payments, work commitments, rental payments and option payments, if any, may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company.

The United States and Canadian governments announced new tariffs on imported goods. This has caused significant economic uncertainty and market volatility. Management is actively assessing the situation and the effects on the Company, if any, are currently uncertain.

OVERALL PERFORMANCE

The Company earned a comprehensive income of \$74,551 during the year ended December 31, 2024 (2023 – comprehensive loss of \$2,461,956). The difference is mainly due to gain on investment of \$3,057,708 (2023 - \$nil).

The high amount of rubidium resource reported in our Maiden Resource Estimate in Zone 1 of Raleigh Lake and indicated in the biogeochem results in Zone 5, as well as the lithium that has now reached the PEA stage, gives the Company good upside as we do further exploration at Raleigh Lake.

The last three years have seen considerable swings in the lithium market, and there has been a strong headwind in 2023/2024 with a fall of over 86% in the lithium price. The 99.2% lithium carbonate price at the end of 2021 was CNY 280,000 (USD\$ 38,600) per tonne. At the end of 2022 it had risen sharply to CNY 502,500 (USD\$ 69,300), yet by the end of 2023 it was down to CNY 96,500 (USD\$14,000). It is now in late April 2025 down further to CNY 60,750 (USD\$8,337). So the price now in USD\$ is only 12.0% of what it was at the end of 2022 and 22.6% of the price at the end of 2021. This is very volatile price behaviour even by the standard of commodities. In addition in 2023 and 2024 there was inflationary pressure on exploration costs; we do not yet know how much this will carry forward to the next year, but it is possible that reduced mining activity will ease that inflationary pressure in 2025. The Company is at an advanced stage of looking at other exploration properties and has stated that it is actively looking at opportunities in Zimbabwe including EPOs applied for there.

Significant Events and Transactions

Significant events and transactions during the year ended December 31, 2024, and to the date of this MD&A include the following:

- On March 31, 2025, the Company closed the first tranche of a non-brokered private placement of common shares. The Company issued 23,666,666 common shares at \$0.015 per share for gross proceeds of \$355,000. The Company's directors and officers participated in the private placement.
- On September 13, 2024, the Company entered into an amendment agreement for the Blackstairs Joint Venture Agreement. Pursuant to the amendment agreement, the date by which GFL shall incur \$10,000,000 in exploration expenditures or produce a bankable feasibility study was extended from September 14, 2024, to December 31, 2025, and the Company's participating interest in the joint venture reduced to 0%. As per the terms of the amendment agreement, ILC and GFL shall enter into an agreement granting ILC a 2% royalty of net smelter returns from the Avalonia Project. In addition, GFL shall make the following payments to ILC:

- (i) \$100,000 within 10 business days of the amendment agreement (received);
 - (ii) \$1,100,000 on or before March 31, 2025 (received); and
 - (iii) \$1,000,000 on or before October 31, 2025
- On February 16, 2024, the Company entered into a Purchase and Sale Agreement to acquire a 90% interest in the Firesteel Project in Northwestern Ontario. On May 21, 2024, the Company entered into an Amended Purchase and Sale Agreement (the “Amended Agreement”). Pursuant to the terms of the Amended Agreement, the Company acquired a 90% interest in the project by paying \$55,000 upon signing in February 2024 and paying \$110,000 upon signing of the Amended Agreement in May 2024. See the Exploration Summary section of the MD&A for further details.
 - On January 18, 2024, the Company filed the PEA Technical Report For Raleigh Lake Lithium Project containing highly favourable after-tax NPV (discounted at 8%) of \$342.9 million and after-tax IRR of 44.3% p.a.

EXPLORATION SUMMARY

Raleigh Lake Lithium Pegmatite Project, Ontario, Canada

The Company’s wholly-owned Raleigh Lake project (“Raleigh Lake”) contains lithium, rubidium and caesium. The Company’s claims at Raleigh Lake now total 32,900 hectares. It is situated on the Trans-Canada Highway, within a 25 kilometre radius of the town of Ignace, Ontario and 235 kilometres west of Thunder Bay, ON. It is easily accessed by a well-maintained network of logging roads that branch south from Highway 17 (Trans-Canada Highway). The project distinguishes itself from other lithium projects in Canada by being situated on major public infrastructure; the Trans-Canada Highway, the mainline of the Canadian Pacific Railway, natural gas pipelines, and the hydropower line junction at Raleigh Lake are all very near or within the Raleigh Lake project’s claim boundary.

Previous exploration campaigns on the Raleigh Lake project included mapping, litho-geochemistry, trenching (1,500m) and diamond core drilling (2,817.5m in 17 holes) resulting in the identification of several substantial pegmatites and numerous smaller ones (see Company news releases dated March 23, 2016 and July 13, 2016 for further details).

Mapping and litho-geochemical sampling indicate a highly fractionated rare-metals’ pegmatite belt at least 5 km in length and 2 km in width now fully enclosed within the Company’s expanded claim boundaries. The strength of the litho-geochemical signature in the host rock adjacent to known pegmatites will be a highly effective exploration tool to signal the location of hidden or blind pegmatites; pegmatites buried under soil cover or capped by another rock type.

Magnetic Survey Highlights

On October 1, 2019 the Company announced the receipt of the final results from an unmanned aerial vehicle magnetometer (“UAV-MAG”) survey conducted earlier in 2019. The survey was designed to collect high-resolution magnetic field data over the Raleigh Lake project area. The resulting magnetic images confirm that a geologic body with elevated magnetic response, previously interpreted to be a gabbroic intrusive hosting the lithium bearing pegmatites, continues onto the adjacent group of claims acquired by ILC in 2018. The survey covered a total of just under 500 line-kilometres using a 40-metre line spacing. The resultant data were merged with an earlier UAV-MAG survey conducted in 2016 resulting in almost 700 line-kilometres of continuously profiled magnetic data over the project area.

During 2022 a 6,308 line-kilometre airborne electromagnetic and magnetic survey known as MobileMTm was conducted at Raleigh Lake by Expert Geophysics Limited. The purpose of the survey was to map bedrock and structural features that may have an influence on pegmatite emplacement utilizing apparent conductivity, resistivity inversion and gradient magnetic data sets.

Staking and Land Acquisition Highlights

On August 23, 2021 the Company announced that it expanded the Raleigh Lake project through staking from 3,027 hectares to over just over 17,000 hectares (170 square kilometres). The new claims were staked within the Raleigh Lake Greenstone Belt adjacent to the pre-existing Raleigh Lake claim grouping.

On October 25, 2021 the Company announced further expansion of the Raleigh Lake project through staking approximately 10,000 hectares (100 square kilometres) giving the project a total area of over 27,000 hectares (270 square kilometres).

On December 16, 2021 a news release described the acquisition of over 20,000 hectares of claims around the Raleigh Lake project area through staking. Another small staking campaign completed in January 2022 brought the total claim holdings to approximately 48,500 hectares. Figure 1 shows the entire claim holdings.

Lithochemical Surveys Highlights

On January 17, 2022, the Company announced results from the lithochemical survey conducted during the fall exploration campaign at Raleigh Lake. The results summarized that over fifteen new targets were identified within the 4,000 hectare survey area conducted primarily within Zones 3, 5 and 6 of the Raleigh Lake claim block (see Figure 1).

The previously unexplored Zone 5 is a region extending from outcropping pegmatites 1 and 3 toward the Two Mica Granite (Figure 1). The Two Mica Granite is thought to be the source of the evolved pegmatites at Raleigh Lake that contain the highly anomalous lithium, caesium, rubidium and tantalum mineralization. The survey was also extended south of Raleigh Lake to cover a significant portion of metavolcanic rocks within the Raleigh Lake Greenstone Belt that are also considered to be prospective hosts of lithium bearing spodumene and associated mineralization.

A total of 1,089 lithochemistry samples were collected between September 29th and October 30th, 2021. The samples were collected at approximately 50 metre intervals along lines with a nominal 200 metre spacing in a grid like pattern. Sampling lines were designed to mesh seamlessly into the grids of historical work programs. The sampling procedure at each site mirrored historical procedures with the goal to minimize levelling of data between seasons.

Lithium results are plotted in Figure 2.

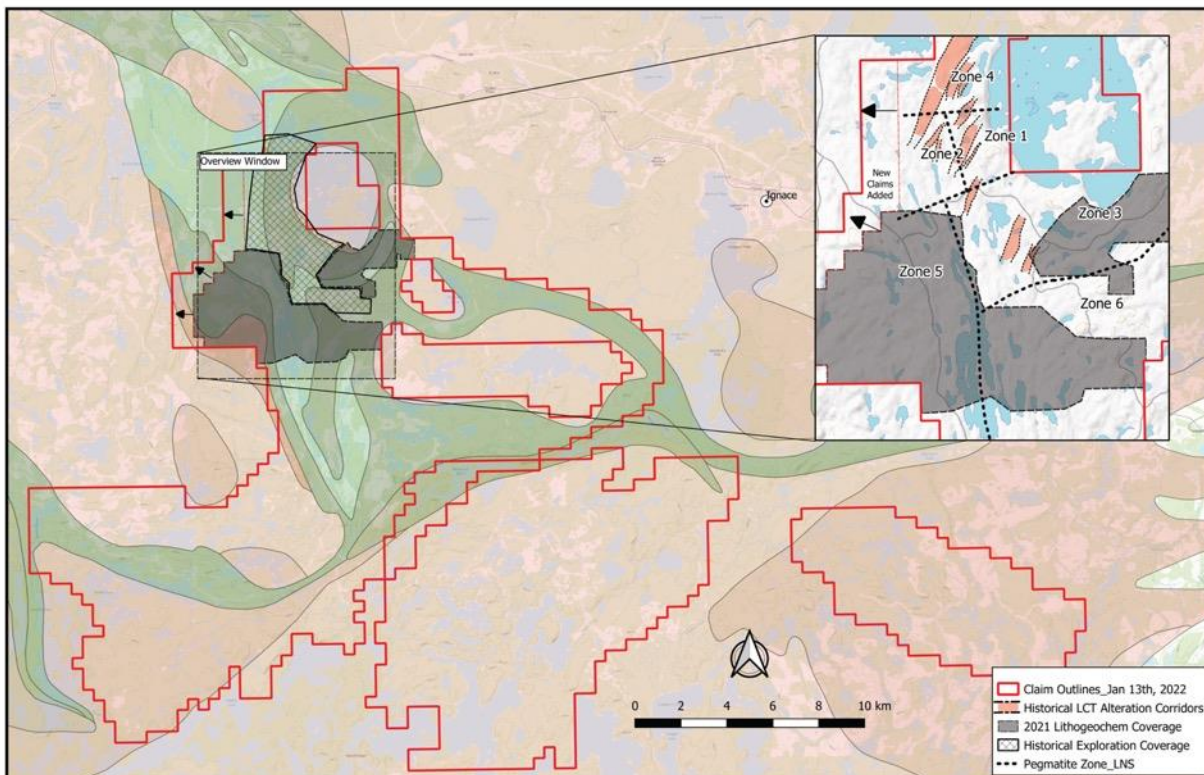


Figure 1: Lithochemical sample coverage for the Raleigh Lake project.

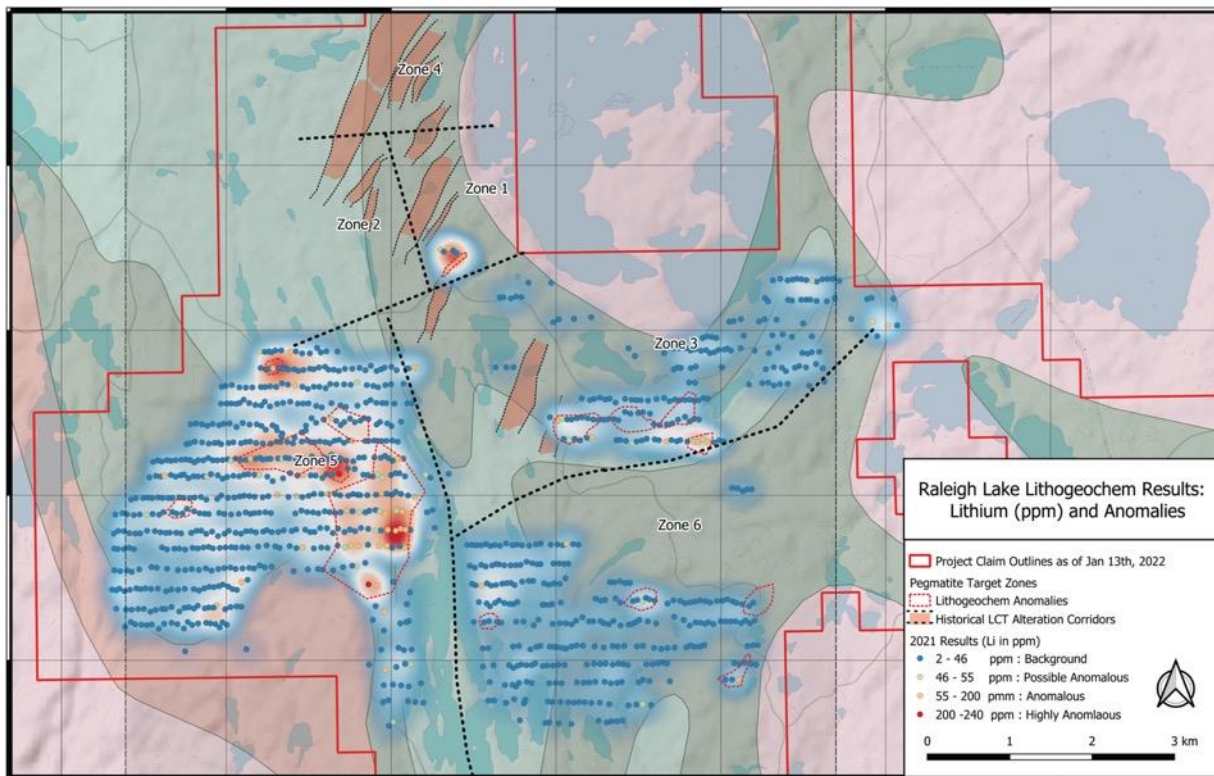


Figure 2: Lithium results from the 2021 lithochemical survey showing an extensive zone of lithium anomalies within Zone 5, in close proximity to the Two Mica Granite.

Biogeochemical Surveys Highlights

On March 21, 2022, the Company reported results from a biogeochemical orientation survey described in a Company news release dated December 16, 2021.

The biogeochemical survey was conducted over the Pegmatite 1 and Pegmatite 3 areas to determine if the results will highlight anomalies within the selected medium that can be used to directly identify blind pegmatite bodies.

A four-line, 66 station vegetation orientation survey was conducted between September 29 and October 1 of 2021. The four survey lines were oriented normal to the projected strike of pegmatites that were both exposed and buried beneath varying amounts of overburden. About 100 grams of bark-strip was collected from black spruce trees (*picea mariana*) within a 3 metre search radius of the pre-defined station. Sample preference was given to trees with a larger trunk, longer growing history and wider root base for anomaly catchment and recognition. To complement the bark samples, leaves and twigs from the outer 30 centimetres of alder branches were also collected.

The analytical results confirm that biological samples (in this case spruce bark) show clear anomalous responses in both Cesium (Cs) and Rubidium (Rb) over outcropping pegmatites and pegmatites buried beneath shallow overburden. These results are highly encouraging and suggest the technique can be used to target blind pegmatites under cover. The Company is continuing with studies on optimizing the search radius to use the sampling methodology in a semi-regional manner to investigate the entire 48,500 property in areas with limited outcrop due to thick vegetation cover.

Drilling Highlights

On April 19, 2021, the Company reported the completion of a maiden drill program at the Raleigh Lake Lithium project. A total of 1,504 metres of NQ core drilling were completed in eight holes (Table 1) to test the continuity of spodumene bearing pegmatites and their associated lithium, tantalum and caesium mineralization down dip and along strike from outcrop and previous operators' drilling.

The recent drilling focused on what the Company now refers to as Zone 1, an area of approximately one square kilometre (100 hectares) that hosts Pegmatites 1 and 3, two shallow dipping pegmatite dykes have been mapped at surface. Pegmatite 1 is exposed along strike for at least 300 metres and was intersected 400 metres downdip by drilling conducted prior to ILC's drilling campaign. Seven of ILC's eight widely dispersed holes, covering an area approximately 600 x 300 metres, intersected pegmatite.

On June 1, 2021, the Company announced that assay results have been received for the maiden diamond drilling program at the Raleigh Lake Lithium project near Ignace, Ontario, Canada.

The Company was highly encouraged by the results at Zone 1 of the Raleigh Lake claim grouping, and especially by the consistent and highly anomalous quantities of rubidium and caesium encountered in the first round of drilling. The chemical analysis of the samples as a whole found the ppm of Rb to be 52.7% of the ppm of Li and the ppm of Cs to be 7.2% of the ppm of Li. As at May 24, 2022 the market price of rubidium carbonate was 16.7 times higher than that of lithium carbonate, implying that although the lithium results are very promising, the rubidium in Zone 1 could be appreciably more valuable than the lithium. This is despite the quintupling in the market price of lithium over the past year.

These results are also reflected in surface geochemical samples collected in Zones 1, 2, 3 and 4 with the more recently acquired Zone 5 not yet having any coverage at all. The Company believes that there is a high probability of discovering more near surface mineralized pegmatites in future drilling campaigns.

Highlights:

- 7 of 8 holes intersected significant lithium, rubidium, caesium and tantalum mineralization.
- Rubidium, caesium and tantalum mineralization at Raleigh Lake is closely associated with lithium mineralization.
- RL21-03 intersected*: 1.05 metres grading **2.69% Li₂O** (11,900 ppm) from 31.04 metres;
1.18 metres grading **4210 ppm Rb** from 29.86 metres;
0.55 metres grading **997 ppm Cs** from 33.09 metres; and
1.00 metres grading **207 ppm Ta** from 32.09 metres downhole.
The near surface interval is interpreted to be the downdip extent of Pegmatite 3, observed at surface and intersected by previous operators' drilling. The entire 3.78 metre interval grades 1.72% Li₂O, 2829 ppm Rb, 299 ppm Cs, and 85 ppm Ta from 29.86 metres downhole (Table 2).
- RL21-02 intersected Pegmatite 3 more than 100 metres from RL21-03 at a downhole depth of 91.25 metres and returned 3.3 metres of 1.29% Li₂O, 2862 ppm Rb, 232 ppm Cs, and 118 ppm Ta indicating significant downdip continuity of the mineralized pegmatite system.

* Based on the interpreted geometry of the pegmatite bodies, the orientation of the drill holes and structural measurements from oriented drill core, the reported drill intercept widths are deemed to be representative of the true width of the pegmatite bodies and associated mineralization.

A summary of recent drilling results is given in Table 2.

Table 1: Summary of Drill Hole location and orientation at Raleigh Lake.

DDH_ID	Easting	Northing	Elevation (m ASL)	Azimuth (deg)	Dip (deg)	Length (m)
RL21-01	576759	5473557	474	308	-70	170.0
RL21-02	576689	5473464	478	330	-70	209.0
RL21-03	576583	5473516	468	308	-70	170.0
RL21-04	576877	5473355	485	308	-70	185.0
RL21-05	576261	5473294	479	308	-70	173.0
RL21-06	576335	5473238	475	308	-70	176.0
RL21-07	576343	5473516	472	308	-70	167.0
RL21-08	576644	5473380	474	308	-70	254.0
TOTAL						1504.0

Table 2: Summary of significant mineralized intersections at Raleigh Lake.

2021 Raleigh Lake Project Diamond Drilling Program											
Significant Intersections*											
Hole ID	From (m)	To (m)	Width (m)	Li (ppm)	Li2O (%)	Ta (ppm)	TaO2 %	Rb (ppm)	Rb2O %	Cs (ppm)	Cs2O (%)
RL21-01	139.88	144.90	5.02	3962	0.85	74	0.009	3038	0.33	161	0.017
RL21-02	91.25	94.55	3.30	5973	1.29	118	0.014	2862	0.31	232	0.025
RL21-02	185.00	195.00	10.00	3157	0.68	-	-	1452	0.16	298	0.032
incl.	185.00	187.58	2.58	1880	0.40	-	-	703	0.08	267	0.028
incl.	187.58	194	6.42	3761	0.81	45	0.005	1878	0.21	306	0.032
incl.	194	195	1.00	2574	0.55	-	-	666	0.07	325	0.034
RL21-03	29.86	33.64	3.78	7992	1.72	85	0.010	2829	0.31	299	0.032
incl.	29.86	33.09	3.23	9023	1.94	97	0.012	2923	0.32	180	0.019
incl.	33.09	33.64	0.55	1940	0.42	13	0.002	2280	0.25	997	0.106
RL21-03	149.76	153.45	3.69	1218	0.26	57	0.007	2761	0.30	170	0.018
RL21-05	13.25	14.5	1.25	1146	0.25	55	0.007	1899	0.21	316	0.033
RL21-05	85.48	87.63	2.15	2308	0.50	102	0.012	1938	0.21	239	0.025
RL21-05	104.61	106.79	2.18	1258	0.27	45	0.006	2158	0.24	466	0.049
RL21-06	62.22	62.95	0.73	2240	0.48	123	0.015	1820	0.20	127	0.013
RL21-06	126.58	127.94	1.36	2290	0.49	118	0.014	2630	0.29	106	0.011
RL21-06	144.36	148.5	4.14	1077	0.23	43	0.005	1048	0.11	167	0.018
incl.	144.36	146.89	2.53	1257	0.27	66	0.008	1246	0.14	120	0.013
incl.	146.89	148.5	1.61	795	0.17	8	0.001	737	0.08	243	0.026
RL21-07	81.38	84.67	3.29	3008	0.65	148	0.018	2364	0.26	137	0.014
RL21-07	97.76	100.52	2.76	4416	0.95	42	0.005	1538	0.17	371	0.039
RL21-07	103.06	104.69	1.63	2813	0.61	48	0.006	1139	0.12	158	0.017
RL21-08	217.88	224.78	6.9	1784	0.38	85	0.010	1946	0.21	110	0.012

* Based on the interpreted geometry of the pegmatite bodies, the orientation of the drill holes and structural measurements from oriented drill core, the reported drill intercept widths are deemed to be representative of the true width of the pegmatite bodies and associated mineralization.

Logistics of the drill program were excellent as the project is road accessible and is just a short distance from the Trans Canada Highway. The Raleigh project is located less than 20 kilometres directly west of the Township of Ignace, Ontario.

John Wisbey, Chairman and CEO of International Lithium Corp. made the following comment at that time :

“The really significant news from these results, however, is not the lithium but rather the high level of rubidium found at Raleigh Lake together with a lower but still possibly valuable level of caesium. Rubidium in this analysis totals approximately 52% of the ppm of lithium while caesium totals approximately 7.2% of the ppm for lithium. However, the Company notes that the market price of high quality rubidium carbonate per kg is much higher than the market price of lithium carbonate (16.79 times higher in May 2022 (N.B. 116 times higher in April 2025) while that of high quality rubidium and caesium metal is more than 1000 times the market price of lithium metal, so these discoveries are far more than useful by-products. It will take time to analyze fully the economic value of the rubidium and caesium to the Company, especially the cost of getting to a high level of purity of rubidium and caesium oxide and how we would do this, but at first sight this looks like an extraordinarily promising result. We add a cautionary note that world demand for rubidium is at present much lower than that for lithium and there is clearly no guarantee that such prices could be achieved in sizeable quantities.”

On March 21, 2022, the Company announced some initial results from the first phase of the 2022 drilling campaign being carried out at the Raleigh Lake project. The news release reported DDH22-09 and 10 (the first holes of the 2022 season) which were drilled at Zone 1 in the vicinity of Pegmatite 1 and 3 intersected broad widths of spodumene bearing pegmatite (Figure 3).

DDH22-09 was drilled at an azimuth of 315 degrees and intersected 10 metres of pegmatite starting at a depth of 90 metres downhole. This intersection is interpreted as Pegmatite 1 and is very likely the richest intersection of spodumene mineralization on the project to date. It contains 40% to 50% spodumene mineralization over 6.5 metres and is associated with a 3.5 metre megacryst of microcline (Figure 4). Coarse spodumene blades oriented nearly parallel to the core axis and high angle contacts are indicative that the interval is close to true thickness.

The Phase 1 drill hole locations and orientations are listed in Table 4.

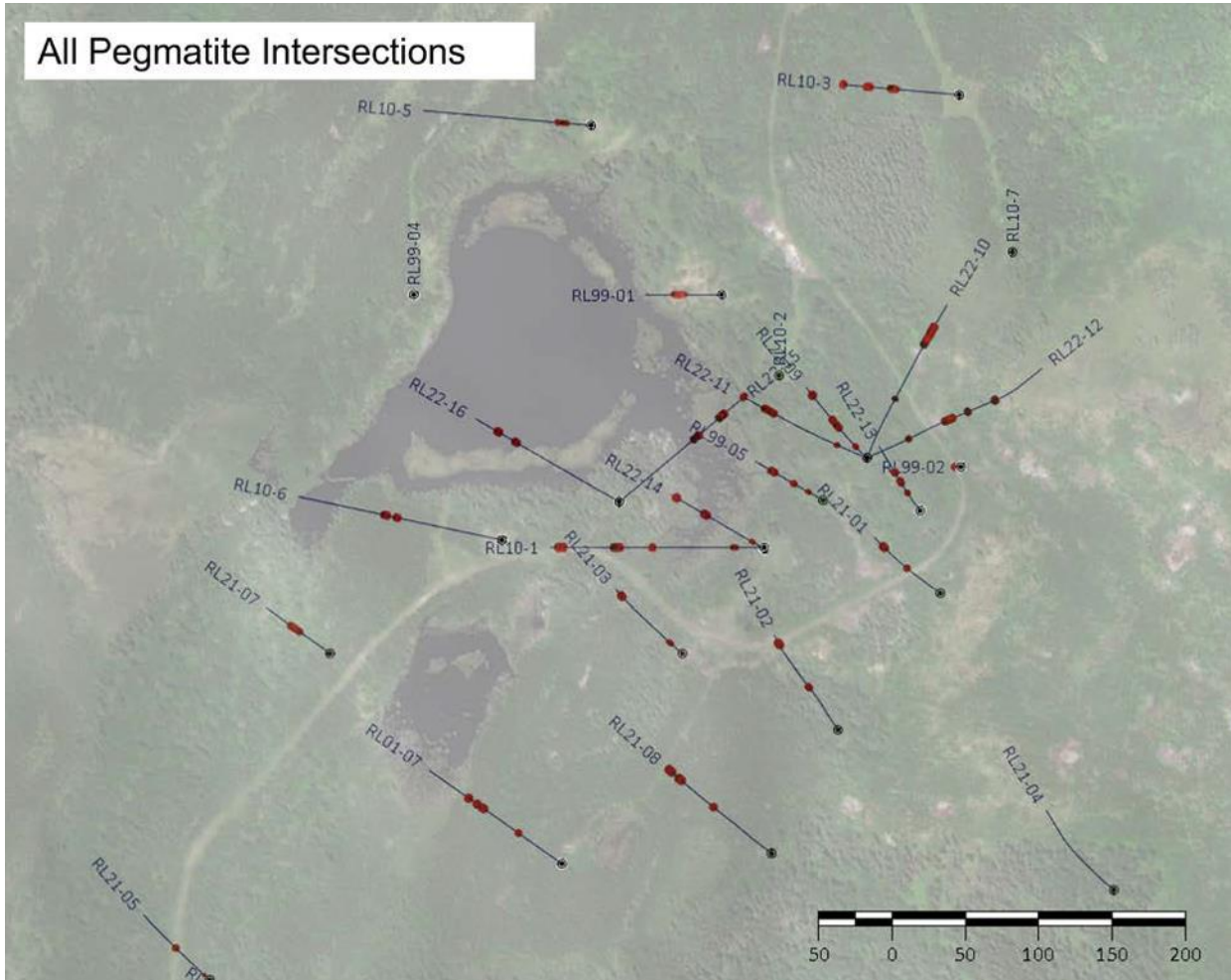


Figure 3: Location of all drill holes in the vicinity of Pegmatite 1 and 3 within Zone 1, highlighting the pegmatite intersections. Note that RL21-04 was terminated prior to intersecting pegmatite. Pegmatite 1 and 3 remain open with depth and additional holes are proposed to test the depth extent during Phase 2 and future drill programs.

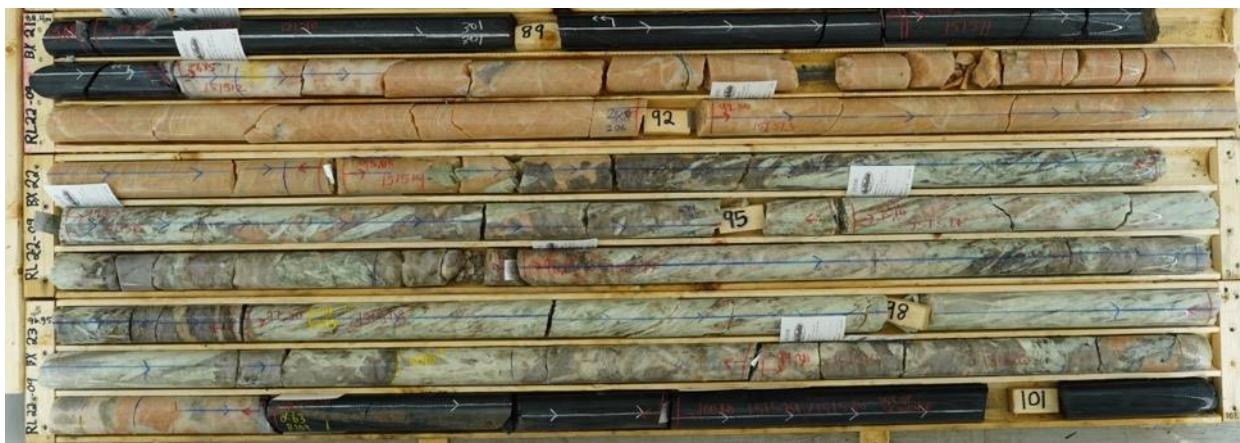


Figure 4: Pegmatite 1 as intersected in drill hole DDH22-09 at Raleigh Lake. Note the large microcline crystal immediately above the 6.5 metre interval (estimated true thickness based on structural measurements) of 40-50% spodumene mineralization.

Table 4: Summary of drill holes cored during Phase 1 of the 2022 drill program at Raleigh Lake.

Hole ID	Easting	Northing	Azimuth	Dip	Depth (m)	Elevation (m)
RL22-09	576709	5473649	315	-75	200	479
RL22-10	576709	5473649	20	-50	173	478
RL22-11	576709	5473649	290	-55	164	479
RL22-12	576709	5473649	63	-63	251	479
RL22-13	576745	5473613	322	-76	200	480
RL22-14	576639	5473587	300	-70	215	476
RL22-15	576540	5473619	50	-50	167	472
RL22-16	576540	5473619	300	-50	176	472
RL22-17	575967	5474026	290	-60	257	472
RL22-18	575938	5473888	305	-50	250	473

On June 23, 2022 the Company announced the remaining analytical results from the Phase 1 drilling campaign highlighting drill intercepts of 3.46% Lithium Oxide Over 7m and 1.38% Rubidium Oxide Over 5.9m. The significant drill results are shown in Table 5.

The Phase 1 results confirm that all eight drill holes drilled at Zone 1 over Pegmatite 1 and 3 intersected spodumene bearing pegmatites with significant concentrations of lithium and rubidium as indicated in Table 5 (see Company news release dated June 23, 2022).

Phase 2 drilling results were reported on September 20, 2022. Phase 2 ran from May 12 to June 30, 2022, drilling 4,198 metres in twenty-six (26) holes (Table 6 and Figure 5). Six holes targeted Zone 2 and twenty holes were cored within Zone 1.

Drilling at Zone 1 during Phase 2 continued to reveal that a high-grade core of Pegmatite 1 is trending up-dip towards the surface exposure (Figure 5). Pierce points were planned to be at approximately 50 metre step outs from one another in preparation for a maiden resource calculation and to better define the core zone of Pegmatite 1 and its associated rubidium rich component. A summary of results is given in Table 7. See Company news release dated September 20, 2022 a for more detailed description of the Phase 2 drilling.

Table 5: Summary of significant mineralized intersections from the 2022 Phase 1 Drilling at Raleigh Lake.

2022 Raleigh Lake Drilling Program: PHASE 1 Results							
Pegmatite Intersections**							
Hole ID	From (m)	To (m)	Width (m)	Cs2O (%)	Li2O (%)	Rb2O (%)	Comments
RL22-09	89.95	100.1	10.15	0.020	2.4	0.39	Pegmatite 1 top to bottom
incl.	89.95	94.15	4.2	0.014	0.32	0.81	Pegmatite 1 upper microcline domain
incl.	93.05	100.1	7.05	0.010	3.46	0.12	spodumene core zone
RL22-10	127.12	148.57	21.45	0.020	1.29	0.16	Pegmatite 1 top to bottom
incl.	131.95	145.56	13.61	0.019	1.98	0.18	spodumene core zone
incl.	131.95	141	9.05	0.025	2.46	0.23	spodumene core zone
RL22-11	119.38	132.46	13.08	0.024	1.09	0.26	Pegmatite 1 diluted with 2.1m of host rx
incl.	125.9	132.46	6.56	0.014	1.51	0.05	Lower spodumene pegmatite
RL22-12	116.03	128.15	12.12	0.046	0.07	0.69	Pegmatite 1 top to bottom
incl.	116.5	122.4	5.9	0.089	BDL	1.38	Upper microcline mineral domain
RL22-13	88	94.83	6.83	0.034	0.25	0.87	Zone of intense microcline mineralization
RL22-14	133.15	139	5.85	0.078	1.29	0.22	Pegmatite 1
RL22-15	107.81	110.91	3.1	0.022	0.01	0.36	Pegmatite 1
and	137.5	141.5	4.0	0.011	1.27	0.18	Pegmatite 1
RL22-16	124.39	128.35	3.96	0.018	0.63	0.20	Pegmatite 1
and	146.48	149.92	3.44	0.009	1.21	0.16	Pegmatite 1
RL22-17	160.56	161.5	0.94	0.008	0.400	0.176	Exploration Hole- Pegmatite 2
RL22-18	142	142.85	0.85	0.008	0.03	0.16	Exploration Hole- Pegmatite 2

** All intervals reported in this table are downhole core lengths. Accurate true widths are unknown at this time but are estimated to be within 60-80% of the reported intervals based on the geometry of the bodies and structural measurements on oriented core.

Table 6: Summary of drill holes cored during Phase 2 of the 2022 drill program at Raleigh Lake.

Hole ID	Easting	Northing	Azimuth	Dip	Depth (m)	Elevation (m)	Prospect
RL22-19	575392	5474665	315	-50	101	461	ZONE 2
RL22-20	575577	5474468	290	-50	149	460	ZONE 2
RL22-21	575529	5474531	315	-50	110	458	ZONE 2
RL22-22	575481	5474545	315	-50	221	461	ZONE 2
RL22-23	575293	5473901	280	-50	176	469	ZONE 2
RL22-24	575318	5473994	285	-50	152	468	ZONE 2
RL22-25	576827	5473597	315	-75	170	480	ZONE 1
RL22-26	576792	5473573	315	-75	170	477	ZONE 1
RL22-27	576754	5473674	310	-50	170	482	ZONE 1
RL22-28	576757	5473674	35	-60	182	482	ZONE 1
RL22-29	576755	5473672	305	-70	149	482	ZONE 1
RL22-30	576719	5473585	310	-70	137	477	ZONE 1
RL22-31	576743	5473504	315	-70	194	480	ZONE 1
RL22-32	576673	5473551	315	-70	170	478	ZONE 1
RL22-33	576793	5473641	315	-80	149	481	ZONE 1
RL22-34	576746	5473651	315	-70	140	478	ZONE 1
RL22-35	576770	5473633	315	-70	150	478	ZONE 1
RL22-36	576710	5473618	315	-70	161	475	ZONE 1
RL22-37	576690	5473637	310	-70	151	474	ZONE 1
RL22-38	576693	5473567	315	-70	173	479	ZONE 1
RL22-39	576659	5473601	315	-70	152	474	ZONE 1
RL22-40	576724	5473671	305	-60	152	480	ZONE 1
RL22-41	576725	5473671	355	-58	137	480	ZONE 1
RL22-42	576621	5473543	315	-70	167	474	ZONE 1
RL22-43	576653	5473512	315	-70	185	478	ZONE 1
RL22-44	576616	5473478	315	-70	230	479	ZONE 1

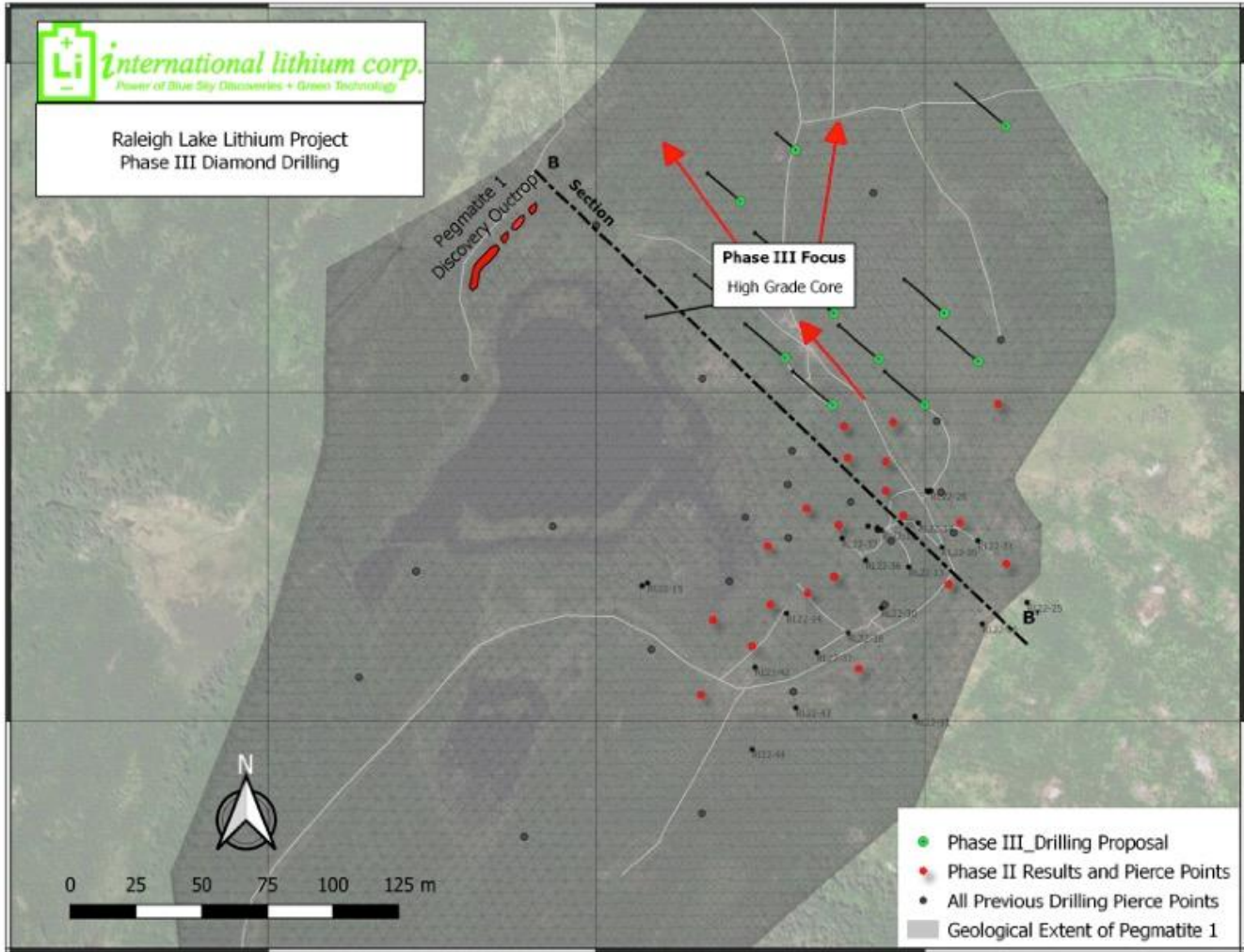


Figure 5: Approximate surface trace outline of Pegmatite 1 showing pierce points from drilling, and planned exploration holes for Phase 3. Pegmatite 1 appears to have an enriched core trending up dip toward the northwest.

Table 7: Summary of significant mineralized intersections from the 2022 Phase 2 Drilling at Raleigh Lake.

2022 Raleigh Lake Drilling Program: PHASE II Results							
Pegmatite Intersections**							
Hole_ID	From (m)	To (m)	Width (m)	Cs2O (%)	Li2O	Rb2O	Comments
RL22-27	115.23	128.97	13.74	0.011	1.90	0.14	Pegmatite #1 top to bottom
incl.	120.51	128.4	7.89	0.010	2.91	0.09	Higher grade core of Pegmatite 1
RL22-29	105.39	116.4	11.01	0.013	1.32	0.14	Pegmatite #1 top to bottom
incl.	107.15	112.5	5.35	0.020	2.62	0.19	Higher grade core of Pegmatite 1
RL22-30	117.82	124.26	6.44	0.010	1.64	0.27	Peg #1
RL22-31	155.6	156.8	1.2	0.010	1.88	0.24	Peg #1
and	165.79	170	4.21	0.010	1.04	0.30	Peg #1
RL22-32	52.36	55.54	3.18	0.020	1.07	0.22	Peg #3
and	142.73	150.46	7.73	0.010	0.63	0.13	Peg #1
RL22-33	108.93	115.82	6.89	0.030	0.36	0.39	Peg #1
incl.	111.4	113.15	1.75	-	-	1.43	Rb-rich core
RL22-34	99.76	110.5	10.74	0.020	1.18	0.41	Pegmatite #1 top to bottom
RL22-35	97.2	107.1	9.9	0.020	2.45	0.44	Pegmatite #1 top to bottom
Incl.	97.2	99.64	2.44	-	-	0.95	Rb-rich cap
RL22-36	36.08	38.19	2.11	0.020	1.31	0.35	Peg #3
and	96.24	102.7	6.46	0.010	3.62	0.11	Pegmatite #1 top to bottom
RL22-37	99.36	107.75	8.39	0.010	2.73	0.17	Pegmatite #1 top to bottom
RL22-38	51.95	55.28	3.33	0.020	0.22	0.15	Peg #3
and	122.73	128.64	5.91	0.010	1.43	0.23	Pegmatite #1 top to bottom
RL22-39	23.85	27.15	3.3	0.010	1.33	0.25	Peg #3
and	117.16	124.07	6.91	0.010	1.80	0.26	Pegmatite #1 top to bottom
RL22-40	96.2	106.3	10.1	0.020	0.40	0.30	Pegmatite #1 top to bottom
RL22-41	104.15	117.5	13.35	0.020	0.71	0.27	Pegmatite #1 top to bottom
Incl.	106.7	109.5	2.8	-	-	0.84	Rb-rich core
RL22-42	140	146	6	0.010	1.12	0.21	Outer margins of Peg #1
RL22-43	57.25	61.4	4.15	0.020	1.15	0.37	Peg #3
and	153.55	160.45	6.9	0.010	1.10	0.24	Outer margins of Peg #1
RL22-44	50.5	54.1	3.6	0.040	1.48	0.20	Peg #3
and	164.5	168.9	4.4	0.010	0.39	0.30	Outer margins of Peg #1

** All intervals reported in this table are downhole core lengths. Accurate true widths are unknown at this time but are estimated to be within 70-100% of the reported intervals based on the geometry of the bodies and structural measurements on oriented core.

On February 6, 2023. The Company reported on the third and final Phase of drilling at Raleigh during 2022. Phase 3 ran from September 27 to November 9 drilling twenty (20) holes for 3325 metres on Zone 1 (where the calculation of maiden mineral resource estimate was reported on March 1, 2023) and from November 10 to 30, 2022 with eight (8) holes (398 metres) on peripheral exploration targets. All drill holes at Zone 1 intersected spodumene bearing pegmatite.

Drilling at Zone 1 continued to test the up-dip and eastern extent of Pegmatites 1 and 3 while also providing peripheral and infill drilling to help refine the maiden resource estimate (Figure 6 and Table 8). A summary of results is given in Table 9. See Company news release dated February 6, 2023 a for more detailed description of the Phase 3 drilling.

Table 8: Summary of drill holes cored at Zone 1 during Phase 3 of the 2022 drill program at Raleigh Lake.

Hole ID	Easting	Northing	Azimuth	Dip	Depth (m)	Elevation (m)	Prospect
RL22-45	576753	5473739	310	-70	116	478	ZONE 1
RL22-46	576675	5473744	310	-70	122	477	ZONE 1
RL22-47	576645	5473767	310	-70	128	476	ZONE 1
RL22-48	576698	5473785	310	-71	137	478	ZONE 1
RL22-49	576676	5473810	310	-70	119	478	ZONE 1
RL22-50	576604	5473813	310	-70	110	480	ZONE 1
RL22-51	576604	5473813	262	-50	125	481	ZONE 1
RL22-52	576751	5473812	310	-70	125	478	ZONE 1
RL22-53	576714	5473842	300	-70	125	478	ZONE 1
RL22-54	576648	5473842	310	-70	116	477	ZONE 1
RL22-55	576609	5473890	310	-70	275	478	ZONE 1
RL22-56	576656	5473927	310	-70	101	479	ZONE 1
RL22-57	576807	5473949	310	-70	179	488	ZONE 1
RL22-58	576813	5473452	310	-75	314	484	ZONE 1
RL22-59	576732	5473424	310	-70	311	484	ZONE 1
RL22-60	576511	5473471	310	-70	227	479	ZONE 1
RL22-61	576568	5473423	316	-70	242	475	ZONE 1
RL22-62	576433	5473312	310	60	230	475	ZONE 1
RL22-63	576331	5473382	320	-70	152	480	ZONE 1
RL22-64	576610	5473971	310	-70	71	481	ZONE 1

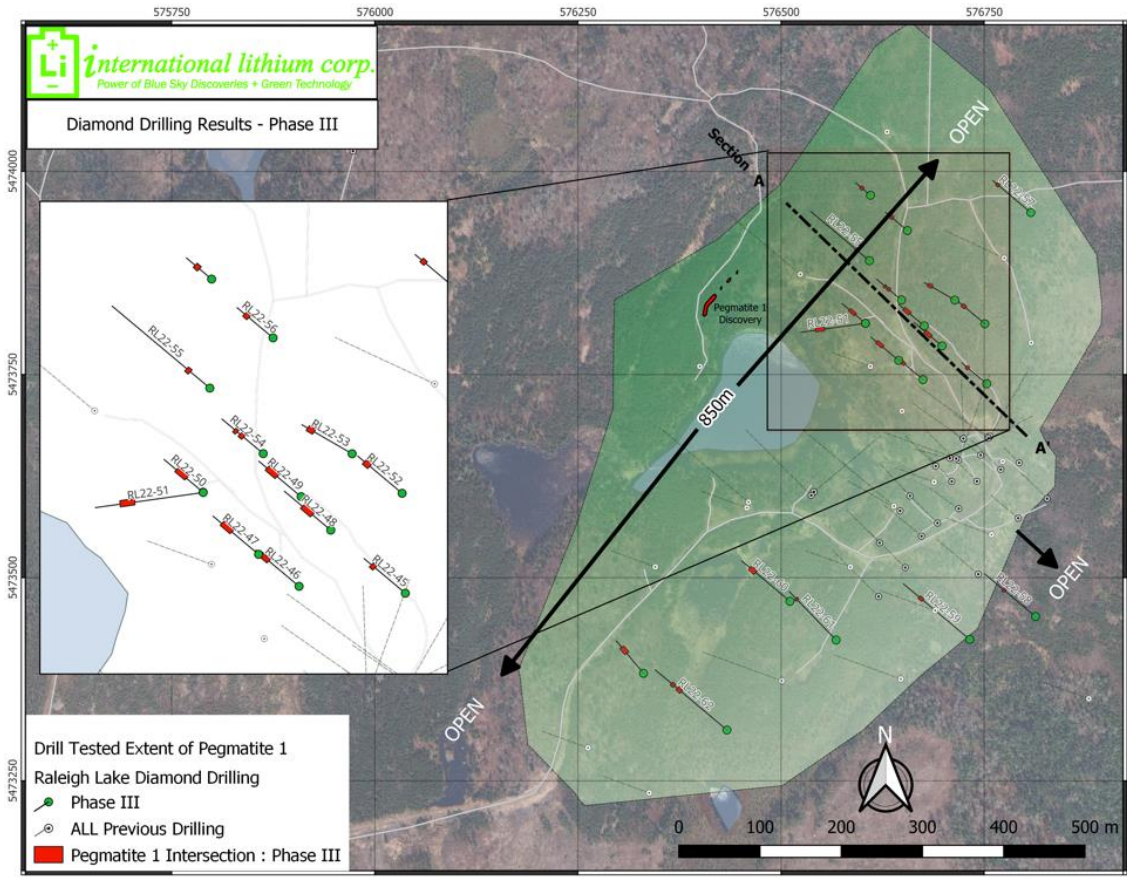


Figure 6: Approximate surface trace outline of Pegmatite 1 showing spodumene bearing pegmatite intersections from Phase 3 drilling.

Table 9: Summary of significant mineralized intersections from the 2022 Phase 3 Drilling at Raleigh Lake.

2022 Raleigh Lake Drilling Program : PHASE III							
Pegmatite Intersections**							
Hole_ID	From (m)	To (m)	Width (m)	Cs2O (%)	Li2O (%)	Rb2O (%)	Comments
RL22-45	84.2	99.07	14.87	0.02	0.72	0.43	Pegmatite #1 top to bottom
incl.	89.5	94.35	4.85	0.02	2.06	0.25	Lower spodumene pegmatite
And	85.52	89.5	3.98			1.21	Upper Rb Zone
RL22-46	88.85	99.11	10.26	0.01	0.76	0.23	Pegmatite #1 top to bottom
incl.	88.85	94.67	5.82	0.02	1.32	0.34	Upper spodumene zone
RL22-47	76.51	80.38	3.87	0.01	1.24	0.21	Upper lens of Pegmatite 1
And	92.1	97.36	5.26	0.01	1.03	0.13	Lower lens of Pegmatite 1
RL22-48	65.56	81.38	15.82	0.01	2.25	0.12	Pegmatite #1 top to bottom
incl.	68.7	80.65	11.95	0.01	2.86	0.13	Inner spodumene zone
RL22-49	72.69	74.9	2.21	0.02	2.47	0.22	Pegmatite #1 interior spd zone
RL22-50	56.12	60.74	4.62	0.02	2.29	0.27	Pegmatite #1 interior spd zone
RL22-51	86.48	91.68	5.2	0.02	1.24	0.23	Pegmatite #1 interior spd zone
RL22-52	95.58	103.89	8.31	0.01	1.18	0.15	Pegmatite #1 top to bottom
RL22-53	96.65	106.53	9.9	0.02	0.68	0.18	Pegmatite #1 top to bottom.
RL22-54	76.49	80.2	3.71	0.02	1.19	0.25	Pegmatite #1 top to bottom
RL22-55	55.26	63.39	8.13	0.02	1.05	0.27	Pegmatite #1 top to bottom
RL22-56	72.42	75.38	2.96	0.03	2.13	0.39	Inner spodumene zone
RL22-57	152.51	157.2	4.69	0.03	0.05	0.60	Low spodumene, higher Rb
RL22-58	191.42	195.62	4.2	0.01	0.79	0.13	
RL22-59	228.26	232.74	4.48	0.01	0.3	0.14	Low grade pegmatite #1
RL22-60	168.92	173.19	4.27	0.01	1.13	0.04	Pegmatite #1 top to bottom
RL22-61	198.1	204.25	6.15	0.01	0.75	0.22	Pegmatite #1 top to bottom
RL22-63	117	119.55	2.55	0.01	1.29	0.23	Pegmatite #1 top to bottom
RL22-64	37.35	39.05	1.7	0.02	1.36	0.21	Pegmatite #1 top to bottom

** All intervals reported in this table are downhole core lengths. Accurate true widths are unknown at this time but are estimated to be within 80-100% of the reported intervals based on the geometry of the bodies and structural measurements on oriented core.

Maiden Mineral Resource Estimates

On March 1, 2023 the Company announced the first ever Mineral Resource Estimate (“MRE”) to be calculated at Zone 1 of the Raleigh Lake project. The maiden resource calculations includes MREs for both lithium and rubidium. The two MREs are closely related due to their spatial relationships, but their respective resource estimates are considered separate and unique.

Lithium MRE Summary

The lithium MRE for Lithium-Caesium-Tantalum (“LCT”) pegmatites of the Raleigh Lake pegmatite field is presented in Table 10 below. Lithium within the Raleigh Lake deposit is hosted within spodumene laths that are generally green in colour and range in size from less than 1 cm to greater than 8 cm. Pegmatites within the Deposit are weakly zoned and spodumene

mineralization is relatively homogenous throughout. The open pit and underground MREs are constrained via optimized pit shell and minable shape wireframes, respectively.

Table 10: Lithium Open Pit and Underground MRE.

Area	Resource Category	Mass (kt)	Grade		Contained Li (t)
			Li (ppm)	Li ₂ O (%)	
Open Pit <i>650ppm Li Cut-off</i>	Measured	80	3,887	0.84%	313
	Indicated	2,021	2,919	0.63%	5,897
	Measured + Indicated	2,101	2,956	0.64%	6,210
	Inferred	3,247	2,595	0.56%	8,427
Underground <i>2,000ppm Li Cut-off</i>	Measured	3	2,560	0.55%	8
	Indicated	189	3,203	0.69%	606
	Measured + Indicated	192	3,192	0.69%	614
	Inferred	655	3,162	0.68%	2,073
Total	Measured + Indicated	2,293	2,976	0.64%	6,824
	Inferred	3,902	2,691	0.58%	10,499

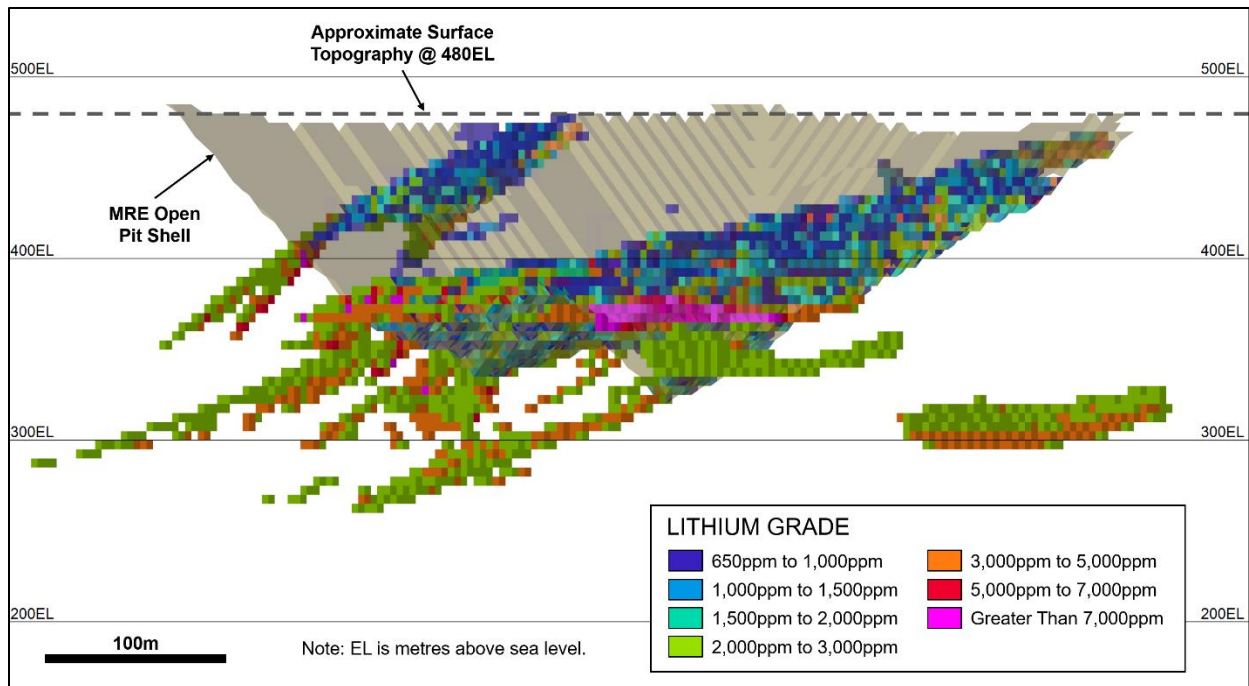


Figure 7: Lithium MRE isometric section view looking southwest with lithium grades.

Rubidium MRE Summary

The rubidium MRE is presented in Table 11 below. An independent MRE has been calculated for the rubidium contained within microcline zones of the LCT pegmatites. Rubidium also occurs throughout the LCT pegmatites within the lithium-bearing spodumene at a lower cutoff but is not included in this rubidium MRE. Rubidium reaches grades greater than 4,000 ppm are attributed to pockets of high modal abundance of microcline (potassic feldspar). Rubidium has thus been constrained to a higher cutoff to separate it from the lithium resource, allowing rubidium and lithium to be mined and presented separately. The open pit and underground MREs are constrained via optimized pit shell and minable shape wireframes, respectively.

Table 11: Rubidium Open Pit and Underground MRE.

Area	Resource Category	Mass (kt)	Grade		Contained Rb (t)
			Rb (ppm)	Rb ₂ O (%)	
Open Pit <i>4,000ppm Rb Cut-off</i>	Measured	5	5,412	0.59%	29
	Indicated	90	6,073	0.66%	547
	Measured + Indicated	95	6,036	0.66%	576
	Inferred	18	3,005	0.33%	53
Underground <i>4,000ppm Rb Cut-off</i>	Measured	5	6,547	0.72%	35
	Indicated	33	6,474	0.71%	211
	Measured + Indicated	38	6,484	0.71%	246
	Inferred	106	4,427	0.48%	468
Total	Measured + Indicated	133	6,163	0.67%	822
	Inferred	123	4,224	0.46%	521

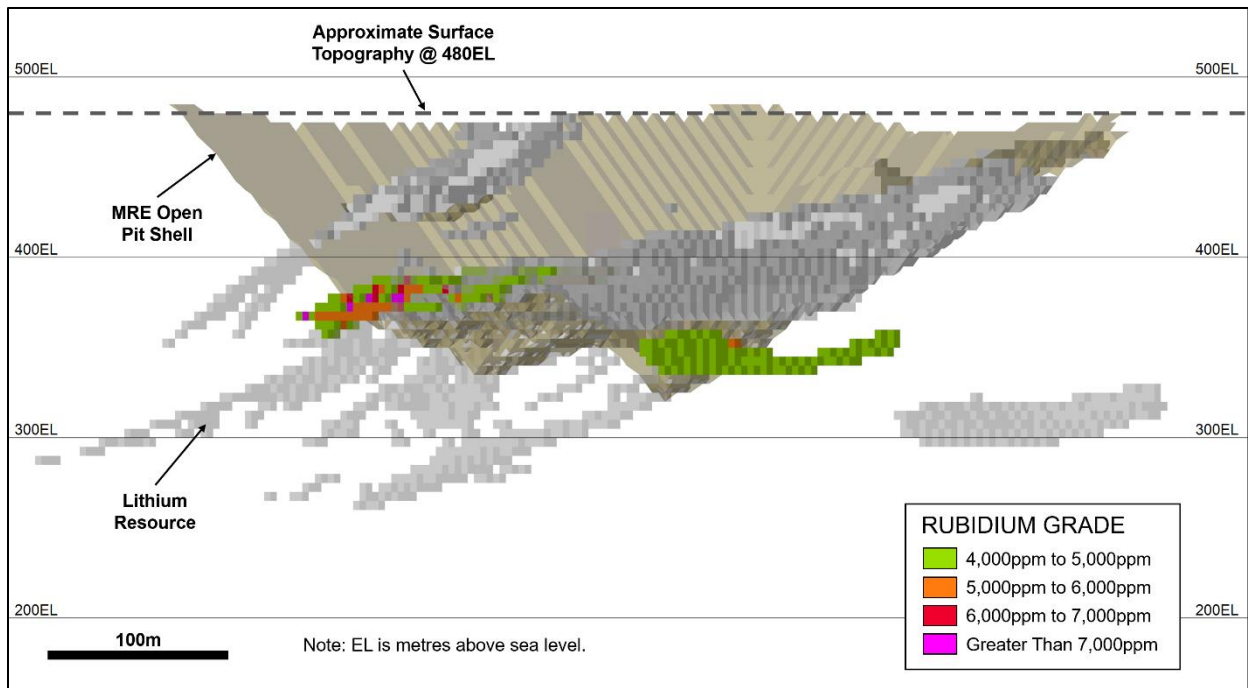


Figure 8: Rubidium MRE isometric section view looking southwest with rubidium grades.

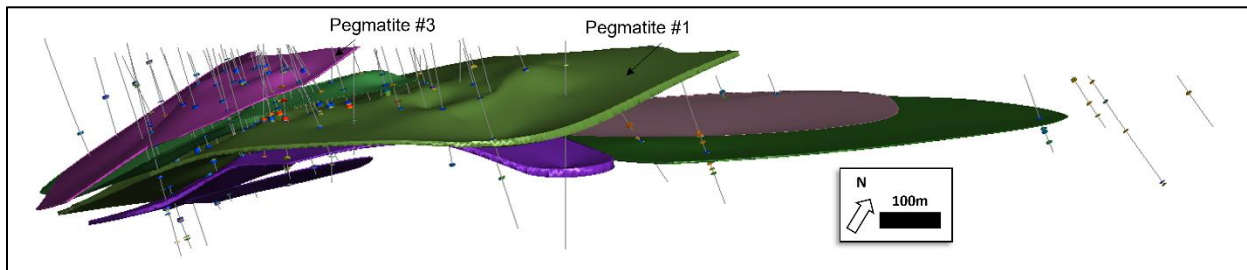


Figure 9: LCT pegmatites within the Raleigh Lake pegmatite field looking west-northwest.

Nordmin Engineering Ltd. (“Nordmin”), based in Thunder Bay, Ontario, prepared the independent lithium (spodumene-hosted) and rubidium (microcline-hosted) MRE for the Project and associated Technical Report (the “Report”) consistent with the standards and guidelines set out by the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) and in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

In preparation of the MRE and Report, Nordmin applied processes that were appropriate for lithium pegmatite-style deposits. The Report is available on SEDAR. The effective date for the resource estimation is February 16, 2023.

Notes on Mineral Resources

1. The MRE was prepared by Christian Ballard, P.Geo., of Nordmin, who is the Qualified Person (“QP”) as defined by NI 43-101 and is independent of ILC.
2. Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. The above Inferred Mineral Resources are subject to potential upgrade to Indicated and Measured Mineral Resources with continued drilling. There is no guarantee that any part of the Mineral Resources discussed herein will be converted to another category or to a Mineral Reserve in the future. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.
3. The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum standards on Mineral Resources and reserves, definitions, and guidelines prepared by the CIM standing committee on reserve definitions and adopted by the CIM council (CIM 2014 and 2019).
4. The MRE is developed with data from diamond drill holes totaling 13,821 m.
5. The pit constrained mineral resources were defined using a parented block model, within an optimized pit shell with average pit slope angles of 45° in rock and 30° in overburden, a 9.8 strip ratio (waste material: mineralized material) and a revenue factor of 1.0. The pit optimization shells were created using Deswik.AdvOPM software.
6. The lithium resource pit optimization parameters include: 5.5% Li₂O spodumene concentrate; US\$1,800 Li₂O spodumene concentrate price; exchange rate of C\$1.3/US\$1; concentrate transportation and offsite charges of C\$175/t, mining cost of C\$6/t, processing plus general and administration cost of C\$41/t; and a process recovery of 75%. Only lithium value was used to generate the resource optimized pit shell.
7. Underground constrained mineral resources were defined within 5 x 5 x 5 m minable shape optimization wireframes. The mineable shape optimization constraining wireframes were created using Deswik.SO software.
8. The lithium resource underground minable shape optimization parameters include: 5.5% Li₂O spodumene concentrate; US\$1,800 Li₂O spodumene concentrate price; exchange rate of C\$1.3/US\$1; concentrate transportation and offsite charges of C\$175/t, mining cost of C\$80/t, processing plus general and administration cost of C\$50/t; and a process recovery of 75%.
9. The rubidium resource was constrained above market value due to the current limited world market. A 4,000 ppm rubidium cut-off grade was selected. The rubidium resource was excluded from (i.e. neither taken into account nor used as a credit for) the underground and open pit lithium resource.
10. A default density of 2.668 g/cm³ was used for the mineralized zones.
11. All figures are rounded to reflect the relative accuracy of the estimates; totals may not add correctly.
12. The effective date of the MRE is February 16, 2023 and a technical report on the Project was filed by the Company on SEDAR on April 14, 2023.

On August 16, 2023, the Company reported on an in-progress exploration drill program at Raleigh Lake designed to test targets defined by surface geological, geochemical and geophysical interpretations near Zone 1.

At the time of release, six drill holes had been completed (RL23-65 – RJ23-70) with two drill holes drilled immediately north of the Zone 1 mineral resource (RL23-65 and 66) and four drill holes further north, down dip and along strike of the outcropping Johnson pegmatite (now referred to as Zone 4).

All drill holes except for RL23-69 intersected spodumene bearing pegmatites (Table 12).

The drilling within Zone 4 intersected pegmatites over a strike length greater than 300 metres with true thicknesses approaching five metres. The pegmatites correlate well with historic mapping of the Johnson pegmatite and historic drilling where the only hole drilled at the Johnson target intercepted a 3-metre interval of microcline pegmatite grading up to 0.466% Rb₂O over 1.12 metres starting at 45.3 metres downhole depth. Several other samples from this historic hole returned highly anomalous rubidium assays. The Company believes that the Johnson pegmatite has the potential to become an additional rubidium resource as the microcline mineralization bears a close resemblance to that at Pegmatite 1. The presence of spodumene, also indicates that additional lithium resources might be delineated in Zone 4. Zone 4 was also historically targeted for tantalum mineralization

and some columbite is thought to be observed in the recent drilling. The Company intends to follow up with some additional down dip drilling at Zone 4 before moving on to other targets defined at depth in Zone 1 and possibly Zone 3.

Table 12: Pegmatite intersections in recent exploration drill holes at Raleigh Lake. All intersections are drill hole widths. Based on structural interpretations drill hole widths are expected to be within 15% of true width.

Drill Hole	Area	From (m)	To (m)	Length (m)	Description
RL23-65	Zone 1	27.46 139.6	30.20 141.15	2.74 1.55	quartz-microcline-albite-muscovite pegmatite (shallow int. correlates with up-dip of Pegmatite 1)
RL23-66	Zone 1	52.47	55.05	2.58	quartz-microcline-albite-muscovite pegmatite
RL23-67	Zone 4	77.5	82.2	4.7	Spodumene bearing down-dip extension of Johnson pegmatite. Contains > 1m microcline crystal
RL23-68	Zone 4	12.5 32	14.5 34.75	2 2.75	3 – 7% spodumene in qtz-muscovite albite Qtz-musc-albite-microcline (no spodumene?)
RL23-69	Zone 4	-	-	-	Possibly the drill had overshot the pegmatite
RL23-70	Zone 4	120	124.5	4.5	Quartz-microcline dominated pegmatite

Preliminary Economic Assessment

On December 4, 2023, the Company announced the first ever Preliminary Economic Assessment (“PEA”) for the Raleigh Lake project. The PEA for the Raleigh Lake lithium project outlined a highly favourable after-tax NPV (discounted at 8%) of CAD\$342.9 million and after-tax IRR of 44.3% p.a.

The PEA considers a lithium mining operation to produce spodumene concentrate at Raleigh Lake, 25 kilometres west of Ignace, Ontario. The PEA relies on recent metallurgical test work (Phase 1) which indicates that a spodumene concentrate containing 6% Li₂O (“SC6”) can be produced using a simple crushing circuit and heavy liquid separation techniques. In the Phase 1 tests lithium recoveries were above 81% while iron oxide content remained within acceptable limits. As originally foreshadowed, the very near proximity of Raleigh Lake to existing service infrastructure along the Trans-Canada Highway corridor affords significant logistical and economic advantages to the project.

The PEA only considers spodumene concentrate, i.e. lithium, as a revenue source. The Company continues to investigate the potential value associated with the extraction of rubidium from the microcline zone within the spodumene deposit.

PEA Highlights

Economics (discounted at 8% p.a., CAD\$)

- Pre-tax Cashflow = CAD\$709.4 million, NPV = CAD\$385.1 million, IRR = 46.5% p.a.
- After-tax Cashflow = CAD\$634.0 million, NPV = CAD\$342.9 million, IRR = 44.3% p.a.
- Price assumptions: CAD\$3,139/tonne for 6% Li₂O concentrate (USD\$2,325/tonne)

CAPEX/OPEX

- Total pre-production capital costs: CAD\$111.9 million
- Total sustaining capital: CAD\$17.5 million
- Total life of mine (“LoM”) operating costs: CAD\$381 million (including concentrate transport)
- Average operating costs: CAD\$94.38/tonne milled, CAD\$993/tonne SC6

Mining Method

- Traditional open pit drilling and blasting followed by load and haul
- The plant feed production rate is proposed to be 540,000 tonnes per year (“tpy”)
- This LoM mine plan is proposed to mine 57 million tonnes (“Mt”) of material over the mine life, which will be comprised of 4Mt of mill feed and 53Mt of waste with an average strip ratio of 13.2:1
- Life of mine is forecast at nine years; project duration is 11 years

Process Plant

- The base case process plant is designed to crush 1,500 tonnes per day (“tpd”) and process 1,500 tpd in a dense media separation (“DMS”) plant to produce a nominal 56,000 tpy of 6% Li₂O at 81% recovery
- Process engineering and design were developed to a scoping level based on the results of the SGS laboratory testing. The SGS lab tests obtained 22.9 weight percentages of 6% Lithium Concentrate and estimated 81% lithium recovery
- A design factor of 10% is applied on nominal requirements to ensure that the process equipment has enough capacity to take care of the expected feed variation
- Total production for LoM is 414,904 tonnes of 6% Li₂O spodumene concentrate (“SC6”)

Raleigh Lake is 100% owned by ILC and there are no overriding royalties. The Company’s vision for Raleigh Lake is a low-risk, low-impact, small-scale mining operation that can begin to provide critical minerals necessary to fulfil Canada’s Critical Mineral Strategy in a shorter time frame than would be required for a much larger scale, longer duration and more remotely located project. Revenues from the mine production would continue to feed back into exploration work to expand ILC’s drive to become a significant Critical Minerals supplier in North America.

PEA Summary

Environmental Resource Management (“ERM”) was retained by International Lithium Corp. (“ILC” or the “Company”) to prepare a Preliminary Economic Assessment (“PEA”) in accordance with National Instrument 43-101 (NI 43-101) for the Raleigh Lake Project (the “Project”) located near Ignace, Ontario, Canada.

The Raleigh Lake Project is roughly 25 kilometres west of Ignace and 235 kilometres west of Thunder Bay in the northwestern part of Ontario within the Kenora Mining District. It is adjacent to the Trans-Canada Highway (Hwy 17) with CN Rail, TC Energy natural gas pipeline and Hydro One 235kV power lines transcending the Property. It is owned 100% by International Lithium Canada Ltd., a 100% owned subsidiary of ILC. There are no royalties or other encumbrances on the Property.

ILC identified the opportunity at Raleigh Lake in 2016 but did not begin actively pursuing work on the project until 2021 when an initial test drilling campaign was conducted along with regional lithogeochemical sampling. In 2022 the Company completed sufficient drilling to define a maiden Mineral Resource Estimate (“MRE”) with resources reported in the measured, indicated, and inferred categories (see below and Company press releases dated March 1 and April 13, 2023). Upon analyzing the MRE the Company embarked upon some initial metallurgical and economic studies that culminated in the results presented here. It is the Company’s opinion that the results to date provide a good basis to pursue a mining operation at Raleigh Lake and such an operation can be considered low impact due to the existence of well-developed and utilized infrastructure and the path to environmental permitting and eventual production would be shorter than if the project were to be more remotely located. The entire operation could be significantly more sustainable than remote operations and have direct economic benefits for the nearby and surrounding communities.

The proposed open pit mining operation would extract 57Mt of material over the mine life, which will be comprised of 4Mt of mill feed and 53Mt of waste with an average strip ratio of 13.2:1. The proposed PEA level mine plan is based around work at a proposed plant feed production rate of 540,000 tpy producing a total of 414,904 tonnes of SC6 concentrate over the mine life. The average mill feed grade is 0.70% Li₂O (Table 1).

Table 1: Summary of Base Case Cash Flow Modelling and Project Financial Analysis.

Parameter	Value	Unit
Project Schedule		
Overall project life	11	years
Mine life	9	years
Mining, Processing and Economic Parameters		
Total mill feed	4.4	Mt
Average mill feed grade	0.70	% Li ₂ O
Open pit mining rate	1,500	tpd
Process recovery	81.0	%
Total concentrate produced - 6% TG Li ₂ O	414,904	T
Commodity price - 6% TG Li ₂ O	\$2,325	USD/t
Exchange Rate	1.35	CAD/USD

A summary of the base case capital and operating costs calculated and used in the economic analysis exercise is shown in Table 2 below. Total costs are based on unit cost rates per tonne mill feed multiplied by the total tonnes of mill feed (4.37Mt).

Table 2: Summary of Base Case Capital and Operating Costs.

Parameter	Value	Unit
Unit Operating Costs -Production Phase		
Mining	CAD\$3.55	/t mined
Mining	CAD\$40.98	/t mill feed
Milling	CAD\$28.53	/t mill feed
G & A	CAD\$17.74	/t mill feed
Concentrate transportation	CAD\$7.13	/t mill feed
Total	CAD\$94.38	/t mill feed
Project Operating and Sustaining Capital Costs		
Total operating costs	CAD\$381.0 million	
Total sustaining capital costs	CAD\$17.5 million	
All operating and capital costs	CAD\$398.6 million	

A summary of the base case revenues used in the economic analysis exercise is shown in Table 3 and a summary of the pre- and post-tax economic analysis results is shown in Table 4.

Table 3: Summary of Base Case Revenues.

Parameter	Value
Project Revenue, Profit and Pre/Post Tax Cash Flows	
Concentrate sales revenue	CAD\$1,302.3 million
Concentrate transportation costs	CAD\$31.1 million
Net operating revenue	CAD\$1,271.2 million
Operating and sustaining capital costs	CAD\$398.6 million
EBITDA	CAD\$872.6 million
Payable taxes	CAD\$75.5 million
Net profit after taxes (NPAT)	CAD\$797.1 million
Total pre-production capital costs	CAD\$163.1 million

Table 4: Summary of Pre- and Post-tax Economic Analysis Results.

Parameter	Value	Unit
Economic Analysis Results		
Discount Rate	8.0	% p.a.
Pre-Tax Cashflow	\$709.5	CAD\$ million
Pre-Tax NPV	\$385.1	CAD\$ million
Pre-Tax IRR	46.5	% p.a.
Post-Tax Cashflow	\$634.0	CAD\$ million
Post-Tax NPV	\$342.9	CAD\$ million
Post-Tax IRR	44.3	% p.a.

Project Economics

The economic analysis of the Raleigh Lake project is based on cost models prepared for each major component of the overall project, which includes an open pit mine, crushing and processing plants, supporting surface infrastructure and a waste rock / tailings co-disposal facility.

The assumed technical grade 6% spodumene concentrate product and cost calculations are all expressed in Canadian dollars unless otherwise noted, with an exchange rate of 1.35 CAD/USD being used for currency conversions.

The calculated internal rate of return (IRR) of the project does not include potential external financing costs and assumes that all required funding will be equity based. The net present value (NPV) calculations assumed a discounting rate of 8% p.a.

The discounted cash flow model includes revenues, costs, taxes, and other known factors directly related to the project but excludes indirect factors such as financing costs, sunk costs, and corporate obligations.

The results of the economic analysis yielded a post-tax NPV of CAD\$342.9 million, an IRR of 44.3% p.a. and a payback period of 4 years after construction begins or 2 years after the start of the production phase of the project.

Full details of the PEA are available in a National Instrument 43-101 - Standards of Disclosure for Mineral Projects (“NI43-101”) technical report (“The Report”) for the Preliminary Economic Assessment (“PEA”) for a proposed lithium mining operation to produce spodumene concentrate at Raleigh Lake. A copy of The Report, “The Raleigh Lake Project, NI43-101 Technical Report – PEA,” was filed on SEDAR on January 18, 2024.

In 2024 the Company completed a Preliminary Baseline Environmental Study on the Raleigh Lake project area. While this initial study recommends a series of steps required to complete a full environmental baseline study, the following conclusions were derived from the work:

“The preliminary findings from desktop review and initial field reconnaissance did not reveal a high potential for critical or sensitive environmental features within the study area. In addition, the study area has been historically logged, developed with access roads and trails, and is generally well encroached by human activity. Therefore, based on the current understanding of the project, TBTE does not anticipate impacts to sensitive species or critical ecosystem functions during the proposed mine development within the study area of the Raleigh Lake Property.”

In August 2024 the Company made application to the Ministry of Mines (Ontario) to convert 72 Mining Claims to a Mining and Surface Rights Lease. The application review process, anticipated to take approximately two years, is underway.

In early 2025 the Company began a process of reducing the total Mining Claim area holdings at Raleigh Lake by allowing Mining Claims that have been determined to be less prospective to host mineral deposits to lapse. A total of approximately 15,600Ha were allowed to lapse leaving the project with a total area of approximately 32,900Ha. The claims were located at south eastern, southern and southwestern limits of the landholdings in the areas referred to as Hawk Lake, White Otter (South), and Owl Lake respectively.

Avalonia Project – Ireland

The Avalonia lithium project is comprised of eight prospecting licenses totalling 292 square kilometres centred 80 km south of Dublin straddling Counties Carlow and Wicklow in southeastern Ireland. The property encompasses an extensive NE-SW oriented 50-kilometre-long rare metals pegmatite belt situated within the East Carlow Deformation Zone along the eastern side of the Leinster Granite. Since acquiring the licenses in 2009, the Company has conducted a series of exploration programs to advance the project. The Company has a 45% interest in the project with the remaining 55% held by GFL International Co. Ltd.

On September 13, 2024, the Company entered into an amendment agreement for the Blackstairs Joint Venture Agreement. Pursuant to the amendment agreement, the date by which GFL shall incur \$10,000,000 in exploration expenditures or produce a bankable feasibility study was extended from September 14, 2024, to December 31, 2025, and the Company's participating interest in the joint venture reduced to 0%. As per the terms of the amendment agreement, ILC and GFL shall enter into an agreement granting ILC a 2% royalty of net smelter returns from the Avalonia Project. In addition, GFL shall make the following payments to ILC:

- (i) CAD\$100,000 within 10 business days of the amendment agreement (received);
- (ii) CAD\$1,100,000 on or before March 31, 2025 (received); and
- (iii) CAD\$1,000,000 on or before October 31, 2025

In 2016, a total of 23 diamond drill holes comprising 1,756 metres of NQ sized core were completed in the central part of the Avalonia project's lithium belt and entirely within County Carlow. Of these, 10 holes focussed on further delineating pegmatites in the Aclare area. Down-dip extension and infill drilling was used to delineate the distribution of lithium and rare metals in the system and identify thickening vectors of the pegmatite body.

Highlights of the drilling include three drill holes which intersected a previously unknown pegmatite 450 metres east of the main Aclare pegmatites. This new pegmatite is hosted in a granite sill parallel and adjacent to the granite sill hosting the main Aclare pegmatites where drill hole ACL13-04 intersected 2.23% Li₂O over a drill width of 23.3 metres, including 3.43% Li₂O over 6 metres (see Company news release dated June 25, 2013). All lengths reported are drill intercepts and have not been converted into true widths.

Spodumene bearing pegmatite boulders were discovered in field walls between the new pegmatite and the Aclare mineralization. These boulders contain spodumene crystals that are greater than 40 centimetres in length and some of the largest identified on the property to date.

Drilling Highlights (News release July 21, 2016)

- Most notable pegmatite intersection grading 2.33% Li₂O over 4.62m at southern extent of Aclare pegmatite;
- Aclare pegmatite high-grade mineralization open along trend to the southwest and at depth;
- Improved understanding of mineral zonation to assist future targeting; and
- Plans to extend drill pattern at Aclare and initiate exploration in the vicinity of a high-grade spodumene boulder field at Moylisha in preparation for drilling.

Particularly encouraging results (ACL16-22) are from the southern extent of the drilling and show that mineralization is open to the southwest with significant widths and grades. Holes ACL16-15 and 22 determined that an area previously mapped as a fault-controlled break in the pegmatite is in fact a bend in the mineralized zone revealing that the pegmatite zone is continuous and is made up of several closely spaced parallel bodies in this area.

Table of significant lithium values from the 2016 Avalonia drilling program

Hole ID	From (m)	To (m)	Length* (m)	Li ₂ O%
ACL16-15	68.18	78.83	10.65	1.07
Including	70.87	75.97	5.10	1.62
Including	70.87	72.12	1.25	2.50
ACL16-22	85.23	89.85	4.62	2.33
Including	86.26	87.93	1.67	3.29
ACL16-09	46.10	48.45	2.35	1.58
Including	46.10	47.03	0.93	2.99

* All lengths reported are drill core intercepts and have not been converted into true width.

The area drill tested by the Company represents one of the main prospects located along the 42-kilometre lithium pegmatite belt that falls within the Avalonia licenses. A total of 23 targets have been identified to date by geochemical surveys and prospecting along the belt. Since its discovery in the late 1960s, the Aclare area has received more exploration activity and drilling than other targets and consequently is the most geologically understood part of the belt. This makes Aclare a valuable area for testing methods that will then be applied at other targets along the 42-km belt.

During 2018 Ganfeng Lithium drilled a total of 1947.6 metres of NQ diameter core drilling in fifteen drill holes spanning a strike length of approximately 400 metres at the Moylisha prospect of the Avalonia Project. The drilling to date suggests that the pegmatites, including spodumene pegmatites, are open to the northeast and southwest along strike and at depth.

Several of the drill holes have successfully intercepted multiple occurrences of spodumene bearing pegmatites as indicated in the table below.

Table of significant lithium results from the 2018 Avalonia Project Drill Program.

Hole ID	Grade (%Li ₂ O)	Width* (m)	From (m)	To (m)
MOY18-04	1.12	0.34	93.93	94.27
MOY18-06	2.55	2.05	75.17	77.22
MOY18-06	1.17	0.74	97.46	98.20
MOY18-08	2.17	0.71	9.77	10.48
MOY18-10	1.56	2.15	31.43	33.58
MOY18-11	1.03	12.29	86.27	98.56
MOY18-11	1.27	1.88	100.32	102.20
MOY18-11	1.49	1.40	105.45	106.85
MOY18-11	1.04	3.28	121.42	124.70
MOY18-13	1.35	4.28	68.32	72.60
MOY18-14	2.13	1.85	108.77	110.62
MOY18-14	0.99	1.18	112.52	113.70
MOY18-16	1.69	1.44	21.63	23.07
MOY18-16	1.06	1.59	40.83	42.42
MOY18-16	1.32	1.62	67.65	69.27
MOY18-17	2.08	3.14	44.34	47.48
MOY18-17	1.11	1.15	50.70	51.85
MOY18-17	1.18	1.01	53.15	54.16
MOY18-18	1.38	0.72	22.08	22.80
MOY18-18	2.78	0.72	49.83	50.55
MOY18-18	1.95	0.64	55.64	56.28
MOY18-18	2.13	0.65	81.21	81.86

* All lengths reported are drill core intercepts and have not been converted into true width.

Mavis Lake - Fairservice Project - Ontario, Canada

The Company completed the sale of its 49% interest in the Mavis Lake Lithium Project (or “Mavis Lake - Fairservice”) in 2022. During 2023, the Company received the project milestone payment income of AUD\$750,000 (CAD\$656,715). The Company has a right to receive a second project milestone payment of AUD\$750,000 if certain project milestones are met.

Critical Resources will make the milestone payments as follows:

- AUD\$750,000 (received) on definition of a mineral resource estimate exceeding 5 million tonnes of which at least 50,000 tonnes of Li₂O using a cut-off grade of at least 0.4%; and
- A further AUD\$750,000 on definition of a resource exceeding 10 million tonnes of which at least 100,000 tonnes of Li₂O using a cut-off grade of at least 0.4% or, in case both milestones are defined at the same time, AUD\$1,500,000 in total.

The Mavis Lake - Fairservice Project (“Mavis Lake Lithium Project”) consists of a package of nineteen adjacent mineral claims which include thirteen unpatented mining claims (the Mavis Lake claims) and six patented mining leases (the Fairservice property). This package covers the lithium-tantalum core of the Mavis Lake Pegmatite Group adjacent to Mavis Lake near Dryden, Ontario, Canada.

Forgan Lake Project, Ontario, Canada

The Company holds a Net Smelter Royalty of 1.5% on the Forgan Lake property and on an adjoining property Lucky Lake. The Forgan Lake Project is comprised of certain claims covering an area of 256 hectares located in the Thunder Bay Mining District in Northwestern Ontario, Canada.

Wolf Ridge – Ontario Canada

The Wolf Ridge property is comprised of 275 claim units (approximately 5,700 hectares) located 20 kilometres southwest of the town of Upsala, and 125 kilometres northwest of Thunder Bay, Ontario.

On April 20, 2022, the Company entered into an option agreement to acquire 100% interest in the Wolf Ridge Property located in Ontario. In accordance with the terms of the agreement, the Company may earn a 100% interest in the property by spending \$350,000 on exploration expenditures and paying a consideration comprised of \$210,000 cash (\$70,000 paid) and 775,000 shares of the Company (375,000 issued) over the period of four years. The property is subject to NSR as follows:

- i) 1.0% NSR for all minerals that are not Nickel, Copper, Lead, Zinc, Molybdenum, Cobalt, Platinum, Palladium, Gold and Silver (the "Original Royalty"). The Company has a right to purchase at any time the entirety of the 1.0% of the Original Royalty by paying a consideration comprised of \$1,000,000 cash and 225,000 shares of the Company.
- ii) 2.0% NSR for all minerals that are Nickel, Copper, Lead, Zinc, Molybdenum, Cobalt, Platinum, Palladium, Gold and Silver (the "Nickel Royalty"). The Company may purchase at any time 1.0% of the Nickel Royalty (half of the Nickel Royalty) by paying a consideration comprised of \$1,000,000 cash and 225,000 shares of the Company.

Firesteel Project, Ontario

On February 16, 2024, the Company entered into a Purchase and Sale Agreement to acquire a 90% interest in the Firesteel Project in Northwestern Ontario. On May 21, 2024, the Company entered into an Amended Purchase and Sale Agreement (the “Amended Agreement”). Pursuant to the terms of the Amended Agreement, the Company acquired a 90% interest in the project by paying \$55,000 cash upon signing in February 2024 and paying \$110,000 cash upon signing of the Amended Agreement in May 2024. The Company granted the vendor to receive the following milestone payments:

- if a Resource Calculation equal to or exceeding 10,000,000 metric tonnes at 1% Copper is established (the “First Resource Bonus Threshold”), the Company shall pay \$1,000,000; and
- if a Resource Calculation equal to or exceeding 15,000,000 metric tonnes at 1% Copper is established (the “Second Resource Bonus Threshold”), the Company shall pay further \$1,000,000.

On July 14, 2024, International Lithium Corp. began an inaugural drilling campaign on the Firesteel copper property. Drilling concluded on August 13, 2024 with 14 diamond drill holes on target zones 1, 2, 4, 5, and 6 completed (Table 1; Figure 1). A total of 1,894 meters of core was produced, the results of which strongly suggest the presence of a VMS style deposit. Additional targets remain untested along the southern limb as identified by the 2023 airborne geophysical survey and soil orientation surveys carried out in 2024.

Table 1: Drill hole locations for the 2024 Firesteel project.

Hole	Target	Easting	Northing	Azimuth	Dip	Depth (m)
FS-24-001	Zone 1	667599	5433784	180	-45	188
FS-24-002	Zone 1	667595	5433727	180	-45	92
FS-24-003	Zone 1	667602	5433850	180	-48	266
FS-24-004	Zone 2	670879	5435019	350	-50	62
FS-24-005	Zone 2	670877	5434971	360	-50	116
FS-24-006	Zone 4	671070	5435013	360	-50	86
FS-24-007	Zone 4	673973	5435174	360	-50	230
FS-24-008	Zone 4	674637	5435501	360	-50	68
FS-24-009	Zone 4	674580	5435463	360	-50	92
FS-24-010	Zone 4	674810	5435479	360	-50	80
FS-24-011	Zone 5	677463	5435900	360	-50	266
FS-24-012	Zone 5	677462	5435859	360	-50	164
FS-24-013	Zone 6	677269	5435777	180	-50	113
FS-24-014	Zone 6	677084	5435288	180	-50	149

The drilling had returned several semi-massive and massive sulphide intercepts indicative of copper VMS style mineralization. The highest copper grades returned to date are 0.45% Cu over 0.60 metres. These results were obtained downdip of copper mineralization exposed at surface and so may not constitute a new discovery as such, however, the continuity and style of the mineralization were important discoveries that lead the company to believe that a significant copper deposit could be found on the property.

In addition, orientation soil geochemical surveys were conducted in tandem with the drilling (not reported here) which support to some degree the drilling results and provide additional targets for drill testing. These additional targets have copper concentrations in soil samples that are much higher than the areas that were recently drill tested (Figure 1).

The company is considering an exploration program in 2025 which will include expanding the soil geochemical surveys and drill testing the southern limb targets identified in 2024.

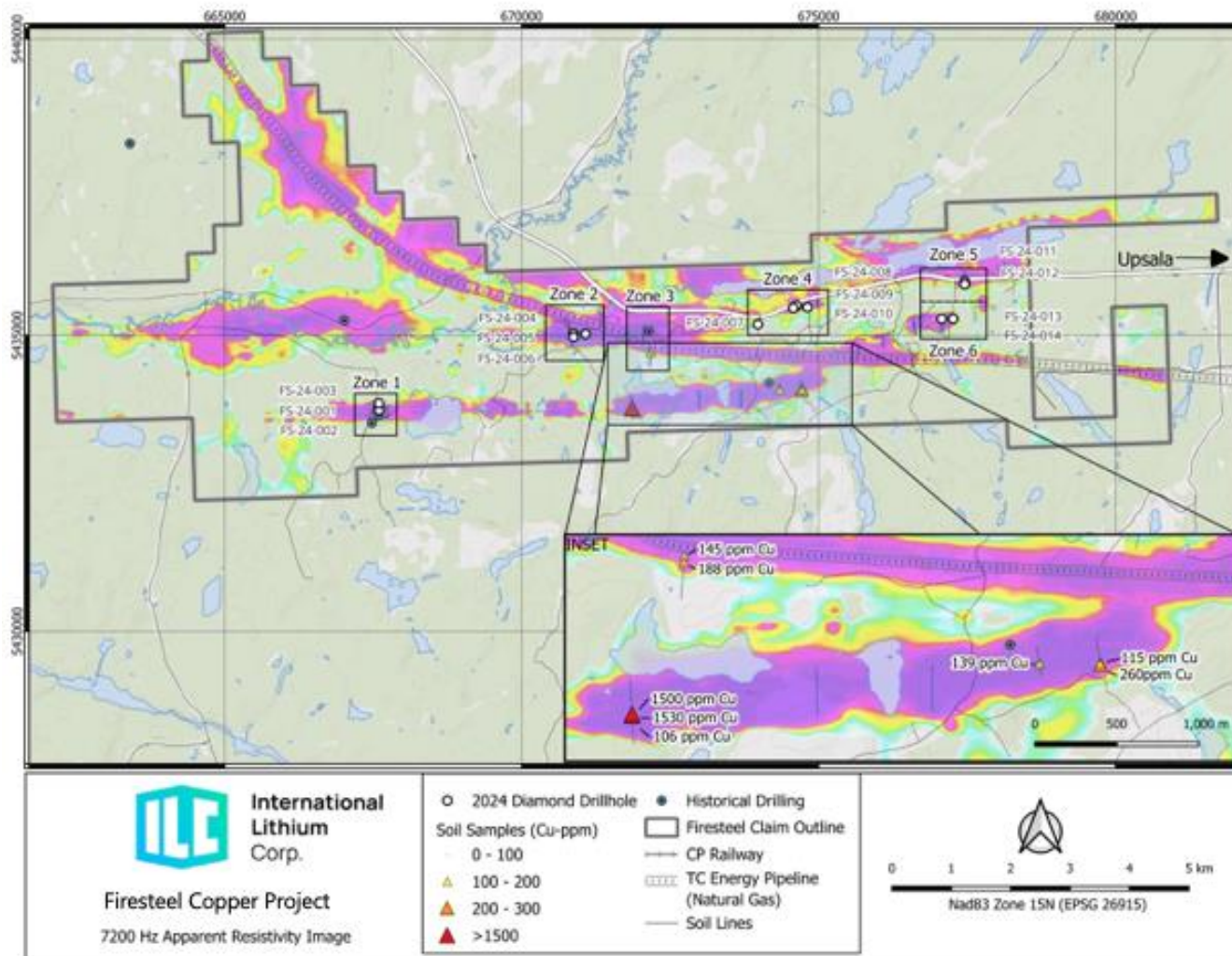


Figure 1: Firesteel project target zones and 2024 drill holes plotted over the 7200Hz apparent resistivity image. Anomalous soil samples shown in inset are untested by drilling and occur mostly on the southern limb.

EPOs, Zimbabwe

The Company has applied for various Exclusive Prospecting Orders (“EPOs”) in Zimbabwe. The aggregate cost of preparing and filing the EPO applications is USD\$219,250 which was paid by a subsidiary of the Company.

Other Claims in Zimbabwe

The Company has entered into an option agreement to acquire a 100% interest in certain mineral claims located in Manicaland Zimbabwe. The total purchase consideration to acquire 100% interest in the claims is USD\$200,000 of which the Company has paid USD\$55,000 which was contracted and paid by a subsidiary of the Company. The option is valid until 7 days from the day the Company receives the first EPO. The Company also has a 65% interest in two Projects comprised of 440 hectares in Manicaland Zimbabwe. The Company paid purchase consideration of USD\$32,650 through a subsidiary of the Company.

Babak V. Azar, PGeo, a Qualified Person under the meaning of NI 43-101 and a consultant of the Company, is responsible for the technical content of this MD&A.

MINERAL PROPERTIES AND COMMITMENTS

A detailed listing and narrative of the Company's properties is provided in the consolidated financial statements for the year ended December 31, 2024, including the capitalized exploration and evaluation costs presented on a property-by-property basis.

Detailed exploration and evaluation expenditures (including acquisition costs) for the year ended December 31, 2024 are as follows:

	Raleigh Lake Project, Ontario	Wolf Ridge Project, Ontario	Firesteel Project, Ontario	EPOs, Zimbabwe	Other Zimbabwe projects	Total
Exploration and Evaluation Assets						
Balance, December 31, 2022	\$ 4,643,531	\$ 113,018	\$ -	\$ -	\$ -	\$ 4,756,549
Acquisition costs	-	-	-	291,953	15,780	307,733
Exploration expenditures	1,600,787	35,863	-	-	-	1,636,650
Option payments made	-	27,500	-	-	73,238	100,738
Government grant received	<u>(140,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(140,000)</u>
Balance, December 31, 2023	6,104,318	176,381	-	291,953	89,018	6,661,670
Acquisition costs	-	-	165,000	-	28,492	193,492
Exploration expenditures	355,587	22,310	572,307	-	-	950,204
Option payments made	-	43,750	-	-	-	43,750
Impairment	(37,300)	-	-	(300,330)	-	(337,630)
Government grant received	-	-	(200,000)	-	-	(200,000)
Foreign exchange	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,377</u>	<u>8,609</u>	<u>16,986</u>
Balance, December 31, 2024	\$ 6,422,605	\$ 242,441	\$ 537,307	\$ -	\$ 126,119	\$ 7,328,472

Deferred exploration costs were as follows:

	Raleigh Lake Project	Wolf Ridge Project	Firesteel Project	Other Zimbabwe projects	Total
Year ended December 31, 2024					
Assays and laboratory	\$ 22,846	\$ 7,075	\$ 55,004	-	\$ 84,925
Drilling	-	-	243,936	-	243,936
Exploration expense	48,430	7,135	87,427	-	142,992
Geology and geophysics	281,811	8,100	180,000	-	469,911
Equipment and tools	-	-	5,940	-	5,940
Travel and related	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
Total	\$ 355,587	\$ 22,310	\$ 572,307	\$ -	\$ 950,204

	Raleigh Lake Project	Wolf Ridge Project	Firesteel Project	Total
Year ended December 31, 2023				
Assays and laboratory	\$ 67,099	\$ 7,702	\$ -	\$ 74,801
Drilling	770,131	-	-	770,131
Exploration expense	105,683	-	-	105,683
Geology and geophysics	657,874	25,286	-	683,160
Travel and related	<u>-</u>	<u>2,875</u>	<u>-</u>	<u>2,875</u>
Total	\$ 1,600,787	\$ 35,863	\$ -	\$ 1,636,650

OUTLOOK

The Company's primary focus for the foreseeable future will be exploring the potential of the Raleigh Lake lithium pegmatite project. In addition, it will seek to progress work in Zimbabwe as soon as there is positive news on the applications for Exclusive Prospecting Orders. It is also seeking out new project opportunities globally.

SUMMARY OF QUARTERLY RESULTS

For the Quarters Ended

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Total assets	\$ 10,504,285	\$ 11,251,311	\$ 11,178,842	\$ 12,340,718
Exploration and evaluation assets	7,328,472	7,731,338	7,069,320	6,809,071
Working capital (deficit)	2,057,075	(17,146)	1,104,777	2,234,079
Shareholders' equity	9,591,740	10,785,168	11,152,739	12,254,061
Comprehensive income (loss)	2,493,636	(395,692)	(1,270,282)	(753,111)
Basic and diluted earning (loss) per share	0.01	(0.00)	(0.01)	(0.00)
	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Total assets	\$ 13,196,512	\$ 13,910,795	\$ 14,567,942	\$ 14,159,412
Exploration and evaluation assets	6,661,670	5,633,347	4,947,660	4,717,383
Working capital	3,107,689	4,978,672	6,098,135	6,491,701
Shareholders' equity	13,007,172	13,851,985	14,327,232	14,099,761
Comprehensive loss	(990,366)	(528,617)	(206,919)	(736,054)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

Changes in key financial data over the periods presented can be attributed to the Company exploring and acquiring or disposing of mineral properties in Canada and Ireland.

The Company has no present intention of paying dividends on its common shares as it anticipates that all available funds will be invested to finance project exploration and advancement.

RESULTS OF OPERATIONS

Year ended December 31, 2024

The Company earned a comprehensive income of \$74,551 (2023 – loss of \$2,461,956) during the year ended December 31, 2024.

Significant changes are as follows:

- Gain on investment of \$3,057,708 (2023 - \$Nil) in relation to reclassification of investment in BLL.
- Director's fees decreased to \$638,406 (2023 - \$835,186). The Company awarded a bonus of \$217,638 to five directors of the Company (2023 - \$499,459 to four directors).
- Foreign exchange gain amounted to \$97,095 (2023 – loss of \$40,273). The Company is exposed to foreign exchange movements on cash and loans receivable and liabilities denominated and settled in foreign currencies.
- Shareholder communications expense of \$255,830 (2023 - \$337,345) includes shareholder marketing and awareness expenses.
- Share-based payments of \$nil (2023 - \$255,002) relate to the stock options vesting in the year.

- Professional fees of \$333,598 (2023 - \$266,012) increased due to the legal services availed.
- Write-down of exploration assets of \$337,630 (2023 - \$nil). The Company relinquished certain claims of the Raleigh Lake project due to unsatisfactory exploration results and recorded a write-down of \$37,300 (2023 - \$nil). The Company recorded a write-down of the carrying value of \$300,330 (2023 - \$nil) related to the EPOs due to the timing uncertainty of the grant of EPOs

Three months ended December 31, 2024

The Company earned a comprehensive income of \$2,493,636 (2023 – loss of \$990,366) during the three months ended December 31, 2024.

Significant changes are as follows:

- Gain on investment of \$3,557,708 (2023 - \$Nil) in relation to reclassification of investment in BLL.
- Director’s fees decreased to \$105,726 (2023 - \$344,949) due to a bonus grant in 2023.
- Foreign exchange gain amounted to \$56,642 (2023 – loss of \$10,965). The Company is exposed to foreign exchange movements on cash and loans receivable and liabilities denominated and settled in foreign currencies.
- Shareholder communications expense of \$62,313 (2023 - \$160,620) includes shareholder marketing and awareness expenses.
- Project investigation expense was \$nil (2023 - \$138,765).
- Write-down of exploration assets of \$337,630 (2023 - \$nil).

LIQUIDITY AND CAPITAL RESOURCES

To date, the Company has not yet realized profitable mining operations although it has made profits through exploration and subsequent sales of mineral properties. As an exploration company, ILC will over time require additional financing to continue its exploration activities and is likely to continue to require such additional financing for some time. There can be no assurances that such financing will be available or if available, will be on reasonable terms.

The consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses in several periods since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing or revenue from sale of mineral properties. The Company will endeavor to raise funds for future use from equity or debt financings, sales of mineral assets and other methods as contemplated by management to satisfy its capital requirements and will continue to depend heavily upon these financing and asset disposal activities.

The following table provides information regarding the Company’s working capital and accumulated deficit as at December 31, 2024.

	December 31, 2024	December 31, 2023
Working capital (deficit)	\$ 2,057,075	\$ 3,107,689
Deficit	\$ (14,366,148)	\$ (11,024,274)

Net cash used by operating activities during the year ended December 31, 2024, was \$2,005,144 (2023 – \$2,487,739). The cash used in operating activities for the year consists of the operating loss net of non-cash items and changes in non-cash working capital.

Net cash used by investing activities during the year ended December 31, 2024, was \$629,010 (2023 – \$919,742). The primary use of cash was exploration and evaluation cost of \$595,819 (2023 - \$1,654,340). Property acquisition cost of \$165,000 related to the Firesteel Project (2023 - \$nil) and option payments made of \$40,000 (2023 - \$20,000) for the Wolfridge Project. Project milestone payment received were \$nil (2023 - \$656,715) and proceeds from sale of marketable securities were \$93,133 (2023 - \$nil).

The mining industry is cyclical, and there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. If adequate financing is not available when required, the Company may delay, scale back or eliminate various programs and ultimately might be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company’s shareholders and may result in dilution to the value of such interests.

The Company’s revenues, if any, are expected to be in large part derived from the mining and sale of lithium, rubidium and rare earth metals or interests related thereto. The economics of developing and producing mined material are affected by many factors including the cost of operations and the market price of the mined material. Depending on the market price of mined material, the Company may determine that it is impractical to continue commercial production (once commenced).

Share capital

On May 21, 2024, the Company issued 150,000 shares with fair value of \$3,750 pursuant to the Wolf Ridge Property option agreement.

On May 18, 2023, the Company issued 125,000 shares with fair value of \$7,500 pursuant to the Wolf Ridge Property option agreement.

RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the year ended:

Transaction	Relationship	December 31, 2024	December 31, 2023
Consulting fees	John Wisbey, Director and CEO	\$ 374,138	\$ 346,204
	Maurice Brooks, Director and CFO	102,000	102,000
	Blacksmith Metals Exploration Ltd. - Anthony Kovacs, Director and COO	180,000	166,667
Directors’ fees	John Wisbey	222,305	374,081
	Maurice Brooks	68,610	77,200
	Anthony Kovacs	114,000	150,000
	Ross Thompson	157,491	162,905
	Geoffrey Baker	76,000	71,000
Share-based payments	Directors and officers	-	197,149
		\$ 1,294,544	\$ 1,647,206

During the year ended December 31, 2024, the Company awarded a bonus of \$217,638 to five directors of the Company (2023 - \$499,459 to four directors) recorded as directors’ fees.

At December 31, 2024, due to related parties consisted of \$226,235 payable to various directors and officers (December 31, 2023 - \$82,592) for expenses and services detailed above and is included in accounts payable and accrued liabilities.

At December 31, 2024, loan receivable with accrued interest of USD\$223,389 (\$321,434) was receivable from a director and officer of the Company (December 31, 2023 - USD\$223,233 (\$295,248) (repaid in January 2025).

Commitments - Consulting agreements

The Company entered into consulting agreements with two officers, who are also directors, of the Company for the provision of consulting services at a cost of CHF 314,400 and \$145,200 per annum respectively. If either of the agreements are terminated without cause, the Company is required to pay a lump sum equal to twelve months' worth of fees. Should the Company be subject to a change in control and the consultant terminated without cause, the Company must pay an amount equal to the prior twelve months gross pay.

The Company entered into a consulting agreement with an officer and director of the Company for the provision of consulting services at a cost of \$240,000 per annum. If the agreement is terminated without cause, the Company is required to pay the greater of a lump sum equal to twelve months' base compensation and one month's base compensation for each year engaged with the Company. Should the Company be subject to a change in control and the consultant terminated without cause, the Company must pay an amount equal to the prior twelve months gross pay.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include credit risk, currency risk, interest rate risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Please refer to Note 14 of the consolidated financial statements for the year ended December 31, 2024, for further details.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as at the date of this report.

CRITICAL ACCOUNTING POLICIES

The preparation of the consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

The most significant judgments relate to the functional currency of the Company, significant influence over associates, and recognition of deferred tax assets and liabilities. The most significant estimates relate to the calculation of share-based payments and recoverability of exploration and evaluation assets.

A detailed summary of all of the Company's significant accounting policies is included in Note 2 and 3 to the audited consolidated financial statements for the year ended December 31, 2024.

SUBSEQUENT EVENTS

- On March 31, 2025, the Company closed the first tranche of a non-brokered private placement of common shares. The Company issued 23,666,666 common shares at \$0.015 per share for gross proceeds of \$355,000. The Company's directors and officers participated in the private placement.
- Loan receivable from a director of USD\$200,000 principal and USD\$24,210 accumulated interest was fully settled.
- The Company received \$1,200,000 from GFL pursuant to the amendment agreement for the Blackstairs Joint Venture Agreement.
- Subsequent to the year ended December 31, 2024, the United States and Canadian governments announced new tariffs on imported goods. This has caused significant economic uncertainty and market volatility. Management is actively assessing the situation and the effects on the Company, if any, are currently uncertain.

OUTSTANDING SHARE DATA

The following table summarizes the outstanding share capital, stock options, and warrants as of the date of the MD&A:

	Number of shares issued or issuable
Common shares	272,403,254
Stock options	11,746,000
Warrants	32,708,252
Total if all converted or exercised	316,857,506

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future value for certain assets or liabilities. Management believes that such estimates have been based on careful judgments and have been properly reflected in the financial statements. Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

BUSINESS RISKS

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as liquidity, operational, market and regulatory risks. There are also legal risks and risks where we are relying on partners to make key decisions which affect the future of the Company's projects.

- Liquidity risk, in particular funding risk, has historically been seen by the Board as a key risk issue. The Company, as an exploration company, has no or insignificant income, and has expenditure to develop its properties as well as normal operating costs and, if debt is taken on in future, debt service costs. Consequently, it has required and will at some point again in the future require additional financing to continue in business and this may continue for some time. There can be no assurance that future financing will be available or, if available, that it will be on reasonable terms. If financing is obtained by issuing common shares from treasury, control of the Company may change, and investors may suffer additional dilution.

To the extent financing is not available, lease payments, work commitments, rental payments and option payments, if any, may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company.

- Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental laws and regulations, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and to the best of its knowledge adheres to all regulations governing its operations. Insurance may be maintained at levels consistent with prudent industry practices to minimize risks, but the Company is not fully insured against all risks, nor are all such risks insurable.

- Market risks include commodity prices (especially lithium and rubidium related), interest rates and the Canadian dollar exchange rate against various currencies, all of which are beyond the Company's control. Changes in commodity prices can make a big difference to the economic viability of projects and possibly the ability to fund them. This presently is particularly the case for lithium prices which, as mentioned above, have fallen by 88% since the end of 2022. In the case of rubidium for which the Company has declared a resource, there is the additional market risk factor of the size of the market. The Company's mineral deposit at Raleigh Lake may be large enough to meet several years of market demand, and consequently the Company's annual sales potential from rubidium may not be as high as its potential production.
- Inflation risk: the massive money printing by governments during and after the COVID-19 crisis accelerated inflation in industrial countries to levels not seen in decades. Additionally, the war in Ukraine has added inflationary pressure through money printing and has put further upward pressure on energy prices. This has inevitably added and may continue to add inflationary costs to the Company's cost base.
- Environmental lobby risks exist for all mining or mining exploration projects, and there is always a risk that public opinion in a country means that companies have to defer or reduce their plans owing to change in government policy, even though they had previously obtained all the required permissions and licences. Lithium is generally accepted as part of the future solution to reduce dependence on hydrocarbons, but there is still the "not in my backyard" risk. At present for the projects that the Company manages this is seen as low risk, and the Company avoids new projects where this is seen as high risk. It may be a risk for the Company in Ireland which the Company does not manage.
- Regulatory risks include possible delays in or denials to the Company or its partners getting regulatory approval to transactions that the Board of Directors believe to be in the best interests of the Company. Regulatory approval might include, for example, the wish in future to sell shares or assets to a non-Canadian company where the Canadian authorities regard such asset or share stake as strategic to Canada in the critical minerals sector. On a much smaller scale regulatory risks and costs could include increased fees for filings and the introduction of any additional reporting requirements the cost of which the Company must meet in order to maintain its exchange listing.
- Partner risks can exist, and might exist in the future, where the Company's partner has different interests or capabilities from those of the Company or is unable or unwilling to progress projects at the same speed that the Company would like to. For example the Company mitigated its credit or liquidity risk by choosing a strong company, Ganfeng Lithium, as its partner in Ireland, but in respect of future royalty payments there is no guarantee that Ganfeng will prioritize Avalonia for development over other lithium projects.
- Legal risks: In the mining industry there is always a risk over contractual interpretation of royalty rights and obligations, and it is possible that the Company's interpretation of its rights and obligations could be different from other parties' interpretation of them. This carries litigation risk.

For information on additional risks, please refer to the Company's consolidated financial statements for the year ended December 31, 2024.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Changes in Internal Control over Financial Reporting ("ICFR")

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.