



## **Management Discussion and Analysis**

**For the year ended December 31, 2025**

**BATTERY X METALS INC.**  
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The purpose of this Management Discussion and Analysis (“MD&A”) is to explain management’s point of view of Battery X Metals Inc.’s (the “Company”) past performance and future outlook. This report also provides information to improve the reader’s understanding of the financial statements and related notes, and should therefore be read in conjunction with the audited consolidated financial statements and notes thereto for the years ended December 31, 2025 and 2024 (the “Annual Financial Statements”). Additional information on the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company’s website at [www.batteryxmetals.com](http://www.batteryxmetals.com). All information contained in this MD&A is current as of April 30, 2026, unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with IFRS Accounting Standards (“IFRS”) and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

**BUSINESS OVERVIEW**

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Battery X Metals Inc. (the “Company”) was incorporated on August 22, 2017 under the laws of British Columbia. The address of the Company’s registered and records office is 2501 - 550 Burrard Street, Vancouver, BC V6C 2B5. The Company’s common shares trade on the Canadian Securities Exchange under the symbol BATX, on the OTCQB Exchange under the symbol “BATXF”, and on the Frankfurt Stock Exchange under the symbol “5YW0”

The Company’s wholly-owned subsidiaries, 1379596 BC Ltd. (“137596 BC”), Battery X Recycling Technologies Inc. (“Battery X Recycling”), YY Resources Inc. (“YY Resources”), 1451917 BC Ltd. (“1451917 BC”), Battery X Rebalancing Technologies Inc. (“Battery X Rebalancing”), and Battery X Discoveries Inc. (“Battery X Discoveries”) are located in British Columbia, Canada.

Effective December 6, 2024, the Company implemented the consolidation of its issued and outstanding common shares on the basis of three and one-third (3.3) pre-consolidation common shares for every one (1) post-consolidation common share (the “Consolidation”). On October 28, 2025, the Company completed its 20:1 share consolidation, with each twenty (20) pre-consolidated Common Shares being consolidated into one (1) post-consolidated Common Share.

The Company is an energy transition resource exploration and technology company advancing a comprehensive strategy across the battery metals value chain. Central to this strategy is the development of patent-pending software and hardware systems designed to actively rebalance and extend the remaining useful life of lithium-ion and electric vehicle (“EV”) batteries. In parallel, the Company is advancing proprietary battery material recovery technologies, in collaboration with a globally ranked top 20 university, and pursuing the exploration of critical battery metal projects. Through this integrated approach, the Company aims to contribute to a more sustainable, circular energy economy and support the development of a resilient domestic battery supply chain.

The Company is engaged in the identification and advancement of energy transition-oriented mineral properties, with current exploration activities centered on its lithium-focused asset. Through its wholly owned subsidiaries, the Company is also progressing development-stage lithium-ion battery technology initiatives intended to support the broader battery supply chain. The Company’s mineral property remains at an early stage of exploration, with no current estimates of mineral resources or reserves, and its technology initiatives are also in the development stage, having generated limited revenues to date. Accordingly, the Company continues to allocate significant resources toward research and development, product advancement, and broader market entry initiatives, and does not anticipate achieving profitability in the near term.

As at the date of this report, exploration activities are focused on the Y Lithium Project, a district-scale, NI 43-101 compliant lithium exploration asset located near Bailey Lake in northern Saskatchewan, approximately 160 kilometers northeast of Stony Rapids and about 10 kilometers south of the Saskatchewan–Northwest Territories border. The project comprises four staked mineral claims across two claim blocks totaling approximately 5,856 hectares and is situated within the prospective Ennadai

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Greenstone Belt. The property is located approximately 5 kilometers west of a reported lithium- and tantalum-bearing pegmatite occurrence, highlighting the broader geological potential of the region.

On April 3, 2025, the Company incorporated Battery X Discoveries, a North American-focused exploration subsidiary dedicated to the identification, acquisition, and advancement of critical battery metal projects, including lithium, cobalt, graphite, nickel, and manganese. Battery X Discoveries has also entered into a binding memorandum of understanding with TerraDX Discoveries Inc. (“TerraDX”) and MineMind Metals Inc. (“MineMind Metals”), establishing a strategic joint venture framework to pursue battery metals exploration opportunities in Nevada, USA using artificial intelligence-driven mineral targeting technologies.

On October 31, 2025, Battery X Discoveries, in partnership with TerraDX and MineMind Metals, completed preliminary artificial intelligence-powered prospectivity modelling for its Nevada exploration initiative. The modelling, informed by approximately 60 curated geological datasets, identified multiple prospective zones exhibiting geological patterns consistent with known lithium mineralization. The project has since advanced to a secondary modelling phase focused on exclusion mapping and refinement of high-confidence exploration targets to support potential claim acquisition and further exploration activities in Nevada, USA.

### **Battery X Recycling**

Battery X Recycling is a development-stage company focused on the advancement of eco-friendly lithium-ion battery material recovery technologies. Battery X Recycling is developing a proprietary froth flotation technology designed to selectively recover battery-grade materials, including graphite, lithium, nickel, cobalt, manganese, and copper, from “black mass,” the residual material derived from shredded end-of-life lithium-ion batteries.

Research has been conducted in collaboration with the Institute of Mining Engineering at a globally ranked top 20 university (the “Global Top 20 University”), pursuant to an original collaborative research agreement, as amended, which concluded on June 30, 2025. Building on this foundational work, Battery X Recycling is a party to a new collaborative research agreement dated November 7, 2025, as amended December 30, 2025, with the Global Top 20 University.

The new agreement is focused on advancing the development of Battery X Recycling’s proprietary battery material recovery process through continued laboratory research and process refinement. Current work is focused on expanding testing to include lithium iron phosphate (“LFP”) black mass chemistries, improving graphite grade and metal oxide purity through optimization of flotation parameters and solvent-based treatments, and enhancing overall process selectivity. This work is intended to generate the data and process understanding necessary to support future pilot-scale development and potential commercial applications, subject to the achievement of additional laboratory milestones.

The Company’s research program has evaluated the recovery of graphite and metal oxides from lithium-ion battery black mass using a laboratory-scale froth flotation process. Two representative black mass samples, one oxidized and one unoxidized, were analyzed to assess the influence of graphite oxidation, binder coatings, and particle size on flotation performance. Preliminary trials were conducted using a Denver laboratory flotation cell under controlled conditions representative of industrial processes.

The research confirmed that graphite oxidation and the presence of polymer binders can significantly impair flotation efficiency by reducing graphite hydrophobicity and causing metal oxides to report with graphite. To address these challenges, a solvent-based pre-treatment step was developed to remove binder coatings and restore the surface properties of both graphite and metal oxides.

On April 4, 2025, the Company announced that it had demonstrated up to 97.0% graphite recovery and approximately 69.0% graphite purity, establishing a baseline level of performance for its proprietary flotation process.

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On May 6, 2025, the Company announced that subsequent work led to the identification of a new solvent system that enhanced the separation of oxides from graphite. Controlled trials using unoxidized NMC-dominant black mass achieved a 26.5%–31.5% relative increase in oxide recovery (to 48.10%) and a 5.5%–6.3% relative increase in graphite purity (to 73.0%), while maintaining graphite recovery at approximately 97% and oxide purity at approximately 90%.

On May 16, 2025, the Company announced that it had demonstrated further advancements, achieving 98.6% graphite recovery and 96.3% metal oxide purity through the combined application of the solvent-based treatment and a two-stage flotation process. These results reflect improvements in separation efficiency, material purity, and reduced binder interference compared to earlier single-stage testing.

When combined with optimized re-flotation stages, the process has achieved graphite recoveries exceeding 98% with concentrate grades of up to 76%, while producing metal oxide streams with purity levels of approximately 95% to 96%. These results were verified using combustion methods to confirm graphite content and material grade.

While these results represent a significant advancement in black mass processing under environmentally responsible conditions, the flotation of fine oxide particles alongside graphite remains an area of ongoing research. Current work continues to focus on improving selectivity and expanding testing across additional battery chemistries, including LFP black mass, to support continued validation and future pilot-scale development.

Battery X Recycling believes it is positioned to play a strategic role in the emerging circular battery economy by offering a clean and scalable pathway to recover battery-grade materials. Graphite, which constitutes up to 95% of the anode material in lithium-ion batteries, is typically not recovered in conventional hydrometallurgical or pyrometallurgical processes. By enabling the recovery of graphite alongside high-purity cathode oxides and phosphates, Battery X Recycling aims to support North America's critical mineral supply chains and reduce the environmental footprint of battery material production.

### **Battery X Rebalancing**

Battery X Rebalancing is a development-stage technology company focused on extending the remaining useful life of lithium-ion and electric vehicle (EV) batteries through a next-generation, patent-pending battery cell rebalancing hardware and software system (the "Rebalancing Machine"). The Rebalancing Machine integrates proprietary hardware and software components designed to detect and actively correct cell-level voltage imbalances, which contribute to capacity loss and premature battery failure.

The technology has been validated by the National Research Council of Canada ("NRC"), demonstrating its ability to correct cell imbalances and recover capacity lost as a result. In a controlled validation conducted on battery modules composed of fifteen 72Ah LiFePO<sub>4</sub> cells connected in series, cells were initially balanced to a uniform state of charge ("SOC"), yielding a measured discharge capacity of 71.10Ah. Three cells were subsequently artificially imbalanced, with one cell charged to a 20% higher SOC and two cells discharged to a 20% lower SOC, reducing discharge capacity to 46.24Ah, or approximately 35%. Following application of the Company's rebalancing technology, discharge capacity was restored to 70.94Ah, representing the recovery of approximately 99% of the capacity lost due to cell imbalance.

On June 6, 2024, the Company acquired a 49% ownership in Battery X Rebalancing in consideration for the issuance of 68,182 common shares in the capital of the Company valued at \$427,500. On March 28, 2025, the Company acquired the remaining 51% from the Battery X Rebalancing shareholders in consideration for the issuance of 151,515 common shares in the capital of the Company.

In May 2025, Battery X Rebalancing completed and received its second-generation working prototype of the Rebalancing Machine, featuring a compact, field-deployable design, enhanced diagnostics, integrated testing capabilities, and an improved user interface to support commercialization.

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On May 9, 2025, the Company announced that Battery X Rebalancing entered a collaborative, non-commercial agreement with a Vancouver-based automotive service center specializing in out-of-warranty Tesla vehicles to support field validation on Tesla and Nissan battery platforms. In May 2025, Battery X Rebalancing successfully conducted a preliminary trial on a 96-cell Nissan Leaf battery pack, composed of lithium manganese oxide (LMO) and lithium nickel oxide (LNO) chemistries.

On July 4, 2025, the Company announced the results of a real-world performance trial on a Class 3 commercial electric vehicle with a severely degraded battery pack exhibiting materially reduced usable capacity due to cell imbalance. Following completion of a full rebalancing procedure using the Rebalancing Machine, the vehicle's estimated driving range increased from approximately 40 kilometers to approximately 295 kilometers under no-load conditions, representing an increase of approximately 255 kilometers, or approximately 637%, demonstrating the ability of the technology to restore meaningful usable capacity without requiring full battery pack replacement.

On July 25, 2025, the Company announced the results of a subsequent real-world trial on a Class 3 commercial electric vehicle, where the Rebalancing Machine's integrated diagnostic capabilities identified a defective cell within a parallel-connected group that had caused premature vehicle shutdown below approximately 60% state of charge ("SOC"). Following targeted cell replacement and completion of a rebalancing procedure, the vehicle's estimated driving range increased from approximately 40 kilometers to approximately 265 kilometers under no-load conditions, representing an increase of approximately 225 kilometers, or approximately 563%, demonstrating the combined effectiveness of diagnostic identification and targeted intervention alongside rebalancing.

On October 24, 2025, the Company announced the results of a validation assessment conducted as a follow-up to the July 25, 2025 trial to evaluate the durability of performance improvements under real-world operating conditions. After approximately four months and more than 2,000 kilometers of continued use, the vehicle maintained stable range performance, achieving an estimated range of approximately 250 kilometers under test conditions and a weighted average effective driving range of approximately 220 kilometers per full charge, supporting the persistence of rebalancing outcomes over time.

On January 13, 2026, the Company announced the results of a real-world performance trial on a light-duty electric vehicle equipped with a severely imbalanced 144-cell lithium nickel manganese cobalt oxide ("NMC") battery pack that had become effectively inoperable, with an estimated pre-rebalancing range of approximately 0.1 kilometers per charge. Following completion of a full rebalancing procedure, the vehicle achieved an average estimated driving range of approximately 135.9 kilometers per charge under mixed driving conditions. The rebalancing process also reduced cell-level voltage variance across the battery pack, supporting improved capacity utilization and overall system performance.

On January 2, 2026, the Company announced a technical advancement supporting the expansion of the Rebalancing Machine's platform compatibility with high-volume electric vehicle architectures. As part of its ongoing development program, Battery X Rebalancing completed a high-resolution three-dimensional scan of a Tesla Model 3 battery pack, providing the foundational digital reference required to support the design and engineering of custom adaptor and connector solutions. This work represents an initial step toward enabling physical interfacing between the Rebalancing Machine and widely adopted EV battery platforms, and forms part of the Company's broader compatibility strategy aimed at supporting commercialization across a range of vehicle types and battery configurations.

Collectively, these preliminary validation activities demonstrate the Rebalancing Machine's ability to restore usable capacity, improve vehicle operability, and sustain performance improvements over time across multiple battery chemistries and vehicle classes in real-world battery imbalance scenarios. These results support the potential commercial applicability of the Company's technology as an effective solution for addressing battery degradation caused by cell imbalance, without requiring full battery pack replacement.

Battery X Rebalancing continues to advance its commercialization roadmap by refining standard operating procedures, enhancing and road mapping integrated software functionality, expanding EV platform compatibility, and evaluating potential commercial deployment partnerships. These efforts are aligned with

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the Company's objective of developing and commercializing an integrated product ecosystem that enhances battery management through advanced diagnostics and its patent-pending rebalancing technology. By prioritizing seamless user experience, robust data management, and system-level integration, the Company is positioning itself within the emerging market for battery health diagnostics and lifespan extension solutions.

With a growing number of EVs expected to exceed manufacturer warranty periods and experience battery performance degradation, the Company believes it is well positioned to address a significant and expanding market opportunity by extending remaining useful battery life, reducing the need for costly battery replacements, and supporting the broader transition toward electrification and sustainable energy systems.

**Business and Investment Acquisitions**

**Battery X Rebalancing Technologies Inc.**

On June 6, 2024, the Company acquired a 49% ownership in Battery X Rebalancing in consideration for the issuance of 68,182 common shares in the capital of the Company valued at \$427,500.

On March 20, 2025, the Company announced that it had exercised its call right to acquire the remaining 51% of the common shares of Battery X Rebalancing from the Battery X Rebalancing shareholders in consideration for 151,515 common shares of the Company. The purchase did not meet the definition of a business combination under IFRS 3 and was accounted for as an asset acquisition.

**1451917 BC Ltd.**

On June 16, 2024, the Company completed the acquisition of 100% of the issued and outstanding common shares of 1451917 BC by issuing 45,455 common shares of the Company valued at \$285,000 based on the closing price of the Company's common shares on June 16, 2024 of \$6.27.

At the time of acquisition, 1451917 BC owned two properties located in Quebec, Canada: the Leaf River Project and the Reservoir-Dozois Project. As a result, the Company acquired the exclusive rights to the two Quebec projects. The Company had acquired 1451917 BC for the sole purpose of acquiring the two Quebec projects.

The Leaf River Project is located in Nunavik, Quebec and consisted of 80 contiguous mining claims covering approximately 3,627 hectares. The Reservoir-Dozois Project is located in Abitibi, Quebec, approximately 90 kilometers south of Val-d'Or, and comprised 47 contiguous mineral claims across three claim blocks, totaling approximately 2,730 hectares.

Based on the number of shares acquired and the Company's decision-making power, the Company was determined to be the acquirer. The acquisition was determined to be an asset acquisition as 1451917 BC did not meet the definition of a business pursuant to IFRS 3. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values as at June 6, 2024.

**Current Period Key Highlights**

- On July 4, 2025, the Company reported the voluntary relinquishment of four single-cell mining claims associated with its Belanger Project in Red Lake, Ontario, reducing the project's area from ~2,215 ha to ~2,134 ha. This move reflects a strategic effort to streamline its exploration portfolio and allocate capital toward higher-priority battery metals initiatives. The Company also secured an extension from the Ontario Ministry of Energy and Mines to defer exploration expenditure requirements until April 18, 2026, enabling flexibility in reassessing the Belanger Project's role within its broader battery materials strategy.

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- On July 11, 2025, the Company engaged a U.S.-based investment bank as its exclusive financial advisor to explore a potential uplisting to a U.S. national securities exchange. As consideration for its services, the Company agreed to issue 28,896 common shares, payable in four equal monthly installments beginning July 20, 2025.
- On July 18, 2025, the Company reported AGM voting results, confirming the re-election of directors and approval of all business items, including its Omnibus Equity Plan and up to 25:1 share consolidation. Concurrently, the Company announced that effective July 17, 2025, it had entered into a \$35,000 investor communications agreement with Apollo Shareholder Relations and proposed to settle up to \$550,000 in debt through the issuance of up to 94,430 units (each comprising one share and one \$6.30 warrant) and up to 20,153 common shares, all at a deemed price of \$4.80.
- On August 1, 2025, the Company announced that YY Resources completed a high-resolution LiDAR and orthophoto survey at the Y Lithium Project in northern Saskatchewan. The \$56,400 survey, which qualifies for a 1.5x exploration expenditure credit under Saskatchewan's incentive program, enables the Company to apply \$84,600 in assessment credits. An NI 43-101 technical report has now been completed, to support future exploration planning and geological assessment. A copy of the NI 43-101 technical report is available under the Company's profile on SEDAR+.
- On August 1, 2025, the Company announced that it had made the final \$5,500 cash payment under the Belanger Addendum Agreement, earning a 100% interest in the Belanger Project, located in Ontario's Birch-Uchi Greenstone Belt near Red Lake, Ontario. The project is subject to a 3% net smelter returns royalty, with buyback rights for the first 1% at \$750,000 and the remaining 2% at \$2,000,000 prior to commercial production.
- On August 1, 2025, the Company completed a debt settlement totaling \$544,425 through the issuance of 93,042 units and 20,379 common shares. Each unit consists of one common share and one warrant exercisable at \$6.30 for a period of two years. As part of the settlement, related parties participated for \$49,075, receiving 10,224 units.
- During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, recording a write-down of the carry value of the Belanger Project, Reservoir-Dozois Project, and Leaf River project, recording a total impairment of \$472,763.

**SELECTED ANNUAL FINANCIAL INFORMATION**

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As at December 31, 2025, the Company was listed on the Canadian Securities Exchange, the OTCQB Exchange, and the Frankfurt Stock Exchange. The Company has not recorded any revenues and depends upon share issuances to fund its administrative, exploration, and lithium-ion battery technology development expenses. See the summary of results, below:

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	December 31, 2025	December 31, 2024
	\$	\$
Revenues	-	-
Operating expenses	(4,074,796)	(2,218,209)
Other items	(1,259,673)	(1,524,365)
Net and comprehensive loss for the period	(5,334,469)	(3,742,557)
Basic and diluted net loss per common share	(1.78)	(4.29)
Exploration and evaluation assets	1,868,791	2,255,330
Total assets	3,110,006	3,686,409
Total long-term liabilities	-	72,662
Working capital (deficiency)	(1,800,579)	(195,815)
Dividends per share	-	-

The Company's current projects are at the exploration and development stages and have not generated any revenues.

At December 31, 2025, the Company had not yet achieved profitable operations and had accumulated losses of \$20,523,772 (2024 – \$15,548,617) since inception. The net losses for the years ended December 31, 2025 and 2024 resulted in a net loss per share of \$1.78 and \$4.29 respectively.

At December 31, 2025, the Company has no continuing source of operating revenues. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities, primarily the development of its exploration projects.

## **RESULTS OF OPERATIONS**

The following discussion outlines the significant changes in administrative expenditures for the year ended December 31, 2025, as compared to the year ended December 31, 2024.

### For the year ended December 31, 2025

#### *Revenue*

The Company did not generate revenue during the twelve-month period ended December 31, 2025 or the comparative period ended December 31, 2024, as it continues to focus on advancing its exploration portfolio and lithium-ion battery technology development initiatives.

#### *Net Loss*

During the twelve-month period ended December 31, 2025, the Company recorded a net loss of \$5,334,469, compared to a net loss of \$3,742,557 during the twelve-month period ended December 31, 2024. The increase in net loss is primarily attributable to the following:

- Consulting fees increased from \$694,478 in the twelve-month period ended December 31, 2024 to \$1,158,932 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the engagement of additional consultants to support the Company's expanded activities in 2025, including exploration initiatives, R&D efforts relating to the Company's patent-pending lithium-ion battery recycling technology and related battery recycling initiatives undertaken

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in collaboration with a top 20 global university, as well as corporate advisory and capital markets consulting services in connection with strategic mergers and acquisitions (M&A) and broader capital markets initiatives.

- Amortization and depreciation expenses increased from \$32,053 in the twelve-month period ended December 31, 2024 to \$238,787 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the recognition and amortization of intangible assets acquired during the period, including those associated with Battery X Rebalancing, which include, among other items, the Rebalancing Machine, which began to be amortized following capitalization in 2025.
- Investor relations expenses increased from \$320,000 in the twelve-month period ended December 31, 2024 to \$835,354 in the twelve-month period ended December 31, 2025. This increase is attributable to enhanced investment in initiatives aimed at strengthening market awareness, investor engagement, and understanding of the Company's business, strategy, and development activities, including its patent-pending lithium-ion battery technology platform. These efforts included expanded digital communications, content development, and broader outreach initiatives intended to improve visibility across retail and institutional investor audiences. The increase also reflects the Company's efforts to support its evolving public company profile and broader capital markets presence, including initiatives associated with its proposed U.S. national securities exchange listing and public offering.
- Management fees and salaries increased from \$289,500 in the twelve-month period ended December 31, 2024 to \$408,500 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the timing and expansion of executive and advisory engagements, including the commencement of the CEO engagement in mid-2024, which resulted in a partial period of expense recognition in the prior year compared to a full twelve-month period in 2025, as well as the continued build-out of CFO advisory services to support the Company's growing operational and financial requirements.
- Marketing expenses increased from \$47,654 in the twelve-month period ended December 31, 2024 to \$70,106 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the expansion of the Company's corporate branding and marketing initiatives, including increased investment in digital platforms, content development, and external marketing services. These expenditures reflect the Company's focus on enhancing brand visibility, strengthening market positioning, and supporting its broader commercial and strategic objectives.
- Office and administrative expenses decreased from \$189,665 in the twelve-month period ended December 31, 2024 to \$149,218 in the twelve-month period ended December 31, 2025. This decrease is primarily attributable to certain higher non-recurring costs incurred in the prior period, including, but not limited to, external corporate secretarial services and website design expenditures. In the current period, corporate secretarial functions are provided by the Company's legal counsel and are included within professional fees, resulting, in part, in lower office and administrative expenses.
- Professional fees increased from \$349,894 in the twelve-month period ended December 31, 2024 to \$672,897 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to higher audit fees associated with Public Company Accounting Oversight Board (PCAOB) auditing requirements in connection with the Company's proposed U.S. national securities exchange listing and public offering, as well as increased legal and accounting fees related to the proposed offering, general corporate activities, and expanded operations. The increase also reflects professional fees incurred in connection with the acquisition of the remaining 51% interest in Battery X Rebalancing, including related legal, accounting, tax, and regulatory matters.

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- Property investigation costs increased from \$180 in the twelve-month period ended December 31, 2024 to \$21,750 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to a 45-day extension payment for exploration activities on the Y Lithium project for the 2025 exploration season, payable to the Saskatchewan Ministry of Energy and Resources, which is refundable, net of a nominal processing fee, subject to the Company completing the required exploration work on or before the extension date.
- Research and development expenses increased from \$nil in the twelve-month period ended December 31, 2024 to \$262,492 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to expanded R&D activities undertaken by Battery X Rebalancing in connection with the continued development, real-world validation trials, and commercialization readiness of the Company's patent-pending battery rebalancing technology, including its integrated hardware and software system, as well as increased R&D efforts by Battery X Recycling relating to the advancement of the Company's eco-friendly battery-grade material recovery technology, currently under development in collaboration with the Global Top 20 university.
- Share-based compensation expenses decreased from \$210,978 in the twelve-month period ended December 31, 2024 to \$161,460 in the twelve-month period ended December 31, 2025. This decrease is primarily attributable to the Company granting share options in December 2024, with no comparable option grants in 2025. Share-based compensation recognized in 2025 relates to restricted share units granted on January 1, 2025, which vested in accordance with the terms set out in the applicable RSU agreements.
- Write-off of exploration and evaluation assets expenses increased from \$nil in the twelve-month period ended December 31, 2024 to \$472,763 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the write-off of capitalized exploration and evaluation expenditures relating to the Leaf River Project, Reservoir-Dozois Project, and Belanger Project, following management's assessment of the recoverability of these assets and the Company's ongoing prioritization of its mineral exploration portfolio.
- Loss on convertible debt expenses decreased from \$266,305 in the twelve-month period ended December 31, 2024 to \$nil in the twelve-month period ended December 31, 2025. This decrease is attributable to a prior convertible debenture that was converted into securities of the Company in the prior period, reflecting the difference between the deemed settlement value of the debt and the fair market value of the Company's common shares on the date of settlement. In the current period, there were no comparable convertible debt instruments or related settlement transactions, and accordingly, no such expenses were recognized.
- Impairment of prepaid expenses loss increased from \$nil in the twelve-month period ended December 31, 2024 to \$206,304 in the twelve-month period ended December 31, 2025. This increase is attributable to an impairment charge recognized in respect of certain prepaid services, following management's reassessment of their recoverability based on current expectations of future economic benefit.
- Loss on debt settlement decreased from \$1,300,872 in the twelve-month period ended December 31, 2024 to \$575,355 in the twelve-month period ended December 31, 2025. This decrease is primarily attributable to a higher loss recognized in the prior period, reflecting differences in the amount and terms of debt settlements, including the variance between the deemed settlement value and the fair market value of the Company's common shares on the date of settlement.

**Outlook on Anticipated Expenses Over the Next 12 Months**

**Professional Fees:** The Company anticipates that professional fees will be sustained or increase over the next twelve months, reflecting the continued expansion and increasing complexity of its operations. As the Company advances the development and commercialization of its patent-pending battery rebalancing

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technology, continues to progress research and development initiatives under its battery recycling vertical, and advances its mineral exploration activities, demand for legal, accounting, audit, and tax advisory services is expected to increase. This is expected to be driven primarily by the Company's growing operational footprint, evolving regulatory and compliance requirements, and expanded financial reporting obligations, with additional increases associated with capital markets initiatives, including, but not limited to, its proposed U.S. national securities exchange listing and potential public offering. The Company expects to continue engaging external professional advisors to support corporate governance, transactional and strategic initiatives, regulatory compliance, and its ongoing operational and reporting requirements.

**Consulting Fees:** The Company anticipates that consulting fees will be sustained or increase over the next twelve months, reflecting continued growth initiatives and execution across its core areas of focus. Under Battery X Rebalancing, consulting expenditures are expected to increase as the Company advances the development and commercialization of the Rebalancing Machine, including software engineering, user interface and user experience development, expansion of EV platform compatibility, adaptor and connector design, and the standardization of operating procedures to support deployment across multiple vehicle platforms. Under Battery X Recycling, the Company expects to engage additional technical and engineering consultants to support the advancement of its proprietary battery material recovery technology, including ongoing laboratory work, process optimization, and progression toward pilot-scale development, including potential continued collaboration with the Global Top 20 University. In addition, the Company expects to incur consulting costs related to business development, strategic partnerships, commercialization planning, and capital markets advisory. Within its mineral exploration activities, consulting fees are expected to be sustained or increase in connection with Phase 1 exploration programs involving geological mapping, prospecting, and geochemical sampling to support drill target generation, as well as potential future activities contemplated under its binding MOU with TerraDX in respect of AI-driven exploration initiatives in Nevada, USA.

**Research and Development:** The Company anticipates that research and development expenses will increase over the next twelve months as it continues to advance its proprietary battery technologies across both Battery X Rebalancing and Battery X Recycling. Under Battery X Rebalancing, R&D efforts are expected to be primarily focused on continued software engineering development, including enhancements to the Company's integrated lithium-ion battery diagnostic and rebalancing platform, user interface and user experience design, data management capabilities, and overall system functionality. In parallel, the Company expects to undertake targeted hardware development and upgrades to support evolving software requirements, as well as design and aesthetic refinements to support commercialization. The Company also anticipates incurring costs associated with product certification and compliance processes, including standards such as UL Solutions (formerly Underwriters Laboratories), as it advances toward commercial deployment. Under Battery X Recycling, R&D expenditures are expected to be sustained or increase over the next twelve months, driven primarily by ongoing activities under the Company's research and collaboration agreement with the Global Top 20 University, which reflects a higher cost profile relative to the prior year. In addition to work performed under the collaboration agreement, the Company expects to focus on the assessment of completed work, evaluation of pilot-scale testing opportunities, and consideration of commercial feasibility and potential market entry initiatives, where applicable, as it advances its battery material recovery technology toward potential commercialization. These initiatives are expected to require continued investment in engineering, prototyping, trials, and validation to support ongoing product development and commercialization efforts.

**Investor Relations:** The Company anticipates that investor relations expenditures will be sustained or increase over the next twelve months as it continues to enhance its engagement with the investment community and support its broader capital markets strategy. As the Company advances its technology development and commercialization initiatives across Battery X Rebalancing and Battery X Recycling, and continues to progress its mineral exploration activities, it expects to increase its visibility among retail and institutional investors, expand its shareholder base, and strengthen market awareness of its business model and strategic direction. These activities are intended to support ongoing investor communications, transparency, and market understanding of the Company's operations and long-term objectives.

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**Management Fees and Salaries:** The Company anticipates that management fees and salaries will be sustained or increase over the next twelve months as it continues to build out its executive, technical, and operational teams to support its evolving activities. A significant portion of the upcoming period is expected to be focused on advancing development initiatives, including research and development, product refinement, and operational readiness, with commercialization efforts anticipated to progress in the latter part of the period. As the Company advances these initiatives, it expects to invest in leadership, engineering, and operational personnel to support execution across its battery technology programs and mineral exploration activities. These expenditures reflect the Company's focus on strengthening internal capabilities, supporting ongoing development, and positioning the organization for a transition toward commercialization.

**SUMMARY OF QUARTERLY RESULTS**

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Below is a summary of the Company's last eight quarterly results:

	<b>2025 Q4</b>	<b>2025 Q3</b>	<b>2025 Q2</b>	<b>2025 Q1</b>
	<b>December 31, 2025</b>	<b>September 30, 2025</b>	<b>June 30, 2025</b>	<b>March 31, 2025</b>
	\$	\$	\$	\$
Net and comprehensive loss	(2,175,708)	(1,334,475)	(1,353,907)	(470,379)
Loss per share-basic and diluted	(0.61)	(0.40)	(0.49)	(0.20)
	<b>2024 Q4</b>	<b>2024 Q3</b>	<b>2024 Q2</b>	<b>2024 Q1</b>
	<b>December 31, 2024</b>	<b>September 30, 2024</b>	<b>June 30, 2024</b>	<b>March 31, 2024</b>
	\$	\$	\$	\$
Net and comprehensive loss	(2,246,992)	(663,439)	(632,405)	(199,721)
Loss per share-basic and diluted	(2.58)	(0.67)	(0.91)	(1.05)

Over the past eight quarters, the Company's financial results have been influenced by a combination of non-recurring transactions, evolving strategic priorities, and deliberate increases in operating and corporate development expenditures. Variations in net and comprehensive loss from quarter to quarter were driven primarily by non-cash adjustments, including asset impairments and liability settlements, as well as targeted expenditures to support development, commercialization, and market positioning initiatives.

The most significant net losses were recorded in the fourth quarter of 2024 and the fourth quarter of 2025. Results for the fourth quarter of 2024 were materially impacted by a non-cash loss on the settlement of historical accounts payable, together with increased share-based compensation associated with option grants and higher consulting expenditures to support business development and commercialization activities. In the fourth quarter of 2025, results were impacted by increased consulting expenditures, as well as non-cash write-downs of exploration and evaluation assets and an impairment of prepaid expenses.

**SUMMARY OF EXPLORATION ACTIVITIES**

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The total cumulative acquisition and exploration and evaluation expenditures for the Company's current projects at December 31, 2025 are summarized as follows:

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	Belanger Project	Y Lithium Project	Leaf River Project	Reservoir -Dozois Project	Total
	\$	\$	\$	\$	\$
Property acquisition	445,000	1,784,186	142,500	142,500	2,514,186
Exploration costs					
Assay	170,907	-	-	-	170,907
Data and reporting	2,000	-	-	-	2,000
Equipment rental	16,204	-	-	-	16,204
Geological consulting	17,185	69,605	-	-	86,790
Labour	75,414	-	-	-	75,414
Staking	200	-	-	-	200
Claims fee	15,071	-	-	-	15,071
Supplies and other	16,119	-	-	-	16,119
	758,100	1,853,791	142,500	142,500	2,896,891
Write-off of exploration and evaluation asset	(743,100)	-	(142,500)	(142,500)	(1,028,100)
<b>Balance, December 31, 2025</b>	<b>15,000</b>	<b>1,853,791</b>	<b>-</b>	<b>-</b>	<b>1,868,791</b>

For the year ended December 31, 2025, the Company incurred \$86,224 in acquisition and exploration expenditures compared to incurring \$349,260 exploration expenditures during the year ended December 31, 2024.

**Change during the year ended December 31, 2025 and December 31, 2024**

	Belanger Project	Y Lithium Project	Leaf River Project	Reservoir-Dozois Project	Total
<b>Balance, December 31, 2023</b>	<b>121,884</b>	<b>1,784,186</b>	<b>-</b>	<b>-</b>	<b>1,906,070</b>
Property acquisition	19,000	-	142,500	142,500	304,000
Equipment rental	12,204	-	-	-	12,204
Labour	33,056	-	-	-	33,056
<b>Balance, December 31, 2024</b>	<b>186,144</b>	<b>1,784,186</b>	<b>142,500</b>	<b>142,500</b>	<b>2,255,330</b>
Property acquisition	16,500	-	-	-	16,500
Geological consulting	119	69,605	-	-	69,724
Write-down of exploration assets	(187,763)	-	(142,500)	(142,500)	(472,763)
<b>Balance, December 31, 2025</b>	<b>15,000</b>	<b>1,853,791</b>	<b>-</b>	<b>-</b>	<b>1,868,791</b>

**Belanger Project**

Pursuant to an option agreement dated June 1, 2020 with Bounty Gold Corp. (“Belanger Project Optionor”), the Company was granted an option to acquire a 100% undivided interest in certain unpatented mining claims comprising the RLX North, RLX South, and Belanger properties (collectively, the “Belanger Project”) located in the District of Red Lake, Ontario, Canada.

The RLX North and RLX South properties (the “RLX Properties”) formed a large (approximately 10,000 hectare) land package contiguous to, and almost entirely surrounding, the Great Bear Resources Ltd.’s Sobel property. The RLX Properties are also situated along the same geological trend as the Red Lake

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Gold Mines, now operated by Evolution Mining Limited, with gold endowment of 29.63 M oz Au at an average grade of 21 g/t Au.

The Belanger property is an approximately 2,100 hectare property located 2.2 km north of Infinite Ore Corp.'s Garnet/Arrow deposit in the District of Red Lake, Ontario. The Belanger property is interpreted to be primarily underlain by the 2.74 Ga Confederation Assemblage. Historic exploration on the Belanger property has identified three significant gold-copper occurrences over an interpreted strike length of 600 meters.

In accordance with the option agreement, the Company can acquire the 100% interest in the project by: (i) making cash payments in the aggregate amount of \$150,000; and (ii) issuing common shares in the capital of the Company (the "Consideration Shares") having an aggregate cash value of \$300,000 to the Belanger Project Optionor as follows:

	Consideration Shares		Cash
	#	\$	\$
Upon execution of the option agreement on June 1, 2020 (issued and paid respectively)	1,515	30,000	25,000
On or before the 1 <sup>st</sup> anniversary on June 1, 2021 (issued 1,748 and paid respectively)	-	30,000	25,000
On or before the 2 <sup>nd</sup> anniversary on June 1, 2022 (issued 5,050 shares and paid respectively)	-	100,000	50,000
On or before the 3 <sup>rd</sup> anniversary on June 1, 2023*	-	140,000	50,000
	<b>1,515</b>	<b>300,000</b>	<b>150,000</b>

*\*In November 2023, the Company and the Belanger Project Optionor agreed to a final payment of \$25,000 in cash and 4,515 shares ("November 2023 Agreement"). See below for terms of the final payment.*

In accordance with the November 2023 Agreement, claims related to RLX South and RLX North were excluded. As a result, as at December 31, 2023, the Company wrote off \$555,337 related to the RLX South and North claims. Pursuant to November 2023 Agreement, the Company can exercise the option and acquire the 100% interest in the project by (i) making the final cash payment of \$25,000; and (ii) issuing 4,545 common shares of the Company to the Belanger Project Optionor as follows:

- \$1,000 (paid) and 1,515 common shares on or before November 30, 2023 (issued subsequently);
- \$2,000 on or before the first calendar day of each month from December 1, 2023 to November 1, 2024 inclusive (\$6,000 paid);\*\*
- 1,515 common shares on or before March 15, 2024 (issued subsequently); and
- 1,515 common shares on or before July 15, 2024 (issued subsequently)

*\*\*The terms of the cash payments under the November 2023 Agreement were amended in November 2024. See below for the revised terms.*

On November 27, 2024, the Company entered into an Addendum Agreement (the "November 2024 Agreement") with the Belanger Project Optionor to acquire 100% of the Belanger Project. The November 2024 Agreement is an addendum to the November 2023 Agreement. As set out in the November 2024 Agreement, the Company had paid \$7,000 of the \$25,000 cash obligation under the November 2023 Agreement and has subsequently issued the 4,545 common shares originally required to be issued under the November 2023 Agreement. In accordance with the terms of the November 2024 Agreement, the Company has agreed to pay the remaining balance of \$18,000 to the Belanger Project Optionor as follows:

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\$1,500 upon execution of the November 2024 Agreement (paid subsequently);  
\$5,500 on or before February 28, 2025 (paid);  
\$5,500 on or before April 30, 2025 (paid); and  
\$5,500 on or before June 30, 2025 (paid).

During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, recording a write-down of the carry value of the Belanger Project to an estimated recoverable amount of \$15,000.

Subsequent to the year ended December 31, 2025, the company disposed of its interest in the Belanger Project to Renegade Gold Inc. for consideration of \$10,000 in cash and common shares having a fair value of \$5,000, determined based on the share price on the agreement execution date.

### **Y Lithium Project**

In October 2023, the Company acquired a 100% interest in the Y Lithium Project located in northern Saskatchewan's Bailey Lake region through the acquisition of YY Resources.

The Y Lithium Project is a district-scale lithium exploration asset located approximately 160 kilometers northeast of Stony Rapids, Saskatchewan, and approximately 10 kilometers south of the Saskatchewan–Northwest Territories border. The project consists of four staked mineral claims across two claim blocks, covering a total area of approximately 5,856 hectares. The claims are held in good standing and are not subject to underlying royalties or property payments.

The property is situated within the prospective Ennadai Greenstone Belt and is located approximately 5 kilometers west of a reported lithium- and tantalum-bearing pegmatite occurrence, highlighting the broader geological potential of the Bailey Lake region. While nearby discoveries are not necessarily indicative of mineralization on the Y Lithium Project, they support the regional prospectivity of the area.

In 2025, the Company completed a high-resolution LiDAR (Light Detection and Ranging) and orthophoto survey across the property. An assessment report was subsequently filed with the Saskatchewan Ministry of Energy and Resources. The LiDAR survey is expected to support the identification of glacial features, potential outcrop exposure, and prospective boulder trains, and, when integrated with available geological datasets, is intended to assist in delineating lithological contacts and structural corridors for future exploration targeting.

The Company has also filed an independent NI 43-101 technical report, effective October 16, 2025, which provides recommendations for further exploration, including a Phase I geological mapping and sampling program targeting prospective zones identified through the integration of LiDAR data and regional geological information. The Company is actively progressing exploration planning for the 2026 field season, including the design of this Phase I program.

The Phase I program is expected to include geological mapping and prospecting of outcrop and boulder fields, targeted evaluation of prospective lithological units, and geochemical sampling to support drill target generation.

To date, the Y Lithium Project remains at an early stage of exploration, with no current estimates of mineral resources or reserves. Further work is required to evaluate the mineral potential of the property, and future exploration activities remain subject to market conditions, the availability of financing, and ongoing strategic priorities.

### **Leaf River Project**

On June 6, 2024, the Company acquired 100% of the outstanding shares of 1451917 BC which holds 100% ownership of the Nunavik, Quebec Leaf River Project, encompassing 83 claims over approximately 3,500 hectares. On acquisition, the Company allocated \$142,500 of the purchase price to this project.

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During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, determining that no further resources will be allocated to the exploration and evaluation of the Leaf River Project and that no substantive expenditures are budgeted for the property. The company recorded an impairment of \$142,500, reducing the carrying value of the Leaf River Project to \$nil, reflecting management's assessment.

Subsequent to the year ended December 31, 2025, the Company elected not to renew the mineral claims comprising the Leaf River Project, located in Nunavik, Quebec, upon their expiry on April 13, 2026.

**Reservoir-Dozois Project**

On June 6, 2024, the Company acquired 100% of the outstanding shares of 1451917 BC which holds 100% ownership of the Abitibi, Quebec Reservoir-Dozois Project, encompassing 52 claims over approximately 3,500 hectares. On acquisition, the Company allocated \$142,500 of the purchase price to this project.

During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, determining that no further resources will be allocated to the exploration and evaluation of the Reservoir-Dozois Project and that no substantive expenditures are budgeted for the property. The company recorded an impairment of \$142,500, reducing the carrying value of the Reservoir-Dozois Project to \$nil, reflecting management's assessment.

Subsequent to the year ended December 31, 2025, the Company elected not to renew the mineral claims comprising the Reservoir-Dozois Project, located in Abitibi, Quebec, upon their respective expiries on March 31, 2026 and April 9, 2026.

**LIQUIDITY, FINANCIAL POSITION, AND CAPITAL RESOURCES**

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The Company is not in commercial production on its mineral property and has not generated material revenues during the year ended December 31, 2025. Activities continue to be funded primarily through equity financings, with additional funding from debt instruments and the exercise of options and warrants; and, from time to time, the Company may address indebtedness through share-for-debt arrangements. During the year ended December 31, 2025, the Company generated initial and immaterial revenues under its Revenue Share Agreement related to the Rebalancing Machine (as disclosed in the Company's news release dated July 18, 2025); however, such revenues to date have been limited. The Company continues to prioritize substantial investments in research and development, product development, and broader market entry and expansion initiatives, and does not expect to achieve profitability in the near term.

As at December 31, 2025, the Company had current assets of \$328,004 (December 31, 2024 - \$923,583), including cash of \$37,874 (December 31, 2024 - \$608,825), and current liabilities of \$2,128,583 (December 31, 2024 - \$1,119,398), resulting in a working capital deficit of \$1,800,579 (December 31, 2024 - \$195,815).

During the year ended December 31, 2025, the Company generated funds through the exercise of warrants and stock options, as follows:

- In January 2025, 14,682 warrants exercised for gross proceeds of \$73,409.
- In February 2025, 67,085 warrants exercised for gross proceeds of \$335,424.
- In April 2025, 210,890 warrants exercised for gross proceeds of \$316,334.
- In May 2025, 20,285 warrants exercised for gross proceeds of \$30,428, and 4,000 stock options exercised for gross proceeds of \$8,000.
- In June 2025, 89,560 warrants exercised for gross proceeds of \$134,341, and 34,438 stock options exercised for gross proceeds of \$68,875.

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- In July 2025, 362,593 warrants exercised for gross proceeds of \$543,889, and 4,500 stock options exercised for gross proceeds of \$9,000
- In August 2025, 78,698 warrants exercised for gross proceeds of \$118,047, and 7,500 stock options exercised for gross proceeds of \$15,000
- In September 2025, 7,325 warrants exercised for gross proceeds of \$10,988.
- In December 2025, 49,394 warrants exercised for gross proceeds of \$74,091.

For the year ended December 31, 2025, the Company reported a net increase in cash outflows of \$1,128,199 compared to the same period in the previous year. Operating activities used \$77,628 less cash due to higher non-cash expenses incurred, such as amortization, the write-off of exploration expenses and an impairment of prepaid expenses. An increase in accounts payable and accrued liabilities also preserved cash balances. Affecting cash negatively was a decrease in the recognized loss on debt settlement versus prior year, and an increase in paid consulting fees, professional fees, and investor relations activities. Cash flows used in investing activities increased by \$22,207 year-over-year, reflecting higher expenditures on exploration and evaluation assets during the current period. Financing activities decreased by \$1,183,619, primarily from a decrease of private placements of \$2,602,747 versus 2024, offset by an increase of exercises of warrants, which increased cash flows by \$1,146,773, and exercise of stock options which increased cash by \$100,875 compared to year ended December 31, 2024.

The Company's operations include the acquisition, maintenance, and exploration of mineral properties, as well as the development of proprietary lithium-ion battery rebalancing and recycling technologies. Its future financial success depends on the discovery of new mineral resources and the development of commercially viable lithium-ion battery rebalancing and recycling solutions.

As the Company has incurred net losses to date and only recently commenced the generation of limited, non-material revenue during the year ended December 31, 2025, it remains reliant on raising external capital to meet its obligations and fund ongoing activities. There can be no assurance that such financing will be available in the required amounts, when needed, or on acceptable terms. Failure to secure sufficient funding may impact the Company's ability to continue as a going concern and could result in a material reduction in the net realizable value of its assets.

The Company plans to address its working capital deficit and capital needs primarily through equity financings, debt financings, and share-for-debt transactions. Subject to successful financing, the Company expects to be in a stronger position to expand operations in alignment with its long-term strategic objectives.

The Company will need to raise additional funds through the issuance of shares. Although the Company has been successful in raising funds in the past, there can be no assurance that the Company will be able to raise sufficient funds in the future, in which case the Company may be unable to meet obligations in the normal course of business. These factors may cast significant doubt regarding the Company's ability to continue as a going concern. Should the Company be unable to discharge liabilities in the normal course of business, the net realizable value of the Company's assets may be materially less than amounts on the statement of financial position.

**COMMITMENTS AND CONTINGENCIES**

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In April 2025, an alleged wrongful dismissal claim was brought against Battery X Rebalancing by a former independent consultant, seeking damages of up to approximately \$195,000. The claim pertains to alleged events that occurred prior to the Company's acquisition of the remaining 51% interest in Battery X Rebalancing, which closed on March 28, 2025. The Company disputes the allegations and intends to vigorously defend itself. As the outcome remains uncertain, no provision has been recorded in the financial statements at this time.

The Company has no material or significant commitments or contingencies, not disclosed elsewhere, as at December 31, 2025 or the date of this report.

## **RELATED PARTY TRANSACTIONS**

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Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

In November 2025 the Company entered into a short-term rental agreement for shared office space, where there are common directors between both parties. Rental expenses incurred for the year ended December 31, 2025 amount to \$4,000 (2024 - \$nil).

On August 1, 2025, as part of a broader debt settlement transaction, the Company settled accounts payable owing to related parties in the amount of \$49,075 through the issuance of 10,224 units, with each unit consisting of one common share and one common share purchase warrant.

On August 1, 2025, as part of a larger debt settlement transaction, the Company settled accounts payable of \$49,075 with related parties by issuing 10,224 units, each unit consisting of one common share and one common share purchase warrant.

On July 4, 2025 the Related Company assigned to the Company its rights to unused translation services from IR-WORLD.com Finanzkommunikation GmbH for unused translation services with a fair value of \$4,086. The assignment was applied as a debt settlement against amounts receivable from the Related Company.

On March 28, 2025, the Company acquired the remaining 51% of the common shares of Battery X Rebalancing from the Battery X Rebalancing shareholders in consideration for 151,515 common shares of the Company. This transaction is identified as a related party transaction due to Battery X Rebalancing and the Company having a common Director.

On January 14, 2025 the Company entered into a promissory note agreement with a company with common directors and an officer to the Company (the “Related Company”). The Company transferred all its rights and obligations to the Related Company for its marketing service agreement with Atkiencheck.de AG for the sum of \$73,890. The Related Company agreed to reimburse the Company in fifteen (15) equal monthly installments of \$4,926 each, commencing on January 14, 2025 until the amount is paid in full. No interest shall accrue on unpaid principal amounts. For the year ended December 31, 2025 the remaining balance owed to the Company was \$33,054.

During the year ended December 31, 2024, the Company issued 2,427,924 common shares and 1,310,500 warrants to directors and officers of the Company to settle \$434,275 of accounts payable. The Company recognized a loss of \$141,278 related to these transactions.

On August 6, 2024, the Company announced the appointment of Massimo Bellini Bressi as Chief Executive Officer and director of the Company succeeding Mark Brezer, who has resigned as the Company’s CEO and President.

On August 2, 2024, the Company entered into a contract with a new CFO and Corporate Secretary. Under the terms of this agreement, he was paid \$150,000 for a one-year term. Additionally, the CFO was granted 15,000 options in December 2024.

Martino Ciambrelli, John Campbell, and Howard Blank, directors of the Company, also serve as directors of the parent company of the entity with which the Company has entered into an office lease agreement.

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Dallas Pretty, a director and the Chief Financial Officer of the Company, serves as an officer of that parent company. This lease agreement was terminated in August 2025.

The Company incurred the following key management personnel costs from related parties:

	<b>For the year ended</b>	
	<b>December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Management, professional, consulting fees and salaries	508,500	289,500
Share-based compensation	11,700	52,471
	<b>520,200</b>	<b>341,971</b>

As at December 31, 2025, the Company owed \$219,048 (December 31, 2024 - \$4,064) to directors of the Company, companies controlled by directors of the Company for expense reimbursements and unpaid management fees. The amounts payable in relation to these transactions are non-interest bearing, unsecured and due on demand.

As at December 31, 2025, the Company had prepaid amounts of \$20,586 (December 31, 2024 - \$137,500) recorded for payments to related parties, comprising \$10,500 paid to the CEO, and \$10,086 paid to a company with common directors. These amounts were for prepaid services and deposits.

As at December 31, 2025, the Company had accounts receivable of \$33,054 (December 31, 2024 - \$NIL) due from a related party with common directors.

For the year ended December 31, 2025, \$11,700 was recorded as an expense to the company in relation to RSU's vested to related parties.

**OFF BALANCE SHEET TRANSACTIONS**

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The Company has no off-balance-sheet transactions as at December 31, 2025 or the date of this report.

**USE OF PROCEEDS FROM FINANCING ACTIVITIES FOR YEAR ENDED DECEMBER 31, 2025**

**Use of Proceeds for the year ended December 31, 2025**

<b>Category</b>	<b>Amount</b>
Proceeds	2,007,827
Consultants	(643,219)
Loan repayments	(120,851)
Investor Relations	(1,116,871)
Marketing	(34,176)
Legal	(188,385)
Operations	(238,269)
Accounting & Audit	(237,007)
<b>Change in Cash</b>	<b>(570,951)</b>

**RISKS AND UNCERTAINTIES**

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The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks are associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

While the Company remains engaged in the acquisition, exploration, and development of mineral properties, it is also advancing its lithium-ion battery rebalancing, recycling, and related technology businesses. Each of these business initiatives carries unique risks, as outlined below.

### **Exploration, Development and Operating Risks**

The Company is in the process of exploration and development of its projects and has not yet generated any revenues from production. The recovery of expenditures on mineral properties and the related exploration and evaluation expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its projects, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Resource exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's efforts will be successful and will result in commercial production or profitability.

### **Fluctuating Resource Prices**

The economics of resource exploration and development are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the quantity and quality of resources and fluctuations in the market price of those resources. Depending on the price of resources, the Company may determine that it is impractical to continue a resource exploration operation or to develop one. Resource prices are prone to fluctuations and the marketability of resources are affected by government regulation relating to price, royalties, allowable production and the importing and exporting of resources, the effect of which cannot be accurately predicted.

### **Financing Risks and Dilution to Shareholders**

The Company has limited financial resources and immaterial revenues. The Company will require additional funds to continue with its current business. Additionally, if the Company's programs on its projects are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

### **Title to Properties**

Acquisition of title to mineral properties can be a very detailed and time-consuming process. Title to, and the area of, properties could be disputed. The Company cannot give a certain assurance that title to its properties will not be challenged or impugned. A successful claim that the Company does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any resources or minerals on its properties without compensation for its prior expenditures relating to its projects.

### **Regulatory, Permit and License Requirements**

The current and future operations of the Company, including both its mineral exploration activities and the research, development, commercialization, and deployment of its lithium-ion battery technologies, require

permits, licenses, and approvals from various governmental and regulatory authorities. These operations are subject to, and will remain governed by, extensive laws and regulations relating to, among other things, mineral exploration and development, technology commercialization, product safety and certification, intellectual property, taxation, labour standards, occupational health and safety, waste management, the handling and disposal of toxic substances, land use, environmental protection, and site safety. For mineral exploration, companies frequently incur increased costs and delays due to the need to comply with permitting and environmental requirements. There can be no assurance that all necessary permits, licenses, and approvals for the Company's facilities and exploration activities will be obtained on reasonable terms, in a timely manner, or at all. Similarly, for its battery technology business, certain jurisdictions may require compliance with additional regulatory frameworks governing the testing, manufacturing, transport, use, and recycling of energy storage systems. These frameworks may evolve rapidly, and obtaining or maintaining necessary certifications or approvals may be costly and time-consuming. Failure to comply with applicable laws, regulations, or permitting conditions may result in enforcement actions, including orders issued by regulatory or judicial authorities requiring suspension or cessation of operations, as well as corrective measures that could require significant capital expenditures, installation of additional equipment, or remedial actions. In certain circumstances, the Company may be required to compensate third parties for losses or damages arising from its activities and may be subject to civil or criminal fines, penalties, or other sanctions. Furthermore, amendments to existing laws, regulations, or permitting requirements—or the more stringent enforcement thereof—could materially and adversely impact the Company by increasing capital or operating costs, delaying project timelines, or requiring the modification, suspension, or abandonment of new or existing operations.

### **Competition**

The mineral resource exploration and development industry is highly competitive. The Company competes with other mining and exploration companies, many of which have substantially greater financial, technical, and operational resources, for the acquisition of mineral claims, strategic properties, and other mineral interests. The Company also competes for access to qualified geologists, engineers, drill contractors, and other specialized personnel required for exploration and development activities. Failure to compete effectively in securing high-quality projects or personnel could have a material adverse effect on the Company's mineral exploration prospects. Similarly, the lithium-ion battery technology sector—including battery rebalancing, recycling, and related energy storage solutions—is also characterized by intense competition, rapid technological change, and evolving industry standards. The Company competes with established battery manufacturers, technology developers, recycling firms, and new market entrants, many of which possess greater financial resources, broader commercial networks, and more extensive intellectual property portfolios. Competitors may develop technologies that are more effective, less costly, or more rapidly commercialized than the Company's offerings, which could reduce the Company's market share or limit its growth opportunities. In both its mineral exploration and battery technology segments, the Company's ability to compete successfully depends on factors such as access to capital, speed of innovation, protection and commercialization of intellectual property, operational efficiency, and the ability to attract and retain skilled personnel. Failure to maintain a competitive position in either or both business segments could have a material adverse effect on the Company's business, results of operations, and long-term prospects.

### **Technology Development, Commercialization, and Market Risks**

The Company's non-resource business includes the development and commercialization of proprietary battery rebalancing and recycling technologies. There is no assurance these technologies will achieve intended performance, regulatory approvals, or market acceptance. Technical challenges, competitive solutions, evolving customer requirements, or supply chain constraints may delay commercialization, increase costs, or limit market adoption.

### **Intellectual Property (IP) Protection Risks**

The Company's ability to maintain a competitive advantage in its battery technology businesses depends on effectively protecting its proprietary technologies, processes, and know-how. While the Company may

seek patent protection and use confidentiality measures, there is no assurance these efforts will prevent competitors from developing similar or superior technologies, reverse-engineering its solutions, or infringing on its IP. IP disputes can be costly, time-consuming, and uncertain, and could materially impact the Company's ability to commercialize its technologies.

### **Reliance on Management and Dependence on Key Personnel**

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors.

There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

### **Environmental Risks**

The Company's exploration and development programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the resource business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

### **Conflicts of Interest**

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA.

To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA and applicable internal corporate governance or board policies where and when applicable.

### **Political Risks**

The Company's operations may be adversely affected by changes in governmental policies, political instability, or other economic developments beyond its control. These risks include, but are not limited to, changes in taxation policies, the imposition of economic sanctions, currency controls, trade restrictions, and shifts in industrial, environmental, or energy policies that may directly or indirectly impact the Company's activities. The Company's mineral exploration operations are subject to various laws governing exploration, development, production, export of products, labour standards, occupational health, toxic substances, land use, water use, indigenous and local community land claims, and environmental protection. Similarly, the Company's lithium-ion battery technology operations—including rebalancing, recycling, and related research and development—are subject to evolving regulations covering energy storage, transportation of hazardous materials, waste management, extended producer responsibility (EPR) programs, and product safety standards. No assurance can be given that new laws or regulations will not be enacted, or that

existing ones will not be applied or enforced in a manner that increases costs, delays operations, restricts market access, or otherwise has a material adverse impact on the Company's projects, technologies, or business prospects.

### **Uninsurable Risks**

Exploration, development, and production operations on mineral resource properties involve numerous risks, including unexpected or unusual geological or operating conditions, fires, floods, earthquakes, and other environmental events, any of which could result in damage to or destruction of facilities, harm to life or property, environmental contamination, and possible legal liability. Similarly, the Company's lithium-ion battery technology operations—including rebalancing, recycling, and related research and development—are subject to operational hazards such as equipment malfunction, process failures, chemical handling risks, and supply chain disruptions. These events could result in injury, property damage, environmental harm, or product liability claims. Although the Company takes precautions to minimize these risks, operations in both segments remain subject to hazards that may cause environmental pollution, regulatory enforcement actions, or other liabilities that could materially and adversely affect the Company's business, operations, and financial performance. It is not always possible to obtain insurance against all such risks, and the Company may elect not to insure certain risks due to high premiums, exclusions, or other commercial considerations. Should uninsured or underinsured liabilities arise, they could have a material adverse impact on the Company's results of operations, financial condition, and share value.

### **Litigation**

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

## **SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

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The preparation of the Annual Financial Statements requires management to make certain estimates, judgments and 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 year. Actual outcomes could differ from these estimates. The Annual Financial Statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

### **Significant accounting estimates**

- a) the measurement of deferred income tax assets and liabilities; and
- b) the inputs used in accounting for share-based payments.

### **Significant accounting judgments**

- a) the determination of categories of financial assets and financial liabilities;
- b) step acquisitions and the determination as to whether the acquisition results in a business combination

or an asset acquisition;

- c) the estimation of the useful life of intangible assets;
- d) the assessment of impairment indicators of intangible assets;
- e) the recognition of deferred income tax assets;
- f) the evaluation of the Company's ability to continue as a going concern; and
- g) the assessment of indications of impairment of the exploration and evaluation assets.

## **ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED**

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The Company has performed an assessment of new standards issued by the International Accounting Standards Board ("IASB") that are not yet effective and has determined that any standards that have been issued would have no or very minimal impact on the Company's financial statements.

## **FINANCIAL INSTRUMENTS AND FINANCIAL RISK**

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Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and accounts payable. The fair value of accounts payables approximates their carrying values. Cash is measured at fair value using level 1 inputs.

On March 31, 2025 the Company received 10,926,136 shares related to the Premier Silver debt settlement. The shares received were estimated to have a fair value of \$nil as the primary project for Premier Silver has ceased operations. The investment in Premier Silver is based on available public information from press releases and management's historical knowledge of the Company's operations (level 3).

The Company is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives for growth and stakeholder returns. The principal risks to which the Company is exposed, and the actions taken to manage them, are described below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below.

### **a) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's corporate office is based in Canada and all of the Company's assets and expenses are denominated in Canadian dollars. The Company does not have any significant foreign currency denominated monetary liabilities.

### **b) Interest rate risk**

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

**c) Credit risk**

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company's cash is held in a large Canadian financial institution. The Company maintains certain cash deposits, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses on its cash deposits and believes it is not exposed to any significant credit risk on these deposits. The Company's sales tax receivable is due from the Government of Canada; therefore, the credit risk exposure is low.

**d) Liquidity risk**

*Working Capital*

In the management of liquidity risk, the Company maintains a balance between continuity of funding and financial flexibility through the use of both borrowings and equity financing. Management closely monitors the Company's liquidity position and expects to have adequate sources of funding to finance its projects and operations. As at December 31, 2025, the Company had a cash balance of \$37,874 to settle current liabilities of \$2,128,583.

To address the working capital deficiency, management intends to pursue equity financing, debt financing, debt-for-equity settlements with its creditors, debt restructuring. Management will continue to diligently monitor and adjust the capital budget based on expected cash flows from capital raising activities, and/or the exercise of options and warrants. As such, management believes the Company will have sufficient resources to fund its future operations and expansion plans.

*Future Capital Requirements*

In addition to addressing its current working capital deficiency, the Company anticipates requiring approximately \$2,500,000 in new capital over the next 12 months to support ongoing operations and strategic initiatives. These anticipated expenditures include general and administrative costs related to consultants and professionals, advancement of exploration programs on current and potential future projects, continued development and future commercialization of Battery X Rebalancing's lithium-ion battery rebalancing machine, and ongoing research and development of Battery X Recycling's proprietary battery material recovery technology.

The Company must continue to secure funding through equity financings, the issuance of convertible or standard debt, and the exercise of options and warrants, and may address current and future indebtedness through share-for-debt arrangements. The Company is not yet self-sustaining and remains dependent on external sources of capital to fund its operations, which may result in material dilution to existing shareholders. There can be no assurance that additional financing will be available in the amounts required, on a timely basis, or on terms acceptable to the Company.

The Company intends to address its working capital and capital expenditure requirements primarily through equity financings, debt financings, the exercise of options and warrants, and share-for-debt transactions to manage outstanding obligations. Upon achieving these objectives, the Company expects to be better positioned to pursue operational expansion, subject to the successful completion of additional financing.

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUER WITHOUT SIGNIFICANT REVENUE**

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As the Company has not generated significant revenue from operations in either of its last two financial years, the following outlines the material components of expenditures for the twelve months ended December 31, 2025:

**(a) Exploration and Evaluation Assets or Expenditures**

As at December 31, 2025, the carrying value of the Company's exploration and evaluation assets totaled \$1,868,791. During the year, the Company incurred \$16,500 in property acquisition costs related to the Belanger Project and \$69,605 in geological consulting related to the Y Lithium project.

**(b) Expensed Research and Development Costs**

The Company continues to advance its development-stage lithium-ion battery recycling and rebalancing technologies through its wholly-owned subsidiaries, Battery X Recycling and Battery X Rebalancing. During the year ended December 31, 2025, \$200,000 in research and development expenses were attributable to a Battery X Rebalancing expense for the development of the Rebalancing Machine, which was delivered during the three-month period ended June 30, 2025. In addition, other related expenditures were expensed as incurred and are reflected within operating expense categories, including consulting fees and share-based compensation. Expenses of \$60,000 and \$2,492 for black mass research and black mass respectively, were incurred by Battery X Recycling Technology during the year.

**(c) Intangible Assets Arising from Development**

Intangible assets totaling \$1,123,952 were recognized during the year ended December 31, 2025 in connection with the acquisition of the remaining 51% interest in BATX Rebalancing, resulting in the Company obtaining 100% ownership. These intangible assets relate to, among other things, the development of the Company's battery rebalancing technology, including, but not limited to, the Rebalancing Machine.

The intangible asset has an estimated useful life of four years. Accordingly, the Company recognized amortization expense of \$210,741 for the year ended December 31, 2025, resulting in a carrying value of \$913,211 as at December 31, 2025.

**d) General and Administration Expenses**

Significant general and administration expenses for the year ended December 31, 2025, included:

**Consulting fees:** \$1,158,932  
**Investor relations:** \$835,354  
**Management fees and salaries:** \$408,500  
**Professional fees:** \$672,897  
**Office and administration:** \$149,218  
**Share-based compensation:** \$161,460

**DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES, OPTIONS AND WARRANTS**

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**Common Shares**

The Company has one class of common shares. Below is a summary of the common shares, share options, and warrants issued and outstanding as at December 31, 2025 and the date of this report.

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	<b>As at December 31, 2025</b>	<b>As at the date of this report</b>
Common shares	3,586,758	4,901,775
Share options	87,312	284,812
Warrants	594,830	1,284,275
Restricted Share Units	22,425	151,500

**Share Options**

The Company has issued incentive options to certain directors, officers, and consultants of the Company. As of the date of this report, the following share options were outstanding.

<b>Number of Share Options</b>	<b>Exercise Price</b>	<b>Expiry date</b>
	\$	
87,312	\$2.00	December 30, 2026
197,500	\$2.10	March 12, 2028
<b>284,812</b>		

**Warrants**

As of the date of this report, the following warrants were outstanding.

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry date</b>
	\$	
119,697	5.00	October 16, 2026
125,461	1.50	December 24, 2026
93,042	6.30	August 1, 2027
946,075	\$3.00	January 16, 2028
<b>1,284,275</b>		

**Restricted Share Units (RSUs)**

As of the date of this report the following RSUs were outstanding.

<b>Number of RSUs</b>	<b>Vesting Schedule</b>
<b>151,500</b>	
	25% vests July 13, 2026
	25% vests September 12, 2026
	25% vests December 12, 2026
	25% vests March 12, 2027
<b>151,500</b>	

**SUBSEQUENT EVENTS**

- 1) On January 1, 2026, all outstanding RSUs had vested and 22,423 common shares were issued to management and consultants.
- 2) On January 6, 2026, and February 10, 2026 the Company increased the budget with bullVestor Medien GmbH ("bullVestor") by €80,000 each, bringing the total engagement cost payable to €310,000 (approximately CAD \$503,000). The total engagement cost is inclusive of a €150,000 initial

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fee. On March 26, 2026, the Company entered into a separate corporate awareness and marketing services engagement with bullVestor, for a one-month term commencing April 1, 2026. In consideration, the Company paid a total fee of €165,000 (approximately CAD \$263,000).

- 3) On January 13, 2026, the Company announced that Battery X Rebalancing completed a preliminary real-world performance trial demonstrating a significant increase in estimated driving range of approximately 135.9 kilometers per charge following the application of its patent-pending, second-generation lithium-ion battery rebalancing hardware and software platform, providing further technical validation of the Company's battery rebalancing technology
- 4) On January 16, 2026, the Company issued 946,075 units pursuant to a private placement for gross proceeds of \$2,412,491. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at \$3.00 per common share until January 16, 2028. Of these, 68,628 units were issued to related parties.
- 5) On January 16, 2026, the Company issued 90,727 common shares pursuant to a debt settlement totaling \$408,272. Of these, 21,915 common shares were issued to related parties.
- 6) On January 24, 2026, 838 share purchase warrants exercisable at \$13.20 per common share expired unexercised.
- 7) In January 2026, 159,642 share purchase warrants were exercised for proceeds of \$239,463.
- 8) On March 12, 2026, the Company granted a total of 197,500 Stock Options at an exercise price of \$2.10 per share. The Stock Options vest immediately and have a two-year term expiring on March 12, 2028.
- 9) On March 12, 2026, the Company granted a total of 151,500 RSUs to directors, officers, and consultants of the Company, with 25% vesting on July 13, 2026, 25% vesting on September 12, 2026, 25% vesting on December 12, 2026, and the remaining 25% vesting on March 12, 2027.
- 10) On March 20, 2026, the Company completed the sale of its 100% interest in the Belanger Project pursuant to the terms of a definitive mineral property purchase agreement dated February 5, 2026, to Renegade Gold Inc., an arm's length, TSX Venture Exchange-listed issuer, for total consideration of \$15,000, consisting of aggregate cash payments of \$10,000 and the issuance of common shares of Renegade Gold Inc. having an aggregate deemed value of \$5,000.
- 11) On March 26, 2026, the Company, through Battery X Rebalancing, filed an International patent application under the Patent Cooperation Treaty (PCT) for its lithium-ion battery diagnostics and rebalancing hardware and software platform, claiming priority to prior U.S. provisional filings and establishing a pathway to pursue patent protection in over 150 countries.
- 12) On March 27, 2026, the Company announced that it had entered into a digital marketing and investor awareness agreement dated March 26, 2026, with i2i Marketing Group, LLC, pursuant to which i2i Marketing will provide marketing services for an initial three-month term commencing April 1, 2026. The Company agreed to a total creation and media distribution budget of US\$300,000 (approximately CAD \$413,000), which is non-refundable and includes US\$50,000 previously paid under a prior content creation agreement, with the remaining US\$250,000 payable upon execution. The Company will not issue any securities to i2i Marketing in connection with the engagement. i2i Marketing is arm's length to the Company; however, to the knowledge of the Company, i2i Marketing and its principals hold securities of the Company, including common shares, warrants, restricted share units, and stock options.
- 13) In April 2026, 96,150 share purchase warrants were exercised for proceeds of \$144,225.
- 14) Subsequent to year-end, the Company elected not to renew the mineral claims comprising the

Reservoir-Dozois Project, located in Abitibi, Québec, upon their respective expiries on March 31, 2026 and April 9, 2026, and the mineral claims comprising the Leaf River Project, located in Nunavik, Québec, upon their expiry on April 13, 2026.

## **OTHER DISCLOSURES**

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### **Additional Information**

Additional information relating to the Company may be found on or in:

- SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca);
- the Company's audited consolidated financial statements for the years ended December 31, 2025 and 2024.

This MD&A was approved by the Board of Directors of Battery X Metals Inc. effective April 30, 2026.

## **FORWARD-LOOKING STATEMENTS**

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Certain sections of this MD&A contain forward-looking statements and forward-looking information. All statements, other than statements of historical fact, made by the Company that address activities, events, or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements or forward-looking information, including, but not limited to, statements preceded by, followed by, or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements and forward-looking information contained or incorporated by reference in this MD&A may relate to the Company's future financial condition, results of operations, plans, objectives, performance, or business developments including, among other things, anticipated expenditures, including professional fees, consulting fees, research and development expenses, investor relations expenditures, and management fees and salaries; the advancement, testing, validation, commercialization, and potential market adoption of the Company's lithium-ion battery recycling and rebalancing technologies; the timing and success of pilot-scale testing and potential commercial deployment; the expansion of EV platform compatibility, adaptor and connector development, and product certification; research and development programs and outcomes; the continuation and results of collaborative research arrangements; mineral exploration activities, including planned exploration programs and the potential development of exploration targets; the Company's AI-driven exploration initiatives under its strategic arrangements; projections of market prices and costs; supply and demand for battery metals and related products; expectations regarding the Company's ability to obtain additional financing, including to fund working capital requirements and anticipated capital expenditures; the Company's capital markets initiatives, including its proposed U.S. national securities exchange listing and potential public offering; and the Company's overall business strategy, growth plans, and future operations.

Forward-looking statements and forward-looking information are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements and information, are inherently subject to significant business, economic, technical, and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this MD&A, which may prove to be incorrect, include, but are not limited to: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions, or otherwise; (2) permitting, access, exploration, technology development, commercialization, expansion, and acquisitions at the Company's projects and technology initiatives being consistent with current expectations; (3) the viability, development, validation, and commercialization of the Company's proprietary technologies being consistent with current expectations; (4) the results of the Company's research and development programs, validation trials, and exploration activities being consistent with expectations; (5) the Company's ability to successfully advance its technologies from development-stage to commercialization; (6) political,

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regulatory, and legal developments in Canada and other jurisdictions being consistent with current expectations; (7) certain price assumptions for battery metals and other commodities; (8) prices for and availability of equipment, labour, electricity, water, and other key supplies remaining consistent with current levels; (9) labour and materials costs increasing on a basis consistent with current expectations; and (10) the availability and timing of additional financing being consistent with the Company's current expectations.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and forward-looking information. Such factors include, but are not limited to: the Company's ability to obtain additional financing and maintain adequate liquidity; fluctuations in currency markets; fluctuations in the spot and forward price of battery metals or other commodities; changes in national and local government legislation, taxation, controls, regulations, and political or economic developments; operating or technical difficulties in connection with exploration activities, technology research and development, pilot-scale testing, and commercialization; risks related to the performance, reliability, and scalability of the Company's technologies; delays or challenges in achieving product certification, regulatory approvals, or market acceptance; the speculative nature of mineral exploration and technology development; competition for capital, strategic opportunities, technology assets, and skilled personnel; incorrect assessments of the value or potential of acquisitions, projects, or technologies; supply chain constraints; fluctuations in foreign exchange or interest rates; stock market volatility; risks related to intellectual property protection and potential infringement; changes in market demand for electric vehicles and battery technologies; and general economic, financial, and business conditions.

In addition, there are risks and hazards associated with both mineral exploration and technology development, including environmental hazards, industrial accidents, unusual or unexpected geological formations, pressures, cave-ins, flooding, technical malfunctions, delays in product development or commercialization, changes in market demand, and the risk of inadequate insurance or the inability to obtain insurance to cover these risks. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements or forward-looking information made by, or on behalf of, the Company.

There can be no assurance that forward-looking statements and forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Forward-looking statements and forward-looking information are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements and forward-looking information made in this MD&A are qualified by these cautionary statements and those made in the Company's other filings with applicable securities regulators in Canada, including, but not limited to, the Annual Financial Statements. These factors are not intended to represent a complete list of the factors that could affect the Company, and readers should not place undue reliance on forward-looking statements or forward-looking information in this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements and forward-looking information, whether as a result of new information, future events, or otherwise, except as required by applicable law.

The forward-looking statements and forward-looking information contained herein are based on information available as of the date of this MD&A.