Li-FT POWER LTD.

Management's Discussion and Analysis

For the three months ended February 28, 2023

The following management discussion and analysis ("MD&A") should be read in conjunction with the condensed consolidated interim financial statements and accompanying notes ("Financial Statements") of LI-FT POWER LTD. (the "Company") for the three months ended February 28, 2023 and 2022 as well as the audited financial statements for the year ended November 30, 2022 and for the period from the date of inception on May 28, 2021 to November 30, 2021. Results have been prepared in accordance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting, under International Financial Reporting Standards issued by the International Accounting standards Board ("IFRS"). All monetary amounts are reported in Canadian dollars unless otherwise indicated. This MD&A is dated May 1, 2023 and all information contained in this MD&A is current as of April 28, 2023.

This MD&A contains forward-looking information. See "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

On June 24, 2022, the Company completed its Initial Public Offering ("IPO") and its shares were listed on the Canadian Securities Exchange and commenced trading on June 27, 2022 under the symbol "LIFT".

FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements. The words "expect," "anticipate," "estimate," "may," "will," "should," "intend," "believe," "target," "budget," "plan," "projection" and similar expressions are intended to identify such forward-looking statements. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present during operations, or if and when an undeveloped project is actually developed.

Forward-looking statements involve a number of known and unknown risks and uncertainties including statements regarding the outlook of LI-FT Power Ltd.'s business and results of operations. By their nature, these risks and uncertainties could cause actual results, performance and achievements to differ materially from those indicated. Such factors include, without limitation, risks inherent in mineral exploration, changes in commodity prices, geological and metallurgical assumptions (including with respect to size, grade and recoverability of mineral resources and mineral reserves), the Company's history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, environmental risks, as well as the world's physical and financial health in dealing with COVID-19. In making the forward-looking statements in this MD&A, the Company has applied material assumptions, including without limitation, the assumption that any additional financing needed will be available on reasonable terms.

Additional factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, weak commodity prices and general metal price volatility; the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand; and securing and the nature of regulatory permits and approvals and the costs of complying with environmental, health and safety laws and regulations.

The Company cannot assure investors that any of these assumptions will prove to be correct.

LI-FT Power Ltd. disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as is required by applicable securities regulations. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date the statements were made, and are also advised to consider such forward looking statements while considering the risk factors set forth in this MD&A.

DESCRIPTION OF BUSINESS

LI-FT Power Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on May 28, 2021. The Company is an exploration stage company engaged in the acquisition, exploration, and development of mineral properties.

The head office of the Company is located at Suite 300-1055 West Hastings Street, Vancouver, British Columbia V6E 2E9, and the registered and records office of the Company is located at Suite 2080-777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

PROJECT OVERVIEW

YELLOWKNIFE LITHIUM PROJECT

On November 23, 2022, the Company entered into an amalgamation agreement (the "Amalgamation Agreement") with 1361516 B.C. Ltd. (the "Target"), a private company holding a 100% interest in the Yellowknife Lithium Project (the "Project" or the "Properties"), whereby the Company agreed to acquire all the issued and outstanding shares of the Target. On December 30, 2022, the transaction was completed.

The Yellowknife Lithium Project is comprised of fourteen (14) mineral leases that cover most of the lithium pegmatites that make up the Yellowknife Pegmatite Province ("YPP"). The YPP has been noted to be one of the largest lithium resources in the Western world (Page, 1987 - Equinox Resources). Numerous spodumene-bearing pegmatites with strike lengths up to 1,800 meters and widths up to 40 meters outcrop in a spectacular fashion within the Project and are plainly visible from satellite imagery. The YPP also benefits from excellent existing infrastructure, including roads, rail and a skilled labour force that could support the development of this project. The Property is subject to an underlying 2% net smelter royalty and an overriding 2% gross production royalty.

Lithium mineralization hosted in spodumene-bearing pegmatites of the Yellowknife Pegmatite Province (YPP) was first discovered in the 1940's and intermittently explored through to the 1980's. Canadian Superior Exploration Limited (CSEL), the exploration arm of Superior Oil, completed systematic mapping, spodumene crystal counts, trenching, channel sampling and diamond drilling in the area from 1975 to 1979. CSEL estimated an overall resource potential for the YPP of 49 million tons at an average grade of 1.40% Li2O (calculated to a vertical depth of 152m) of which 75% is located within the Yellowknife Project (Lasmanis, 1978). This estimate was not prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and was prepared prior to the current CIM Definition Standards for Mineral Resources and Mineral Reserves. Further, a qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves; and the Company is not treating the historical estimate as current mineral resources or mineral reserves. Additional confirmation drilling will be necessary to achieve a resource estimate which will be compliant with the requirements of NI 43-101.The historical estimate should not be relied upon and there can be no assurance that any of historical resources, in whole or in part, will ever become economically viable.

Superior Oil was acquired by Mobil in 1984 which led to the divestment of the CSEL mineral properties and the claims holding the largest lithium pegmatites were transferred to a private company owned by the Target. In 1985, the private company entered into an option agreement with Equinox Resources Ltd. who collected bulk samples in 1987 for initial metallurgical testing. The results from initial metallurgical testing were positive and Equinox recommended a full feasibility study. Equinox was later acquired by Hecla Mining Company and the YPP lithium deposits reverted to the private company. Since 1987, very little exploration work was completed on any of the pegmatites.

In addition to the Yellowknife Project, the Target held the Cali lease located in the Little Nahanni Pegmatite Field in the Mackenzie mountains in Northwest Territories near the Yukon border. The Little Nahanni Pegmatite Field has been noted to have greater than 275 complex rare element pegmatites over an area of 13 by 2.5 kilometers. CSEL also held the Cali pegmatite in the 1970's that was subsequently acquired during the portfolio acquisition in 1983.

The Cali pegmatite was mapped by CSEL in 1977 and was described as outcropping over a 500-meter strike length, having a 300-meter outcropping vertical extent, and having up to 100 meter width. Panels of metasedimentary country rock occur within the spodumene-bearing pegmatite which has been described to have 60 meters of pegmatite dyke material. Float mapping suggests that the lithium bearing dyke could be up to 1,200 meters in strike length.

In November 2022, the Company staked four mineral claims that adjoin the Cali lease, bringing the combined area to 2,341.2 hectares.

On February 18, 2023, the Company acquired an option to purchase a 100% interest in 13 mineral leases covering 991 hectares that comprise the Thompson-Lundmark Project (the "Property") and one lease, covering 115 hectares to the north of the Property. The terms of the Option require the Company to make Aggregate cash payments of $3 million and exploration expenditures of $1.3 million over the two year term of the option agreement. A 1.5% NSR will be retained by the vendor of the Property, one third of which can be purchased at any time for $500,000. The Company also has a first right of refusal on the royalty.

The Thompson-Lundmark Property is contiguous with Li-FT's Ki mineral lease that hosts the Ki lithium pegmatite occurrence, part of Li-FT's Yellowknife Lithium Project (YLP), in the Northwest Territories. The lithium pegmatite dykes exposed on the Thompson-Lundmark Property have widths, on surface, up to 25 meters and are on strike with Li-FT's Ki lithium pegmatite that has reported an intersect of 13 meters at 1.80% Li_2O in a single diamond drill hole from the 1970's. Outcrops of the Ki pegmatite within the Ki lease have been described to contain 15 to 20% spodumene content approximately 40 meters from the Property boundary. The dykes add 600 meters of strike length to the Ki pegmatite system for a total of 1.5 kilometers which will be one of the targets for systematic follow-up drilling commencing in the next months.

RUPERT PROJECT

The Rupert Project, in its entirety, covers approximately 155,533 hectares or 1,555 square kilometers of mineral tenure in the James Bay region of Quebec. The Rupert Project is composed of three separate project areas: the Pontax Lithium Project, the Moyenne Lithium Project, and the Rupert Project. The Rupert Project area straddles the Whabouchi Trend whereas the Pontax and Moneynne Lithium Projects straddle the Pontax trend and covers the boundary between the La Grande and Nemiscau geologic subprovincse. The Whabouchi Trend covers approximately 950 square kilometers of the Lac des Montagnes greenstone belt which hosts the Whabouchi Li-pegmatite deposit (53.6 Mt at 1.45% Li2O total resources and reserves). The Pontax Trend covers approximately 350 square kilometers of the Pontax greenstone belt which hosts several Li pegmatite showings. The geology of the Pontax trend is similar to the Whabouchi Trend and has similar characteristics for Li prospectivity. The Moyenne Trend covers an east-trending shear zone which has potential to host Li pegmatites.

James Bay Option Agreement

On August 11, 2021, the Company entered into a property option agreement to acquire a 100% undivided interest in and to certain mineral claims (the "James Bay Property"), subject to 2% net smelter returns royalty (the "Royalty").

The option may be exercised by the Company by making cash payments to the optionors in an aggregate amount of $100,000, as follows:

A. $20,000, upon the execution and delivery of the agreement by all parties (paid);
B. An additional $25,000, on or before the first anniversary of the agreement (paid);
C. An additional $25,000, on or before the second anniversary of the agreement;
D. An additional $30,000, on or before the third anniversary of the agreement; and

Rupert Option Agreement

On June 11, 2021, the Company entered into a definitive option agreement with Kenorland Minerals Ltd. ("Kenorland") pursuant to which the Company was granted the option to acquire up to a 100% interest in and to certain mineral claims (the "Rupert Property").

In order to exercise the option, the Company agreed to pay $200,000 in cash (paid) and issued to Kenorland 9.9% of the Company's issued and outstanding shares upon closing (issued) and such number of additional common shares to maintain Kenorland's pro rata interest in the Company at 9.9% prior to the listing of the Company's common shares on a recognized stock exchange.

Upon the exercise of the option, the Company is required to grant to Kenorland a 2% net smelter royalty in respect of the Rupert Property.

The Company is responsible for all operations conducted at the Rupert Property and has the exclusive right to manage and operate all programs. On closing, the Company entered into an operator agreement with Kenorland pursuant to which the Company engaged Kenorland as operator of the Rupert Property for an initial term of two years. The Company has agreed to pay an operator's fee to Kenorland equal to 10% of all exploration costs.

On February 2, 2022, the Company issued 1,751,913 common shares valued at $3,503,826 to Kenorland pursuant to the option agreement related to the Rupert Property.

Whabouchi Purchase Agreement

On April 12, 2022, the Company entered into a mineral property purchase agreement with 9228-6202 Quebec Inc. to acquire a mineral claim located in James Bay, Quebec (the "Whabouchi").

In consideration for the sale, transfer, assignment and conveyance of the Property and the Property Rights, the Company paid an aggregate of $15,000 in cash.

Ravenclan Purchase Agreement

On January 13, 2022, the Company entered into a mineral property purchase agreement with Marino Specogna and Ravenclan Ltd. to acquire eight mineral claims located in James Bay, Quebec (the "Ravenclan Claims").

In consideration for the sale, transfer, assignment and conveyance of the Property and the Property Rights, the Company paid an aggregate of $10,000 in cash.

PONTAX PROJECT

The Pontax Project is within an area that was affected by the marine incursion of the Tyrell Sea at the end of the last glaciation. Topographic lows are infilled with glaciomarine sediments and topographic highs usually have outcropping till. Till on topographic highs may have been reworked by the Tyrell Sea, which could cause variability in till geochemistry results.

On July 20, 2022, the Company entered into a mineral property purchase agreement with Harfang Exploration Inc. ("Harfang") to acquire a 70% interest of Pontax mineral claims located in the James Bay region in Quebec (the "Pontax Property").

In accordance with the agreement, the Company may exercise the first option to earn 51% interest by making payments in an aggregate amount of $100,000, as follows:

a. $25,000 in cash (paid) upon the execution and delivery of the agreement by both parties;
b. an additional $25,000 on or before the first anniversary date;
c. an additional $25,000 on or before the second anniversary date;
d. an additional $25,000 on or before the third anniversary date; and
e. incurring $1,650,000 in expenditures on the Pontax Property during the first option period.

Upon the exercise of the first option, Harfang is required to grant the second option. Within 60 days of the grant of the second option, the Company shall provide Harfang written notice that it either (a) accepts the grant of the second option, which acceptance shall be accompanied by a payment of $50,000 in cash or through the issuance of common shares, at the Company's discretion or (b) elects not to accept the grant of the second option, in which case a joint venture is to be formed with the initial participating interest of 51% and 49% for the Company and Harfang, respectively.

To exercise the second option and acquire a further 19% interest (for an aggregate 70% interest), the Company is required to incur an additional $3,350,000 in expenditures on the Pontax Property.

Upon the exercise of the second option, Harfang will have the option of converting its remaining participating interest of 30% into a 2.5% NSR or to form a joint venture to further explore the property.

MOYENNE PROJECT

The Moyenne Project has more discreet and discontinuous geochemical anomalies than the Pontax and Rupert Projects (see press release dated November 9, 2022 for Rupert till results). The Company will design a modest follow-up exploration program to screen low-level anomalism in the Moyenne Project area.

Lac des Montagnes Option Agreement

On September 22, 2022 (the "effective date"), the Company into an option agreement (the "Option Agreement") with 9219-8845 Quebec Inc. ("9219") and Steve LaBranche (collectively with 9219, the "Optionors") pursuant to which Li-FT was granted the option (the "Option") to acquire a 100% interest in and to the Lac des Montagnes Lithium Property, comprised of 348 mineral claims located near Nemaska Village in the Province of Quebec (the "Lac des Montagnes Property"). The Lac de Montagnes property is located in the same prolific lithium belt that hosts the Nemaska Lithium Whabouchi Deposit, a world-class lithium deposit in Quebec, Canada. With the completion of the Lac des Montagnes land transaction, Li-FT now has 216,000 hectares of prospective land in this lithium district.

Under the terms of the Option Agreement, Li-FT can earn a 100% interest in the Lac des Montagnes Property by issuing 225,000 common shares ("Li-FT Shares") to the Optionors on closing of the agreement, paying an aggregate of $300,000 in cash, due upon signing, and an additional aggregate of fully-paid Li-FT Shares with a value of $3,000,000 to the Optionors. The payment schedule is as follows:

A. $300,000 in cash and 225,000 Li-FT Shares within five (5) business days of the effective date (paid)
B. an additional $1,500,000 in value of Li-FT Shares on the 6-months anniversary of the effective date (issued 173,169 common shares)
C. an additional $1,500,000 in value of Li-FT Shares on the 12-months anniversary of the effective date

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the financial statements of the Company. The figures have been prepared in accordance with IFRS.

	For the Quarters Ended					
	Feb 28, 2023	Nov 30, 2022	Aug 31, 2022	May 31, 2022	Feb 28, 2022	Nov 30, 2021
	$	$	$	$	$	$
Total revenues	-	-	-	-	-	-
Net loss	(509,059)	(368,936)	(246,975)	(66,160)	(56,428)	(77,302)
Net income (loss) per share	(0.02)	(0.02)	(0.01)	(0.00)	(0.00)	(0.01)
Total assets	212,836,734	15,488,408	8,223,853	6,655,887	6,763,817	2,388,819

The variation seen over the quarters is primarily related to the success of the Company's ongoing business development, property evaluation and acquisition program and the timing and results of the Company's exploration activities on its current properties. The increase in net loss from the quarter ended May 31, 2022 to the quarter ended August 31, 2022 is due to the Company's successful listing on the CSE and operating as a public Company. The further increase in net loss for the quarters ended November 30, 2022 and the quarter ended February 28, 2023 has resulted from the Company's successful growth to acquiring and exploring several properties in Canada, also evidenced by the continuous increase in total assets.

RESULTS OF OPERATIONS

For the three months ended February 28, 2023 and 2022

Net loss and comprehensive loss for the three months ended February 28, 2023, was $509,059 compared to $56,428 for the three months ended February 28, 2022. The increase in the comprehensive loss was mainly attributable to the following:

- Consulting fees increased by $170,737, from $9,975 during the three months ended February 28, 2022, to $180,712 for the three months ended February 28, 2023. This was mainly due to the hiring of additional consultants resulting from an increase in corporate activities.

- Exploration expenses increased by $19,201, from $nil during the three months ended February 28, 2022, to $19,201 for the three months ended February 28, 2023. This increase resulted from due diligence and exploration activities on the newly acquired Yellowknife Lithium project prior to the Company having completed the acquisition.

- Filing fees increased by $23,005, from $5,000 during the three months ended February 28, 2022, to $28,005 during the three months ended February 28, 2023. This increase is due to more frequent filing requirements after the Company was listed on an Exchange.

- Investor relations expenses increased by $50,823, from $nil during the three months ended February 28. 2022, to $50,823 during the three months ended February 28, 2023. The increase is due to marketing and public relations efforts to keep up with investor exposure.

- Management and director fees increased by $77,999, from $nil during the three months ended February 28, 2022, to $77,999 during the three months ended February 28, 2023. The increase is due to the growing and talent matching of the executive team and the board and compensation of the acquired talent in order to retain it.

- Office expenses increased by $23,425, from $2,920 during the three months ended February 28, 2022, to $26,345 during the three months ended February 28, 2023. The increase is due to increased corporate and office management activities.

- Payroll increased by $61,444, from $nil during the three months ended February 28, 2022, to $61,444 during the three months ended February 28, 2023. The increase is due to new hires resulting from greater personnel needs for the newly acquired properties.

- Professional fees increased by $39,891, from $23,123 during the three months ended February 28, 2022, to $63,014 for the three months ended February 28, 2023. The professional fees incurred were mainly related to the acquisition of new properties.

- Travel expenses increased by $41,728, from $nil during the three months ended February 28, 2022, to $41,728 for the three months ended February 28, 2023. The travel expenses relate to travel to conferences during the quarter.

LIQUIDITY AND CAPITAL RESOURCES

As at February 28, 2023, the Company had working capital (current assets less current liabilities) of $11,257,577 (November 30, 2022 – $1,409,508).

During the three months ended February 28, 2023, the Company used $483,175 cash for operating activities compared to $26,193 for the three months ended February 28, 2022. Funds used for operating activities resulted from the net loss of $509,059 for the quarter (2022 - $56,428) and was reduced by a positive change in non-cash working capital items totaling $25,886 (2022 – $30,235).

During the three months ended February 28, 2023, the Company generated $10,148,163 cash from investing activities compared to $160,000 used during the quarter ended February 28, 2022. Cash used in investing activities consists exclusively of exploration and evaluation expenditures, including cash payments for mineral property acquisitions. During the current quarter the Company completed the acquisition of the Yellowknife Lithium project by way of a three-corner amalgamation and acquired $10,374,573 cash in the process.

During the three months ended February 28, 2023, the Company generated or used no cash from financing activities compared to generating $897,365 through private placements during the period ended February 28, 2022.

From time to time the Company works to raise additional capital through private placements and other forms of equity financing. Its ability to fund exploration projects is dependent upon its ability to obtain sufficient funding for operations and is ultimately dependent on the recoverability of the amounts capitalized to mineral exploration properties. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. Because the Company is not yet a producer, the primary source of future funds is through the sale of additional equity capital and optioning of resource properties. There is no assurance that the Company will be successful in raising sufficient capital to meet its obligations. If it is not successful in raising sufficient capital, it may have to curtail or otherwise limit operations.

As at February 28, 2023, shareholders' equity totaled $208,904,693 and consisted of share capital in the amount of $210,224,461, contributed surplus in the amount of $5,092 and accumulated deficit in the amount of $1,324,861.

The following table shows funds available at the time of listing, and the principal planned purpose for available funds compared with approximate actual amounts expended as at February 28, 2023:

Principal Purpose	**Estimated amount proposed to be expended**	**Approximate Actual amount expended as at February 28, 2023**
Estimated remaining expenses of the listing of the Common Shares on the CSE	59,000	69,882
Phase 1 exploration program on the Rupert property	1,096,000	3,009,768
Expenses pursuant to the operator services agreement between the Company and Kenorland Minerals Ltd.	100,000	100,000
Option payment due August 11, 2022 pursuant to an option agreement	25,000	25,000
General and Administrative expenses for the 12 months following listing	379,000	1,056,197
Total	**1,659,000**	**4,260,847**
Excess Cash Available	91,000	15,106,765

During the three months ended February 28, 2023, the Company closed a flow-through private placement for gross proceeds of $7,000,056 (amount included in the "excess cash available" line in the table above). These funds will be used to advance the Company's exploration projects in Quebec.

Subsequent to the three months ended February 28, 2023, the Company closed a flow-through private placement for gross proceeds of $35,003,625. These funds will be used to advance the Company's exploration projects in the Northwest Territories.

TRANSACTIONS WITH RELATED PARTIES

Related parties include the Board of Directors and Officers of the Company, as well as close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

On October 15, 2022, the Company entered into a consulting agreement with 1354195 B.C. Ltd., a company controlled by the CEO of the Company. Pursuant to this consulting agreement, the Company agreed to pay CHF11,111 per month to 1354195 B.C. Ltd. for management services. The Company accrued $47,999 (CHF33,333) for the three months ended February 28, 2023 (2022 - $Nil).

During the three months ended February 28, 2023, the Company paid consulting fees of $22,500 to its Corporate Secretary (2022 - $Nil).

During the three months ended February 28, 2023, the Company paid $4,500 in consulting fees for Purple Crown, a company controlled by Julie Hajduk, one of the Company's directors (2022 - $Nil).

During the three months ended February 28, 2023, the Company accrued $30,000 in director fees (2022 - $nil). Each director receives $5,000 per quarter.

Included in accounts payable and accrued liabilities at February 28, 2023 was $119,738 due to related parties (2022 - $Nil).

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

SHARE CAPITAL

Authorized share capital

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

As at February 28, 2023, the Company had 36,465,063 common shares issued and outstanding. As at the date of this MD&A, the Company had 39,240,732 common shares issued and outstanding.

As at February 28, 2023, the Company had nil stock options issued and outstanding. As at the date of this MD&A, the Company had 575,000 stock options issued and outstanding. The options have an exercise price of $10.00 per share and are exercisable for a period of five years. The options vest after two years, with one quarter of total options vesting at each six-month anniversary.

Issuance of shares

a) Private Placements

On March 22, 2023, the Company completed a private placement and issued 2,602,500 flow-through shares of the Company at a price of $13.45 per flow-through share for total proceeds of $35,003,625. The Company paid share issue costs of $2,248,528 consisting of commissions and other capital raise related expenditures.

On November 3, 2022, the Company completed a private placement and issued 428,400 flow-through shares of the Company at a price of 16.34 per flow-through share for total proceeds of $7,000,056. The Company paid share issue costs of 207,746 consisting of commissions and other capital raise related expenditures.

On January 14, 2022, the Company completed a private placement and issued 297,000 common shares of the Company at a price of $2.00 per share for total proceeds of $594,000.

On December 24, 2021, the Company completed a private placement and issued 101,750 common shares of the Company at a price of $2.00 per share for total proceeds of $203,500.

On December 23, 2021, the Company completed a private placement and issued 21,000 common shares of the Company at a price of $2.00 per share for total proceeds of $42,000.

On December 20, 2021, the Company completed a private placement and issued 200,000 common shares of the Company at a price of $0.30 per share for total proceeds of $60,000.

b) Share issuance for mineral properties:

On March 22, 2023, the Company issued 173,169 common shares pursuant to the Lac des Montagnes Option Agreement.

On December 30, 2022, the Company completed the amalgamation transaction with 1361516 BC Ltd. ("136") and issued 18,000,000 common shares to the shareholders of 136 in exchange for all issued and outstanding shares of 136.

On September 22, 2022, the Company issued 225,000 common shares valued at $1,883,250 for to the option agreement related to the Lac des Montagnes Lithium Property.

On February 2, 2022, the Company issued 1,751,913 common shares valued at $3,503,826 to Kenorland pursuant to the option agreement related to the Rupert Property.

LOSS PER SHARE

The calculation of basic and diluted loss per share for the three months ended February 28, 2023, was based on the net loss of $509,059 and the weighted average number of common shares of 30,465,063.

The calculation of basic and diluted loss per share for the three months ended February 28, 2022, was based on the net loss of $56,428 and the weighted average number of common shares of 6,620,565.

CRITICAL JUDGMENTS AND ESTIMATES

The preparation of the Financial Statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

Significant Judgments

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining the point at which a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop the property are capitalized into development assets. The determination may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the year when new information becomes available.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the year for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next year.

Impairment of financial assets

At each reporting date the Company assesses financial assets not carried at fair value through profit or loss to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicates that one or more events occurred during the year that negatively affected the estimated future cash flows of the financial asset.

Objective evidence that financial assets are impaired can include significant financial difficulty of the issuer or debtor, default or the disappearance of an active market for a security. If the Company determines that a financial asset is impaired, judgment is required in assessing the available information in regard to the amount of impairment; however, the final outcome may be materially different than the amount recorded as a financial asset.

Decommissioning and restoration costs

Management is not aware of any material restoration, rehabilitation and environmental provisions as at February 28, 2023. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value and these estimates are updated annually. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the exploration and evaluation property. Such estimates are subject to change based on laws, regulators and negotiations with regulatory authorities.

Deferred income taxes

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future years, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company and its subsidiaries operate could limit the ability of the Company to obtain tax deductions in future years.

FINANCIAL INSTRUMENTS

Categories of financial instruments

	February 28, 2023	November 30, 2022
	$	$
FINANCIAL ASSETS		
At amortized cost		
Cash	15,106,765	5,441,777
Total financial assets	**15,106,765**	**5,441,777**
Other liabilities, at amortized cost		
Accounts payable and accrued liabilities	337,645	230,260
Short-term loan	300,000	550,000
Total financial liabilities	**637,645**	**780,260**

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk
- Currency Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them during the period unless otherwise stated in the note.

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Board of Directors receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board of Directors is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of two types of risk: interest rate risk and equity price risk.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with major financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash to settle its liabilities. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

As at February 28, 2023, the Company had cash of $15,106,765 to settle current liabilities of $3,932,042. As such, liquidity risk is considered minimal. Management seeks additional financing through the issuance of equity instruments to continue its operations. There can be no assurance it will be able to do so.

Currency Risk

The Company might be exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. During the three months ended February 28, 2023, the Company has not had foreign currency transactions, and therefore was not exposed to currency risk.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes share capital in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

CONTROLS AND PROCEDURES

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses may exist in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where potential weaknesses existed. The existence of these potential weaknesses is to be compensated for by senior management monitoring which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budget and workload will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), LIFT utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing a Venture Issuer Basic Certificate do not make any representations relating to establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP ("IFRS").

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of LIFT's certifying officers to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided securities legislation.

RISK FACTORS

Risk Associated with Li-FT

Li-FT is currently in the business of exploring for lithium in Canada, which involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The risks described below are not the only ones facing Li-FT. Additional risks not currently known to Li-FT, or that Li-FT currently deems immaterial, may also impair Li-FT's operations. If any of the following risks actually occur, Li-FT's business, financial condition and operating results could be adversely affected.

In evaluating Li-FT and its business, shareholders should carefully consider, in addition to the other information contained in this AIF, the risk factors, below. The risk factors below may not be a definitive list of all risk factors associated with the Company.

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by Li-FT in the exploration of properties will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks, which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of a property. Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance Li-FT has, or will have, commercially viable ore bodies. There is no assurance that Li-FT will be able to arrange sufficient financing to bring ore bodies into production. The following are some of the risks to Li-FT, recognizing that it may be exposed to other additional risks from time to time:

- Limited business history of Li-FT, including lack of revenues and no assurance of profitability
- Dependence on key management personnel
- Reliance on availability and performance of independent contractors
- Challenges by other unknown parties to property title
- Environmental issues
- Commodity price risk

Li-FT is diligent in minimizing exposure to business risk, but by the nature of its activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements.

Risk Factors Affecting the Mining Industry

Speculative Nature of Mineral Exploration

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Mineral Exploration Risk Generally

The exploration for, and development of, mineral deposits involve a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. Resource exploration and development is a speculative business, characterized by a number of significant risks, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, although present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

All of the properties in which the Company has an interest are without any known body of commercial ore. Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on a property without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from its properties and to locate and acquire additional properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

Title Risk

While the Company has performed its own due diligence with respect to the validity of the mineral claims in which it holds an interest, this should not be construed as a guarantee of title. There is no assurance that applicable governmental bodies will not revoke or significantly alter the conditions of the applicable claims that are included in the Company's projects or that such claims will not be challenged or impugned by third parties.

The Company's projects may be subject to prior unregistered agreements of transfer or indigenous land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of the Company's projects and any other mining or property interests derived from or in replacement or conversion of or in connection with the claims comprising the Company's projects or the size of the area to which such claims and interests pertain. The Company may face challenges to the title its projects or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

Loss of Interest in Properties

The Company's ability to maintain an interest in the properties owned by the Company will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep its properties in good standing or, where applicable, make payments and complete obligations under option agreements, and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the properties transferred to or optioned by the Company.

Aboriginal Title

The Yellowknife Property, the Rupert Property or other properties owned or optioned by the Company may in the future be the subject of First Nations land claims, including those of the Yellowknife Dene Firs Nation and the Eeyou Istchee James Bay Cree First Nation. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the properties optioned or owned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties optioned or purchased by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with First Nations in order to facilitate exploration and development work on the properties optioned or owned by the Company. The Supreme Court of Canada's recent decision in Tilhqot'in Nation v. British Columbia marked the first time in Canadian history that a court has declared Aboriginal title to lands outside of a reserve.

Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of any of the Company's projects will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect operations.

Mineral Resources and Reserves

There is no NI 43-101 compliant mineral resource or mineral reserve on any of the Company's projects. There can be no assurances that an NI 43-101 compliant resource or reserve will ever be estimated on any of the Company's projects.

Because the Company has not defined or delineated any proven or probable reserves on any of its properties, any future mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in largescale tests under on-site conditions or in production scale.

Fluctuating Price of Metals

Future production, if any, from the Company's mineral properties will be dependent upon the prices of lithium and its compounds being adequate to make these properties economic. Materially adverse fluctuations in the price of such minerals and metals may adversely affect the Company's financial performance and results of operations. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the control of the Issuer, including levels of supply and demand, industrial development levels, inflation and the level of interest rates, the strength of the U.S. dollar and geopolitical events in significant mineral producing countries. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

All commodities, by their nature, are subject to wide price fluctuations and future material price declines will result in a decrease in the value of the commodity held, and/or revenue or, in the case of severe declines that cause a suspension or termination of production by relevant operators, a complete cessation of revenue from streams, royalties or interests in mineral properties applicable to the relevant commodities. There is no assurance that, even if commercial quantities of cobalt are produced, a profitable market will exist for them.

Competitive Risks

The mineral resource industry is competitive in all of its phases. The Company competes with other companies, some of which have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. The Company competes with other exploration and mining companies for the acquisition of leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. There can be no assurance that the Company can compete effectively with these companies.

Government and Regulatory Risks

The Company's subject to various laws governing exploration, taxes, labour standards and occupational health, safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could limit or curtail the Company's activities.

Amendments to current laws, regulations and permits governing activities of exploration and mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenses or require abandonment or delays in activities.

Failure to comply with any applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Environmental Risks
All phases of the Company's mining operations will be subject to environmental regulation in Canada. Changes in environmental regulation, if any, may adversely impact the Company's operations and future potential profitability. In addition, environmental hazards may exist on the Company's projects which are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the properties, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company's operations and future potential profitability.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

The Company may be subject to reclamation requirements designed to minimize long-term effects of mining exploitation and exploration disturbance by requiring the operating company to control possible deleterious effluents and to re-establish to some degree pre-disturbance land forms and vegetation. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures and could have a material adverse impact on the Company's financial resources.

License and Permits

In the ordinary course of business, the Company will be required to obtain and renew various federal, provincial and local governmental licenses or permits for exploration, development, construction and commencement of mining on its projects. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

Uninsured Risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions and floods. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to nsure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations and a decline in the value of the securities of the Company.

Limited Operating History and Lack of Profits

The Company is an early-stage exploration company with a limited operating history. The likelihood of success of the Company's business plan must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with developing and expanding early-stage businesses and the regulatory and competitive environment in which the Company operates.

The Company has no history of earnings and has not commenced commercial production on any of its properties. There are no known commercial quantities of mineral reserves on any properties owned or optioned by the Company. There is no guarantee that economic quantities of mineral reserves will be discovered on any of the properties held by the Company in the near future or at all.

The Company has experienced losses from operations and expects to continue to incur losses for the foreseeable future. There can be no assurance that the Company will be profitable in the future. The Company's operating expenses and capital expenditures are likely to increase in future years as needed consultants, personnel and equipment associated with advancing exploration, and, if permitted, development and, potentially, commercial production of its properties, are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, the Company's acquisition of additional properties, government regulatory processes and other factors, many of which are beyond the Company's control. The Company expects to continue to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

General Risks

Labour and Employment Relations

Exploration at the Company's projects is dependent upon the efforts of, and maintaining good relationships with, employees of Li-FT. Relations between Li-FT and its employees may be impacted by changes in labour relations, which may be introduced by, among others, employee groups, unions, and the relevant governmental authorities in whose jurisdictions Li-FT carries on business. Adverse changes in such legislation or in the relationship between Li-FT and its employees may have a material adverse effect on Li-FT'S business, results of operations, and financial condition. In addition, the Company's ability to keep essential operating staff in place may also be challenged as a result of potential COVID-19 outbreaks or quarantines.

Global Financial Conditions

Evens in global financial markets in the past several years, including in relation to the COVID-19 pandemic and the inflationary effects thereafter have had a profound impact on the global economy. Many industries, including the mineral resource industry, were impacted by and continue to be impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's operations.

Adverse capital market conditions could continue to affect the Company's ability to meet its liquidity needs, as well as its access to capital and cost of capital. The Company needs additional funding to continue development of its internal pipeline and collaborations. The Company's results of operations, financial condition, cash flows and capital position could be materially affected by continued disruptions in the capital markets.

Financing Risk

Exploration companies need significant amounts of on-going capital to maintain and improve existing operations, invest in large scale capital projects with long lead times, and manage uncertain development and permitting timelines and the volatility associated with fluctuating metals and input prices. The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company.

Li-FT has been successful at financing its projects and operations over the years. However, its ability to continue its exploration activities will depend on the resource industry generally, which is cyclical in nature, and which may, in turn, affect its ability to attract financing, including joint venture financing, debt or bank financing, equity financing or production financing arrangements. Failure to obtain, or difficulty or delay in obtaining, requisite financing could result in delay of certain projects or postponement of further exploration, assessment or development of certain properties or projects and would have a material adverse effect on the Company's business, result of operations and financial condition.

Share Price

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of Shares to sell their securities at an advantageous price. Market price fluctuations in the Company's shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Company's shares.

Financial markets have historically at times experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Company's shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Company's shares may be materially adversely affected.

Dilution

Common shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into the Company's shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company will issue additional shares from time to time pursuant to the options to purchase shares issued from time to time by the Board. The issuance of these shares will result in dilution to holders of the Company's shares.

Key Person Insurance

The Company does not maintain key person insurance on any of its directors or officers, and as result, the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

Management

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

Ability of Company to Continue as a Going Concern

The Company is in the exploration stage and is currently seeking additional capital to develop its exploration properties. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity and debt, will be sought to finance the operations of the Company; however, there can be no certainty that such funds will be available at terms acceptable to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Negative Cash Flow from Operations

Since its incorporation, the Company had negative cash flows from operating activities and expects to continue to have negative cash flows and the net proceeds from the Offering will be used to fund such negative cash flow from operating activities. The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations.

Dividends

The Company does not anticipate paying any dividends on its shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Any decision to declare and pay dividends in the future will be made at the discretion of the Company's board of directors and will depend on, among other things, financial results, cash requirements, contractual restrictions and other factors that the Company's board of directors may deem relevant. As a result, investors may not receive any return on an investment in the Units unless they sell their shares of the Company for a price greater than that which such investors paid for them.

Litigation Risk

Legal proceedings may be brought against Li-FT, for example, litigation based on its business activities, environmental laws, tax matters, volatility in its stock price or failure to comply with its disclosure obligations, which could have a material adverse effect on Li-FT's financial condition or prospects. Regulatory and government agencies may bring legal proceedings in connection with the enforcement of applicable laws and regulations, and as a result Li-FT may be subject to expenses of investigations and defense, and fines or penalties for violations if proven, Li-FT may potentially incur cost and expense to remediate, increased operating costs or changes to operations, and cessation of operations if ordered to do so or required in order to resolve such proceedings.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the BCBCA. Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

- Participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
- No commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and

officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

Public Health Crises

In December 2019, COVID-19 emerged in Wuhan, China. Since then, it has spread to many other countries and infections have been reported around the world. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. In response to the outbreak, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place, and social distancing. The COVID-19 outbreak and the response of governmental authorities to try to limit it are having a significant impact on the private sector and individuals, including unprecedented business, employment, and economic disruptions. The continued spread of COVID-19 nationally and globally could have an adverse impact on the business of the Company, operations and financial results, including but not limited to, the Company's ability to complete its planned exploration program in a timely manner. In response to the COVID-19 pandemic, the Company has implemented precautionary measures at its corporate office, including limiting visits to essential personnel and ensuring proper protocols around sanitation and social distancing.

The Company may be adversely affected by other public health crises and other events outside its control. Public health crises, such as epidemics and pandemics, acts of terrorism, war or other conflicts and other events outside of the Company's control, may adversely impact the activities of the Company as well as operating results. In addition to the direct impact that such events could have on the Company's facilities and workforce, these types of events could negatively impact capital expenditures and overall economic activity in impacted regions or, depending on the severity of the event, globally, which could impact the demand for and prices of commodities. A prolonged continuance of a public health crisis could also have a material adverse effect on overall economic growth and impact the stability of the financial markets and availability of credit. Any of these developments could have a material adverse effect on the Company's business, financial position, liquidity and results of operations.

Other Risks and Hazards

The Company's operations are subject to a number of risks and hazards including:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- failure of processing and mining equipment;
- labour disputes;
- supply problems and delays;
- changes in regulatory environment;
- encountering unusual or unexpected geologic formations or other geological or grade problems;
- encountering unanticipated ground or water conditions;
- cave-ins, pit wall failures, flooding, rock bursts and fire;
- periodic interruptions due to inclement or hazardous weather conditions;
- uncertainties relating to the interpretation of drill results;
- inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses;

- results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration or development results will not be consistent with the Company's expectations;
- the potential for delays in exploration or the completion of feasibility studies;
- other acts of God or unfavourable operating conditions.

Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, monetary losses and possible legal liability. Satisfying such liabilities may be very costly and could have a material adverse effect on future cash flow, results of operations and financial condition.