Li-FT POWER LTD.

Management's Discussion and Analysis

For the three and nine months August 31, 2025

TSX-V: LIFT I OTCQX: LIFFF I FRANKFURT: WS0

www.li-ft.com

GENERAL

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed interim consolidated financial statements of Li-FT Power Ltd. (the "Company" or "LIFT") for the three and nine months ended August 31, 2025, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and Interpretations (collectively IFRS accounting standards) as applicable to the preparation of interim financial statements, including International Accounting Standard IAS 34 Interim Financial Reporting. The unaudited condensed interim consolidated financial statements should also be read in conjunction with the Company's audited consolidated financial statements for the year ended November 30, 2024 and 2023, which are prepared in accordance with IFRS Accounting Standards on a going concern basis. These documents, along with additional information on the Company including the Company's Annual Information Form ("AIF") for the year ended November 30, 2024, are available under the Company's SEDAR+ profile at www.sedarplus.ca.

In this MD&A, unless the context otherwise requires, references to the "Company", "LIFT", "we", "us", and "our" refer to Li-FT Power Ltd. and its subsidiaries.

This MD&A contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities laws. See the section in this MD&A titled "Forward-Looking Statements" for further details and "Risk Factors" for a discussion of the risks, uncertainties and assumptions relating to such information. In addition, this MD&A has been prepared in accordance with the requirements of Canadian securities laws, which differ in certain material respects from the disclosure requirements of United States securities laws.

All dollar amounts included in this MD&A are expressed in Canadian dollars unless otherwise noted. This MD&A is dated as of October 24, 2025, and all information contained in this MD&A is current as of October 23, 2025.

DESCRIPTION OF BUSINESS

Li-FT Power Ltd. 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, with a focus on lithium in Canada.

The head office of the Company and principal address is Suite 1218-1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3, and the registered and records office of the Company is located at Suite 830-999 West Broadway, Vancouver, British Columbia V5Z 1K5.

PROJECTS OVERVIEW

The Company holds interests in three mineral projects in the Northwest Territories, the Yellowknife Lithium Project ("YLP"), the Cali Project and Other NWT Projects acquired in the North Arrow transaction, as well as three mineral projects in Quebec referred to as the Rupert Project, the Pontax Project and the Moyenne Project. At present, the Company's mineral properties are not at a commercial development or production stage.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth selected consolidated financial information of the Company as of the period ended August 31, 2025, 2024, and 2023. The selected consolidated financial information is extracted from the Company's unaudited condensed interim consolidated financial statements for the nine months ended August 31, 2025, 2024, and 2023, prepared in accordance with IFRS Accounting Standards as applicable to the preparation of interim financial statements, including International Accounting Standard IAS 34 Interim Reporting.

Financial Results (in $000s Except for per Share Amounts):		For the nine months ended August 31, 2025, 2024 and 2023		
		2025	2024	2023
Mineral Property Expenditures (1)	$	7,366	25,284	20,578
Net Income (Loss) and Comprehensive Income (Loss) for the period		3,566	(4,191)	5,886
Total Cash Used in Operating Activities (2)		2,554	3,749	1,428
Basic and Diluted Net Loss Per Share (in Dollars) (3)		0.08	(0.10)	0.16
Financial Position (in $000s):		**August 31, 2025**	**November 30, 2024**	**November 30, 2023**
Cash	$	10,548	21,011	17,737
Working Capital (4)		14,122	12,158	16,643
Exploration and Evaluation Assets		269,042	261,676	236,304
Total Assets		289,780	284,025	261,713
Total Liabilities		24,581	24,417	16,521

(1) Represents mineral property expenditures per the consolidated interim statements of financial position in each corresponding year.
(2) Per the consolidated interim statements of cash flows in each corresponding year.
(3) The basic and diluted loss per share calculations result in the same amount due to the anti-dilutive effect of outstanding stock options and warrants, where applicable.
(4) This is a non-IFRS measurement with no standardized meaning under IFRS Accounting Standards and may not be comparable to similar financial measures presented by other issuers. For further information please see the section in this MD&A titled *"Non-IFRS Measures"*.

In terms of the mineral property expenditures, the following summarizes the recent work programs at each of the key project locations:

Yellowknife Lithium Project

Exploration on the Yellowknife Lithium Project commenced on June 2, 2023. During the summer 2023 drill program, a total of 49,548 metres of diamond drilling over 286 holes were completed over 8 known spodumene bearing pegmatite dikes. Bulk sampling was completed on the 8 dikes drill tested and submitted to SGS Lakefield for metallurgical analysis, results were received and published on September 23, 2024. Bases of exploration were established in the town of Yellowknife, at Hidden Lake exploration camp and Echo satellite camp. Environmental baseline studies were initiated in 2023 to support a PEA level scoping study. The 2023 summer exploration program was impacted by wildfires and the evacuation of the town of Yellowknife from August 15 to September 10, 2023. The Company continued resource definition drilling in the winter 2024 program which began on January 5, 2024 and included approx. 16,000 metres of drilling with announced drill results for 80 holes. On October 1, 2024, the Company announced the initial National Instrument 43-101 compliant mineral resource estimate for 8 of 13 spodumene-bearing pegmatite dykes that comprise LIFT's YLP. The consolidated in-pit MRE is reported at 50.4 million tonnes (Mt) grading 1.00% Li_2O for 506,000 tonnes of Li_2O (1.25 million tonnes of LCE) in the inferred category.

North Arrow Minerals Inc. Assets – Destaffany, Macakay and LDG Lithium Projects

The DeStaffany lithium property covers 1,843 ha located on the north central shore of Great Slave Lake, approximately 18 km northeast of the Nechalacho mine and 115 km east of Yellowknife. The property hosts the Moose 1 and Moose 2 lithium-tantalum-niobium bearing pegmatites. The pegmatites were initially evaluated in the 1940's for tantalum and niobium but have never been subject to a focused evaluation of their lithium potential. New discoveries are possible within the property as highlighted by the identification of additional pegmatites by a predecessor company to North Arrow. At the time, these pegmatites were not described or evaluated for their lithium potential.

The MacKay Project comprises 8,661 hectares of mineral claims approximately 30 kilometers to the south of the Rio Tinto's Diavik diamond mine. To date, two spodumene occurrences have been discovered by prospecting. MK1 consists of a series of irregular sub-parallel pegmatite dykes ranging from 0.5 m to >10 m wide over a combined width of up to 150 m and traced over an interpreted strike extent of greater than 400 m; hand samples from four locations along 120 m of strike have returned 2.45%, 2.51%, 2.76% and 3.74% Li_2O.

The LDG Project comprises 8,600 hectares of mineral claims and leases that are located 15 kilometers southwest of Rio Tinto's Diavik diamond mine. To date, 10 spodumene pegmatite occurrences have been discovered by prospecting, including at least two undrilled spodumene pegmatites, each with outcropping dimensions estimated up to 20 meters in width and can be traced along 400 meters of strike length. The project area is covered by till which can be used an as exploration medium to discover buried deposits.

Cali Lithium Project

LIFT initiated surface mapping and geochemical sampling on August 17, 2023, at the Cali Lithium Project. A total of 183 chip samples and 1,222 soil samples were collected. Mapping identified three distinct sheeted dike corridors over a collective width of 1,500 metres and a strike of 1,000 metres. Numerous surface occurrences of spodumene hosted pegmatite dikes returned >1.5% Li_2O in soil samples. Soil geochemical anomalies define the outcropping pegmatite corridors as well as two additional coherent trends of anomalous Li-Cs-Be values. LIFT has plans to follow up these positive results with further exploration in 2025.

Rupert Lithium Project

A multi-phase exploration program was initiated in March 2023 on the Rupert Lithium Project (including the Moyenne and Pontax tenure packages) which completed in October 2023. A total of 4,611 metres of diamond drilling was completed over 12 holes. Of these, 6 holes each were drilled to test bedrock at the head of two coherent robust till geochemical anomalies. A total of 6,248 soil, 183 rock and 731 heavy mineral concentrate (HMC) samples were collected on the Pontax and Rupert tenure packages. A short top-of-bedrock RC drilling program ceased as a result of the wildfire activity in April and May of 2023. Heavy mineral concentrate samples from the RC program were submitted to Overburden Drilling Management for indicator mineral counts and a follow up program commenced in September 2024, predominantly at the Pontax claims. In 2025, 5,000 m of diamond drilling is planned across corridors, using five drill fences. Drilling targets areas where Li-in-till and spodumene grain anomalies terminate up-ice against the corridors, focusing on beryl-apatite-holmquisite dyke swarms with high Li-Cs-Ta and K/Rb values. Holes will reach vertical depths of up to 100 m.

LITHIUM PROJECT LOCATIONS AND HISTORY

i) NORTHWEST TERRITORIES

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% indirect 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 for total share consideration of $198,000,000.

The Yellowknife Lithium Project ("YLP") is comprised of fourteen mineral leases that cover most of the larger lithium pegmatites in the Yellowknife Pegmatite Province ("YPP"). Numerous spodumene-bearing pegmatites with strike lengths up to 1,800 metres and widths up to 40 metres outcrop within the Project and are plainly visible from satellite imagery. The YPP also benefits from excellent existing infrastructure, including roads and a skilled labour force that could support the development of this project. The Property is subject to a 2% gross overriding royalty and in the case of 11 of the 13 mineral leases, a 2% net profits royalty.

Lithium mineralization hosted in spodumene-bearing pegmatites of the 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.

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 Erex International Ltd. ("Erex"), a private company acquired by the Target. In 1985, Erex 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 Erex.

On February 18, 2023, the Company entered into an option agreement (the "YLP Option Agreement") with a private company holding a 100% interest in the Thompson-Lundmark Project (the "TL Property"), which comprises additional contiguous mineral leases to the YLP, to acquire a 100% interest in the TL Property (the "YLP Option"). To exercise the YLP Option, the Company was required to make aggregate cash payments of $3 million and incur exploration expenditures on the Property over a two-year period. However, on February 18, 2025, the Company terminated the YLP Option Agreement by giving the optionors written notice of same, in accordance with the YLP Option Agreement, prior to the second anniversary cash payment of $1.75 million resulting in a write down as result of the terminated agreement.

On April 19, 2023, the Company announced it has signed a Memorandum of Understanding ("MOU") with the Yellowknives Dene First Nation ("YKDFN") regarding the Yellowknife Lithium Project located approximately 60 kilometres east of Yellowknife, Northwest Territories in YKDFN's traditional territory; Chief

Drygeese Territory. The MOU stated that both LIFT and YKDFN will enter into an Exploration Agreement based upon the terms outlined in the MOU, and that LIFT could mobilize equipment and supplies for the summer 2023 drill campaign at the Yellowknife Lithium Project with an anticipated start date on or around June 1, 2023. The exploration agreement was formally entered into on June 5, 2023 with YKDFN.

The summer drill campaign at the Yellowknife Lithium Project began on June 2, 2023, and was expected to be approximately 45,000 metres and run until November 2023. The drill program was targeting seven outcropping spodumene-bearing pegmatite dyke complexes that are within 10 kilometres of an all-season highway. Drilling began by targeting areas that, based on historic trench sample results, returned the highest lithia grades from outcropping pegmatites. The Fi Southwest and Fi-Main pegmatites were the first targets that were drilled. The Company planned to drill each pegmatite target at 100 metre by 100 metre centers to a vertical depth of 300 metres.

On June 14, 2023, the Company announced that initial drilling below the Fi Southwest pegmatite had intersected widths of spodumene-bearing pegmatite similar to surface exposures and that the dyke contains similar amounts of spodumene to what was reported in historic work completed in the 1970s and 1980s (locally 5 – 50% spodumene content).

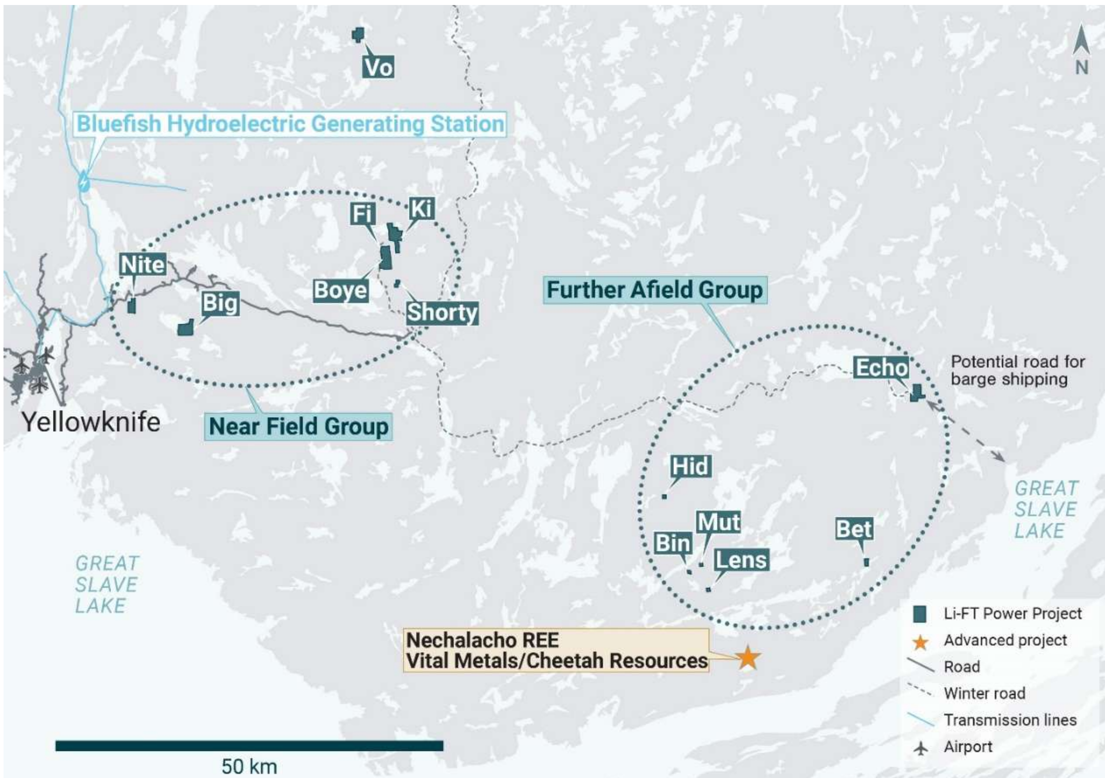
On August 15, 2023, the Company announced that due to forest fire activity in the Northwest Territories, LIFT temporarily demobilized personnel, essential equipment, and key drill core from the Hidden Lake Camp. LIFT worked with the Government of the Northwest Territories to support local fire-fighting efforts and released a helicopter to support the campaign. Subsequently on September 14, 2023, LIFT announced that diamond drilling resumed with one drill rig at the Echo target and planned to scale up to six rigs by mid-September. The Company reported that there was no damage to any samples, equipment, or infrastructure during the evacuation period.

LIFT was issued a Type A Land Use Permit (MV2022C0021), a non-federal Type B Water Licence (MV2022L8-0008), and a federal Type B Water Licence (MV2022L8-0009) on January 3, 2023. LIFT subsequently received approval for amendments to its Land Use Permit and Water Licences for the Yellowknife Lithium Project on May 29 and December 12, 2023. The amendments allow LIFT to use additional water sources, enabling the Company to drill on all the leases associated with its Yellowknife Lithium Project. The amendments also allow LIFT to build a winter road that connects the Echo area to the all-season road to Yellowknife, effectively creating an option for a road-based link between Echo to the global market.

On November 30, 2023, the Company announced that it has obtained a Type A Land Use Permit (MV2023C0013) from Mackenzie Valley Land and Water Board for its Cali project in Northwest Territories. The Land Use Permit will enable LIFT to expand its exploration activities in the Cali area and allows the Company to establish an exploration camp and fuel caches, conduct diamond and reverse circulation drilling, and construct & maintain winter access roads. This Permit will grant the Company adaptability to scale up its exploration efforts, adjusting its approach according to the findings and enhanced knowledge of the area. The Land Use Permit has a term of five years, which may be extended for an additional two years.

(Expressed in Canadian dollars, unless otherwise indicated)

On September 3, 2024, the Company announced it had entered into a mineral property purchase agreement with Infinity Stone Ventures Corp. dated August 16, 2024, to acquire the Shorty West Lithium mineral claim (the "Shorty West Claim") which is adjacent to the Company's Yellowknife Lithium Project in consideration for 12,000 common shares.



Between July 25, 2023, and June 11, 2024, the Company announced drill results for 286 holes (approximately 49,548 metres of drilling) across 8 pegmatite targets. Highlights of these drill hole intercepts are included in the table below, and the complete list of drill hole results can also be found on the Company website www.li-ft.com/projects/yellowknife/.

Hole	From (m)[1]	To (m)	Interval (m)[2]	Li_2O (%)[3]	Dyke
YLP0001	73	108	35	1.30	Fi SW
inc.	75	102	27	1.58	
YLP0003	55	94	39	1.43	Fi SW
inc.	57	92	35	1.57	
YLP0004	55	88	33	1.39	Fi SW
inc.	56	85	29	1.55	
YLP0005	52	131	79	1.13	Fi SW
inc.	73	129	56	1.42	

(Expressed in Canadian dollars, unless otherwise

Hole	From (m)[1]	To (m)	Interval (m)[2]	Li_2O (%)[3]	Dyke
YLP0006	45	125	80	0.87	Fi SW
inc.	63	107	44	1.14	
YLP0007	43	103	60	1.26	Fi SW
inc.	64	103	39	1.38	
YLP0011	57	83	26	1.22	Fi Main
inc.	59	82	23	1.37	
YLP0015	84	111	27	1.00	Fi Main
inc.	98	108	10	1.84	
YLP0017	64	94	30	1.13	Fi Main
inc.	69	92	23	1.42	
YLP0023	78	108	30	1.10	Fi Main
inc.	83	106	23	1.33	
inc.	87	104	17	1.42	
YLP0024	71	95	24	1.12	Fi Main
inc.	78	93	15	1.47	
YLP0031	154	176	22	1.46	Fi SW
inc.	155	174	19	1.63	
YLP0032	58	73	15	0.75	Big East
inc.	60	68	8	1.04	
inc.	65	68	3	1.35	
and	86	104	18	1.04	
inc.	95	102	7	1.45	
YLP0033	42	67	25	1.13	Shorty
inc.	50	66	16	1.50	
YLP0037	55	88	33	0.71	Fi SW
inc.	56	80	24	0.91	
YLP0038	67	101	34	1.35	Fi SW
inc.	72	99	27	1.53	
YLP0039	66	79	13	1.05	Big East
and	92	122	30	0.87	
YLP0049	0.7	13	12	1.28	Big East
and	24	33	9	0.66	
and	38	52	14	1.50	
inc.	39	51	12	1.73	
YLP0053	71	81	10	0.76	Big East
and	117	138	21	1.08	
YLP0054	180	217	37	1.22	Fi-SW

(Expressed in Canadian dollars, unless otherwise indicated)

Hole	From (m)[1]	To (m)	Interval (m)[2]	Li_2O (%)[3]	Dyke
YLP0055	48	65	17	1.14	Shorty
inc.	50	64	14	1.36	
YLP0064	28	38	10	1.04	Big East
and	56	69	13	1.55	
YLP0092	163	181	18	1.72	Big East
and	189	196	7	1.58	
YLP0068	109	135	26	1.02	Big East
inc.	110	120	10	1.65	
inc.	128	133	5	1.36	
YLP0109	45	63	18	1.75	Big East
YLP0073	51	70	19	1.16	Shorty
YLP0093	184	191	7	1.99	Big East
and	198	219	21	1.40	
YLP0077	212	234	22	1.35	Big East
YLP0108	67	81	14	1.27	Big East
and	90	105	15	1.28	
YLP0087	69	90	21	1.12	Ki
inc.	72	83	11	1.70	
YLP0088	5	11	6	1.04	Shorty
and	63	83	20	1.52	
YLP0097	126	136	10	0.84	Shorty
inc.	129	132	3	1.73	
and	193	216	23	1.03	
inc.	203	214	11	1.69	
YLP0102	170	196	26	1.14	Fi SW
inc.	171	178	7	1.42	
and inc.	184	196	12	1.33	
YLP0121	63	69	6	0.97	Big East
and	77	105	28	1.70	
YLP0115	253	281	28	0.99	Big East
YLP0117	164	190	26	1.56	Big East
YLP0125	226	249	23	1.50	Fi SW
YLP0141	52	79	27	1.26	Fi Main
YLP0147	64	86	22	1.53	Fi Main
YLP0148	72	95	23	1.40	Fi Main
YLP0165	61	84	23	1.25	Ki
YLP0199	58	80	22	1.05	Fi SW

(Expressed in Canadian dollars, unless otherwise

Hole	From (m)[1]	To (m)	Interval (m)[2]	Li_2O (%)[3]	Dyke
YLP0200	50	69	19	1.31	Fi SW
YLP0212	16	21	5	1.36	Echo
and	31	32	1	0.68	
and	62	78	16	1.29	
and	134	139	5	1.19	
YLP0216	15	25	10	1.57	Echo
and	62	72	10	1.29	
and	77	93	16	1.26	
YLP0223	20	34	14	1.55	Echo
YLP0237	37	53	16	1.31	Fi Main
YLP0259	57	100	43	0.85	Echo
inc.	75	99	24	1.33	
YLP0251	99	127	28.00	1.06	Big East
inc.	99	109	10.00	1.69	
and inc.	124	127	3.00	1.59	
YLP0258	88	104	16.00	1.48	Big East
YLP0271	84	119	35.00	1.34	Big East
YLP0283	31	66	35.00	1.32	Shorty
YLP0284	52	70	18.00	1.41	Shorty
and	77	102	25.00	1.21	
and	131	141	10.00	1.00	
inc.	133	138	5.00	1.76	

[1] From, to, and interval lengths in metres, as measured down core axis, not true width.
[2] Individual sample lengths = 1 metre.
[3] Lithium assays performed by ALS Global on saw cut half HQ core using method ME- ICP82b; results reported in Li%, converted to Li_2O by multiplying by 2.154.

On September 23, 2024, The Company announced results from its metallurgical sampling program across eight spodumene deposits at the Yellowknife Lithium Project, Northwest Territories, conducted in 2023 and 2024. Testing, performed by SGS Canada Inc., involved heavy liquid separation (HLS), dense media separation (DMS), and batch flotation. Two-stage DMS tests showed lithium recovery ranging from 49.9% to 60.4%, with concentrate grades of 5.81% to 6.41% Li_2O and low iron content (0.62% to 0.88% Fe_2O_3). Single-stage DMS achieved 93.0% to 95.2% recovery, with pre-concentrate grades between 1.90% and 2.02% Li_2O. Flotation tests yielded 5.5% Li_2O concentrate with lithium recoveries from 56% to 77%. Combined DMS and flotation flowsheets produced concentrates of 5.75% to 6.17% Li_2O, with overall lithium recoveries ranging from 81% to 87%. Tests with a single-stage DMS pre-concentration followed by flotation produced concentrates ranging from 5.59% to 5.77% Li_2O, with laboratory-scale recoveries between 61% and 72%.

For the three and nine months ended (Expressed in Canadian dollars, unless otherwise
indicated) August 31, 2025

On October 1, 2024, the Company announced the first National Instrument 43-101 ("NI 43-101") compliant mineral resource estimate ("MRE") for the YLP, covering 8 of 13 spodumene-bearing pegmatite dykes. The consolidated in-pit MRE is reported at 50.4 million tonnes (Mt) grading 1.00% Li_2O for 506,000 tonnes of Li_2O (1.25 million tonnes of LCE) in the inferred category and will form the basis of a Preliminary Economic Assessment (PEA) targeted for delivery in Q2 2025. The YLP's initial resource estimate ranks as the third-largest hard-rock lithium resource in Canada and the tenth largest in the Western Hemisphere. Notably, six of the eight spodumene dykes included in the estimate have unconstrained mineralization, presenting significant growth potential, while five additional undrilled spodumene dykes within the project offer excellent prospects for further expansion. Based on just 10 months of drilling (49,548 meters across 286 drill holes from June 2023 to April 2024), this estimate solidifies the YLP as a globally significant source of spodumene. The NI 43-101 report was filed on November 14, 2024.

Cut-off Grade (Li_2O%)	Pegmatite Deposit	Tonnes	Li_2O Grade (%)	Li_2O (t)	LCE (t)*	Resource Classification
0.4	Big East, Fi Main and Fi SW	30,265,000	1.05	317,000	784,000	Inferred
0.5	Big West, Nite, Shorty, Echo and Ki	20,118,000	0.94	189,000	467,000	Inferred
Total		**50,383,000**	**1.00**	**506,000**	**1,251,000**	

* Lithium carbonate equivalent ("LCE")

Yellowknife Lithium Project Mineral Resource Estimate Notes:

1. *The Mineral Resource Estimate (MRE) was estimated by Allan Armitage, Ph.D., P. Geo. of SGS Geological Services, an independent Qualified Person as defined by NI 43-101.*
2. *The classification of the current MRE into Inferred mineral resources is consistent with current 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves. The effective date for the Mineral Resource Estimate is September 25, 2024.*
3. *All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.*
4. *The mineral resource is presented undiluted and in situ, constrained by continuous 3D wireframe models, and are considered to have reasonable prospects for eventual economic extraction.*
5. *Mineral resources which are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.*
6. *The YLP MRE is based on a validated database which includes data from 286 surface diamond drill holes totaling 49,548 m. The resource database totals 10,842 assay intervals representing 10,846 m of drilling. The average assay sample length is 1.00 m.*
7. *The MRE is based on 126 three-dimensional ("3D") pegmatite resource models, constructed in Leapfrog, representing the Big East, Big West, Fi Main, Fi SW, Nite, Shorty, Echo and Ki pegmatite deposits. Li_2O grades were estimated for each mineralization domain using 1.0 metre composites. To generate grade within the blocks, the inverse distance squared (ID2) interpolation method was used for all deposits.*

8. *Average density values were assigned to pegmatite and waste domains based on a database of 2,062 samples.*
9. *Li-FT envisions that the YLP deposits may be mined using open-pit mining methods. Mineral resources are reported at a base case cut-off grade of 0.40 to 0.50% Li_2O. The in-pit Mineral Resource grade blocks are quantified above the base case cut-off grades, above the constraining pit shell, below topography, and within the constraining mineralized domains (the constraining volumes).*
10. *The results from the pit optimization are used solely for the purpose of testing the "reasonable prospects for economic extraction" by an open pit and do not represent an attempt to estimate mineral reserves. There are no mineral reserves on the Property. The results are used as a guide to assist in the preparation of a Mineral Resource statement and to select an appropriate resource reporting cut-off grade.*
11. *The base-case Li_2O Cut-off grade considers the following assumptions: a lithium concentrate (5.5% Li_2O) price of US$920/t, a mining cost of US$3.25/t mined, processing, treatment, refining, G&A and transportation cost of USD$19.50/t of mineralized material, metallurgical DMS recovery of 60% was assumed, as were pit slope angles of 60º and mining loss and dilution of 5% and 5%.*
12. *The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*

On January 23, 2025, the Company announced that it has closed the mineral property purchase agreement with North Arrow Minerals (TSX.V:NAR) to acquire the DeStaffany, LDG & Mackay Lithium Projects. Given the DeStaffany Projects proximity to the YLP's Echo Pegmatite it has been included as part of YLP for accounting purposes. The LDG and Mackay Projects are outside of the YLP Project area and are categorized as "Other NWT Projects" in the Exploration and Evaluation Properties note of the financial statements.

On August 25, 2025, the Company commenced its 2025 exploration program at the Yellowknife property. A total of 10 holes for 3,445 m of drilling is planned at the Shorty (2,655 m) and Nite (790 m) dykes.

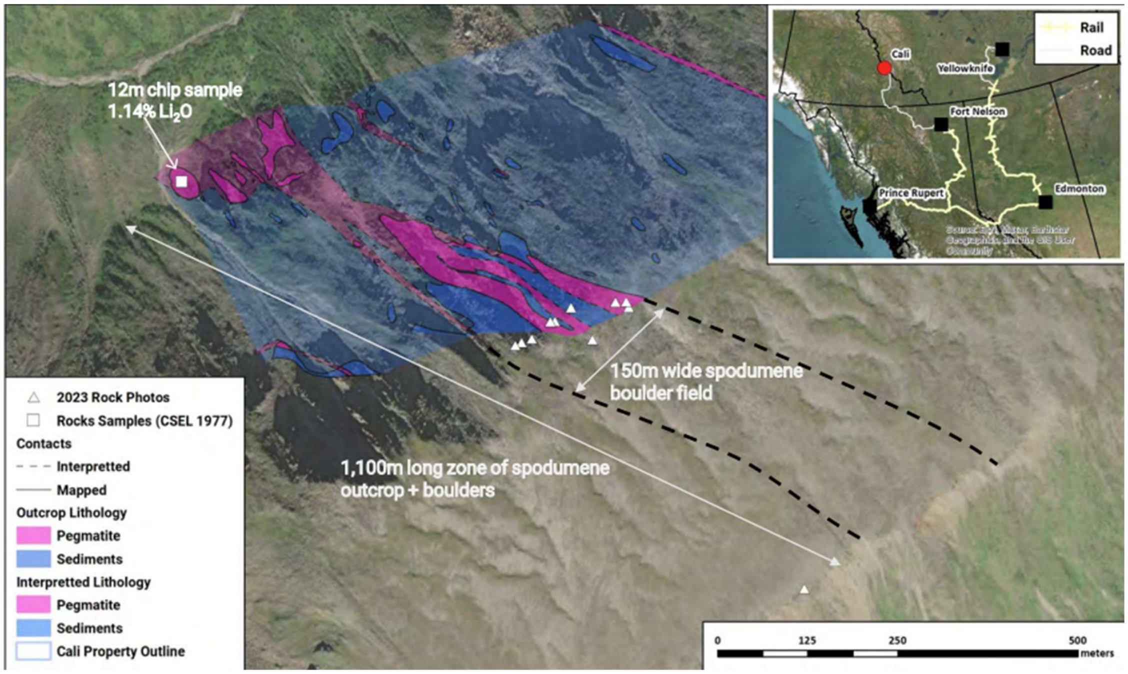
On October 10, 2025, the Company announced it had completed its 2025 baseline environment studies program for the Yellowknife property, which consisted of the completion of the first of two years of seasonal baseline data that are required for advanced permitting activities, including Environmental Assessment. The Program was led by Det'on Cho Environmental, an Indigenous-owned environmental services firm owned by the Yellowknives Dene First Nation, under the direction of the Company.

CALI LITHIUM PROJECT

In addition to the Yellowknife Lithium Project, as part of the YLP transaction acquiring the Target, the Company acquired the Cali lease which is located in the Little Nahanni Pegmatite Group in the Mackenzie mountains in Northwest Territories near the Yukon border. The Little Nahanni Pegmatite Group has been noted to have greater than 275 complex rare element pegmatites over an area of 13 by 2.5 kilometres (Barnes, 2010). 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-metre strike length, having a 300-metre outcropping vertical extent, and having up to a 100-metre width. Panels of metasedimentary country rock occur within the spodumene-bearing pegmatite which has been described to have 60 metres of pegmatite dyke material. Float mapping suggests that the lithium bearing dyke could be up to 1,200 metres 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 August 22, 2023, the Company announced the start of exploration activities at the 100% owned Cali Lithium Project. The exploration program was designed to better understand the average grade across the dyke's exposed strike length to 300 metres vertical with systematic rock sampling and mapping. Prospecting for other parallel dykes and dyke extensions trending onto the CALI project from the south were planned to be carried out through detailed soil sampling. The Company planned to integrate the data collected into a 3D geology model for exploration targeting and planning for an exploration/resource definition drill program in 2025.

On September 3, 2024, the Company announced it had quadrupled the size of the Cali Project by staking an additional 9,681 hectares of contiguous claims.

The entirety of the Cali Project is subject to a 2% gross overriding royalty.

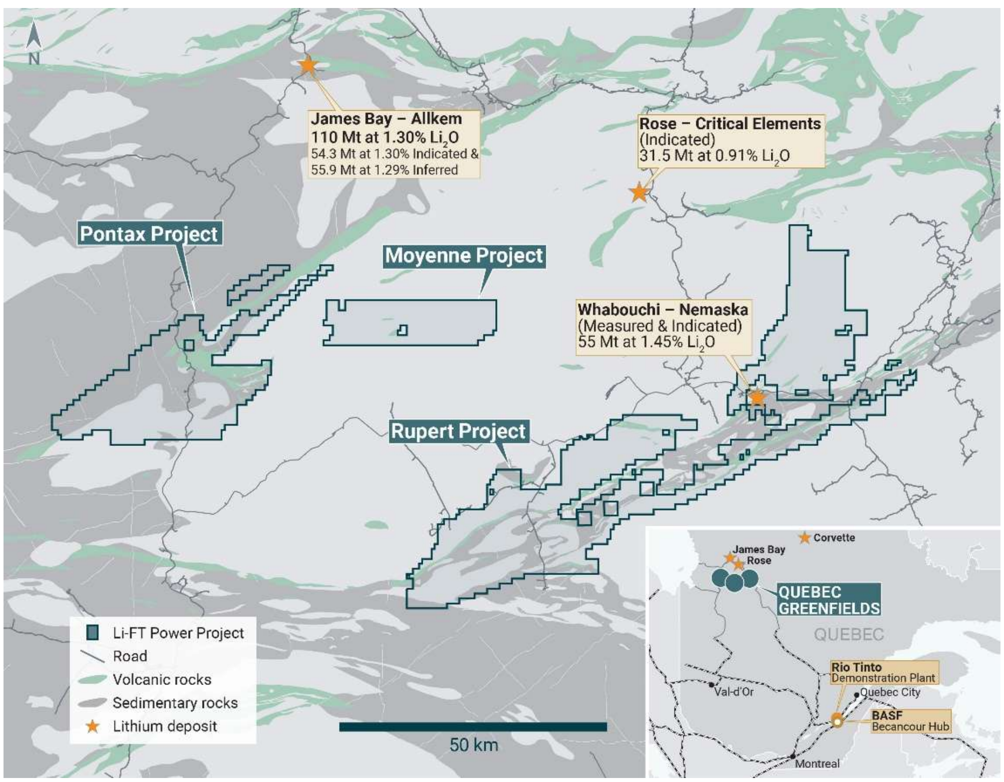
On July 3, 2025, the Company reported the start of exploration activities at the Cali project for the 2025 exploration season. A total of 1,100 m of trenching is planned in zones of high grade spodumene mineralization mapped and sampled in 2023.

On October 16, 2025 the Company announced the results of its 2025 exploration program at the Cali project. The program focused on systematic channel sampling and geological mapping within the Little Nahanni Pegmatite Group to evaluate grade, width, and metallurgical characteristics of spodumene-bearing pegmatite dykes. A total of 43 rock samples and 24 channels yielding 187 one-metre samples were collected, with highlights including 1.9% Li_2O over 21 metres in the 2023 work area. Fieldwork also confirmed new spodumene-bearing pegmatites in the northwestern extension of the property, extending the mineralized corridor by approximately three kilometres, with peak grades up to 2.9% Li_2O. Select samples have been submitted for metallurgical testing, with results expected in the first quarter of 2026.

ii) QUEBEC

RUPERT PROJECT

The Rupert Project, in its entirety, covers approximately 203,967 hectares or 2,040 square kilometres 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 Moyenne Lithium Projects straddle the Pontax trend and covers the boundary between the La Grande and Nemiscau geologic subprovinces. The Whabouchi Trend covers approximately 950 square kilometres of the Lac des Montagnes greenstone belt which hosts the Whabouchi Li-pegmatite deposit (53.6 Mt at 1.45% Li_2O total resources and reserves). The Pontax Trend covers approximately 350 square kilometres 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.



The following are the key agreements relating to the Rupert Project::

(a) 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 certain mineral claims at the Rupert, Pontax and Moyenne Projects (collectively known as the "Rupert Option Agreement").

In order to exercise the Rupert Option Agreement, the Company paid $200,000 in cash and issued to Kenorland 9.9% of the Company's issued and outstanding shares upon closing. On February 2, 2022, the Company issued 1,751,913 common shares valued at $3,503,826 to Kenorland pursuant to the Rupert Option Agreement related to the Rupert Property.

Following the exercise of the Rupert Option Agreement, the Company granted Kenorland a 2% NSR in respect of the Rupert Property.

(b) Disposal of mineral claims to Power Metallic Mines Inc.

On July 14, 2025, the Company closed a definitive agreement with Power Metallic Mines Inc. for the sale of 313 mineral claims at its Rupert Project in Quebec, which left 2,203 total mineral claims owned by the Company at Rupert. As consideration, the Company received $700 in cash and 6,000,000 common shares of Power Metallic Mines Inc. (valued at $1.16 per share on July 14, 2025), all of which are subject to a statutory hold period expiring on November 12, 2025, and 3,000,000, or one half, being subject to an additional contractual resale restriction ending on July 11, 2026. In addition, the Company was granted a 0.5% net smelter returns (NSR) royalty on the 313 mineral claims, with no buyback provision.

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.

In addition to the Pontax Project claims acquired through the Rupert Option Agreement with Kenorland, and the associated 2% NSR, on July 20, 2022, the Company entered into an option agreement (the "Harfang 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 Harfang 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 (paid) on or before the first anniversary date.
C. An additional $25,000 (paid) on or before the second anniversary date.
D. An additional $25,000 (paid) on or before the third anniversary date.
E. Incurring $1,650,000 (satisfied) in expenditures on the Pontax Property during the first option period.

Upon the exercise of the first option, Harfang is contractually 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 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 by the sixth anniversary of the agreement.

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 Pontax Property.

On September 23, 2025, the Company announced it has elected to proceed with the second option in respect of the Pontax Property located in the Eeyou-Istchee James Bay region in Quebec approximately 220 kilometres north of Matagami , pursuant to the Harfang Agreement. The Company satisfied the $50 in shares by issuing 14,044 common shares of the Company at a deemed price of $3.56 per share. The Consideration Shares are subject to a statutory hold period expiring on January 16, 2026, in accordance with applicable securities laws.

MOYENNE PROJECT

The Moyenne Project comprises additional claims acquired through the Rupert Option Agreement with Kenorland, and the associated 2% NSR.

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.

Quebec

On July 14, 2025, the Company closed a definitive agreement with Power Metallic Mines Inc. for the sale of 313 mineral claims out of the 2,203 total mineral claims at its Rupert Project in Quebec. As consideration, the Company received $700,000 in cash and 6,000,000 common shares of Power Metallic Mines Inc. (valued at $1.16 per share on July 14, 2025), all of which are subject to a statutory hold period expiring on November 12, 2025, and ½ of which are subject to an additional contractual resale restriction ending on July 11, 2026, being the date which is 12 months from the closing. In addition, the Company retained a 0.5% net smelter returns (NSR) royalty on the claims, with no buyback provision.

On March 29, 2023, the Company announced it had commenced the first diamond drill program at the Rupert Lithium Project located in the James Bay region of Quebec. During the summer 2023 program, a total of 12 holes were drilled for 4,069 metres which tested targets generated by the 2021 and 2022 exploration programs (see press release dated November 9, 2022, for further details).

To enhance targeting under widespread glacial till cover, a geological targeting model has been produced from the 3D inversion of property-wide magnetics data and combined with government survey maps, field observations and LiDAR. Favourable structures for emplacement of pegmatite dykes were identified in the model and targeted where they trend under the heads of the lithium dispersion anomalies.

2025 OUTLOOK

The Company remains focused on advancing the Company's strategic objectives and near-term milestones, which include the following:

- The goal of the exploration programs at the Company's projects is to discover, define and develop new mineral resources, focussing on lithium in NWT and Quebec, Canada.
- Following a successful Summer 2023 and Winter 2024 drill programs at YLP, infill and resource development drilling will be the focus of 2025 plans.
- Metallurgical test work continues on all YLP pegmatite dikes including gravimetric and magnetic separation, comminution testing and hydrometallurgical testing amongst others.
- Environmental base-line data collection is underway at YLP and planned throughout 2025. Consultation with local communities in the areas surrounding our projects will continue through 2025 with planned meetings and consultations.
- The release of the Company's PEA is planned for the first half of 2026 following detailed trade off studies which are currently underway.
- Planned exploration programs at Cali in Summer and Winter 2025 to better understand the pegmatite and below cover potential of the region.
- Early-stage exploration programs are underway at the Quebec projects: Rupert, Pontax and Moyenne, with the potential for resource discovery drilling at Rupert.
- The Company remains committed to reviewing complimentary exploration opportunities in Canada, with a focus on the potential to expand the portfolio of critical mineral hard rock lithium projects.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the consolidated and interim financial statements of the Company for the periods noted.

In $000s except per share amounts	Q3'25	Q2'25	Q1'25	Q4'24	Q3'24	Q2'24	Q1'24	Q4'23
	$	$	$	$	$	$	$	$
Net income (loss)	**4,999**	**(1,017)**	**(416)**	**(4,865)**	**(1,429)**	**(841)**	**(1,921)**	**(2,337)**
Net income (loss) per share – basic and diluted	0.11	(0.02)	(0.01)	(0.11)	(0.03)	(0.02)	(0.05)	(0.10)
Capitalized E&E expenditures:								
- Yellowknife Lithium Project	4,387	1,800	1,572	(342)	1,150	12,281	10,817	12,596
- Cali Project	503	41	33	42	66	13	65	562
- Other NWT Projects	105	34	352	-	-	-	-	-
- Rupert Project	(3,237)	201	116	723	59	122	(226)	1,711
- Pontax Project	152	1,014	218	(349)	730	109	91	336

- Moyenne Project	23	48	4	11	-	3	7	1
Total Assets	**289,780**	**283,143**	**283,961**	**284,025**	**265,714**	**267,728**	**258,776**	**261,713**

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 constant net loss for the quarters ended November 30, 2023 to May 31, 2025 is due to an decrease in deferred income tax recovery. This is further affected by the recognition of deferred income tax liability resulting in net loss for the period. The movement from net loss to net income in the quarters ended May 31, 2025 to August 31, 2025 were connected to the gain on sale of exploration and evaluation properties, fair value change on investments and flow-through spending on the exploration projects and corresponding reversal of the flow-through share premium liability. Prior to this time there were minimal corporate overheads following incorporation.

RESULTS OF OPERATIONS

Amounts in $000s	Three months ended	
	August 31, 2025	August 31, 2024
Operating expenses	**$**	**$**
Amortization	41	41
Director fees	39	25
Filing fees	11	12
Investor relations	112	1,217
Management, consulting fees and salaries	195	163
Office expenses	94	69
Professional fees	54	132
Share based compensation	227	356
Travel expenses	30	55
Gain on sale of exploration and evaluation properties	(4,996)	-
Fair value change on FVTPL investments	(1,440)	-
Interest income	(94)	(53)
Finance expenses	3	5
Foreign exchange loss	4	11
Deferred income tax expense (recovery)	721	(604)
Net loss (income) and comprehensive loss (income) for the period	**(4,999)**	**1,429**

For the three months ended August 31, 2025 and 2024

Net income and comprehensive income for the three months ended August 31, 2025, was $4,999,000 compared to a net loss and comprehensive loss of $1,429,000 for the three months ended August 31, 2024. The movement from net loss and comprehensive loss to net income and comprehensive income was mainly attributable to the gain on sale of exploration and evaluations properties and fair value change on FVTPL investments of $4,996,000 and $1,440,000, respectively. Additionally, a change from deferred income tax recovery to deferred income tax expense of $1,305,000 that is related to the Company recording the deferred income tax liability and corresponding expense.

The net income and comprehensive income noted above is related to changes in the following expenditure categories:

- Investor relations expenses decreased by $1,105,000, from $1,217,000 during the three months ended August 31, 2024, to $112,000 during the three months ended August 31, 2025. The decrease is related to a specific marketing agreement in the prior period.

- Management, consulting fees and salaries increased by $32,000, from the $163,000 during the three months ended August 31, 2024, to $195,000 during the three months ended August 31, 2025. The increase is related to the increase in consultants as the Company begins ramping up drilling and environmental programs as well as salary increases for the period.

- Professional fees decreased by $78,000, from $132,000 during the three months ended August 31, 2024, to $54,000 during the three months ended August 31, 2025. This decrease is due to a shift in the Company's operations. As the Company shifted to planning in 2025, the demand for these professional services has decreased, resulting in a decrease in professional fees.

- Share based compensation decreased by $129,000, from $356,000 during the three months ended August 31, 2024, to $227,000 during the three months ended August 31, 2025. The decrease in share-based compensation resulted from the timing of the vesting of grants of stock options to management, directors, consultants and employees.

- Gain on sale of exploration and evaluation properties increased by $4,996,000, from $nil during the three months ended August 31, 2024, to $4,996,000 during the three months ended August 31, 2025. The gain on sale of exploration and evaluation properties is related to the sale of Rupert Mineral claims to Power Metallic Mines Inc.

- Fair value change on FVTPL investments increased by $1,440,000, from $nil during the three months ended August 31, 2024, to $1,440,000 during the three months ended August 31, 2025. The fair value change on FVTPL investments is related to the 6,000,000 shares of Power Metallic Mines Inc. which were valued at $1.16/share on July 14, 2025 during acquisition and that have been valued at $1.40/share on the period-end date of August 31, 2025.

- Interest income has increased by $41,000, from $53,000 during the three months ended August 31, 2024, to $94,000 for the three months ended August 31, 2025. The increase is due to the higher cash balance including investments in GICs when compared to the prior year period which resulted in a higher interest income during the three months ended.

- Deferred income tax expense increased by $1,325,000, from $604,000 during the three months ended August 31, 2024, to $721,000 for the three months ended August 31, 2025. The increase in deferred income tax expense is due to the recording of the deferred income tax liability and corresponding expense of $2,977,000 and the income tax recovery resulting from incurring eligible flow-through expenditures on its exploration projects during the period of $2,256,000 resulting in a net recovery of $721,000.

Amounts in $000s	Nine months ended	
	August 31, 2025	August 31, 2024
Operating expenses	**$**	**$**
Amortization	123	133
Director fees	117	73
Exploration expenses	-	24
Filing fees	108	139
Investor relations	407	4,107
Management, consulting fees and salaries	582	540
Office expenses	288	239
Professional fees	338	315
Share based compensation	940	1,353
Travel expenses	201	224
Gain on sale of exploration and evaluation properties	(4,996)	-
Fair value change on FVTPL investments	(1,440)	-
Interest income	(404)	(298)
Finance expenses	10	16
Foreign exchange loss (gain)	19	(63)
Deferred income tax expense (recovery)	141	(2,611)
Net loss (income) and comprehensive loss (income) for the period	**(3,566)**	**4,191**

For the nine months ended August 31, 2025 and 2024

Net and comprehensive income for the nine months ended August 31, 2025, was $3,566,000 compared to a net and comprehensive loss of $4,191,000 for the nine months ended August 31, 2024. The movement from net loss and comprehensive loss to net income and comprehensive income mainly attributable to the gain on sale of exploration and evaluations properties and fair value change on FVTPL investments of $4,996,000 and $1,440,000, respectively. Additionally, the $3,700,000 decrease in investor relations expenses and increase in deferred income tax expense of $2,752,000 that is related to the Company spending flow-through funds on its exploration projects in Canada.

The net income and comprehensive income noted above is related to changes in the following expenditure categories:

- Investor relations expenses decreased by $3,700,000, from $4,107,000 during the nine months ended August 31, 2024, to $407,000 during the nine months ended August 31, 2025. The decrease is related to a specific marketing agreement in the prior period.

- Share based compensation decreased by $413,000, from $1,353,000 during the nine months ended August 31, 2024, to $940,000 during the nine months ended August 31, 2025. The decrease in share-based compensation results from the vesting of stock option grants to management, directors, consultants and employees and additional grants issued compared to prior periods.

- Gain on sale of exploration and evaluation properties increased by $4,996,000, from $nil during the nine months ended August 31, 2024, to $4,996,000 during the nine months ended August 31, 2025.

The gain on sale of exploration and evaluation properties is related to the sale of Rupert Mineral claims to Power Metallic Mines Inc.

- Fair value change on FVTPL investments increased by $1,440,000, from $nil during the nine months ended August 31, 2024, to $1,440,000 during the nine months ended August 31, 2025. The fair value change on FVTPL investments is related to the 6,000,000 shares of Power Metallic Mines Inc. which were valued at $1.16/share on July 14, 2025 during acquisition and that have been valued at $1.40/share on the period-end date of August 31, 2025.

- Interest income increased by $106,000, from $298,000 for the nine months ended August 31, 2024 to $404,000 for the nine months ended August 31, 2025. The increase is due to the higher cash balance including investments in GICs when compared to the prior year period which resulted in higher interest income during the nine months ended August 31, 2025.

- Deferred income tax expense increased by $2,752,000, from a recovery of $2,611,000 for the nine months ended August 31, 2024, to an expense of $141,000 for the nine months ended August 31, 2025. The increase in deferred income tax expense is due to the recording of the deferred income tax liability and corresponding expense of $3,676,000 which was offset by deferred income tax recovery resulting from incurring eligible flow-through expenditures on its exploration projects during the period of $3,535,000 resulting in a net expense of $141,000.

LIQUIDITY AND CAPITAL RESOURCES

(in $000s)	Nine months ended August 31, 2025 and 2024			
		2025		2024
CASH AND CASH EQUIVALENTS PROVIDED BY (USED IN)				
Operating activities	$	(2,554)	$	(3,749)
Investing activities		(7,693)		(21,858)
Financing activities		(216)		10,165
CHANGE IN CASH		**(10,463)**		**(15,442)**
Working capital (1)		14,122		394
Cash, beginning		21,011		17,737
Cash, ending	$	**10,548**	$	**2,295**

(1) This is a non-IFRS measurement with no standardized meaning under IFRS Accounting Standards and may not be comparable to similar financial measures presented by other issuers. For further information please see the section in this MD&A titled "Non-IFRS Measures".

During the nine months ended August 31, 2025, the Company used $2,554,000 cash for operating activities compared to $3,749,000 for the nine months ended August 31, 2024. Funds used for operating activities resulted from the net income of $3,566,000 for the period (2024 – net loss of $4,191,000) and was reduced by adjustments for non-cash items, such as gain on sale of exploration and evaluation properties of $4,996,000, fair value change on FVTPL investments of $1,440,000, deferred income tax recovery of $62,000 amortization of $123,000, share-based payments of $940,000 as well as changes in non-cash working capital items totaling $809,000 (2024 – $2,123,000).

During the nine months ended August 31, 2025, the Company used $7,693,000 cash for investing activities compared to $21,858,000 used during nine months ended August 31, 2024. Cash used in investing activities consists of exploration and evaluation expenditures, including cash payments for mineral property acquisitions. Additionally, includes the proceeds on sale of exploration and evaluation properties of $700,000.

During the nine months ended August 31, 2025, the Company used $216,000 during the nine months ended August 31, 2025 in financing activities compared to generating $10,165,000 during the nine months ended August 31, 2024.

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 future obligations. If it is not successful in raising sufficient capital, it August have to curtail or otherwise limit operations.

As at August 31, 2025, shareholders' equity totaled $265,199,000 and consisted of share capital in the amount of $261,534,000, contributed surplus in the amount of $6,422,000 and deficit in the amount of $2,757,000.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of the Company's Directors and Officers and enterprises which are controlled by these individuals as well as persons performing similar functions. The compensation paid or payable to key management for services during nine months ended August 31, 2025 and 2024 is as follows:

Amounts in $000s	August 31, 2025	August 31, 2024
	$	$
Directors' fees	117	73
Management, consulting fees and salaries	804	713
Share-based compensation (expensed and capitalized)	1,193	1,672
Total	**2,114**	**2,458**

Included in accounts payable and accrued liabilities as at August 31, 2025 was $140 due to related parties (2024 - $97).

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 August 31, 2025, the Company had 47,335,337 common shares issued and outstanding. At the date of this MD&A, the Company had 47,351,267 common shares issued and outstanding.

As at August 31, 2025, the Company had 1,894,500 stock options issued and outstanding. As at the date of this MD&A, the Company had 1,894,500 stock options issued and outstanding with a weighted average share price of $6.38. 580,000 and 30,000 options have an exercise price of $10.00 and $7.00 per share, respectively and are exercisable for a period of five years. The options vest over a two-year period, with one quarter of total options vesting at each six-month anniversary.140,000 options have an exercise price of $7.00 per share and are exercisable for a period of five years. The options vest over an 18-month period, with one quarter of the total options vesting on the grant date, and a quarter of the total options vesting at each six-month anniversary. 245,000 stock options have an exercise price of $7.00 per share and are exercisable for a period of five years. The options vest over a two-year period, with half of the total options vesting at each twelve-month anniversary. 469,500 stock options for a period of five years at an exercise price of $3.65 per share to its Directors, Officers, employees, and consultants of the Company. The options vest 25% on the grant date and an additional 25% on each of the 6,12,18 and 24-month anniversary dates. 30,000 stock options for a period of five years at an exercise price of $3.65 per share to a consultant of the Company. The options vest over 33% on each of the 6,12, and 18-month anniversary dates. The remaining 400,000 stock options for a period of five years at an exercise price of $2.54 per share to a consultant of the Company. The options vest over 33% on each of the 6,12, and 18-month anniversary dates.

As at August 31, 2025, the Company had 45,926 deferred share units issued and outstanding. As at the date of this MD&A, the Company had 52,462 deferred share units issued and outstanding. The DSUs were granted under the Company's Omnibus Share Incentive Plan to a number of directors in lieu of interim board fees. The DSUs vest over a 12-month period and will be settled in cash and equity. The associated compensation cost is based on the underlying share price on the date of grant.

Issuance of shares

a) Brokered and Private Placement Financings

On November 14, 2024, the Company received a $21,251,000 strategic investment by way of a non-brokered private placement financing for 2,694,895 flow-through common shares at a price of $5.6575 per flow-through common share for gross proceeds of $15,246,000 and 1,645,105 common shares at a price of $3.65 per common share for gross proceeds of $6,004,000.

On March 27, 2024, the Company announced the completion of a public offering of 1,179,500 flow-through common shares of the Company at a price of $6.05 per flow-through common share for aggregate gross proceeds of $7,136,000. Concurrently, the Company also completed a non-brokered private placement financing of 689,660 flow-through common shares of the Company at a price of $4.35 per flow-through common share for aggregate gross proceeds of $3,000,000.

b) Share issued for Exploration and Evaluation Properties

On January 23, 2025, the Company announced that it has closed the mineral property purchase agreement with North Arrow Minerals (TSX.V:NAR) to acquire the DeStaffany, LDG & Mackay Lithium Projects by issuing 250,000 common shares of the Company valued at $712,500 ($2.85 per share).

On September 23, 2024, the Company issued 12,000 common shares of the Company valued at $33,000 ($2.78 per share) to Ravenclan Ltd. pursuant to the mineral property purchase agreement to acquire the Shorty West mineral claim, which is adjacent to the flagship Yellowknife Lithium Project.

INCOME (LOSS) PER SHARE

The calculation of basic and diluted income per share for the three and nine months ended, was based on the net income and comprehensive income of $4,999,000 and $3,566,000, respectively, and the weighted average number of common shares of 47,335,337 and 47,286,067, respectively. The stock options outstanding at August 31, 2025 were not dilutive, as their exercise price of $10.00, $7.00, $3.65, and $2.54 were higher than the share price at any time between grant and August 31, 2025.

The calculation of basic and diluted income per share for the three and nine months ended August 31, 2024, was based on the net loss of $1,429,000 and $4,191,000, respectively, and the weighted average number of common shares of 47,286,067 and 41,931,297, respectively. The stock options outstanding at August 31, 2024, were not dilutive, as their exercise price of $10.00 and $7.00 were higher than the share price at any time between grant and August 31, 2024.

NON-IFRS MEASURES

Alternative performance measures in this document such as "working capital" are furnished to provide additional information. These non-IFRS performance measures are included in this MD&A because these statistics are used as key performance measures that management uses to monitor and assess future performance of the Company and its exploration projects, and to plan and assess the overall effectiveness and efficiency of operations.

In addition, the Company has included certain non-IFRS measures in the annual and quarterly information tables above and calculates working capital as current assets, less current liabilities. The Company believes that these measures provide investors with an improved ability to evaluate the performance of the Company.

Non-IFRS measures do not have any standardized meaning prescribed under IFRS Accounting Standards. Therefore, such measures may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards.

CRITICAL JUDGMENTS AND ESTIMATES

The preparation of the condensed interim consolidated financial statements in accordance with IFRS Accounting Standards requires management to make estimates, judgements, and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the period. The Company's most significant accounting judgements relate to the going concern assessments, ongoing viability of its exploration and evaluation properties, determining if an acquisition is a business combination or an asset acquisition, and the assumptions used to estimate share-based compensation.

(i) SIGNIFICANT JUDGEMENT

(a) Going-concern

In preparation of these condensed interim consolidated financial statements on a going concern basis, as disclosed in Note 2 of the interim condensed consolidated financial statements, management's critical judgement is that the Company will be able to meet its obligations and continue its operations for the next twelve months. Actual amounts could differ from these estimates.

(b) Impairment indicators for exploration and evaluations properties

Management must also determine if there are indicators that its rights to explore its mineral properties have expired or may expire in the future, that future exploration and evaluation plans are not warranted, or that the development of the properties or portions thereof is unlikely to recover existing exploration and evaluation costs. Should any of these indicators be present, the mineral property could be impaired.

(c) Business combination or asset acquisition

With each acquisition, the Company has to determine whether it should be accounted for as a business combination or an asset acquisition. As dictated by IFRS 3, the components of a business must include inputs, processes and outputs. Management has assessed its acquisition and has concluded that it did not include all the necessary components of a business. As such, it was recorded as an asset acquisition, being the purchase of exploration and evaluation properties and/or working capital.

(ii) SIGNIFICANT ESTIMATES

(a) Share-based payments

The Company uses the Black-Scholes Option-Pricing Model to estimate the fair value of options and warrants, which requires the input of subjective assumptions including the expected price volatility of the Company's common shares and the expected life and forfeiture rate of the security. Changes in these subjective input assumptions can materially affect the fair value estimate.

FINANCIAL INSTRUMENTS

Categories of financial instruments

Amounts in $000s	August 31, 2025	November 30, 2024
	$	$
Financial assets, at amortized cost		
Cash and cash equivalents	10,548	21,011
Total financial assets	**10,548**	**21,011**
Other liabilities, at amortized cost		
Accounts payable and accrued liabilities	2,210	2,056
Total financial liabilities	**2,210**	**2,056**

The carrying values of cash and cash equivalents, accounts payable and accrued liabilities approximated their fair values because of the short-term nature of these financial instruments. These financial instruments are financial assets and liabilities at amortized cost.
The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity 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 the management, discussion and analysis.

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 August 31, 2025, the Company had cash of $10,548,000 to settle current liabilities of $6,280,000. 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.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Venture issuer companies are not required to provide representations in the annual or interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual or 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 (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The issuer'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 their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer (as defined in NI 52-109) 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 annual filings and other reports provided under securities legislation.

CONTROLS AND PROCEDURES

In connection with NI 52-109 the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim consolidated financial statements and respective accompanying MD&A as at October 24, 2025 (together the "Interim Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR+ at www.sedarplus.ca.

CORPORATE GOVERNANCE

Management and the Board recognize the value of good corporate governance and the need to adopt best practices. The Company is committed to continuing to improve its corporate governance practices considering its infancy and early stages of mineral exploration to evolve best practices and regulatory guidance.

The Board currently has two committees: the Audit Committee, and the Nomination, Governance and Compensation Committee. Each Committee has a committee charter, which outlines the Committee's mandate, and procedures for calling a meeting, and provides access to outside resources. Additional committees may be formed in the future as the Company continues its growth and project development.

LIFTs Board adopted a Board mandate document which outlines its responsibilities and defines its duties. In addition, the Board adopted a Code of Business Conduct and Ethics, which governs the ethical behavior of all employees, management, and directors. These documents along with other relevant corporate governance items are displayed on the Company website www.li-ft.com/corporate/corporate-governance/.

For further details on the Company's corporate governance practices, please refer to the statement of Corporate Governance contained in LIFT's Management Information Circular dated April 7, 2025. The Management Information Circular is available on LIFT's website and on SEDAR+ www.sedarplus.ca.
The Company's Directors have expertise in exploration, metallurgy, mine development and mine operations including offtake arrangements permitting and government relations, environmental considerations, relations with indigenous and local communities, financial reporting and accounting, corporate finance, mergers & acquisitions, human resources, information technology and ESG. The Board meets at least four times per year.

QUALIFIED PERSONS

Ron Voordouw, Ph.D., P.Geo., Partner, Director Geoscience, Equity Exploration Consultants Ltd. and Don Cummings, P. Geo., an independent consultant to Li-FT Power Ltd. OGQ Member 2183 are Qualified Persons as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101) for Li-FT Power Ltd. and have reviewed and approved the technical content of this document.

RISK FACTORS

Risk Associated with LIFT

LIFT 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 LIFT. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair Company's operations. If any of the following risks actually occur, LIFT's business, financial condition and operating results could be adversely affected.

In evaluating the Company and its business, shareholders should carefully consider, in addition to the other information contained in this MD&A 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 the Company 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 the Company has, or will have, commercially viable ore bodies. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production. The following are some of the risks to the Company, recognizing that it may be exposed to other additional risks from time to time:

- Limited business history of LIFT, 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
- Risk associated with obtaining permitting

LIFT 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

The Company is subject to a number of risks and uncertainties due to the nature of its business. The Company's exploration activities expose it to various financial and operational risks that could have a significant impact on its level of operating cash flows in the future.

Readers are advised to study and consider risk factors disclosed in the Company's AIF for the fiscal year ended November 30, 2024, dated March 21, 2025 and available under the Company's issuer profile on SEDAR+ at www.sedarplus.ca and its Company website at www.li-ft.com.

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. 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.