

Q PRECIOUS & BATTERY METALS CORP. (formerly Q Battery Metals Corp.)**Management Discussion and Analysis****For the three month period ended July 31, 2025**

The Management Discussion and Analysis ("MD&A"), prepared September 19, 2025, should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended April 30, 2025 and the notes thereto of Q Precious & Battery Metals Corp. (the "Company") which were prepared in accordance with International Financial Reporting Standards.

This management discussion and analysis may contain forward-looking statements in respect of various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

DESCRIPTION OF BUSINESS

Q Precious & Battery Metals Corp. (the "Company") was incorporated under the Business Corporations Act on November 18, 2016 in the province of British Columbia. The Company's common shares are traded on the Canadian Securities Exchange ("CSE") under the symbol "QMET". The Company operates in a single business segment focusing on mineral exploration in Canada. The principal business office of the Company is located at #500 – 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 3P6.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at July 31, 2025, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

EXPLORATION PROJECT

	Acquisition costs	Exploration costs	Total
	\$	\$	\$
Balance, April 30, 2023	1,313,038	1,513,477	2,826,515
Additions	220,731	87,736	308,467
Impairment	(53,629)	(449,887)	(503,516)
Balance, April 30, 2024	1,480,140	1,151,326	2,631,466
Additions	520,000	655,964	1,175,964
Impairment	(1,083,832)	(37,585)	(1,121,417)
Balance, July 31, 2025	916,308	1,769,705	2,686,013
Additions	400,000	405,013	805,013
Balance July 31, 2025	1,316,008	2,175,108	3,491,116

Cluster Project

On February 5, 2019, the Company entered into a mineral claim purchase agreement to purchase 100% interest in the mineral property called the Cluster Project, located in Val-D'Or, Quebec. In consideration for the Cluster Project, the Company made cash payment of \$25,000 and issued 100,000 common shares to the vendor during the year ended April 30, 2019.

During the year ended April 30, 2020, the Company acquired additional claims which are incorporated in the Cluster Project.

As at July 31, 2025, the project is still at an early exploration stage. The Company has incurred the following acquisition and deferred exploration costs during the years ended July 31, 2025 and 2024:

	Cluster Project
	\$
Balance, April 30, 2023	1,677,352
Exploration costs for the year	33,799
Impairment – Lorrain claims	(503,516)
Balance, April 30, 2024	1,207,635
Exploration costs for the year	655,965
Impairment – Golden Valley claims	(48,799)
Balance, April 30, 2025 and July 31, 2025	1,814,800

During the year ended April 30, 2024, the Company abandoned certain mineral tenures within the Lorrain claims group under the Cluster Project. The Company did not have future plans for exploration on the Lorrain claims group, and therefore the Company recorded impairment related to these claims of \$503,516, which was the full amount previously capitalized for the Lorrain claims group under the Cluster Project. The Company also entered into an agreement to sell certain remaining claims included in the Lorrain claims group; however, as the completion of the sale was uncertain, no value was ascribed to these claims. During the year ended July 31, 2025, the Company identified renewed potential with the Lorrain claims group and plans to resume exploration, however, no value has been capitalized in connection with the Lorrain claims group.

During the year ended July 31, 2025, the Company decided not to explore the Golden Valley claims under the Cluster Project. As the Company does not intend to renew the claims and conduct further exploration on the Golden Valley claims, an impairment charge of \$48,799 was recorded, representing the full amount previously capitalized for the Golden Valley claims group under the Cluster Project.

McKenzie East Project

On November 12, 2019, the Company entered into a share purchase agreement to purchase 100% of the outstanding shares of Golda Resources Inc. ("Golda"). At the time of acquisition, Golda held a 100% interest in the mineral property called the McKenzie East Project, located in Quebec. As consideration, the Company issued 550,000 common shares to the owners of Golda and paid \$15,000 cash to a third-party consultant

As at July 31, 2025, the project is still at an early exploration stage. The Company has incurred the following exploration expenditures during the years ended July 31, 2025 and 2024:

	McKenzie East Project
	\$
Balance, April 30, 2023	328,625
Exploration costs for the year	16,352
Balance, April 30, 2024 and 2025 and July 31, 2025	344,977

Pegalith Project

On February 2, 2023, the Company entered into a share purchase agreement (the "Share Purchase Agreement") with shareholders of 1394627 B.C. Ltd. ("1394627") under which the Company acquired all of 1394627's issued and outstanding common shares. 1394627 was the registered holder of 11 mineral exploration claims located in the Quebec lithium district, 25 kilometres north of Gatineau, Quebec.

As at July 31, 2025, the project is still at an early exploration stage. The Company has incurred the following acquisition and exploration expenditures during the years ended July 31, 2025 and 2024:

	Pegalith Project
	\$
Balance, April 30, 2023	820,538
Exploration costs for the year	23,635
Balance, April 30, 2024	844,173
Impairment during the year	(844,172)
Balance, April 30, 2025 and July 31, 2025	1

During the year ended July 31, 2025, the Company decided to discontinue exploration of mineral tenures associated with the portfolio of the Pegalith Project. Given that the Company has no plans to undertake additional exploration activities on the Pegalith Project, the Company recognized an impairment of \$844,172, bringing the carrying value of Pegalith Project down to a nominal value.

Pontax Project

On July 20, 2023, the Company entered into a share purchase agreement with the shareholders of 1412814 B.C. Ltd. ("1412814") under which the Company acquired 100% of the issued and outstanding common shares of 1412814, which owns 101 claims in the Pontax River Area of the James Bay Region of Quebec. As consideration, the Company issued 5,800,000 common shares of the Company to the shareholders of 1412814.

The acquisition of 1412814 did not constitute a business combination, as 1412814 did not meet the definition of a business, and therefore has been accounted for as an asset purchase of mineral property interests, with the total consideration being allocated to the mineral property claims.

One of the majority shareholders of 1412814 is a related party to the Company, and therefore the transaction with 1412814 is a non-arm's length transaction.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase price	\$
5,800,000 common shares of the Company issued (\$0.035 per share)	203,000
Cash paid	11,498
	214,498
Net assets acquired	
Exploration and evaluation assets	\$214,498

As at July 31, 2025, the project is still at an early exploration stage. The Company has incurred the following acquisition and exploration expenditures during the year ended July 31, 2025:

	Pontax Project
	\$
Balance, April 30, 2023	-
Acquisition costs for the year	214,498
Exploration costs for the year	13,950
Balance, April 30, 2024	228,448
Impairment during the year	(228,447)
Balance, April 30, 2025 and July 31, 2025	1

During the year ended July 31, 2025, the Company recorded an impairment on the Pontax Project. The impairment reflects the absence of exploration or evaluation expenditures during the year, declining lithium market prices, and management's indication that activities on the property will be deferred until the lithium market conditions improve. Furthermore, the title to the claims have also not been transferred to the Company's name. Based on these factors, management believes that the carrying amount of the property is not recoverable, and the carrying value has been written down to a nominal value.

Versant, Hector, and Gamart Claims

During the year ended July 31, 2025 there were no exploration activities. The claims were staked at a cost of \$6,233.

Matane Hydrogen Project

On January 29, 2025, the Company entered into an acquisition agreement and on January 31, 2025, Company entered into amended and restated acquisition agreement to acquire a 100% interest in the Matane Hydrogen Project in the lower St. Lawrence region in Quebec from Silice Charlevoix Inc. and six Beneficial Owners (Zadkiel Holdings Inc., 2703614 Ontario Ltd., Jackson Inwentash, Sheldon Inwentash, Petris Chrisovalandis and Pericles Theoharis). The Company is required to pay \$25,000 (paid subsequently) and issue 6,000,000 (issued) common shares to the vendors for the acquisition. The fair value of the shares issued was \$480,000.

As at July 31, 2025, the project is still at an early exploration stage. The Company has incurred the following acquisition cost during the year ended July 31, 2025:

	Matane Hydorgen Project
	\$
Balance, April 30, 2024	-
Acquisition cost during the year	505,000
Balance, April 30, 2025	505,000
Additions	25,000
Balance July 31, 2025	530,000

Colchester Project

On April 3, 2025 and as amended on May 2, 2025, the Company entered into an agreement to acquire a 100% interest in 559 mineral claims in Nova Scotia from 2653438 Ontario Inc. and four Beneficial Owners (Zadkiel Holdings Inc., 2703614 Ontario Ltd., Adrian Kumar, and Pericles Theoharis).

As consideration, Company will issue 8,000,000 common shares to the Sellers and make a non-refundable cash payment of \$25,000 (paid \$15,000 during the year and \$10,000 subsequently).

The transaction was subject to regulatory approval, which was obtained subsequent to the year ended July 31, 2025, and the Company completed acquisition of the Colchester project on May 16, 2025 by issuing 8,000,000 common shares. As at July 31, 2025, the Company has capitalized the \$15,000 deposit paid within the exploration and evaluation assets.

	Matane Hydorgen Project
	\$
Balance, April 30, 2024	-
Acquisition cost during the year	15,000
Balance , April 30,2025	15,000
Additions	410,000
Balance July 31, 2025	425,000

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and the expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

SELECTED ANNUAL INFORMATION (\$000's except loss per share)

	April 30, <u>2025</u>	April 30, <u>2024</u>	April 30, <u>2023</u>
Revenue	\$ 0	\$ 0	\$ 0
Net Loss	\$ (4,220)	\$ (1,989)	\$ (3,136)
Basic and Diluted Loss Per Share	\$ (0.16)	\$ (0.03)	\$ (0.10)
Total Assets	\$ 2,846	\$ 2,666	\$ 2,962
Long-Term Debt	\$ 0	\$ 0	\$ 0
Dividends	\$ 0	\$ 0	\$ 0

OPERATIONS

During the three month period ended July 31, 2025 the Company reported a net loss of \$387,007 (2024 - \$201,769). Included in the determination of operating loss was \$60,000 (2024 - \$60,000) spent on management fees, \$129,000 (2024 - \$12,750) on consulting fees, \$136,747 (2024 - \$118,057) on professional fees, \$2,625 (2024 - \$2,625) on transfer agent and filing fees, \$27,464 (2024 - \$Nil) on travel and promotion, \$33,070 (2024 - \$13,500) on investor communication and \$801 (2024 - \$900) on office and miscellaneous. The Company also recorded a recovery of flow-through premium of \$Nil (2024 - \$6,063).

SUMMARY OF QUARTERLY RESULTS

(\$000's except earnings per share)

	July 31, <u>2025</u>	April 30, <u>2025</u>	January 31, <u>2025</u>	October 31, <u>2024</u>
Revenue	\$ 0	\$ 0	\$ 0	\$ 0
Net loss	\$ (387)	\$ (2,035)	\$ (1,613)	\$ (370)
Basic and diluted Loss per share	\$ (0.01)	\$ (0.08)	\$ (0.05)	\$ (0.03)

	July 31, <u>2024</u>	April 30, <u>2024</u>	January 31, <u>2024</u>	October 31, <u>2023</u>
Revenue	\$ 0	\$ 0	\$ 0	\$ 0
Net loss	\$ (202)	\$ (1,170)	\$ (349)	\$ (269)
Basic and diluted Loss per share	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.00)

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash and cash equivalents at July 31, 2025 were \$10,954 compared to \$46,351 at April 30, 2025.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

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

The following amounts are due to related parties and have been included in accounts payable and accrued liabilities:

	July 31, 2025	April 30, 2025
	\$	\$
Accounts payable and accrued liabilities	Nil	Nil

The amounts are due to a company controlled by the Chief Executive Officer ("CEO") of the Company. The amounts are non-interest bearing, unsecured and are due upon demand.

The Company had the following related party transactions for the three month period ended:

	July 31, 2025	July 31, 2024
	\$	\$
Management fees	60,000	60,000

Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer. Management fees were provided by a company owned or controlled by the CEO.

COMMITMENTS

During the year ended July 31, 2025, the Company issued flow-through common shares for gross proceeds of \$1,139,150 (2024 – \$460,500). Flow-through shares are issued pursuant to Canadian tax legislation, which requires the Company to incur eligible exploration and evaluation (“E&E”) expenditures within prescribed time periods, typically by December 31 of the year following the issuance. The related tax deductions are renounced to the investors, and accordingly such expenditures are not deductible by the Company.

As at July 31, 2025, the Company had unspent flow-through funds of \$1,851,026 (2024 – \$1,396,542). Of this balance:

- \$1,112,827 related to commitments that were required to be incurred by December 31, 2023 and 2024, which were not met. Under the subscription agreements, if the Company does not incur qualifying expenditures within the prescribed deadlines, it is required to compensate (indemnify) the investors for the reduction of their expected tax benefits. Accordingly, during the year ended July 31, 2025, the Company recorded an indemnification expense of \$206,478 (2024 – \$403,351) and related interest of \$57,132 (2024 – \$36,947). The total indemnification liability accrued as at July 31, 2025 was \$703,908 (2024 – \$440,298).
- \$738,199 represents commitments that remain within the permitted spending period and are required to be incurred on or before December 31, 2025 (\$548,299) and December 31, 2026 (\$189,900).

In addition, the Company is subject to Part XII.6 tax, penalties and interest pursuant to the Income Tax Act (Canada) and applicable provincial legislation for unspent amounts or amounts spent under the look-back rule. For the year ended July 31, 2025, the Company accrued \$79,873 (2024 – \$113,639) in Part XII.6 tax, penalties and interest to the Canada Revenue Agency, and \$63,640 (2024 – \$2,286) as a result of an assessment by Revenu Québec. Total accrued liabilities relating to Part XII.6 taxes, penalties and interest amounted to \$193,512 (2024 – \$113,639) and are included in accounts payable and accrued liabilities.

SUBSEQUENT EVENTS

On August 7, 2025 the Company granted 950,000 stock option to directors and employee, to acquire 950,000 common shares at \$0.05 per share to August 27, 2028.

On August 8, 2025 the Company issued 5,700,000 flow-through unit at \$0.05 per unit. Each unit consists of one common shares and one purchase warrant entitles the holder to acquire one additional share at \$0.07 per share for period of three years.

Subsequent to July 31, 2025 425,000 warrants were exercised to net the Company \$30,500.

FINANCIAL INSTRUMENTS

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments

approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at July 31, 2025 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash	10,954	—	—	10,954

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at July 31, 2025 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

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

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

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high-quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and assumptions 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. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates 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 consolidated financial statements are discussed below:

Share-based payment transaction:

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

SHARE CAPITAL

Issued and outstanding

The Company has 83,990,828 shares issued and outstanding as at July 31, 2025 and 90,115,000 as at September 19, 2025.

Share Purchase Options

The Company has 4,529,649 stock options outstanding at July 31, 2025 and 5,679,649 as at September 19, 2025.

Warrants

The Company has 31,004,010 share purchase warrants outstanding at July 31, 2025 and 36,279,010 as at September 19, 2025.

Escrow Shares

The Company has no shares held in escrow as at July 31, 2025 and September 19, 2025.