Management's Discussion and Analysis
For the Three Months Ended October 31, 2024 and 2023

DATE AND SUBJECT OF REPORT

The following is management's discussion and analysis ("MD&A") in respect of the results of operations and financial position of Spark Energy Minerals Inc. ("Spark Energy Minerals" or the "Company") for the three months ended October 31, 2024 and 2023, and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended October 31, 2024 and 2023. The financial statements and MD&A of the Company are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Additional information relating to the Company's operations and activities can be found by visiting the Company's website at www.sparkenergyminerals.com. You may also access the Company's disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at sedarplus.ca.

The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The years ended July 31, 2024 and 2023, are also referred to as "fiscal 2024" and "fiscal 2023".

The effective date of this MD&A is December 23, 2024.

FORWARD-LOOKING INFORMATION

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company, including but not limited to statements with respect to the Company's plans or future financial or operating performance, the estimation of mineral reserves and resources, conclusions of economic assessments of projects, the timing and amount of estimated future production, costs of future production, future capital expenditures, costs and timing of the development of deposits, success of exploration activities, permitting time lines, requirements for additional capital, sources and timing of additional financing, realization of unused tax benefits and future outcome of legal and tax matters.

The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate", "believe", "estimate", "expect", "budget", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

The statements reflect the current beliefs of the management of the Company and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements. These uncertainties are factors that include but are not limited to risks related to international operations; risks related to general economic conditions; actual results of current exploration activities and unanticipated reclamation expenses; fluctuations in prices of gold and other commodities; fluctuations in foreign currency exchange rates; increases in market prices of mining consumables; possible variations in mineral resources, grade or recovery rates; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which the Company operates; as well as other factors.

The Company's management periodically reviews information reflected in forward-looking statements. The Company has and continues to disclose in its MD&A and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mining properties. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business operations. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Readers should refer to Risks and Uncertainties below.

DESCRIPTION OF BUSINESS

Spark Energy Minerals was incorporated on April 19, 2000, under the laws of the province of British Columbia, Canada. The Company's shares are traded on the Canadian Securities Exchange (the "CSE") under the symbol "SPRK". The Company is in the business of exploration and evaluation of mineral property interests, particularly battery metals and mineral assets in Brazil. The company's flagship project is the Arapaima lithium project spanning 64,359 hectares in Brazil's renowned Lithium Valley, one of the most prolific mining regions in the world. This region is rapidly gaining global recognition for its vast deposits of lithium and rare-earth minerals, positioning Brazil as a critical player in the global energy transition.

Effective December 28, 2022, the Company changed its name to Spark Energy Minerals Inc and effective January 3, 2023, the Company's shares began trading under the new name and under the symbol "EMIN". Effective June 10, 2024, the Company's shares began trading under the new symbol "SPRK".

The head office, principal address and records office of the Company are located at 704 – 595 Howe Street, Vancouver, B.C. V6C 2T5.

DIRECTORS AND OFFICERS OF THE COMPANY

The Board of Directors of the Company consists of Eugene Hodson, Michael Stier and Jonathan Victor Hill. The management team of the Company is comprised of Eugene Hodgson (President and CEO) and Chris Foster, CPA, CGA (CFO).

OUTLOOK

The Company is focused on the exploration of its mineral properties, as well as defining and expanding its mineral resources both through exploration programs, staking, and acquisition. The Company intends to seek additional financing to support these activities. The Company also intends to seek out accretive acquisition opportunities to increase shareholder value.

GOING CONCERN

The consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. As at October 31, 2024, the Company is not able to finance day to day activities through operations and had recurring losses since inception. For the three months ended October 31, 2024, the Company incurred a net loss of $577,001. As of October 31, 2024, the Company had an accumulated deficit of $31,712,236 and a working capital deficit of $769,402. There is no certainty that additional financing at terms that are acceptable to the Company will be available going forward, and an inability to obtain financing would have a direct impact on the Company's ability to continue as a going concern. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with the proceeds from equity financings.

The consolidated financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

PER SHARE INFORMATION

On August 3, 2023, the Company completed a consolidation of its common shares on a basis of one post-consolidated common share for every ten pre-consolidated common shares. The Company has restated all number of share and per share information for the effect of this consolidation.

On November 10, 2023, the Company completed a forward split of its common shares on a basis of two post-split common shares for every one pre-consolidated common share. The Company has restated all its number of share and per share information for the effect of this split.

EXPLORATION AND EVALUATION ASSETS

	Minas Gerais and Bahia Lithium and Goas Rare Earth Elements Project $	Lithium Valley Lithium Project $	Nova Energia Lithium Project $	CE Property Lithium Project $	RN Property Lithium Project $	Tristar Lithium Project $	Joaima Lithium Project $	Vertex Lithium Project $	Total $
Balance, July 31, 2023	2,701,708	1,300,000	697,769	-	-	-	-	-	4,699,477
Acquisition (note 3)	-	-	-	922,500	880,016	-	-	-	1,802,516
Balance, October 31, 2023	2,701,708	1,300,000	697,769	922,500	880,016	-	-	-	6,501,993
Balance, July 31, 2024	-	1,373,992	758,532	940,882	1,652,150	1,807,178	-	-	6,532,734
Acquisition (note 3)	-	-	-	150,000	-	400,000	1,502,979	1,083,841	3,136,820
Administration	-	2,732	-	-	-	-	-	-	2,732
Geologist and consulting	-	-	46,663	1,223	1,223	-	-	-	49,109
	-	1,376,724	805,195	1,092,105	1,653,373	2,207,178	1,502,979	1,083,841	9,721,395
Foreign exchange movement		(1,873)	(326)	(702)	(1,065)	(3,087)	-	-	(7,053)
Balance, October 31, 2024	**-**	**1,374,851**	**804,869**	**1,091,403**	**1,652,308**	**2,204,091**	**1,502,979**	**1,083,841**	**9,714,342**

<u>Minas Gerais and Bahia Lithium Project and Goas Rare Earth Elements Project</u>

On December 19, 2022, the Company entered into a mining claims purchase agreement with Foxfire Metals Pty. Ltd. ("Foxfire") to acquire a 75% interest in certain mining claims and associated rights of Foxfire's Minas Gerais and Bahia Lithium Project in the Brazilian states of Minas Gerais and Bahia and Foxfire's Goas Rare Earth Elements Project in the Brazilian state of Goias.

To acquire the 75% interest the Company shall:

- Pay $250,000;
- Issue 4,233,000 common shares (issued at a fair value of $2,328,150 ($0.55 per share));
- Maintain the existing net smelter and gross sales royalties totaling 2% held by the original vendors remains, with a buyback provision of 50% for $1,000,000;
- Fully fund all maintenance and operations until such time as a bankable feasibility study has been completed;
- Maintance of management rights of the project by Foxfire for two years with both parties to formulate an agreed upon expenditure budget for the period; and
- The Company being granted the first right of refusal to acquire Foxfire's remaining 25% equity interest in the Brazilian projects

The Company and Foxfire are to agree to each annual exploration program, which shall be no less than $1,000,000 in each of the first two years.

Each party has the first right of refusal in relation to the sale or disposal of the other party's interest in the project.

On December 20, 2023, the Company and Foxfire amended the mineral claims purchase agreement having entered into a Mineral Rights Joint Venture Agreement (the "Joint Venture") which sets out the following terms:

- The Joint Venture Interests are 75% for the Company and 25% for Foxfire;
- The manager of the Joint Venture will be Foxfire;
- The manager will provide a work program and budget prior to January 1, 2024, for the quarter ending March 31, 2024, in respect of which the majority of the funds will be allocated to exploration for lithium on the Bahia licenses with budgeted expenditure of a minimum of $250,000;
- The manager will incur a minimum of $1,000,000 on Joint Venture expenditures between December 19, 2022 and December 18, 2024 and a further $1,000,000 between December 19, 2024, and December 8, 2025; and
- The Company must pay the manager the prescribed amounts set out below:
  - $250,000 on or before March 31, 2024, (unpaid) to facilitate exploration on the Bahia licenses;
  - $250,000 on or before June 1, 2024, (unpaid) to facilitate exploration on the Goas licenses and one of the Minas Gerais licenses; and
  - $100,000 on or before October 1, 2024, to facilitate exploration on one of the Minas Gerais licenses.

The Company did not make the scheduled payments. As a result, the Company recognized an impairment of $2,701,708 during the year ended July 31, 2024. Effective August 8, 2024, the agreement was officially terminated and the Company transferred its Joint Venture interest to Foxfire for $nil consideration, and the parties mutually released each other from all future obligations relating to the Joint Venture. As a result, the Company wrote off accounts payable of $17,969 owed to Foxfire against the impairment loss.

Lithium Valley Lithium Project

On February 1, 2023, the Company entered into a mineral claims purchase agreement with Talisman Venture Partners Ltd. to acquire a 100% interest in 12 mineral tenements located in Minas Gerais, Brazil. The vendor retained a 1% net smelter return ("NSR"). The Company can purchase the NSR from the vendor at any time for $1,000,000. The Company paid $300,000 and issued 2,000,000 common shares. The Company agreed to incur expenditures on or with respect to the property in the aggregate amount of no less than $100,000 during the first year of the agreement. On November 23, 2024, Talisman waived the requirement to incur the $100,000 in expenditures on the property.

On April 23, 2023 (as amended on December 6, 2023), the Company entered into a mineral claims purchase agreement with International Metals Mining Corp. (formerly "Lithium Plus Mining Corp.") ("IMM"), pursuant to which IMM has the right and option to acquire up to a 65% ownership interest in the 12 mineral tenements. Pursuant to the terms of the agreement and in order to complete the transaction, IMM shall:

- Pay the Company $100,000 on or before December 23, 2025;
- Pay the Company an additional $500,000 on or before April 23, 2025;
- Commit to and conduct an exploration work program incurring at least $250,000 in eligible expenditures by April 23, 2025; and
- Commit to and conduct an exploration work program incurring at least $1,000,000 in eligible expenditures by April 23, 2026.

On May 9, 2024, IMM terminated the mineral property option agreement.

Nova Energia Lithium Project

On March 9, 2023, the Company entered into a mineral claims purchase agreement with Talisman pursuant to which the Company acquired a 100% ownership interest in 6 mineral tenements located in Minas Gerais, Brazil. The vendor retained a 1% NSR. The Company can purchase the 1% NSR from the vendor at any time for $1,000,000. The Company paid a total of $100,000 and issued 2,000,000 units. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.75 per common share expiring on March 28, 2025 (repriced to $0.125 per common share on September 19, 2023, pursuant to which, the Company recognized an increase in acquisition cost of $49,382 during the year ended July 31, 2024). The Company agreed to incur expenditures on or with respect to the property in the aggregate amount of no less than $100,000 on or before March 9, 2024. On November 15, 2024, Talisman waived the requirement to incur the $100,000 in expenditures on the property.

CE Property Lithium Project

On August 10, 2023, the Company entered into a mining claims purchase agreement with Talisman to acquire a 100% ownership interest in 9 mineral tenements, located in Ceara state, Brazil. Pursuant to the terms of the agreement, the Company is to pay $150,000 on or before July 31, 2025, and issued 9,000,000 common shares. Talisman retains a 1% NSR. The Company can purchase one half of the NSR at any time for $1,000,000. The Company agreed to incur expenditures on or with respect to the property in the aggregate amount of no less than $100,000 on or before August 10, 2024. On November 21, 2024, Talisman waived the requirement to incur the $100,000 in expenditures on the property.

RN Property Lithium Project

On October 10, 2023, the Company entered into a securities exchange agreement to acquire Bulletproof, which has an undivided 100% interest in 12 mineral tenements located in Rio Grande Do Norte state, Brazil, subject to a 1% NSR retained by Talisman. Bulletproof can purchase one half of the 1% NSR at anytime for $1,000,000. Bulletproof agreed to incur expenditures on or with respect to the property in the aggregate amount of no less than $100,000 on or before September 5, 2024. On November 21, 2024, Talisman waived the requirement to incur the $100,000 in expenditures on the property.

Tristar Property Lithium Project

On February 28, 2024 (as amended on August 7, 2024), the Company entered into a mineral claims purchase agreement with Tristar Energy Corp. pursuant to which the Company acquired the option to acquire a 100% ownership interest in 23 mineral tenements located in Minas Gerais state, Brazil. Pursuant to the terms of the agreement the Company is to pay $400,000 on or before August 7, 2025, provided that the Company pays $50,000 of this amount on or before October 26, 2024, and issued 15,000,000 units. Each unit consisted of one common share and one share purchase warrant exercisable at $0.15 per common share expiring on March 15, 2026. Talisman retains a 1% NSR. The Company has the right to purchase one-half of the 1% NSR at any time for $1,000,000.

Joaima and Vertex Lithium Projects

On September 23, 2024, the Company entered into a securities exchange agreement to acquire Latam Energy Acquisition Corp. (“Latam”), which has an undivided 100% interest in 19 mineral tenements comprised of the Joaima and Vertex projects located in Minas Gerais state, Brazil. The Company issued 20,000,000 common shares in exchange for all of the issued and outstanding common shares of Latam.

SELECTED ANNUAL INFORMATION

The following table summarizes selected financial data for the Company for each of the three most recently completed fiscal years. The information set forth below should be read in conjunction with the audited consolidated financial statements of the same years.

	2024	**2023**	**2022**
	$	$	$
Total assets	6,820,431	4,777,982	926,840
Net loss	(4,075,762)	(3,450,493)	(3,689,824)
Basic and diluted loss per share	(0.08)	(0.17)	(0.52)

The Company has not earned revenue from operations and does not expect to earn revenue from operations in the near future.

SUMMARY OF QUARTERLY RESULTS

The selected quarterly information for the past eight quarters is outlined below.

	2025	2024				2023*		
	Q1 $	Q4 $	Q3 $	Q2 $	Q1 $	Q4 $	Q3 $	Q2 $
Net loss	(577,001)	(3,343,442)	(231,389)	(419,747)	(81,184)	(2,090,657)	(509,548)	(704,487)
Loss per share	(0.01)	(0.07)	(0.00)	(0.01)	(0.00)	(0.08)	(0.02)	(0.05)

The fluctuation of the Company's loss is mainly due to the amount of business activity in each particular quarter plus various one-time expenses, asset impairments and other income. The net loss for the quarter ended July 31, 2024, includes $2,683,739 for the impairment of exploration and evaluation assets. The net loss for the quarter ended July 31, 2023, includes $1,733,079 for the impairment of loan and accrued interest receivable.

The Company is currently seeking new business opportunities and currently does not have significant operations. Thus, its loss is not subject to seasonality in the past and the Company will curtail its expenses before successfully acquiring or developing a new business operation. Management expects the Company's quarterly results will fluctuate in the future with the amount of business activities conducted and the incidental events that may happen in the future.

RESULTS OF OPERATIONS

Three months ended October 31, 2024 and 2023

The Company incurred a loss and comprehensive loss of $577,001 for the three months ended October 31, 2024, compared to $106,638 for the comparable period. The Company had increased operating activity for the three months ended October 31, 2024, compared with the three months ended October 31, 2023, as illustrated by an increase in operating expenses of approximately $570,600, from approximately $140,300 in the comparable period. The increase was primarily due to an increase in investor relations from $2,222 in the three months ended October 31, 2023, to $207,019 in the three months ended October 31, 2024, due to the commencement of an advertising and communications program during the current quarter, and an increase in share-based compensation from $9,344 in the three months ended October 31, 2023, to $326,457 in the three moths ended October 31, 2024, as a result of stock options granted to management personnel newly appointed in late fiscal 2024. Exploration and evaluation ("E&E") asset acquisition costs increased by $1,334,304 to $3,136,820 during the three months ended October 31, 2024 from the three months ended October 31, 2023, and E&E exploration costs increased to $51,841 from $nil.

Within operating expenses, the most notable variations pertained to the following:

- increase of approximately $31,500 in consulting and management fees, from $37,500 during the three months ended October 31, 2023, to $68,948 for the three months ended October 31, 2024, due to the increased operating activity during the current period; and
- increase of approximately $317,100 in share-based compensation from $9,344 during the three months ended October 31, 2023, to $326,457 for the three months ended October 31, 2024, due to the grant of stock options management personnel newly appointed in late fiscal 2024.

All other operating expenses were comparable between periods.

LIQUIDITY AND CAPITAL RESOURCES

During the three months ended October 31, 2024, the Company's cash outflows were approximately $696,600 in respect to operating activities, compared to approximately $16,700 for the comparative period.

During the three months ended October 31, 2024, the Company realized $829,285 in cash flows from financing activities, via the issuance of common share units for cash net of share issuance costs, the exercise of share purchase warrants and stock options, and share subscriptions received, compared to $nil in the comparative period.

Subsequent to October 31, 2024, the Company issued 690,000 common shares for proceeds of $69,000 pursuant to the exercise of stock options.

Subsequent to October 31, 2024, the Company issued 1,541,999 common shares for proceeds of $192,750 pursuant to the exercise of share purchase warrants.

On November 8, 2024, the Company issued 1,043,333 units at a price of $0.15 per unit for proceeds of $156,500. $47,000 of the total represented debt settlements. Each unit consisted of one common share and one share purchase warrant exercisable at $0.30 per common share expiring on November 8, 2026.

During the three months ended October 31, 2024, the Company expended $49,100 cash in exploration and evaluation asset expenditures investing activities compared to $nil in the comparative period.

On October 31, 2024, the Company had a working capital deficit of $769,402 (July 31, 2024 - $1,169,868).

On August 8, 2024, the Company issued 4,999,999 units at a price of $0.075 per unit for proceeds of $375,000, of which $75,000 was included in share subscriptions received as at July 31, 2024. Each unit consisted of one common share and one share purchase warrant exercisable at $0.125 per common share expiring on August 8, 2026. The Company may accelerate the expiry date of the warrants if the shares trade at $0.20 or more for a period of 10 days, including days where no trading occurs.

On November 8, 2024, the Company issued 1,043,333 units at a price of $0.15 per unit for proceeds of $156,500. $47,000 of the total represented debt settlements. Each unit consisted of one common share and one share purchase warrant exercisable at $0.30 per common share expiring on November 8, 2026.

The Company considers its components of shareholders' equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable level of risk.

The Company manages and adjusts the capital structure considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

The Company's capital is not subject to external restriction.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include key management personnel and directors, and companies in which they have control or significant influence over the financial or operating policies of those entities.

Key management compensation

(a) During the three months ended October 31, 2024, the Company incurred $nil (2023 - $37,500) in management fees to a company controlled by the former Chief Executive Officer of the Company.

(b) During the three months ended October 31, 2024, the Company incurred $36,000 (2023 -$nil) in management fees to the Chief Executive Officer. As at October 31, 2024, $45,116 (July 31, 2024 - $13,616) is included in due to related parties for amounts owed to the Chief Executive Officer of the Company.

(c) During the three months ended October 31, 2024, the Company incurred $13,500 (2023 – $51,500) in professional fees to the Chief Financial Officer of the Company. As at October 31, 2024, $22,133 (July 31, 2024 - $7,785) is included in due to related parties for amounts owed to the Chief Financial Officer of the Company.

(d) During the three months ended October 31, 2024, the Company incurred $33,327 (2023 - $nil) in geological consulting fees capitalized as exploration and evaluation assets to a company controlled by the VP

Exploration of the Company. As at October 31, 2024, $47,378 (July 31, 2024 $18,929) is included in due to related parties for amounts owed to the company controlled by the VP Exploration of the Company.

(e) During the three months ended October 31, 2024, the Company granted 3,106,000 (2023 – nil) stock options with a fair value of $318,199 (2023 - $nil) to key management personnel.

DISCLOSURE BY VENTURE ISSUER WITHOUT SIGNIFICANT REVENUE

An analysis of the material components of the Company's general and administrative expenses is disclosed in the unaudited condensed interim consolidated financial statements for the three months ended October 31, 2024, to which this MD&A relates.

OUSTANDING SHARE DATA

As at the date of this MD&A, the Company has 109,211,073 common shares, 43,337,817 share purchase warrants, and 8,051,605 stock options outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no changes to the Company's accounting policies during the three months ended October 31, 2024.

FINANCIAL INSTRUMENTS

See Note 10 to the condensed consolidated interim financial statements for the three months ended October 31, 2024, and 2023 for additional information.

RISKS AND UNCERTAINTIES

Risks of the Company's business include the following:

Risk of new business - The Company is currently looking for new exploration properties and/or other new business opportunities. There is no guarantee that the Company can develop into a viable business.

Conflicts of interest - Certain directors of the Company also serve as directors and/or officers of other companies involved in real estate development or management. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

DISCLOSURE CONTROLS AND PROCEDURES

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"). In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

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

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company’s certifying officers to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.