

Free Battery Metal Limited (formerly, Titus Energy Corp.)
Management Discussion and Analysis
For the three and nine months ended September 30, 2023 and 2022

Introduction

This Management's Discussion and Analysis ("MD&A") is dated November 9, 2023, unless otherwise indicated and should be read in conjunction with the condensed interim financial statements for the three and nine months ended September 30, 2023 and the audited financial statements for the year ended December 31, 2022, and the related notes thereto. This MD&A was written to comply with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results presented are not necessarily indicative of the results that may be expected for any future period.

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that such risk factors, uncertainties and other factors are not exhaustive. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Company's ability to meet its working capital needs at the current level for the next twelve-month period; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; completion of the Transaction (defined below); and general business and economic conditions.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

The Company

Free battery Metal Limited (formerly, Titus Energy Corp) (the “Company”) was incorporated under the Business Corporations Act of Ontario on February 17, 2010. The Company completed a transaction resulting in a reverse takeover (“RTO”) of the Company by Rift Lithium Inc. (“RLI”). RLI was incorporated under the Business Corporations Act of British Columbia on November 23, 2021. The Reverse Takeover Transaction was completed by way of a three-cornered amalgamation (the “Amalgamation”) pursuant to which, among other things, (i) RLI amalgamated with a wholly-owned subsidiary of the Company, incorporated for the purposes of the Amalgamation, and (ii) all of the outstanding common shares in the capital of RLI were cancelled and, in consideration, the holders thereof received common shares in the capital of the Company on a 1:1 basis.

Prior to the completion of the RTO, the Company changed its name to “Free Battery Metal Limited”. In connection with the RTO, RLI completed a private placement of subscription receipts (each, a “Subscription Receipt”) at a price of \$0.05 per Subscription Receipt, pursuant to which RLI issued an aggregate of 20,000,000 Subscription Receipts for aggregate gross proceeds of \$1,000,000 (the “Offering”). Concurrent with closing of the RTO, each Subscription Receipt was converted into one common share of the Company.

The Company is an exploration and development company focused on the acquisition, exploration and development of properties which are prospective for Lithium and other metals.

The address of the Company’s registered and head office is 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9. The common shares of the Resulting Issuer were approved for trading on June 9, 2023 on the Canadian Securities Exchange, and commenced trading on June 13, 2023 under the symbol “FREE”. Concurrent with the RTO, the Company changed its year-end from May 31, to December 31, the year-end of RLI.

Exploration Projects – Mound Lake Property

On November 24, 2021, the Company entered into an agreement to acquire mineral claims located in the province of Ontario (“the Mound Lake Property”), in exchange of 39,999,999 common shares (at \$0.02 per share) of the Company. The shares were issued on November 24, 2021. The valuation was determined by arm’s length negotiations between the parties, including with the subscribers of subscription receipts as to the pre-money valuation for this property. During the year ended December 31, 2022, the Company spent \$161,452 on the property (\$46,000 in additional acquisition costs, \$104,912 on an aerial magnetic survey, \$6,585 towards the preparation of 43-101 report, \$3,955 on geological consultants).

During the nine months ended September 30, 2023, the Company spent \$9,605 on a valuation report, and \$176,866 on a phase 1 exploration field program (as described below).

Phase 1 exploration program – summer 2023

A dedicated 4-person crew from Planet X Exploration Services conducted comprehensive prospecting and grab sampling across the property from June 16 to July 3, 2023. Navigating the property via a network of roads and abandoned logging roads accessible through all-terrain vehicles, the team examined prospective outcrops and meticulously collected a total of 213 grab samples. Each sample underwent detailed on-site description, photography, and analysis using a handheld XRF instrument. Duplicate samples were retained for further in-depth research and analysis. A preliminary review of the analysis results revealed abundant pathfinder elements, notably elevated Tantalum, Beryllium, and Rubidium levels, along with consistent values of Lithium. Our team of experts is currently conducting a thorough evaluation of these findings to define precise targets for subsequent exploration and research initiatives. Building upon these results, management generated geospatial maps pinpointing sample sites and element concentrations. These maps have already begun to identify several areas of significant interest, notably an apparent trend of coincident Lithium, Tantalum, Rubidium, and Beryllium values spanning approximately 3 kilometers on the eastern side of Mound Lake

Given the positive results from the summer Phase 1 exploration program the Company announced the commencement of its fall work program on September 12, 2023. Central to this program is the investigation of Anomaly 107226, where an exceptional Tantalum value of 261ppm was uncovered from a sample on the northeast side of Mound Lake. It's worth noting that any Tantalum value exceeding 65ppm is considered significant, potentially indicating the presence of a pegmatite capable of hosting economically valuable lithium-cesium-tantalum mineralization. The Company intends to conduct additional sampling at this site and its immediate vicinity. In addition to the 48-Element ICP analyses, our team will collect samples for comprehensive whole rock analysis, mineralogical, and petrological studies. Furthermore, we plan to expand our exploration efforts by gathering grab samples from previously unexplored regions within the property, including additional samples from the Mound Lake Pluton itself. To date, the Company has collected an additional 30 samples.

Highlights for nine months ended September 30, 2023 and to the date of this MD&A

- RTO completed June 7, 2023.
- Received approval from the CSE to list its shares and commenced trading on June 13, 2023 (FREE:CSE).
- Completed Phase 1 exploration program.
- Received approval for a maximum grant of \$71,000 from the Ontario Junior Exploration Program.

Summary of Quarterly Results

Three Months Ended	Net Revenues (\$)	Net Loss	
		Net loss (\$)	Basic and Diluted (Loss) Per Share (\$)
30-Sept-23	-	(198,299)	(0.00)
30-June-23	-	(1,001,626)	(0.02)
31-Mar-23	-	(64,808)	(0.00)
31-Dec-22	-	(98,298)	(0.01)
30-Sept-22	-	(16,476)	(0.00)
30-June-22	-	(104,912)	(0.00)
31-Mar-22	-	(2,528)	(0.00)
31-Dec-21 (i)	-	(812,629)	(0.02)

(i) For the period from incorporation (November 23, 2021) to December 31, 2021

The Company's level of activity and expenditures during a specific quarter are influenced by the availability of working capital, the availability of additional external financing, the time required to gather, analyze and report on geological data related to mineral properties, the results of the Company's prior exploration activities on its properties and the amount of expenditure required to advance its projects. The increase in loss in Q2 2023 was due to the closing of the RTO and related listing expense (see below).

Results of Operations

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Expenses				
General and administrative	\$ 15,523	\$ -	\$ 17,830	\$ -
Consulting (i)	-	-	56,500	-
Professional and management fees (ii)	1,046	16,476	242,157	19,005
Regulatory (iii)	2,542	-	25,425	-
Exploration and evaluation expenses (iv)	172,696	46,000	186,471	150,912
Share based payments (v)	-	-	156,000	-
Listing cost (vi)	6,492	-	590,351	-
Total expenses	(198,299)	(62,476)	(1,274,734)	(169,917)
Other items				
Interest income	-	-	10,000	-
Net Loss and Comprehensive for the Period	\$ (198,299)	\$ (62,476)	\$ (1,264,734)	\$ (169,917)

- (i) Consultants for assistance with the RTO
- (ii) Includes legal, audit and management fees. An increase in legal and audit was required to complete the RTO, financing, restructuring as well as general corporate matters. For management fees, see related party transactions.
- (iii) Fees for listing on the exchange and other regulatory costs.
- (iv) See details of exploration expenses under exploration projects.
- (v) Share based payments represent the value of stock options that vested during the period. 4,000,000 options were granted to officers, director and consultants of the Company on June 13, 2023. This is a non- cash expense.
- (vi) In connection with the RTO, the Company recognized a listing expense in the amount of \$583,859, such amount being equal to the consideration paid less the net asset acquired under the RTO. This is a non-cash expense.

Liquidity and Capital Resources

As at September 30, 2023 the Company had current assets of \$226,173 and current liabilities of \$14,095 (resulting in a working capital of \$212,078).

The decrease in cash during the period of \$587,040 was the result of cash used in operating activities of \$587,040.

At its current operating level, the Company does not have sufficient funds to cover short-term operational needs.

The primary need for liquidity is to fund exploration programs and to maintain general corporate operations. The primary source of liquidity has primarily been private financings

The Company has no debt and no financial commitments.

Overall, given working capital at September 30, 2023, the Company will need to raise additional capital for exploration programs and to funds general operations in 2023.

The Corporation's principal source of financing is equity financing, the success of which depends on venture capital markets, the attractiveness of exploration companies to investors, and metal prices. To continue its exploration activities and be able to support its ongoing operations, the Company will need to continue its relations with the

financial community to obtain further equity financing in the future. Outstanding options, if exercised, represent potential financing. There is risk that additional financing will not be available.

Outstanding Share Data

As at the date of this MD&A, the Company had 70,112,395 common shares, 4,000,000 stock options and 5,118,917 warrants.

Off-Balance Sheet Arrangements

The Company has not had any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Related Party Transactions

During nine months ended September 30, 2023, \$14,070 was charged by CFO Advantage Inc, a corporation owned by the chief financial officer of the Company, for management services. As at September 30, 2023, \$3,390 is included in accounts payable and accrued liabilities.

During nine months ended September 30, 2023, \$10,170 was charged by Kurtz Financial Group, a corporation owned by the chief executive officer of the Company, for management services. As at September 30, 2023, \$3,390 is included in accounts payable and accrued liabilities.

Capital Management

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

The Company includes equity, comprised of issued common shares and reserves, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to any external capital restrictions.

Risks and Uncertainties

The following describes certain risks, events and uncertainties that could affect the Company and that each reader should carefully consider.

External financing may be required to fund the Company's activities primarily through the issuance of common shares. There can be no assurance that the Company will be able to obtain adequate financing. The securities of the Company should be considered a highly speculative investment.

The Company has not generated any revenues and does not expect to generate revenues in the near future. In the event that the Company generates revenues in the future, the Company intends to retain its earnings in order to finance further growth. Furthermore, the Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

Risk Disclosures and Fair Values

Fair Values

At September 30, 2023, the Company's financial instruments consist of cash, accounts payable and accrued liabilities. The fair value of these financial instruments approximates the carrying value due to the relatively short-term maturity of the instrument.

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 credit quality financial institution.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

Interest Rate Risk

The Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the Company's liabilities. The \$14,095 of accounts payable and accrued liabilities are due within one year.

Fair value of financial instruments

The Company has a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Company's financial instruments. The hierarchy of inputs is summarized below:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities. An active market is one in which transactions for the assets occur with sufficient frequency and volume to provide pricing information on an ongoing basis;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. 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.

The classification of a financial instrument in the fair value hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

Critical Accounting Estimates

The Company's significant accounting policies are summarized in Note 3 of the audited financial statements for the year ended December 31, 2022.

Risks and Uncertainties

The Company's business is subject to a number of risk factors which are described in detail in the Filing Statement filed on SEDAR June 8, 2023.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.