QUANTUM BATTERY METALS CORP. (formerly Quantum Cobalt Corp.)

Management Discussion and Analysis
For the six months ended July 31, 2022

The Management Discussion and Analysis ("MD&A"), prepared September 23, 2022 should be read in conjunction with the condensed consolidated interim financial statements for the six months ended July 31, 2022 and the notes thereto of Quantum Battery Metals Corp. ("Quantum" or the "Company") which were prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless otherwise noted, all currency amounts are in Canadian dollars.

This management discussion and analysis may contain forward-looking statements in respect of various matters including upcoming events and include without limitation, statements regarding discussions of the Company's business strategy, future plans, projections, objectives, estimates and forecasts and statements as to management's expectations with respect to, among other things, the development of the Company's project. These forward-looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, certain transactions, certain approvals, changes in commodity prices, risks inherent in exploration results, timing and success, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and mineral resources), delays in the receipt of government approvals, and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this MD&A, the Company has applied several 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, among other factors: (1) the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand and economic and political events affecting supply and demand; and (2) 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 you that any of these assumptions will prove to be correct.

The words "expect," "anticipate," "estimate," "may," "will," "should," "intend," "believe," "target," "budget," "plan," "projection" and similar expressions are intended to identify 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.

These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company believes that the expectations reflected in the forward-looking statements, including future-oriented financial information, contained in this MD&A and any documents incorporated by reference are reasonable, but no assurance can be given that these expectations will prove to be correct. In addition, although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, including future-oriented financial information, there may be other factors that cause actions, events, or results not to be as anticipated, estimated, or intended. The Company undertakes no obligation to disclose publicly any future revisions to forward-looking statements, including future-oriented financial information, to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events, except as expressly required by law.

Additionally, the forward-looking statements, including future-oriented financial information, contained herein are presented solely for the purpose of conveying our reasonable belief of the direction of the Company and may not be appropriate for other purposes.

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, except as may be required under applicable securities laws.

DESCRIPTION OF BUSINESS

The Company was incorporated on August 6, 2010 under the British Columbia Business Corporations Act. On November 7, 2017, the Company changed its name to Quantum Cobalt Corp. from Bravura Ventures Corp. to better reflect its direction and cobalt resource properties and begun trading under the stock symbol "QBOT". On March 23, 2021, the Company changed its name to Quantum Battery Metals Corp. to better reflect its direction and its cobalt and lithium resource properties and begun trading under the stock symbol "QBAT". The Company is domiciled in Canada and is a reporting issuer with its common shares publicly traded on the Canadian Securities Exchange ("CSE"). The Company is currently in the process of identifying new business projects to pursue and develop further. The address of its head office is 400-837 West Hastings Street, Vancouver, British Columbia, Canada, V6C 3N6.

On January 29, 2021, the Company consolidated its issued and outstanding common shares on the basis of 1 post-consolidation common share for every 10 pre-consolidation common shares. All share figures have been retroactively adjusted to reflect the share consolidation.

On April 23, 2021, the Company completed the acquisition of 1296991 B.C. Ltd. ("1296991"). 1296991 holds an option over the surface access rights, mineral rights, mineral exploration data and permits to 32 mining claims comprising the Rose West lithium project.

MINERAL PROPERTIES

	Rabbit Cobalt Property	Kahuna Cobalt Property	Nipissing Lorain Property	Albanel Lithium Property	Kelso Lithium Property	Rose West Lithium Property	Total
	$	$	$	$	$	$	$
Balance, January 31, 2021	-	-	-	350,978	350,357	-	701,335
Property acquisition	-	-	-	-	-	6,185,382	6,185,382
Exploration expenditures	40,584	-	19,901	75,639	27,638	15,534	179,296
Write-off	-	-	-	-	-	(6,200,916)	(6,200,916)
Balance, January 31, 2022	40,584	-	19,901	426,617	377,995	-	865,097
Exploration expenditures	29,840	1,380	29,840	69,578	25,422	-	156,060
Balance, July 31, 2022	70,424	1,380	49,741	496,195	403,417	-	1,021,157

Albanel Quebec Lithium Property

On October 3, 2019, the Company entered into a binding acquisition agreement with 1225768 B.C. Ltd. to acquire 100% interest in, and to, certain mineral properties, together with surface right, mineral rights, personal property and permits associated therewith, located in the Albanel Quebec lithium property. The

Albanel property is a lithium prospect with an approximate area of 2,751 hectares in a mining-friendly jurisdiction of Quebec. Pursuant to the acquisition agreement, the Company issued a total of 1,000,000 common shares in the capital of the Company with a fair value of $350,000.

Highlights of the project:

- Road accessible;
- 10 kilometers north of the Rose lithium-tantalum mine;
- 3 pegmatite occurrences mapped by government geologists; and
- Centrally located in a lithium-rich geologic subprovince.

During the year ended January 31, 2022, the Company began the exploration work program for its lithium properties. The Company deployed its ground team to the Albanel Quebec Lithium property and completed the first phase of its lithium exploration program in August 2021. The Company incurred $75,639 of exploration expenditures during the year ended January 31, 2022 and $69,578 during the six months ended July 31, 2022.

Kelso Quebec Lithium Property

On October 3, 2019, the Company entered into a binding acquisition agreement with 1225768 B.C. Ltd. to acquire 100% interest in, and to, certain mineral properties, together with surface right, mineral rights, personal property and permits associated there with, located in the Kelso Quebec lithium property. The Kelso property is a lithium prospect with an approximate area of 1,005 hectares in a mining-friendly jurisdiction of Quebec. Pursuant to the acquisition agreement, the Company issued a total of 1,000,000 common shares in the capital of the Company with a fair value of $350,000.

Highlights of the project:

- 12 kilometers northwest of the Rose lithium-tantalum mine;
- 2 pegmatite showings mapped regionally by government geologists; and
- Centrally located in a lithium-rich geologic subprovince.

During the year ended January 31, 2022, the Company began the exploration work program for its lithium properties. The Company deployed its ground team to the Kelso Quebec Lithium property and completed the first phase of its lithium exploration program in August 2021. The Company incurred $27,638 of exploration expenditures during the year ended January 31, 2022 and $25,422 during the six months ended July 31, 2022.

Rose West Lithium Property

On April 23, 2021, the Company closed its acquisition of 1296991 B.C. Ltd. (“1296991”) pursuant to a share exchange agreement, dated April 20, 2021, among the Company, 1296991 and the shareholders of 1296991.

Pursuant to the share exchange agreement, the Company acquired 1296991 by issuing 7,000,000 common shares, with a fair value of $6,160,000, to the vendors of 1296991.

1296991 holds an option over the surface access rights, mineral rights, mineral exploration data and permits to 32 mining claims comprising the Rose West lithium project, covering approximately 1,695 hectares area on the NTS map 33C01 on the territory of Eeyou Istchee in the James Bay area, Quebec, Canada. To exercise the option, the Company will have to satisfy the following:

a) pay Optionor an aggregate of $100,000 in cash as follows:
    i. $30,000 on or before thirty (30) calendar days after the effective date (paid);
    ii. $30,000 on or before the date that is one (1) calendar year after the effective date; and
    iii. $40,000 on or before the date that is two (2) calendar years after the effective date.

b) issuance of an aggregate of 1,000,000 shares to Optionor as follows:
    i. 300,000 shares on or before ten (10) calendar days after the PubCo date;
    ii. 300,000 shares on or before the date that is one (1) calendar year after the effective date; and
    iii. 400,000 shares on or before the date that is two (2) calendar years after the effective date.

c) incurring aggregate expenditures of $360,000 as follows:
    i. $110,000 of Expenditures on or before the date that is one (1) calendar year after the effective date; and
    ii. $250,000 of Expenditures on or before the date that is two (2) calendar years after the effective date.

Highlights of the project:

- Road accessible all year-round;
- Centrally located in a lithium-rich geologic subprovince;
- The mining claims are adjacent and west of Rose lithium project, owned by Critical Elements Lithium Corp. The Rose project has probable reserves of 26.8 million tons at 0.96 per cent lithium oxide equivalent (Li2O Eq) or indicated resource of 30 million tons at 1.04 per cent Li2O Eq;
- The Rose West lithium property is underlain by similar geology as that of the Rose lithium deposit and is composed of volcanosedimentary units and ultramafic to felsic intrusions. Gabbros, pyroxenites and diorites crosscut the property geology. Pegmatites occur as irregular, but generally continuous, lenses within biotite schists in paragneiss, quartzite and conglomerate. The rock units are generally well foliated with a southeast orientation, except for the more massive and unfoliated granites and pegmatites. Younger rocks of the property are represented by a Proterozoic diabase dike; and
- Mineralization recognized to date in the area includes rare element lithium-cesium-tantalum-(LCT)-bearing pegmatites and molybdenum occurrences. The geological reports of the area indicate that pegmatite dikes generally strike west-southwest/east-northeast with dips of 60 degrees or steeper.

The Company has accounted for the purchase of 1296991 as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combinations". The following table summarizes the total consideration, the fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition:

Fair value of share consideration (7,000,000 share at $0.88)	$	6,160,000
Total consideration		6,160,000
Allocated as follows:		
Identified fair value of net assets:		
Cash		9,972
Due from shareholder		1
Exploration and evaluation assets		6,155,382
Accounts payable		(5,355)
Net assets acquired	**$**	**6,160,000**

During the year ended January 31, 2022, the Company began the exploration work program for its lithium properties. The Company deployed its ground team to the Rose West Lithium property and completed the first phase of its lithium exploration program in August 2021. The Company incurred $15,534 of exploration expenditures during the year ended January 31, 2022.

On April 13, 2022, the option agreement was terminated by the Company. As a result, a write-off of $6,200,916 was recorded to the consolidated statement of comprehensive loss for the year ended January 31, 2022.

Exploration Work Program for Lithium Properties

On May 7, 2021, the Company planned a summer work program targeting the Kelso and Albanel lithium properties, located in James Bay, Quebec, Canada, known for high-quality, low-impurity spodumene. The Company organized and undergone a preliminary satellite survey and is currently awaiting final results of the survey.

On May 26, 2021, the Company completed a satellite survey over its Alba and Kelso lithium properties. The satellite survey has identified several anomalous areas which will be further investigated over the course of subsequent fieldwork.

On June 11, 2021, the Company began to mobilize a ground crew for its lithium projects – Rose West, Albanel and Kelso properties, as a priority for the 2021 mining program. The work being done will include rock sampling and the Company intends to use the survey results as a deciding factor on which parts of the three properties to start with. However, all three properties are located within Quebec, in which, cost and time for travel will be reduced due to the close proximity to each other. The proposed program budget will be adjusted as new results come in from initial geological work.

On June 24, 2021, the Company received positive results from its satellite survey which identified two outcropping pegmatites. These areas will be the main focus of the Company's Phase I exploration program on the Kelso and Albanel properties located in Quebec. The Kelso property consists of 19 contiguous claims totalling roughly 1,005.38 hectares and the Albanel property consists of 52 contiguous claims totalling approximately 2,751.15 hectares. The entire lithium property covers an area of approximately 3,756.53 hectares.

Highlights:

- Regional infrastructure supporting low-cost exploration;
- Easy access to power lines that cut through the property;
- Quad access from nearby network of well-maintained "heavy haul" roads;
- Highly active area of exploration with major contractors and suppliers nearby lowering exploration cost.

On July 2, 2021, the Company received positive results and looks to expand land package near Rose West James Bay area. Currently, the Company has three projects within the James Bay area.

On July 27, 2021, the Company completed the first phase of its sampling program at the Albanel project. The grab samples indicate that the property has preliminarily visual anomalies which may extend its mineralization zone. The grab samples are currently in the process of being submitted for assay.

Based on the location of some of these anomalies, the Company has been recently active in the area with an on-site crew looking to strategically expand the footprint of the land package. The area in which the grab samples were taken have shown to have good access to the camp, supplies, and roads and infrastructure. The Company is exploring the idea of expansion near the project and exploring the idea of adding zones to make them contiguous tenements.

On August 16, 2021, the Company completed its sampling program of the Albanel, Kelso and Rose West lithium projects. In the second and final phase of the prospecting sampling program, the team, deployed in Quebec with assistance from a helicopter crew, was able to obtain 96 grab samples throughout the three lithium projects. The helicopter program lasted over several days and navigated to areas throughout the property. The additional grab samples by eyesight showed several anomalies, which were submitted to a laboratory for assay. The results for the previous samples taken from Albanel property in the first phase of the prospecting program are expected soon. The Company is excited to see the potential of its properties through the samples and intends to use the samples to plan its next exploration program.

On January 21, 2022, the Company started the preliminary review on a lithium project acquisition near the James Bay area. The claims neighbour properties with several new lithium discoveries and existing outcrops indicating continuous lithium-bearing pegmatites during their drill programs for lithium. The property is located near existing infrastructure and is easily accessible by road.

Rabbit Cobalt Property

On August 16, 2017, the Company closed its acquisition of 10336602 Canada Inc. ("10336602") pursuant to a share exchange agreement, dated July 28, 2017, among the Company, 10336602 and the shareholders of the target. 10336602 holds the Rabbit Cobalt Property, comprising of approximately 1,000-hectares of a gold-nickel-silver property located 55 kilometers south of Cobalt, Ontario.

Pursuant to the share exchange agreement, the Company made a cash payment of $350,000 and issued a total of 400,000 common shares in the capital of the Company, to the shareholders of 10336602 in exchange for 100,000 Class A common shares in the capital of 10336602. A finder's fee in the amount of $35,000 was paid in connection with the acquisition.

During the year ended January 31, 2020, substantive expenditure on further exploration for and evaluation of the Rabbit Cobalt Property was not being planned. As a result, a write-off of $2,436,067 was recorded to the consolidated statement of loss and comprehensive loss during the year ended January 31, 2020.

During the year ended January 31, 2022, the Company began the comprehensive work program for its cobalt properties. The Company deployed its ground team to the Rabbit Lake property in Ontario and completed the first phase of its in-depth cobalt exploration program in September 2021. The Company incurred $40,584 of exploration expenditures during the year ended January 31, 2022 and $29,840 during the six months ended July 31, 2022.

Kahuna Cobalt Property

On October 5, 2017, the Company closed and signed the definitive agreement with Friday Mines Ltd. dated August 10, 2017 to acquire 100% of the approximately 1,200-hectare Kahuna cobalt-silver property, located 37 kilometers south of Cobalt, Ontario. Pursuant to the share exchange agreement, the Company paid a cash payment of $300,000 and issued a total of 1,000,000 common shares in the capital of the Company. A finder's fee in the amount of $31,500 was paid in connection with the acquisition. The properties are subject to a 0.5% net smelter return royalty on cobalt-gold production, which includes advance royalty payments of $25,000 annually on December 31, beginning in 2020. The Company has the option at any time to purchase 0.5% of the royalty on payment of $500,000. The original vendors of the property will retain a 1% NSR on the properties. The Company will have the right to purchase the 1% for $1,000,000.

During the year ended, January 31, 2020, substantive expenditure on further exploration for and evaluation of the Kahuna Cobalt Property has not yet been planned, and will be evaluated pending the Company obtaining further funding. As a result, a write-off of $1,022,567 was recorded to the consolidated statement of loss and comprehensive loss.

During the six months ended July 31, 2022, the Company incurred $1,380 of exploration expenditures.

Nipissing Lorain Property

On November 29, 2017, the Company closed the acquisition of 1142674 B.C. Ltd. ("1142674") pursuant to a share exchange agreement, among the Company, 1142674 and the shareholders of 1142674. 1142674 holds the Nipissing Lorrain cobalt project which is located 26 kilometers southeast of Cobalt, Ont. The property consists of 29 claim units for approximately 464 hectares. Six separate underground workings have been historically mined for cobalt, silver and nickel.

Pursuant to the share exchange agreement, the Company was required to pay an aggregate amount of $1,000,000 over a six-month period from date of close of the share exchange agreement, with an initial cash payment of $500,000 (paid on closing) and $250,000 subsequently every three months. During the year ended January 31, 2022, the subsequent payments amounting to $500,000 were recorded as liability on the condensed consolidated interim statement of financial position. As at July 31, 2022, the Company has paid off this debt. A total of 500,000 common shares in the capital of the Company were also issued on closing to the shareholders of 1142674 in exchange for one Class A common share in the capital of 1142674.

During the year ended January 31, 2020, substantive expenditure on further exploration for and evaluation of the Nipissing Lorain Property was not being planned. In addition, the Company had not made all of the required payments under its November 29, 2017 share exchange agreement. As a result, a write-off of $9,700,000 was recorded to the consolidated statement of loss and comprehensive loss during the year ended January 31, 2020.

During the year ended January 31, 2022, the Company began the comprehensive work program for its cobalt properties. The Company deployed its ground team to the Nipissing property in Ontario and completed the first phase of its in-depth cobalt exploration program in September 2021. The Company incurred $19,901 of exploration expenditures during the year ended January 31, 2022 and $29,840 during the six months ended July 31, 2022.

Exploration Work Program for Cobalt Properties

On July 15, 2021, the Company began planning comprehensive work program for cobalt properties. The Company will be progressing its exploration program with the inclusion of the Company's Nipissing cobalt property and Rabbit Lake cobalt property this year. The properties are located near the prolific district of Cobalt, Ontario, known for its high grades, ethical supply and historic mining.

This year, the Company contract further exploration work which will be a follow-up on the previous work results. The Company is also considering to commence a drilling program on targeting preidentified historical targets that were high grade and historically mined.

On September 30, 2021, the Company deployed its ground team to the Nipissing and Rabbit Lake properties in Ontario and completed the first phase of its in-depth cobalt exploration program. The first phase of the program consisted of mineral/rock prospecting and sampling for both properties. The samples were prioritized, as the Company expects to use these results to plan a drilling operation within the upcoming year. The first phase also continued mapping out additional anomalies further to the already existing locations from the Company's exploration program in 2017. Previously in 2017, the Company initiated an exploration program in which samples were collected, submitted and analyzed, in which the average grade of the samples taken from the pile was over 2.33 per cent cobalt (Co), with a peak value of 8.33 per cent Co. The Company is now looking into the properties more as they are encouraged to continue from the 2017 program results. Following the 2021 exploration phase, the results have been immediately sent to assay for processing and are pending at this moment.

On January 25, 2022, the Company contracted a geological expert to analyze and help develop a thorough exploration program with various options for resource development. The geologist will work with the Company and its team to review and advise for the 2022 cobalt program by using historical and previous exploration programs of the Company.

On March 17, 2022, the Company finalized its 2022 cobalt exploration program and will deploy ground crew in upcoming weeks. The Company has had historical success in proving high-grade cobalt in the areas and has decided to increase its expenditures in the area.

2022-2023 Mining Program

The 2021 exploration program has shown success with deploying a ground crew to the Company's numerous lithium and cobalt properties. For its 2022 exploration program, the Company will be focusing on its Alba and Kelso lithium properties and Nipissing Lorraine and Rabbit Lake cobalt properties. The 2022 exploration planning is under way and close to being finalized with the goal of advancing the

Company's assets and provide shareholder value. The Company plans to stake additional property before the year-end of 2022.

The Company also plans to develop an extensive 2023 lithium exploration program and rely on the results to determine centralized areas to focus on. The Company is looking into several lithium prospects to further enhance its battery metal portfolio.

On April 12, 2022, the Company started the preliminary steps of acquiring additional lithium properties in Canada. The Company is boosted by the recent announcement of the Canadian government to spend an additional $3.8-billion to help propel the country's efforts to become a key part of the global electric vehicle supply chain.

On May 11, 2022, the Company is in the process of looking into the feasibility of processing the rock stockpile located on the Nipissing Lorrain mine cobalt-silver-nickel property.

On June 7, 2022, the Company announced that in connection with the 2022 exploration program planned, the Company has requested its ground team to further assess the cobalt stockpile.

On June 10, 2022, the Company has begun to engage in talks with third parties to acquire a new lithium project.

On June 23, 2022, the Company is exploring the option of streaming Nipissing Lorrain rockpile and as such, is in preliminary discussions to secure potential supply agreements with batter suppliers.

On July 8, 2022, the Company has entered into a letter of intent to acquire 100% of the approximately 2,750-hectare Lac Mistumis lithium property, located in the territory of Eeyou Istchee, James Bay, Northern Quebec, Canada.

On July 18, 2022, the Company intends to include the Lac Mistumis lithium property in its 2022 exploration program.

On July 26, 2022, the Company has finalized its 2022 geologist-review lithium exploration program and has set the date for the ground crew to be deployed within the first week of August.

SELECTED ANNUAL FINANCIAL RESULTS

The following selected financial data with respect to the Company’s financial condition and results of operations have been derived from the audited consolidated financial statements of the Company for the years ended January 31, 2022, 2021, and 2020. The selected financial data should be read in conjunction with those consolidated financial statements and the notes thereto. In $000’s except per share amounts:

	2022	**2021**	**2020**
	$	$	$
Total revenue	Nil	Nil	Nil
Net loss	(8,417)	(248)	(13,662)
Basic and diluted loss per share	(0.53)	(0.04)	(2.91)
Total assets	865	734	734
Total long-term liabilities	Nil	Nil	Nil
Cash dividends declared per share for each class of share	Nil	Nil	Nil

OPERATIONS

Three months ended January 31, 2022 compared with the three months ended January 31, 2021

During the three months ended January 31, 2022, the Company reported a net loss of $6,319,035 compared to a net loss of $304,048 during the three months ended January 31, 2021, representing a increase in net loss of $6,014,987.

The increase in net loss was mainly attributable to the increase in write-off of mineral property to $6,200,916 during the current period due to the impairment loss recognized in relation to Rose West Lithium Property. Interest expense increased to $7,497 from $7,245 during the same period of the previous year mainly due to the higher accruals of interest on loans during the current period. Investor relations increased to $7,202 from $Nil during the same period of the previous year due to no investor communications incurred during the same period of the previous year. Office and miscellaneous expenses increased to $4,479 from $2,981 during the same period of the previous year due to increased business activities during the current period. Transfer agent and filing fees increased to $4,481 from $3,419 during the same period of the previous year due to increased activity and regulatory periodic filing fees incurred during the current period. Management fees decreased to $61,460 during the current period from $272,149 during the same period of the previous year due to the change in management. Foreign exchange gain decreased to $Nil from $6,397 during the same period of the previous year. Professional fees increased to $33,000 from $11,547 during the same period of the previous year due to higher professional fees incurred during the current period.

Twelve months ended January 31, 2022 compared with the twelve months ended January 31, 2021

During the twelve months ended January 31, 2022, the Company reported a net loss of $8,417,165 compared to a net loss of $247,981 during the twelve months ended January 31, 2021, representing an increase in net loss of $8,169,184.

The increase in net loss was mainly attributable to the increase in write-off of mineral property to $6,200,916 during the current year due to the impairment loss recognized in relation to Rose West Lithium Property. Advertising and promotion increased to $1,781,640 from $Nil during the previous year due to no advertising fees incurred during the previous year. Consulting fees increased to $84,975 from $Nil during the previous year due to no fees incurred or charged by consultants during the previous year. Interest expense increased to $29,053 from $28,419 during the previous year mainly due to the higher accruals of interest on loans during the current year. Investor relations increased to $15,070 from $Nil during the previous year due to no investor communications incurred during the previous year. Management fees decreased to $137,460 from $326,649 during the previous year due to the change in management during the current year. Office and miscellaneous expenses increased to $29,772 from $12,744 during the previous year due to increased business activities during the current year. Professional fees increased to $94,596 from $64,855 during the previous year due to higher professional fees incurred during the current year. Transfer agent and filing fees increased to $30,543 from $18,250 during the previous year due to increased activity and regulatory periodic filing fees incurred during the current year. Foreign exchange loss increased to $13,140 from gain of $6,040 during the previous year.

Three months ended July 31, 2022 compared with the three months ended July 31, 2021

During the three months ended July 31, 2022, the Company reported a net loss of $91,933 compared to a net loss of $1,085,363 during the three months ended July 30, 2021, representing a decrease in net loss of $993,430.

The significant decrease in net loss was mainly attributable to the decrease in advertising and promotion expenses to $Nil from $885,780 during the current period. Consulting fees decreased to $Nil from $84,975 during the same period of the previous year due to no fees incurred or charged by consultants during the current period. Investor relations decreased to $Nil from $6,303 during the same period of the previous year due to no investor communications incurred during the current period. Interest expense decreased to $7,014 from $7,244 during the same period of the previous year mainly due to the lower accruals of interest on loans during the current period. Office and miscellaneous expenses increased to $13,319 from $9,241 during the same period of the previous year due to increased business activities during the current period. Transfer agent and filing fees increased to $9,749 from $9,290 during the same period of the previous year due to increased activity and regulatory periodic filing fees incurred during the current period. Management fees decreased to $24,950 during the current period from $30,400 during the same period of the previous year due to the change in management. Foreign exchange gain increased to $2,099 during the current period from loss of $8,534 during the same period of the previous year. Professional fees decreased to $39,000 from $43,596 during the same period of the previous year due to lower professional fees incurred during the current period.

Six months ended July 31, 2022 compared with the six months ended July 31, 2021

During the six months ended July 31, 2022, the Company reported a net loss of $562,169 compared to a net loss of $1,591,328 during the six months ended July 31, 2021, representing an decrease in net loss of $1,029,159.

The significant decrease in net loss was mainly attributable to the decrease in advertising and promotion expenses to $347,025 from $1,337,250 during the current period. Consulting fees decreased to $50,000 from $84,975 during the same period of the previous year due to lower fees incurred or charged by consultants during the current period. Interest expense decreased to $14,023 from $14,300 during the same period of the previous year mainly due to the lower accruals of interest on loans during the current period. Investor relations decreased to $320 from $6,303 during the same period of the previous year due to lower investor communications incurred during the current period. Management fees increased to $75,700 from $47,700 during the same period of the previous year due to higher management fees charged by management during the current period. Office and miscellaneous expenses decreased to $17,924 from $18,479 during the same period of the previous year due to decreased business activities during the current period. Professional expenses decreased to $48,000 from $52,596 during the same period of the previous year due to lower professional fees incurred during the current period. Transfer agent and filing fees decreased to $14,782 from $21,621 during the same period of the previous year due to decreased activity and regulatory periodic filing fees incurred during the current period. Foreign exchange gain increased to $5,605 during the current period from loss of $8,104 during the same period of the previous year.

SUMMARY OF QUARTERLY RESULTS
($000's except earnings per share)

	July 31, 2022	**April 30, 2022**	**January 31, 2022**	**October 31, 2021**
	$	**$**	**$**	**$**
Revenue	Nil	Nil	Nil	Nil
Net Loss	(92)	(470)	(6,319)	(507)
Basic and Diluted Loss per share	(0.00)	(0.02)	(0.35)	(0.03)
	July 31, 2021	**April 30, 2021**	**January 31, 2021**	**October 31, 2020**
	$	**$**	**$**	**$**
Revenue	Nil	Nil	Nil	Nil
Net Loss	(1,085)	(506)	(304)	(41)
Basic and Diluted Loss per share	(0.06)	(0.06)	(0.05)	(0.01)

During the second quarter of 2023, the Company had a net loss of $91,933 compared to a net loss of $1,085,363 in the second quarter of 2022. The significant change is due to $Nil advertising and promotion fees and consulting fees incurred during the current period.

During the first quarter of 2023, the Company had a net loss of $470,236 compared to a net loss of $505,965 in the first quarter of 2022. The significant change is due to lower advertising and promotion fees during the current period.

During the fourth quarter of 2022, the Company had a net loss of $6,319,035 compared to a net loss of $304,048 in the fourth quarter of 2021. The significant change is due to write-off of mineral property in relation to Rose West Lithium Property incurred during the current period.

During the third quarter of 2022, the Company had a net loss of $506,802 compared to a net loss of $41,215 in the third quarter of 2021. The significant change is due to higher advertising and promotion and management fees during the current period.

LIQUIDITY AND CAPITAL RESOURCES

As at July 31, 2022, the Company had a cash balance of $56,127 and working capital deficiency of $1,440,097 compared to $17,087 and $2,133,535, respectively, as at January 31, 2022.

During the six months ended July 31, 2022, net cash used in operating activities was $466,567 (2021 - $1,834,668) comprising a loss of $562,169 (2021 - $1,591,328), accrued interest of $14,023 (2021 - $14,254), an increase in tax recoverable and other receivable of $10,349 (2021 - decrease of $6,948), a decrease in prepaid expenses of $Nil (2021 - $5,112) and an increase in accounts payable and accrued liabilities of $91,928 (2021 - decrease of $269,654).

Cash provided by financing activities for the six months ended July 31, 2022 was $661,667 (2021 - $2,000,000), which was primarily related to the proceeds from private placement, exercise of warrants, and repayment of loans.

Cash used in investing activity for the six months ended July 31, 2022 was $156,060 (2021 - $125,735), which was related to the mineral property exploration costs.

During the three months ended July 31, 2022, net cash used in operating activities was $124,898 (2021 - $1,018,022) comprising a loss of $91,933 (2021 - $1,085,363), accrued interest of $7,014 (2021 - $7,246), an increase in tax recoverable and other receivable of $4,141 (2021 - decrease of $11,092), a decrease in prepaid expenses of $Nil (2021 - $2,598) and a decrease in accounts payable and accrued liabilities of $35,838 (2021 - increase of $46,405).

Cash used in financing activities for the three months ended July 31, 2022 was $700,000 (2021 - provided by $1,000,000), which was primarily related to the repayment of loans.

Cash used in investing activity for the three months ended July 31, 2022 was $Nil (2021 - $82,151). The cash used in investing activities for the previous period was related to the mineral property acquisition and mineral property exploration costs.

OFF-BALANCE SHEET ARRANGEMENTS

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

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties have occurred in the normal course of operations. Key management is comprised of directors and executive officers. The following compensation was paid to key management or companies controlled by key management during the six months ended July 31, 2022 and 2021:

	2022	2021
Management fees	$ 75,700	$ 47,700

As at July 31, 2022, the Company has included in accounts payable and accrued liabilities a total of $509,013 (January 31, 2022 - $490,113), which are payable to former directors, former officers, and companies controlled by former officer.

As at July 31, 2022, the Company has included in accounts payable and accrued liabilities a total of $79,722 (January 31, 2022 - $104,427), which are payable to directors, officers, and companies controlled by directors.

As at July 31, 2022, the Company has included in other receivable an amount of $500 (January 31, 2022 - $500) due from a director of the Company.

During the year ended January 31, 2021, the Company received a loan of $20,000 from a company controlled by a director. The loan bears interest at 3% per annum, unsecured, and due on demand.

On November 8, 2019, the Company commenced legal action against the former CEO, David Schmidt, for gross negligence that resulted in significant shareholder value loss. The claim alleged that while serving in the role of chief executive officer of the Company, Mr. Schmidt failed to act honestly and in good faith with a view to the best interests of the Company and failed to exercise the care, diligence and skill of a reasonably prudent individual. Mr. Schmidt failed to make key property payments, which caused significant loss and damage, in particular:

- Payment to Idaho's Bureau of Land Management by September 1, 2018: The failure to make this payment resulted in the irrevocable forfeiture of the Company's Musgrove mining claims. Further, Mr. Schmidt failed to direct the Company to take any steps to restake the claims, which resulted in a third party acquiring the claims.

- Option payment due by December 31, 2018: The failure to respond to notices of payment for Grew Creek and the further failure to direct the company to cure the default resulted in Quantum losing its option on the Grew Creek property.

On March 20, 2020, the Company entered into a settlement agreement with Mr. Schmidt. Pursuant to the settlement agreement, Mr. Schmidt forgave a loan of $210,000 to the Company. The Company has provided Mr. Schmidt a full and final release and has recorded the forgiven loan as other income during the year ended January 31, 2021.

CRITICAL ACCOUNTING POLICIES

Financial Instruments

Fair Values

The Company’s financial instruments consist of cash, other receivable, accounts payable, loans payable and other payable. The following table summarizes the carrying values of the Company’s financial instruments as at July 31, 2022 and January 31, 2022:

		July 31, 2022		January 31, 2022
FVTPL (i)	$	56,127	$	17,087
Amortized cost (ii)	$	1,008,311	$	1,641,408

(i) Cash
(ii) Accounts payable, loans payable, other payable and other receivable

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices 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 that are not based on observable market data.

Cash is measured at fair value using level one as the basis for measurement in the fair value hierarchy. The fair values of other receivable, accounts payable, loans payable and other payable approximate their carrying values because of their current nature.

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. The Company believes it has no significant credit 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 manages liquidity risk through the management of its capital structure and financial leverage as outlined above. The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. The Company's accounts payable, loans payable, and other payable have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits. The Company is exposed to liquidity risk.

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 does not have significant foreign exchange risk as majority of its transactions are in Canadian dollars.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes in market interest rate. The Company is not exposed to significant interest rate risk.

SHARE CAPITAL

On January 29, 2021, the Company consolidated its issued and outstanding common shares on the basis of 1 post-consolidation common share for every 10 pre-consolidation common shares. All share figures have been retroactively adjusted to reflect the share consolidation.

Issued
The Company has 24,548,708 issued and outstanding as at July 31, 2022 and as at September 23, 2022.

Share Purchase Options
The Company has no stock options outstanding as at July 31, 2022 and as at September 23, 2022.

Warrants
The Company has 2,280,000 share purchase warrants outstanding as at July 31, 2022 and as at September 23, 2022.

Escrow Shares
The Company has no shares held in escrow as at July 31, 2022 and as at September 23, 2022.

Listing on Canadian Stock Exchange

The Company began trading on the CSE on November 7, 2017 under the symbol "QBOT". Effective February 10, 2015, the common shares of the Company were delisted from the TSX Venture Exchange ("TSXV"). On March 23, 2021, the Company changed its name to Quantum Battery Metals Corp. and began trading under the symbol of "QBAT".

Private placements

On March 11, 2021, the Company closed a non-brokered private placement, comprising 4,166,666 units at a price of $0.24 per unit for gross proceeds of $1,000,000. Each unit comprises one common share of the Company and one common share purchase warrant of the Company. Each warrant is exercisable into a common share of the Company for a period of 12 months at an exercise price of $0.31 during the 12 months.

On June 8, 2021, the Company closed a non-brokered private placement comprising 178,570 flow-through (FT) units at a price of $0.56 per FT unit for gross proceeds of $99,999 and 714,287 units at a price of $0.56 per unit for gross proceeds of $400,001. Each FT unit will comprise one flow-through share of the Company and one common share purchase warrant of the Company. Each unit will comprise one common share and one common share purchase warrant of the Company. Each warrant will be exercisable into a common share of the Company for a period of 12 months at an exercise price of $0.69 for 12 months from issuance.

On March 24, 2022, the Company closed and oversubscribed its non-brokered private placement, comprising 2,280,000 units at a price of $0.50 per unit for gross proceeds of $1,140,000. Each unit comprises of one common share of the Company and one common share purchase warrant of the Company. Each warrant is exercisable into a common share of the Company for a period of 12 months at an exercise price of $0.75 during the 12 months.

On March 11, 2022, the Company issued 4,166,666 common shares for gross proceeds of $1,291,667 on the exercise of share purchase warrants at $0.31 per share.

As at July 31, 2022, the Company had $1,500 (January 31, 2022 - $1,021,500) of share subscription receipts.

Shares issued for 1296991 acquisition

On April 23, 2021, the Company issued 7,000,000 common shares with a fair value $6,160,000 pursuant to the acquisition of 1296991 B.C. Ltd.

Flow-through shares issued in fiscal 2018

During fiscal 2018, the Company renounced $471,500 of Canadian exploration expenditures to subscribers of the 2018 flow-through financing. As a result of the flow-through financing the Company recognized a liability relating to the premiums subscribers had paid for the flow-through feature.

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds received less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent on qualifying expenditures. At July 31, 2022, the amount of flow-through proceeds remaining to be spent on qualifying expenditures was $75,643.

As a result of not incurring the qualified expenditures and not filing the forms with Canada Revenue Agency during the year ended January 31, 2021, the Company recognized an expense of $8,154 for late filing penalties and interest. As at July 31, 2022, accounts payable and accrued liabilities include $51,213 (January 31, 2022 - $51,213) related to interest and penalties.

The Company agreed to indemnify the flow-through shareholders for certain costs they incurred as a result of not meeting its obligation to spend the flow-through share proceeds on qualifying Canadian exploration expenditures in compliance with the applicable tax rules and pursuant to the share subscription agreement entered into. During the year ended at January 31, 2021, the Company recognized an expense of $10,235 for the indemnification of flow-through shareholders. As at July 31, 2022, accounts payable and accrued liabilities include $245,765 (January 31, 2022 - $245,765) related to this indemnification provision.

Flow-through shares issued in fiscal 2022

On June 8, 2021, the Company closed a non-brokered private placement comprising 178,570 flow-through (FT) units at a price of $0.56 per FT unit for gross proceeds of $99,999. Each FT unit will comprise one flow-through share of the Company and one common share purchase warrant of the Company. Each warrant will be exercisable into a common share of the Company for a period of 12 months at an exercise price of $0.69 for 12 months from issuance.

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds received less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent on qualifying expenditures. At July 31, 2022, the amount of flow-through proceeds remaining to be spent on qualifying expenditures was $Nil.

CHANGES IN ACCOUNTING POLICIES

See Note 2 “Summary of Significant Accounting Policies” and Note 3 “Recent Accounting Pronouncements” of the condensed consolidated interim financial statements for the six months ended July 31, 2022.

SUBSEQUENT EVENTS

On August 2, 2022, the Company announced that in connection with the acquisition of Lac Mistumis, is looking to prepare a satellite survey to be conducted over the Lac Mistusmis lithium property prior to the deployment of the ground crew.

On August 15, 2022, the Company has completed its first phase of the 2022 geologist-reviewed lithium exploration program in the Alba and Kelso properties. The Company indicates that the ground crew was able to retrieve 24 samples over the two properties to be assessed in the labs and is now currently awaiting the final results of the samples. The ground crew followed along the satellite survey conducted in 2021 to the pinpointed high-exposure areas that showed the greatest potential. The satellite survey helped facilitate a swift and intensive navigation through the 3,756-hectare claims.

On August 29, 2022, the Company has hired geological consultants specialized in Lithium and Cobalt, who have extensive knowledge in Canada’s Battery Metals space particularly in Quebec and Ontario where Quantum's properties are located. Combining Quantum’s expertise with them, the Company was able to draft and implement larger scaled mining programs this year and plans to continue in the future.

The Company has also appointed Marc Momeni as CEO and Director of the Company following the resignation of Andrew Sostad as CEO and Director.

On September 5, 2022, with the expansion of the Company's mining programs specifically in the James Bay area in Quebec, focusing on lithium, the Company is searching for potential processing partners to work with the Company. With the successful run of the 2022 exploration program on the Company's Lithium properties, the Company anticipates that it will need to work local processing facilities in the near future.

MANAGEMENT CHANGES

On March 11, 2021, the Company appointed Quinn Field-Dyte as CFO of the Company following the resignation of Kenneth Tollstam.

On April 23, 2021, the Company appointed Andrew Sostad to the board of directors and as CEO of the Company, in which David Greenway will be stepping down as CEO. Mr. Greenway remains as a director on the board.

Subsequent to the six months ended July 31, 2022, the Company has appointed Marc Momeni as CEO and Director of the Company following the resignation of Andrew Sostad as CEO and Director.

The Company's board now consist of Von Torres, David Greenway, Quinn Field-Dyte, Marc Momeni, and Dave Jenkins.

COVID-19

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak might increase the difficulty in raising capital which may negatively impact the Company's business and financial condition. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.