NEVADA LITHIUM RESOURCES INC.

Management's Discussion and Analysis

For the three months ended July 31, 2024 and 2023

(Expressed in Canadian dollars)

This Management's Discussion & Analysis ("**MD&A**") of Nevada Lithium Resources Inc. ("**Nevada Lithium**" or the "**Company**") provides an analysis of the Company's financial position and results of operations for the three months ended July 31, 2024 and 2023. This MD&A was prepared by management of the Company and should be read in conjunction with the unaudited Condensed Interim Consolidated Financial Statements for the three months ended July 31, 2024 and 2023 (the "**Financial Statements**"). The Company's Financial Statements are prepared in accordance with International Financial Reporting Standards ("**IFRS"**) as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. For further information on the Company, reference should be made to its public filings on SEDAR+ at www.sedarplus.ca.

The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. Except as otherwise disclosed, all dollar figures included in the following MD&A are quoted in Canadian dollars. References to "$" are to Canadian dollar, references to "USD" are to United States dollar. References to "us", "we", "our" refer to the Company.

Information in this MD&A is prepared as of September 30, 2024 and was approved by the Company's Board of Directors.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this document constitute forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as "anticipate", "believes", "estimates", "will", "expects", "plans", "intends", or similar words suggesting future outcomes or an outlook. Forward-looking information in this document includes, but is not limited to:

- our business plan and investment strategy; and
- general business strategies and objectives.

Such forward-looking information is based on a number of assumptions which may prove to be incorrect. Assumptions have been made with respect to the following matters, in addition to any other assumptions identified in this document which includes, but is not limited to:

- taxes, operations, general and administrative as well as other costs;
- general business, economic and market conditions;
- the ability of the Company to obtain the required capital to finance its investment strategy and meet its commitments and financial obligations;
- the ability of the Company to obtain services and personnel in a timely manner and at an acceptable cost to carry out activities; and
- the timely receipt of required regulatory approvals.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on them as there can be no assurance that such expectations will prove to be correct. Forward-looking information is based on expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially than anticipated and described in the forward-looking information. The material risks and uncertainties include, but are not limited to:

- meeting current and future commitments and obligations;
- general business, economic and market conditions;
- the uncertainty of estimates and projections relating to future costs and expenses;
- changes in, or in the interpretation of, laws, regulations, or policies;
- the ability to obtain required regulatory approvals in a timely manner;
- the outcome of existing and potential lawsuits, regulatory actions, audits, and assessments; and
- other risks and uncertainties described elsewhere in this document.

The foregoing list of risks is not exhaustive. For more information relating to risks, see the section titled "Risk Factors" herein. The forward-looking information contained in this document is made as of the date hereof and, except as required by applicable securities law, the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

BUSINESS OVERVIEW

Nevada Lithium Resources Inc. (the "**Company**" or "**Nevada Lithium**") is in the business of the exploration and evaluation of mineral properties. The Company was incorporated under the *Business Corporations Act* (British Columbia) ("**BCBCA**") on December 17, 2020. The registered address of the Company's office and principal place of business is 1500-1055 West Georgia Street, P.O Box 11117, Vancouver, British Columbia, Canada, V6E 4N7. The Company's common shares are listed on the Canadian Securities Exchange in Canada under the ticker symbol "NVLH" and on the OTCQB Market under the symbol "NVLHF" and on the Frankfurt Stock Exchange under the symbol "87K".

Consolidation of Interest in Bonnie Claire Project

Arrangement to consolidate 100% ownership interest in Bonnie Claire Project

On July 7, 2023, the Company completed the previously announced plan of arrangement (the "**Arrangement**") under the BCBCA whereby the Company acquired Iconic Minerals Ltd.'s ("**Iconic**") 50% interest in the Bonnie Claire lithium project located in Nye County, Nevada (the "**Project**" or the "**Bonnie Claire Project**"). Upon completion of the Arrangement, the Company now owns 100% interest in the Bonnie Claire Project (the "**Acquisition**").

Iconic's interest in the Project, previously held through Iconic's Nevada subsidiary, Bonaventure Nevada Inc., was transferred to a newly incorporated Nevada company, Bonnie Claire Lithium Resources Corp. Bonnie Claire Holdings Corp., its Canadian holding company, continued as the result of amalgamation of 1406917 B.C. Ltd ("**Nevada Lithium MergeCo**") and 1259318 B.C. Ltd. ("**Iconic MergeCo**").

1406923 B.C. Ltd. ("**Nevada Lithium Subco**") and 1396483 B.C. Ltd. ("**Nevada Lithium FinCo**") amalgamated and continued as one corporation, 1426354 B.C. Ltd. Upon completion of the Arrangement, each then outstanding Nevada Lithium FinCo common share and Nevada Lithium FinCo common share purchase warrant was exchanged, on a one-for-one basis, respectively, for common shares in the capital of Nevada Lithium and economically equivalent common share purchase warrants of Nevada Lithium.

In connection with the completion of the Arrangement, the company completed two non-brokered private placements, on February 24, 2023 ("**February Offering**") and on June 20, 2023 ("**June Offering**") together, the ("**Concurrent Offerings**").

INFORMATION CONCERNING THE BONNIE CLAIRE PROJECT

Company Update

On September 12, 2023, the Company's 2023 Work & Exploration Program at the Bonnie Claire Project commenced. The work program is designed to support a Pre-Feasibility Study (PFS), building upon the Company's 2022 NI 43-101 Preliminary Economic Assessment ("**PEA**") for the Bonnie Claire Project. The PEA (see Current Technical Report below) indicates a Net Present Value (8%) of $1.5 Billion USD and 23.8% IRR (both after tax) using a $13,400 USD per tonne LCE price.

The core drilling program is designed to follow-up on the successful 2022 program which returned high grade lithium values at the Bonnie Claire Project, including 3,201 ppm Li over 520 ft (158 m) within a wider interval of 1,315 ppm Li over 2,000 ft (610 m) (see the Company's news release dated December 7, 2022).

The core drilling program will test to depths of 2,000 feet (610 meters) and gather material for metallurgical testing, geochemical sampling, and to support a targeted increase in mineral resource confidence from the inferred category to the indicated and measured categories. As part of the program, geological core logging, geotechnical analysis, and water sampling will be completed. Geophysical surveying of the core holes will also be completed and aid in targeting permeable zones ahead of pumping tests.

Additional testing on two of these core holes will be performed to support the Company's examination of the potential for lithium bearing brines at the Bonnie Claire Project. As part of this testing, two of the core holes will be extended past 2,000 feet (610 meters) to the geological "basement". Information from these holes will be combined with the results from a detailed seismic survey that is expected to commence before the end of the year. Interpretation of these combined results will determine the next steps in this re-examination, which are anticipated to be the drilling of one or more wells targeting brine at the Bonnie Claire Project.

Ongoing metallurgical testing is being conducted by Hazen Research Inc. ("**Hazen**") under the guidance of Global Resource Engineering Ltd. The metallurgical work program being advanced by Hazen resulted in the production of marketable battery grade

lithium carbonate, as announced earlier this year (see the Company's news release of February 27, 2023). The source material for ongoing metallurgy is core from last year's drilling and will be supplemented with material from the 2023 drill program.

Hazen continues to build upon the work completed as part of the PEA, including the essential components required to support a Prefeasibility Study on the Project. This includes further derisking and demonstration of the flowsheet through to the production of marketable battery grade lithium hydroxide and other marketable products, including sulfate of potassium fertilizer.

The Company had previously contracted Barr Engineering Company of Minneapolis to design and execute a demonstration test program for borehole mining at the Bonnie Claire Project. This ongoing work is being supplemented by the work of Kinley Exploration LLC, located in Overland Park, Kansas. Geotechnical information collected from core holes and down-hole well testing will be used to design and carry-out the borehole test. A borehole mining approach offers the opportunity to significantly reduce surface disturbance compared to a conventional open pit operation.

On October 17, 2023 the Company commenced a Seismic Reflection Survey at Bonnie Claire. The survey is intended to model the stratigraphic package at Bonnie Claire and identify potential blind high-angle intrabasinal faults that displace the Bonnie Claire stratigraphic package and may focus Li-rich brine fluid flow. The identification of these faults will guide drill targeting to examine the potential for lithium bearing brines at Bonnie Claire. The reflection seismic survey will map stratigraphy, bedrock topography, structures within the sediments and bedrock, and the dip, continuity, and extent of aquifer units.

The survey was a collaboration between Hasbrouck Geophysics, Inc., Prescott, Arizona, Bird Seismic Services, Inc., Globe, Arizona, Matrix Surveys, Inc., Denver, Colorado and Columbia Geophysical, LLC, Englewood, Colorado. 11.0 of line-km two-dimensional (2D) seismic reflection survey were shot along three lines over a portion of the Bonnie Claire, Nevada claims. Full interpretation of the seismic reflection survey is anticipated in early 2024.

On November 6, 2023 the Company commenced a sonic drilling program over parts of the Bonnie Claire Lithium Project. The overall work program is designed to investigate geotechnical rock properties and basin fluid flow within strata at Bonnie Claire. The primary focus of the work is aquifer testing and geotechnical characterisation from drill logging and borehole geophysical procedures to identify suitable intervals for straddle-packer pumping testing. Pumping tests will in turn measure hydraulic connections within strata and measure production rates of groundwater for chosen intervals. This geotechnical engineering work will build on a 2022 study and is expected to advance understanding relating to open pit stability evaluation, underground stability for borehole mining, and surface infrastructure foundation on the Property.

The initial phase of the program consists of two vertical holes up to 700 ft in depth. The drilling is conducted by Harris Exploration Drilling and Associates, Inc. using a Boart Longyear LX60 track-mounted sonic drill. Barr Engineering Co. is conducting hydrogeological services, and COLOG Geophysical Services is collecting and processing borehole geophysical data.

Also on November 6, 2023 the Company granted 6,600,000 incentive stock options (the "Options") to certain directors, officers, employees, and consultants of the Company in accordance with the Company's stock option plan (the "Option Plan"). Each Option grants the holder the right to purchase one common share of the Company (each a "Common Share") at a purchase price of $0.20 per Common Share for a period of five years from the date of issue unless terminated pursuant to the terms of the Option Plan. Accordingly, the Options expire November 6, 2028. The Options and any Common Shares issued upon exercise thereof are subject to a hold period of four months and one day from the date of grant. The Options vest according to the following vesting schedule: 33% vesting immediately 33% vesting November 6, 2024 and 34% vesting November 6, 2025.

On November 16, 2023 the Company announced the appointment of Mr. Gary Seabrooke to its Board of Directors. Mr. Seabrooke is a representative of Ramphastos Investments, founded and owned by Mr. Marcel Boekhoorn, a new strategic shareholder that the Company reported to the market on June 20, 2023.

Over a 35-year career, Mr. Seabrooke has developed resources and managed projects in Australia and Africa. His expertise encompasses a spectrum of skills including deep-hole drilling, mine management, and rail & road transport logistics. In particular, Gary has broad experience with various methods of drilling in multiple rock types to extended depths. This will facilitate Nevada Lithium's ability to develop all forms of potential lithium resource that may exist at Bonnie Claire.

On November 20, 2023 the Company announced the assay results from the initial diamond drill hole of the 2023 drilling program at Bonnie Claire. BC2301C was drilled to the geological basement, intersected at 2950 ft (899 m), and is the deepest hole drilled to date at Bonnie Claire. The hole identifies the potential for significant additional high-grade mineralization which has not been drill-tested to date.

Assay results from BC2301C include 3076 ppm Lithium ("Li") over 1100 ft (335 m) from 1360 ft (415 m) depth in the lower mineralized zone, within a broader zone of 2219 ppm Li over 1740 ft (530 m) from 1040 ft (317 m). These results include

samples that have returned amongst the highest grades to date at the Bonnie Claire project of 5390 ppm Li from 2180 ft (664 m) to 2200 ft (671 m), and 5080 ppm Li from 2240 ft (683 m) to 2260 ft (689 m).

In the upper mineralized zone, assays include 1171 ppm Li over 180 ft (55 m) within a broader interval of 969 ppm Li over 370 ft (113 m) from 30 ft (9.1 m) depth.

Effective November 30, 2023 the Company amended 6,128,945 warrants such that the exercise price of the warrants was revised from $0.75 to $0.25 per common share of the Company and the expiry date extended from November 30, 2023 to November 30, 2026. The terms of the warrants will also be amended to include a revised mandatory acceleration provision pursuant to which, if for any ten consecutive trading days, the closing price of the Common Shares on the CSE exceeds $0.3125, the expiry date of warrants will be accelerated such that holders will have 30 calendar days to exercise the warrants. Of these warrants, 49,000 are held by a director and officer of the Company.

On January 9, 2024 the Company announced the results of a Seismic Survey conducted over a portion (8%) of the Bonnie Claire Project. A major north-south-trending fault zone was identified as a target for lithium brine exploration. This development is part of the current work program that commenced in the summer of 2023 ("**2023 Exploration and Development Plan**"). The workplan is advancing the Company's lithium resource towards pre-feasibility and is examining the potential for additional opportunities in lithium brines.

The survey identified a major north-south trending fault zone, similar to that found at Clayton Valley, the location of the only producing US lithium brine mine, 47 miles (75km) north of Bonnie Claire. The Company believes that Clayton Valley provides a viable exploration model for lithium bearing brines at Bonnie Claire. At Clayton Valley, lithium brines occur in permeable beds adjacent to a major north-south fault. The north-south fault brings neutral pH water into the valley and the water leaches lithium from lithium-rich sediments and produces lithium brine (Source: Pure Energy Clayton Valley PEA, 2017).

The Company believes that the same process may occur at Bonnie Claire where a major north-south fault zone intersects lithium-rich claystone. If the fault brings neutral pH waters into contact with high pH lithium-rich sediments, leaching could create lithium brine. Clayton valley, currently operated by Albemarle, is the only producing lithium brine deposit in North America and has been operating since 1966 (57 years).

Nevada Lithium has targeted an initial drill location for brine evaluation and preliminary work is underway to determine the timing of this drill test. The Company anticipates a 1,350 to 1,500 meter (4,400-5,000 ft) vertical hole would be necessary to test this brine target and is developing a plan to drill it in 2024. There remain significant seismically untested areas to both the south and north within the Property, along-strike from the interpreted fault zone. The opportunities for brine evaluation are an important component of the Company's overall value proposition, anchored by ongoing Preliminary Feasibility Study work on the sediment-hosted lithium deposit at Bonnie Claire.

On February 20, 2024 the Company announced the appointment of Dr. David A. Winter to its Board of Directors. Dr. Winter is a representative of Ramphastos Investments, founded and owned by Mr. Marcel Boekhoorn, a new strategic shareholder that the Company reported to the market on June 20, 2023.

Dr. Winter has over 40 years of industry experience in international oil and gas exploration and development, particularly in Latin America, and has played key roles as a Founder, Director and/or Officer in the building of two public companies from inception to a combined market value at peak of almost $1 billion. Dr. Winter is the Co-Founder and a Non-Executive Director of TSX listed Canacol Energy Inc. (TSX: "CNE"), and Chief Executive Officer and Director of TSX-listed Horizon Petroleum Ltd (TSX Venture: "HPL"). Dr. Winter holds a PhD in structural geology from the University of Edinburgh, Scotland.

On February 27, 2024 the Company announced the assay results from the second diamond drill hole of the 2023 drilling program at Bonnie Claire. BC2303C was drilled to 2500 ft (762 m), and ended in high-grade lithium mineralization.

Hole BC2303C was a 1,510 ft (460m) step out and confirms the deep mineralization discovered by BC-2301C, which remains open in several directions. Five holes have now intersected strata with +3,000 ppm mineralization varying from 60 feet (18 meters) in BC2202C, the furthest west intercept, to 1,340 feet (354 meters) in BC2303C, the furthest east intercept. It is thought that the lateral extent of this +3,000 ppm mineralized zone will be expanded with further drilling.

Assay results from BC2303C include 2,575 ppm Li over 1440 ft (439 m) at (1060 to 2500 ft / 323 to 762m), including a subinterval of 680 ft (207m) at 4,154 ppm Li (1820 to 2500 ft / 555 to 762m) in the lower mineralized zone. BC2303C is the first hole to contain over 100 continuous feet (30 meters) averaging over 5,000 ppm lithium.

BC2303C's 680 ft (207 m) of 4154 ppm lithium is the thickest intercept yet above 4,000 ppm lithium and may indicate higher grades to the north and east. The highest assay in BC2303C is 5840 ppm lithium from 2440 ft (744 m) to 2460 ft (750 m).

In the upper mineralized zone, assays include 1282 ppm Li over 240 ft (73 m) within a broader interval of 967 ppm Li over 420 ft (128 m) from 20 ft (6 m) depth.

On March 15, 2024 the Company awarded a total of 250,000 stock options to a director of the Company, pursuant to the Company's Stock Option Plan.

On April 16, 2024 the Company announced a positive update regarding its proposed Hydraulic Borehole Mining method for its Bonnie Claire Lithium Project, located in Nye County, Nevada. The Company also announced that it had asked Global Resource Engineering, Ltd. (GRE) to commence an update to its 2021 PEA. Additionally, the Company engaged Kinley to work with GRE to evaluate the application of HBHM technologies at the Bonnie Claire lithium deposit.

On May 22, 2024 the Company announced the discovery of high-grade boron mineralization at its 100% owned Bonnie Claire lithium project (the "Project" or "Bonnie Claire"), located in Nye County, Nevada. The Company also announced it has initiated work to examine any potential effects on metallurgy for the Project.

On June 17, 2024 the Company announced the intention to complete a CAD$6,000,000 private placement.

On July 23, 2024 the Company announced that it had commenced its 2024 drilling program at its Bonnie Claire Lithium Project, located in Nye County, Nevada.

On August 15, 2024 the Company announced that it completed a non-brokered private placement consisting of the issuance of a total of 48,000,007 units (each, a "**Unit**") at a price of $0.125 per Unit, raising aggregate gross proceeds of $6,000,000.88 (the "**Offering**"). Each Unit consists of one common share of the Company (each, a "**Share**") and one common share purchase warrant (each, a "**Warrant**"), with each Warrant entitling the holder to purchase one Share at a price of $0.175 per Share for a period of three (3) years from the closing of the Offering (the "**Closing**"). The net proceeds from the Offering will be used to advance the Company's 100% owned Bonnie Claire Lithium project (the "**Project**"), located in Nye County, Nevada, towards an updated Preliminary Economic Assessment ("**PEA"**) and Pre-Feasibility Study ("**PFS**") on the Project, and for general corporate purposes.

The Company paid certain finders a cash finder fee equal to 7% of the gross proceeds realized by the Company in respect of the sale of Units in the Offering (the "**Finder Fee**") and finder warrants equal in number to 8% of the total number of Units sold (the "**Finder Warrants**"). Each Finder Warrant entitles the holder thereof to acquire one Unit at an exercise price of $0.125 for a period of three years from the Closing.

All securities issued with respect to the Offering will are subject to a hold period of four months and one day in accordance with applicable securities laws.

On September 10, 2024 the Company announced the core assay results for its first diamond drill hole from the 2024 drill program, BC2401C. BC2401C was drilled to 2,807 feet (856 m) and intersected the northeast continuation of the high-grade Lithium and Boron mineralized zone. The 518 ft (158 m) intercept is the thickest +5,000 ppm lithium interval drilled to date. The high-grade Lithium and Boron mineralized zone has now been traced 3,730 ft (1,137 m) in length and remains open in several directions.

The Company is currently working to produce a mineral resource estimate report, which it anticipates will reflect the high-grade mineralization first identified in hole 2301C. That mineral resource estimate report is expected to be supplanted later by an updated PEA.

Current Technical Report

Global Resource Engineering Ltd. ("**GRE**") was retained by Iconic and Nevada Lithium (collectively, the "**Companies**") to prepare, in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"), the NI 43-101 technical report entitled "Preliminary Economic Assessment NI 43-101 Technical Report on the Bonnie Claire Lithium Project, Nye Country, Nevada" with an effective date of August 20, 2021 and a revised and amended date of February 25, 2022 (the "**Bonnie Claire Technical Report**").

Dr. Samari, Mr. Moritz, Dr. Harvey, and Ms. Lane are collectively referred to as the "authors" of the Bonnie Claire Technical Report. Dr. Samari visited Bonnie Claire Project on August 24, 2018 and again on October 9 and 10, 2020. Mr. Moritz visited the site on October 9 and 10, 2020. Dr. Harvey and Ms. Lane have not visited the Property because no site visit was needed at this stage of Bonnie Claire Project for the metallurgical or cost estimation and economics work. The authors of the Bonnie Claire Technical Report are independent "qualified persons" as defined by NI 43-101 in relation to Nevada Lithium and Iconic.

Unless stated otherwise, the information in this section entitled "*Information Concerning the Bonnie Claire Project*" is based upon the Bonnie Claire Technical Report, the full text of which is incorporated by reference herein. Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. Reference should be made to the full text of the Bonnie Claire Technical Report which is available for review under Nevada Lithium's profile on SEDAR+ at www.sedarplus.ca. Readers are strongly encouraged to read the Bonnie Claire Technical Report in its entirety.

Cautionary Note to Investors Concerning Estimates of Historical Resources

Information concerning the properties and operations of Iconic, Nevada Lithium, the Bonnie Claire Project and the Nevada Lithium, which is contained herein, and in certain publicly-available disclosure filed on SEDAR+ (including the Bonnie Claire Technical Report) by Nevada Lithium and the Nevada Lithium, uses terms that comply with reporting standards in Canada. In particular, certain estimates of mineralized material are made in accordance with NI 43-101 under guidelines set out in the CIM Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014.

NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Unless otherwise indicated, all reserve and resource estimates referred to or contained in this Filing Statement and the Bonnie Claire Technical Report have been prepared in accordance with NI 43-101. These NI 43-101 standards differ significantly from the requirements of the SEC, and such resource information may not be comparable to similar information disclosed by U.S. companies. For example, while the terms "historical", "mineral resource", "measured resource", "indicated resource" and "inferred resource" are recognized and required by Canadian regulations, they are not recognized by the SEC. It cannot be assumed that any part of the mineral deposits in these categories will ever be upgraded to a higher category. These terms have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. In particular, it cannot be assumed that any part of a historical or an inferred resource exists. In accordance with Canadian rules, estimates of "inferred resources" cannot form the basis of feasibility or pre-feasibility studies. In addition, under the requirements of the SEC, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Finally, disclosure of contained ounces is permitted disclosure under Canadian regulations, however, the SEC normally only permits issuers to report resources as in place tonnage and grade without reference to unit measures. Investors are cautioned not to assume that all or any part of historical, inferred or indicated resources will ever be converted into reserves and will become upgraded into an economically or legally mineable deposit. The author of the Bonnie Claire Technical Report has not done sufficient work to classify the historic estimates in the Bonnie Claire Technical Report as current mineral resources under current mineral resource or mineral reserve terminology and are not treating the historic estimates as current mineral resources. The historical resources in the Bonnie Claire Technical Report should not be relied upon.

Summary

The Bonnie Claire Deposit is a very large, sediment hosted lithium occurrence situated within the Sarcobatus Flat, which spans approximately 20 kilometers (km) x 8 km in Nye County, southern Nevada. At Bonnie Claire, lithium mineralization is not present in clay minerals but rather is present as lithium compounds (lithium carbonate and lithium salts) deposited within the fine grain clay, silt, and sand pore space. The lithium mineralization extends from surface to depth, with the highest-grade lithium sediment layers occurring one hundred to several hundred meters below the surface. However, above -cutoff mineralization occurs within the basin at surface with a generally increasing trend with depth.

Location and Property Description

The Bonnie Claire Project (the "**Project**" or "**Property**") is centered near 497900 meters East, 4114900 meters North, Universal Transverse Mercator (UTM) WGS84, Zone 11 North datum, in Nye County, Nevada. Bonnie Claire Project's location is 201 km (125 miles) northwest of Las Vegas, Nevada. The town of Beatty is 40 km (25 miles) southeast of Bonnie Claire Project. Bonnie Claire Project lies within T8S, R44E and R45E and T9S, R44E and R45E, Mt. Diablo Meridian. Topographical data of the area was downloaded from United States Geological Survey (USGS) 7.5-minute quadrangles Bonnie Claire, Bonnie Claire NW, Springdale NW, Scotty's Junction, and Tolicha Peak SW.

Bonnie Claire Project is located within the Great Basin physiographic region and, more precisely, within the Walker Lane province of the western Great Basin. The Bonnie Claire Project is located within a flat-bottomed salt basin, known as the Sarcobatus Flat that is surrounded by a series of mountain ranges. Broad, low passes lead into the basin from the northwest and southeast.

As of the issue date of the Bonnie Claire Technical Report, Bonnie Claire Project claim group consists of 915 placer mining claims owned 80% by Iconic and 20% by Nevada. Nevada Lithium holds an Option to acquire up to a 50% interest in Bonnie Claire Project by funding a total $5.6M (USD) in exploration expenditures on or before December 1st, 2021, of which $1.6M (USD) has been spent. The claims lie within portions of surveyed sections 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, and 36 of T8S, R44E, within portions of surveyed sections 1, 2, 3, 4, 10, 11, 12, 13, 14, 15, 23, and 24 of T9S, R 44E, within portions of surveyed section 31 of T8S R45E, and within portions of surveyed sections 6, 7, 17, and 18 of T9S, R45E, in the southwestern portion of Nye County, Nevada.

The placer claims cover 18,300 acres and provide Iconic and Nevada with the mineral rights to sedimentary deposits, which include the rights to any lithium sediment or brines present.

Accessibility and Climate

Bonnie Claire Project can be reached from Las Vegas, Nevada by traveling northwest on US Highway 95, then west on NV-267 and then south to the north portion of the Bonnie Claire Project, approximately 40 km (25 miles) north of Beatty, Nevada (county seat). Bonnie Claire Project is easily accessible via US Highway 95, approximately 40 km (25 miles) northwest of Beatty and is situated in close proximity to power lines and regional towns that service the mining industry.

The climate of the region is hot in summer, with average high temperatures around 100 °F (38 °C), and cool in the winter with average daily lows of 15 to 30 °F (-9 to -1 °C).

The terrain at Bonnie Claire Project is dominated by Quaternary alluvium and Quaternary Mud Flat. Access on the Property is excellent due to the overall flat terrain and proximity of infrastructure.

Local Resources and Infrastructure

Bonnie Claire Project is in a region with no active extraction of lithium from brines or sediment or any other mining activity. Bonnie Claire Project lies adjacent to asphalt roads, power lines, and regional towns that service the mining industry.

Lodging, supplies, and labor are available in either Beatty, which is 40 km (25 miles) from the Property, or Las Vegas, which is 145 miles from the Property. Surface rights sufficient for exploration, mining, waste disposal, and processing plant sites within the Property are available.

History

Bonnie Claire Project area shows no signs of mineral exploration or prior geologic investigations. Geologic maps of southern Nevada from Nevada Bureau of Mines (Stewart, et al., 1977) are the only evidence of prior geologic work performed on site; they show that the area is a generalized salt flat with little distinctive geologic features or mapping detail.

The USGS has reportedly performed investigations of similar mudstones in the Bonnie Claire region, and limited sampling was completed as part of the USGS traverses. The majority of USGS work in the basin was focused on lithium brine investigations. Although in this study no sample was collected from the Bonnie Claire claim group, there are some assay results from auger hole sampling in the region:

- Gold field: 7 parts per million (ppm) lithium (Li) located 40 km northwest from Bonnie Claire
- Stonewall Flat: 65 ppm Li located 45 km north
- Clayton Valley: 300 ppm Li, located 72 km northwest of Bonnie Claire Project Site.

There is no indication or documentation of any drilling occurring on Bonnie Claire Project prior to Iconic's efforts in 2016.

Geology and Mineralization

Bonnie Claire is a closed basin near the southwestern margin of the Basin and Range geo-physiographic province of western Nevada. Horst and graben normal faulting is a dominant structural element of the Basin and Range.

Bonnie Claire is the lowest-elevation intermediate size playa-filled valley in a series of similar topographic features. It has a playa floor of about 100 square kilometers (km^2) that receives surface drainage from an area of about 1,300 km^2. The Bonnie Claire basin lies within an extensional graben system between two Quaternary northwest-southeast faults with both normal and strike-slip components. The general structure of the middle part of the Bonnie Claire basin (Claim area) is known from geophysical surveys to be a graben structure with its most down-dropped part on the east-northeast side of the basin along the extension of a few normal faults.

The resulting topography consists of an elongate, flat area of covered quaternary sediments of alluvium and a playa. The alluvial fans in the eastern portions of Bonnie Claire Project area are commonly mantled with weathered remnants of rock washed down from the surrounding highlands. The alluvial fans are covered with sporadic shrubs. In most portions of Bonnie Claire Project, the playa is completely covered with mud and salt and is frequently referred to as mud flats in the Bonnie Claire Technical Report.

Multiple wetting and drying periods during the Pleistocene resulted in the formation of lacustrine deposits, salt beds, and lithium-bearing brines in the Bonnie Claire basin. Extensive diagenetic alteration of tuffaceous rocks to zeolites and clay minerals has taken place, and anomalously high lithium concentrations accompany the alteration.

Significant lithium concentrations were encountered in the alluvial fans and playa within Bonnie Claire Project area. Elevated lithium was encountered at ground surface and to depths of up to 603.5 meters (the deepest depth of RC-drilling to date). The lithium-bearing sediments occur throughout the multi-layered alluvium. The overall mineralized sedimentary package is laterally and vertically extensive, containing roughly tabular zones of fine-grained sediments grading down to claystone.

The average grade of lithium appears to depend on the host sedimentary layers:

- Sand or sandstone appear to have the lowest grade, averaging about 30 ppm near the surface to 570 ppm at depth
- Silt or siltstone appear to have approximately 135 ppm near surface to 1,270 ppm at depth
- Clay, mud, claystone, or mudstone appear to have 300 ppm near the surface to 2,550 ppm at depth

The lithium at Bonnie Claire is not found in the mineral crystal lattices (e.g. clays) but rather the lithium compounds, like lithium carbonate and lithium salts, are deposited within the fine grain clay, silt, and sand pore space. Although most of the sediment-hosted lithium in the literature occurs in clays, it does not at Bonnie Claire.

Exploration

Iconic began exploring Bonnie Claire Project in 2015. Exploration activities carried out by Iconic included drilling, detailed geologic mapping, surface sampling, and geophysical surveying.

Fritz Geophysics conducted a ground geophysical campaign at Bonnie Claire Project in July 2016. The geophysical study included the survey design, survey supervision, and the interpretation of a MagnetoTelluric (MT) survey. The MT data was collected by Zonge Engineering of Reno Nevada on nine east-west lines of various lengths. A total of about 52.2 km of data was collected with a consistent 200-meter receiver dipole. The MT data and inversions suggest a well-developed very low resistivity layer (VLRL) in the subsurface covering approximately 25 km^2 in the southern two-thirds of the Bonnie Claire basin. Based on the MT survey, the VLRL has the characteristics of a possible lithium brine source. However, the MT inversions can only show the distribution of the VLRL; they cannot ascertain the economic value of a lithium resource. To date, no significant concentrations of lithium have been discovered in the brine encountered at depth through drilling.

Surface samples were collected by Iconic geologists in two periods: Samples BC-1 to BC-22 were collected in October 2015 and Samples BG-1 to BG-318 were collected in May and June 2017. In total, Iconic has submitted 330 soil samples for laboratory analysis by 33 element 4-acid inductively-coupled plasma atomic emission spectroscopy (ICP-AES). Analytical results indicate elevated lithium concentrations at ground surface over nearly the full extent of the area sampled. The highest-grade for the BC-1 through BC-22 sampling set came from the central portion of the Bonnie Claire Property, near the contact between the alluvial fans and the mud flat. The 2017 sample collection was conducted using systematic grid dimensions of 400 meters x 200 meters

in the central and southern portions of Bonnie Claire Project area. This surface sampling yielded an average lithium grade of 262 ppm Li.

Deposit Type

The Bonnie Claire lithium deposit appears to be a lacustrine salt deposit hosted in sediments. Bonnie Claire Project area as a sedimentary basin, from an environment and geology point of view, is reasonably well represented by the USGS preliminary deposit model, which describes the most readily ascertainable attributes of such deposits as light-colored, ash-rich, lacustrine rocks containing swelling clays, occurring within hydrologically closed basins with some abundance of proximal silicic volcanic rocks. The geometry of the Bonnie Claire Deposit is roughly tabular, with the lithium concentrated in gently dipping, locally undulating Quaternary sedimentary strata. The sedimentary units consist of interbedded calcareous, ash-rich mudstones and claystones, and tuffaceous mudstone/siltstone and occasional poorly cemented sandstone and siltstone.

From a lithium deposit point of view, Bonnie Claire is interpreted to be a new type of sediment-hosted lithium deposit whereby lithium compounds such as lithium carbonate and lithium salts have been deposited within the fine grain clay, silt, and sand pore space. Although most of the sediment-hosted lithium in the literature occurs in clays, it does not at Bonnie Claire.

Drilling

Iconic conducted exploration drilling in 2016, 2017, 2018, and 2020. Eight vertical reverse circulation (RC) holes and two vertical diamond holes (DH) were drilled, by Harris Exploration Drilling & Associates Inc. Drill hole depths ranged from 91.4 to 603.5 meters (300 to 1,980 feet), totaling 2,278.0 meters (7,473.75 feet) drilled. Accompanying the drilling, downhole geophysical surveys were conducted on three holes: BC-1601, BC-1602, and BC-1801.

Although the drill holes are widely spaced, averaging 1,100 meters between holes, the lithium profile with depth is consistent from hole to hole. The unweighted lithium content averages 778 ppm for all 435 samples assayed, with an overall range of 18 to 2,250 ppm. The average sample interval length is 6.09 meters (20 feet).

Mineral Processing and Metallurgical Testing

The following are conclusions and interpretations of the metallurgical work:

- Pre-concentration of the lithium and rejection of calcite through size separation was shown to be effective. At a cut size of 45 microns (µm), the coarse fraction contained approximately 90% of the calcite and less than 2% of the lithium. The mass rejection was approximately 25%.
- To date, two lithium extraction systems have been advanced: acid treatment, and thermal treatment. Of these two methods, thermal treatment is favored and presented as the base case for the Bonnie Claire Technical Report, having demonstrated better overall lithium extraction and recovery performance.
- Thermal treatment includes calcination of the material with the addition of sodium sulfate followed by hot water leaching. High lithium extractions (up to 80%) were achieved. Significant optimization potential exists through additional test work.
- The thermal leach liquors are easier to treat (compared to the acid treatment approach) in the solution purification system because minimal deleterious minerals are solubilized. The lithium can be readily recovered from the leach solutions using conventional commercial processes.
- The acid treatment demonstrated that the lithium in the sediments is readily soluble in a strong sulfuric acid solution, achieving extractions of approximately 90%. However, conventional downstream purification of the acid liquor was shown to be ineffective, resulting in high lithium losses (up to 74%). Acid consumptions were also high due to the high calcite content of the materials, emphasizing the benefits of pre-concentration methods.
- As a result of the lithium losses associated with the downstream recovery process, acid treatment is not considered a viable process at this stage. Further test work is required to develop an alternative purification system for these solutions.
- Testing indicated that secondary lithium product purification may be necessary using the bicarbonate process.
- Membrane technologies are currently being explored for lithium processing and may provide an alternative purification path.

No secondary products production has been investigated; however, the Bonnie Claire material does contain significant sodium and potassium.

Mineral Resource Estimate

A Revised and Amended Mineral Resource Estimate has been completed with an effective date of May 3rd, 2021, and issue date of July 28, 2021 (GRE, 2021) ("**PEA**"). The PEA incorporates the Mineral Resource Estimate modeling, effective date July 28, 2021 but updates the Mineral Resource statement to include only borehole mined resources at a cutoff grade of 700 ppm Li to be consistent with the mining method presented in Section 16.

The Mineral Resource Estimate for the Bonnie Claire Project was performed using Leapfrog® Geo and Leapfrog® Edge software. Leapfrog® Geo was used to update the geologic model, and Leapfrog® Edge was used for geostatistical analysis and grade modeling in the block model.

The drill hole database used for the estimation included:

- 10 exploration drill holes, including eight RC holes and two DH holes
- 2,278.1 meters of drilling in exploration drill holes
- 434 assay intervals in exploration drill holes
- Minimum grade of 18 ppm Li in exploration drill holes
- Maximum grade of 2,550 ppm Li in exploration drill holes

The Mineral Resource Estimate for the Bonnie Claire Project is presented in

Table **0-1**.

Cautionary Statements Regarding Mineral Resource Estimates:

Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted into Mineral Reserves. Inferred Mineral Resources are that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Table 0-1: Bonnie Claire Statement of Mineral Resource

Class	Extraction Method Applied for Constraint	Mass (Million Tonnes)	ID2 Li Grade (ppm)	Li (Million kg)	Li Carbonate Equivalent (Million kg)
Inferred	Borehole	3,407.3	1,013.0	3,451.5	18,372.3

1. Cutoff grade of 700 ppm Li
2. The effective date of the Mineral Resource is August 20, 2021.
3. The Qualified Person for the estimate is Terre Lane of GRE.
4. Resources are not Mineral Reserves and do not have demonstrated economic viability.
5. Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding.
6. Assumes 68% recovery by borehole

Mining Methods

The QP evaluated both open pit mining and borehole mining (BHM) and a combination of both for the Bonnie Claire Lithium Project. Both are potentially viable options; however, the prevalence of relatively lower grade material near surface results in high stripping ratios early in the mine life for open pit mining. The use of BHM eliminates this by targeting high-grade mineralization at depth as well as offering other Project benefits, including reduced surface disturbance (i.e., no open-pit) and reduced tailings at surface due to tailings backfilling underground. The soft nature of clay should make it ideally suited to water jet cutting. For these reasons, the QP selected BHM as the more viable method at this stage of Bonnie Claire Project. Test work and test borehole mining are required to support this mining method. If future drilling and assaying programs identify higher grade, shallow mineralization, the mining method could change.

As outlined above, the QP has used a base case of borehole mining (BHM) using jetting and pumping for this study. The borehole recovery using jetted drilling and pumping would pump high-pressure water through drill holes into the formation while simultaneously pumping the resulting loosened material out, creating a void that could be backfilled with suitable material to prevent caving from the surface. It is anticipated that naturally occurring brackish waters from the basin may be used and that no fresh water will be required. This water may also be recovered and re-used in the mining process.

Proofing of the borehole recovery concepts for sediment-hosted lithium must be conducted; however, the technology has been demonstrated in the mining industry. The QP recommends conducting field pilot testing to determine efficacy and design parameters.

For the Bonnie Claire Project economic analysis, QP Ms. Lane limited borehole mining to materials with a lithium grade of 1,200 ppm or higher to increase capital recovery and reduce Bonnie Claire Project payback period and risk. To facilitate use of the 1,200 ppm Li cutoff grade, Ms. Lane created a 1,200 ppm Li grade shell and reported all mineralized material within that grade shell for extraction via BHM.

Ms. Lane made the following assumptions for the BHM:

- Mining jet radius = 9.1 meters (30 feet)
- Minimum borehole spacing along green lines = 31.7 meters (104 feet)
- Design borehole spacing along green lines = 36.6 meters (120 feet)

These assumptions result in a borehole spacing area of 579.3 square meters (m^2) (6,235 square feet [sf]), a single borehole extraction area of 262.7 m^2 (2,827 sf), and a recovery area of 1.5 times the borehole extraction area (because there is one complete borehole and three 1/6 boreholes within each green triangular area) (394 m^2 [4,241 sf]). The boreholes would be arranged in a triangular/honeycomb pattern. Spacing between the outer limits of each borehole area of influence would be 2.8 meters (9.28 feet). This borehole pattern and spacing would result in recovery of 68% of the mineralized material.

In addition, QP Ms. Lane assumed a slurry extraction rate of 1,000 gallons per minute (gpm), with 30% solids. The resulting solids removal rate would be 1,390 tonnes per day (tpd) per borehole. The nominal BHM mining rate was set to 15,000 tpd, requiring a minimum of 13 boreholes operating simultaneously. Production would ramp up initially by extracting from a single borehole, resulting in 14% of design extraction, for the first three months then by extracting from three boreholes, resulting in 43% of design extraction, for the next three months, then by extracting from 13 boreholes for the remainder of Bonnie Claire Project.

Ms. Lane applied a dilution factor of 5% to account for extraction of unmineralized material (including backfill) outside the defined Zone boundaries.

Each jetted volume and borehole annulus would be backfilled with waste or tailings material from the processing plant mixed with 5% cement.

Capital and Operating Costs

Capital and operating costs were estimated for the Bonnie Claire Project assuming a processing rate of 15,000 tpd. Project costs were estimated from Infomine (2020) and experience of senior staff. The estimate assumes that the Bonnie Claire Project will be operated by the owner.

Estimated capital and operating costs are summarized in **Table 0-2** and **Table 0-3**, respectively.

Table 0-2: Bonnie Claire Project Capital Cost Summary

Item	1000s $
Mine Capital	
Support Equipment	$6,631
Borehole Mining Production Equipment	$44,169
Mine Consumables First Fills	$2,028
Total Mine Capital	**$52,827**
Infrastructure Capital	
Access Roads	$460
Facilities	$4,875
Security	$250
Utilities	$6,937
Freight and Tax	$1,068
Total Infrastructure Capital	**$13,590**
G&A Capital	
Owner's Costs	$13,800
Bonding	$4,000
Feasibility Study	$25,000
Pilot Plant	$3,000
Test Mining	$3,000
Permitting	$2,500
Total G&A Capital	**$51,300**
Laboratory Capital	
Equipment	$502
Freight and Tax	$53
Total Laboratory Capital	**$555**
Process Capital	
Equipment	$107,805
Building	$24,543
Field Indirects	$138,845
First Fills and Spares	$15,000
Engineering	$20,428
Total Process Capital	**$306,621**

Item	1000s $
Working Capital	$31,881
Sustaining Capital	$70,437
Contingency	$127,468
Total Capital Costs	**$654,680**

Table 0-3: Bonnie Claire Project Operating Cost Summary

Area	Average Annual (1000s $)	Plant Feed ($/tonne)
Mine	$46,277	$8.88
Processing	$119,953	$23.03
G&A	$7,138	$1.37
Contingency	$17,337	$3.33
Total Operating Costs	**$190,704**	**$36.61**

Economics

Ms. Lane of GRE performed an economic analysis of Bonnie Claire Project by building an economic model based on the following assumptions:

- Federal corporate income tax rate of 21%
- Nevada taxes:
    - Proceeds of Minerals Tax – variable, with a maximum of 5% of Net Proceeds
    - Property tax – 3.4409%
- Sales and use taxes - 7.6%
- Equipment depreciated over a straight 7 or 15 years and has no salvage value at the end of mine life
- Loss carried forward
- Depletion allowance, lesser of 15% of net revenue or 50% of operating costs
- Lithium carbonate price of $13,400 per tonne
- Lithium recovery of 74.7%
- 0% royalties

Results for Bonnie Claire Project are:

- Average annual production of 32.3 million kilograms (kg) (or 32,300 tonnes) of lithium carbonate equivalent (LCE)
- Cash operating cost of $5,974/tonne LCE
- All-in sustaining cost of $6,057/tonne LCE
- A $1.5 billion after-tax Net Present Value (NPV) at an 8% discount rate

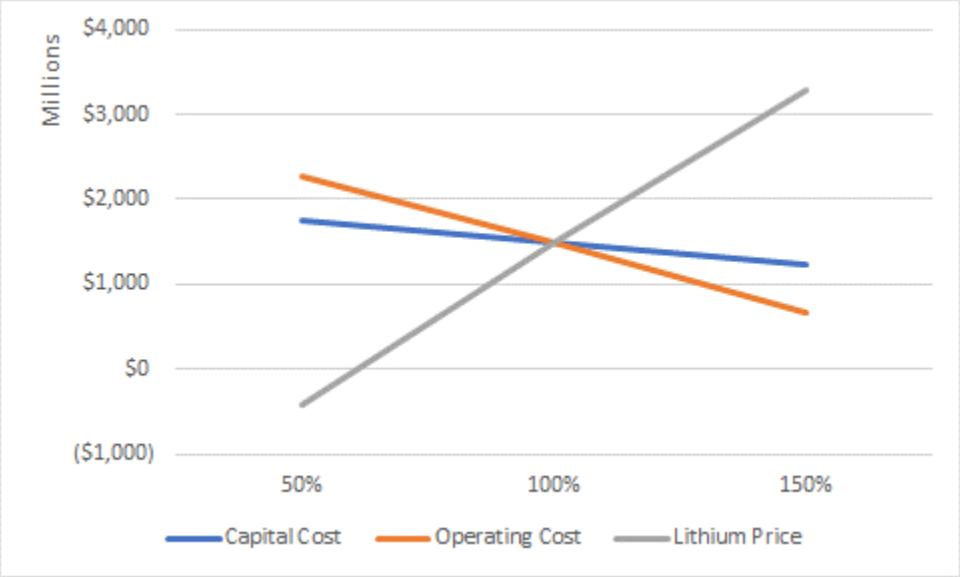
- A 23.8% after-tax Internal Rate of Return (IRR)
- Payback period of 6.7 years
- Break-even price (0% IRR) of $6,545/tonne LCE

The PEA is preliminary in nature and is based on numerous assumptions, and some Inferred mineral resources are used in the economic analysis. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. No mineral reserves have been estimated. There is no guarantee that Inferred resources can be converted to Indicated or Measured resources and, as such, there is no guarantee that Bonnie Claire Project economics described herein will be achieved.

Sensitivity Analyses

Ms. Lane of GRE evaluated the after-tax NPV@8% sensitivity to changes in lithium carbonate price, capital costs, and operating costs. The results indicate that the after-tax NPV@8% is most sensitive to lithium carbonate price, moderately sensitive to operating cost, and least sensitive to capital cost (see **Figure 0-1).**

Figure 0-1: Bonnie Claire Project NPV@8% Sensitivity to Varying Lithium Carbonate Price, Capital Costs, and Operating Costs



Conclusions of Economic Model

Bonnie Claire Project economics shown in the Bonnie Claire Technical Report are favorable, providing positive NPV values at varying lithium carbonate prices, capital costs, and operating costs.

Recommendations

The geotechnical and rheological characteristics of the sediments are ideally suited to borehole mining methods, which is discussed in detail in the Bonnie Claire Technical Report. GRE Qualified Persons (QPs) recommend investigating borehole extraction methods to recover higher grade mineralization early in Bonnie Claire Project life. GRE QPs recommend additional drilling, geotechnical test work, and mining method testing to determine the feasibility of recovery of the deeper, higher grade material using borehole mining methods.

Ms. Lane recommends the following activities be conducted for the Bonnie Claire Project:

- Infill drilling to increase confidence in the resource estimate from Inferred to Indicated or Measured
- Twinned rotary, RC, and core holes should be planned to test the improvement in grade as seen in the existing core and RC twin holes.

- Additional drilling around drill holes BC-1601 and BC-2001C should be planned to identify shallow mineralization.
- Field pilot testing of BHM methodology to determine efficacy and design parameters.
- Pump testing to determine if clays can be dewatered prior to mining
- Metallurgical test work to identify and optimize operating conditions for Li extraction and producing final lithium products
- Market analysis to determine production impacts and product prices, including reagent pricing
- Evaluation of potential by-product recovery
- Prefeasibility Study, including determination of infrastructure requirements, such as sources of power, water, reagents, and natural gas
- Phase I environmental permitting and baseline data collection
- Hydrogeology study
- Geotechnical test work should be performed in the next drilling campaign

This work would be completed over two to three years. The estimated costs to complete the proposed recommended actions are shown in **Table 0-4**.

Table 0-4: Estimated Costs to Complete the Proposed Program

Activity	Estimated Cost
Drilling, Surface Sampling, and geochemistry Down-Hole Surveys	$3,000,000
Borehole Mining Testing	$3,000,000
Metallurgical Test Work	$700,000
Market Analysis	$50,000
43-101 Technical Reports	$450,000
Phase I Environmental Permitting	$400,000
Hydrogeology Study	$900,000
Geotechnical Test work	$500,000
Totals	$9,000,000

Based on observations and conversation with Iconic personnel during the QP site visit, and in conjunction with the results of GRE QP's review and evaluation of Iconic's quality assurance/quality control (QA/QC) program, Dr. Samari makes a number of recommendations regarding QA/QC, as detailed in Section 26.

RESULTS OF OPERATIONS

A summary of selected information of the company's financial position is as follows:

	July 31, 2024	April 30, 2024
	$	$
Cash and cash equivalents	**357,743**	1,491,963
Exploration and evaluation assets	**39,799,591**	38,505,728
Total assets	**40,946,799**	40,486,340
Total liabilities	**1,503,942**	649,620
Working capital (deficiency)	**(707,020)**	990,953

As at July 31, 2024, total assets increased over April 30, 2023 primarily due to investment in the Bonnie Claire project. Additionally, the Company has a working capital deficit of $707,020 (April 30, 2024 working capital of $990,953).

The three months ended July 31, 2024 compared to the three months ended July 31, 2023

The company's net loss for the three months ended July 31, 2024 is $589,792 or $0.00 loss per share compared to the net loss of $144,060 of $0.00 loss per share in the same period in 2023. The increase in net loss in the current period is predominantly due to increased general and administration, management and professionals fees associated with ongoing operations and continuation of the 2024 work and exploration program.

Summary of quarterly results

The following are selected financial data prepared in accordance with IFRS and derived from the Audited Consolidated Annual Financial Statements and Unaudited Condensed Consolidated Interim Financial Statements of the Company for each of the eight most recently completed quarters:

	July 31, 2024	April 30, 2024	January 31, 2024[1]	October 31, 2023]
	$	$	$	$
Net loss and comprehensive loss	**589,792**	658,584	1,098,270	503,932
Net loss per share, basic and diluted	**(0.00)**	(0.00)	(0.00)	(0.00)

	July 31, 2023[2]	April 30, 2023	January 31, 2023	October 31, 2022
	$	$	$	$
Net loss and comprehensive loss	144,060	444,052	256,928	242,302
Net loss per share, basic and diluted	(0.00)	(0.01)	(0.00)	(0.00)

[1] Restatement: In November 2023 the Company granted 6,600,000 incentive stock options to certain directors, officers, employees, and consultants of the Company in accordance with the Company's stock option plan.
[2] Restatement: In July 2023, the Company acquired the remaining 50% of the Bonnie Claire project as an asset acquisition and as such capitalized costs associated with the acquisition.

In the three months ended July 31, 2024, the Companies largest expenditures were general and administration, management and professionals fees associated with ongoing operations and continuation of the 2024 work and exploration program.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at July 31, 2024 or at the date of this MD&A.

RELATED PARTY TRANSACTIONS

The Company's related parties include subsidiaries, affiliated entities and key management personnel and their close family members. Transactions with and amounts due to or from related parties are unsecured and non-interest bearing and measured at the amount of consideration established and agreed to by the related parties.

Key management personnel include the Board of Directors, CEO, COO and CFO.

As at July 31, 2024, accounts payable and accrued liabilities included $120,294 (April 30, 2024 - $83,516) due to related parties.

A summary of the Company's related party transactions for the three months ended July 31, 2024 and 2023 is as follows:

	July 31, 2024	July 31, 2023
	$	$
Management and consulting fees	**199,064**	58,723
Share-based compensation	**68,013**	-
	267,077	58,723

On November 6, 2023 certain officers and directors of the Company were granted 2,750,000 incentive stock options at an exercise price of $0.20, 33% vesting immediately 33% vesting November 6, 2024 and 34% vesting November 6, 2025.

Effective November 30, 2023 the Company amended 6,128,945 warrants such that the exercise price of the Warrants was revised from $0.75 to $0.25 per common share of the Company (and the expiry date extended from November 30, 2023 to November 30, 2026. Of these warrants, 49,000 are held by a director and officer of the Company.

On March 15, 2024 the Company granted 250,000 incentive stock options to a director of the Company in accordance with the Company's stock option plan at an exercise price of $0.20, 33% vesting immediately, 33% vesting November 6, 2024 and 34% vesting November 6, 2025.

On August 15, 2024 the Company completed a non-brokered private placement consisting of the issuance of a total of 48,000,007 units (each, a "**Unit**") at a price of $0.125 per Unit, raising aggregate gross proceeds of $6,000,000.88 (the "**Offering**"). Each Unit consists of one common share of the Company (each, a "**Share**") and one common share purchase warrant (each, a "**Warrant**"), with each Warrant entitling the holder to purchase one Share at a price of $0.175 per Share for a period of three years from the closing of the Offering (the "**Closing**"). 80,000 Units were issued to directors of the Company as participants in this private placement.

PROPOSED TRANSACTIONS

The Company has no proposed transactions as at July 31, 2024, or at the date of this MD&A.

LIQUIDITY AND CAPITAL RESOURCES

The Company has not yet determined whether the properties it holds, contain mineral resources or mineral reserves that are economically recoverable. The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead and maintain its mineral interests.

As at July 31, 2024 the Company had working capital deficit of $707,020 (April 30, 2024 – working capital $990,953) and an accumulated deficit of $ 6,553,129 (April 30, 2024 - $5,983,411).

At present, the Company's operations do not generate operating cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

To finance the Company's exploration programs and to cover operating expenses, the Company has raised money through issuances of equity and notes payable. Historically, the Company has been successful in raising capital. However, there is no assurance that the Company will continue to be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding

requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the short and long term but recognizes that there will be risks involved which may be beyond its control.

Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values. The Company's financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

CONTRACTUAL OBLIGATIONS

The Company has no undisclosed contractual obligations as at July 31, 2024 or at the date of this MD&A.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

The Financial Statements have been prepared in accordance with IFRS, effective as at July 31, 2024. The preparation of financial statements requires management to establish accounting policies and make estimates and assumptions that affect the timing and reported amounts of assets, liabilities, and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgment on matters which are inherently uncertain. Details of the Company's significant accounting policies can be found in Note 3 of the Financial Statements.

FINANCIAL INSTRUMENT RISK EXPOSURE

Fair value measurement of financial assets and liabilities

The Company's financial instruments consist of cash and cash equivalents, restricted cash, restricted funds held in trust, accounts payables and accrued liabilities, subscription receipts and notes payable. The carrying values of these financial instruments approximate their respective fair values due to the short-term nature of these instruments.

Risk management

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet an obligation under contract. The Company's cash and cash equivalents is exposed to credit risk. The Company reduces the credit risk on cash and cash equivalents by placing this instrument with financial institutions of high credit worthiness.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with accounts payable and accrued liabilities and notes payable. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common shares or debt as required. As at July 31, 2024, the Company has current liabilities totaling $1,503,942 (April 30, 2024 - $649,620), cash and cash equivalents of $357,743 (April 30, 2024 - $1,491,963).

Market risk

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk from accounts payable and accrued liabilities denominated in USD. Assuming all other variables constant, for the nine months ended April 30, 2024, a change of 10% of the USD against the Canadian dollar would have had an impact of $110,187 (April 30, 2024 - $23,518) on the statements of loss and comprehensive loss.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as its notes payable have a fixed rate of interest.

The Company does not use derivative instruments to manage its exposure to market risks.

Outlook
In addition to the projects identified above, the Company is also identifying and analyzing other potential projects and is identifying and evaluating additional opportunities. There are no assurances that the minerals concessions will be granted.

Caution Regarding Mineral Properties

The Company is in the process of exploring its resource properties and has not yet determined whether the properties contain mineral resources or mineral reserves that are economically recoverable. The recoverability of the amounts shown for resource properties and any related deferred costs is dependent on the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the development and future profitable production from the properties or proceeds from the disposition thereof.

Exploration and evaluation assets

Expenditures on the exploration and evaluation assets included:

	Three months ended July 31, 2024	Year ended April 30, 2024
Acquisition costs	33,273,554	33,273,554
Exploration expenditures	6,341,363	5,012,463
Claims maintenance	216,488	215,446
Effect of movement in exchange rates	(31,814)	4,265
Total	**39,799,591**	38,505,728

QUALIFIED PERSON

The "Mineral Resource Estimate Technical Report, Bonnie Claire Lithium Project, Nye County, Nevada" dated effective August 20, 2021 and revised and amended on February 25, 2022 (the "**Technical Report**") as filed on SEDAR+ and referenced as applicable in this MD&A for the Project has been approved by Jeff Wilson, PhD, P.Geo. Dr. Wilson is the Vice President of Exploration of the Company, as of the date hereof, and is a Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects. ("**NI 43-101**").

OUTSTANDING SHARE DATA

The authorized capital of the Company consists of an unlimited number of common shares without par value. A summary of the Company's issued and outstanding equity instruments is as follows:

	July 31, 2024	Date of MD&A
	#	#
Common shares	211,401,534	259,401,541
Special warrants	-	-
Warrants	77,516,795	129,356,803
Share options	14,710,000	14,710,000
Restricted share units	190,000	190,000

SUBSEQUENT EVENTS

On August 15, 2024 the Company completed a non-brokered private placement consisting of the issuance of a total of 48,000,007 units (each, a "Unit") at a price of $0.125 per Unit, raising aggregate gross proceeds of $6,000,000.88 (the "Offering"). Each Unit consists of one common share of the Company (each, a "Share") and one common share purchase warrant (each, a "Warrant"), with each Warrant entitling the holder to purchase one Share at a price of $0.175 per Share for a period of three years from the closing of the Offering (the "Closing"). The Company paid finders a cash finder fee equal to 7% of the gross proceeds realized by the Company in respect of the sale of Units in the Offering (the "Finder Fee") and finder warrants equal in number to 8% of the total number of Units sold (the "Finder Warrants"). Each Finder Warrant will entitle the holder thereof to acquire one Unit at an exercise price of $0.125 for a period of three years from the Closing. 80,000 Units were issued to directors of the Company as participants in this private placement.

ADDITIONAL INFORMATION

Additional information can be found on the Company's website at https://nvlithium.com and on the Company's profile on SEDAR+ at www.sedarplus.ca.

RISK FACTORS

An investment in the Company should be considered highly speculative due to the nature of Nevada Lithium's business and operations. In addition to the other information in this MD&A, an investor should carefully consider each of the following risk factors and potential cumulative effect of each of the following risk factors.

The Company is in the business of exploring mineral properties, which is a highly speculative endeavor. Investors should carefully consider these risk factors before deciding to purchase common shares. The occurrence of any of the following risks could materially adversely affect the Company's business, financial condition, or operating results. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with the Company's operations. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results, or prospects. A purchase of any of the common shares involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the common shares should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should carefully evaluate the following risk factors associated with an investment in the Company's securities prior to purchasing any of the common shares.

Insufficient Capital

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing. Failure to do so could result in the loss of the Company's interest in the Project.

Financing Risks

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable.

The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the Project, or any additional properties in which the Company may acquire an interest. While the Company may generate additional working capital through further equity offerings or, if applicable, through the sale or possible syndication of its property, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to share holders. At present, it is impossible to determine what amounts of additional funds, if any, may be required.

Limited Operating History and Negative Operating Cash Flow

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its common shares since incorporation and does not anticipate doing so. There are no known commercial quantities of mineral reserves on the Project.

The purpose of the Concurrent Offerings was to raise funds to carry out exploration and development on the Project. To the extent that the Company has a negative operating cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to fund further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on its Project. While the Company may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to holders of common shares. At present it is impossible to determine what amounts of additional funds, if any, may be required.
If the Company is unable to generate revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the common shares purchased would be diminished.

Resale of Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the common shares purchased would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the common shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of common shares issued upon the exercise of the Company's outstanding convertible securities will be affected by such volatility.

Title to Assets

Searches of mining records are carried out in accordance with mining industry practices to confirm satisfactory title to properties in which the Company holds or intends to acquire an interest, but the Company does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of the properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. The Company has taken and will continue to take all reasonable steps, in accordance with the laws and regulations of the jurisdictions in which their properties are located, to ensure proper title to its properties and to properties it may acquire in the future, either at the time of acquisition or prior to any major expenditures thereon. This, however, should not be construed as a guarantee of title. There are no assurances that the Company will obtain title. Both presently owned and after-acquired properties may be subject to prior unregistered agreements, transfers, land claims or other claims or interests.

In addition, third parties may dispute the rights of the Company to its respective mining and other interests. The Company will attempt to clear title and obtain legal opinions commensurate to the intended level of expenditures required on areas that show promise. There can be no assurance, however, that it will be successful in doing so.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The Project is considered to be in the early exploration and development stage. As of the date of this report, no compliant mineral resources have been identified at the Project. There is no certainty that further exploration and development will result in the identification of indicated, or measured resources, or probable or proven reserves, at the Project, or that if any mineral resources or reserves are defined at the Project that that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore on the Project or elsewhere. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Environmental Hazards

All phases of our operations with respect to the Project will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for noncompliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors, and employees. Changes in environmental regulation, if any, may adversely impact our operations and future potential profitability. In addition, environmental hazards may exist on the Project which is currently unknown. We may be liable for losses associated with such hazards or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the property, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on our operations and future potential profitability.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks may occur, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes, and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on company property, and punitive awards in connection with those claims and other liabilities. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Liabilities that we incur may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event we could incur significant costs that could adversely impact our business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage our interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to us. These could include loss or forfeiture of mineral interests or other assets for nonpayment of fees or taxes, significant tax liabilities in connection with any tax planning effort we might undertake and legal claims for errors or mistakes by our personnel Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the common shares.

Governmental and Environmental Regulations, Permits and Licenses

The future operations of the Company may require permits from various governmental and non-governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Project. The Company currently does not have any such permits in place.

The Company's operations are also subject to various laws, regulations, and permitting requirements governing the protection of the environment. Such environmental and other regulatory requirements affect the current and future operations of the Company, including exploration and development activities. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations may require the submission and approval of environmental impact assessments to be conducted before permits can be obtained and there can be no assurances that the Company will be able to obtain or maintain all necessary permits that may be required for operations to be conducted at economically justifiable costs. The cost of compliance has the potential to reduce the profitability of operations by increasing costs and delaying production.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

There is no assurance that future changes to existing laws and regulations will not impact the Company. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

Competition

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future and to engage qualified personnel to explore and develop the Project.

Political Regulatory Risks with International Operations

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. This may affect the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Foreign Exchange Rate Fluctuations

Fluctuations in currency exchange rates could have a significant effect on our result of operations. The Company does not currently engage in any hedging activities in connection with foreign currency requirements.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of industrial and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in the world market in United States dollars.

Shortages of Critical Parts, Equipment and Skilled Labour

Our ability to acquire critical resources such as input commodities, drilling equipment, tires, and skilled labour due to increased worldwide demand, may cause unanticipated cost increases and delays in delivery times, thereby impacting operating costs, capital expenditures and development schedules.

Conflicts of Interest

Directors of the Company are and may become directors of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Company and its directors will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the Business Corporations Act (British Columbia), as the case may be. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Claims and Legal Proceedings

We may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including claims relating to ex-employees. These matters may give rise to legal uncertainties or have unfavourable results. We will carry liability insurance coverage and mitigate risks that can be reasonably estimated. In addition, we may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact our financial position, cash flow and results of operations.

Risks Relating to the Market Price of Shares and Volatility

The common shares currently trade on the Canadian Securities Exchange and the OTCQB Market. Securities of microcap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the common shares is also likely to be significantly affected by short-term changes in mineral prices or in our financial condition or results of operations. Other factors unrelated to our performance that may affect the price of the common shares include the following: the extent of analytical coverage available to investors concerning our business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the common shares may affect an investor's ability to trade significant numbers of common shares ; the size of our public float may limit the ability of some institutions to invest in common shares ; and a substantial decline in the price of the common shares that persists for a significant period of time could cause the common shares , if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect our long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources. The fact that no market currently exists for the common shares may affect the pricing of the common shares in the secondary market, the transparency and availability of trading prices and the liquidity of the common shares. The market price of the common shares is affected by many other variables which are not directly related to our success and are, therefore, not within our control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for our common shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the common shares is expected to make the Share price volatile in the future, which may result in losses to investors.

Personnel

The Company has a small management team, and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its exploration program on the Project. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.