

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") is dated August 28, 2024 and should be read in conjunction with the unaudited financial statements of American Salars Lithium Inc. ("ASLI" or the "Company") for the nine-months ended June 30, 2024, along with the audited financial statements of AMSI for the year ended October 31, 2023. AMSI prepares its audited financial statements in accordance with International Financial Reporting Standards ("IFRS"), as set out in Part 1 of the Handbook of the Canadian Institute of Chartered Professional Accountants.

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A that are not based on historical facts constitute forward-looking information. Forward-looking information is not a promise or guarantee of future performance but is only a prediction that relates to future events, conditions or circumstances or the Company's future results, performance, achievements or developments and is subject to substantial known and unknown risks, assumptions, uncertainties and other factors that could cause the Company's actual results, performance, achievements or developments in its business or industry to differ materially from those expressed, anticipated or implied by such forward-looking information. Forward-looking statements include statements regarding the outlook for the Company's future operations, plans and timing for the introduction or enhancement of its services and products, statements concerning strategies or developments, statements about future market conditions, supply conditions, end customer demand conditions, channel inventory and sell through, revenue, gross margin, operating expenses, profits, forecasts of future costs and expenditures, and other expectations, intentions and plans that are not historical fact. The forward-looking statements in this MD&A are based on certain factors and assumptions regarding expected growth, results of operations, performance and business prospects and opportunities. Specifically, management has assumed that the Company's performance will meet management's internal projections. While management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Readers are also advised to consider such forward-looking statements in light of the risk factors and uncertainties that may affect the Company's actual results, performance, achievements or developments.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable law. Further information concerning risks and uncertainties associated with these forward-looking statements and the Company's business may be found in the Company's other filings.

OVERVIEW

AMSI was formed on December 17, 2019 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 200 - 551 Howe Street, Vancouver, British Columbia, Canada.

The Company is engaged in the investigation, acquisition and exploration of potentially economically viable mineral properties. The recoverability of the cost of the mineral properties is dependent upon the existence of economically recoverable resources, the ability to secure necessary financing to complete the exploration and development programs to generate future profitable production.

HIGHLIGHTS AND NOTABLE EVENTS

On November 10, 2023, the Company announced that it has issued its first tranche of shares, 3,495,005 common shares, under the terms of its recently announced share purchase option agreement to acquire American Brines Lithium Corp.

On December 4, 2023, the Company announced a name change from Blanton Resources Corp. to American Salars Lithium Inc.

On March 13, 2024, AMSI announces that it has in place the necessary drill permits for a resource expansion and production diameter drill program at American Salars Candela II Lithium Brine Project located in the Incahuasi Salar, Salta Province, Argentina. The 400 Meter drill holes will test the additional depth from 200-400 meter zone that appeared highly prospective for lithium in the MT Survey data collected in 2023. The diameter of the production well is 20cm – 30cm in diameter and will provide the company's first production ready well at the project. The Candela II Lithium Brine Project contains a National Instrument 43-101 mineral resource estimate ("MRE") completed by WSP Australia Pty. Ltd. (see Spey Resources Corp. news dated September 26th, 2023). This NI 43-101 resource report estimates the project to contain lithium metal of 86,000 tonnes which equates to 457,500 tonnes of in-situ lithium carbonate equivalent (LCE).

On April 26, 2024, the Company completed a non-brokered private placement ("Private Placement") which raised gross proceeds of \$799,999. The Company issued 3,999,995 units ("Units") at a price of \$0.20 per Unit. Each Unit is comprised of one common share of the Company and one half of one whole common share purchase warrant ("Warrant") with each warrant being exercisable for the purchase of an additional common share at a price of \$0.25 per share for a twelve-month period. The Company also paid finders fees of 10% cash and issued 65,000 Warrants to eligible finders. The securities are subject to a four month and one day hold period. The Company plans to use the proceeds of the Offering for mineral exploration and general working capital.

On May 31, 2024, AMSI completed a non-brokered private placement ("Private Placement") which raised gross proceeds of \$580,000. The Company issued 2,900,000 units ("Units") at a price of \$0.20 per Unit. Each Unit is comprised of one common share of the Company and one half of one whole common share purchase warrant ("Warrant") with each warrant being exercisable for the purchase of an additional common share at a price of \$0.25 per share for a twelve-month period. The Company also paid finders fees of 10% cash totalling \$43,100 and issued 215,000 Warrants to eligible finders. The securities are subject to a four months and one day hold period. The Company plans to use the proceeds of the Offering for general working capital.

On June 3, 2024, the Company engaged Hillcrest Merchant Partners Inc. to provide strategic, financial, and capital markets advisory services and guidance to the Company. As part of this engagement, American Salars will appoint Hillcrest's Vice President to act as Vice President of Corporate Development at American Salars, and a member of Hillcrest's leadership team will join the Advisory Board. The agreement with Hillcrest is for a term of 24 months and the compensation includes an initial advisory fee of 1,000,000 common shares, and thereafter an additional 3,000,000 common shares vesting in periodic installments of 500,000 shares over an eighteen-month period, subject to Hillcrest achieving certain performance milestones.

On June 7, 2024, AMSI filed a NI 43-101 technical report on the Black Rock South Lithium Brine Property.

On June 12, 2024, the Company reported completing phase one program on the Black Rock South Lithium Brine Property. The highlights of the program were 58 soil samples were collected, land research was completed in the vicinity of the property and region, and 63 prospecting samples were collected.

On June 17, 2024, the Company entered into an agreement with Recharge Resources Ltd. (“Recharge” or “the Vendor”) (CSE: RR) to acquire a 100% interest in the Pocitos 1 Lithium Salar Project (“Pocitos 1”) consisting of 800 Hectares (“Ha”) near the town of Pocitos in Salta, Argentina. AMSI is acquiring a 100% interest in the Pocitos 1 lithium salar project by issuing to the Vendor 5,000,000 common shares subject to a 24-month escrow and assuming an outstanding tax liability of the Vendor estimated to be no more than USD \$250,000 as well as a payable to WSP for the Mineral Resource Estimate at a cost of AUS \$80,000. The Vendor has agreed to a 24-month escrow with releases every six months. The vendor has agreed to a further voluntary escrow whereby they have agreed not to sell more than 10,000 shares per day in any given trading day and cumulatively no more than 50,000 shares in a normal business week. The Vendor has further agreed to proxy all votes to management of American Salars. At closing, the Purchaser shall issue to the Vendor 2,500,000 bonus warrants (the “Bonus Warrants”), with each Bonus Warrant entitling the Vendor to acquire one common share of the Purchaser at an exercise price of CAD \$0.75 for a period of five years. The Bonus Warrants will be exercisable by the Vendor only upon the Pocitos 1 property having a Measured and Indicated and Inferred combined (“M+I+I”) resource of 1,000,000 tonnes LCE, and subject to the receipt of a “technical report” (as that term is defined in section 1.1 of NI 43-101) confirming that the Property has the required M+I+I resources (as such terms are defined in section 1.2 of NI 43-101). The Pocitos 1 property is subject to a 2.5% net smelter royalty (“NSR”) of the minerals produced on a FOB basis from the property, the Company can purchase 1.5% (60%) of the NSR for CAD \$1,500,000.

On July 11, 2024, the Company received the assay results from ALS Geochemistry Laboratory in Reno Nevada (“ALS”) from soil samples collected at the Black Rock South lithium brine project, located 72 Miles North of the Tesla Gigafactory in Nevada. Samples were processed using Boyd RSD rotary crushers and splitter with a 180-micron (80 mesh) sieve, aqua regia digestion, and 41 multi-element ICP-AES analysis (code MEICP41). Out of the 38 soil samples, 33 recorded lithium concentrations of 100 ppm or higher with the highest sample recording 180.5 ppm lithium with an average grade of the 33 samples of 131 ppm across the surface of the property and Anomalous lithium results in a northeast trend and may represent a lithium brine aquifer at depth if the structural geology or geophysics shows a porous unit structure.

Black Rock South Lithium Brine Project

The Blackrock South lithium brine project is located 72 miles north of the Tesla Gigafactory, 93 miles southwest of Thacker Pass, and 215 miles northwest of the United States’ only producing lithium mine, the Silver Peak lithium brine mine owned by Albemarle Corp. The claims cover a conceptual target for lithium brines which is very similar to the published geology of the Clayton Valley lithium brine production area approximately 200 miles to the southeast. The concept is consistent with generally accepted data and theories about the formation of lithium brine resources. The target area is lithium — brines hosted in basin-fill sediments. Recent 2024 phase 1 sampling program returned an average grade of 131 ppm with a high of 180.5 ppm lithium.

Pocitos I, Salta Argentina

Pocitos I is a 100% owned 800-hectare lithium brine project located in the Salar de Pocitos, in the lithium-rich Puna region of northwestern Argentina. The basins in this area produce over 52% of the lithium brine resources in the World.

Isla, Campbell River, British Columbia

The Isla Property is located approximately 16 km to 22 km southwest of the town of Campbell River, British Columbia, Canada. Isla Property consists of six contiguous Mineral Claims covering approximately 4,295.1 hectares.

The Company carried out a field exploration program on the Isla Property in 2022 that included the collection of 402 soil samples taken from two surveyed grids, 5 rock samples, 4 petrographic samples, and 17.933 kilometers of ground magnetometer surveys. Soil samples were collected from the Lost Lake and Regan

Grids and the magnetometer survey was conducted on the Lost Lake Grid. Soil sampling carried out in the Regan Creek area identified significant anomalous values of copper, gold, and arsenic located in the west and north portion of the grid. Sampling returned the following values: 262 ppm Cu and 282 ppm Cu, 993 ppm As and 1590 ppm As, as well as 105 ppb Au.

The Lost Lake grid returned elevated Cu in soil with values greater than 129 ppm Cu to a high of 409 ppm Cu.

The soil grids were successful in expanding the area of the soil anomalies in all directions.

Rock sampling returned values of 630 ppm and 2310 ppm Cu. Analysis of rock samples from bedrock in the area of anomalous copper in soil anomalies consists of amygdaloidal basalt with variable (0.1-5% by volume) quartz-calcite-chlorite alteration, sparse disseminated and fracture filling pyrite-pyrrhotite, and trace amounts of copper bearing sulphide minerals such as chalcopyrite, bornite, and chalcocite. In the LL Grid area, mineralization occurs adjacent to northwest trending faulting along the Tsolum River valley. It appears that conjugate faults and fracture zones spread out at oblique angles (east and northeast trending) from the main northwest trend. Oblique fault splays may explain the distribution of copper in soil as clusters.

The Regan Creek area aligns with a regional scale fault/fracture zone trending southeast towards the Milkideal quartz-sulphide veins. In Regan Creek, the exposed faults are commonly, and often altered with quartz-carbonate-ankerite as late-stage fracture filling extends several metres away from the fault. Some of these altered faults host veins/veinlets of quartz-carbonate, often containing sphalerite, galena, pyrite, chalcopyrite, and trace amounts of grey sulfide and realgar. Traced along strike, the Regan Creek fault zones splay in a multi-directional attitude and are altered with quartz-carbonate-ankerite as late-stage fracture filling adjacent to the faults. The vuggy low-sulphidation hydrothermal systems have resulted in vein and/or stockwork style mineralization. This fault is interpreted as being a part of an extensive series of faults related to the emplacement of the Eocene-Oligocene Mount Washington Plutonic Suite which host the Domineer & Mount Washington Copper polymetallic mineral deposits located approximately 3 kilometers south of the Isla Property.

Silt samples taken on the property have returned values of up to 325.3 ppb Au and 2418.7 Cu. Soil samples have returned up to 996.5 ppm Au and 409 ppm Cu.

The 2022 ground magnetometer survey identified two significant areas of interest that should be followed up due to positive (>54,000 nT) anomalies. Additionally, the 2022 survey identified a northwest trending, 850 meter long by 50-meter wide negative (<53,400 nT) anomaly area of interest in the western part of the survey area.

Results to date from the Isla property demonstrate strong potential for gold and copper bearing mineralization that warrants further geological, geochemical, and geophysical exploration.

OVERALL PERFORMANCE

Key Performance Indicators

	Three-Months Ended June 30,		Nine-Months Ended June 30,	
	2024	2023	2024	2023
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss	\$ (567,194)	\$ (27,248)	\$ (688,120)	\$ (104,952)
Loss per share	\$ (0.02)	\$ (0.00)	\$ (0.04)	\$ (0.01)
Total assets	\$ 2,703,525	\$ 564,373	\$ 2,703,525	\$ 564,373
Exploration and evaluation assets	\$ 1,798,084	\$ 507,247	\$ 1,798,084	\$ 507,247

The Company incurred a net loss of \$567,194 for the three-months ended June 30, 2024 compared to \$27,248 for the prior period. The increase in the net loss is attributed to the increase in consulting fees expenses of \$291,203 resulting in the change in management and various consulting agreements due to

the increase in activity of the Company, increase in investor communications of \$205,776 resulting from investor awareness campaigns conducted during the three months, increase in occupancy costs of \$16,695 as additional office space was used, and an increase in office and general travel of \$7,725 due to an increase in operations.

For the nine-months ended June 30, 2024, the Company incurred a net loss of \$688,120 compared to \$104,952 from the previous period. The increase in net loss is attributable to the increase in consulting fees expenses of \$281,203 resulting in the change in management and various consulting agreements due to the increase in activity of the Company, increase in investor communications of \$219,317 resulting from investor awareness campaigns conducted during the nine months, an increase in occupancy costs of \$13,411 due to increased office space, an increase in professional fees of \$18,925 due to increased legal fees and accounting fees due to general corporate items and filing requirements, and an increase in transfer agent and filing fees of \$30,252 due to share issuance fees.

The Company has assets of \$2,703,525 at June 30, 2024 compared to \$581,524 at September 30, 2023 representing an increase of \$2,122,001. The increase is the result of the share issuances for cash, services and property acquisitions during the period offset by the net loss. During the nine-months ended June 30, 2024, the Company incurred an additional \$713,837 of cash expenses and an additional \$544,500 from share issuances for the various mineral exploration projects.

Results of Operations

	For the Three-Months Ended June 30,		For the Nine-Months Ended June 30,	
	2024	2023	2024	2023
Investor communications	\$ 205,776	\$ -	\$ 219,317	\$ -

For the nine-months ended June 30, 2024, the Company incurred \$219,317 of investor communications expenses and \$205,776 for the three-months ended June 30, 2024 compared to nil for both periods in 2023. The increase in the expense is the result of the investor marketing campaign the Company conducted to gain shareholder interest.

	For the Three-Months Ended June 30,		For the Nine-Months Ended June 30,	
	2024	2023	2024	2023
Management and consulting fees	\$ 298,703	\$ 7,500	\$ 309,203	\$ 28,000

For the three-months ended June 30, 2024, the Company incurred \$298,703 compared of management and consulting fees compared to \$7,500 for 2023. For the nine-months ended June 30, 2024, the Company incurred \$309,203 compared of management and consulting fees compared to \$28,000 for 2023. These expenses relate to the fees paid to management of the Company for the day-to-day management requirements. During the year, the Company has engaged new management and consultants for the increased activity on the property acquisitions.

	For the Three-Months Ended April 30,		For the Nine-Months Ended June 30,	
	2024	2023	2024	2023
Professional fees	\$ 23,440	\$ 13,994	\$ 68,155	\$ 49,230

Professional fees were \$23,440 for the three-months ended June 30, 2024 compared to \$13,994 for 2023. For the nine-month period ended June 30, 2024 was \$68,155 compared to \$49,230 for the comparative

period. The increase is the result from legal and accounting fees for general corporate matters and required filings of the Company.

	For the Three-Months Ended June 30,		For the Nine-Months Ended June 30,	
	2024	2023	2024	2023
Transfer agent and filing fees	\$ 6,246	\$ 2,745	\$ 42,655	\$ 12,403

Transfer agent and filing fees were \$6,246 for the three-months ended June 30, 2024 compared to \$2,745 for the comparative period. For the nine-months ended June 30, 2024, transfer agent and filing fees were \$42,655 compared to \$12,403 for the nine-months ended April 30, 2023. The increase is the result of the filing fees and costs associated with the private placements conducted during the year.

	For the Three-Months Ended June 30,		For the Nine-Months Ended June 30,	
	2024	2023	2024	2023
Occupancy costs	\$ 19,695	\$ 3,000	\$ 31,771	\$ 18,360

Occupancy costs were \$19,695 for the three-months ended June 30, 2024 compared to \$3,000 for the comparative period. For the nine-months ended June 30, 2024, travel expenses were \$31,771 compared to \$18,360 for the nine-months ended June 30, 2023. The increase office space used for the general operations of the Company.

	For the Three-Months Ended June 30,		For the Nine-Months Ended June 30,	
	2024	2023	2024	2023
Office and general	\$ 7,734	\$ 9	\$ 11,419	\$ 6,266

Office and general were \$7,734 for the three-months ended June 30, 2024 compared to \$9 for the comparative period. For the nine-months ended June 30, 2024, travel expenses were \$11,419 compared to \$6,266 for the nine-months ended June 30, 2023. The increase in the expense is due to additional costs with bank charges, office supplies, and meals and entertainment due to additional operations.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Management has determined that cash flows for operating, exploration and evaluation expenses, and general and administrative expenses will be funded by AMSI's existing cash on hand. Any expected short fall of cash required for these expenses will be funded by the issuance of common shares through private placements.

Cash Flow Summary

	2024	2023
Cash on hand, beginning of period	\$ 40,809	\$ 10,510
Cash flow used in operations	(1,031,111)	(219,572)
Cash flow from financing activities	1,888,753	265,500
Cash flow used in investing activities	(713,837)	-
Cash on hand, end of period	\$ 184,614	\$ 56,438

Cash flow used in operations for the nine-month period ended June 30, 2024 was \$1,031,111 compared to \$219,572, resulting from the expenses incurred for the general operating costs incurred for the day-to-day management of the Company offset by the fluctuations from non-cash working capital from the timing of payment of the accounts payable, prepaid expenses and the collection of the goods and service taxes.

For the first nine-months of 2024, the Company had received a net cash inflow of \$1,888,753 (2023 – \$265,500) resulting from the issuance of 7,028,095 (2023 – 5,650,000) common shares for gross proceeds of \$1,421,649 (2023 - \$255,000).

For the nine-months ended June 30, 2024, the Company spent \$713,837 (2023 - nil) on purchases of exploration and evaluation assets resulting from the schedule payments for the acquisition of the mineral property and various work performed on the properties. In addition, the Company issued 5,310,009 common shares with a value of \$1,068,751 for property acquisitions compared to 3,100,000 with a value of \$310,000 in the first nine-months of 2023.

The following table represents the net capital of the Company:

	June 30, 2024	September 30, 2023
Shareholders' equity	\$ 2,598,851	\$ 553,718
Net capital	\$ 2,598,851	\$ 553,718

AMSI uses net working capital to monitor leverage. The net capital is the result of the issuance of common shares offset by the operating loss of the Company in the current period.

Working Capital

The Company has working capital of \$800,767 as at June 30, 2024 compared to \$13,971 as at September 30, 2023 representing an increase of \$786,796. The increase in working capital is comprised of an increase in current assets of \$863,664 and offset by an increase in current liabilities of \$76,868.

The increase in current assets was due to an increase of cash of \$143,805, resulting from the completion of the private placements offset by the payments of the cash operating expenses. In addition GST receivable increased \$18,328 resulting from the increased expenses and prepaid expenses increased \$701,531 resulting from the prepaid investor marketing programs.

The increase in current liabilities is the result of the increase in accounts payable of \$26,868 resulting from the timing of vendor payments offset. In addition, current liabilities increased \$50,000 due to the issuance of short-term debt to fund operations.

Contractual Obligations

There are no outstanding contractual obligations.

Contingencies

Contingent liabilities

The Company does not have any contingent liabilities.

Contingent assets

The Company does not have any contingent assets.

SELECTED QUARTERLY FINANCIAL INFORMATION

	June 30, 2024	Mar 31, 2024	Dec 31, 2023	Sept 30, 2023
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss	(567,194)	(81,320)	(39,606)	(70,144)
Loss per share	(0.02)	(0.01)	(0.00)	(0.01)

	June 30, 2023	Mar 31, 2023	Dec 31, 2022	Sept 30, 2022
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss	(27,248)	(41,188)	(27,016)	(101,835)
Loss per share	(0.00)	(0.01)	(0.00)	(0.02)

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

Exploration and evaluation assets

The Company has acquired exploration and evaluation assets, which consists of mineral claims, for use in its business activities. Amortization is recognized using the unit of production basis, once available for use, based upon management's estimate of the useful life.

Taxes

The determination of taxes is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for taxes. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance. There is a material uncertainty regarding the Company's ability to continue as a going concern. The Company's principal source of cash is from private placements. The Company is dependent on raising funds in order to have sufficient capital to be able to identify, evaluate and then acquire an interest in assets or a business.

Impairment of non-current assets

To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. Actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

In addition, when determining the applicable discount rate, estimation is involved in determining the appropriate adjustments to market risk and asset-specific risk factors.

Decommissioning and restoration provision

The decommissioning and restoration provision is based on future cost estimates using information available at the reporting date. The decommissioning and restoration provision is adjusted at each reporting period for changes to factors such as the expected amount of cash flows required to discharge the liability, the timing of such cash flows, and the discount rate. The decommissioning and restoration provision requires other significant estimates and assumptions such as requirements of the relevant legal and regulatory framework, and the timing, extent, and costs of required decommissioning and restoration activities. Actual costs may differ from these estimates. As at June 30, 2024 and September 31, 2023 the Company has no material decommissioning and restoration provision

NEW ACCOUNTING PRONOUNCEMENTS

The Company has not applied the following amendments to standards that have been issued but are not yet effective:

The Company did not adopt any new accounting standard changes or amendments in the current year that had a material impact on the Company's financial statements.

The Company has not yet begun the process of assessing the impact of other new and amended standards that are effective for annual periods beginning on or after September 30, 2023 will have on its financial statements or whether to early adopt any of the new requirements. The Company does not expect the impact of such changed on the financial statements to be material, although additional disclosure may be required.

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Risk is inherent in all business activities and cannot be eliminated. However, shareholder value can be maintained and enhanced by identifying, mitigating, and where possible, insuring against these risks. The following section addresses some, but not all, risk factors that could affect AMSI's future results, as well as activities used to mitigate such risks. These risks do not occur in isolation but must be considered in conjunction with each other.

The Board of Directors have overall responsibility for the establishment and oversight of AMSI's risk management framework. The Board is responsible for developing and monitoring AMSI's compliance with risk management policies and procedures.

AMSI's risk management policies are established to identify and analyze the risks faced by AMSI, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and AMSI's activities.

Financial risks and financial instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of cash and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2024, the Company had a cash balance of \$184,614 (September 30, 2023 - \$40,809) to settle current liabilities of \$104,674 (September 30, 2023 - \$27,806). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. To maintain liquidity, the Company is currently investigating financing opportunities.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at June 30, 2024 and September 30, 2023, the Company did not have any investments in investment-grade short-term deposit certificates.

Foreign currency risk

The Company is exposed to foreign currency risk to the extent expenditures incurred or funds received, and balances maintained by the Company are denominated in currencies other than Canadian dollars. The Company is not exposed to foreign currency risk.

Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined the key personnel to be the executive and non-executive officers and directors of the Company.

	Nine-months Ended June 30,	
	2024	2023
Management and consulting	\$ 40,500	\$ 28,000
	\$ 40,500	\$ 28,000

As at June 30, 2024 and September 30, 2023, \$17,500 and nil were owed to related parties for services.

SUBSEQUENT EVENTS

There are none.

OTHER INFORMATION

Outstanding share data:

Issued and outstanding shares at June 30, 2024	28,555,940
Outstanding warrants at June 30, 2024	4,834,398
Outstanding stock options at June 30, 2024	325,000
Fully diluted shares at June 30, 2024 and August 28, 2024	33,715,338

INDUSTRY RISKS

The Company's principal business activities are the acquisition, exploration, and definition of potentially economically viable mineral resource deposits on mineral properties, which, by nature, are speculative. Companies in this industry are subject to many and varied kinds of risks, including but not limited to; environmental, fluctuating commodity prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable. Due to the high-risk nature of the Company's business and the present stage of the Company's various mineral properties, an investment in the Company's common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this MD&A, the risk factors discussed below, and the Company's other public disclosures, including the risks described in the "Risk Factors" section of the Company's MD&A for the year ended September 30, 2023, prior to making any investment in the Company's common shares.

The risk factors described below do not necessarily comprise all of the risks and uncertainties that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also adversely affect the Company's business, results of operations, financial results, prospects and price of common shares. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Mineral property exploration and mining risk

Mineral exploration and development are highly speculative and are characterized by a number of significant inherent risks, which may result in the inability to successfully develop a project for commercial, technical, political, regulatory or financial reasons, or if successfully developed, may not remain economically viable for their mine life owing to any of the foregoing reasons.

The Company's ability to identify Mineral Resources in sufficient quantity and quality to justify development activities and/or its ability to commence and complete development work and/or commence and/or sustain commercial mining operations at any of its projects will depend upon numerous factors, many of which are beyond its control, including exploration success, the obtaining of funding for all phases of exploration, development and commercial mining, the adequacy of infrastructure, geological characteristics, metallurgical characteristics of any deposit, the availability of processing and smelting capacity, the availability of storage capacity, the supply of and demand for precious and other metals, the availability of equipment and facilities necessary to commence and complete development, the cost of consumables and mining and processing equipment, technological and engineering problems, accidents or acts of sabotage

or terrorism, civil unrest and protests, currency fluctuations, changes in regulations, the availability of water, the availability and productivity of skilled labour, the receipt of necessary consents, permits and licenses (including mining licenses), and political factors, including unexpected changes in governments or governmental policies towards exploration, development and commercial mining activities.

Furthermore, cost over-runs or unexpected changes in commodity prices in any future development could make the projects uneconomic, even if previously determined to be economic under feasibility studies. Accordingly, notwithstanding the positive results of one or more feasibility studies on the projects, there is a risk that the Company would be unable to complete development and commence commercial mining operations at one or more of the mineral properties which would have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Key management

The success of the Company is dependent upon the ability, expertise, judgment, discretion, and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results, or financial condition.

Limited operating history

The Company has no present prospect of generating revenue from the sale of products. The Company is therefore subject to many of the risks common to early-stage enterprises, including undercapitalization, cash shortages, limitations with respect to personnel, financial, and other resources, and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered considering the early stage of operations.

Ability to continue as a going concern

The Company's auditors' opinion on its September 30, 2023 financial statements includes an explanatory paragraph in respect of there being substantial doubt about its ability to continue as a going concern.

Financing and share price fluctuation risk

The Company has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its mineral properties. Future exploration and development of the Company's mineral properties may be dependent upon the Company's ability to obtain financing through equity, debt or other means. There can be no assurance that needed financing will be available in a timely or economically advantageous manner, or at all. Failure to obtain sufficient financing could result in delay or indefinite postponement of further exploration and development of on any or all of its mineral properties which could result in the loss of its property, in which case, the Company's ability to operate would be adversely affected. To obtain substantial additional financing, the Company may have to sell additional securities including, but not limited to, its Common Shares or some form of convertible securities, the effect of which may result in substantial dilution of the present equity interests of the Company's shareholders.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Commodity prices risk

The Company, along with all mineral exploration and development companies, is exposed to commodity price risk. A decline in the market price of gold, silver, base metals and other minerals may adversely affect the Company's ability to raise capital in order to fund its ongoing operations. Commodity price declines could also reduce the amount the Company would receive on the disposition of its mineral property to a third party.

Title risk

Title on mineral properties and mining rights involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mining properties. The Company has diligently investigated and continues to diligently investigate and validate title to its mineral claims; however, this should not be construed as a guarantee of title. The Company cannot give any assurance that title to properties it acquired will not be challenged or impugned and cannot guarantee that the Company will have or acquire valid title to these mineral properties.

Insured and uninsurable risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and could cause a decline in the value of the securities of the Company.

Competition risk

Significant and increasing competition exists in the mining and mineral exploration industry. The Company faces strong competition from other mining and exploration companies in connection with the acquisition of properties producing, or capable of producing, minerals. Many of these companies are larger, more established, and have greater financial resources, operational experience and technical capabilities than the Company and make it difficult to compete for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. As a result of this competition, the Company may be unable to acquire additional attractive mining or exploration properties on terms it considers acceptable or at all. Consequently, the Company's business, results of operation, financial conditions and prospects could be adversely affected.

Government regulations

Exploration and evaluation companies operate in a high-risk regulatory environment. The mining activities is governed by numerous statutes and regulations in the United States, Canada, and other countries where AMSI intends to market its products. The subject matter of such legislation includes approval of mining facilities and environmental regulations.

The process of completing exploration and evaluation activities and obtaining required approvals is likely to take several years and require the expenditure of substantial resources. Furthermore, there can be no assurance that the regulators will not require modification to any submissions which may result in delays or failure to obtain regulatory approvals. Any delay or failure to obtain regulatory approvals could adversely affect the ability of AMSI to utilize its assets, thereby adversely affecting operations. Further, there can be no assurance that AMSI's properties will achieve levels of sensitivity and specificity sufficient for regulatory approval or market acceptance. There is no assurance that AMSI will be able to timely and profitably produce its products while complying with all the applicable regulatory requirements. Foreign markets, other than the United States and Canada, generally impose similar restrictions.

Conflicts of interest risk

Certain of the Company's directors and officers do, and may in the future, serve as directors, officers, promoters and members of management of other mineral exploration and development companies and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of the Company's management team and their duties as a director, officer, promoter or member of management of such other companies. The Company's directors and officers are aware of the laws establishing the fiduciary duties of directors and officers including the requirement that directors act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict is required under the Business Corporations Act (British Columbia) to disclose their interest.

Environmental risk

All phases of the Company's operations are subject to extensive environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, mitigation of impact of activities to wildlife and plant life, and provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of these regulations may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental-related permits and/or environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to impact the timing of execution of work plans and reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which the Company holds its interests or on properties that will be acquired which are unknown to the Company at present and which have been caused by previous or existing owners or operators of those properties.

Community relations risk

The Company's relationships with the communities in which it operates, and other stakeholders are critical to ensure the future success of the development of its properties. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Company, its operations or extractive industries generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to the Company's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not.

The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views in regard to the Company and its activities, whether true or not. While the Company strives to uphold and maintain a positive image and reputation, the Company does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing, maintaining community relations and advancing its projects and decreased investor confidence, all of which may have a material adverse impact on the financial performance and growth of the Company.

Litigation risk

All industries, including the mining industry, may be made subject to legal claims and proceedings, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. The Company may also in the future become the subject of a legal claim or proceeding at any time, and without advance notice of the commencement of the proceeding. To the extent the Company becomes subject to any such claim or proceeding, it may materially impact management's time and the Company's financial resources to defend, even if it is without merit. As well, due to the inherent uncertainty of the litigation process, the resolution of any particular legal claim or proceeding could have a material adverse effect on the Company's business, results of operations, financial condition (including its cash position) and prospects.

Climate change risk

The potential physical impacts of climate change on the Company's exploration projects is highly uncertain and are particular to the geographic circumstances. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. The Company's future exploration programs in the United States may require water and a lack of necessary water could disrupt exploration programs and adversely impact future development and mining activities. Climate change is an international concern and as a result poses the risk of changes in government policy including introducing climate change legislation and treaties at all levels of government that could result in increased costs. The trend towards more stringent regulations and carbon-pricing mechanisms aimed at reducing the effects of climate change could impact the Company's decision to pursue future opportunities, or maintain our existing exploration programs, which could have an adverse effect on our business.

No Anticipated Dividends

The Company does not intend to pay dividends on any investment in the shares of stock of the Company. The Company has never paid any cash dividends and currently do not intend to pay any dividends for the foreseeable future. To the extent that the Company requires additional funding currently not provided for in its financing plan, its funding sources may prohibit the payment of a dividend. Because the Company does not intend to declare dividends, any gain on an investment in the Company will need to come through an increase in the stock's price. This may never happen, and investors may lose all their investment in the Company.