



MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended February 28, 2023

Report Date – June 13, 2023

VITAL BATTERY METALS INC.
Management’s Discussion & Analysis
Year Ended February 28, 2023



Introduction

This Management’s Discussion and Analysis (“MD&A”) is provided by the management of Vital Battery Metals Inc. (the “Company” or “Vital”) as at and for the year ended February 28, 2023. This MD&A should be read in conjunction with the Company’s audited annual financial statements and notes thereto for the year ended February 28, 2023 (the “Annual Financial Statements”).

The following information has been prepared by management in accordance with International Financial Reporting Standards (“IFRS”). All financial results are reported in Canadian dollars, unless otherwise indicated.

Additional information relating to the Company, including the financial statements are available on the Vital Battery Metal’s website at www.vitalbatterymetals.com or on the Canadian System for Electronic Document Analysis and Retrieval “SEDAR” website at www.sedar.com.

Going Concern

The Company’s financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with, loans from directors and companies controlled by directors and/or private placements of common share. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

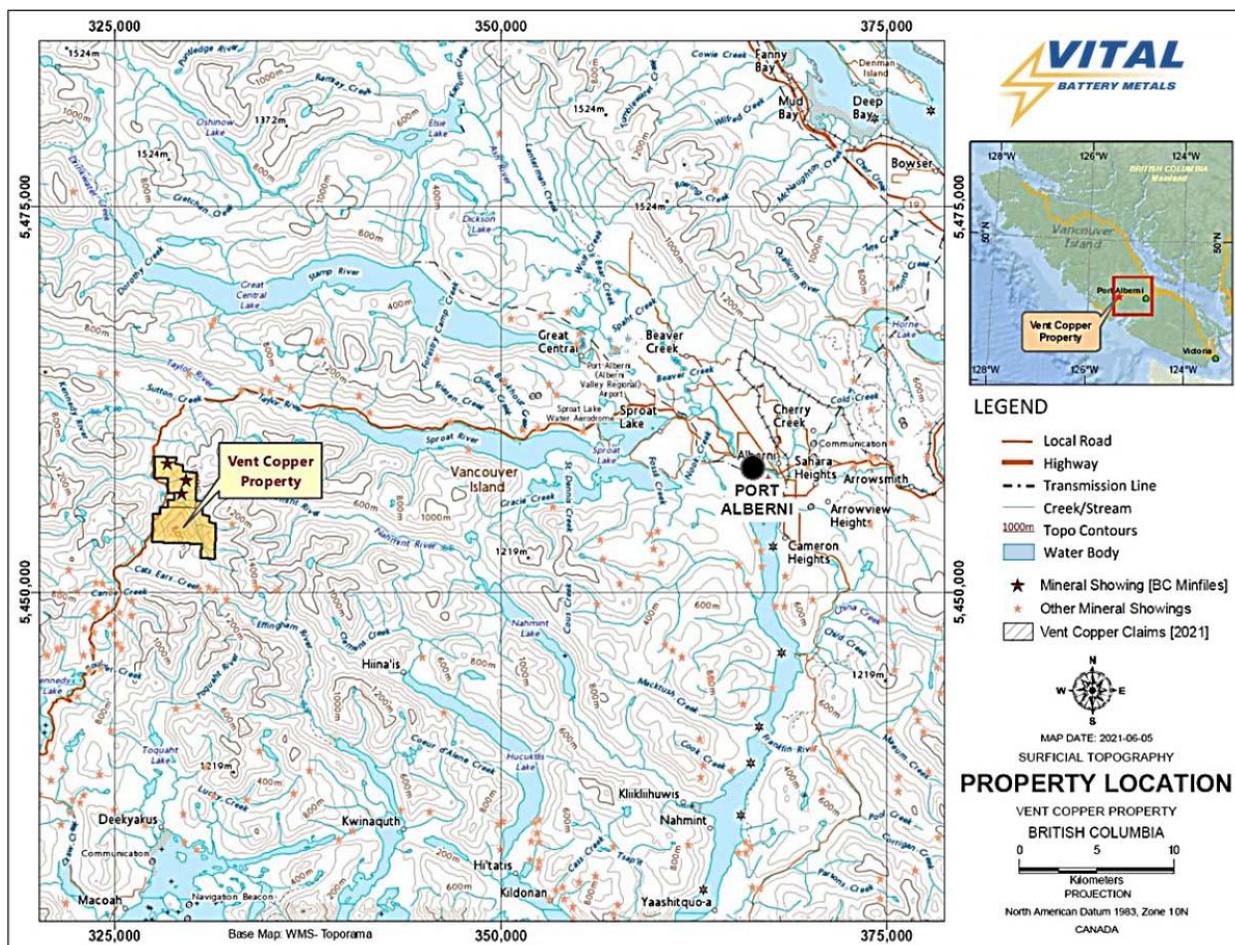
Description of Business

The Company was incorporated under the Business Corporations Act (British Columbia) on October 4, 2021. The Company changed its name from 1326985 B.C. Ltd. to Infinity West Capital Corp. on November 3, 2021 and further changed its name to Vital Battery Metals Inc. on January 7, 2022. The Company’s shares are listed for trading on the Canadian Securities Exchange (“CSE”) under the symbol “VBAM”, the Frankfurt Stock Exchange under the symbol CO0 and in the US on the OTC market, under the symbol, BAMF. The Company’s principal business activities include the acquisition and exploration of mineral property assets in Canada and specifically dedicated to the development of strategic projects comprising of battery, base and precious metals in stable jurisdictions. The Company’s registered and records office moved during the year and is now located at Suite 700, 838 West Hastings Street, Vancouver, BC.



Vent Copper Property

On December 14, 2021, the Company entered into a property option agreement (the “Option Agreement”) to acquire the right to earn up to 100% interest in and to two contiguous mineral claims located in Vancouver Island, B.C. known as the Vent Copper Property (the “Property”). This Property is situated in the Alberni Mining District, located on Vancouver Island in southwest British Columbia, approximately 51 kilometers west of Port Alberni. It is accessible from Vancouver via BC Ferries or air via Nanaimo.



Pursuant to the Option Agreement, the Company must satisfy the following:

- (a) Paying an aggregate of \$165,000 in cash as follows:
 - a. \$50,000 on or before the date that is ten calendar days after December 14, 2021 (“Effective Date”) (paid);
 - b. \$35,000 on or before the date that is eight months after the Effective Date, or before the date that is ten calendar days after the date that the Company is publicly listed on an exchange (the “Listing Date”), whichever is earlier (paid);
 - c. \$30,000 on or before the date that is one calendar year after the Listing Date; and
 - d. \$50,000 on or before the date that is two calendar years after the Listing Date;

VITAL BATTERY METALS INC.
Management’s Discussion & Analysis
Year Ended February 28, 2023



- (b) Issuing an aggregate of 800,000 common shares of the Company as follows:
 - a. 250,000 common shares on or before the date that is ten calendar days after the Listing Date (issued);
 - b. 250,000 common shares on or before the date that is one calendar year after the Listing Date; and
 - c. 300,000 common shares on or before the date that is two calendar years after the Listing Date.

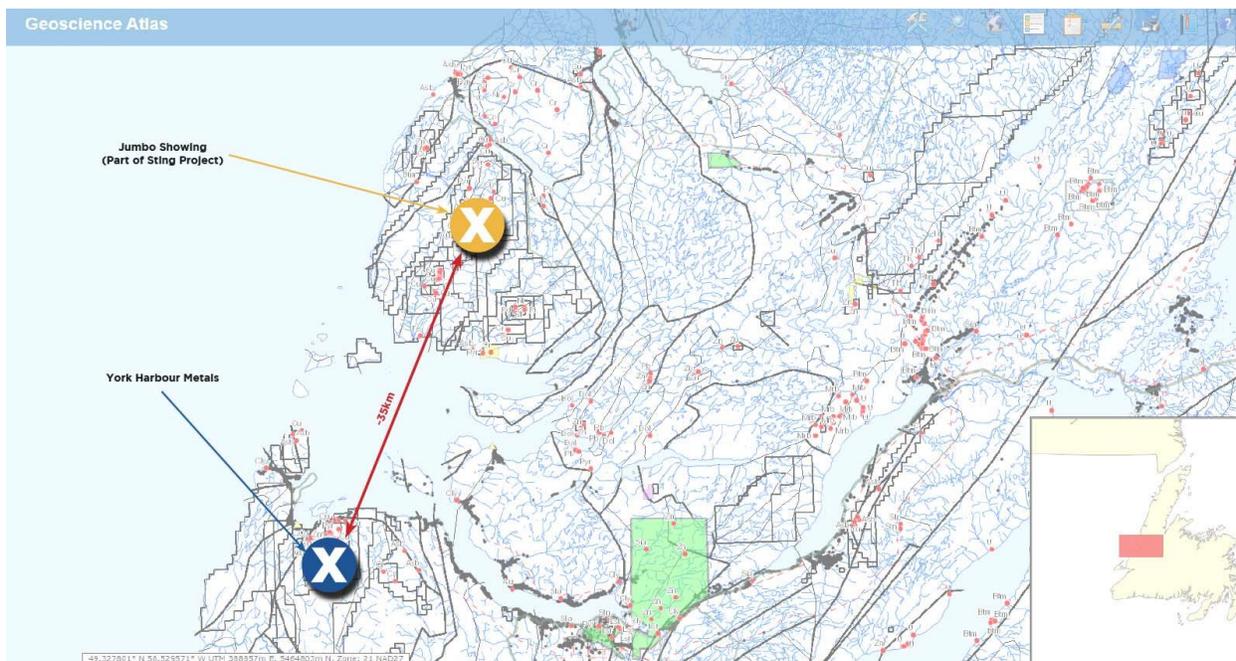
- (c) Incurring an aggregate expenditure of \$360,000 as follows:
 - a. \$110,000 on or before the date that is one calendar year after the Listing Date; and
 - b. \$250,000 on or before the date that is two calendar years after the Listing Date.

The Property is subject to 3% Net Smelter Returns royalty.

On May 15, 2023, the Company entered into an amending option agreement with respect to the Vent Copper Property to reduce the expenditures required to incur on or before the one year anniversary of the listing date from \$110,000 to \$90,000.

Sting Copper Project

On August 22, 2022, the Company entered into a property option agreement (the “Option Agreement”) to acquire 100% interest in the Sting Copper Project (the “Project”) located 14km south of the town of Trout River in the province of Newfoundland. The Project consists of five mineral licences and cumulatively encompasses a land area of approximately 30.6 km².



VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



Pursuant to the Option Agreement, the Company must satisfy the following:

- (a) Paying an aggregate of \$90,000 in cash as follows:
 - a. \$40,000 upon signing of the agreement (paid); and
 - b. \$50,000 on or before the one-year anniversary of the signing of the agreement.

- (b) Issuing an aggregate of 5,000,000 common shares of the Company as follows:
 - a. 2,500,000 common shares upon signing of the agreement (issued with a fair value of \$750,000); and
 - b. 2,500,000 common shares on or before the one-year anniversary of the signing of the agreement.

- (c) Incurring an aggregate expenditure of \$625,000 as follows:
 - a. \$250,000 on or before the one-year anniversary of the signing of the agreement; and
 - b. Additional expenditures of \$375,000 on or before the two-year anniversary of the signing of the agreement.

The optionee retains the right at any time to purchase one-half (1/2) of the 2% Net Smelter Returns royalty, in consideration of the payment of \$1,500,000, thereby leaving the optionor with a one percent (1%) Net Smelter Return royalty.

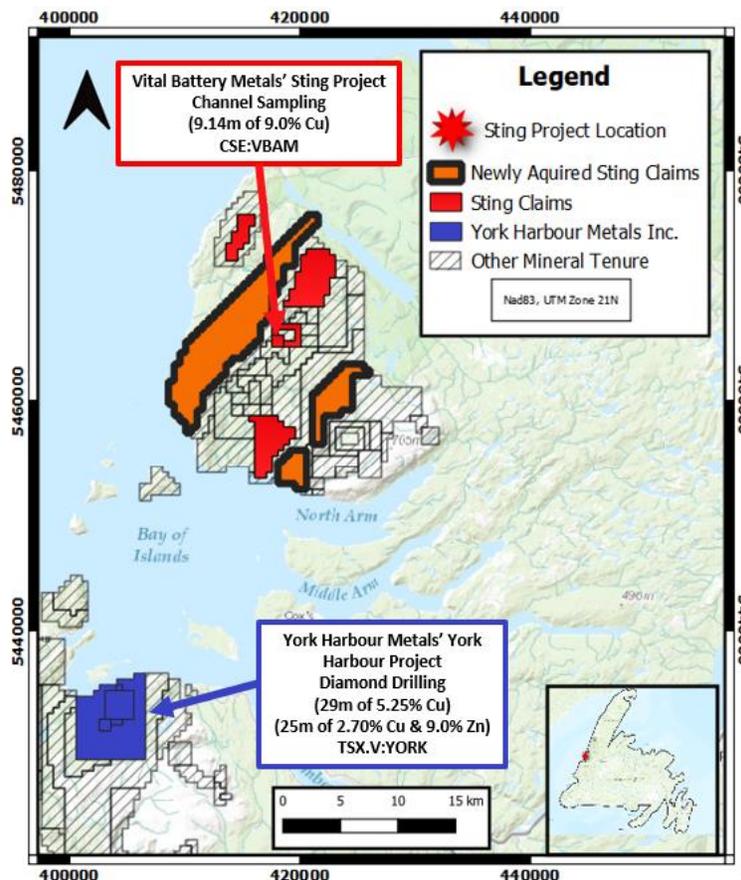
Upon the Company earning in under the Agreement, the Optionors will retain a 2% net smelter returns royalty on the New Tenure, of which the Company may purchase at any time one-half, being 1%, for a price of \$1,500,000.

On January 4, 2023, the Company announced initial exploration project results at its Sting Copper Project. The objective of the project was to confirm the previously reported high copper grades in mineralization at Jumbo Lode Prospect (“Jumbo”) and prospect for adjacent mineralized zones. The exploration program confirmed the very high copper grade of the massive sulfide at Jumbo as well as demonstrating the anomalous gold values associated with the mineralization. A mineralized zone was located 1 km northeast of Jumbo exposed on Gregory River with high gold values and elevated silver and zinc.

On January 31, 2023, the Company announced additional exploration results at its Sting Copper Project. The exploration program continues to confirm the very high copper grade of the massive sulfide at Jumbo as well as demonstrating the anomalous gold values associated with mineralization. An old trench was located 90m south of Jumbo massive sulfide consisting of strongly altered mafic rock that returned elevated copper, gold, cobalt values and suggest that alteration and mineralization extends well beyond the know showing.

Sting Copper Project – The New Tenure

On February 7, 2023, the Company entered into an option agreement (the “Option Agreement”) to acquire a 100% interest in additional mineral tenure at the Sting Copper Property located 14km south of the town of Trout River in the Province of Newfoundland. The additional acquired mineral tenure (the “New Tenure”) consists of three mineral licenses that cumulatively encompass a land area of approximately 87 km². The Company will now hold a total of 123 km² land package.



Pursuant to the New Tenure Option Agreement, the Company must satisfy the following:

- (d) Cash payment of \$40,000 within five days of signing of the agreement (paid subsequent to the year end).
- (e) Issuing an aggregate of 2,500,000 common shares of the Company as follows:
 - a. 1,250,000 common shares within five days of signing of the agreement (issued with a fair value of \$500,000) (Note 4); and
 - b. 1,250,000 common shares on or before the one-year anniversary of the signing of the agreement.
- (f) Incurring a minimum of \$100,000 in Exploration Expenditures on the Property on or before the first anniversary of the signing of this Agreement.

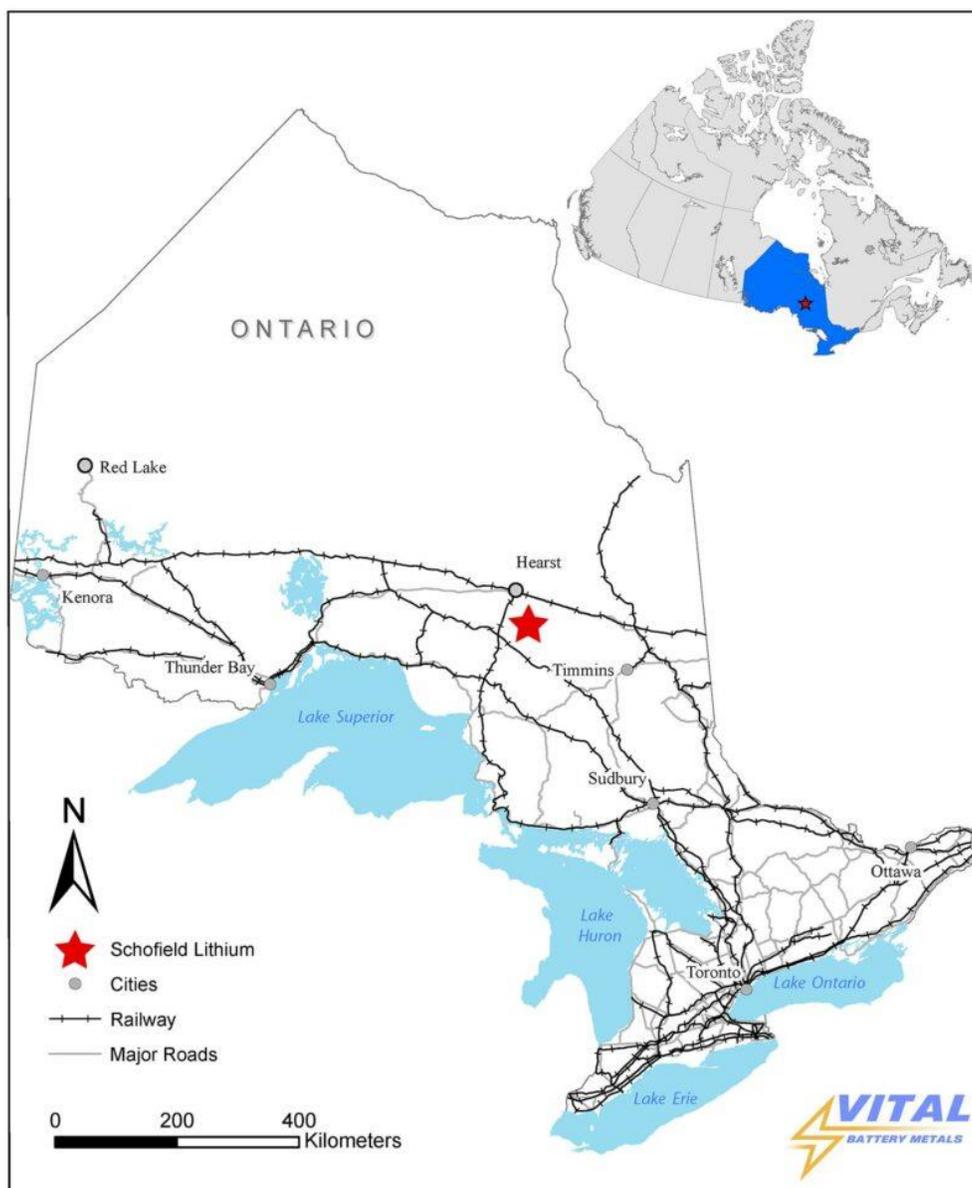
Upon the Company earning in under the Agreement, the Optionors will retain a 2% net smelter returns royalty on the New Tenure, of which the Company may purchase at any time one-half, being 1%, for a price of \$1,500,000.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



On March 1, 2023, the Company has entered into an agreement to engage Coast Mountain Geological Ltd. (“CMG”) for management and ongoing geological services of upcoming exploration activities at the Company’s Sting Copper Project in Newfoundland, Canada.

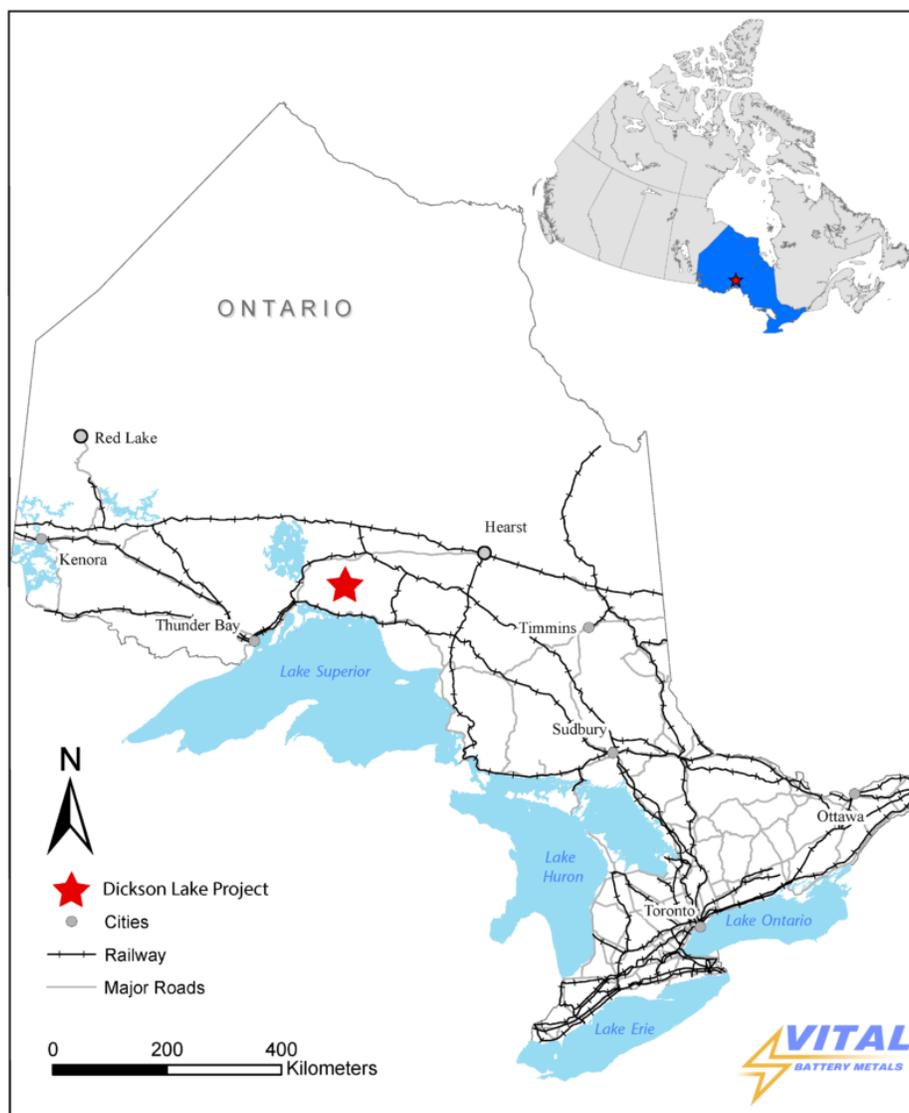
On March 7, 2023, the Company acquired, for the cost of staking, the Schofield Lithium Project (“Schofield” or the “Project”). The Project consists of 416 single-cell mining claims covering approximately 8,824 hectares and is located approximately 60km south of Hearst, Ontario.



VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



On March 13, 2023, the Company has acquired, for the cost of staking, the Dickson Lake Lithium Project ("Dickson" or the "Project"). The Project consists of 464 single-cell mining claims covering approximately 9,780 hectares and is near Imagine Lithium and Georgia Lake Lithium Deposits. With the recent acquisitions of Dickson and the Schofield Lithium Project, the Company now owns over 18,000 hectares of prospective lithium properties in Northern Ontario.



On March 21, 2023, pursuant to the New Tenure Option Agreement, the Company paid the \$40,000 cash payment, satisfying the initial terms of this agreement.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



OPERATIONS

The year ended February 28, 2023

For the year ended February 28, 2023 the Company reported a net loss of \$1,598,939 compared to a loss of \$30,786 in the prior year. Contributors to the next loss include (i) regulatory fees of \$66,349 pertaining to the Company's public listing on the Canadian Securities Exchange, Frankfurt Stock Exchange and the US OTC Market, (ii) investor relations costs of \$123,993 and (iii) the issuance of share-based compensation of \$1,090,839.

Expenses for the year ended February 28, 2023 include \$226 (2022 - \$Nil) in bank charges, \$79,997 (2022 - \$Nil) in consulting fees, \$89,700 (2022 - \$Nil) in management fees were paid/accrued to the Chief Executive Officer and Chief Financial Officer of the Company for CEO, CFO and accounting services, \$10,870 (2022 - \$1,616) in office and miscellaneous, \$123,758 (2022 - \$29,170) in professional fees, and \$11,581 (2022 - \$Nil) in transfer agent and filing fees.

Selected Financial Data - Summary of Annual Results
(\$000's except loss per share)

	February 28, 2023	February 2022
Revenue	\$ 0	\$ 0
Net Loss	\$ (1,597)	\$ (30)
Basic and Diluted Loss Per Share	\$ (0.05)	\$ (0.00)
Total Assets	\$ 4,063	\$ 929
Long-Term Debt	\$ 0	\$ 0
Dividends	\$ 0	\$ 0

Summary of Quarterly Results

The following is a summary of quarterly financial information of the Company since its inception:

	Three months ended February 28, 2023	Three months ended November 30, 2022	Three months ended August 31, 2022	Three months ended May 31, 2022	From the Date of Incorporation October 4, 2021 to February 28, 2022
	\$	\$	\$	\$	\$
Net loss and comprehensive loss	(1,312,042)	(155,619)	(75,551)	(55,727)	(30,786)
Basic and diluted loss per share	(0.04)	(0.01)	(0.00)	(0.00)	(0.00)
Working capital	2,432,437	2,684,575	633,381	782,732	838,559
Total assets	4,063,281	3,681,859	1,605,570	864,347	929,529
Total liabilities	97,796	6,772	19,689	31,615	40,970

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



The quarterly results from the above are discussed as follows:

- a) During the quarter ended February 28, 2023, the Company incurred net loss and comprehensive loss of \$1,312,042. The significant operating expenses consist of consulting fees of \$28,000, investor relations of \$123,993, regulatory fees of \$1,527, share based payments of \$1,090,839, professional fees of \$28,227 and transfer agent and filing fees of \$2,426. In addition, management fees of \$37,000 were paid/accrued to the Chief Executive Officer and Chief Financial Officer of the Company for CEO and accounting services, respectively.
- b) During the quarter ended November 30, 2022, the Company incurred net loss and comprehensive loss of \$155,619. The significant operating expenses consists of consulting fees of \$48,320, professional fees of \$30,341 and transfer agent fees of \$2,444 mainly related to the Company's public listing on the Canadian Securities Exchange, Frankfurt Stock Exchange and the US OTC Market. In addition, management fees of \$39,000 were paid/accrued to the Chief Executive Officer and Chief Financial Officer of the Company for CEO and accounting services, respectively.
- c) During the quarter ended August 31, 2022, the Company incurred net loss and comprehensive loss of \$75,551. The significant operating expenses consists of professional fees of \$37,433, regulatory fees of \$13,524 and transfer agent and filing fees of \$6,711 mainly related to the Company's public listing on the Canadian Securities Exchange. In addition, management fees of \$13,700 were paid/accrued to the Chief Executive Officer and Chief Financial Officer of the Company for CEO and accounting services, respectively.
- d) During the quarter ended May 31, 2022, the Company incurred net loss and comprehensive loss of \$55,727. The significant operating expenses consists of professional fees of \$34,676, and regulatory fees of \$20,957. These costs are due to the incorporation and initial operations of the business, including the Company's public listing on the Canadian Securities Exchange.
- e) From the date of incorporation October 4, 2021 to February 28, 2022, the Company incurred net loss and comprehensive loss of \$30,786. The operating costs consists of office and miscellaneous of \$1,616 and professional fees of \$29,170. These costs are due to the incorporation and initial operations of the business.

Liquidity and Capital Resources

The Company had a working capital of \$2,432,437 as at February 28, 2023, compared to a working capital of \$838,559 as at February 28, 2022. Working capital increased as a result of funds raised from a private placement and exercising of warrants.

During the year ended February 28, 2023, the Company reported a total net loss of \$1,598,939 (February 28, 2022 - \$30,786) due to regulatory fees, investor relation expenses and professional fees pertaining to the Company's public listings, the issuance of share-based compensation and increased management and consulting costs. During the year the Company used net cash of \$634,060 (February 28, 2022 - \$1,616) on operating activities and cash used of \$114,498 (February 28, 2022 - \$50,000) from investing activities.

During the current year, the Company received proceeds from the exercise of share purchase warrants in the amount of \$16,000.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



In November 2022, the Company closed a non-brokered private placement of \$0.25 per unit for total proceeds of \$2,300,000, with each unit consisting of one common share and one share purchase warrant. Each share purchase warrant is exercisable into one common share at a price of \$0.35 per share for a period of 24 months following the issuance date.

As at the Report Date, the Company has approximately \$1,968,739 cash.

Share Capital Transactions

For the year ended February 28, 2023, the Company had the following share capital transactions:

- On February 23, 2023, the Company issued 5,000 common shares pursuant to the exercise of 5,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$1,000.
- On February 7, 2023, the Company issued 1,250,000 common shares valued at \$500,000 pursuant to the New Tenure Option Agreement.
- On January 12, 2023, the Company issued 3,000 common shares pursuant to the exercise of 3,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$600.
- On December 15, 2022, the Company issued 25,000 common shares pursuant to the exercise of 25,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$5,000.
- On December 12, 2022, the Company issued 25,000 common shares pursuant to the exercise of 25,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$5,000.
- On November 15, 2022, the Company issued 3,000 common shares pursuant to the exercise of 3,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$600.
- On November 9, 2022, the Company issued 9,200,000 units at \$0.25 per share for total proceeds of \$2,300,000. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant is exercisable into one common share at a price of \$0.35 per share for a year of 24 months following the issuance date. Pursuant to the private placement, the Company paid share issuance costs of \$58,975 and issued 235,900 broker warrants. The fair value of the broker warrants was \$68,366.
- On October 14, 2022, the Company issued 3,000 common shares pursuant to the exercise of 3,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$600.
- On October 12, 2022, the Company issued 10,000 common shares pursuant to the exercise of 3,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$2,000.
- On September 27, 2022, the Company issued 3,000 common shares pursuant to the exercise of 3,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$600.
- On August 30, 2022, the Company issued 2,500,000 common shares valued at \$750,000 pursuant to the Sting Property Option Agreement.
- On August 25, 2022, the Company issued 3,000 common shares pursuant to the exercise of 3,000 share purchase warrants at an exercise price of \$0.20 per share for proceeds of \$600.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



- On July 28, 2022, the Company issued 250,000 common shares valued at \$77,500 pursuant to the Vent Copper Property.
- On July 21, 2022, 3,397,450 special warrants of the Company were converted into one unit of the Company, without additional payment, pursuant to the Company's shares trading on the Canadian Securities Exchange. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of \$0.20 for two years.

For the year from inception on October 4, 2021 to February 28, 2022, the Company had the following share capital transactions:

- On January 7, 2022, the Company issued 6,300,000 units at \$0.05 per share for total proceeds of \$315,000. Each unit consists of one common share and one warrant. Each warrant is exercisable into one common share at a price of \$0.10 per share for a year of three years following the issuance date.
- On December 13, 2021, the Company issued 12,100,000 common shares at \$0.02 per share for total proceeds of \$242,000.
- On November 23, 2021, the Company issued 4,500,000 common shares at \$0.005 per share for total proceeds of \$22,500.
- On October 4, 2021, the Company issued 2 common shares to the incorporators which shares were subsequently repurchased by the Company for cancellation.

During the year from inception on October 4, 2021 to February 28, 2023, the Company received a total of \$339,745 related to 3,397,450 special warrants of the Company priced at \$0.10 per special warrant.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

During the year ended February 28, 2023, the Company paid or accrued management fees of \$70,000 and granted share-based compensation of \$171,246 to Bordeaux Futures Consulting Corp., a company controlled by Adrian Lamoureux, a director and CEO of the Company.

During the year ended February 28, 2023, the Company paid or accrued professional fees of \$8,000 and granted share-based compensation of \$102,748 to Bryce A. Clark & Associates Ltd., a company controlled by Bryce Clark, CFO of the Company.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



During the year ended February 28, 2023, the Company paid or accrued consulting fees of \$12,000 and granted share-based compensation of \$171,246 to MSP Consulting Inc, a company controlled by Mandeep Parmar, a director and Vice President (“VP”) of Corporate Development of the Company. As at February 28, 2023, an amount of \$12,600 included in accounts payable was due to MSP Consulting Inc., a company controlled by Mandeep Parmar, director and VP of Corporate Development. The amounts due are unsecured, bear no interest and are due on demand.

During the year ended February 28, 2023, the Company paid or accrued professional fees of \$4,000 and granted share-based compensation of \$102,748 to BOA Services Ltd., a company controlled by Paul Chung, a director of the Company.

During the year ended February 28, 2023, the Company granted share-based compensation of \$102,748 to R. Todd Hanas, a director of the Company.

During the year ended February 28, 2023, the Company paid or accrued consulting fees of \$21,677 and granted share-based compensation of \$102,748 to Nia Corporate Services, a company controlled by Kelly Pladson, the corporate secretary of the Company. As at February 28, 2023, an amount of \$3,150 included in accounts payable was due to Nia Corporate Services, a company controlled by Kelly Pladson, the corporate secretary of the Company.

During the year ended February 28, 2023, the Company paid or accrued professional fees of \$15,700 and granted share-based compensation of \$42,000 to Shim & Associates, a company controlled by Dong Shim, the former CFO of the Company. As at February 28, 2023, the Company paid or accrued management fees of \$15,700 to Golden Tree Capital, a company controlled by Dong Shim, the former CFO of the Company.

During the period from incorporation on October 4, 2021 to February 28, 2022, there were no transactions with related parties.

Certain directors and/or officers participated in various private placements.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements as at February 28, 2023 or at the date of this MD&A.

Financial Instruments

(a) Categories of Financial Instruments and Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

VITAL BATTERY METALS INC.
Management’s Discussion & Analysis
Year Ended February 28, 2023



The fair value of the Company’s financial instruments, approximates their carrying amount due to their short-term maturities.

The fair value of the Company’s financial instruments has been classified within the fair value hierarchy as at February 28, 2023 and February 28, 2022 as follows:

February 28, 2023	Level 1	Level 2	Level 3	Total
Financial Instrument				
Cash	\$ 2,376,697	-	-	\$ 2,376,697

February 28, 2022	Level 1	Level 2	Level 3	Total
Financial Instrument				
Cash	\$ 878,070	-	-	\$ 878,070

(b) *Management of Financial Risks*

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company had no exposure to credit risk as the Company maintains all of its cash in a major bank. Accordingly, the Company has assessed credit risk as low.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company’s liquidity and operating results may be adversely affected if its access to the capital markets is hindered. The Company has no source of revenue and has obligations to meet its administrative overheads and to settle amounts payable to its creditors. At February 28, 2023, the Company had \$2,376,697 (February 28, 2022 - \$878,070) in cash to settle current liabilities of \$97,796 (February 28, 2022 - \$40,970) and, as such, assessed liquidity risk as low.

Foreign Exchange Risk

Foreign exchange risk is the risk that the Company’s financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The main currency to which the Company has exposure is the US dollar. The Company is exposed to currency risk to the extent of its cash, accounts payable and accrued liabilities that are denominated in US dollars. The Company does not hedge its exposure to fluctuations in the related foreign exchange rates. The Company’s exposure to currency risk is currently considered insignificant.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is limited to the \$700,000 in interest-bearing term deposits.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no variable interest-bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in battery metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Capital Management

The Company defines its capital as working capital and shareholders' equity. The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is dependent upon external financing. In order to carry future activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements. The Company did not institute any changes to its capital management strategy since inception.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Outstanding Share Data

The Company has authorized an unlimited number of common shares with no par value.

Type of Equity Instruments	As of February 28, 2023	As of the date of this MD&A
Common shares	39,577,450	39,577,450
Warrants	12,753,300	12,753,300

VITAL BATTERY METALS INC.
Management’s Discussion & Analysis
Year Ended February 28, 2023



During the year, the Company approved a rolling stock option plan (the “Plan”) whereby the Company may issue up to 10% of its issued share capital in stock options to eligible directors, officers, consultants and employees of the Company. The Company has granted an aggregate of 3,185,000 stock options (the “Options”) to members of its Board, management team and consultants of the Company. The Options are exercisable at a price of \$0.42 per share for a period of three years. The Options have been granted under and are governed by the terms of the Plan.

During the year ended February 28, 2023, the Company recognized \$1,090,839 in share-based compensation expense related to these stock options.

The Company entered into an escrow agreement whereby 4,070,000 common shares are to be held in escrow. During the year 1,842,500 shares were released in accordance with the terms of the escrow agreement. As at February 28, 2023, the Company has 2,502,500 shares held in escrow. On April 22, 2023 275,000 shares were released in accordance with the terms of the escrow agreement. As of the date of this MD&A, the Company has 2,227,500 shares held in escrow.

Corporate Governance

The Company’s Board of Directors substantially follows the recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The current Board of Directors is comprised of four individuals; Adrian Lamoureux, Mandeep Parmar, Paul Chung and Todd Hanas. Both Paul Chung and Todd Hanas are neither executive officers nor employees of the Company and are unrelated in that they are independent of management.

On December 14, 2022, the Company appointed Mandeep Sing Parmar as a director and VP Corporate Development.

On December 28, 2022, the Company appointed Bryce Clark as Chief Financial Officer.

Board of Directors and Officers

Chief Executive Officer	Adrian Lamoureux
VP Corporate Development, Director	Mandeep Parmar
Director	Paul Chung
Director	R. Todd Hanas
Chief Financial Officer	Bryce A. Clark
Corporate Secretary	Kelly Pladson

Management’s Responsibility for Financial Reporting

The accompanying financial statements of the Company and all the information in this Management’s Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the financial statements.

The Company maintains systems of internal accounting and administrative controls in order to provide on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements. That Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board and two of its members are independent directors. The Audit Committee meets at least one a year with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the external auditors' report. The Audit Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the shareholders, the engagement or appointment of the external auditors.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements in this MD&A are forward-looking statements or forward-looking information (collectively "forward-looking statements") within the meaning of applicable securities legislation. We are hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable.

While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed.



Readers are cautioned that the foregoing lists of factors are not exhaustive.

The forward-looking statements in this MD&A are based on the reasonable beliefs, expectations and opinions of management on the date of this MD&A. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information.

Risk Factors

An investment in the Company should be considered highly speculative, due to the Company's stage and the inherent uncertainty in resource exploration and development.

The Company is exposed to many risks and uncertainties including among other factors the following:

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 Company's projects are at an early stage of exploration. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of minerals, metals or resources of value. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration and development programs, which may be affected by a number of factors.

The business of exploration for minerals and mining involves a high degree of risk. Whether a mineral deposit can be commercially viable depends upon a number of factors, including the particular attributes of the deposit, including size, grade and proximity to infrastructure; metal and uranium prices, which can be highly variable; and government regulations, including environmental and reclamation obligations. Few properties that are explored are ultimately developed into profitable, producing mines.

Substantial expenditures are required to establish the continuity of mineralized zones through drilling and to develop and maintain the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for any proposed development of the Company's properties can be obtained on a timely basis.

The marketability of any minerals acquired or discovered by the Company in the future 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 may result in the Company not receiving an adequate return on investment capital.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



There is no assurance that any regulatory authority having jurisdiction will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise.

Financial Capability and Additional Financing

The Company has limited financial resources and has no assurance that additional funding will be available to it for further exploration and development of its projects. There can be no assurance that it will be able to obtain sufficient financing in the future to carry out exploration and development work on its projects. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Company.

Mining Titles

There is no guarantee that the Company's title to or interests in the Company's property interests will not be challenged or impugned. The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. There is no guarantee of title to any of the Company's properties. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

There can be no assurance that the Company's rights will not be challenged by third parties claiming an interest in the properties. In order to retain mining titles, the Company is obligated to perform certain annual work assessment requirements. A failure to perform adequate exploration work on specific mineral tenure claims is, in the absence of cash deposits, expected to result in the loss of such tenure.

Management

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Conflicts of Interest

Certain directors and officers of the Company are, and are expected to continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships, joint ventures and other financial and/or mining interests which are potential competitors of the Company or otherwise adverse in interest. It is understood and accepted by the Company that certain directors and officers of the Company may continue to independently pursue opportunities in the mineral exploration industry. Situations may arise in connection with potential acquisitions, operational aspects, or investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to the applicable corporate and securities legislation, regulation, rules and policies and the particulars of any agreements made between the Company and the applicable director or officer.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



Dilution

If the Company raises additional funds through the sale of equity securities, shareholders may have their investment diluted. In addition, if warrants and options are issued in the future, the exercise of such options and warrants may result in dilution to the Company's shareholders. The Company intends to issue further equity in the future.

History of Losses and No Assurance of Profitable Operations

The Company has incurred a loss since inception. There can be no assurance that the Company will be able to operate profitably during future years. If the Company is unable to operate profitably during future years, and is not successful in obtaining additional financing, the Company could be forced to cease its exploration and development plans as a result of lacking sufficient cash resources.

The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions may occur. These unexpected or unusual conditions may include rock bursts, cave-ins, fires, flooding and earthquakes. 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. 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 securities of the Company.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may adversely affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Furthermore, permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations.

Fluctuating Commodity Prices

The Company's revenues, if any, are expected to be in large part derived from the sale of commodities. The prices of commodities, including prices related to lithium and uranium, have fluctuated widely in recent years and are affected by factors beyond the control of the Company including, but not limited to, economic and political trends, currency exchange fluctuations, economic inflation and expectations for the level of economic inflation in the consuming economies, interest rates, global and local economic health and trends, speculative activities and changes in the supply due to new mine developments, mine closures, and advances in various production and technological uses for commodities being explored for by the Company.

VITAL BATTERY METALS INC.
Management's Discussion & Analysis
Year Ended February 28, 2023



All of these factors, and other factors not detailed herein, may impact the viability of Company projects, and include factors which are not possible to predict with certainty.

Competitive Conditions

The mining industry is intensely competitive in all its phases, and the Company competes with other companies that have greater financial resources and technical capabilities. Competition in the mining industry is primarily for mineral properties which can be developed and produced economically; the technical expertise to find, develop, and produce such properties; the labor to operate the properties; and the capital for the purpose of financing development of such properties. Many competitors not only explore for and mine for metals, minerals and uranium, but also conduct refining and marketing operations on a world-wide basis and most of these companies have much greater financial and technical resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these mineral deposits could have a material adverse effect on the Company's results.

Inadequate Infrastructure May Affect the Company's Operations

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.