Li-FT POWER LTD.

Management's Discussion and Analysis

For the year ended November 30, 2024

TSX-V: LIFT I OTCQX: LIFFF I FRANKFURT: WS0

www.li-ft.com

GENERAL

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the consolidated financial statements of Li-FT Power Ltd. (the "Company" or "LIFT") for the year ended November 30, 2024, which are prepared in accordance with accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") on a going concern basis. These documents, along with additional information on the Company including the Company's Annual Information Form ("AIF") for the year ended November 30, 2024, are available under the Company's SEDAR+ profile at www.sedarplus.ca.

In this MD&A, unless the context otherwise requires, references to the "Company", "LIFT", "we", "us", and "our" refer to Li-FT Power Ltd. and its subsidiaries.

This MD&A contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities laws. See the section in this MD&A titled "Forward-Looking Statements" for further details and "Risks Factors" for a discussion of the risks, uncertainties and assumptions relating to such information. In addition, this MD&A has been prepared in accordance with the requirements of Canadian securities laws, which differ in certain material respects from the disclosure requirements of United States securities laws.

All dollar amounts included in this MD&A are expressed in Canadian dollars unless otherwise noted. This MD&A is dated as of March 21, 2025, and all information contained in this MD&A is current as of March 20, 2025.

DESCRIPTION OF BUSINESS

Li-FT Power Ltd. was incorporated under the Business Corporations Act (British Columbia) on May 28, 2021. The Company is an exploration stage company engaged in the acquisition, exploration, and development of mineral properties, with a focus on lithium in Canada.

The head office of the Company and principal address is Suite 1218-1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3, and the registered and records office of the Company is located at Suite 830-999 West Broadway, Vancouver, British Columbia V5Z 1K5.

PROJECTS OVERVIEW

The Company holds interests in two mineral properties in the Northwest Territories being the Yellowknife Lithium Project and the Cali Project, and three mineral properties in Quebec, the Rupert Project, the Pontax Project and the Moyenne Project. Key agreements for each are described in further detail in the section below.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth selected consolidated information of the Company for the years ended November 30, 2024, 2023 and 2022, prepared in accordance with IFRS. The selected consolidated financial information should be read in conjunction with the Company's audited annual consolidated financial statements for the years ended November 30, 2024, 2023, and 2022.

Financial Results (in $000s Except for per Share Amounts):		For years ended November 30		
		2024	2023	2022
Mineral Property Expenditures (1)	$	25,372	35,784	3,010
Net Income (Loss) and Comprehensive Income (Loss) for the year		(9,056)	3,549	(738)
Total Cash Used in Operating Activities (2)		3,903	5,480	583
Basic and Diluted Net Income (Loss) Per Share (in Dollars) (3)		(0.21)	0.10	(0.04)
Financial Position (in $000s):		**November 30, 2024**	**November 30, 2023**	**November 30, 2022**
Cash	$	21,011	17,737	5,442
Working Capital (4)		12,158	16,643	1,410
Exploration and Evaluation Assets		261,676	236,304	10,004
Total Assets		284,025	261,713	15,488
Total Liabilities		24,417	16,521	4,074

(1) Represents mineral property expenditures per the consolidated statements of financial position in each corresponding year.
(2) Per the consolidated statements of cash flows in each corresponding year.
(3) The basic and diluted loss per share calculations result in the same amount due to the anti-dilutive effect of outstanding stock options and warrants, where applicable.
(4) This is a non-IFRS measurement with no standardized meaning under IFRS and may not be comparable to similar financial measures presented by other issuers. For further information please see the section in this MD&A titled *"Non-IFRS Measures"*.

In terms of the mineral property expenditures, the following summarizes the 2023 and 2024 work programs at each of the key project locations:

Yellowknife Lithium Project

Exploration on the Yellowknife Lithium Project commenced on June 2, 2023. As at the date of this MD&A, a total of 49,548 metres of diamond drilling over 286 holes were completed over 8 known spodumene bearing pegmatite dikes. Bulk sampling was completed on the 8 dikes drill tested and submitted to SGS Lakefield for metallurgical analysis, results were received and published on September 23, 2024. Bases of exploration were established in the town of Yellowknife, at Hidden Lake exploration camp and Echo satellite camp. Environmental baseline studies were initiated in 2023 to support a PEA level scoping study. The 2023 summer exploration program was impacted by wildfires and the evacuation of the town of Yellowknife from August 15 to September 10, 2023. The Company continued resource definition drilling in the winter 2024 program which began on January 5, 2024 and included approx. 16,000 metres of drilling with announced drill results for 80 holes. On October 1, 2024, the Company announced the initial National Instrument 43-101 compliant mineral resource estimate for 8 of 13 spodumene-bearing pegmatite dykes that comprise LIFT's YLP. The consolidated in-pit MRE is reported at 50.4 million tonnes (Mt) grading 1.00% Li_2O for 506,000 tonnes of Li_2O (1.25 million tonnes of LCE) in the inferred category.

Cali Lithium Project

LIFT initiated surface mapping and geochemical sampling on August 17, 2023, at the Cali Lithium Project. A total of 183 chip samples and 1,222 soil samples were collected. Mapping identified three distinct sheeted dike corridors over a collective width of 110 metres and a strike of 1,300 metres. Numerous surface occurrences of spodumene hosted pegmatite dikes returned >1.5% Li_2O in soil samples. Soil geochemical anomalies define the outcropping pegmatite corridors as well as two additional coherent trends of anomalous Li-Cs-Be values. LIFT has plans to follow up these positive results with further exploration in 2025.

Rupert Lithium Project

A multi-phase exploration program was initiated in March 2023 on the Rupert Lithium Project (including the Moyenne and Pontax tenure packages) which completed in October 2023. A total of 4,611 metres of diamond drilling was completed over 12 holes. Of these, 6 holes each were drilled to test bedrock at the head of two coherent robust till geochemical anomalies. A total of 6,248 soil, 183 rock and 731 heavy mineral concentrate (HMC) samples were collected on the Pontax and Rupert tenure packages. A short top-of-bedrock RC drilling program ceased as a result of the wildfire activity in April and May of 2023. Heavy mineral concentrate samples from the RC program were submitted to Overburden Drilling Management for indicator mineral counts and a follow up program commenced in September 2024, predominantly at the Pontax claims.

LITHIUM PROJECT LOCATIONS AND HISTORY

i) NORTHWEST TERRITORIES

YELLOWKNIFE LITHIUM PROJECT

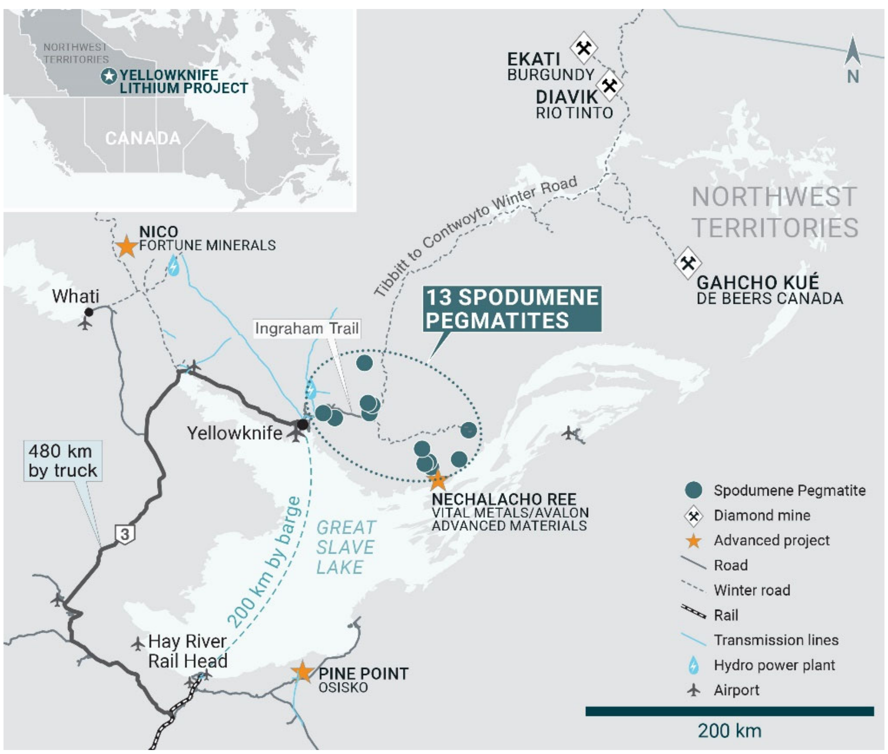
On November 23, 2022, the Company entered into an amalgamation agreement (the "Amalgamation Agreement") with 1361516 B.C. Ltd. (the "Target"), a private company holding a 100% indirect interest in the Yellowknife Lithium Project (the "Project" or the "Properties"), whereby the Company agreed to acquire all the issued and outstanding shares of the Target. On December 30, 2022, the transaction was completed for total share consideration of $198,000,000.

The Yellowknife Lithium Project ("YLP") is comprised of thirteen mineral leases that cover most of the larger lithium pegmatites in the Yellowknife Pegmatite Province ("YPP"). Numerous spodumene-bearing pegmatites with strike lengths up to 1,800 metres and widths up to 40 metres outcrop within the Project and are plainly visible from satellite imagery. The YPP also benefits from excellent existing infrastructure, including roads and a skilled labour force that could support the development of this project. The Property is subject to an underlying 2% net smelter royalty ("NSR") and an overriding 2% gross production royalty.

Lithium mineralization hosted in spodumene-bearing pegmatites of the YPP was first discovered in the 1940's and intermittently explored through to the 1980's. Canadian Superior Exploration Limited (CSEL), the exploration arm of Superior Oil, completed systematic mapping, spodumene crystal counts, trenching, channel sampling and diamond drilling in the area from 1975 to 1979.

Superior Oil was acquired by Mobil in 1984 which led to the divestment of the CSEL mineral properties and the claims holding the largest lithium pegmatites were transferred to Erex International Ltd. ("Erex"), a private company acquired by the Target. In 1985, Erex entered into an option agreement with Equinox Resources Ltd. who collected bulk samples in 1987 for initial metallurgical testing. The results from initial metallurgical testing were positive and Equinox recommended a full feasibility study. Equinox was later acquired by Hecla Mining Company and the YPP lithium deposits reverted to Erex. Since 1987, very little exploration work has been completed on any of the pegmatites.

On February 18, 2023, the Company acquired an option to purchase a 100% interest in 13 mineral leases covering 991 hectares that comprise the Thompson-Lundmark Project (the "TL Property") and one lease, covering 115 hectares to the north of the TL Property. The terms of the option require the Company to make aggregate cash payments of $3 million and incur exploration expenditures over the two-year term of the option agreement. However, on February 27, 2025, the Company announced that it has terminated its option to acquire a 100% interest in the Thompson Lundmark Property, pursuant to an option agreement dated February 18, 2023 (the "Option Agreement") prior to the second anniversary cash payment of $1.75 million.



On April 19, 2023, the Company announced it has signed a Memorandum of Understanding ("MOU") with the Yellowknives Dene First Nation ("YKDFN") regarding the Yellowknife Lithium Project located approximately 60 kilometres east of Yellowknife, Northwest Territories in YKDFN's traditional territory; Chief Drygeese Territory. The MOU stated that both LIFT and YKDFN will enter into an Exploration Agreement based upon the terms outlined in the MOU, and that LIFT could mobilize equipment and supplies for the summer 2023 drill campaign at the Yellowknife Lithium Project with an anticipated start date on or around June 1, 2023. The exploration agreement was formally entered into on June 5, 2023 with YKDFN.

The summer drill campaign at the Yellowknife Lithium Project began on June 2, 2023, and was expected to be approximately 45,000 metres and run until November 2023. The drill program was targeting seven outcropping spodumene-bearing pegmatite dyke complexes that are within 10 kilometres of an all-season highway. Drilling began by targeting areas that, based on historic trench sample results, returned the highest lithia grades from outcropping pegmatites. The Fi Southwest and Fi-Main pegmatites were the first targets that were drilled. The Company planned to drill each pegmatite target at 100 metre by 100 metre centers to a vertical depth of 300 metres.

On June 14, 2023, the Company announced that initial drilling below the Fi Southwest pegmatite had intersected widths of spodumene-bearing pegmatite similar to surface exposures and that the dyke contains similar amounts of spodumene to what was reported in historic work completed in the 1970s and 1980s (locally 5 – 50% spodumene content).

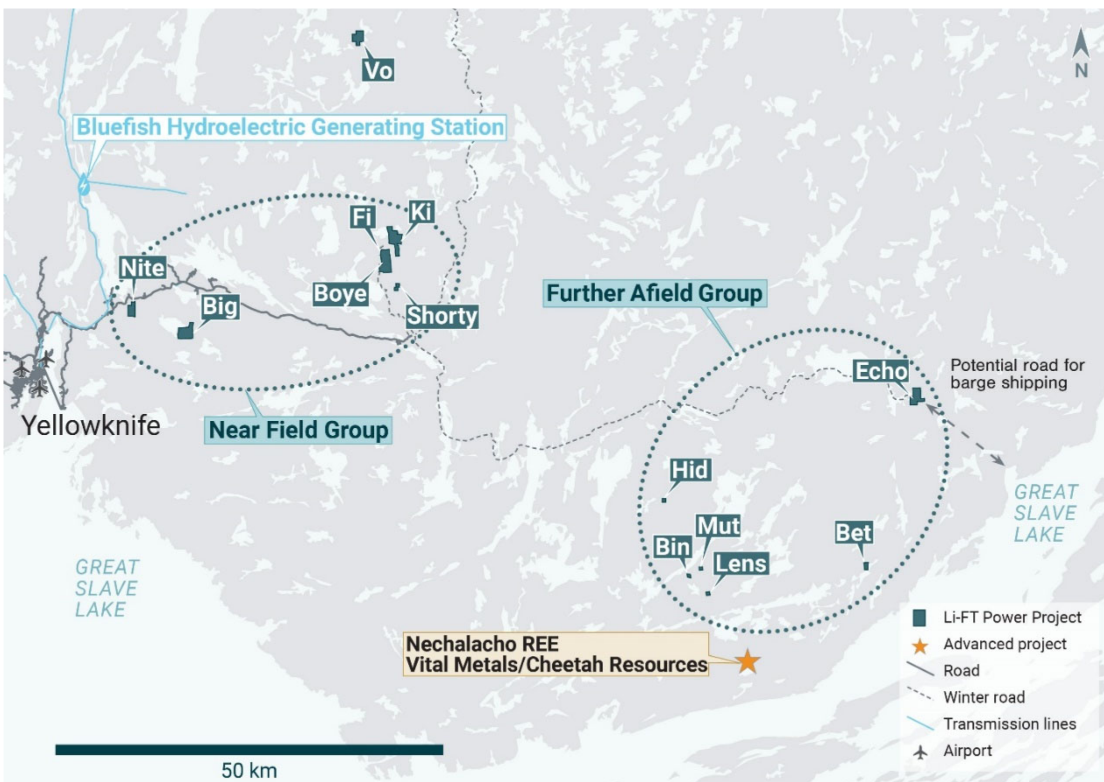
On August 15, 2023, the Company announced that due to forest fire activity in the Northwest Territories, LIFT temporarily demobilized personnel, essential equipment, and key drill core from the Hidden Lake Camp. LIFT worked with the Government of the Northwest Territories to support local fire-fighting efforts and released a helicopter to support the campaign. Subsequently on September 14, 2023, LIFT announced that diamond drilling resumed with one drill rig at the Echo target and planned to scale up to six rigs by mid-September. The Company reported that there was no damage to any samples, equipment, or infrastructure during the evacuation period.

LIFT was issued a Type A Land Use Permit (MV2022C0021), a non-federal Type B Water Licence (MV2022L8-0008), and a federal Type B Water Licence (MV2022L8-0009) on January 3, 2023. LIFT subsequently received approval for amendments to its Land Use Permit and Water Licences for the Yellowknife Lithium Project on May 29 and December 12, 2023. The amendments allow LIFT to use additional water sources, enabling the Company to drill on all the leases associated with its Yellowknife Lithium Project. The amendments also allow LIFT to build a winter road that connects the Echo area to the all-season road to Yellowknife, effectively creating an option for a road-based link between Echo to the global market.

On November 30, 2023, the Company announced that it has obtained a Type A Land Use Permit (MV2023C0013) from Mackenzie Valley Land and Water Board for its Cali project in Northwest Territories. The Land Use Permit will enable LIFT to expand its exploration activities in the Cali area and allows the Company to establish an exploration camp and fuel caches, conduct diamond and reverse circulation drilling, and construct & maintain winter access roads. This Permit will grant the Company adaptability to scale up its exploration efforts, adjusting its approach according to the findings and enhanced knowledge of the area. The Land Use Permit has a term of five years, which may be extended for an additional two years.

On July 18, 2024, the Company announced that it has entered into a mineral property purchase agreement dated July 17, 2024 with Infinity Stone Ventures Corp. to acquire the Shorty West Lithium mineral claim (the "Shorty West Claim"), which is adjacent to the Company's Yellowknife Lithium Project.

Subsequently, on September 3, 2024, the Company announced that at the request of Infinity Stone Ventures Corp., it has terminated the mineral property purchase agreement dated July 17, 2024 regarding the Shorty West Lithium mineral claim (the "Shorty West Claim"). In connection with the termination, beneficial ownership of the Claim, which is adjacent to the Company's Yellowknife Lithium Project, was transferred to an arm's length private entity. Subsequently, the Company has entered into a mineral property purchase agreement dated August 16, 2024 with that entity to acquire the Claim in consideration of the issuance 12,000 common shares, which is the same consideration which was offered to Infinity Stone. The issued shares are subject to applicable resale restrictions under Canadian securities laws. On September 23, 2024, TSX Venture Exchange provided approval of the sale. No finder's fees are payable in connection with the acquisition.



(Expressed in Canadian dollars, unless otherwise indicated)

Between July 25, 2023, and June 11, 2024, the Company announced drill results for 286 holes (approximately 49,548 metres of drilling) across 8 pegmatite targets. Highlights of these drill hole intercepts are included in the table below, and the complete list of drill hole results can also be found on the Company website www.li-ft.com/projects/yellowknife/

Hole	From (m)[1]	To (m)	Interval (m)[2]	Li_2O (%)[3]	Dyke
YLP0001	73	108	35	1.30	Fi SW
inc.	75	102	27	1.58	
YLP0003	55	94	39	1.43	Fi SW
inc.	57	92	35	1.57	
YLP0004	55	88	33	1.39	Fi SW
inc.	56	85	29	1.55	
YLP0005	52	131	79	1.13	Fi SW
inc.	73	129	56	1.42	
YLP0006	45	125	80	0.87	Fi SW
inc.	63	107	44	1.14	
YLP0007	43	103	60	1.26	Fi SW
inc.	64	103	39	1.38	
YLP0011	57	83	26	1.22	Fi Main
inc.	59	82	23	1.37	
YLP0015	84	111	27	1.00	Fi Main
inc.	98	108	10	1.84	
YLP0017	64	94	30	1.13	Fi Main
inc.	69	92	23	1.42	
YLP0023	78	108	30	1.10	Fi Main
inc.	83	106	23	1.33	
inc.	87	104	17	1.42	
YLP0024	71	95	24	1.12	Fi Main
inc.	78	93	15	1.47	
YLP0031	154	176	22	1.46	Fi SW
inc.	155	174	19	1.63	
YLP0032	58	73	15	0.75	Big East
inc.	60	68	8	1.04	
inc.	65	68	3	1.35	
and	86	104	18	1.04	
inc.	95	102	7	1.45	
YLP0033	42	67	25	1.13	Shorty
inc.	50	66	16	1.50	
YLP0037	55	88	33	0.71	Fi SW

(Expressed in Canadian dollars, unless otherwise indicated)

Hole	From (m)[1]	To (m)	Interval (m)[2]	Li_2O (%)[3]	Dyke
inc.	56	80	24	0.91	
YLP0038	67	101	34	1.35	Fi SW
inc.	72	99	27	1.53	
YLP0039	66	79	13	1.05	Big East
and	92	122	30	0.87	
YLP0049	0.7	13	12	1.28	Big East
and	24	33	9	0.66	
and	38	52	14	1.50	
inc.	39	51	12	1.73	
YLP0053	71	81	10	0.76	Big East
and	117	138	21	1.08	
YLP0054	180	217	37	1.22	Fi-SW
YLP0055	48	65	17	1.14	Shorty
inc.	50	64	14	1.36	
YLP0064	28	38	10	1.04	Big East
and	56	69	13	1.55	
YLP0092	163	181	18	1.72	Big East
and	189	196	7	1.58	
YLP0068	109	135	26	1.02	Big East
inc.	110	120	10	1.65	
inc.	128	133	5	1.36	
YLP0109	45	63	18	1.75	Big East
YLP0073	51	70	19	1.16	Shorty
YLP0093	184	191	7	1.99	Big East
and	198	219	21	1.40	
YLP0077	212	234	22	1.35	Big East
YLP0108	67	81	14	1.27	Big East
and	90	105	15	1.28	
YLP0087	69	90	21	1.12	Ki
inc.	72	83	11	1.70	
YLP0088	5	11	6	1.04	Shorty
and	63	83	20	1.52	
YLP0097	126	136	10	0.84	Shorty
inc.	129	132	3	1.73	
and	193	216	23	1.03	
inc.	203	214	11	1.69	
YLP0102	170	196	26	1.14	Fi SW

(Expressed in Canadian dollars, unless otherwise indicated)

Hole	From (m)[1]	To (m)	Interval (m)[2]	Li_2O (%)[3]	Dyke
inc.	171	178	7	1.42	
and inc.	184	196	12	1.33	
YLP0121	63	69	6	0.97	Big East
and	77	105	28	1.70	
YLP0115	253	281	28	0.99	Big East
YLP0117	164	190	26	1.56	Big East
YLP0125	226	249	23	1.50	Fi SW
YLP0141	52	79	27	1.26	Fi Main
YLP0147	64	86	22	1.53	Fi Main
YLP0148	72	95	23	1.40	Fi Main
YLP0165	61	84	23	1.25	Ki
YLP0199	58	80	22	1.05	Fi SW
YLP0200	50	69	19	1.31	Fi SW
YLP0212	16	21	5	1.36	Echo
and	31	32	1	0.68	
and	62	78	16	1.29	
and	134	139	5	1.19	
YLP0216	15	25	10	1.57	Echo
and	62	72	10	1.29	
and	77	93	16	1.26	
YLP0223	20	34	14	1.55	Echo
YLP0237	37	53	16	1.31	Fi Main
YLP0259	57	100	43	0.85	Echo
inc.	75	99	24	1.33	
YLP0251	99	127	28.00	1.06	Big East
inc.	99	109	10.00	1.69	
and inc.	124	127	3.00	1.59	
YLP0258	88	104	16.00	1.48	Big East
YLP0271	84	119	35.00	1.34	Big East
YLP0283	31	66	35.00	1.32	Shorty
YLP0284	52	70	18.00	1.41	Shorty
and	77	102	25.00	1.21	
and	131	141	10.00	1.00	
inc.	133	138	5.00	1.76	

[1] From, to, and interval lengths in metres, as measured down core axis, not true width.
[2] Individual sample lengths = 1 metre.
[3] Lithium assays performed by ALS Global on saw cut half HQ core using method ME- ICP82b; results reported in Li%, converted to Li_2O by multiplying by 2.154.

(Expressed in Canadian dollars, unless otherwise indicated)

On September 23, 2024, The Company announced results from its metallurgical sampling program across eight spodumene deposits at the Yellowknife Lithium Project, Northwest Territories, conducted in 2023 and 2024. Testing, performed by SGS Canada Inc., involved heavy liquid separation (HLS), dense media separation (DMS), and batch flotation. Two-stage DMS tests showed lithium recovery ranging from 49.9% to 60.4%, with concentrate grades of 5.81% to 6.41% Li_2O and low iron content (0.62% to 0.88% Fe_2O_3). Single-stage DMS achieved 93.0% to 95.2% recovery, with pre-concentrate grades between 1.90% and 2.02% Li_2O. Flotation tests yielded 5.5% Li_2O concentrate with lithium recoveries from 56% to 77%. Combined DMS and flotation flowsheets produced concentrates of 5.75% to 6.17% Li_2O, with overall lithium recoveries ranging from 81% to 87%. Tests with a single-stage DMS pre-concentration followed by flotation produced concentrates ranging from 5.59% to 5.77% Li_2O, with laboratory-scale recoveries between 61% and 72%.

On October 1, 2024, the Company announced the first National Instrument 43-101 ("NI 43-101") compliant mineral resource estimate ("MRE") for the YLP, covering 8 of 13 spodumene-bearing pegmatite dykes. The consolidated in-pit MRE is reported at 50.4 million tonnes (Mt) grading 1.00% Li_2O for 506,000 tonnes of Li_2O (1.25 million tonnes of LCE) in the inferred category and will form the basis of a Preliminary Economic Assessment (PEA) targeted for delivery in Q2 2025. The YLP's initial resource estimate ranks as the third-largest hard-rock lithium resource in Canada and the tenth largest in the Western Hemisphere. Notably, six of the eight spodumene dykes included in the estimate have unconstrained mineralization, presenting significant growth potential, while five additional undrilled spodumene dykes within the project offer excellent prospects for further expansion. Based on just 10 months of drilling (49,548 meters across 286 drill holes from June 2023 to April 2024), this estimate solidifies the YLP as a globally significant source of spodumene. The NI 43-101 report was filed on November 14, 2024.

Cut-off Grade (Li_2O%)	Pegmatite Deposit	Tonnes	Li_2O Grade (%)	Li_2O (t)	LCE (t)*	Resource Classification
0.4	Big East, Fi Main and Fi SW	30,265,000	1.05	317,000	784,000	Inferred
0.5	Big West, Nite, Shorty, Echo and Ki	20,118,000	0.94	189,000	467,000	Inferred
Total		**50,383,000**	**1.00**	**506,000**	**1,251,000**	

* Lithium carbonate equivalent ("LCE")

Yellowknife Lithium Project Mineral Resource Estimate Notes:

1. *The Mineral Resource Estimate (MRE) was estimated by Allan Armitage, Ph.D., P. Geo. of SGS Geological Services, an independent Qualified Person as defined by NI 43-101.*
2. *The classification of the current MRE into Inferred mineral resources is consistent with current 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves. The effective date for the Mineral Resource Estimate is September 25, 2024.*
3. *All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.*

4. *The mineral resource is presented undiluted and in situ, constrained by continuous 3D wireframe models, and are considered to have reasonable prospects for eventual economic extraction.*
5. *Mineral resources which are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.*
6. *The YLP MRE is based on a validated database which includes data from 286 surface diamond drill holes totaling 49,548 m. The resource database totals 10,842 assay intervals representing 10,846 m of drilling. The average assay sample length is 1.00 m.*
7. *The MRE is based on 126 three-dimensional ("3D") pegmatite resource models, constructed in Leapfrog, representing the Big East, Big West, Fi Main, Fi SW, Nite, Shorty, Echo and Ki pegmatite deposits. Li_2O grades were estimated for each mineralization domain using 1.0 metre composites. To generate grade within the blocks, the inverse distance squared (ID2) interpolation method was used for all deposits.*
8. *Average density values were assigned to pegmatite and waste domains based on a database of 2,062 samples.*
9. *Li-FT envisions that the YLP deposits may be mined using open-pit mining methods. Mineral resources are reported at a base case cut-off grade of 0.40 to 0.50% Li_2O. The in-pit Mineral Resource grade blocks are quantified above the base case cut-off grades, above the constraining pit shell, below topography, and within the constraining mineralized domains (the constraining volumes).*
10. *The results from the pit optimization are used solely for the purpose of testing the "reasonable prospects for economic extraction" by an open pit and do not represent an attempt to estimate mineral reserves. There are no mineral reserves on the Property. The results are used as a guide to assist in the preparation of a Mineral Resource statement and to select an appropriate resource reporting cut-off grade.*
11. *The base-case Li_2O Cut-off grade considers the following assumptions: a lithium concentrate (5.5% Li_2O) price of US$920/t, a mining cost of US$3.25/t mined, processing, treatment, refining, G&A and transportation cost of USD$19.50/t of mineralized material, metallurgical DMS recovery of 60% was assumed, as were pit slope angles of 60º and mining loss and dilution of 5% and 5%.*
12. *The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*

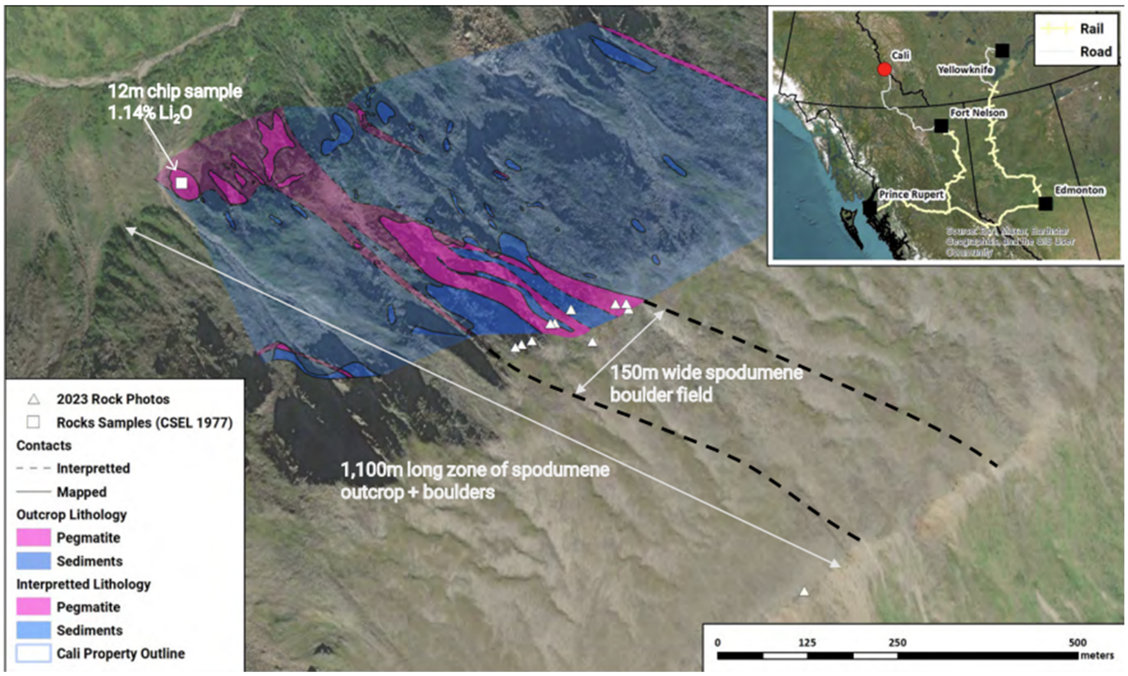
On January 23, 2025, the Company announced that it has closed the mineral property purchase agreement with North Arrow Minerals (TSX-V:NAR), pursuant to which the Company acquired a 100% interest in the DeStaffany, LDG and Mackay Lithium Projects, which are adjacent to the flagship Yellowknife Lithium Project, NWT. As a consideration for the transaction, LIFT issued 250,000 common shares of the Company valued at $713,000 ($2.85 per share).

CALI LITHIUM PROJECT

In addition to the Yellowknife Lithium Project, as part of the YLP transaction acquiring the Target, the Company acquired the Cali lease which is located in the Little Nahanni Pegmatite Group in the Mackenzie mountains in Northwest Territories near the Yukon border. The Little Nahanni Pegmatite Group has been noted to have greater than 275 complex rare element pegmatites over an area of 13 by 2.5 kilometres (Barnes, 2010). CSEL also held the Cali pegmatite in the 1970's that was subsequently acquired during the portfolio acquisition in 1983.

The Cali pegmatite was mapped by CSEL in 1977 and was described as outcropping over a 500-metre strike length, having a 300-metre outcropping vertical extent, and having up to a 100-metre width. Panels of metasedimentary country rock occur within the spodumene-bearing pegmatite which has been described to have 60 metres of pegmatite dyke material. Float mapping suggests that the lithium bearing dyke could be up to 1,200 metres in strike length.

In November 2022, the Company staked four mineral claims that adjoin the Cali lease, bringing the combined area to 2,341.2 hectares. The Cali lease is subject to a 2% gross overriding royalty.



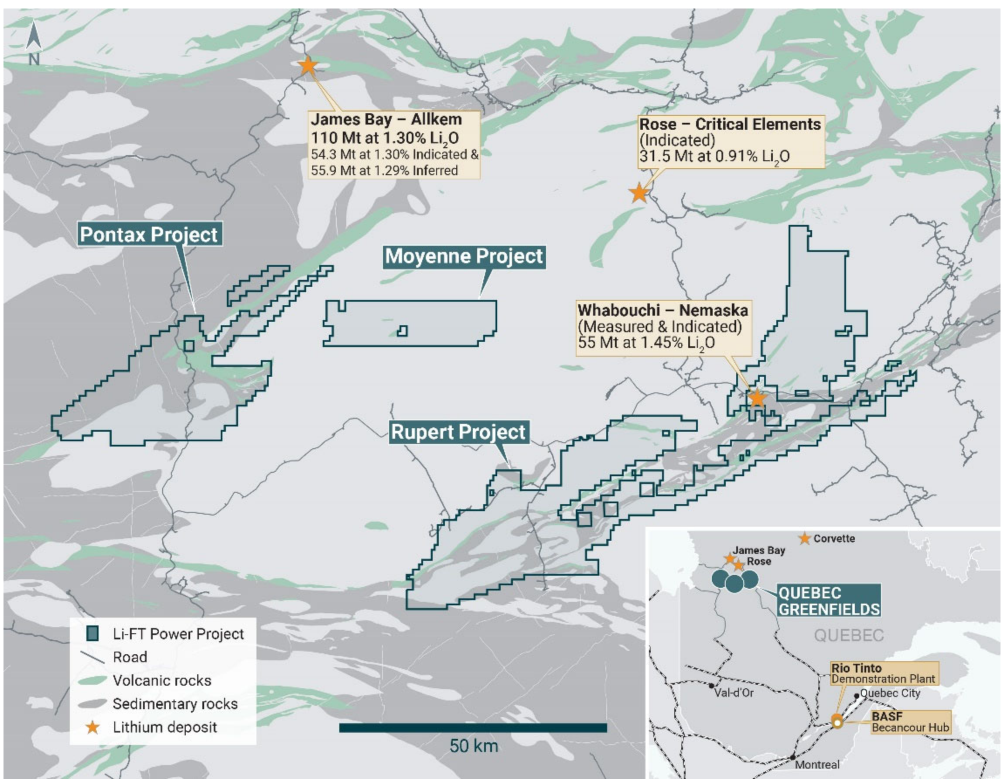
On August 22, 2023, the Company announced the start of exploration activities at the 100% owned Cali Lithium Project. The exploration program was designed to better understand the average grade across the dyke's exposed strike length to 300 metres vertical with systematic rock sampling and mapping. Prospecting for other parallel dykes and dyke extensions trending onto the CALI project from the south were planned to be carried out through detailed soil sampling. The Company planned to integrate the data collected into a 3D geology model for exploration targeting and planning for an exploration/resource definition drill program in 2025.

On September 3, 2024, the Company announced it had quadrupled the size of the Cali Project by staking an additional 9,681 hectares of contiguous claims.

ii) QUEBEC

RUPERT PROJECT

The Rupert Project, in its entirety, covers approximately 228.794 hectares or 2,288 square kilometres of mineral tenure in the James Bay region of Quebec. The Rupert Project is composed of three separate project areas: the Pontax Lithium Project, the Moyenne Lithium Project, and the Rupert Project. The Rupert Project area straddles the Whabouchi Trend whereas the Pontax and Moyenne Lithium Projects straddle the Pontax trend and covers the boundary between the La Grande and Nemiscau geologic subprovinces. The Whabouchi Trend covers approximately 950 square kilometres of the Lac des Montagnes greenstone belt which hosts the Whabouchi Li-pegmatite deposit (53.6 Mt at 1.45% Li_2O total resources and reserves). The Pontax Trend covers approximately 350 square kilometres of the Pontax greenstone belt which hosts several Li pegmatite showings. The geology of the Pontax trend is similar to the Whabouchi Trend and has similar characteristics for Li prospectivity. The Moyenne Trend covers an east-trending shear zone which has potential to host Li pegmatites.



The Rupert Project has been accumulated by entering into the following agreements:

(a) Rupert Option Agreement

On June 11, 2021, the Company entered into a definitive option agreement with Kenorland Minerals Ltd. ("Kenorland") pursuant to which the Company was granted the option to acquire up to a 100% interest in and to certain mineral claims at the Rupert, Pontax and Moyenne Projects (collectively known as the "Rupert Option Agreement").

In order to exercise the Rupert Option Agreement, the Company agreed to pay $200,000 in cash (paid) and to issue to Kenorland 9.9% of the Company's issued and outstanding shares upon closing (issued) and such number of additional common shares to maintain Kenorland's pro rata interest in the Company at 9.9% prior to the listing of the Company's common shares on a recognized stock exchange. This pro-rata commitment ended once the Company listed on the CSE in July 2022 and the option has been exercised in full.

Upon the exercise of the Rupert Option Agreement, the Company granted Kenorland a 2% NSR in respect of the Rupert Property.

The Company is responsible for all operations conducted at the Rupert Property and has the exclusive right to manage and operate all programs. On closing, the Company entered into an operator agreement with Kenorland pursuant to which the Company engaged Kenorland as operator of the Rupert Property. The Company has agreed to pay an operator's fee to Kenorland equal to 10% of all exploration costs.

On February 2, 2022, the Company issued 1,751,913 common shares valued at $3,503,826 to Kenorland pursuant to the Rupert Option Agreement related to the Rupert Property.

(b) James Bay Option Agreement

On August 11, 2021, the Company entered into a property option agreement with two private individuals (the "James Bay Option") to acquire a 100% undivided interest in and to certain mineral claims (the "James Bay Property"), subject to 2% net smelter returns royalty.

The James Bay Option may be exercised by the Company by making cash payments to the optionors in an aggregate amount of $100,000, as follows:

A. $20,000, upon the execution and delivery of the James Bay Option by all parties (paid).
B. An additional $25,000, on or before the first anniversary of the James Bay Option (paid).
C. An additional $25,000, on or before the second anniversary of the James Bay Option (paid).
D. An additional $30,000, on or before the third anniversary of the James Bay Option (paid).

PONTAX PROJECT

The Pontax Project is within an area that was affected by the marine incursion of the Tyrell Sea at the end of the last glaciation. Topographic lows are infilled with glaciomarine sediments and topographic highs usually have outcropping till. Till on topographic highs may have been reworked by the Tyrell Sea, which could cause variability in till geochemistry results.

In addition to the Pontax Project claims acquired through the Rupert Option Agreement with Kenorland, and associated 2% NSR, on July 20, 2022, the Company entered into an option agreement (the "Harfang Agreement") with Harfang Exploration Inc. ("Harfang") to acquire a 70% interest of Pontax mineral claims located in the James Bay region in Quebec (the "Pontax Property").

In accordance with the Harfang Agreement, the Company may exercise the first option to earn 51% interest by making payments in an aggregate amount of $100,000, as follows:

A. $25,000 in cash (paid) upon the execution and delivery of the agreement by both parties.
B. An additional $25,000 (paid) on or before the first anniversary date.
C. An additional $25,000 (paid) on or before the second anniversary date.
D. An additional $25,000 on or before the third anniversary date.
E. Incurring $1,650,000 in expenditures on the Pontax Property during the first option period.

Upon the exercise of the first option, Harfang is contractually required to grant the second option. Within 60 days of the grant of the second option, the Company shall provide Harfang written notice that it either (a) accepts the grant of the second option, which shall be accompanied by a payment of $50,000 in cash or through the issuance of common shares, at the Company's discretion or (b) elects not to accept the grant of the second option, in which case a joint venture is to be formed with the initial participating interest of 51% and 49% for the Company and Harfang, respectively.

To exercise the second option and acquire a further 19% interest (for an aggregate 70% interest), the Company is required to incur an additional $3,350,000 in expenditures on the Pontax Property by the sixth anniversary of the agreement.

Upon the exercise of the second option, Harfang will have the option of converting its remaining participating interest of 30% into a 2.5% NSR or to form a joint venture to further explore the Pontax Property.

MOYENNE PROJECT

The Moyenne Project comprises additional claims acquired through the Rupert Option Agreement with Kenorland, and the associated 2% NSR.

The Moyenne Project has more discreet and discontinuous geochemical anomalies than the Pontax and Rupert Projects (see press release dated November 9, 2022, for Rupert till results). The Company will design a modest follow-up exploration program to screen low-level anomalism in the Moyenne Project area.

Quebec

On March 29, 2023, the Company announced it had commenced the first diamond drill program at the Rupert Lithium Project located in the James Bay region of Quebec. During the summer 2023 program, a total of 12 holes were drilled for 4,069 metres which tested targets generated by the 2021 and 2022 exploration programs (see press release dated November 9, 2022, for further details).

To enhance targeting under widespread glacial till cover, a geological targeting model has been produced from the 3D inversion of property-wide magnetics data and combined with government survey maps, field observations and LiDAR. Favourable structures for emplacement of pegmatite dykes were identified in the model and targeted where they trend under the heads of the lithium dispersion anomalies.

2025 OUTLOOK

The Company remains focused on advancing the Company's strategic objectives and near-term milestones, which include the following:

- The goal of the exploration programs at the Company's projects is to discover, define and develop new mineral resources, focussing on lithium in NWT and Quebec, Canada.
- Following a successful Summer 2024 and Winter 2024 drill programs at YLP, infill and resource development drilling will be the focus of 2025 plans.
- Metallurgical test work continues on all YLP pegmatite dikes including gravimetric and magnetic separation, comminution testing and hydrometallurgical testing amongst others.
- Environmental base-line data collection is underway at YLP and planned throughout 2025. Consultation with local communities in the areas surrounding our projects will continue through 2025 with planned meetings and consultations.
- The release of the Company's PEA is planned for the second half of 2025.
- Planned exploration programs at Cali in Winter 2025 to better understand the pegmatite and below cover potential of the region.
- Early-stage exploration programs are underway at the Quebec projects: Rupert, Pontax and Moyenne, with the potential for resource discovery drilling at Rupert.
- The Company remains committed to reviewing complimentary exploration opportunities in Canada, with a focus on the potential to expand the portfolio of critical mineral hard rock lithium projects

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the consolidated and interim financial statements of the Company for the periods noted.

In $000s except per share amounts	Q4'24	Q3'24	Q2'24	Q1'24	Q4'23	Q3'23	Q2'23	Q2'23
	$	$	$	$	$	$	$	$
Net income (loss)	**(4,865)**	**(1,429)**	**(841)**	**(1,921)**	**(2,337)**	**5,449**	**946**	**(509)**
Net income (loss) per share – basic and diluted	(0.11)	(0.03)	(0.02)	(0.05)	(0.10)	0.14	0.04	(0.02)
Capitalized E&E expenditures:								
- Yellowknife Lithium Project	(342)	1,150	12,281	10,817	12,596	14,495	2,265	176
- Cali Project	42	66	13	65	562	182	50	-
- Rupert Project	723	59	122	(226)	1,711	1,053	1,466	-
- Pontax Project	(349)	730	109	91	336	485	370	-
- Moyenne Project	11	-	3	7	1	1	35	-
Total Assets	**284,025**	**265,714**	**267,728**	**258,776**	**261,713**	**249,036**	**246,892**	**212,837**

The variation seen over the quarters is primarily related to the success of the Company's ongoing business development, property evaluation and acquisition program and the timing and results of the Company's exploration activities on its current properties. The movement from net loss to net income for the quarters ended February 28, 2023 to August 31, 2023 is due to an increase in deferred income tax recovery. While the net loss for the quarters ended November 30, 2023 to November 30, 2024, is primarily due to a decrease in deferred income tax recovery. This is further affected by the recognition of deferred income tax liability resulting in net loss for the period. Additionally, an increased corporate operating expenditures following its listing on the TSX-V. The net income recorded in the quarters ended May 31, 2023, and August 31, 2023 were connected to flow-through spending on the exploration projects and corresponding reversal of the flow-through share premium liability. Prior to this time there were minimal corporate overheads following incorporation.

RESULTS OF OPERATIONS

Amounts in $000s	Three months ended		Year ended	
	Nov 30, 2024	Nov 30, 2023	Nov 30, 2024	Nov 30, 2023
Operating expenses	**$**	**$**	**$**	**$**
Amortization	41	52	174	52
Director fees	25	25	98	115
Project evaluation	-	-	24	19
Filing fees	13	93	152	195
Investor relations	902	657	5,009	964
Management, consulting fees and salaries	265	284	811	778
Office expenses	95	112	315	244
Professional fees	74	222	389	564
Share based compensation	329	264	1,682	758
Travel expenses	68	149	305	359
Write down of terminated option agreement	1,408	-	1,408	-
Finance expenses	64	261	80	266
Foreign exchange loss (gain)	17	4	(46)	15
Interest income	(50)	(205)	(348)	(1,059)
Deferred income tax expense (recovery)	1,614	419	(997)	(6,819)
Net loss (income) for the year	**4,865**	**2,337**	**9,056**	**(3,549)**

For the three months ended November 30, 2024 and 2023

Net and comprehensive loss for the three months ended November 30, 2024, was $4,865,000 compared to a net and comprehensive loss of $2,337,000 for the three months ended November 30, 2023. The increase in the comprehensive loss was mainly attributable to the increase in operating expenses, which is offset by a deferred income tax expense of $1,195,000 that is related to the Company spending flow-through funds on its exploration projects in Canada.

The net income (loss) and comprehensive income (loss) noted above is related to changes in the following expenditure categories:

- Filing fees decreased by $80,000, from $93,000 during the three months ended November 30, 2023, to $13,000 during the three months ended November 30, 2024. The decrease is due to the type of financing for the three months ended November 30, 2023 which was a public offering in comparison with the private placement in the three months ended November 30, 2024. .

- Investor relations expenses increased by $245,000, from $657,000 during the three months ended November 30, 2023, to $902,000 during the three months ended November 30, 2024. The increase is due to marketing and investor relations efforts to keep up with investor exposure.

- Professional fees decreased by $148,000, from $222,000 during the three months ended November 30, 2023, to $74,000 during the three months ended November 30, 2024. This decrease is due to a shift in the Company's operations. In 2023, the Company required higher levels of professional services, including audit and legal fees, to support its expansion. However, by 2024, as the Company's activities stabilized and less ongoing work was necessary, the demand for these professional services decreased, resulting in a significant reduction in professional fees.

- Share based compensation increased by $65,000, from $264,000 during the three months ended November 30, 2023, to $329,000 during the three months ended November 30, 2024. The increase in share-based compensation resulted from the vesting of grants of stock options to management, directors, consultants and employees.

- Travel expenses decreased by $81,000, from $149,000 during the three months ended November 30, 2023, to $68,000 for the three months ended November 30, 2024. The travel expenses relate to reduced marketing and conference attendance during the period.

- Write down of terminated option agreement increased by $1,408,000, from $nil during the three months ended November 30, 2023, to $1,408,000 for the three months ended November 30, 2024. The write down was related to the termination of the option agreement to acquire the Thompson Lundmark Property.

- Interest income decreased by $155,000, from $205,000 during the three months ended November 30, 2023, to $50,000 for the three months ended November 30, 2024. The decrease is due to the lower cash balance including investments in GICs when compared to the prior year period which resulted in lower interest income during the three months ended.

- Deferred income tax expense increased by $1,195,000, from $419,000 during the three months ended November 30, 2023, to $1,614,000 for the three months ended November 30, 2024. The increase in deferred income tax expense is due to the recording of the deferred income tax liability and corresponding expense of $1,812,000, which was partially offset by a deferred income tax recovery resulting from incurring eligible flow-through expenditures on its exploration projects during the period of $198,000 resulting in a net expense of $1,614,000.

For the year ended November 30, 2024 and 2023

Net and comprehensive loss for the year ended November 30, 2024, was $9,056,000 compared to a net and comprehensive income of $3,549,000 for the year ended November 30, 2023. The decrease in the comprehensive income was mainly attributable to the decrease in deferred income tax recovery from $6,819,000 for the year ended November 30, 2023 to $997,000 for the year ended November 30, 2024 that the Company earned by spending flow-through funding on its exploration projects in Canada. Also, the decrease in earned cash interest from $1,059,000 for the year ended November 30, 2023 to $348,000 for the year ended November 30, 2024 by depositing funds from its flow-through financing in an interest-bearing savings account.

The net income (loss) and comprehensive income (loss) noted above is related to changes in the following expenditure categories:

- Filing fees decreased by $43,000 from $195,000 during the year ended November 30, 2023, to $152,000 during the year ended November 30, 2024. This decrease is due to a decrease in the type of financing activity conducted in the year ended November 30, 2024 in comparison to the year ended November 30, 2023.

- Investor relations expenses increased by $4,045,000, from $964,000 during the year ended November 30, 2023, to $5,009,000 during the year ended November 30, 2024. The increase is due a $3,500,000 marketing campaign that was done during the year and investor relations efforts to keep up with investor exposure.

- Professional fees decreased by $175,000, from $564,000 during the year ended November 30, 2023, to $389,000 for the year ended November 30, 2024. The professional fees incurred were mainly related to legal costs associated with the growth of the Company between the periods presented.

- Share based compensation increased by $924,000, from $758,000 during the year ended November 30, 2023, to $1,682,000 during the year ended November 30, 2024. The increase in share-based compensation resulted from the vesting of grants of stock options to management, directors, consultants and employees.

- Travel expenses decreased by $54,000, from $359,000 during the year ended November 30, 2023, to $305,000 for the year ended November 30, 2024. The decrease in travel expenses relate to a reduced marketing and conference attendance during the period.

- Write down of terminated option agreement increased by $1,408,000, from $nil during the year ended November 30, 2023, to $1,408,000 for the year ended November 30, 2024. The write down was related to the termination of the option agreement to acquire the Thompson Lundmark Property.

- Interest income decreased by $711,000, from $1,059,000 during the year ended November 30, 2023, to $348,000 for the year ended November 30, 2024. The decrease is due to the lower cash balance including investments in GICs when compared to the prior year period which resulted in lower interest income during the three months ended. These investments yielded interest, with annual rates ranging between 3.76% and 3.85% which was lower compared to prior year annual rates.

- Deferred income tax recovery decreased by $5,822,000, from $6,819,000 during the year ended November 30, 2023, to $997,000 for the year ended November 30, 2024. The decrease in deferred income tax recovery of $8,211,000 is related to incurring eligible flow-through expenditures on its exploration projects during the year, which was partially offset by the recording of the deferred income tax liability and corresponding expense of $6,483,000 and share issuance cost of $731,000 resulting to deferred income tax recovery of $997,000.

LIQUIDITY AND CAPITAL RESOURCES

(in $000s)	Year Ended November 30,	
	2024	**2023**
CASH AND CASH EQUIVALENTS PROVIDED BY (USED IN)		
Operating activities	$ (3,903)	$ (5,480)
Investing activities	(23,761)	(26,423)
Financing activities	30,938	44,198
CHANGE IN CASH	**3,274**	**12,295**
Working capital	12,158	16,642
Cash, beginning	17,737	5,442
Cash, ending	$ **21,011**	$ **17,737**

During the year ended November 30, 2024, the Company used $3,903,000 cash for operating activities compared to $5,480,000 for the year ended November 30, 2023. Funds used for operating activities resulted from the net loss of $9,056,000 for the period (2023 – net income of $3,549,000) and was reduced by adjustments for non-cash items, such as a deferred income tax recovery of $1,728,000 amortization of $174,000, share-based payments of $1,682,000, and write down of terminated option agreement of $1,408,000, as well as changes in non-cash working capital items totaling $3,617,000 (2023 – $3,020,000).

During the year ended November 30, 2024, the Company used $23,761,000 cash for investing activities compared to $26,423,000 used during year ended November 30, 2023. Cash used in investing activities consists exclusively of exploration and evaluation expenditures, including cash payments for mineral property acquisitions.

During the year ended November 30, 2024, the Company generated $30,938,000 from financing activities compared to generating $44,198,000 during the year ended November 30, 2023. In both periods, cash generated from financing activities were from public offerings and non-brokered private placements.

From time to time the Company works to raise additional capital through private placements and other forms of equity financing. Its ability to fund exploration projects is dependent upon its ability to obtain sufficient funding for operations and is ultimately dependent on the recoverability of the amounts capitalized to mineral exploration properties. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. Because the Company is not yet a producer, the primary source of future funds is through the sale of additional equity capital and optioning of resource properties. There is no assurance that the Company will be successful in raising sufficient capital to meet its future obligations. If it is not successful in raising sufficient capital, it may have to curtail or otherwise limit operations.

As at November 30, 2024 shareholders' equity totaled $259,608,000 and consisted of share capital in the amount of $260,993,000, contributed surplus in the amount of $4,938,000 and deficit in the amount of $6,323,000.

During the year ended November 30, 2024, the Company closed two equity placements for gross proceeds of $31,387,000.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of the Company's Directors and Officers and enterprises which are controlled by these individuals as well as persons performing similar functions. The compensation paid or payable to key management for services during the years ended November 30, 2024 and 2023 is as follows:

Amounts in $000s	November 30, 2024	November 30, 2023
	$	$
Directors' fees	98	115
Management, consulting fees and salaries	1,098	778
Share-based compensation (expensed and capitalized)	2,063	1,264
Total	**3,259**	**2,157**

Included in accounts payable and accrued liabilities as at November 30, 2024 was $204 due to related parties (2023 - $103).

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

SHARE CAPITAL

Authorized share capital

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

As at November 30, 2024, the Company had 47,085,337 common shares issued and outstanding. At the date of this MD&A, the Company had 47,335,337 common shares issued and outstanding.

As at November 30, 2024, the Company had 995,000 stock options issued and outstanding. As at the date of this MD&A, the Company had 1,494,500 stock options issued and outstanding with a weighted average share price of $7.10. 580,000 and 30,000 options have an exercise price of $10.00 and $7.00 per share, respectively and are exercisable for a period of five years. The options vest over a two-year period, with one quarter of total options vesting at each six-month anniversary.140,000 options have an exercise price of $7.00 per share and are exercisable for a period of five years. The options vest over an 18-month period, with one quarter of the total options vesting on the grant date, and a quarter of the total options vesting at each six-month anniversary. 245,000 stock options have an exercise price of $7.00 per share and are exercisable for a period of five years. The options vest over a two-year period, with half of the total options vesting at each twelve-month anniversary. The remaining 499,500 stock options for a period of five years at an exercise price of $3.65. per share to its Directors, Officers, employees, and consultants of the Company. The options vest 25% on the grant date and an additional 25% on each of the 6,12,18 and 24-month anniversary dates.

As at November 30, 2024, the Company had 7,544 deferred share units issued and outstanding. As at the date of this MD&A, the Company had 25,519 deferred share units issued and outstanding. The DSUs were granted under the Company's share-based compensation plan to a number of directors in lieu of interim board fees. The DSUs vest over a 12-month period and will be settled in cash and equity. The associated compensation cost is based on the underlying share price on the date of grant.

Issuance of shares

a) Brokered and Private Placement Financings

On November 14, 2024, the Company completed a $21,251,000 strategic investment by way of a non-brokered private placement financing for 2,694,895 flow-through common shares at a price of $5.6575 per flow-through common share for gross proceeds of $15,246,000 and 1,645,105 common shares at a price of $3.65 per common share for gross proceeds of $6,004,000.

On March 27, 2024, the Company announced the completion of a public offering of 1,179,500 flow-through common shares of the Company at a price of $6.05 per flow-through common share for aggregate gross proceeds of $7,136,000. Concurrently, the Company also completed a non-brokered private placement financing of 689,660 flow-through common shares of the Company at a price of $4.35 per flow-through common share for aggregate gross proceeds of $3,000,000.

On November 17, 2023, the Company completed a public offering and issued 1,437,500 flow-through shares of the Company at a price of $8.65 per flow-through share for total proceeds of $12,434,000. The Company paid share issue costs of $811,000 consisting of commissions and other capital raise related expenditures.

On March 22, 2023, the Company completed a brokered private placement and issued 2,602,500 flow-through shares of the Company at a price of $13.45 per flow-through share for total proceeds of $35,004,000. The Company paid share issue costs of $2,249,000 consisting of commissions and other capital raise related expenditures.

On November 3, 2022, the Company completed a private placement and issued 428,400 flow-through shares of the Company at a price of $16.34 per flow-through share for total proceeds of $7,000,000. The Company paid share issue costs of $208,000 consisting of commissions and other capital raise related expenditures.

b) Share issued for Exploration and Evaluation Properties

On January 23, 2025, the Company announced that it has closed the mineral property purchase agreement with North Arrow Minerals (TSX-V:NAR), pursuant to which the Company acquired a 100% interest in the DeStaffany, LDG and Mackay Lithium Projects, which are adjacent to the flagship Yellowknife Lithium Project, NWT. As a consideration for the transaction, LIFT issued 250,000 common shares of the Company valued at $712,500 ($2.85 per share).

On September 23, 2024 the Company issued 12,000 common shares of the Company valued at $33,000 ($2.78 per share) to Ravenclan Ltd. pursuant to the mineral property purchase agreement to acquire the Shorty West mineral claim, which is adjacent to the flagship Yellowknife Lithium Project.

On September 22, 2023, the Company issued 185,945 common shares valued at $1,500,000 pursuant to the third payment of its Lac des Montagnes option agreement.

On March 22, 2023, the Company issued 173,169 common shares valued at $1,500,000 pursuant to the Lac des Montagnes Option Agreement.

INCOME (LOSS) PER SHARE

The calculation of basic and diluted income per share for the year ended November 30, 2024, was based on the net loss of $9,056,000 and the weighted average number of common shares of 42,322,668. The stock options outstanding at November 30, 2024 were not dilutive, as their exercise price of $10.00 and $7.00 were higher than the share price at any time between grant and November 30, 2024.

The calculation of basic and diluted loss per share for the year ended November 30, 2023, was based on the net income of $3,549,000 and the weighted average number of common shares of 36,231,197.

NON-IFRS MEASURES

Alternative performance measures in this document such as "working capital" are furnished to provide additional information. These non-IFRS performance measures are included in this MD&A because these statistics are used as key performance measures that management uses to monitor and assess future performance of the Company and its exploration projects, and to plan and assess the overall effectiveness and efficiency of operations.

In addition, the Company has included certain non-IFRS measures in the annual and quarterly information tables above and calculates working capital as current assets, less current liabilities. The Company believes that these measures provide investors with an improved ability to evaluate the performance of the Company.

Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore, such measures may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

CRITICAL JUDGMENTS AND ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates, judgements, and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the period. The Company's most significant accounting judgements relate to the going concern assessments, ongoing viability of its exploration and evaluation properties, determining if an acquisition is a business combination or an asset acquisition, and the assumptions used to estimate share-based compensation.

(i) SIGNIFICANT JUDGEMENT

(a) Going-concern

In preparation of these consolidated financial statements on a going concern basis, as disclosed in Note 2 of the consolidated financial statements, management's critical judgement is that the Company will be able to meet its obligations and continue its operations for the next twelve months. Actual amounts could differ from these estimates.

(b) Impairment indicators for exploration and evaluations properties

Management must also determine if there are indicators that its rights to explore its mineral properties have expired or may expire in the future, that future exploration and evaluation plans are not warranted, or that the development of the properties or portions thereof is unlikely to recover existing exploration and evaluation costs. Should any of these indicators be present, the mineral property could be impaired.

(c) Business combination or asset acquisition

With each acquisition, the Company has to determine whether it should be accounted for as a business combination or an asset acquisition. As dictated by IFRS 3, the components of a business must include inputs, processes and outputs. Management has assessed its acquisition and has concluded that it did not include all the necessary components of a business. As such, it was recorded as an asset acquisition, being the purchase of exploration and evaluation properties and/or working capital.

(ii) SIGNIFICANT ESTIMATES

(a) Share-based payments

The Company uses the Black-Scholes Option-Pricing Model to estimate the fair value of options and warrants, which requires the input of subjective assumptions including the expected price volatility of the Company's common shares and the expected life and forfeiture rate of the security. Changes in these subjective input assumptions can materially affect the fair value estimate.

FINANCIAL INSTRUMENTS

Categories of financial instruments

Amounts in $000s	November 30, 2024	November 30, 2023
	$	$
Financial assets, at amortized cost		
Cash and cash equivalents	21,011	17,737
Total financial assets	**21,011**	**17,737**
Other liabilities, at amortized cost		
Accounts payable and accrued liabilities	2,056	2,238
Total financial liabilities	**2,056**	**2,238**

The carrying values of cash and cash equivalents, accounts payable and accrued liabilities approximated their fair values because of the short-term nature of these financial instruments. These financial instruments are financial assets and liabilities at amortized cost.

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the management, discussion and analysis. .

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them during the period unless otherwise stated in the note.

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Board of Directors receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board of Directors is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of two types of risk: interest rate risk and equity price risk.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with major financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash to settle its liabilities. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

As at November 30, 2024, the Company had cash of $21,011,000 to settle current liabilities of $9,732,000. As such, liquidity risk is considered minimal. Management seeks additional financing through the issuance of equity instruments to continue its operations. There can be no assurance it will be able to do so.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Venture issuer companies are not required to provide representations in the annual or interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual or interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer (as defined in NI 52-109) to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of annual filings and other reports provided under securities legislation.

CONTROLS AND PROCEDURES

In connection with NI 52-109 the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements and respective accompanying MD&A as at November 30, 2024 (together the "Annual Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR+ at www.sedarplus.ca.

CORPORATE GOVERNANCE

Management and the Board recognize the value of good corporate governance and the need to adopt best practices. The Company is committed to continuing to improve its corporate governance practices considering its infancy and early stages of mineral exploration to evolve best practices and regulatory guidance.

The Board currently has three committees: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. Each Committee has a committee charter, which outlines the Committee's mandate, and procedures for calling a meeting, and provides access to outside resources. Additional committees may be formed in the future as the Company continues its growth and project development.

LIFTs Board adopted a Board mandate document which outlines its responsibilities and defines its duties. In addition, the Board adopted a Code of Business Conduct and Ethics, which governs the ethical behavior of all employees, management, and directors. These documents along with other relevant corporate governance items are displayed on the Company website www.li-ft.com/corporate/corporate-governance/.

For further details on the Company's corporate governance practices, please refer to the statement of Corporate Governance contained in LIFT's Management Information Circular dated January 15, 2024. The Management Information Circular is available on LIFT's website and on SEDAR+ www.sedarplus.ca.

The Company's Directors have expertise in exploration, metallurgy, mine development and mine operations including offtake arrangements permitting and government relations, environmental considerations, relations with indigenous and local communities, financial reporting and accounting, corporate finance, mergers & acquisitions, human resources, information technology and ESG. The Board meets at least four times per year.

QUALIFIED PERSONS

Ron Voordouw, Ph.D., P.Geo**.,** Partner, Director Geoscience, Equity Exploration Consultants Ltd. and Don Cummings, P. Geo., OGX Member 2183 are Qualified Persons as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101) for Li-FT Power Ltd. and have reviewed and approved the technical content of this document.

RISK FACTORS

Risk Associated with LIFT

LIFT is currently in the business of exploring for lithium in Canada, which involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The risks described below are not the only ones facing LIFT. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair Company's operations. If any of the following risks actually occur, LIFT's business, financial condition and operating results could be adversely affected.

In evaluating the Company and its business, shareholders should carefully consider, in addition to the other information contained in this AIF, the risk factors, below. The risk factors below may not be a definitive list of all risk factors associated with the Company.

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by the Company in the exploration of properties will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks, which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of a property. Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production. The following are some of the risks to the Company, recognizing that it may be exposed to other additional risks from time to time:

- Limited business history of LIFT, including lack of revenues and no assurance of profitability
- Dependence on key management personnel
- Reliance on availability and performance of independent contractors
- Challenges by other unknown parties to property title
- Environmental issues
- Commodity price risk
- Risk associated with obtaining permitting

LIFT is diligent in minimizing exposure to business risk, but by the nature of its activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements.

Risk Factors Affecting the Mining Industry

The Company is subject to a number of risks and uncertainties due to the nature of its business. The Company's exploration activities expose it to various financial and operational risks that could have a significant impact on its level of operating cash flows in the future.

Readers are advised to study and consider risk factors disclosed in the Company's AIF for the fiscal year ended November 30, 2024, dated March 21, 2025 and available under the Company's issuer profile on SEDAR+ at www.sedarplus.ca and its Company website at www.li-ft.com.

Speculative Nature of Mineral Exploration

Resource exploration 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 marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Mineral Exploration Risk Generally

The exploration for, and development of, mineral deposits involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. 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, although present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

All of the properties in which the Company has an interest are without any known body of commercial ore. Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on a property without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from its properties and to locate and acquire additional properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

Title Risk

While the Company has performed its own due diligence with respect to the validity of the mineral claims in which it holds an interest, this should not be construed as a guarantee of title. There is no assurance that applicable governmental bodies will not revoke or significantly alter the conditions of the applicable claims that are included in the Company's projects or that such claims will not be challenged or impugned by third parties.

The Company's projects may be subject to prior unregistered agreements of transfer or indigenous land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of the Company's projects and any other mining or property interests derived from or in replacement or conversion of or in connection with the claims comprising the Company's projects or the size of the area to which such claims and interests pertain. The Company may face challenges to the title its projects or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

Loss of Interest in Properties

The Company's ability to maintain an interest in the properties owned by the Company will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep its properties in good standing or, where applicable, make payments and complete obligations under option agreements, and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the properties transferred to or optioned by the Company.

Aboriginal Title

The Yellowknife Lithium Project, the Cali Project, the Rupert Project or other properties owned or optioned by the Company are subject to Indigenous rights and claims, including the unsettled Aboriginal land claims of Indigenous groups in and around the Company's projects. The impact of any such claim on the Company's ownership interest in the properties optioned or owned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties optioned or purchased by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with First Nations in order to facilitate exploration and development work on the properties optioned or owned by the Company. The Supreme Court of Canada's recent decision in Tilhqot'in Nation v. British Columbia marked the first time in Canadian history that a court has declared Aboriginal title to lands outside of a reserve.

Local Communities

The Company's relationships and reputation, particularly with the communities in which it operates, are important to the future success of existing operations. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by those activities. There is a risk that relations with local communities may be strained by real or perceived detrimental effects associated with the Company's activities or those of other mining companies and that those strains may impact the Company's ability to enforce agreements entered into with local first nations communities or obtain necessary permits and approvals to develop and operate its projects. While the Company is committed to operating in accordance with applicable laws and in a socially responsible manner, there can be no assurance that its efforts, in this respect, will mitigate this potential risk.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of any of the Company's projects will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect operations.

Mineral Resources and Reserves

The estimates of mineral resources for the Yellowknife Lithium Project have been prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). There are numerous uncertainties inherent in estimating mineral resources and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that any categories of mineral resources will be upgraded to higher categories. The estimation of mineralization is a subjective process, and the accuracy of estimates is a function of quantity and quality of available data, the accuracy of statistical computation and the assumptions and judgments made in interpreting engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the Company's estimates.

There is no NI 43-101 compliant mineral resource or mineral reserve on any other of the Company's projects. There can be no assurances that an NI 43-101 compliant resource or reserve will ever be estimated on any other of the Company's projects.

Because the Company has not defined or delineated any proven or probable reserves on any of its properties, any future mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Fluctuating Price of Metals

Future production, if any, from the Company's mineral properties will be dependent upon the prices of lithium and its compounds being adequate to make these properties economic. Materially adverse fluctuations in the price of such minerals and metals may adversely affect the Company's financial performance and results of operations. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the control of the Issuer, including levels of supply and demand, industrial development levels, inflation and the level of interest rates, the strength of the U.S. dollar and geopolitical events in significant mineral producing countries. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

All commodities, by their nature, are subject to wide price fluctuations and future material price declines will result in a decrease in the value of the commodity held, and/or revenue or, in the case of severe declines that cause a suspension or termination of production by relevant operators, a complete cessation of revenue from streams, royalties or interests in mineral properties applicable to the relevant commodities. There is no assurance that, even if commercial quantities of lithium are produced, a profitable market will exist for them.

Competitive Risks

The mineral resource industry is competitive in all of its phases. The Company competes with other companies, some of which have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. The Company competes with other exploration and mining companies for the acquisition of leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. There can be no assurance that the Company can compete effectively with these companies.

Government and Regulatory Risks

The Company is subject to various laws governing exploration, taxes, labour standards and occupational health, safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could limit or curtail the Company's activities.

Amendments to current laws, regulations and permits governing activities of exploration and mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenses or require abandonment or delays in activities.

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

Environmental Risks

All phases of the Company's mining operations will be subject to environmental regulation in Canada.

Changes in environmental regulation, if any, may adversely impact the Company's operations and future potential profitability. In addition, environmental hazards may exist on the Company's projects which are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the properties, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company's operations and future potential profitability.

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

The Company may be subject to reclamation requirements designed to minimize long-term effects of mining exploitation and exploration disturbance by requiring the operating company to control possible deleterious effluents and to re-establish to some degree pre-disturbance land forms and vegetation. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures and could have a material adverse impact on the Company's financial resources.

License and Permits

In the ordinary course of business, the Company will be required to obtain and renew various federal, provincial and local governmental licenses or permits for exploration, development, construction and commencement of mining on its projects. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

Uninsured Risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions and floods. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations and a decline in the value of the securities of the Company.

Limited Operating History and Lack of Profits

The Company is an exploration company with a limited operating history. The likelihood of success of the Company's business plan must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with developing and expanding early-stage businesses and the regulatory and competitive environment in which the Company operates.

The Company has no history of earnings and has not commenced commercial production on any of its properties. There are no known commercial quantities of mineral reserves on any properties owned or optioned by the Company. There is no guarantee that economic quantities of mineral reserves will be discovered on any of the properties held by the Company in the near future or at all.

The Company has experienced losses from operations and expects to continue to incur losses for the foreseeable future. There can be no assurance that the Company will be profitable in the future. The Company's operating expenses and capital expenditures are likely to increase in future years as needed consultants, personnel and equipment associated with advancing exploration, and, if permitted, development and, potentially, commercial production of its properties, are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, the Company's acquisition of additional properties, government regulatory processes and other factors, many of which are beyond the Company's control. The Company expects to continue to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

General Risks

Labour and Employment Relations

Exploration at the Company's projects is dependent upon the efforts of, and maintaining good relationships with, employees of the Company. Relations between the Company and its employees may be impacted by changes in labour relations, which may be introduced by, among others, employee groups, unions, and the relevant governmental authorities in whose jurisdictions the Company carries on business. Adverse changes in such legislation or in the relationship between the Company and its employees may have a material adverse effect on the Company's business, results of operations, and financial condition.

Global Financial Conditions

Events in global financial markets in the past several years, including in relation to the COVID-19 pandemic and the inflationary effects thereafter have had a profound impact on the global economy. Many industries, including the mineral resource industry, were impacted by and continue to be impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates, changing foreign economic policies including tariffs, and tax rates, may adversely affect the Company's operations.

Adverse capital market conditions could continue to affect the Company's ability to meet its liquidity needs, as well as its access to capital and cost of capital. The Company needs additional funding to continue development of its internal pipeline and collaborations. The Company's results of operations, financial condition, cash flows and capital position could be materially affected by continued disruptions in the capital markets.

Financing Risk

Exploration companies need significant amounts of on-going capital to maintain and improve existing operations, invest in large scale capital projects with long lead times, and manage uncertain development and permitting timelines and the volatility associated with fluctuating metals and input prices. The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company.

LIFT has been successful at financing its projects and operations over the years. However, its ability to continue its exploration activities will depend on the resource industry generally, which is cyclical in nature, and which may, in turn, affect its ability to attract financing, including joint venture financing, debt or bank financing, equity financing or production financing arrangements. Failure to obtain, or difficulty or delay in obtaining, requisite financing could result in delay of certain projects or postponement of further exploration, assessment or development of certain properties or projects and would have a material adverse effect on the Company's business, result of operations and financial condition.

Share Price

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of Shares to sell their securities at an advantageous price. Market price fluctuations in the Company's shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Company's shares.

Financial markets have historically at times experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Company's shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Company's shares may be materially adversely affected.

Dilution

Common shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into the Company's shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company will issue additional shares from time to time pursuant to the options to purchase shares issued from time to time by the Board. The issuance of these shares will result in dilution to holders of the Company's shares.

Key Person Insurance

The Company does not maintain key person insurance on any of its directors or officers, and as a result, the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

Management

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any 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.

Ability of Company to Continue as a Going Concern

The Company is in the exploration stage and is currently seeking additional capital to develop its exploration properties. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity and debt, will be sought to finance the operations of the Company; however, there can be no certainty that such funds will be available at terms acceptable to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Negative Cash Flow from Operations

Since its incorporation, the Company had negative cash flows from operating activities and expects to continue to have negative cash flows and the net proceeds from the Offering will be used to fund such negative cash flow from operating activities. The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations.

Dividends

The Company does not anticipate paying any dividends on its shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Any decision to declare and pay dividends in the future will be made at the discretion of the Company's board of directors and will depend on, among other things, financial results, cash requirements, contractual restrictions and other factors that the Company's board of directors may deem relevant. As a result, investors may not receive any return on an investment in the Units unless they sell their shares of the Company for a price greater than that which such investors paid for them.

Litigation Risk

Legal proceedings may be brought against the Company, for example, litigation based on its business activities, environmental laws, tax matters, volatility in its stock price or failure to comply with its disclosure obligations, which could have a material adverse effect on the Company's financial condition or prospects. Regulatory and government agencies may bring legal proceedings in connection with the enforcement of applicable laws and regulations, and as a result the Company may be subject to expenses of investigations and defense, and fines or penalties for violations if proven, the Company may potentially incur cost and expense to remediate, increased operating costs or changes to operations, and cessation of operations if ordered to do so or required in order to resolve such proceedings.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the BCBCA. Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

- Participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
- No commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

Public Health Crises

In December 2019, COVID-19 emerged in Wuhan, China. Since then, it has spread to many other countries and infections have been reported around the world. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. In response to the outbreak, governmental authorities in Canada and internationally introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place, and social distancing, most of which measures have since been lifted.

The Company may be adversely affected by other public health crises and other events outside its control. Public health crises, such as epidemics and pandemics, acts of terrorism, war or other conflicts and other events outside of the Company's control, may adversely impact the activities of the Company as well as operating results. In addition to the direct impact that such events could have on the Company's facilities and workforce, these types of events could negatively impact capital expenditures and overall economic activity in impacted regions or, depending on the severity of the event, globally, which could impact the demand for and prices of commodities. A prolonged continuance of a public health crisis could also have a material adverse effect on overall economic growth and impact the stability of the financial markets and availability of credit. Any of these developments could have a material adverse effect on the Company's business, financial position, liquidity and results of operations.

Other Risks and Hazards

The Company's operations are subject to a number of risks and hazards including:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- failure of processing and mining equipment;
- labour disputes;
- supply problems and delays;
- changes in regulatory environment;
- encountering unusual or unexpected geologic formations or other geological or grade problems;
- encountering unanticipated ground or water conditions;
- cave-ins, pit wall failures, flooding, rock bursts and fire;
- periodic interruptions due to inclement or hazardous weather conditions;
- uncertainties relating to the interpretation of drill results;
- inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses;
- results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration or development results will not be consistent with the Company's expectations;
- the potential for delays in exploration or the completion of feasibility studies;
- other acts of God or unfavourable operating conditions.

Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, monetary losses and possible legal liability. Satisfying such liabilities may be very costly and could have a material adverse effect on future cash flow, results of operations and financial condition.

FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements. The words "expect," "anticipate," "estimate," "may," "will," "should," "intend," "believe," "target," "budget," "plan," "projection" and similar expressions are intended to identify such forward-looking statements. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present during operations, or if and when an undeveloped project is actually developed.

Forward-looking statements involve a number of known and unknown risks and uncertainties including statements regarding the outlook of Li-FT Power Ltd.'s business and results of operations. By their nature, these risks and uncertainties could cause actual results, performance, and achievements to differ materially from those indicated. Such factors include, without limitation, risks inherent in mineral exploration, changes in commodity prices, geological and metallurgical assumptions (including with respect to size, grade and recoverability of mineral resources and mineral reserves), the Company's history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, environmental risks. In making the forward-looking statements in this MD&A, the Company has applied material assumptions, including without limitation, the assumption that any additional financing needed will be available on reasonable terms.

Additional factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, weak commodity prices and general metal price volatility; the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand; and securing and the nature of regulatory permits and approvals and the costs of complying with environmental, health and safety laws and regulations.

The Company cannot assure investors that any of these assumptions will prove to be correct.

Li-FT Power Ltd. 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 as is required by applicable securities regulations. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date the statements were made, and are also advised to consider such forward-looking statements while considering the risk factors set forth in this MD&A.