



**VELOX ENERGY MATERIALS INC.**  
**(Formerly Currie Rose Resources Inc.)**  
An Exploration Stage Company

**MANAGEMENT DISCUSSION AND ANALYSIS**

**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30,  
2023 AND 2022**

# VELOX ENERGY MATERIALS INC.

## (Formerly Currie Rose Resources Inc.)

### An Exploration Stage Company

### MANAGEMENT DISCUSSION AND ANALYSIS

*The following management discussion and analysis ("MD&A") of Velox Energy Materials Inc. (formerly Currie Rose Resources Inc.) ("Velox" or "the Company") provides a review of corporate developments, results of operations and financial position for the three and nine months ended September 30, 2023 ("September 2023" or "Q2 2023") and September 30, 2022 ("September 2022" or "Q3 2022"). This discussion is prepared as of November 29, 2023 and should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2023 and 2022 ("September 2023 Financial Statements"). Additional information relating to the Company, including the audited annual consolidated financial statements and MD&A for the years ended December 31, 2022 and 2021 ("2022 Audited Financial Statements") is available on Velox's SEDAR profile at [www.sedar.com](http://www.sedar.com) and the Company's website at <https://veloxenergymaterials.com.au/>. The results reported in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are presented in Canadian dollars, which is the Company's functional currency.*

*For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.*

#### **FORWARD-LOOKING STATEMENTS**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

#### **RECENT HIGHLIGHTS**

##### **Fiscal year 2023**

On June 19, 2023, the Company completed the previously announced acquisition of WA Hydrogen Pty Ltd. ("Kotai Energy" or "Kotai") through the acquisition of all of the issued and outstanding shares of Kotai Energy (the "Kotai Shares") in consideration for the issuance of 50 million common shares of the Company (the "Consideration Shares") and a 5% royalty on future production. The fair value of the acquisition was \$3,500,000 based on \$0.07 per share representing the price per share at closing, which exceeded the \$0.05 per share at the time of negotiating the Transaction. The Transaction was previously announced on March 23, 2023 and updated on May 15, 2023.

Kotai Energy, in partnership with Curtin University in Western Australia, is developing solid state bulk exportable

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hydrogen technologies for deployment away from the production source, with the objective of it being economically and commercially viable (the “Hydrogen Project”). Kotai has developed a hydrogen-rich powder, called ‘sodium borohydride’, that allows for a safe and cost-effective global export of hydrogen, which to date has been a significant issue in the creation of a reliable hydrogen supply chain.

Kotai’s partnership with Curtin University commenced in November 2018 with the intention that Curtin University, with the financial assistance and in-kind support assistance of Kotai Energy, submit an initial application to the Australian Research Council seeking funding for the Hydrogen Project, which has since been granted.

Kotai’s hydrogen project offers various synergies with the vanadium redox flow battery technology that is currently being pursued by the Company, and each targets the growing need for reliable alternative sources of energy.

Since the acquisition of Kotai did not meet the definition of a business under IFRS 3 – Business Combinations, the acquisition was accounted for as a purchase of assets. The consideration paid was determined as equity-settled share-based payments under IFRS 2, at the fair value of the equity of the Company issued to the vendors on the date of closing as noted above. IFRS 2 requires the shares issued for the acquisition of the net assets of the Hydrogen Project to be measured at the fair value of the net assets, unless the fair value cannot be reliably estimated.

The following represent the preliminary fair value allocation to identifiable net assets acquired at September 30, 2023.

	<b>Total</b>
Cash	\$ 588
Accounts receivable	28,605
Intangible asset (Developed technology)	3,475,068
Accounts payable	(4,261)
	<b>\$ 3,500,000</b>
<b>Fair value of consideration paid</b>	
Common Shares	3,500,000
	<b>\$ 3,500,000</b>

In connection with the acquisition of Kotai, the Company appointed Nicole Morcombe, co-founder of Kotai Energy, as director of Velox and granted 4,500,000 stock options of the Company, exercisable at \$0.05 per share for 5 years from date of issuance.

On April 12, 2023, the Company announced the appointment of appointment of Caroline Keats to the Company’s Board of Directors, effective April 11, 2023. Ms. Keats is currently the Managing Director and Chief Executive Officer of ENRG Elements Ltd, an ASX-listed exploration company with uranium and copper assets in Africa.

Further, on June 26, 2023, the Company announced the appointment of Mr. Simon Coyle as the new President, CEO and Director of the Company, effective July 10th, ushering in a new era for Velox. Mr. Coyle brings a wealth of experience in leadership and management in the mining sector, having worked extensively in exploration, mine planning, mine operations and brownfield and greenfields mine development.

***Stock Option Award***

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On July 27, 2023, the Company announced the award of 5,000,000 stock options to the Simon Coyle, the new President and CEO with an exercise price of \$0.06 per common share and an expiry of 5 years from the grant date.

**Fiscal year 2022**

On February 11, 2022, the Company submitted the 43-101 technical report, prepared in accordance with the requirements of the NI43-101 standard to the TSXV for approval in connection with the North Queensland Vanadium Project (“NQVP”). The Company announced on August 5, 2022 the closing of the acquisition of the NQVP as outlined below.

***2022 Private Placement Financing***

The private placement offering was for a maximum 22,000,000 units (the “Units”) of the Company at a price of \$0.05 per Unit (the “Offering”), with each Unit comprised of one share in the capital of the Company (each a “Common Share”) and one common share purchase warrant (a “Warrant”). Each Warrant is to be exercisable to purchase an additional share of the Company for a period of 24 months from the closing date at a price of CAD\$0.10. If the volume weighted average price of the common shares of the Company on the TSX Venture Exchange over the preceding 20 trading days is greater than \$0.25, the Company can elect to accelerate the term of the Warrants to 30 calendar days following the date of a press release announcing the notice of acceleration is provided. All securities issued under the Offering are subject to a hold period of four months and a day from the date of issue.

On January 14, 2022, the Company closed the first tranche of the non-brokered private placement in the amount of \$545,000 or 10,900,000 Units. Each unit consists of one Common Share of the Company and one common share purchase warrant (each, a “Warrant”). This initial tranche will be used for working capital purposes. The Company paid compensation of \$14,700 and issued 344,000 finder warrants with a fair value of \$18,423 to various eligible finders. Each finder warrant is exchangeable for one Common share at a purchase price of \$0.05 per share and will expire two (2) years from the closing date i.e., January 13, 2022.

On August 5, 2022, the Company announced that it has closed the second and final tranche of the previously announced non-brokered private placement and issued an aggregate of 5,460,894 Units at a price of \$0.05 per Unit for aggregate gross proceeds of \$273,045, \$235,000 of which was received prior to June 30, 2022. In connection with the closing, the Company will pay compensation of \$4,500 and issue 90,000 finders warrants with a fair value of \$1,666 to Paloma Investments Inc. (the "Finders Warrants"). Each Finder Warrant entitles the holder to acquire one Common Share at a price of \$0.05 per share any time prior to August 5, 2024. The net proceeds of the Offering will be utilized for the further development of the NQVP.

On October 14, 2022, the Company announced the completion of a non-brokered private placement. The Company issued an aggregate of 79,000,001 Units at a price of C\$0.03 per Unit for aggregate gross proceeds of \$2,370,000. Each Unit consists of one Common Share and one half of one (1/2) common share warrant (a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional Common Share at a price of C\$0.05 per Common Share at any time prior to October 14, 2024. If the volume-weighted average price of the common shares of the Company on the TSX Venture Exchange over the preceding 20 trading days is greater than C\$0.15, the Company can elect to accelerate the term of the Warrants to 30 calendar days following the date a press release announcing the notice of acceleration is issued. In connection with the closing, the Company paid a cash fee of \$123,000 and issued 2,050,000 Warrants with a fair value of \$39,651 to eligible finders. Each of the Warrants issued to the finders entitles the holder to acquire one Common Share at a price of C\$0.05 per share any time prior to October 14, 2024.

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#### ***Stock Option Award***

On November 15, 2022, the Company announced it had approved and issued 7,000,000 stock options to directors, consultants and advisors of the Company. The stock options are exercisable for a period of 5 years at an exercise price of \$0.05 per Common Share and vest on the date of the grant.

#### **Subsequent Events**

On October 16, 2023, the Company announced that effective October 18, 2023, the Company would change its name to Velox Energy Materials Inc. and began trading on the Toronto Venture Exchange ("TSXV") under the new symbol "VLX". The new name better reflect the Company's growth trajectory and business strategy in the energy materials industry, which includes the Company's North Queensland Vanadium Project and the Kotai Hydrogen Project.

#### ***THE NORTH QUEENSLAND VANADIUM PROJECT***

On November 1, 2022 the Company released an updated independent Mineral Resource Estimate ("MRE") for its Cambridge Vanadium Deposit that forms part of the NQVP situated within the "Vanadium Hub" approximately 450 km west of the port of Townsville, Queensland, Australia.

NQVP is a district-scale, advanced-stage Battery Metal asset within the world-class Vanadium Hub. The project covers 1,246 km<sup>2</sup> in seven 100%-owned exploration permits with over 300 km<sup>2</sup> of the Toolebuc sedimentary host rocks that contain vanadium mineralization.

The project is located mid-way between Mt Isa and the Port of Townsville (north Queensland) and serviced by the town of Richmond with rail, road, power and port access and statewide skilled workforce.

The flagship Cambridge deposit was recently expanded to over 200Mt (see below), and several other prospects including Flinders River, Runnymede and Silver Hills provide near-term potential for resource expansion.

Historic preliminary metallurgy studies from the Cambridge deposit indicate that the deposit is oxidized, shallow, friable with a low strip ratio and suitable for pre-concentration and amenable to acid leach.

#### ***Highlights:***

- Inaugural large diameter core (100mm) drilling program at the Cambridge deposit totaling 333m was completed in late August 2023 with results pending.
- Preliminary metallurgical test work on composited drill samples from the Cambridge vanadium deposit is underway.
- Information from this program will provide guidance for exploring the vast underexplored tenure .
- Indicated Resource of 61.33Mt @ 0.34% V<sub>2</sub>O<sub>5</sub>. The initial 2018 MRE contained no Indicated Mineral Resources.
- Inferred Resource increased by 61Mt to 144.87Mt @ 0.33% V<sub>2</sub>O<sub>5</sub>, representing a 72% increase from the initial 2018 Mineral Resource.
- Updated MRE based on 65 drill holes, using 30 drill holes not included in the initial 2018 resource.
- Estimated Molybdenum trioxide ("MoO<sub>3</sub>") grade of 239.7ppm, up 51.8ppm ~28% increase.

The updated MRE is based on "reasonable prospects for eventual economic extraction" and is constrained in a Lerchs Grossman ("LG") open pit shell that was constructed using \$AUD 23,152/tonne (\$USD 7.5/lb) for V<sub>2</sub>O<sub>5</sub>. The MRE

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has an effective date of October 27, 2022 and is based on historical drilling from 2008 to 2019. Details of the MRE are shown in Table 1 below.

Additionally, the North Queensland Vanadium Project has multiple characteristics that are positive for potential future development. These include:

- Existing sealed road access on the eastern edge of the deposit.
- Close to rail and power infrastructure.
- Mineralization is flat lying and outcrops at surface in places.
- Large property with multiple exploration targets.
- Cambridge Deposit covers ~ 2,500Ha (or 2%) of the 124,000Ha package.

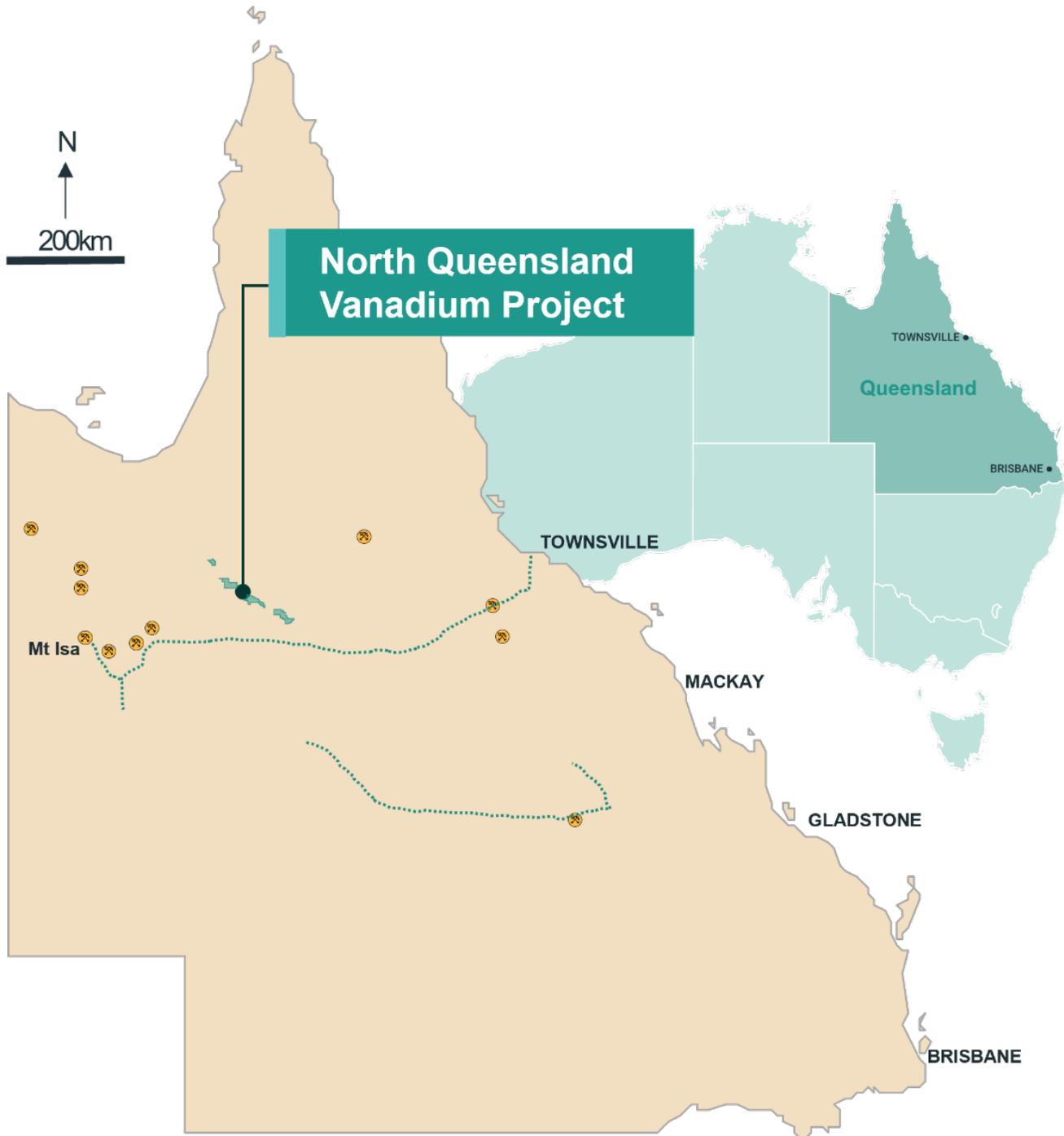
**Table 1 – Mineral Resource Estimate for the NQVP at 0.25 % Vanadium Cut-Off Grade**

Cut-Off V <sub>2</sub> O <sub>5</sub> (%)	Classification	Ore Tonnes (Mt)	V <sub>2</sub> O <sub>5</sub> (t)	V <sub>2</sub> O <sub>5</sub> (%)	MoO <sub>3</sub> (t)	MoO <sub>3</sub> (ppm)
0.25	Indicated	61.33	210,300	0.34	14,600	234.6
	Inferred	144.87	483,400	0.33	35,500	241.9

Notes:

- Indicated and Inferred Mineral Resources are not Mineral Reserves. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. There has been insufficient exploration to define the Inferred Resources tabulated above as an indicated or Measured Mineral Resource, however, it is reasonably expected that the majority of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. There is no guarantee that any part of the Mineral Resources discussed herein will be converted into a Mineral Reserve in the future. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing or other relevant issues. The mineral resources have been classified according to the Canadian Institute of Mining (“CIM”) Definition Standards for Mineral Resources and Mineral Reserves (May 2014) and CIM Estimation of Mineral Resources & Mineral Reserves Best Practices Guidelines (2019).
- The MRE is constrained in an LG pit optimization utilizing V<sub>2</sub>O<sub>5</sub> at \$USD 7.5/lb, Mining at \$AUD 2.86/tonne, Processing and G&A at \$AUD 7.86/tonne, pit slopes at 35°.
- Differences may occur in totals due to rounding.
- Tonnage estimates are based on a bulk density of 1.8 g/cm<sup>3</sup>.
- Mr. Mike Dufresne, P.Geol., P.Geo. and Mr. Steven Nicholls, M.AIG of APEX Geoscience Ltd. (“APEX”), who are deemed a qualified person as defined by NI 43-101 is responsible for the completion of the updated mineral resource estimation.

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*Figure 1 – North Queensland Vanadium Project Location*

The NQVP is the merger of the Toolebuc and Flinders River Vanadium Projects and is situated approximately 450km west of the port of Townsville (Figure 1). The NQVP covers an area of approximately 124,000 Ha and is close to rail, road and power infrastructure.

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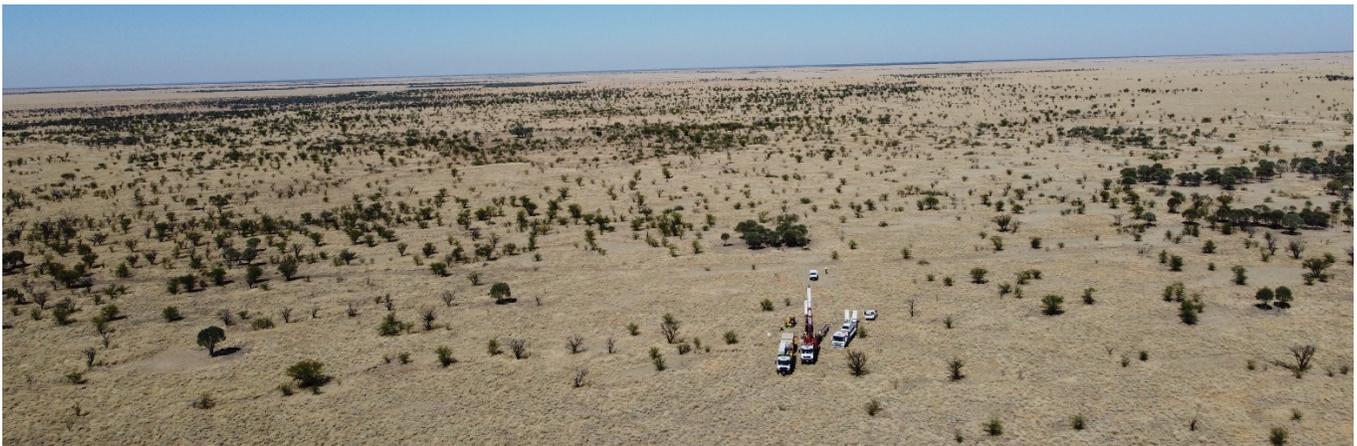
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The vanadium pentoxide (“V<sub>2</sub>O<sub>5</sub>”) mineralisation is located within marine sediments of the Early Cretaceous Toolebuc Formation, a stratigraphic unit that occurs throughout the Eromanga Basin in Central Northern Queensland. The Toolebuc Formation is a flat-lying, early Cretaceous (Albian ~100 Ma) sedimentary package that consists predominantly of black carbonaceous and bituminous shale and minor siltstone, with limestone lenses and coquinites (mixed limestone and clays). The Cambridge MRE is situated within the flat lying Toolebuc Formation.

Cambridge consists of 65 historic aircore drill holes totalling 1,577 m were completed between 2008 and 2019 by Horizon Minerals/Intermin Resources in 2008 (“Horizon/Intermin”) and Liantown Resources Ltd in 2019 (“Liantown”). The drilling defined a flat lying horizon of V<sub>2</sub>O<sub>5</sub> with accessory MoO<sub>3</sub> mineralization ranging in thickness from 2 m to around 15 m covering a lateral area of 5.8 x 4.3 km.



*Photo 1 – Surface View of the Cambridge V<sub>2</sub>O<sub>5</sub> Deposit – Looking South*

#### **About the Mineral Resource Estimate**

Modelling was conducted in the Map Grid of Australia (“MGA”) coordinate space relative to the Geocentric Datum of Australia (“GDA”) 2020, and MGA zone 54 (EPSG:7854). The mineral resource block model utilized a block size of 100 m (X) x 50 m (Y) x 2 m (Z) to honour the mineralization wireframes. The percentage of the volume of each block below the bare earth surface and within the mineralization domain was calculated using the 3D geological models and a 3D surface model.

The Cambridge Deposit drill hole database consists of 65 drill holes that intersect the interpreted mineralization wireframe. The V<sub>2</sub>O<sub>5</sub> and MoO<sub>3</sub> assays were composited to 1m composite lengths, and the estimation utilized 575 composited samples. All intervals within the interpreted wireframe were visually checked to ensure the flagging process was completed correctly.

The MRE is based on the combination of geological modelling, geostatistics and conventional block modelling using the Ordinary Kriging (“OK”) method of grade interpolation with locally varying anisotropy variogram models.

For grade estimation, 1m composites were used to create the interpreted mineralization boundaries. A lower cut-off grade of 0.12% V<sub>2</sub>O<sub>5</sub> was used to define the domain outline. This lower cut-off was chosen as a natural inflection in the V<sub>2</sub>O<sub>5</sub> assay population. A single mineralized domain was defined. Block tonnes were estimated using 1.8 g/cm<sup>3</sup> for mineralized

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material.

The V<sub>2</sub>O<sub>5</sub> and MoO<sub>3</sub> grade estimations were completed independently of each other and were completed using OK. The search ellipsoid size used to estimate the V<sub>2</sub>O<sub>5</sub> and MoO<sub>3</sub> grades was informed by the modelled variograms for each variable. Block grade estimation employed locally varying anisotropy, which uses different rotation angles to define the principal directions of the variogram model and search ellipsoid on a per-block basis.

Blocks within estimation domains are assigned rotation angles using a modelled 3D mineralization trend surface wireframe. The estimation was performed using three estimation passes whereby each successive pass utilized a less restrictive sample search strategy for block estimation.

The search radii for the first estimation pass equals half of the variogram ranges. The second pass increases the search distance to the variogram range. The third pass further expanded the search distances up to twice the variogram range. Over 95% of the blocks were estimated within the first two estimation passes.

The Mineral Resource is classified according to the CIM “Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines” dated November 29th, 2019, and CIM “Definition Standards for Mineral Resources and Mineral Reserves” dated May 10th, 2014. Mr. Dufresne believes the North Queensland Vanadium Project - Cambridge Deposit has the potential for future economic extraction.

The unconstrained resource block model was subjected to several open pit optimization scenarios and surface mining parameters. The following criteria, Table 2, were considered reasonable.

**Table 2 – Assumptions Used for the LG Pit Shell and Reasonable Prospects of Eventual Economic Extraction**

<b>Item</b>	<b>Unit</b>	<b>Value</b>
Vanadium Price	USD/lb	7.50
Molybdenum Price	-	-
Mining Cost	AUD/tonne	2.86
Processing + G&A	AUD/tonne	7.86
AUD – USD Exchange Rate		0.70
Assumed V <sub>2</sub> O <sub>5</sub> Recovery	%	85
Assumed Molybdenum Recovery	-	-

*\*Molybdenum was treated as a by-product of Vanadium and as such not used in the economic parameters of reasonable prospects of eventual economic extraction (LG Pit design).*

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**Table 3 – Sensitivity Analysis of the Mineral Resource Estimate for the NQVP at Various Vanadium Cut-Off Grades**

Classification	Cutoff V <sub>2</sub> O <sub>5</sub> (%)	Ore Tonnes (Mt)	V <sub>2</sub> O <sub>5</sub> (t)	V <sub>2</sub> O <sub>5</sub> (%)	MoO <sub>3</sub> (t)	MoO <sub>3</sub> (ppm)
Indicated	0.2	87.63	269,700	0.301	19,200	214.6
	<b>0.25</b>	<b>61.33</b>	<b>210,300</b>	<b>0.339</b>	<b>14,600</b>	<b>234.6</b>
	0.3	38.32	147,400	0.383	10,100	263.3
	0.35	22.15	95,200	0.429	6,300	283.5
	0.4	12.59	59,500	0.473	3,900	306.8
Inferred	0.2	217.59	648,300	0.294	48,800	220.6
	<b>0.25</b>	<b>144.87</b>	<b>483,400</b>	<b>0.33</b>	<b>35,500</b>	<b>241.9</b>
	0.3	80.83	308,700	0.38	21,600	264.5
	0.35	46.81	199,600	0.426	13,500	287.7
	0.4	23.97	114,900	0.478	6,900	288.8

**Data Verification**

In 2018, Optiro Pty Ltd. completed an independent MRE report of the Cambridge Deposit, which is now superseded by the November 1, 2022, updated independent mineral resource estimate.

The Qualified Persons (“QPs”) reviewed recent reports and other documents including a recent independent mineral resource estimate report (“Cambridge Resource”) authored by Optiro Pty Ltd. (2018), a summary report by Mike Griffiths of Velox (2021), and a number of ASX news releases (by Lontown Resources Ltd.). The Optiro Report documents a historical MRE that the QPs consider to having been compliant with recent CIM guidelines (2014) at the time it was constructed.

The Optiro Cambridge MRE was calculated based on 35 aircore holes completed in 2008 by Intermin. Mr. Dufresne and Mr. Steven Nicholls of APEX, both QP’s reviewed the MRE and the underlying data. Lontown completed a total of 30 aircore holes in 2019 that are not included in the historical Optiro MRE but have been included in the current MRE.

The 2019 Lontown drill holes were drilled after the completion of the Optiro MRE and hence the MRE is now considered historical. The QPs have reviewed all the reports, the data that backs up the reports and the recent MRE data including drillhole data, wireframes and block models and confirm that the work and data are of a good standard and suitable for use for the calculation of a current MRE.

Drilling by Lontown in 2019 on Exploration Permit EPM26494 that hosts the Cambridge deposit, confirmed the presence of vanadium mineralization by twinning historical drillholes and has been used in the current MRE to substantially expand the resources.

Mr. Nicholls of APEX performed a property visit and reviewed the assay data for the seven twin drill holes in comparison with the historical Intermin drill holes, and the results returned show comparable V<sub>2</sub>O<sub>5</sub> assay results between the two sets of data.

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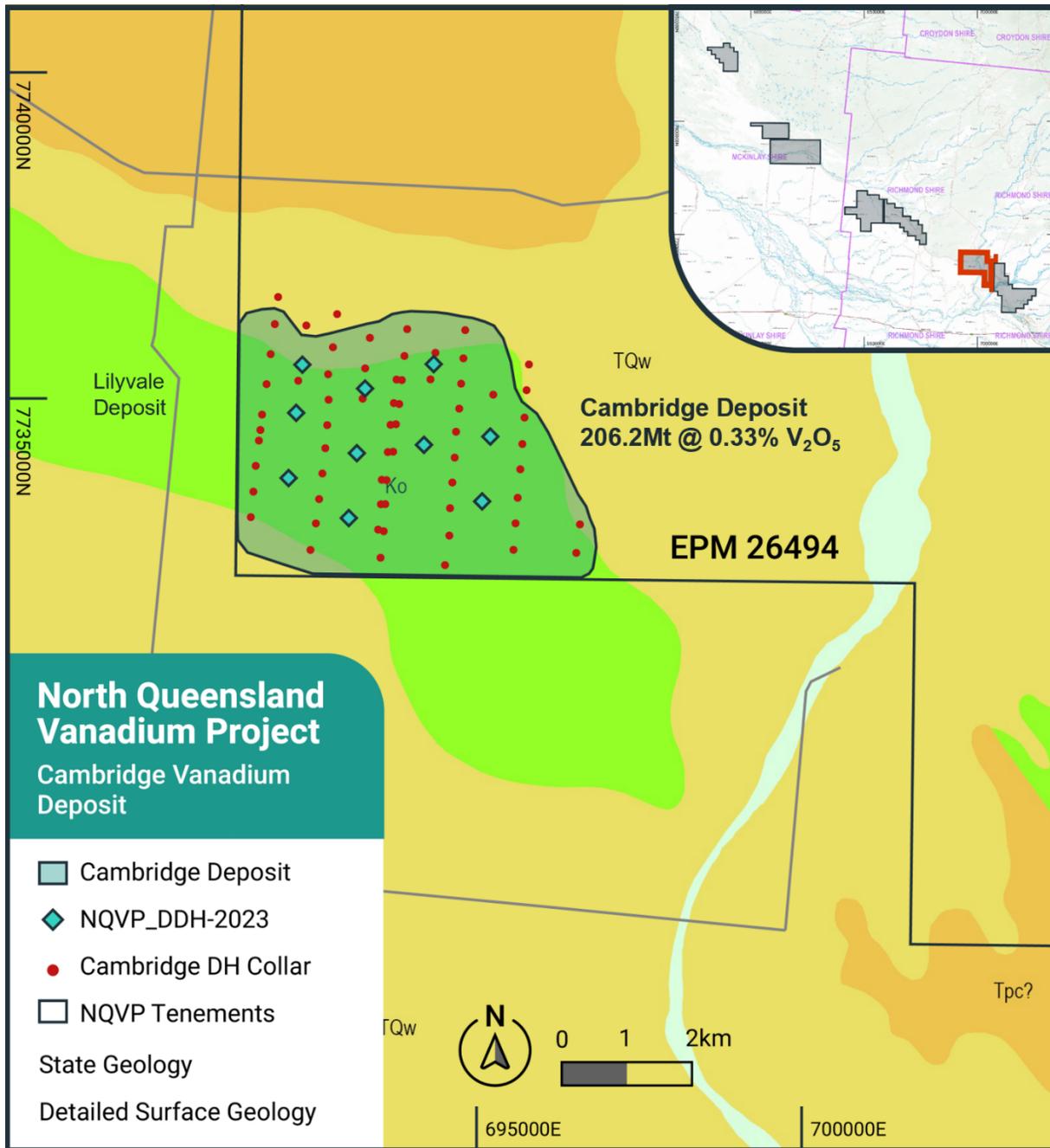


Figure 2 – Plan View of the NQVP – Cambridge Deposit Showing the Drill Hole Locations and the Interpreted Mineralization Extents

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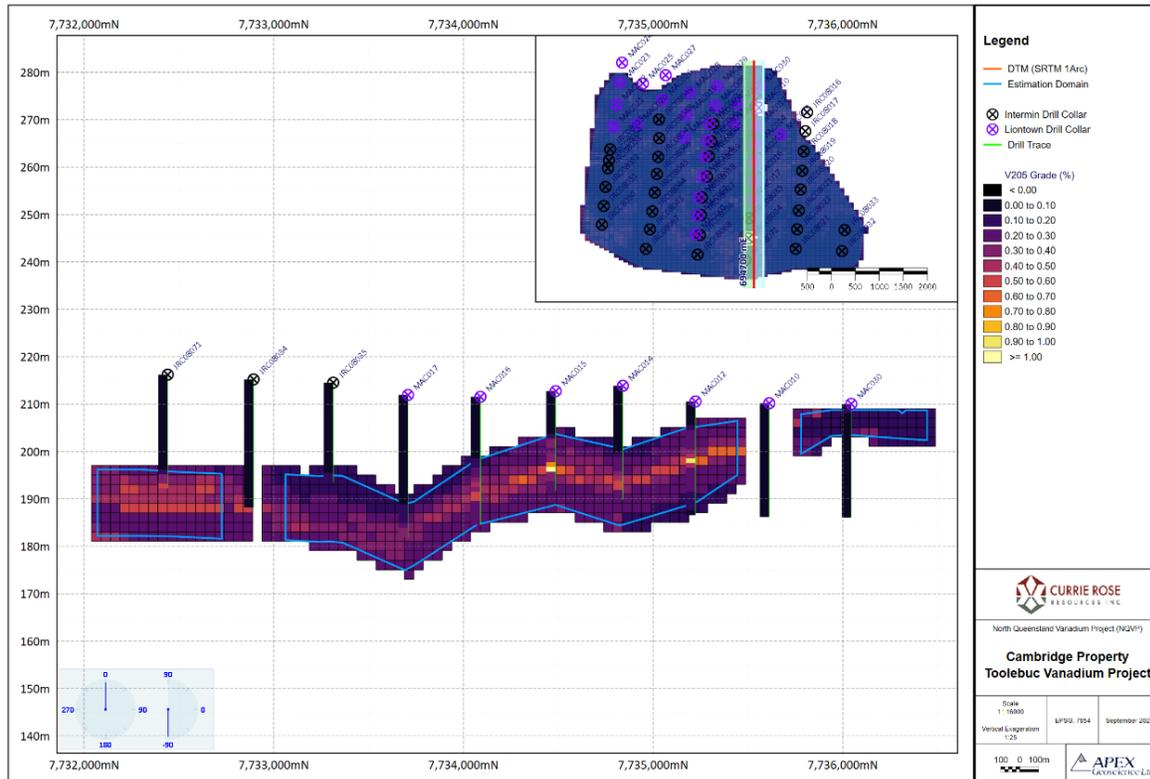


Figure 3 – Cross-Sectional View 694700E of the NQVP – Cambridge Deposit Showing the  $V_2O_5$  Estimated Grades, Drill Hole Assays and the Interpreted Mineralization Extents. The Vertical Exaggeration of This Cross Section is 1:25.

### Preliminary Metallurgical Test work

Air Core (“AC”) drill samples collected from the Cambridge deposit by Liontown Resources in 2019<sup>1</sup> were relocated to the Velox storage facility for review and preparation for metallurgical test work.

A total of 51 samples from seven drill holes located throughout the Cambridge deposit that represented the mineralised zone (Figure 6) will undergo a series of tests to provide precursor information for the upcoming diamond drill hole (see below). Test work is on-going.

<sup>1</sup>Stored in accordance with industry standard QA/QC protocols.

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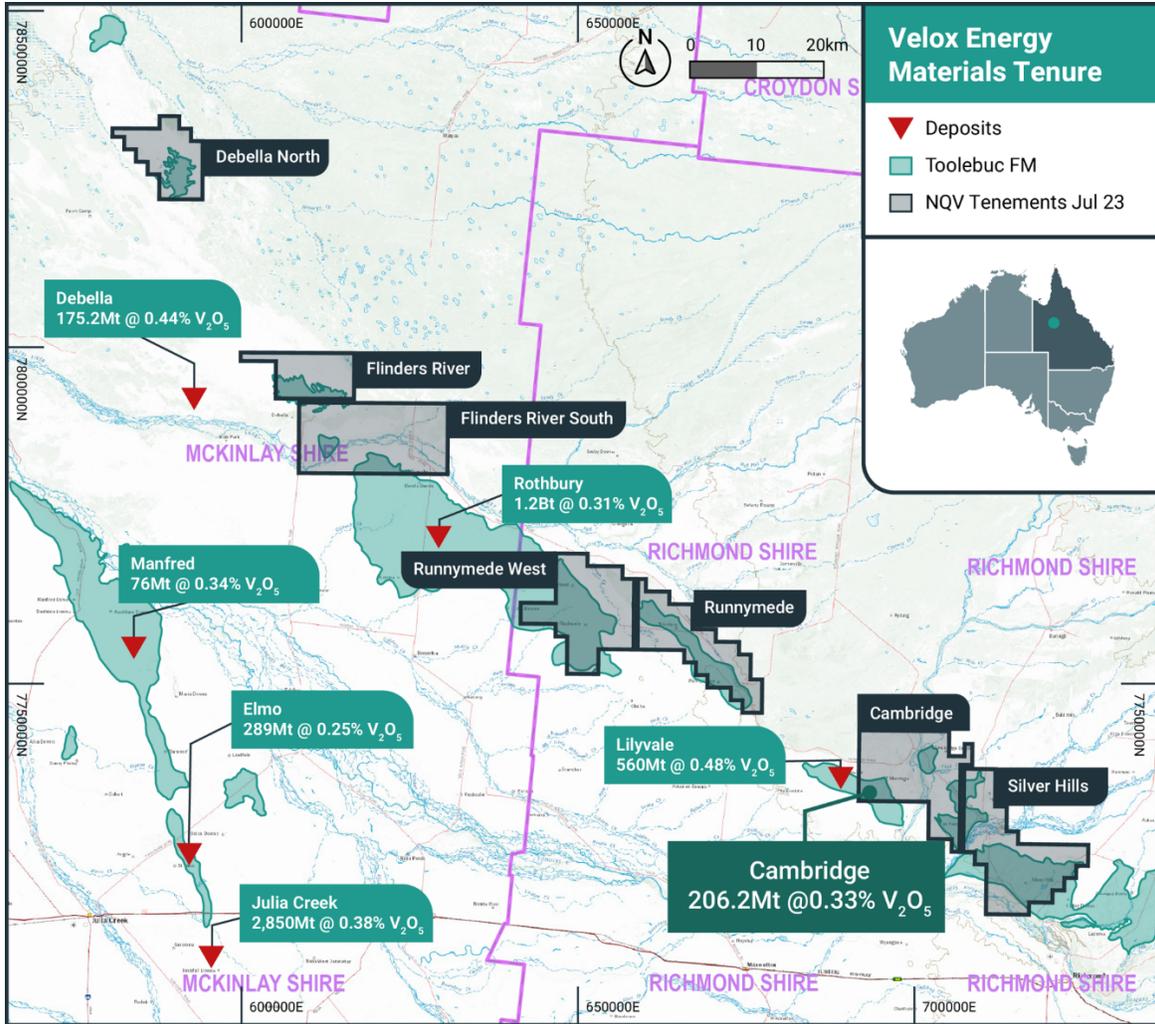


Figure 5: Location Map

Hole_ID	Deposit	East	North	RL	Depth	Azimuth	Dip	Significant V2O5 (>0.25%)			
								From (m)	To (m)	Interval	V2O5%
MAC003	Cambridge	693554	7733751	135	24	0	-90	17	24	7	0.39
								inc. 1m @ 0.66% V2O5 from 21m			
MAC005	Cambridge	693689	7734594	135	24	0	-90	6	13	7	0.37
								inc. 1m @ 0.62% V2O5 from 8m			
MAC009	Cambridge	694378	7735699	135	24	0	-90	7	15	8	0.40
								inc. 2m @ 0.63% V2O5 from 9m			
MAC012	Cambridge	694773	7735225	135	24	0	-90	7	17	10	0.38
								inc. 1m @ 0.93% V2O5 from 12m			
MAC015	Cambridge	694695	7734488	135	21	0	-90	10	20	10	0.45
								inc. 2m @ 0.99% V2O5 from 15m			
MAC018	Cambridge	693260	7734995	135	27	0	-90	4	10	6	0.37
								inc. 1m @ 0.50% V2O5 from 6m			
MAC021	Cambridge	691784	7735218	135	33	0	-90	18	26	8	0.37

Table 1: Selected Significant Historic Drill Hole Assays Composites

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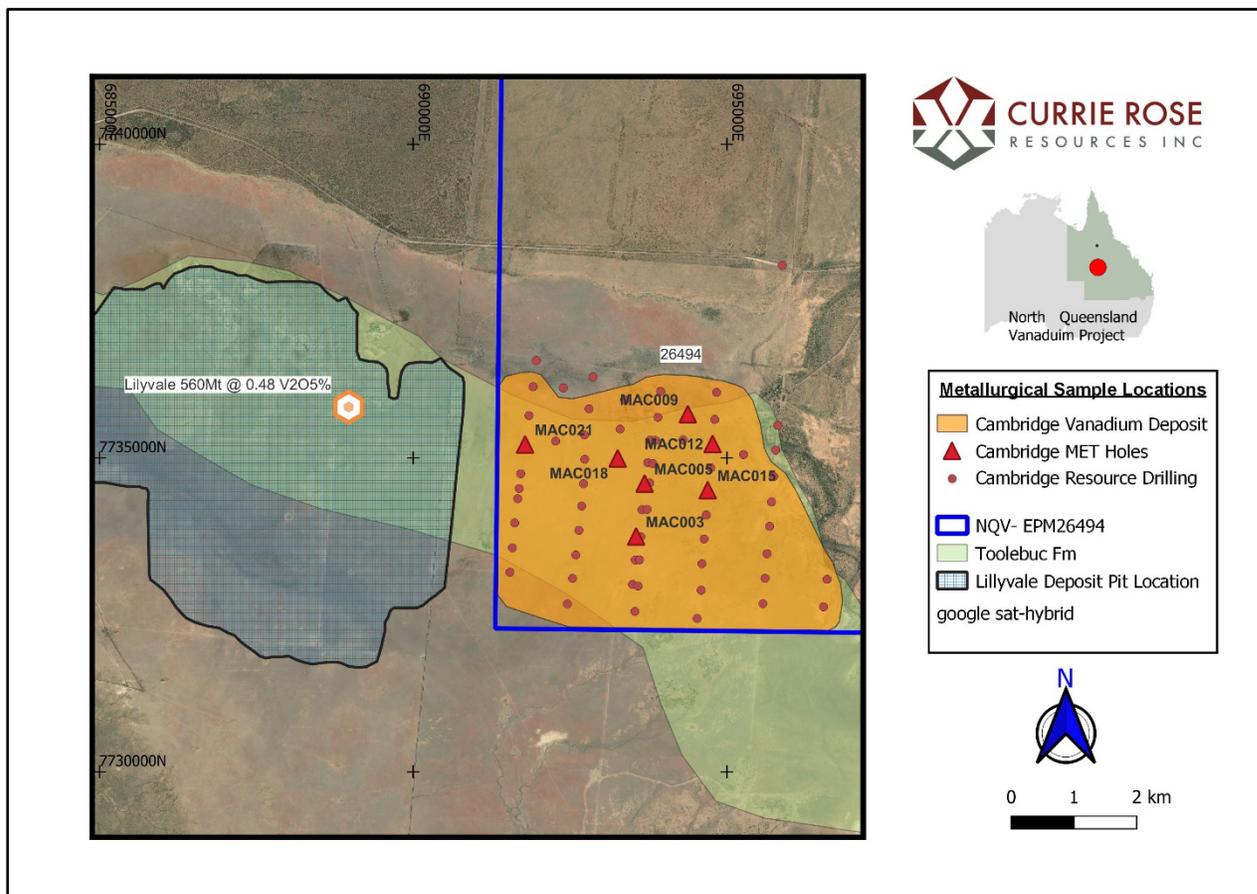


Figure 6: Metallurgical Sample Locations

**Fiscal 2023 Mineral Resource Update**

On March 13, 2023, the Company reported the review and definition of a drill-defined Exploration Target for the Flinders River area of the NQVP situated within the “Vanadium Hub”, approximately 450 km west of the port of Townsville, Queensland, Australia.

The Flinders River Exploration Target currently measures approximately 5.7 km in length and 3.9 km in width, with an average thickness of 5.2 m and an average depth of 10 m. The Exploration Target remains open to the northwest, east and southeast. The Exploration Target was calculated using validated historical data and hosts a target of 142,170,000 tonnes up to 213,260,000 tonnes, with an average grade ranging from 0.22 to 0.33 per cent (%) vanadium pentoxide (V<sub>2</sub>O<sub>5</sub>) and 192 to 288 ppm molybdenum trioxide (MoO<sub>3</sub>) utilizing a 0.12% V<sub>2</sub>O<sub>5</sub> cut-off (Table 1). The potential quantity and grade are conceptual in nature. *There has been insufficient exploration to define a mineral resource at Flinders River and it is uncertain if further exploration will result in the Exploration Target being delineated as a mineral resource.*

Volume (m <sup>3</sup> )		Tonnes		V <sub>2</sub> O <sub>5</sub> (%)			MoO <sub>3</sub> (ppm)	
Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Cut-off	Minimum	Maximum
78,990,000	118,480,000	142,170,000	213,260,000	0.22	0.33	0.12	192	288

\*The potential quantity and grade presented represent an Exploration Target and are conceptual in nature. There has been

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### An Exploration Stage Company

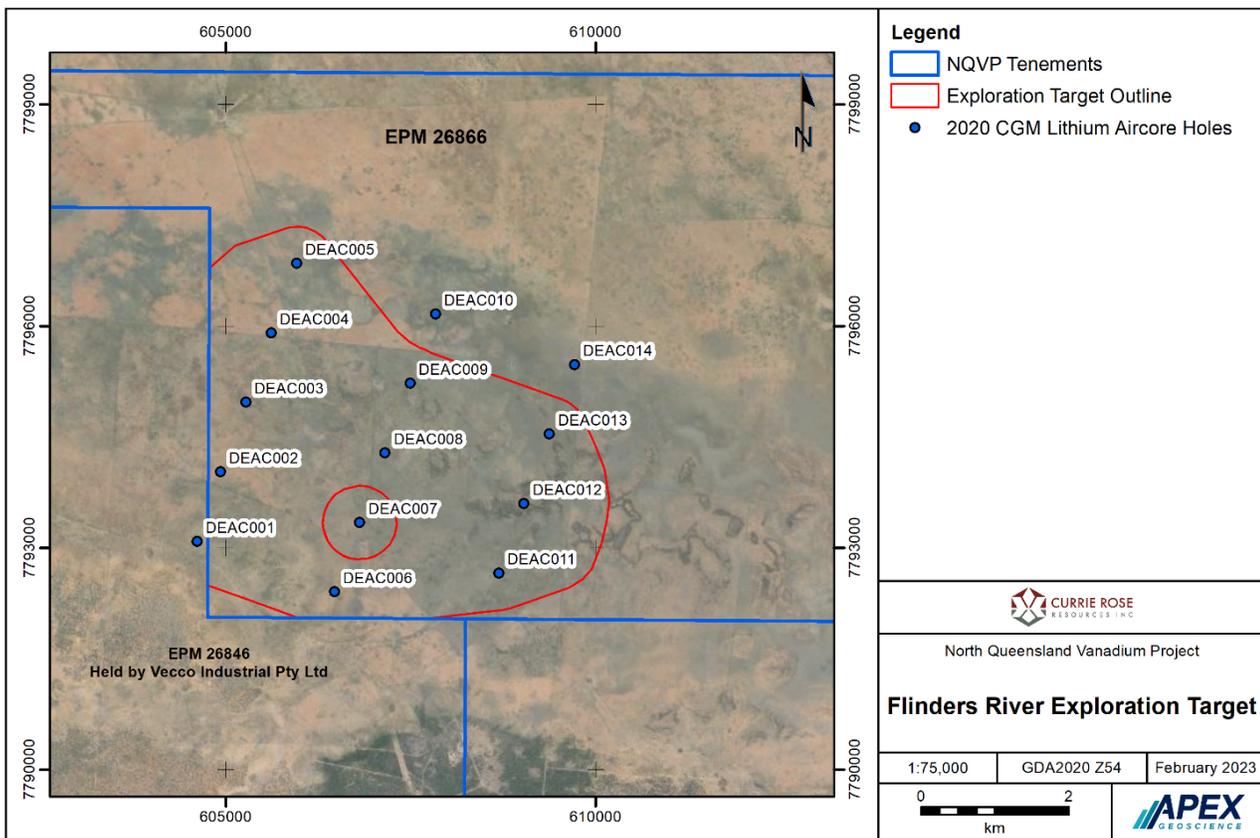
### MANAGEMENT DISCUSSION AND ANALYSIS

insufficient exploration to define a Mineral Resource at Flinders River and it is uncertain if future exploration will result in a target being delineated as a Mineral Resource. The Target has not been evaluated for reasonable prospects for future economic extraction. Metallurgical work is ongoing and future drill programs are planned for the NQVP.

\*\* For the conceptual estimate, the range of elemental V<sub>2</sub>O<sub>5</sub> is provided by multiplying the mean volume, density and vanadium concentration of the Flinders River Exploration Target by +/- 20%.

\*\*\*Molybdenum was treated as a by-product of Vanadium.

#### Plan view of Flinders River Exploration Target outlining the size and potential of the area



In preparation of the calculation of the Exploration Target, Mr. Nicholls reviewed CGM Lithium’s annual technical reports and drill hole database. The AC samples were submitted to SGS in Townsville, Queensland, for preparation and shipped to SGS in Perth, Western Australia for analysis. SGS is an ISO/IEC 17025:2005 accredited third party geoanalytical laboratory. The entire sample was pulverized and analyzed via XRF78S, which includes a borate fusion with XRF analysis.

#### Diamond Drill Program

The Company commenced a ten (10) large diameter core drilling program on August 22, 2023. The program was designed to provide large diameter core (100mm) from within the defined Cambridge vanadium deposit that hosts the NI 43-101 compliant Indicated Resource of 61.33 Mt @ 0.34% V<sub>2</sub>O<sub>5</sub> and Inferred Resource of 144.87 Mt @ 0.33% V<sub>2</sub>O<sub>5</sub>.

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Drilling targeted the full depth of mineralization and is "infill" drilling, bringing drill spacing to 500m centres for most of the previously defined deposit. The completion of this work and the various studies will culminate in an updated Mineral Resource Estimate (MRE).

On September 27, 2023, the Company announced that the "infill" large diameter (100 mm) core drilling program at the Cambridge Vanadium Deposit has been completed. A total of ten (10) drill large diameter "4C" core (100 mm) drill holes, totaling 333 meters, have been completed from within the Cambridge Deposit (Table 1). Downhole Gamma and Density geophysics was also completed on all drill holes for stratigraphic analysis and to assist with planned metallurgical studies.

Hole ID	Core Type	Easting_X	Northing_Y	Depth (m)
NQV23_001	4C Core	692239	7734776	30
NQV23_002	4C Core	692122	7733776	31
NQV23_003	4C Core	693171	7734158	37
NQV23_004	4C Core	693047	7733163	36
NQV23_005	4C Core	694351	7735523	37
NQV23_006	4C Core	694201	7734286	25
NQV23_007	4C Core	695095	7733418	36
NQV23_008	4C Core	695221	7734412	26
NQV23_009	4C Core	692334	7735515	20
NQV23_010	4C Core	693297	7735149	55
			Total	333
<b>EPGS:7854 - GDA2020 / MGA zone 54</b>				

**Table 1 – 4C Core Holes Location**

Two holes (NQVP23-004 and NQVP23-007) have been conditioned for water monitoring purposes and part of the ground water studies conducted by Epic Environmental.

Core has been dispatched to Mitra PTS in Gladstone, Queensland for processing, and all data collected from the program is now being collated. Assays results are pending.

**Environmental Studies**

The Company also advised that it has engaged specialist environmental consultancy, Epic Environmental Pty Ltd ("Epic Environmental"), to commence environmental baseline assessments at the Company's 100%-owned NQVP. Their engagement is to ensure that there are no delays to the development of the Project due to baseline data collection for potential development of the project. The scope of work includes an initial desktop ecological assessment, collating all the public data for the area, and first pass "on-ground" flora and fauna observations. In addition, studies have also included surface water, groundwater, and air quality monitoring.

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**KOTAI PROJECT**

Kotai Energy is an Australian company helping de-carbonise the world's energy systems. Through our partnership with the leading scientific team at Curtin University, Perth, and supported by the Australian government grant system, Kotai is developing a green hydrogen storage and transport solution which has the potential to alleviate existing H<sub>2</sub> transportation, storage and safety limitations in line with numerous government initiatives to develop the green H<sub>2</sub> export market.

The existing methods used in the production of green hydrogen remain heavily constrained in their ability to access end markets, with significant costs in the development of infrastructure, such as hydrogen pipelines, limiting the geographical reach of market aspirants. Kotai's leading technology has the potential to alleviate existing issues.

The Curtin team has developed a hydrogen-rich powder, called 'sodium borohydride' that allows safe and cost-effective global export of hydrogen. Sodium borohydride is safer and more cost-effective than competing methods of hydrogen export such as liquid hydrogen or ammonia. Most importantly, it releases hydrogen when simply added to water. Energy is stored in sodium borohydride powder through the input of renewable energy to a chemical processing route. The innovation will be of interest to both Canadian and Australian energy exporters and to Asian and European energy importers.

**COMPANY OVERVIEW**

Velox Energy minerals Inc. (formerly Currie Rose Resources Inc.) was incorporated under the Canada Business Corporations Act on August 24, 1973. It is a public company that trades on the TSX Venture Exchange under the symbol "VLX". Velox is a precious metal explorer focused on identifying high value assets and delivering responsible exploration outcomes that meet shareholder expectations and provide community opportunities with the current focus on the proposed transaction of the Vanadium project in North Queensland, Australia. The head office and principal address of the Company is located at 401 Bay Street, Suite 2704, Toronto, Ontario, Canada, M5H 2Y4.

**Going concern**

The accompanying consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") (as issued by the International Accounting Standard Board ("IASB")) applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. Such adjustments could be material.

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As at September 30, 2023, the Company has no source of operating cash flow and had an accumulated deficit of \$20,859,807 (December 31, 2022 - \$19,633,873). Working capital as at September 30, 2023 was \$1,128,077, compared to \$2,019,301 as at December 31, 2022. Net comprehensive loss for the three and nine months ended September 30, 2023 was \$717,836 and \$1,305,853, respectively (December 31, 2022 - \$668,852). Operations since inception have been funded from the (i) issuance of share capital, (ii) sale of marketable securities, and/or (iii) sale of resource property interests.

The Company anticipates it will have sufficient working capital on hand to service its liabilities and fund exploration activity and public company operating costs for the next twelve months. In order to continue active operations, the Company will need to (i) arrange further financing that will largely depend upon prevailing capital market conditions, and (ii) the continued support of its shareholder base. There is uncertainty that the Company will be able to obtain additional financing for the long-term future, given the current market environment for junior exploration stage companies. These factors create material uncertainties that cast significant doubt as to the propriety of the use of the going concern assumption upon which these consolidated financial statements have been prepared.

**OUTLOOK AND OVERALL PERFORMANCE**

	Nine months ended September 30, 2023			Fiscal 2022	Fiscal 2021
Total Operating expenses	\$	1,375,732	\$	654,033	\$ 297,993
Loss and comprehensive loss		1,305,853		668,852	1,942,967
Loss per share- continued operations		(0.01)		(0.01)	(0.04)
Current assets		1,287,915		2,334,922	160,687
Total assets		6,167,313		3,385,571	160,689
Current liabilities		159,838		315,621	465,855
Total liabilities		159,838		315,621	465,855
Shareholders equity/(deficit)	\$	6,007,475	\$	3,069,950	\$ (305,133)
Cash and cash equivalents	\$	1,226,417	\$	2,286,748	\$ 65,886
Working capital surplus/(deficit)	\$	1,128,077	\$	2,019,301	\$ (305,135)

During the three and nine months ended September 30, 2023, the Company recognized a gain on debt settlement of \$130,000 in connection with debt owed to the former CEO, and share based compensation expense of \$743,376 in connection with stock option awards to management and directors. During the nine months ended September 30, 2023, the Company completed acquisition of Kotai resulting in intangible asset of \$3,475,068.

During the year ended December 31, 2022, the Company completed 3 rounds of financing for gross proceeds of 3,188,045 thereby improving working capital and cash position at December 31, 2022.

**RESULTS OF OPERATIONS**

**The three and nine months ended September 30, 2023, compared to same period of September 30, 2022**

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	ref.	For the three months ended		For the nine months ended	
		September 30,		September 30,	
		2023	2022	2023	2022
<b>Expenses</b>					
Management fees	a	\$ 129,201	\$ 28,000	\$ 275,553	\$ 124,000
Listing fees and shareholder information	b	14,272	39,351	33,479	130,336
Professional fees	c	32,781	16,824	105,443	52,657
Research and development costs		63,028	-	63,028	-
General and administration		58,743	13,949	154,853	20,863
Share based compensation	d	410,834	-	743,376	-
<b>Total expenses</b>		<b>708,859</b>	<b>98,124</b>	<b>1,375,732</b>	<b>327,856</b>
<b>Loss from operations before undernoted items</b>		<b>(708,859)</b>	<b>(98,124)</b>	<b>(1,375,732)</b>	<b>(327,856)</b>
Interest income		-	-	22,373	-
Increase (decrease) in fair value of mkt securities	e	(1,250)	(26,500)	(2,575)	(53,000)
Gain on debt settlement	f	-	-	130,000	-
Realized loss on sale of marketable securities		-	-	-	125
<b>Net loss for the period</b>		<b>\$ (710,109)</b>	<b>\$ (124,624)</b>	<b>\$ (1,225,934)</b>	<b>\$ (380,731)</b>
<b>Other comprehensive income</b>					
Foreign exchange gain on translating foreign operations		(7,727)	-	(79,919)	-
<b>Other comprehensive income for the period</b>		<b>(7,727)</b>	<b>-</b>	<b>(79,919)</b>	<b>-</b>
<b>Comprehensive loss for the period</b>		<b>\$ (717,836)</b>	<b>\$ (124,624)</b>	<b>\$ (1,305,853)</b>	<b>\$ (380,731)</b>
<b>Loss per share - Basic and diluted</b>		<b>\$ (0.003)</b>	<b>\$ (0.001)</b>	<b>\$ (0.006)</b>	<b>\$ (0.005)</b>

The Company reported a comprehensive loss for the three and nine months ended September 30, 2023 of \$717,836 and \$1,305,853 respectively with basic and diluted loss per share of \$nil and \$nil, respectively. This compared to a net loss of \$124,624 and \$380,731, respectively with a basic and diluted loss per share of \$nil in the three and nine months ended September 30, 2022. The results reported during the three and nine months ended September 30, 2023, were primarily a result of:

- a) Management fees were \$129,201 and \$275,553, respectively, (2022 - \$28,000 and \$124,000, respectively);
- b) Listing fees and other regularity compliance costs were \$14,272 and \$33,479, respectively (2022 - \$39,351 and \$130,336, respectively). The increase in the prior year mainly due to ongoing financing, shareholder meeting costs and investor relations costs associated with such activities;
- c) Professional fees in connection with accounting and legal expenses were \$32,781 and \$105,443, respectively (2022 - \$16,824, and \$52,657, respectively). The increase in the current year is due to legal costs associated with completing the acquisition of Vanadium Project and Kotai;
- d) The Company recognized share-based compensation expense of 410,834 and \$743,376, respectively in connection with the award of 13,000,000 stock options during the three and nine months ended September 30, 2023.
- e) The decrease in the fair value of the marketable securities held by the Company for the three and nine months ended September 30, 2023 was \$1,250 and \$2,575, respectively (2022 - \$26,500 and \$53,000, respectively).
- f) The Company negotiated a debt settlement with the former Company's CEO outstanding debt of \$230,000 to be settled with five monthly payments of \$20,000 starting in July 2023 for a total of \$100,000. As a result, the Company recognized a debt settlement gain of \$130,000 as a result of this agreement.

**SELECTED QUARTERLY FINANCIAL INFORMATION**

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The table below outlines the selected financial information related to the Company's revenue, net loss and net loss per share for each of the prior eight quarters ending September 30, 2023. The financial information is derived from various audited and unaudited interim financial statements. These statements do not contain all the information presented in the financial statements and should, therefore, be read in conjunction with same.

<b>Three months ended</b>	<b>Income/(Loss)</b>	<b>Net loss per Net share (Basic and Diluted)</b>
30/Sep/23	(710,109)	(0.003)
30/Jun/23	(434,907)	(0.002)
31/Mar/23	(710,109)	(0.003)
31/Mar/23	(131,252)	(0.001)
31/Dec/22	(323,924)	(0.002)
30/Sep/22	(124,624)	(0.002)
30/Jun/22	(127,921)	(0.002)
31/Mar/22	(128,186)	(0.002)
31/Dec/21	(140,407)	(0.003)
30/Sep/21	(845,878)	(0.018)

## LIQUIDITY AND CAPITAL RESOURCES

### Working capital

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development of its planned business activities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned business activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

Working capital as at September 30, 2023 was \$1,128,077 compared to \$2,019,301 as at December 31, 2022. Cash and cash equivalents decreased to \$1,226,417 as at September 30, 2023 and \$2,286,748 as at December 31, 2022. The decline in working capital resulted mostly from operating activities of \$609,893 and investment in the resource property of \$344,693.

The Company's total liabilities decreased by \$155,783 to \$159,838 at September 30, 2023, from \$315,621 as at December 31, 2022 due primarily to debt settlement with the Company's former CEO.

## CAPITALIZATION

The Company has common shares and other equity instruments outstanding at each reporting date as follows:

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	September 30, 2023	December 31, 2022
Common shares	224,525,233	174,525,233
Stock options	18,890,000	9,390,000
Common share purchase warrants	66,344,895	66,344,895
<b>Total equity instruments</b>	<b>309,760,128</b>	<b>250,260,128</b>

As at the date of this MD&A the Company has outstanding 224,525,233 common shares, 18,890,000 stock options and 66,344,895 warrants.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company is not aware of any Off-Balance Sheet arrangements as at September 30, 2023.

**COMMITMENTS AND CONTINGENCIES**

Other than as described in Note 15 of the 2022 Audited Financial Statements, and Note 14 of the amended and restated June 2023 Financial Statements, and as noted in this MD&A, the Company has no additional commitments.

**TRANSACTIONS WITH RELATED PARTIES**

Other than as described in Note 14 to the 2022 Audited Financial Statements and Note 13 of the September 2023 Financial Statements, and noted below there are no additional related party transactions.

In connection with the Kotai acquisition, Michael Griffiths is the former President and Chief Executive Officer of the Company, and is also a shareholder of Kotai Energy, the Kotai acquisition is a related party transaction under Multilateral Instrument 61-101 – Protection of Minority Securityholders in Special Transactions ("MI 61-101"). The Company is exempt from the formal valuation and minority shareholder approval requirements imposed by MI 61-101 pursuant to the exemptions in section 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the Consideration Shares issued to Mr. Griffiths, being 15 million common shares in the capital of the Company, in exchange for his 30% ownership interest in Kotai Energy, does not exceed 25% of the Company's market capitalization. The Kotai acquisition was approved by those directors of the Company who are independent in connection with such transaction.

Following the completion of the Kotai acquisition, Mr. Griffiths, now directly or indirectly, owns, controls or exercises direction over, an aggregate of 22,047,894 common shares in the capital of the Company, increasing his shareholdings from 4.04% to 12.63%. Other than Mr. Griffiths, all other parties to the Kotai acquisition were arm's length to the Company.

**ACCOUNTING POLICIES, CRITICAL JUDGEMENTS AND ACCOUNTING ESTIMATES**

The preparation of the Company's 2022 Audited Financial Statements in conformity with IFRS, requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and other items in net earnings or loss, and the related disclosure of contingent assets and liabilities, if any. Critical judgments and estimates represent estimates made by management that are, by their very nature, uncertain. The Company evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying

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values of assets and liabilities and the reported amounts of revenues and other items in net earnings or loss that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Summaries of the significant accounting policies applied, and significant judgments, estimates and assumptions made by management in the preparation of its financial statements are provided in Note 2 and 3 to the September 2023 Financial Statements and Note 2 and 3 to the 2022 Audited Financial Statements.

**CONTROLS AND PROCEDURES**

In connection with exemption orders issued in November 2007 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the September 2023 Financial Statements and in the accompanying MD&A.

In contrast to the certificate that would be issued in accordance with the Canadian Securities Administrators' National Instrument 52-109, the Venture Issuer Basic Certification includes a "Note to Reader" stating that the Chief Executive Officer and Chief Financial Officer do not make any representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting as defined in National Instrument 52-109.

Notwithstanding the filing of a Venture Issuer Basic Certificate, the Company makes significant efforts to maintain disclosure controls and procedures designed to ensure that information required to be disclosed in the reports filed or submitted is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

**RISKS AND UNCERTAINTIES**

There are a number of inherent risks associated with the Company's activities. These risks are described in the Company's December 31, 2022 Annual MD&A dated March 15, 2023, under "Risk and Uncertainties", which may be accessed through the System for Electronic Document Analysis and Retrieval ("SEDAR") website at [www.sedar.com](http://www.sedar.com). At September 30, 2023, the Company had not identified any material changes to the risk factors affecting its business, and its approach to managing those risks, from those discussed in the document referred to above. These business risks should be considered by interested parties when evaluating the Company's performance and outlook.

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**INFORMATION CONCERNING VELOX ENERGY MINERALS INC. (formerly CURRIE ROSE RESOURCES INC.)**

Other additional information relating to Velox Energy Materials Inc. may be found at [www.sedar.com](http://www.sedar.com).

Toronto, Ontario

November 29, 2023

