

D2 LITHIUM CORP.
Management’s Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

This Management’s Discussion and Analysis (“MD&A”) of D2 Lithium Corp. (formerly HeliosX Lithium & Technologies Corp.) (the “Company”) is dated October 30, 2024. This MD&A should be read in conjunction with the condensed interim consolidated financial statements for the nine months ended August 31, 2024 and related notes and the audited consolidated financial statements and related notes for the fiscal year ended November 30, 2023.

Management is responsible for the preparation and integrity of the condensed interim consolidated financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the condensed interim consolidated financial statements and MD&A, is complete and reliable. The Company’s board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board’s audit committee reviews with management on a quarterly basis the consolidated financial statements including the MD&A as well as other financial, operating and internal control matters.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. See “Forward-Looking Statements” that are subject to risk factors set out in a cautionary note contained herein.

The reader is encouraged to review Company filings on www.sedarplus.ca.

CORPORATE OVERVIEW

D2 Lithium Corp. (the “Company”) is a junior mineral exploration company. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired. The Company is an exploration stage company and is in the process of acquiring and exploring its mineral property interests.

The Company is listed and trades on the TSXV under the symbol DTWO, on the OTCQB Markets in the United States under the symbol DTWOF and in Germany under the symbol C2U0. The Company is a Reporting Issuer in the provinces of British Columbia and Alberta.

The Company’s registered office, records office and head office is located at Suite 202, 8661 – 201 Street, Langley, BC V2Y 0G9.

As of the date hereof, the authorized capital of the Company consists of an unlimited number of Common Shares without par value, of which 36,231,804 Common Shares are issued and outstanding as fully paid and non-assessable.

OUTLOOK

In 2024, the Company will continue to develop our Teels Marsh Lithium Brine project in Nevada. The Company will continue to review strategic acquisitions or joint ventures on an ongoing basis.

DAJIN RESOURCES S.A.

On September 27, 2024 the Company sold its 49% interest in Dajin Resources S.A. for cash consideration of \$3,037,275 (US\$2,250,000).

D2 LITHIUM CORP.
Management’s Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

DAJIN RESOURCES (US) CORP.

Dajin Resources (US) Corp. (“Dajin US”) was incorporated in the State of Nevada on August 1, 2014, as “Any Legal Purpose Company” and a wholly owned subsidiary of D2 Lithium Corp. All the issued shares of Dajin US are registered in the name of the Company.

The registered office of Dajin US is located at 6121 Lakeside Drive, Suite 260, Reno, Nevada.

TEELS MARSH VALLEY LITHIUM PROJECT

The Company holds 7,914 acres (3,202 hectares) comprising 403 placer mining claims which are 100% owned. A Gravity Survey has been conducted on the Teels Marsh which confirmed a 8,200-foot (2.5 kilometer) deep basin. The project is located 50 miles (80 kilometers) northwest of Albemarle’s Silver Peak Lithium brine mine in Clayton Valley. Surface exploration has been completed; engineered access roads and construction of two large drill pads for drilling of four production diameter exploration wells has been completed. A seismic program has been completed and drill locations have been determined. Near surface brine assay results indicated the presents of up to 79 mg/l of Lithium. Water rights have been granted and permits for drilling are in place.

In December 2023, the Nevada state Bureau of Land Management granted Dajin Resources (US) Corp. a two-year extension for further exploration work on the Teels Marsh Lithium Exploration Project. A reclamation bond, which is held by the Bureau of Land Management, was increased to US\$294,299 from US\$209,801.

As at May 31, 2024, the Company made the decision to write down the carrying value to \$203,550 (US\$150,000). As a result, the Company recorded a write-down of resource property costs of \$3,417,128 on the consolidated statement of comprehensive loss.

On July 25, 2024 Dajin US was granted by the Nevada Division of Water Resources an extension to May 24, 2027, water rights to the Teels Marsh Valley.

ALKALI SPRINGS VALLEY LITHIUM PROJECT

The Company holds a 100% interest in 139 placer claims in the Alkali Springs Valley of Esmeralda County, Nevada. The Company’s interest in these claims is held by Dajin Resources (US) Corp. These claims were not renewed on September 1, 2024. As a result, the Company recorded a write-down of resource property costs of \$161,876 on the consolidated statement of comprehensive loss.

FOX CREEK LITHIUM CORP.

Fox Creek Lithium Corp. (“FCLC”) was incorporated as a wholly owned subsidiary of HX Tech. on February 25, 2021 pursuant to the Alberta Business Corporations Act. As a result of an amalgamation, all the shares of Fox Creek Lithium Corp. were transferred into the name of HX Tech. in January 2022.

The Company, through FCLC, held 581,461 acres of lithium brine rights comprising the Fox Creek Property in west-central Alberta, Canada. The Property consisted of five separate Government of Alberta issued permit blocks.

D2 LITHIUM CORP.
Management's Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

As at November 30, 2022, the Company made the determination that the carrying value of the Fox Creek Lithium Project was impaired relative to the value recorded in respect to its acquisition in January 2022. In the absence of evidence to support an alternative fair value for the property, the Company made the decision to write down the carrying value to \$1. As a result, the Company recorded a write-down of resource property costs of \$17,362,321 on the consolidated statement of comprehensive loss.

Subsequent to November 30, 2023, the Government of Alberta cancelled the permit blocks comprising the property. As a result, the Company wrote off the remaining \$1 of resource property costs on the consolidated statement of comprehensive loss during the year ended November 30, 2023.

RESULTS OF OPERATIONS

Three months ended August 31, 2024

For the three months ended August 31, 2024, the Company incurred net income of \$218,181 (2023 \$118,065 net loss). The increase is mainly due to the write-off of accounts payable in dispute in the amount of \$550,000.

Total expenses for the three months ended August 31, 2024 were \$169,903 as compared to \$127,242 for the comparable period. The changes are mainly due to increases in consulting fees, foreign exchange and accounting and audit fees.

Nine months ended August 31, 2024

For the nine months ended August 31, 2024, the Company incurred a net loss of \$3,322,986 (2023 \$469,039 net loss). The increase is mainly due to the write-down of the resource property costs of \$3,579,004.

Total expenses for the nine months ended August 31, 2024 were \$293,734 as compared to \$475,785 for the comparable period. The changes are mainly due to decreases in accounting and audit fees, consulting fees, legal and professional fees and rent.

Summary of Quarterly Results

FOR THE THREE MONTHS ENDED

	August 31, 2024	May 31, 2024	February 29, 2024	November 30, 2023
Total revenues	\$ -	\$ -	\$ -	\$ -
Net income (loss)	\$ 218,181	\$ (77,121)	\$ (3,483,151)	\$ (1,000,225)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.11)	\$ (0.03)

D2 LITHIUM CORP.
Management's Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

	August 31, 2023	May 31, 2023	February 28, 2023	November 30, 2022
Total revenues	\$ -	\$ -	\$ -	\$ -
Net loss	\$ (118,065)	\$ (188,418)	\$ (162,556)	\$ (18,489,810)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.55)

There can be material fluctuation in quarterly results due to the granting of share purchase options during these quarters and acquisition costs for company growth. The income/loss for the quarters ended August 31, 2024, May 31, 2024, February 29, 2024, November 30, 2023, August 31, 2023, May 31, 2023, February 28, 2023, and November 30, 2022, includes a share-based compensation charge of \$Nil, \$Nil, \$Nil, \$Nil, \$Nil, \$82,822, \$Nil, and \$1,298,100, respectively, due to the granting of share purchase options during these quarters.

LIQUIDITY AND CAPITAL RESOURCES

At August 31, 2024, the Company had cash and cash equivalents of \$662 (November 30, 2023 - \$20,116) and current liabilities of \$1,642,007 (November 30, 2023 - \$1,655,822). All of the Company's accounts payable (\$553,943) have contractual maturities of less than 30 days and are subject to normal trade terms.

To date, the Company has been able to fund operations and property exploration and evaluation primarily through equity financings and short-term loans. The continued volatility in the financial equity markets has made it difficult to raise capital. The junior mining industry is considered speculative in nature which could make it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

Subsequent to the end of this quarter, on September 27, 2024 the Company sold its 49% interest in Dajin S.A. for cash consideration of \$3,037,275 (US\$2,250,000).

RELATED PARTY TRANSACTIONS

The Company incurred the following charges with directors and officers of the Company and companies controlled by the directors:

	Three Months Ended		Nine Months Ended	
	August 31, 2024	August 31, 2023	August 31, 2024	August 31, 2023
	\$	\$	\$	\$
Wages and benefits	16,190	13,500	45,859	40,500
	16,190	13,500	45,859	40,500
Key management compensation				
Administration fees	7,250	7,250	21,750	21,750
Rent reimbursement	5,130	4,988	15,153	13,159
	12,380	12,238	36,903	34,909
	28,570	25,738	82,762	75,409

These charges were measured by the exchange amount that is the amount agreed upon by the transacting parties.

D2 LITHIUM CORP.
Management's Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

Included in August 31, 2024 accounts payable and accrued liabilities is \$81,016 (November 30, 2023: \$615,440) owing to related party individuals consisting of current and former directors and officers of the Company and companies with common officers and directors for unpaid fees and expense reimbursements of which \$550,000 is under dispute as detailed in the Statement of Claim filed in the Alberta Courts on March 30, 2023.

Included in August 31, 2024 loans payable is \$109,397 (November 30, 2023: \$109,397) owing to certain officers and directors of the Company. Amounts due to related parties are non-interest bearing, unsecured and are due on demand.

Pursuant to the January 13, 2022 amalgamation of Dajin and HX Tech, the Company's former CEO, former CFO and a company controlled by the Company's former CEO collectively received 6,930,000 Company common shares. These shares form part of the dispute disclosed in a Statement of Claim filed by the Company on March 30, 2023 in the Alberta Courts.

On March 30, 2023, the Company filed a Statement of Claim in the court of the King's Bench of Alberta against former officers and directors of the Company. The Company has alleged breach of fiduciary duty, breach of duty and care and negligence, resulting in the Company suffering losses and damages in an amount currently estimated to be not less than \$4,413,158, inclusive of amounts currently recorded in accounts payable and accrued liabilities as at August 31, 2024 and November 30, 2023 aggregating \$550,000.

On July 2, 2024 the Company filed a Statement of Claim in the King's Bench of Alberta against Tara Brown, Nandita Apte and 2381966 Alberta Ltd., its two shareholders and sole directors. The basis of the Statement of Claim is Tara Brown and Nandita Apte benefited from the use of corporate funds of the Company for the purchase of personal merchandise and were the recipients of 3,200,000 shares of the Company that were issued to them without any payment of consideration. The Company is seeking the return of the funds and the shares for the return to the Company's Treasury for cancellation and general damages.

Subsequent to August 31, 2024, the former directors acknowledged that they did not comply with the reporting of these contracts with the regulatory authorities as required for validity, and as a result, the Company takes the position that those contracts are not valid. As at August 31, 2024 these amounts have been written-off.

During the year ended November 30, 2023, the Company wrote off \$35,028 receivable from former subsidiary ESG and \$34,889 receivable from former subsidiary Helios Infrastructure. During the nine months ended August 31, 2024, the Company wrote-off another \$10,248 in receivables.

OFF-BALANCE SHEET ARRANGEMENTS

During the reporting period there were no off-balance sheet arrangements.

OUTSTANDING SHARE DATA

As at October 30, 2024

Common Shares issued	36,231,804
Incentive stock options	1,045,000

D2 LITHIUM CORP.
Management's Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements is included in the following notes:

Resource property expenditures

The application of the Company's accounting policy for resource property expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the statement of comprehensive loss in the period the new information becomes available.

Impairment

At each reporting period, assets, specifically resource property costs and investment in Dajin S.A. are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance.

Going concern

The Company uses judgment in determining its ability to continue as a going concern in order to discharge its current liabilities via raising additional financing.

Investment in Dajin Resources S.A.

The accounting for investments in other companies can vary depending on the degree of control and influence over those other companies. Management is required to assess at each reporting date the Company's control and influence over these other companies. Management has used its judgment to determine which companies are controlled and require consolidation and those which are significantly influenced and require equity accounting. The Company has diluted its interest in its previously wholly-owned subsidiary Dajin Resources S.A. ("Dajin S.A.") to less than 50%, therefore it does not have the current ability to control the key operating activities of the company. Pursuant to the Shareholders and Operating Agreements entered into by the companies, Lithium S Holding Corporation ("Lithium H"), a wholly-owned subsidiary of LSC Lithium Corporation ("LSC"), was appointed operator for the earn-in period and the board of directors of Dajin S.A. is comprised of two directors appointed by Lithium H and one director appointed by the Company. As at August 31, 2024 and November 30, 2023, management has determined that the Company did have significant influence over Dajin S.A. Accordingly, the investment in Dajin S.A. was accounted for as an investment in associate.

D2 LITHIUM CORP.
Management's Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

CHANGES IN ACCOUNTING POLICIES

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

FINANCIAL AND OTHER INSTRUMENTS

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments.

Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net earnings; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in net earnings.

The Company classifies and measures its financial instruments as follows:

- Cash, loan receivable and reclamation bonds are classified as subsequently measured at amortized cost.
- Marketable securities are classified as FVTPL.
- Accounts payable and accrued liabilities, loans payable and CEBA loan payable are classified as subsequently measured at amortized cost.

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

Credit risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at August 31, 2024, the Company is not exposed to any significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. At August 31, 2024, the Company had cash of \$662 (November 30, 2023: \$20,116) and current liabilities of \$1,642,007 (November 30, 2023: \$1,655,822). All of the Company's accounts payable (\$553,943) have contractual maturities of less than 30 days and are subject to normal trade terms.

D2 LITHIUM CORP.
Management's Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short term interest rates through the interest earned on cash balances. The Company has significant cash balances and no interest-bearing debt.

The Company's current policy is to invest excess cash in short-term deposits with its banking institutions. The Company monitors the investments it makes and is satisfied with the credit ratings of the banks with which they are held.

Price risk

The ability of the Company to finance the exploration and development of its properties and the future profitability of the Company is directly related to the commodity prices of industrial minerals (Lithium, Boron and Potassium), and precious and base metals. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

Sensitivity to price risk relative to earnings is remote since the Company has not established any reserves or production. The Company is also exposed to the risk of equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company monitors commodity prices of industrial minerals, precious and base metals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken.

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following is "reasonably possible" during the upcoming financial year:

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious metals. Precious metal prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of precious metals may be produced in the future, a profitable market will exist for them. As of August 31, 2024, the Company was not a precious metal producer. As a result, commodity price risk largely affects the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Foreign Currency Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's operations are carried out in the Canada, United States and Argentina. As at August 31, 2024, the Company had accounts payable of \$116,414 (November 30, 2023: \$5,216) denominated in US dollars. These factors expose the Company to foreign currency exchange rate risk, which could have an adverse effect on the profitability of the Company. The Company currently does not plan to enter into foreign currency future contracts to mitigate this risk.

RISKS AND UNCERTAINTIES

In addition to the risks and uncertainties detailed earlier in this MD&A, the Company is also subject to other risks and uncertainties including the following:

D2 LITHIUM CORP.
Management's Discussion & Analysis
For the nine months ended August 31, 2024
(Stated in Canadian Dollars)

General Risk Associated with the Mining Industry

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that claims and leases are in good standing and obtaining permits for drilling and other exploration activities. The market prices for gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Exploration and development activities involve risks which careful evaluation, experience and knowledge may not, in some cases eliminate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure, government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit. Management attempts to mitigate its exploration risk by maintaining a diversified portfolio of properties and a strategy of possible joint ventures with other companies which balances risk while at the same time allowing properties to be advanced.

Dependence on Key Personnel

Loss of certain members of the executive team or key operational leaders of the Company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations until their replacement is found. Recruiting personnel is time consuming and expensive and competition for qualified personnel may be intense. The Company may be unable to retain its key employees or attract, assimilate, retain or train other necessary qualified employees, which may restrict its growth potential.

OTHER

Additional information and other publicly filed documents relating to the Company, including its news releases and quarterly and annual reports, are available on SEDAR and can be accessed at www.sedarplus.ca.