



Fuse Battery Metals Inc.

Management's Discussion and Analysis

For the nine months ended 30 September 2025

The following management discussion and analysis ("MD&A") should be read in conjunction with the interim condensed consolidated financial statements for the period ended 30 September 2025. Results have been prepared using accounting policies in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). All monetary amounts are reported in Canadian dollars unless otherwise indicated. This MD&A is dated 18 November, 2025.

This MD&A contains forward-looking information. See "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

For further information on the Company reference should be made to the Company's public filings which are available on [sedarplus.ca](https://www.sedarplus.ca)

DESCRIPTION OF BUSINESS

Fuse Battery Metals Inc. (the "Company" or "Fuse"), was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in resource properties in the province of Ontario, Canada and the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange ("TSXV") under the symbol FUSE, as a Tier 2 mining issuer and in the process of exploring its mineral properties.

On 31 January 2023, the Company changed its name to Fuse Battery Metals Inc. The Company's shares commenced trading under the new name effective, 2 February 2023. The Company's trading symbol FUSE remained the same.

On 14 July 2023, the Company formed Ignition Battery Metals Inc. and subscribed to 100% of its shares.

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis.

The head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

Unless the context suggests otherwise, references to "Fuse" or the "Company" or "we", "us", "our" or similar terms refer to Fuse Battery Metals Inc.

On 17 July 2025, the Company entered into a binding letter of intent ("LOI") with 1545726 B.C. Ltd. (dba "Pointor AI") for the acquisition of 100% of its common and preferred shares, by way of a three-cornered amalgamation transaction with Fuse's wholly-owned subsidiary. Subject to Section 4.1 of TSX Venture Exchange Policy 5.2, the Transaction is subject to shareholder approval. The LOI was entered into at arm's length.

Pointor AI is a novel recruitment technology business that is developing an AI-driven platform that management believes reduces executive and specialist hiring time by 80% and costs by up to 90% compared to traditional executive search methods, which typically charge 30-35% of first-year salary.

The Pointor AI-driven recruitment platform leverages machine learning and natural language processing to analyze publicly available professional data, offering features including competitor research, automated org chart building, talent mapping, and salary benchmarking. The platform's four-layer architecture (data collection, processing, intelligence, and interface) delivers an intuitive user experience for both recruiters and hiring managers.

1545726 B.C. Ltd., dba Pointor AI, is a newly incorporated private company dedicated to the commercialization of AI software for the Human Resources, Executive Search and Recruitment Industries. The principals of this company are Ms. Jessie (Fan) Johnson, CEO, Mr. Tarka L'Herpiniere, COO, and Oliver Willett, VP Business Development. Ms. Jessie (Fan) Johnson is a control person and currently owns 66.67% of the issued and outstanding shares of 1545726 B.C. Ltd.

Founded in 2025 and headquartered in London, United Kingdom, Pointor AI plans to complete the development and commercialization of its first AI-powered product in calendar 2025 which it plans to first deploy in the European financial services industry under a Software-As-A-Service (“SAAS”) model.

The global recruitment market, valued at US\$757 billion in 2024, is projected to reach US\$2.3 trillion by 2033 (CAGR 13.1%). Pointor AI targets large enterprises with 10,000+ employees, focusing initially on the UK and North America, with planned expansion to the EU in Year 2 and Asia in Year 3.

Pointor AI employs a dual revenue model: (1) Per-Placement Fee Model with a base fee of £500 per job plus 5% of first-year salary, averaging £5,500 per hire; and (2) Enterprise Subscription Model with an average monthly fee of £5,000 (£60,000 ARR), including unlimited searches and dedicated support. Our competitive advantages include proprietary data assets, specialized executive search focus, enterprise grade technology with rapid implementation (2-4 weeks vs. industry standard 3-6 months), and significant cost advantages (80-90% savings vs. traditional executive search).

Terms of the Transaction

Subject to the execution and delivery of a mutually acceptable definitive agreement, Fuse will acquire Pointor AI through the issuance of an aggregate of 50,000,000 of its common shares by way of a three-cornered amalgamation transaction. The Pointor AI shareholders will receive a price per Consideration Share that is anticipated to be equal to the price per share to be issued in the private placement financing that the Company intends to complete concurrently with the Transaction, as described further below in this News Release.

Sponsorship

Sponsorship of a change of business/reverse take-over transaction is required by the TSXV unless exempt in accordance with TSXV policies or the TSXV provides a waiver from sponsorship requirements. Fuse intends to apply for a waiver from the sponsorship requirements; however, there is no assurance that it will be able to obtain a waiver from sponsorship requirements if an exemption from sponsorship is not available.

In addition to the escrow requirements of the TSXV, Fuse common shares issued as part of the Transaction will be subject to the following performance escrow conditions, managed by the company’s Transfer Agent or suitable authority, and released upon successfully demonstrating the following Milestones have transpired. If required by the TSXV, the performance escrow releases may be subject to timing constraints as a part of the terms of release. If this is the case, then the Parties will negotiate additional time-based escrow release criterion based on the Pointor Ai stated business plan and financial projections that will also apply to the escrow release schedule as a Term of Escrow Release.

	Shares subject to Escrow Release	Terms of Escrow Release
Initial Release	8,000,000	Upon TSXV Transaction Final Approval
Escrow Milestone 1	8,000,000	Upon the successful completion and announcement of the B2B (“Business to Business”) Minimum Viable Product as referenced in the Pointor AI business plan.
Escrow Milestone 2	8,000,000	Upon the successful recognition of the first \$1 of sales revenue from a third-party B2B customer sale and as stated in the Company’s Quarterly Financial Statements (“FS”)
Escrow Milestone 3	8,000,000	After recognizing the first £175,000 in cumulative B2B sales revenue in the FS
Escrow Milestone 4	8,000,000	After recognizing the first £3,667,500 in cumulative B2B sales revenue in the FS

Escrow Milestone 5	10,000,000	After the successful development and launch of the Company’s second product for sale (Business to Consumer or “B2C”) and record revenue from the first 100 individual customers from third-party sales in the FS
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Each party shall be responsible for its own costs and expenses incurred with respect to the Transaction. Upon the successful execution of this LOI, Fuse will loan Pointor AI an amount equal to CAD\$25,000, within 3 business days, to be applied towards the Transaction costs incurred by Pointor AI. If the Transaction is successfully completed on the TSXV, no interest will accrue on this loan and the loan will be forgiven in its entirety as part of the Transaction. If the Transaction is not successfully concluded within twelve months of successful LOI execution, an interest rate of 10% per annum will accrue and the loan will become payable to Fuse on demand.

In connection with the Transaction, a finder’s fee is payable in the amount of 1,500,000 shares to an arm’s length party. The finder’s fee is subject to a successful completion of the Transaction and is payable on the same terms as the milestone provisions above with 250,000 share increments, as per TSXV Policy 5.1 and is subject to TSXV approval.

Upon Completion of the Transaction the Company will be classified as a Tier 2 Technology Issuer on the TSXV.

Financing

In connection with the Transaction, and subject to TSXV approval, the Company intends to complete a private placement of subscription receipts for gross proceeds of \$2.0 million (the “Financing”) at a price of \$0.05 per subscription receipt. Immediately upon completion of the Transaction, each subscription receipt will convert to a single common share of the Company. The Financing may be brokered or non-brokered and Agent’s commissions and/or finder’s fees in cash or securities may be payable in connection with the Financing subject to compliance with TSXV policies and the Financing and finder’s fees are subject to the approval of the TSXV. Proceeds from the Financing are expected to be used as follows:

Product	Software Development Product #1	\$ 250,000.00
Product	Software Development Product #1 and #2	300,000.00
IR	Media Platforms, Rich Media Content Creation, Contract Service Providers, Social Media Platforms and Advertising	310,000.00
Marketing & Sales	Marketing Literature/PR/Tradeshows/Seminars/People	300,000.00
G&A	Salaries and Office Administration	550,000.00
G&A	Regulatory and Financing Cost	140,000.00
G&A	Unallocated Working Capital	150,000.00
		\$ 2,000,000.00

All securities issued pursuant to the Financing, Transaction and finder's fees will be subject to a hold period as required under applicable securities legislation.

Change of Business

Completion of the Transaction as contemplated would constitute a Change of Business/Reverse Take-Over in accordance with TSXV Policy 5.2 *Changes of Business and Reverse Takeovers* ("Policy 5.2") as the Company's current business is the exploration of minerals. As a result, the Transaction is subject to TSXV acceptance and approval of the shareholders of Fuse.

Conditions

The Transaction is subject to a number of conditions including, but not limited to, entry into a definitive agreement, closing of the Financing, completion of due diligence reviews by the Parties and approval by each of the Fuse and Pointor AI boards of directors.

Management Changes

Under the terms of the LOI, certain management changes are intended to occur concurrently with the closing of the Transaction pursuant to which three nominees of Pointor AI will be appointed to the Company's board of directors and the officers of Pointor AI will replace the Company's current officers, with the exception of Fuse's current Director Tim Fernback (proposed new Chairman), current Director Robert Setter and current Director Ryan Cheung, As well the current Corporate Secretary Tina Whyte, and current CFO Robert Guanzon, all of whom will remain in such position. James Hellwarth will also remain in his Investor Relations capacity post amalgamation.

FORWARD-LOOKING STATEMENTS

This MD&A may contain forward-looking statements that involve a number of known and unknown risks and uncertainties including statements regarding the outlook of Fuse'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, the Company's history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, and environmental risks. Readers should not 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 risks set forth below.

Fuse 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.

PROJECT OVERVIEW

Ontario Properties:

Glencore Bucke Project

Fuse entered into a property purchase agreement dated 31 August 2017 with Glencore Canada Corporation (subsidiary of Glencore plc) ("Glencore") of Baar Switzerland, LSE: GLEN to acquire a 100% interest in the Glencore Bucke Property situated in Bucke Township, 6 km east-northeast of Cobalt, Ontario. On 28 February 2018, the Company completed its obligations under the purchase agreement.

The Glencore Bucke property consists of two patented mining claims totaling approximately 16.2 ha in area and sits along the west boundary of Fuse's Teledyne Cobalt Project. In 1981, Teledyne leased mining claim 585 ("Glencore Bucke Property") from Falconbridge Nickel Mines Ltd., as the company recognized the significant exploration potential that the Property had due to the possible southern extensions of the Cobalt Contact veins on mining claim T43819 that projected southward onto the Property. In the same year, Teledyne completed 36 diamond drill holes totaling 10,903 ft (3323.3 m) on the Property. The drilling program outlined two separate vein systems hosting significant cobalt and silver values. The two zones are known as the Main Zone, measuring 152.4 m in length, and the Northwest Zone, measuring 70.0 m in length. The Main Zone had a north-south strike, which is hypothesized as the southern extension of the #3 vein from the Cobalt Contact Mine located immediately to the north of the Property. Additional work was recommended but never completed due to a downturn in cobalt prices at the time. Based on the surface drill program completed by Teledyne, historical reserves of 60,000 tons in the geologically inferred category, and 15,000 tons in the probable category, at an average grade of 0.45% Co, 3.0 oz/t Ag was estimated (Linn, 1983). The historical reserve estimate contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. The Company is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

The Company does not have any further planned or budgeted activities on this project, as a result, an amount of \$1,291,130 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended 31 December 2024.

Teledyne Cobalt Project

In 2016, Fuse entered into an option agreement to acquire up to a 100% interest, subject to a 2% net smelter royalty ("NSR"), on the Teledyne Cobalt Property. In the spring of 2018, Fuse announced that it had amended and accelerated the option agreement, and that it earned a 100% interest in the Property with the vendors retaining the 2% NSR.

The Property, located in Bucke and Lorrain Townships, consists of 5 patented mining claims totaling 79.1 ha, and 46 unpatented mining claim cells totaling approximately 700 ha. The Property is easily accessible by highway 567 and a well-maintained secondary road.

The Property adjoins the south and west boundaries of claims that hosted the Agaunico Mine. From 1905 through to 1961, the Agaunico Mine produced a total of 4,350,000 lbs. of cobalt ("Co"), and 980,000 oz. of silver ("Ag") (Cunningham-Dunlop, 1979). A significant portion of the cobalt that was produced at the Agaunico Mine was located along structures that extended southward towards the northern boundary of patented mining claim PAT-49017, part of the Teledyne Cobalt Property. Cobalt mineralization consisted of cobaltite and smaltite hosted within steeply dipping veins and extensive disseminations within Huronian sedimentary rocks. From 1951 through to 1957, the average Co content of the ores mined at the Agaunico Mine was approximately 0.5%. In 1955, 526,000 lbs. of Co, 146,000 oz. of Ag, 117,000 lbs. of nickel ("Ni"), and 81,000 lbs. of copper ("Cu") were extracted from 62,000 tons of ore (Cunningham-Dunlop, 1979).

The Company does not have any further planned or budgeted activities on this project, as a result, an amount of \$2,882,998 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended 31 December 2024.

Qualified Person Statement

“Project Overview” section of this MD&A have been reviewed and approved for technical content by Ali Alizadeh, P. Geo., an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

Nevada, USA Properties:

Lithium Springs Property

In November 2022, Fuse entered a Purchase and Sale agreement to acquire a 100% interest in 108 placer claims. The claims cover approximately 858 hectares of playa and alluvial fan located at the south end of the Black Rock Desert outside of the hamlet of Gerlach in Washoe County, Nevada.

The project is located at the southern end of Black Rock Desert, Nevada, about 132 air-line km north-northeast of Reno, Nevada. Black Rock Desert basin is about 110 km long and up to 25 km wide at the widest point. The central playa measures about 50 km northeast – southwest and 10 km southeast – northwest. The western arm of the Black Rock Desert covers an area of about 2,000 square kilometers and contains 5 of the 30 currently listed Known Geothermal Resource Areas in Nevada.

The property covers an area of playa underlain by a moderately deep basin interpreted from gravity and seismic surveys indicating a maximum thickness of valley-fill deposits of about 1,200 m/ 3,600 ft. A high salt content prevents any significant vegetation from growing on the playa surface. Locally, the basin is being fed in part by boiling springs and siliceous sinter containing strongly anomalous Lithium values (up to 3.5 ppm) that flank the property on the west side. (U.S. GEOLOGICAL SURVEY Open-File Report 81-918.) While these lithium values are well below those of producing lithium bines, they do represent a significant source of metal available for evaporative concentration within the playa basin. The Company does not have any further planned or budgeted activities on this project, as a result, claims were not renewed.

Monitor Valley North Property

In November 2022, Fuse entered into a Purchase and Sale Agreement whereby the Company became the legal and beneficial owner of 97 placer claims (MVN1 – MVN97) covering approximately 770 hectares of alluvial sediments and clays located 134 km northeast of Tonopah, Nevada.

The property is located in Monitor Valley, Nevada, about 138 km north-northeast of Tonopah, Nevada. The center of the property is about 39.21° North Latitude, 116.65° West Longitude. The property is 55 km due west of the Little Smokey Valley, Nevada where exploration for lithium is ongoing.

The Monitor Valley North Project is a sediment-hosted lithium clay target. The property is easily accessible for exploration and exploitation to be carried out throughout the year. On September 11, 2023, KLM Geoscience was contracted for a controlled source audio-frequency magnetotelluric (CSAMT) geophysics program that comprised of 9 E-W trending liens for a total of 17-line kilometers. The Company does not have any further planned or budgeted activities on this project, as a result, claims were renewed.

Qualified Person Statement

“Project Overview” sections of this MD&A have been reviewed and approved for technical content by Steven McMillin, PG (Principal Geologist), an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

Selected Quarterly Financial Information

The following table sets out Fuse’s summarized quarterly results for each of the eight most recently completed quarters. This financial data has been prepared in accordance with IFRS. All amounts are shown in Canadian dollars.

	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023
Loss from operations	\$(44,375)	\$(135,530)	\$(138,248)	\$(152,704)	\$(135,571)	\$(154,533)	\$(145,497)	\$(475,506)
Comprehensive loss for the quarter	\$(32,402)	\$(135,784)	\$(139,517)	\$(4,325,320)	\$(140,792)	\$(155,419)	\$(144,933)	\$(477,798)
Diluted Income (Loss) per share	\$(0.001)	\$(0.004)	\$(0.004)	\$(0.115)	\$(0.004)	\$(0.004)	\$(0.003)	\$(0.013)

RESULTS OF OPERATIONS

For the nine months ended 30 September 2025 compared to the same period ended 30 September 2024.

Comprehensive loss for the period ended 30 September 2025 was \$307,703 as compared to \$414,144 for the same period in 2024. The decrease in comprehensive loss of \$106,441 was mainly attributable to the net effect of:

- Increase of \$4,500 in Accounting and audit fees, from \$Nil in 2024 to \$4,500 in 2025.
- Decrease of \$96,202 in Consulting fees, from \$350,004 in 2024 to \$253,802 in 2025.
- Decrease of \$1,181 in Marketing and Communications, from \$7,022 in 2024 to \$5,841 in 2025.
- Decrease of \$3,096 in Office expenses, from \$24,380 in 2024 to \$21,284 in 2025.
- Decrease of \$14,566 in Transfer agent and regulatory fees, from \$47,292 in 2024 to \$32,726 in 2025.
- Decrease of \$6,903 in Travel, lodging and food, from \$6,903 in 2024 to \$Nil in 2025.
- Decrease of \$4,198 in Foreign exchange loss, from \$5,543 in 2024 to \$1,345 in 2025.
- Increase of \$11,795 in other income related to disposition of temporary investment, from \$Nil in 2024 to \$11,795 in 2025.

For the three months ended 30 September 2025 compared to the same period ended 30 September 2024.

Comprehensive loss for the three months ended 30 September 2025 was \$32,402 as compared to \$140,792 for the same period in 2024. The decrease in comprehensive loss of \$108,390 was mainly attributable to the net effect of:

- Decrease of \$93,039 in Consulting fees, from \$115,884 in 2024 to \$22,845 in 2025.
- Increase of \$1,647 in Marketing and Communications, from \$2,560 in 2024 to \$4,207 in 2025.

- Increase of \$3,300 in Office expenses, from \$3,811 in 2024 to \$7,111 in 2025.
- Increase of \$1,308 in Transfer agent and regulatory fees, from \$8,904 in 2024 to \$10,212 in 2025.
- Decrease of \$4,412 in Travel, lodging and food, from \$4,412 in 2024 to \$Nil in 2025.
- Increase of \$5,399 in Foreign exchange gain, from \$5,221 loss in 2024 to \$178 gain in 2025.
- Increase of \$11,795 in other income related to disposition of temporary investment, from \$Nil in 2024 to \$11,795 in 2025.

LIQUIDITY AND CAPITAL RESOURCES

As at 30 September 2025 the Company had \$66,968 in cash (31 December 2024: \$245,365). Working capital deficit as at 30 September 2025 was \$50,546 (31 December 2024: working capital of \$257,157).

During the period ended 30 September 2025, the Company had a net decrease in cash of \$178,397 compared to \$724,247 for the period ended 30 September 2024. The decrease cash in was mainly due to the net effect of general and administrative expenses during period.

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 obligations. If it is not successful in raising sufficient capital, it may have to curtail or otherwise limit operations. These material uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

RELATED PARTY TRANSACTIONS

Except as set forth below and elsewhere within this MD&A, the Company has not entered into any related party transactions for the periods ended 30 September 2025 and 2024.

The remuneration of directors and other members of key management for the periods ended 30 September 2025 and 2024 are as follows:

Related party transactions are summarized as follows:

30 September	2025	2024
Consulting fees to Director and Chairman	6,000	18,000
Consulting fees to Director, President and Chief Executive Officer (“CEO”)	54,000	54,000
Consulting fees to Chief Financial Officer (“CFO”)	45,000	45,000
Consulting fees to the Corporate Secretary	63,000	63,000
Total related party transactions	168,000	180,000

OUTSTANDING SHARE DATA

The number of common shares outstanding as at 30 September 2025 and as at the date of this MD&A was 37,589,745 shares and 37,629,745, respectively (31 December 2024: 37,589,745).

Total stock options outstanding as at 30 September 2025 and as at the date of this MD&A was 1,690,000 and 1,650,000, respectively (31 December 2024: 5,000,000).

Total share purchase warrants outstanding as at 30 September 2025 and as at the date of this MD&A was 12,270,769 (31 December 2024: 12,310,769).

CONTROLS AND PROCEDURES

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), Fuse utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing a Venture Issuer Basic Certificate do not make any representations relating to establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, 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
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP ("IFRS").

The Company'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 this certificate.

Investors should be aware that inherent limitations on the ability of Fuse's certifying officers 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 interim and annual filings and other reports provided securities legislation.

RISK FACTORS

The mineral industry involves significant risks. In addition to the risk factors described elsewhere in this MD&A, the risk factors that should be taken into account in considering Fuse's business include, but are not limited to, those set out below. Any one or more of these risks could have a material adverse effect on the future prospects of the Company and the value of its securities.

Current Global Financial Condition

Current global financial conditions have been subject to increased volatility and turmoil. These factors may affect Fuse's ability to obtain equity financing in the future or, if obtained, to do so on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations as well as the trading price of its common shares could be adversely affected.

Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, Fuse's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves or resources through drilling, to develop metallurgical processes, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves.

The Company may be subject to risks that could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. Fuse attempts to balance these risks through insurance programs where required and ongoing risk assessments conducted by its technical team.

Commodity Prices

Fuse is in the business of exploring for base and precious metals, the market prices of which can fluctuate widely. Metal prices ultimately depend on demand in the end markets for which metals are used. Demand is affected by numerous factors beyond the Company's control, including the overall state of the economy, general level of industrial production, interest rates, the rate of inflation, and the stability of exchange rates, any of which can cause significant fluctuations in metals prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of metals has fluctuated widely in recent years and there are no assurances as to what will be the future prices of base and precious metals. In the course of its current operations, the Company does not enter into price hedging programs.

Environmental

Exploration projects and operations are subject to the environmental laws and applicable regulations of the jurisdiction in which Fuse operates. Environmental standards continue to evolve and the trend is to a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. If and when appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability.

Reliance upon Key Personnel

The Company is dependent upon a number of key management and operational personnel, including the services of certain key employees. Its ability to manage activities, and hence its success, will depend in large part on the efforts of these individuals. During times when metals prices are strong, the Company faces intense competition for qualified personnel, and there can be no assurance that Fuse will be able to attract and retain such personnel at any time. Fuse does not maintain "key person" life insurance. Accordingly, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company.

Insurance

Fuse's insurance will not cover all the potential risks associated with its operations. In addition, although certain risks are insurable, it might be unable to maintain insurance to cover these risks at economically feasible premiums. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Fuse or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that it may elect not to insure against because of premium costs or other reasons. 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.

Requirements to Obtain Government Permits

Government approvals and permits are currently required in connection with Fuse's exploration activities, and further approvals and permits may be required in the future. The duration and success of the Company's efforts to obtain permits are contingent upon many variables outside of its control. Obtaining government permits may increase costs and cause delays depending on the nature of the activity to be permitted and the interpretation of applicable requirements implemented by the permitting authority. There can be no assurance that all necessary permits will be obtained and if obtained, that the costs involved will not exceed Fuse's estimates or that it will be able to maintain such permits. To the extent such approvals are required and not obtained or maintained, the Company may be prohibited from proceeding with planned exploration or development of mineral properties.

Joint Ventures

From time to time Fuse may enter into one or more joint ventures. Any failure of a joint venture partner to meet its obligations could have a material adverse effect on such joint ventures. In addition, the Company might be unable to exert influence over strategic decisions made in connection with properties that are involved in such joint ventures.

Exploration Risks

The exploration for and development of mineral deposits involves significant risks. Few properties that are explored are ultimately developed into producing mines. Whether a mineral deposit will be commercially viable depends on a number of factors, including: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulation, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Even if the Company identifies and acquires an economically viable ore body, several years may elapse from the initial stages of development until production. As a result, it cannot be assured that Fuse's exploration or development efforts will yield new mineral reserves or will result in any new commercial mining operations.

Mineral Property Title Risk

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of the properties will not be challenged or impaired. Third parties may have valid claims underlying portions of Fuse's interests, including prior unregistered liens, agreements, transfers or claims, including aboriginal land claims, and title may be affected by, among other things, undetected defects or unforeseen changes to the boundaries of Fuse's properties by governmental authorities. As a result, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its properties. An impairment to or defect in the title to the Company's properties could have a material adverse effect on its business, financial condition or results of operations. In addition, such claims, whether or not valid, would involve additional cost and expense to defend or settle.

Potential for Conflicts of Interest

Certain of the Company's directors and officers may also serve as directors or officers of other companies involved in natural resource exploration and development or other businesses and consequently there exists the possibility for such directors and officers to be in a position of conflict. Fuse expects that any decision made by any of such directors and officers involving Fuse will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Fuse and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matters in which such director may have a conflict of interest or which are governed by the procedures set forth in applicable law.