



Battery Mineral Resources Corp.

**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE AND
NINE MONTHS ENDED SEPTEMBER 30, 2021**

BATTERY MINERAL RESOURCES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2021

1) Introduction

The purpose of this Management's Discussion and Analysis ("MD&A") is to provide readers with management's overview of the past performance of, and future outlook for, the Company. This MD&A also provides information to improve the reader's understanding of the Company's financial statements and related notes as well as important trends and risks affecting the Company's financial performance, and should therefore be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and notes for the nine months ended September 30, 2021 (the "Financial Statements") and the Company's annual management discussion and analysis (the "2020 Annual MD&A") and annual audited consolidated financial statements (the "2020 Annual Financial Statements") for the year ended December 31, 2020.

The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are presented in Canadian dollars, unless otherwise noted.

2) Corporate profile and overall performance

The Company is a public mineral exploration company incorporated under the laws of British Columbia on November 26, 2019, to acquire the assets of Battery Minerals Resources Limited ("Old Battery"), an Australian corporation. Its head office is located at 744 West Hastings St., Suite 400, Vancouver, BC V6C 1A5, and its registered office is located at 550 Burrard St., Suite 2900, Vancouver, BC V6C 0A3.

The Company is a battery metal multi-commodity explorer and developer of properties prospective for minerals required to meet the anticipated growth in the demand for the raw materials used in the lithium-ion battery and energy storage sector. The Company is currently developing the recently acquired Punitaqui Mining Complex and pursuing the potential near term resumption of operations at the prior producing Punitaqui copper-gold mine located in the Coquimbo region of Chile. The Company's business activity since incorporation has been the acquisition, consolidation and exploration of the Cobalt District Exploration Project in Ontario and Quebec, Canada, comprised of mineral claims and leases covering an aggregate of 125,752 hectares in Ontario and 1,813 hectares in Quebec.

The Company also controls assets prospective for cobalt and lithium in the United States, and graphite properties in South Korea, one of which is a former supplier of graphite to the South Korean battery producing market. The Company's United States cobalt assets include 434 mineral claims covering fourteen cobalt occurrences located in the historic Blackbird Mining District ~30 km west of the town of Salmon, Idaho, along with a number of other cobalt prospects in other states. The Company has one lithium exploration asset in the United States, the Amargosa prospect in Nye County, Nevada. The Amargosa tenements cover approximately 5 km². BMR also owns the Geuman and Taehwa flake graphite prospects in South Korea. The Geuman prospect was an operating graphite mine between 1986 and 1993.

The Company completed the acquisition of an 100% interest in ESI Energy Services Inc. ("ESI"), a company in the business of supplying backfill separation machines ("Padding Machines") to mainline pipeline contractors, renewables and utility construction contractors, as well as oilfield pipeline and construction contractors. ESI is currently considered to be held for sale.

To date, the Company has not generated any revenues from its operations and is considered to be in the exploration stage.

For a discussion as to the business of the Company, please see "General Development and Business of the Company" and "Risk Factors".

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3) Outlook

CHILE:

Punitaqui is a former producing copper mine located in the Coquimbo region of Chile with an eight-plus year operating history within which up to 25 million pounds of copper in concentrate were produced annually. BMR began developing the project immediately by initiating a drilling program, operating and environmental permit modifications and engineering studies. This development work is designed to assess the economic viability of returning the mine to profitable and sustainable operations. The conclusion of the work will be summarized in a NI 43-101 technical report to be released in 2022,

Exploration and Infill Drill Program

Currently, four diamond drill rigs are operating at Punitaqui – two at San Andres and two at Dalmacia. The Cinabrio Mine, which was the primary feed to the mill over the eight-plus years of operating history, along with the San Andres and Dalmacia targets have existing underground workings and are the main focus of the current drilling as potential sources of copper feed to the mill. Drilling data will be used to develop 3D geological models in preparation for the upcoming resource update.

At the San Andres Target, thirty-one diamond drillholes for a total of 6,484 meters have been completed. Twenty-nine of the San Andres drillholes reached target depth and 21 holes have intersected significant mineralization. Sample assay results, reported herein, are from the first twenty-four drillholes completed at San Andres. These results are only partial and additional significant intervals may be reported from these same holes when complete results are received.

- SAS-21-01: **3.0 meters (“m”) grading 1.52% Copper (“Cu”).**
- SAS-21-03: **11.0m at 1.39% Cu including 8.0m at 1.63% Cu.**
- SAS-21-04: **16.7m grading 1.37% Cu including 11.7m at 1.64% Cu and a second interval of 9.0m at 1.75% Cu.**
- SAS-21-05: **9.0m at 2.06% Cu.**
- SAS-21-07: **3.4m at 2.10% Cu and a second interval of 4.0m at 1.56% Cu.**
- SAS-21-08: **5.3m at 1.39% Cu and a second interval of 3.8m at 1.85% Cu.**
- SAS-21-11: **2.0m at 0.91% Cu.**
- SAS-21-12: **7.0m at 1.81% Cu and a second intercept of 2m grading 1.04% Cu.**
- SAS-21-13: **3.0m at 1.96% Cu from 217m downhole, 3.0m grading 0.87% Cu from 199m and a third interval of 1.8m at 0.83% Cu from 211m.**
- SAS-21-14: **28.1m at 0.98% Cu from 203m downhole including 10.1m at 1.44% Cu and a second intercept of 9.4m grading 1.24% Cu from 227m.**
- SAS-21-15: **3.0m at 0.5% Cu from 116m, 3.0m grading 0.48% Cu from 133m and a third interval of 2.0m at 0.51% Cu from 139m.**
- SAS-21-17: **3.6m at 1.04% Cu from 241m.**
- SAS-21-19: **5.0m at 1.08% Cu including 4.0m at 1.24% Cu.**
- SAS-21-20: **2.4m at 0.70% Cu from 266.9m.**
- SAS-21-21: **25.0m at 0.88% Cu from 106m including 13.0m at 0.96% Cu and 4.0m at 1.19% Cu from 115m and a second main intercept of 2.0m at 1.12% Cu from 136m.**
- SAS-21-23: **2.8m at 1.00% Cu from 194m.**
- SAS-21-24: **3.0m at 0.82% Cu from 231m.**

At the Dalmacia Target, sixteen diamond core holes completed (6,882m). Every drillhole reached target depth and all holes have intersected significant visible copper mineralization. The Dalmacia drill program is designed to confirm mineralization identified by previous drilling programs and expand the mineralized zone north and south along strike and at depth. Assay results are pending.

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At Cinabrio Sur, a total of 8 diamond core holes were drilled totaling 860m. This drilling was designed as both step-out and infill to follow-up historic reverse circulation drilling targeting the southern extent of the Cinabrio orebody. Assay results are pending.

At Cinabrio Norte, a total of 18 diamond core holes (3,000m) are planned to follow-up a number of historic copper mineralized intercepts. This drilling is meant to confirm the grade of the previously intercepted copper mineralization and better define the northern extent of the Cinabrio Orebody through a series of step-out holes.

CANADA:

One of the Company's immediate plans is further exploring and assessing the potential for the development in the Cobalt District Exploration Project. The Company plans to advance and increase the geological knowledge and economic potential of the project through, among other things, additional surveying, sampling and drilling programs, resource delineation, metallurgical testing, and conducting NI 43-101 compliant studies, where warranted, and to potentially form a basis for a production decision.

The January – August drill program resulted in the completion of 57 diamond core holes for a total of 8,674m. Seven targets on four properties were drill tested including Shining Tree, White Reserve, Elk Lake and Gowganda. Assay results for the Shining Tree Central target, White Reserve Mine target, Gowganda Kilpatrick Zone and Gowganda Big Four (Transition Metals Option) yielded no significant results. Narrow anomalous cobalt-silver results were reported from the other targets tested at Elk Lake and Gowganda. The best assay results were from the Bald Rock Target at Gowganda.

The Bald Rock target comprises an area of extensive historic stripping and channel sampling that yielded intervals grading 51.60 grams per tonne silver (“g/t Ag”), >1.00 percent cobalt (“% Co”) and 1.37 percent copper (“% Cu”) over 0.58 metres (“m”), and 4.19g/t Ag, >0.30% Co, and 1.13% Cu over 2.05m; There is no record or field evidence of any historic diamond drilling at Bald Rock prior to the June 2021 BMR drilling;

Five holes, GBR21001-005, tested the strike and depth extent of the known 10m wide altered and mineralized zone exposed in the main stripped area; GBR21006 targeted the projected intersection of the Bald Rock shaft vein, the 10m wide main zone, and a central vein and GBR21007 was drilled to test the vertical continuity of high-grade silver vein mineralisation identified in an historic rock grab sample (102,842.5g/t silver assay) in the central vein northwest of the stripped outcrop.

Encouraging assay results include: 3.0m at 0.63% cobalt & 3.61g/t silver; 2.5m at 0.28% cobalt & 1.01g/t silver and 2.0m at 0.12% cobalt, 6.22g/t silver & 0.17% copper. These intercepts occur in holes drilled into the southern end of the outcrop zone and along strike under sand cover. The drilling confirmed mineralization extends vertically below and along strike to the south under the sand cover. The extent of the mineralization remains open at depth and along strike to the south. Follow-up drilling is planned.

Ground follow-up consisting of geological mapping, prospecting, and rock sampling was completed at Elk Lake and Gowganda in September. A limited number of focused field traverses were completed to investigate known cobalt-silver mineral occurrences and historic workings.

At McAra, where between 2017-2019 BMR completed a multi-faceted exploration program that included geophysical surveys, geochemical sampling and several diamond drill programs (56 holes totaling 10,486 m) to define a NI 43-101 compliant Measured and Indicated resource of 1,124,000lbs Co-Eq that includes 1,102,000 pounds of cobalt and & 11,260 ounces of silver, the Company has commenced a re-assessment of the resource potential that will include follow-up drilling, resource and metallurgical studies.

During this reporting period planning for a fall – winter drill program was completed. Follow-up diamond core drilling is planned for the Fabre West Target (1,650m) in Quebec, the McAra Resource (1,380m) and the Bald Rock Target (300m) at Gowganda. The drill program is planned to commence in November at Fabre and expected to be completed in Q1-2022.

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UNITED STATES:

The Company continued planning and permitting for a possible exploration drill test at the Bonanza property located in the Idaho Cobalt Belt and immediately adjacent to Jervois Global's Idaho Cobalt Operations mine which is currently under construction.

SOUTH KOREA:

The Company is formulating plans necessary to advance the Geuman and Taehwa flake graphite prospects to the next stages of development. This includes the planning of a comprehensive exploration program designed to exploit the potential of increasing the currently outlined resources at the historically graphite producing properties Geuman and Taehwa.

Corporate Activities:

On December 23, 2019, Fusion entered into a definitive amalgamation agreement with BMR, 1234525 B.C. Ltd., a newly incorporated wholly owned subsidiary of Fusion, and Weston Energy LLC ("Weston"). This agreement was amended on March 25, 2020, May 14, 2020, August 31, 2020, December 29, 2020, and January 31, 2021; together the definitive amalgamation agreement and the amendments are referred to hereinafter as the "New Definitive Agreement".

The New Definitive Agreement (i) extends the time for completion of the Transaction from August 31, 2020, to March 1, 2021, and (ii) increases the expense reimbursement fee from \$250,000 to \$350,000 (payable by Battery to Fusion in the event the Transaction is not completed by December 31, 2020 for any reason other than as a result of the failure of Fusion to fulfil a material condition or obligation under the Definitive Agreement).

Pursuant to the New Definitive Agreement, Fusion acquired all of the issued and outstanding securities of BMR, by way a three cornered amalgamation under the British Columbia Business Corporations Act pursuant to which BMR and Fusion Subco amalgamated, shareholders of BMR exchanged their shares of BMR for shares of Fusion on a one-for-one basis on a post-consolidation basis (as defined below) and BMR became a wholly-owned subsidiary of Fusion (together with the related transactions and corporate procedures set out in the New Definitive Agreement, the "Transaction").

In connection with the Transaction, Fusion consolidated its common shares on a 2:1 basis (the "Consolidation"). In addition, upon closing of the Transaction, Fusion changed its name to "Battery Mineral Resources Corp.". On closing the Transaction, the Resulting Issuer met the TSXV's initial listing requirements for a Tier 1 or Tier 2 mining issuer.

In connection with the Transaction, BMR completed a private placement of: (i) flow-through common shares of BMR at a price of \$0.68 per share; and (ii) common shares of BMR at a price of \$0.65 per share, to raise aggregate gross proceeds of \$1,750,000. Shares issued under the private placement were immediately exchanged for one post-consolidation common share of Fusion upon closing of the Transaction (together, the "Concurrent Financing").

On February 15, 2021, the Company completed a reverse takeover transaction ("RTO"), with Fusion Gold Ltd. (Fusion), a TSX Venture Exchange listed company, to complete a share exchange that resulted in the Company's shareholders taking over Fusion (the "Transaction"). The Transaction is intended to constitute Fusion's "qualifying transaction" and is structured as a three-cornered amalgamation pursuant to which the Company amalgamated with 1234525 B.C. Ltd. The amalgamated entity became a wholly owned subsidiary of Fusion and the security holders of the Company exchanged securities of the Company for securities of Fusion on a one-for-one basis (after a consolidation of Fusion's common shares on a 2:1 basis). As a result, the

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shareholders of the Company owned more shares in the combined entity, the Company is deemed to control the new entity and the continuing financial statements will be those of the Company.

Trading of the Company's common shares commenced on February 22, 2021.

Punitaqui Acquisition:

On May 28, 2021, the Company entered into a loan purchase agreement with Bluequest Resources AG ("Bluequest"), whereby the Company acquired Bluequest's interest in secured loan obligations with a principal amount of US\$10,000,000 and unpaid accrued interest of US\$1,506,559 due from Xiana Mining Inc. ("Xiana") to Bluequest (the "Xiana Indebtedness") inclusive of all associated rights, and Bluequest's security interest in Minera Altos de Punitaqui Limitada ("MAP"), a wholly-owned subsidiary of Xiana and the Punitaqui Mining Complex owned by MAP. Acquiring the Xiana Indebtedness and the associated security enabled the Company to acquire its leasehold interest in the Punitaqui Mining Complex free and clear of the prior claims of any third party secured creditors. In consideration for the Xiana Indebtedness, the Company (i) issued 10,000,000 Common Shares to Bluequest at US\$0.50, equal to \$6,043,000 (US\$5,000,000) and (ii) may be required to pay up to US\$5,000,000 of additional payments subject to achieving certain production milestones at the Punitaqui Mine, with each milestone payment to be satisfied, at the election of Bluequest, by the payment of cash, the issuance of Common Shares at prevailing market prices (subject to a minimum issue price of C\$0.41), or a combination of both. On closing, the Company paid a cash consideration \$180,000 (US\$149,217), for the unsecured Minera Altos de Punitaqui ("MAP"), indebtedness to Bluequest as past of the loan purchase agreement.

Concurrently, on May 28, 2021, the Company entered into a 99-year lease agreement with MAP, to access and utilize MAP's mining concessions, mineral properties, equipment, and water rights. This lessee-operator structure allows Battery to utilize all the MAP assets without assuming any potential unknown liabilities while participating in 100% of the economic results of MAP. In addition, MAP has granted the Company a 15-year call option pursuant to which the Company can convert its leasehold interest in the Punitaqui Mining Complex into a direct ownership interest, for no consideration other than any outstanding quarterly installments payable under the terms of the original lease agreement. The lease payments are denominated in USD and Chilean Pesos and consist of 23 quarterly installments payable over the course of six years beginning on June 30, 2021. The total lease consideration per the lease agreement is \$15,030,000 (US\$12,450,000). Upon closing the Company paid \$5,343,000 (US\$4,426,000) in cash for the rights to the option payment and \$4,510,000 (US\$3,736,000) in cash for the upfront lease payment. The total future lease payments amount to \$11,712,330 (US\$9,450,000) and will be capitalized to Punitaqui acquisition costs when each quarterly installment is paid.

The Company has also entered into a Promissory Purchase Agreement Over Equity Rights ("Promissory Purchase Agreement") with Xiana. The Promissory Purchase Agreement allows the Company to exercise the right to acquire 100% of the equity interest in MAP from Xiana at any time over the next 10 years, for a purchase price consideration of US\$100. As of September 30, 2021, the Company has not exercised the rights per the Promissory Purchase Agreement.

As the Company has entered into a Promissory Purchase Agreement to acquire the equity interest in MAP, the Company has accounted for the Punitaqui acquisition as a business combination under IFRS 3.

The following purchase price allocation is based on management's best estimate of the assets acquired and liabilities assumed and is subject to change upon finalizing the values of the net assets acquired.

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The consideration for the Punitaqui acquisition was:

Cost of acquisition:

Option payment	\$	5,343,000
Lease payment		4,510,000
DIP payment		695,000
Issuance of 10,000,000 shares to Bluequest		6,043,000
Cash payment to Bluequest		180,000
Fair value of consideration	\$	16,771,000

The following table summarizes the fair values of the identifiable assets acquired and liabilities assumed:

Fair value of MAP:

Inventory	\$	2,142,000
Taxes receivables		1,579,000
Mineral property		31,923,000
Trade and other payables		(30,900,000)
Asset retirement obligation		(4,744,000)
		-
Net identifiable assets equal to purchase price	\$	16,771,000

The Company has capitalized 100% of the fair value of MAP as acquisition costs to the Punitaqui exploration and evaluation asset (Note 9). The Company has expensed \$525,236 as transaction costs, related to the Punitaqui acquisition.

As of September 30, 2021, the Company made the quarterly lease payment of \$905,380 (US\$720,414), which has been capitalize to acquisition costs in Punitaqui exploration project.

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4) Summary of annual data and quarterly results

The following table is a summary of the Company's financial results and position for the 2 most recent years.

<i>In Canadian dollars</i>	2020	2019
Revenue	-	-
Loss from Operations	(2,025,276)	205,447
Total Assets	69,811,212	24,212,588
Total non-current liabilities	-	10,000,000

The Presentation currency of the company has been the Canadian dollar in every year presented and financial statements have been prepared in accordance with IFRS.

The following table is a summary of the Company's financial results and position for the 8 most recently completed quarters.

Selected Financial Information		2021	2021	2021	2020	2020	2020	2020	2019
		Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4*
Net gain / (loss) for the period	CS	277,501	\$ (5,365,458)	\$ (3,422,059)	\$ (8,686,582)	\$ (81,209)	\$ (2,575,822)	\$ (38,770)	\$ (251,519)
Net gain / (loss) attributed to owners of the Company	CS	277,501	\$ (5,365,458)	\$ (3,422,059)	\$ (8,686,582)	\$ (81,209)	\$ (2,575,822)	\$ (38,770)	\$ (251,519)
Loss per share attributable to owners of the Company (basic and diluted)	CS	0.00	(0.03)	(0.03)	(0.08)	(0.00)	(0.03)	(0.00)	(0.00)
Weighted Average number of Ordinary Shares outstanding		170,075,730	156,147,100	132,142,862	105,566,748	99,419,304	96,018,485	95,610,963	68,918,843

*Period from November 26 to December 31, 2019

5) Results of operations

The following table provides a summary of the financial results of the Company for the three months and six months ended September 30, 2021, and as at September 30, 2020. Tabular amounts are in Canadian dollars, except share and per share amounts.

	For the three months ended September 30, 2021	For the three months ended September 30, 2020	For the nine months ended September 30, 2021	For the nine months ended September 30, 2020
General and administrative	\$ 1,052,413	\$ 458,328	\$ 3,388,215	\$ 1,302,444
Operating loss	(1,052,413)	(458,328)	(3,388,215)	(1,302,444)
Impairment of exploration and evaluation assets	(5,325)	(73,118)	(158,646)	(2,393,158)
Recognition of flow-through premium	60,165	-	109,928	549,564
Gain on revaluation of Fusion options	6,454	-	32,271	-
Listing expenses	-	-	(1,985,907)	-
Loss for the period for continuing operations	\$ (991,119)	\$ (531,446)	\$ (5,390,569)	\$ (3,146,038)
Discontinued operation gain	1,616,470	401,611	1,205,610	401,611
Remeasurement gain / (loss) on disposal group held for sale after common control adjustment	(347,850)	48,626	(3,501,424)	48,626
Total discontinued operation	1,268,620	450,237	(2,295,814)	450,237
Gain/ (loss) for the period	\$ 277,501	\$ (81,209)	\$ (7,686,383)	\$ (2,695,801)
Cumulative translation adjustment on disposal group	84,682	-	(852,645)	-
Gain/ (loss) and comprehensive gain/ (loss) for the period	\$ 362,183	\$ (81,209)	\$ (8,539,029)	\$ (2,695,801)
Loss per share				
Basic and diluted loss per ordinary share	\$ (0.01)	\$ (0.00)	\$ (0.04)	\$ (0.03)
Basic and diluted weighted average number of ordinary shares outstanding	170,075,730	106,551,094	153,794,642	99,419,304
Loss per share - Discontinued operations				
Basic and diluted gain / (loss) per ordinary share	\$ 0.00	\$ (0.00)	\$ (0.05)	\$ (0.00)
Basic and diluted weighted average number of ordinary shares outstanding	170,075,730	106,551,094	153,794,642	99,419,304

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	September 30, 2021	December 31, 2020
Cash and cash equivalents	\$ 531,471	4,168,118
Total assets	\$ 84,361,634	69,811,212
Current liabilities	\$ 10,604,019	10,631,262

Three months ended September 30, 2021 compared to the three months ended September 30, 2020

Total general and administrative expense for the three months ended September 30, 2021, was \$1,052,413 (September 30, 2020: \$458,328). General and administrative expense includes consulting fees of \$45,243 (September 30, 2020: nil), depreciation of \$2,872 (September 30, 2020: \$2,872), director fees of \$24,059 (September 30, 2020: \$23,951), foreign exchange loss of \$23,407 (September 30, 2020: \$45,952), general and administration of \$55,383 (September 30, 2020: \$16,098), management fees of \$252,314 (September 30, 2020: \$121,950), professional fees of \$108,663 (September 30, 2020: \$239,525) relating to legal and accounting, property examination costs of \$1,460 (September 30, 2020: \$7,980), stock-based compensation of \$249,436 (September 30, 2020: \$nil), investor relations of \$169,059 (September 30, 2020: \$nil) and transaction costs related to Punitaqui acquisition of \$120,517 (September 30, 2020: \$nil).

Nine months ended September 30, 2021 compared to the nine months ended September 30, 2020

Total general and administrative expense for the nine months ended September 30, 2021, was \$3,388,215 (September 30, 2020: \$1,302,444). General and administrative expense includes consulting fees of \$228,188 (September 30, 2020: \$7,458), depreciation of \$8,615 (September 30, 2020: \$8,616), director fees of \$70,899 (September 30, 2020: \$72,257), foreign exchange loss of \$422,073 (September 30, 2020: \$23,193), general and administration of \$140,148 (September 30, 2020: \$82,736), management fees of \$564,572 (September 30, 2020: \$360,903), professional fees of \$632,970 (September 30, 2020: \$596,575) relating to legal and accounting, property examination costs of \$32,882 (September 30, 2020: \$150,706), stock-based compensation of \$452,757 (September 30, 2020: \$nil), investor relations of \$309,875 (September 30, 2020: \$nil) and transaction costs related to Punitaqui acquisition of \$525,236 (September 30, 2020: \$nil).

Cash and cash equivalents

At September 30, 2021, cash and cash equivalents totaled \$531,471 (December 31, 2020: \$4,168,118). Cash and cash equivalents decreased by \$3,636,647 during the nine months ended September 30, 2021. The Company's cash flows from operating, investing, and financing activities during the year consist of cash flows from financing activities of \$16.4 million (December 31, 2020: \$8.8 million); offset by: cash used in investing activities of \$18 million (December 31, 2020: \$3.6 million); and cash used in operating activities of \$2 million (December 31, 2020: \$1.5 million).

The Company's cash and cash equivalents at September 30, 2021 includes \$35,417 (December 31, 2020: \$14,784) denominated in United States dollars, \$494,561 (December 31, 2020: \$4,135,035) denominated in Canadian dollars, \$1,165 (December 31, 2020: \$77) in Australian dollars, and \$328 (December 31, 2020: \$18,222) denominated in Korean won.

Receivables

Receivables at September 30, 2021, relates to tax receivables relating to income tax credits in Canada. Included in the receivables balance is \$124,244 (December 31, 2020: \$54,524) in HST receivable from the Canadian Revenue Agency, an adjustment of \$426 (December 31, 2020: \$426) in Quebec Sales Taxes receivable from Revenue Quebec, \$nil (December 31, 2020: \$15) in Value Added Tax receivable from South Korea National Tax Service.

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Prepaid expenses and other assets

As of September 30, 2021, prepaid expenses and other assets totaled \$209,847 (December 31, 2020: \$15,499).

Exploration and Evaluation Expenditures

Mining claims and deferred exploration costs represent costs pertaining to the Company's various cobalt, lithium, graphite and copper projects.

Cobalt:

As of September 30, 2021, the Company historic costs incurred \$24,798,126 (December 31, 2020: \$20,926,694) of exploration and evaluation costs on the Company's various cobalt properties. During the nine months ended September 30, 2021, the company incurred \$2,634,742 (December 31, 2020: \$1,881,782) related to acquisition costs, assay, drilling, claiming and staking, \$631,792 (December 31, 2020: \$1,099,994) for geologic, geophysics and mapping, and \$763,744 (December 31, 2020: \$1,222,407) for other exploration activities, including consulting, project management, field and travel expenses, and local Indigenous payments. During the nine months ended September 30, 2021, the Company recorded an impairment of \$158,646 (December 31, 2020: \$87,483).

Lithium:

As of September 30, 2021, the Company historic cost incurred \$382,870 (December 31, 2020: \$378,718) of exploration and evaluation costs on the Company's lithium properties. During the nine months ended September 30, 2021, the company incurred \$4,152 (December 31, 2020: \$335,128) related to acquisition costs, assay, drilling, claiming and staking, \$nil (December 31, 2020: \$8,197) for geologic, geophysics and mapping, and \$nil (December 31, 2020: \$114,861) for other exploration activities including consulting, project management, and field and travel expenses. During the nine months ended September 30, 2021, the Company recorded an impairment of \$nil (December 31, 2020: \$2,309,159).

Graphite:

As of September 30, 2021, the Company historic costs incurred included \$2,066,835 (December 31, 2020: \$1,874,104) exploration and evaluation on the Company's graphite projects. During the nine months ended September 30, 2021, the company incurred \$51,474 (December 31, 2020: \$29,896) related to acquisition costs, assay, drilling, claiming and staking, \$nil (December 31, 2020: \$nil) for geologic sampling, geophysics and mapping, and \$141,257 (December 31, 2020: \$185,271) for other exploration activities including consulting, project management, and field and travel expenses.

Copper:

As of September 30, 2021, the Company incurred \$21,369,992 (December 31, 2020: \$nil) of exploration and evaluation costs on the Company's copper projects. During the nine months ended September 30, 2021, the company incurred \$19,470,937 (December 31, 2020: \$nil) related to acquisition costs, \$796,346 for drilling costs (December 31, 2020: \$nil), \$378,847 (December 31, 2020: \$nil) for environmental and permitting, and \$723,862 (December 31, 2020: \$nil) for other exploration activities including consulting, project management, and field and travel expenses.

Accounts payable and accrued liabilities

As of September 30, 2021, accounts payable and accrued liabilities totaled \$867,900 (December 31, 2020: \$904,802). The balance comprised of \$269,729 (December 31, 2020: \$429,971) in Canadian dollar accounts payable and \$209,845 (December 31, 2020: \$36,956) in United States dollar accounts payable, primarily related to the cobalt and lithium exploration expenditures. \$259,460 (December 31, 2020: \$230,057) related to the Company's Geuman and Taehwa graphite project in South Korean. The balance also includes other current liabilities (accrual) of \$112,500 (December 31, 2020: \$200,000) and withholding taxes payable \$16,366

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(December 31, 2020: \$7,818).

Exploration advances

As of September 30, 2021, exploration advances totaled \$404,000 (December 31, 2020: \$666,097). The balance comprised of \$404,000 (December 31, 2020: \$666,097) of new additions from the year for future work in the Ontario cobalt district.

Flow-through premium liability

Pursuant to flow-through agreements, the Company was obligated to incur \$2,806,799 in Canadian exploration expenses ("CEE"). As at September 30, 2021, the Company has spent \$1,403,789 in CEE. Accordingly, the flow through premium liability was derecognized and recorded in profit or loss.

Acquisition Of Disposal Group Held For Sale

As consideration to acquire 89.2% of the shares of ESI, the Company, on September 9, 2020, issued 30,000,000 common shares at \$0.65 per share for a value of \$19,500,000, and up to 30,000,000 contingently issuable shares valued at \$11,250,000. The Company's value per share is based on its most recent third-party financing.

As both the Company and ESI are controlled by Yorktown, the acquisition is considered to be a common control transaction.

The Company had a pre-existing relationship with ESI and due to the common control transaction, the benefit of the \$10,000,000 elimination of the streaming liability, notified as being in default, is considered to be a contribution of capital by Yorktown, and is recorded in contributed surplus.

While ESI met the definition of a business under IFRS 3, the interest in ESI is considered to be held for resale and is actively being marketed. Shares are issuable to Yorktown on the basis of one share at \$0.65 per share for each dollar of sale proceeds received in excess of \$10,000,000 upon Yorktown locating a buyer on or before September 30, 2021. The Company has recorded the net assets acquired on a fair value less costs to sell basis.

The preliminary allocation of the estimated cost of acquisition is summarized as follows:

Consideration for 89.2% interest in ESI		
Common shares	\$	19,500,000
Contingently issuable shares as a fee		11,250,000
Total		30,750,000
Costs to sell		
Contingently issuable shares as a fee		(11,250,000)
Other transaction costs		(100,000)
Total costs to sell	\$	(11,350,000)

The consideration and cost to sell (above) have been grossed up to a 100% level being \$34,473,094 to determine the full entity values, including the value attributed to non-controlling interest.

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Costs to sell have been offset against the capital assets acquired on a pro-rata basis. Any consideration over net assets acquired has been allocated to deficit as a result of the common control transaction.

Net assets acquired		
Assets:		
Cash	\$	7,910,449
Short term investments		2,639,179
Accounts receivable		2,447,976
Prepaid		227,125
Inventory		758,390
Property and equipment		18,054,036
Right-of-use assets		47,498
Intangible		1,522,695
Total assets	\$	33,607,348
Liabilities:		
Accounts payable	\$	(1,777,675)
Deferred revenue		(121,552)
Debt		(3,339,029)
Lease liability		(70,590)
Total liabilities	\$	(5,308,846)
Total net assets acquired		28,298,502
Goodwill allocated to deficit		6,174,592
		34,473,094
Net assets attributable to non-controlling interest - 10.8%		(3,723,094)
Total	\$	30,750,000

As a result of the common control acquisition, the excess of consideration over net assets acquired was recorded in deficit.

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As at September 9, 2020, the Company has estimated the fair value of the contingent consideration for the sale of the 89.2% interest in ESI to be \$11,250,000, based on the net value of expected proceeds on the sale of ESI less \$10,000,000, probability weighted for likelihood, and multiplied by a factor of 1.538 representing the contractual fee to Yorktown payable in shares of the Company. The \$11,250,000 has been grossed up to a 100% level and treated as a cost to sell ESI assets, along with other estimated closing costs, and has been offset against the assets acquired. The costs to sell resulted in the grind of the net tangible assets of ESI, including property and equipment by \$11,706,112, right of use assets by \$30,798, and intangible assets by \$987,305 to determine the fair market value less to cost sell of ESI net asset group. The Company has estimated additional costs to sell relating to accounting and legal costs to the ESI proposed disposal of \$100,000.

On May 26, 2021, the Company completed the acquisition of ESI concurrent with the completion of the ESI going private transaction. The result is the Company now owns 100% of ESI's common shares. In taking ESI private, the Company agreed to a cash payment to each minority shareholder of \$0.75 per share is based on the number of ESI common shares held by minority shareholders before the share consolidation. The total cash payout to buy out the 10.8% minority interest totaled \$4,988,020.

Disposal Group Held For Sale

The Company is committed to a plan to sell its 100% ownership of ESI. ESI currently operates in western Canada as well as in the United States of America. ESI, together with its operating subsidiaries, ESI Pipeline Services, Inc. and ESI Energy Services (Australia) Pty Ltd., supplies (rents and sells) backfill separation machines to mainline pipeline contractors, renewables and utility construction contractors, as well as oilfield pipeline and construction contractors. Accordingly, the ESI business is presented as a disposal group held for sale.

As at September 30, 2021, the Company has estimated the cost to sell ESI to be \$1,027,500 (December 31, 2020: \$1,027,500), which is calculated as 3% transactions fee based of ESI estimated enterprise fair value, plus and additional costs to sell relating to accounting and legal costs to the ESI proposed disposal of \$100,000. The costs to sell has been revised since the September 9, 2020, acquisition date as the contingent shares were estimated to have a zero percent probability of issuance as of September 30, 2021. As this was considered a common controlled fee, the reduction of \$11,250,000 (December 31, 2020: \$11,250,500) plus a portion of the gross-up of \$346,715 (December 31, 2020: \$346,715) for a total of \$11,596,715 (December 31, 2020: \$11,596,715) has been applied to contributed surplus (Note 19). The remaining costs to sell of \$1,127,500 (December 31, 2020: \$1,127,500) has been treated as a cost to sell ESI assets and has been offset against the assets held for sale resulted in the grind of the net tangible assets of ESI, including property and equipment by \$1,049,512 (December 31, 2020: \$1,053,604), right of use assets by \$962 (December 31, 2020: \$1,119), and intangible assets by \$77,026 (December 31, 2020: \$72,777) to determine the fair market value less to cost sell of ESI net asset group.

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Assets and liabilities of disposal group held for sale as at September 30, 2021 are as follows:

Assets held for sale		
Cash	\$	2,824,939
Accounts receivable		3,218,080
Prepaid		230,700
Inventory		702,271
Property and equipment		25,539,245
Right-of-use assets		23,402
Intangible		1,874,374
Total assets	\$	34,413,011
Assets included in disposal group classified as held for sale	\$	34,413,011
Liabilities held for sale		
Accounts payable	\$	(1,781,239)
Deferred revenue		(237,281)
Income tax payable		(6,317)
Debt		(7,182,838)
Lease liability		(24,321)
Liabilities included in disposal group classified as held for sale	\$	(9,231,996)
Non-controlling interest on net assets		-
Company share of ESI net assets	\$	25,181,015

As of September 30, 2021, the Company has withdrawn an additional \$2,000,000 in cash from ESI to help fund the Puntaqui project in Chile.

Assets and liabilities of disposal group held for sale as at December 31, 2020 are as follows:

Assets held for sale		
Cash	\$	9,797,453
Accounts receivable		1,948,481
Prepaid		75,540
Inventory		712,153
Property and equipment		27,197,289
Right-of-use assets		28,882
Intangible		1,878,623
Total assets	\$	41,638,421
Assets included in disposal group classified as held for sale	\$	41,638,421
Liabilities held for sale		
Accounts payable	\$	(1,399,301)
Income tax payable		(171,875)
Deferred revenue		(69,522)
Debt		(7,872,298)
Lease liability		(30,464)
Liabilities included in disposal group classified as held for sale	\$	(9,543,460)
ESI net assets		32,094,961
Non-controlling interest on net assets		(3,466,256)
Company share of ESI net assets	\$	28,628,705

For the reporting period ending December 31, 2020, the Company has reclassified the assets and liabilities of the disposal group as current.

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On December 21, 2020, ESI issued a \$5,683,420 special dividend of which the Company received \$5,069,594, which was recorded to contributed surplus due to common control.

Income or expenses from disposal group held for sale

For the three months and nine months ended September 30, 2021, ESI's net income was \$1,890,293 and \$1,479,433, respectively, excluding depreciation charges.

	For the three months ended September 30, 2021	For the nine months ended September 30, 2021
REVENUE		
Sales	\$ 4,427,549	\$ 8,947,303
COSTS AND EXPENSES		
Cost of purchases	252,073	428,800
Operating and maintenance	1,493,710	3,903,605
Selling and administrative	659,454	3,248,062
Total costs and expenses	\$ 2,405,237	\$ 7,580,467
INCOME FROM OPERATIONS	\$ 2,022,312	\$ 1,366,836
(Losses) / Gains on disposal of property and equipment	70,436	548,969
Finance and other income	35,488	96,762
Finance and other costs	(62,424)	(182,837)
Foreign exchange gain (loss)	(175,519)	(350,297)
Income before income taxes	\$ 1,890,293	\$ 1,479,433
Income taxes	-	-
Income and comprehensive income from discontinued operations	\$ 1,890,293	\$ 1,479,433

For the nine months ended September 30, 2021, the Company recorded a remeasurement loss for the change in fair value of the disposal group held for sale as follows:

Remeasurement loss	\$ (3,501,424)
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Due to the common ownership by Yorktown, the benefit of the reduction of the sale fee to Yorktown has been allocated to deficit to the extent of the amount allocated to goodwill on September 9, 2020 less goodwill allocated to non-controlling interest and the balance to contributed surplus.

6) Liquidity and capital resources

As at September 30, 2021, the Company had cash and cash equivalents of \$531,471 (December 31, 2020: \$4,168,118) and no cash held in escrow (as further described below). Cash and cash equivalents are primarily comprised of cash held with reputable financial institutions and are invested in highly liquid short-term investments with maturities of six months or less.

The Company currently has cash flow from its asset group held for sale, though the sources of operating cash flow are not sufficient to fund the Company's continued exploration and development efforts and the Company's primary sources of capital resources are comprised of cash and cash equivalents. The Company will continuously monitor its capital structure and based on changes in operations and economic conditions, may adjust the structure by issuing new shares or new debt, as necessary. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional sources of financing to successfully explore and evaluate its mineral properties and, ultimately, to achieve profitable operations. While the Company has been successful in securing

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financing to date, there are no guarantees that it will be able to secure such financing in the future on terms acceptable to the Company, if at all. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration of the Company's properties and the possible loss of title to such properties. Significant reliance is placed on Weston, the Company's controlling shareholder, for providing ongoing financing to the Company. Failure of Weston to provide or participate in financing, or the inability of Weston to provide or participate in financing, would likely result in difficulty for the Company to attract separate third-party investment. Accordingly, there are material risks and uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. See "Risk Factors."

7) Transactions with related parties

Related parties of the Company include directors, officers, Weston and ESI. Pursuant to the ESI Agreement however, ESI made a non-refundable payment to the Company in the amount of \$10,000,000 (December 31, 2020: \$10,000,000), which is repayable if the ESI Agreement is terminated upon the occurrence of certain prescribed and limited circumstances. See "Risk Factors – Risks Related to the ESI Agreement" and Corporate Activities.

On April 20, 2020, the Company, through Weston, received a notice of default from ESI. On September 9, 2020, ESI became a subsidiary of the Company. The ESI liability, while being a \$10,000,000 liability on the Company's records, was written down to \$nil on ESI's records. On consolidation, the \$10,000,000 liability is eliminated, and the benefit of that elimination is scoped out of the purchase equation due to the pre-existing relationship with ESI and is recorded as a capital contribution due to the nature of the common control transaction.

On January 29, 2021, the Company received notice that the amount was no longer considered repayable.

On May 26, 2021, the Company completed the acquisition of ESI concurrent with the completion of the ESI going private transaction. The result is the Company now owns 100% of the ESI common shares.

On May 28, 2021, the Company issued 1,069,138 shares to Weston, valued at \$694,940 (US\$555,952) in exchange for the debtor in possession loan used to secure the rights to acquire Punitaqui.

On July 5, 2021, the Company issued 1,538,462 common shares to Western for additional proceeds of \$1,000,000 (US\$800,000), relating to the second and final tranche of the Punitaqui acquisition (Note 13).

8) Disclosure of data for outstanding common shares and stock options

Common Shares

During the year ended December 31, 2020, the Company:

- i. issued 4,130,615 common shares for a total consideration of \$2,685,000 of which \$1,300,000 was received in advance.
- ii. received subscription receivables of \$200,000.
- iii. In relation to the Flow-Through Shares, the Company entered into an Escrow Agreement whereby the Flow-Through Agent ("Agent"), held \$1,100,000 of funds in trust to be released in two tranches of \$550,000 each, when the Company provides the Agent proof that eligible flow-through expenditures were incurred and paid for in full. During the year ended December 31, 2020, the Company received \$1,100,000 of the funds held in escrow.
- iv. issued 2,600,000 common shares for a cash consideration of \$1,727,690 to the Weston Group

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- v. issued 30,000,000 common shares for a total consideration of \$19,500,000 to Yorktown in consideration for 89.2% ownership in ESI
- vi. Received \$400,001 toward a private placement in relation to the Qualifying Transaction with Fusion completed on February 12, 2021.

During the nine months ended September 30, 2021, the Company:

- i. Received \$1,750,000 of subscription receipts consisting of flow-through and non flow-through shares as follows: 735,294 flow-through shares to be issued at an issuance price of \$0.68 per flow-through share for proceeds of \$500,000 and 1,923,077 non flow-through shares in the Company at an issuance price of \$0.65 per share for proceeds of \$1,250,000.
- ii. issued 200,000 shares related to the settlement of the claim dispute in Idaho.
- iii. issued 900,000 shares related to the historic property obligations.
- iv. cancelled 425,885 common shares in relation to the Transaction.
- v. exercised 50,000 options at \$0.20 related to the Fusion amalgamation.
- vi. issued 3,100,000 shares related to the share exchange that would result in the Company's shareholders taking over Fusion.
- vii. issued 21,156,074 shares for a cash consideration of \$13,056,508 and non-cash consideration of \$694,940 related to the Punitaqui acquisition. The non-cash consideration of 1,069,138 shares were issued to Weston in exchange for the debtor in possession loan used to secure the rights to acquire Punitaqui.
- viii. issued 1,388,888 flow-through shares ("Flow-Through Shares") at a price of \$0.72 per Flow-Through Share for total gross proceeds of \$999,999.

The subscription agreement for the Flow-Through Shares requires North American Cobalt Inc. to incur \$999,999 of qualifying Canadian Exploration Expenses ("CEE") and renounce the CEE to the Flow-Through Shares shareholders with an effective date of December 31, 2021. The Company attributed a flow-through premium liability of \$97,222 and reduced share capital by the same amount. Transaction costs relating to the Offering amounted to \$60,000.

- ix. issued 10,000,000 shares related to Bluequest for \$6,043,000 (US\$5,000,000) pursuant to a loan purchase agreement with Bluequest
- x. 1,538,462 common shares for additional proceeds of \$1,000,000 (US\$800,000), relating to the second and final tranche of the Punitaqui acquisition. The shares were issued to Weston Energy (Note 14).
- xi. issued 1,675,384 Flow-Through Shares at a price of \$0.78 per Flow-Through Share for total gross proceeds of \$1,306,800.

The subscription agreement for the Flow-Through Shares requires North American Cobalt Inc. to incur \$1,306,800 of qualifying Canadian Exploration Expenses ("CEE") and renounce the CEE to the Flow-Through Shares shareholders with an effective date of December 31, 2021. The Company attributed a flow-through premium liability of \$311,770 and reduced share capital by the same amount. Transaction costs relating to the Offering amounted to \$75,600.

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Stock options

As of September 30, 2021, 6,012,500 options remain outstanding, of which 6,000,000 was issued to Officers and Directors of the Company and 12,500 relating to the Fusion amalgamation (Note 4 and 21). Total stock-based compensation expense for the nine months ended September 30, 2021, was \$452,757 (nine months ended September 30, 2020: \$Nil)

The Company's stock option plan provides for the issuance of stock options to its officers, directors, employees and consultants. Stock options are non-transferable and the aggregate number of shares that may be reserved for issuance pursuant to stock options may not exceed 10% of the issued shares of the Company at the time of granting. The exercise price and vesting terms of stock options is determined by the Board of Directors of the Company at the time of grant.

Outstanding Share Data

As of the date of this MD&A, the Company has 170,872,279 outstanding shares.

9) Off-balance sheet transactions

The Company did not have any off-balance sheet arrangements as at September 30, 2021, December 31, 2020, or as of the date of this report.

10) Significant judgements and estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Management believes the estimates and assumptions used in these Financial Statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

The Company's significant accounting judgments and estimates which have been applied in the Financial Statements for the three and nine months ended September 30, 2021 are as follows:

Judgments

The measurement of deferred income tax assets and liabilities.

The evaluation of the Corporation's ability to continue as a going concern.

The evaluation of the Corporation's Disposal Group Held for Sale.

Estimations

The fair value of share-based compensation.

11) Changes in accounting standards

The Company has adopted the following amendments to IFRS:

Amendments to IFRS 3, Business Combinations (effective January 1, 2020) assist in determining whether a transaction should be accounted for as a business combination or an asset acquisition. The definition of a business has been amended to include an input and a substantive process that together significantly contribute to the ability to create goods and services provided to customers, generating investment and other income, and to exclude returns

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in the form of lower costs and other economic benefits. These amendments did not impact the Company's consolidated financial statements for the period ended September 30, 2021.

Amendments to IAS 1, Presentation of Financial Statements and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (effective January 1, 2020) were made to refine the definition of material in IAS 1 and align the definitions used across IFRS Standards and other publications. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition and the threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. These amendments did not impact the Company's consolidated financial statements or disclosures for the period ended September 30, 2021. Accounting Standard, Amendments and Interpretations Issued but Not Yet Applied.

The Company has not applied the following amendments to standards that have been issued but are not yet effective: Amendments to IAS 1, Presentation of Financial Statements (effective January 1, 2022) clarifies the presentation of liabilities in the statement of financial position. The classification of liabilities as current or noncurrent is based on contractual rights that are in existence at the end of the reporting period and is unaffected by expectations about whether an entity will exercise its right to defer settlement. A liability not due over the next twelve months is classified as non-current even if management intends or expects to settle the liability within twelve months. The amendment also introduces a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. Management is currently assessing the impact of this amendment.

12) Financial instruments and capital management

As at September 30, 2021, the Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. The Company classifies cash and receivables as financial assets measured at amortized cost. The Company classifies accounts payable and accrued liabilities as financial liabilities held at amortized cost.

The fair value of these financial instruments is equal to their carrying value unless otherwise noted.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

As at September 30, 2020, the majority of the Company's financial assets is cash. The Company holds all cash balances with a highly rated Canadian financial institution, therefore minimizing the Company's credit risk.

(b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company believes it will have sufficient funds on hand to meet administrative and legal costs associated with the completion of the Transaction with New Battery, but should it not have then it will be dependent on future support of shareholders through public equity offerings. . Further, the impact of COVID-19 on the Company is as yet unknown but may negatively impact the Company's ability to complete the Transaction or raise additional financing if needed. At September 30, 2021, the Company had no contractual obligations which result in a financial liability beyond accounts payable and accrued liabilities.

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(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments. The Company's activities have only been transacted in Canadian dollars since incorporation and until September 30, 2021; in addition, the Company carries no debt beyond accounts payable and accrued liabilities. As such, the Company has minimal market risks facing it at present.

Capital management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the identification, evaluation and completion of a QT and continue as a going concern. The Company considers capital to be all accounts in equity. 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. Additional funds may be required to finance the Company's QT. In accordance with Policy 2.4 of the Exchange, the proceeds raised from the sale of securities may only be used to identify and evaluate assets or businesses, and obtain shareholder approval for a QT, with the exception that up to the lesser of 30% of the gross proceeds realized by the Company in respect of the sale of its securities, or \$210,000, may be used for purposes other than such identification and evaluation of businesses or assets. These restrictions apply until completion of a QT by the Company as defined under Policy 2.4 of the Exchange.

13) Subsequent Events

Subsequent to September 30, 2021, the Company:

- The Company has granted an aggregate of 6.25 million restricted share units (the "RSUs") to its directors, officers, employees, and consultants, pursuant to the RSU plan. The RSU will vest over the next 1 to 3 years.
- The Company through ESI Energy Services Inc., a BMR subsidiary company, entered into a loan agreement with USMT 18 LLC for a secured loan (the "Loan") in the amount of US\$1,200,000. The Loan is repayable one year from closing with an option to extend for an additional one year, and bears interest at a rate of 8.5% per annum, with interest payable monthly. In addition, a 1.5% origination fee and a 2% exit fee is payable in connection with the Loan. In the event the loan is repaid prior to June 30, 2022, yield maintenance will be payable by the borrower through June 30, 2022. The Loan will be secured by certain real property owned by two subsidiaries of Battery, including the borrower.

14) Other risks and uncertainties

The Company is engaged in mineral exploration and development activities which, by nature, are speculative. Due to the high-risk nature of the Company's business and the present stage of the Company's various projects, an investment in the Company's common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this MD&A and the Company's Filing Statement under "Risk Factors". Additional risks not currently known to the Company, or that the Company currently considers immaterial, may also adversely affect the Company's business, result of operations, financial results, prospects, and price of common shares.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

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15) Disclosure controls and procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed consolidated interim financial statements for the period ended September 30, 2021 and this accompanying MD&A.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

For the disclosure required under Section 5.3 of National Instrument 51-102 – Continuous Disclosure Obligations, please see "Exploration Activities", "and "Exploration and Evaluation Expenditures".

16) Forward looking statements

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, the Company's ability to complete the Transaction, the impact of COVID-19 on the Transaction and the future of the Company, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Readers are cautioned that these statements which describe the Company's plans, objectives, and budgets may differ materially from actual results and as such should not be unduly relied upon by investors. Forward-looking statements contained in this MD&A speak only as to the date of this MD&A, or such other date as may be specified herein, and are expressly qualified in their entirety by this cautionary statement. See additional discussion under "Other risks and uncertainties" section above.