



Management's Discussion and Analysis

AC/DC Battery Metals Inc.

For the Period Ended 31 October 2025 and 2024

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results
As at 31 October 2025 and 2024

The following discussion and analysis is management's assessment of the results and financial condition of AC/DC Battery Metals Inc. (the "Company" or "AC/DC") as at 31 October 2025 and 2024 and should be read in conjunction with condensed financial statements for the period ended 31 October 2025. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all monetary amounts presented are Canadian dollars ("CAD") unless otherwise stated. The date of this Management Discussion and Analysis is 22 December 2025.

Additional information on the Company is available on SEDAR+ at www.sedarplus.ca.

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.

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results
As at 31 October 2025 and 2024

Introduction

The following discussion of performance and financial condition should be read in conjunction with the financial statements of the Company as at 31 October 2025 and 2024. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretation Committee. The Company's reporting currency is Canadian dollars unless otherwise stated.

The address of the Company's corporate office and its principal place of business is 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

Description of Business

Grid Battery Metals Inc. ("Grid") is the registered and beneficial owner of one issued and outstanding AC/DC Share, being all of the issued and outstanding AC/DC Shares as of the date hereof. Grid and AC/DC arranged a corporate restructuring by way of a statutory arrangement under the BCBCA, pursuant to which Grid and AC/DC will participate in a series of transactions whereby, among other things, Grid shareholders acquired 9,414,044 AC/DC common shares ("Consideration Shares") in exchange for the "Transferred Assets" comprised of Grid's Nickel Project, and distributed the Consideration Shares to the holders of Grid common shares such that the holders of Grid common shares became the holders of the AC/DC common shares ("Arrangement").

Project Overview

AC/DC commissioned Jeremy Hanson, P.Geo. to prepare a technical report and summarize exploration work completed on the Nickel Project (the "Project"), consisting of three non contiguous claim groups, Hard Nickel 3, Hard Nickel Center, and Hard Nickel South. The Project consists of a total of five mineral tenures in the Takla Lake area of north-central British Columbia. Grid Battery owned 100% of the mineral claims comprising the Nickel Project and entered into an Arrangement Agreement, as amended with AC/DC Battery Metals Inc., whereby AC/DC has acquired 100% ownership of the Project from Grid in exchange for 9,414,044 shares in AC/DC. The Nickel Project is located in the Takla Lake area of central British Columbia, in part adjacent to FPX Nickel Corp.'s Decar Nickel Project. The Decar Project is an advanced nickel project targeting awaruite, a nickel-iron alloy mineral, hosted by serpentinized ultramafic intrusive rocks of the Trembleur Ultramafic Unit within the Permian to Triassic age Cache Creek Complex. The three claim groups of the Nickel Project are partially underlain by rocks of the Trembleur Ultramafic Unit, which consist of variably serpentinized harzburgite, dunite, orthopyroxenite, and locally carbonatetalc altered rocks and listwanite. Within the claims, metallic mineralization includes nickel, cobalt, and chromium, with nickel mineralization occurring as the nickel-iron alloy awaruite, or as sulphide minerals including heazlewoodite, pentlandite, and millerite.

The Property was included in both Geoscience BC's QUEST, and QUEST-West projects, including multiparameter regional geophysical surveys, regional stream sediment re-analyses, and data compilations completed between 2008 and 2009. This modern exploration framework along with advancements at the nearby Decar Nickel Project may assist in developing future exploration programs on the Project.

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results
As at 31 October 2025 and 2024

Recent exploration completed by Grid Battery Metals Inc. in 2023 included sampling within the Hard Nickel Center claims group, where magnetic high response around the TILDESLEY CREEK (093K 038) minfile prospect. Rocks samples were described as peridotite, pyroxenite, or norite-grabbro. Ultramafic rocks have been observed to have tan-orange weathering with fine-medium grained dark green-black fresh surfaces. Fracture controlled and groundmass serpentine+/-talc alteration is commonly observed, and many rocks exhibit a weak to strong magnetic response. Sulphides are present in some samples and trace amounts of possible awaruite and chromite have been noted. Structural fabric is commonly oriented northwest to southeast.

Nickel values in ultramafic rocks are consistently elevated, ranging from 1000 to 2696 ppm with 50 of the 85 samples returning >1800 ppm Ni within a 1.4km by 0.5 km footprint. Additional prospecting and geochemical sampling indicated the high magnetic response in the QUEST-West data is directly associated with nickel-chromium bearing ultramafic rocks ascribed to the Trembleur Unit.

There are no mineral resource estimates or mineral reserves on the Project.

British Columbia

Nickel Project

The AC/DC Nickel Group consists of five claim blocks in three groups (Hard Nickel Centre, Hard Nickel 3 and Hard Nickel South) in the area surrounding Mount Sidney Williams, in close proximity to the Decar Project and the Baptiste deposit of FPX Nickel Corp (TSXV:FPX).

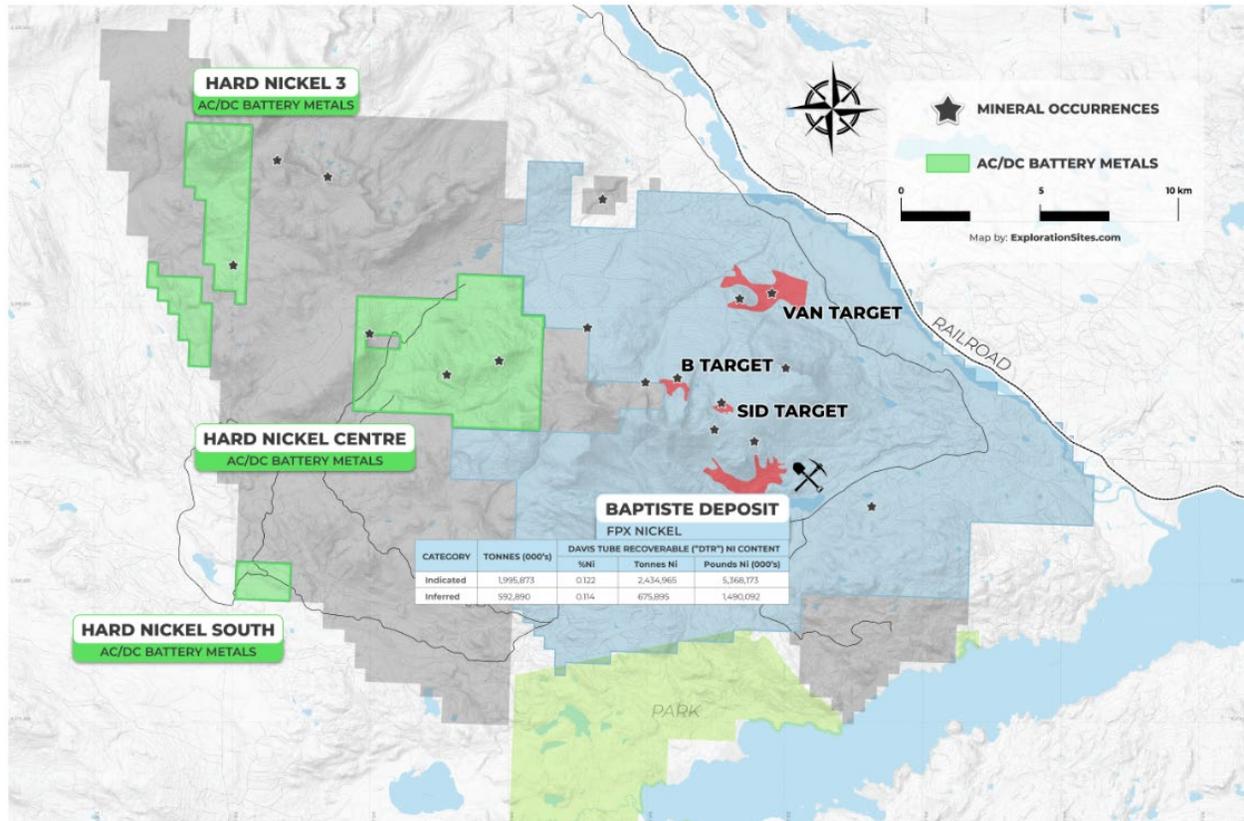
The Property is road and helicopter accessible from Fort St. James via a network of province-maintained paved roads and forestry-maintained gravel roads. The Canadian National Railway company owns an inactive railway line that passes a short distance east of the Properties.

The Company owns 100% interest in the BC Nickel Project.

The Company has a security deposit of \$55,900 with the Ministry of Energy, Mines and Low Carbon Innovation of British Columbia.

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results
As at 31 October 2025 and 2024



Copper Property

On 25 July 2024, the Company has acquired from the Vendor a 100% interest in 17 mineral claims covering approximately 27,525.24 hectares located in the Omineca Division, North Central British Columbia.

The Copper Property consist of 17 claims comprising 27,525.24 hectares located in the Omineca Mining Division of north-central British Columbia, approximately 150 km north of Fort St. James. The claims are not subject to any royalty terms, back-in rights, payments or any other agreements and encumbrances.

Approximately 275 km² of tenures in such a favourable mining region within BC. This area of the Province has already generated several promising projects, and the land package is strategically situated to exploit the high copper-gold values of the region. Northwest Copper Corp. (TSXV: NWST) on the nearby Kwanika project intercepted 400 metres of 1.01 Copper equivalent (News Release 16 January 2023 Northwest Copper Corp). BC is a mining-friendly jurisdiction with reasonable processes, good infrastructure and potential First Nation partners – extending AC/DC's land holdings in BC which makes our company stronger and increases the value of our mining assets in the region. Something we plan on turning into a tangible value for our shareholders.”

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results

As at 31 October 2025 and 2024

B.C. Minfile assessment report data indicates that most of the area covered by the Copper Property was at one time or another covered by staking during surges of exploration in B.C. dating from the 1940's to present day. Largely the claims appear to have been minimally explored with little follow-up. However, some work was recorded on several claims with results for stream sediment sampling showing anomalous to highly anomalous results for gold in a few areas. These areas were recommended for detailed follow-up, however due to a downturn no further work was recorded.

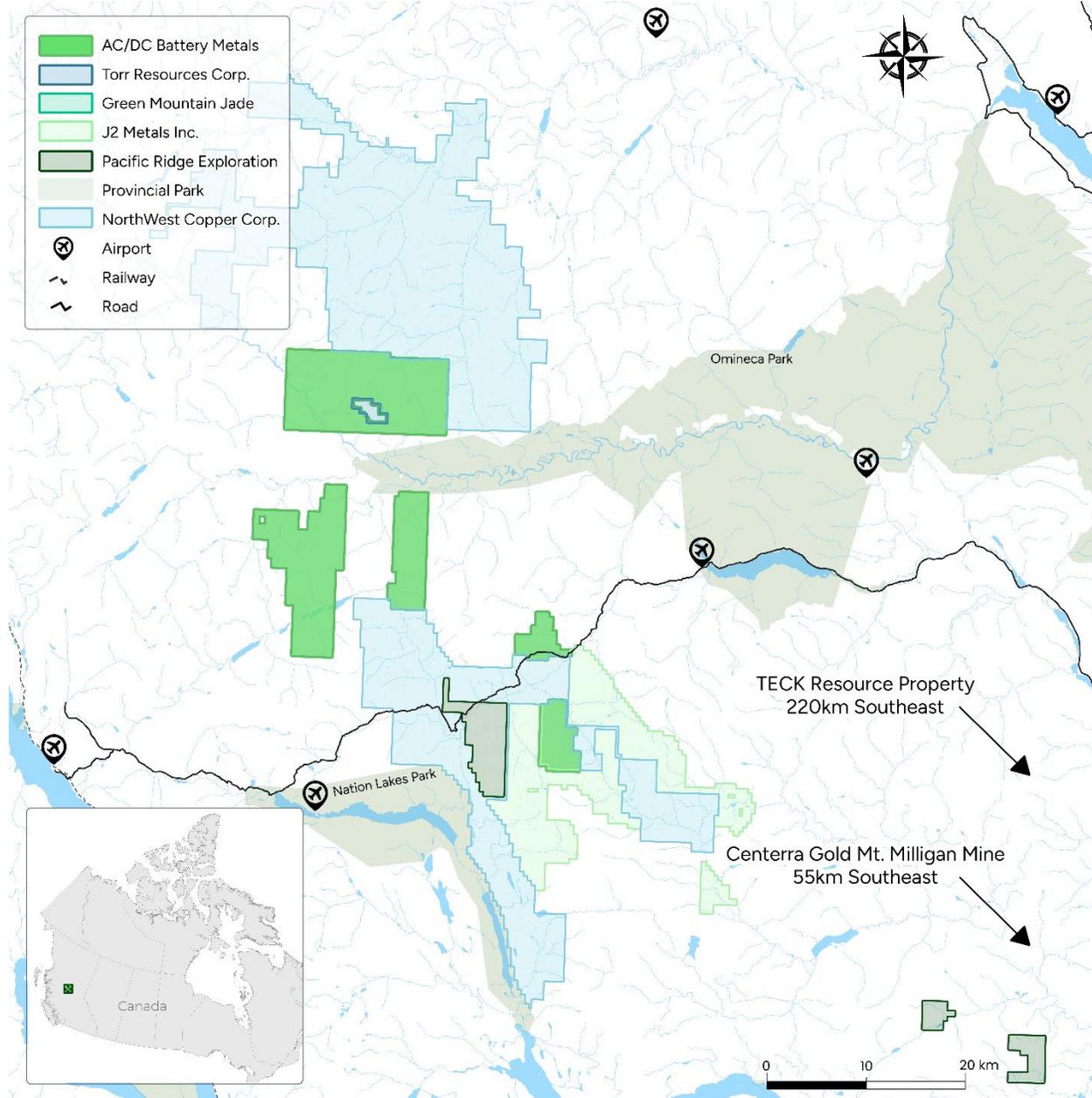
Prominent among early discoveries in the Omineca region were the nearby Lustdust/Stardust property (a property developed by Lorraine Copper that was sold to Sun Metals Corp. which eventually merged with Serengeti Resources to become NorthWest Copper Corp.) covering a large, coherent integrated porphyry-skarn, epithermal system; the Kwanika property (a Serengeti/POSCO Daewoo property also became a NorthWest Copper Corp. property upon the merger with Serengeti Resources) a promising advanced stage copper-gold project; the Lorraine property (originally discovered by Lorraine Copper and now a NorthWest Copper Corp. property) an alkalic copper-gold porphyry. The tenures are located between the Kemess North project being developed by Centerra Gold Inc. (TSX: CG, NYSE: CGAU) and its operating Mt Milligan mine, which is reported to 1.8 million ounces of gold and 742 million pounds of copper (Technical Report on the Mount Milligan Mine, 7 November 2022, Borntrager, B, et al.)

The Omineca Group claim areas are within the northern Quesnel Trough underlain by Cache Creek Terrane and lies close to the Pinchi Fault. The Quesnel Trough hosts numerous porphyry copper-gold deposits. The Pinchi Fault can be traced for 600 km through north-central B.C and separates Cache Creek rocks from the Jurassic Hogen Batholith and Triassic-Jurassic Takla rocks to the west. Rocks have a north-northwest strike trend typical of the entire Intermontane Belt in which the Cache Creek Terrane lies (Gabrielse and Yorath, 1992). A wide range of Jurassic to Tertiary intrusions cuts the Cache Creek Assemblage and many of these are emplaced along the prominent NW-trending structures and stratigraphic breaks. Numerous mercury occurrences are present along the length of the Pinchi fault (Albino, 1987) and a few gold and base metal occurrences are present near the Pinchi fault including the Lustdust, Lorraine, Indata and Axelgold properties. There are at least two alkalic gold-copper Porphyry systems in the immediate Lustdust (now known as Stardust) area: J49 and Axel Properties (Schiarrizza, 2000).

On 26 August 2024, as amended on 24 January 2025, the Company entered into a Purchase and Sale Agreement with Grid (the "Grid Agreement"), whereby Grid acquired a 100% interest in 17 copper mineral claims from the Company. Pursuant to the terms of the Grid Agreement, on 17 March 2025, Grid issued 5,000,000 common shares at a value of \$125,000 to the Company. The Company also received a cash payment of \$48,172 for reimbursement of staking costs from Grid. As a result, an amount of \$78,925 was recognized as a loss on disposal of exploration and evaluation property for the year ended 31 July 2025.

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results
As at 31 October 2025 and 2024



Qualified Person Statement

Jeremy Hanson, a qualified person as defined by NI 43 – 101, is responsible for the technical information contained about the Company's British Columbia projects in this MD&A. Readers are cautioned that the information in this discussion regarding the property of FPX Nickel Corp is not necessarily indicative of the mineralization on the property of interest.

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results

As at 31 October 2025 and 2024

SELECTED ANNUAL FINANCIAL INFORMATION

The following selected financial information is derived from the audited consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

	Years Ended 31 July (audited)		
	2025	2024	2023
	\$	\$	\$
Total revenues	-	-	-
General and administrative expenses	(281,221)	(567,975)	(5,000)
Mineral property cash costs incurred	(3,925)	(296,508)	-
Net loss	(310,146)	(567,975)	(5,000)
Net loss per share	(0.01)	(0.1)	(5,000)
Total assets	1,507,011	1,819,378	1
Cash dividends declared per share	Nil	Nil	Nil

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the audited financial statements of the Company. The figures have been prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)			
	31 Oct	31 Jul	30 Apr	31 Jan
	2025	2025	2025	2025
	\$	\$	\$	\$
Net income (loss)	19,776	(110,864)	(59,873)	(66,701)
Net loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	1,515,209	1,507,011	1,592,875	1,652,433

	For the Quarters Ended (unaudited)			
	31 Oct	31 Jul	30 Apr	31 Jan
	2024	2024	2024	2024
	\$	\$	\$	\$
Net loss	(72,708)	(530,296)	(26,137)	(9,042)
Net loss per share	(0.01)	(0.03)	(0.06)	(9,042)
Total assets	1,741,634	2,067,385	478,137	1

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results
As at 31 October 2025 and 2024

RESULTS OF OPERATIONS

For the three months ended 31 October 2025 compared to the same period in 2024.

Comprehensive income for the three months ended 31 October 2025 was \$19,776 as compared to the comprehensive loss of \$72,708 for the same period in 2024. Being at the exploration stage, the Company did not generate any revenue from operations. The decrease in comprehensive loss of \$92,484 was mainly attributable to the net effect of:

- Decrease of \$1,000 in Accounting, from \$1,000 in 2024 to \$Nil in 2025.
- Decrease of \$1,821 in Consulting fees, from \$45,616 in 2024 to \$43,795 in 2025
- Decrease of \$5,688 in Marketing & communications, from \$6,300 in 2024 to \$613 in 2025.
- Decrease of \$1,179 in Office and miscellaneous, from \$1,320 in 2024 to \$141 in 2025.
- Decrease of \$1,218 in Professional fee from \$1,218 in 2024 to \$Nil in 2025.
- Decrease of \$6,577 in Transfer agent fees, from \$14,573 in 2024 to \$7,966 in 2025.
- Increase of \$75,000 in Unrealized gain on short term investments, from \$Nil in 2024 to \$75,000 in 2025.

Selected Financial Information

To date, the Company has not commenced commercial operations.

Liquidity and Capital Resources

As at 31 October 2025, the Company had a net working capital of \$1,146,015 (31 July 2025: \$1,169,842), cash of \$992,001 (31 July 2025: \$992,001), current liabilities of \$27,532 (31 July 2025: \$25,315) and had a deficit of \$863,346 (31 July 2025: \$883,121).

Outstanding Share Data

Authorized Share Capital: unlimited common shares without par value.

As at 31 October 2025, the Company had 51,885,044 common shares outstanding (31 July 2025: 51,885,044).

The Company has adopted a "20% Rolling" stock option plan (the "Plan"), pursuant to which the maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time shall be twenty percent (20%) of the issued and outstanding Common Shares at the time of the stock option grant, less any Common Shares reserved for issuance under stock options granted under Share Compensation Arrangements other than this Plan, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies.

As at 31 October 2025 and the date of this MD&A, the Company had 5,180,000 stock options outstanding.

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results
As at 31 October 2025 and 2024

As at 31 October 2025 and the date of this MD&A, the Company had 40,000,000 share purchase warrants outstanding and 510,000 finders warrants outstanding.

Common shares issuances

a) Private Placements

On 3 July 2024, the Company issued 40,000,000 units at a price of \$0.05 per unit for cash proceeds of \$2,000,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.06 per share for a period of five years from closing. The Company allocated \$400,000 as the fair value of the share purchase warrant. The Company also paid finder's fee of \$25,500 cash, 2,471,000 shares valued at \$98,840 and 510,000 warrants valued at 17,762 as using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

- Risk-free interest rate 3.49%
- Expected term (in years) 5
- Estimated dividend yield 0%
- Weighted-average estimated volatility 140.84%

b) Mineral property acquisition

During the year ended 31 July 2024, the Company issued 9,414,044 common shares with a fair value of \$207,618 in relation to the acquisition of Nickel Project.

c) Issuance and Exercise of Stock Options

On 3 July 2024 the Company granted 5,180,000 stock options to consultants, directors and officers of the Company. These stock options have an exercise price of \$0.05 per share and expire in 5 years. The fair value of these options was determined as \$182,699 using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

- Risk-free interest rate 3.49%
- Expected term (in years) 5
- Estimated dividend yield 0%
- Weighted-average estimated volatility 140.84%

d) Share purchase warrants

On 3 July 2024, the Company issued 40,000,000 warrants on private placement, entitling the holders to purchase 4,000,000 common shares at an exercise price of \$0.06 per common share until 3 July 2029. The fair value of 40,000,000 warrants was \$400,000 and was estimated using residual value method.

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results

As at 31 October 2025 and 2024

Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the period ended 31 October 2025 and year ended 31 July 2025:

	31 October 2025		31 July 2025	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Outstanding, beginning	40,510,000	\$ 0.06	40,510,000	\$ 0.06
Issued	-	-	-	-
Outstanding, ending	40,510,000	0.06	40,510,000	0.06

The following table summarizes information regarding warrants outstanding and exercisable as at 31 October 2025:

Expiry date	Number of warrants outstanding	Number of warrants exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise Price (\$)
3 July 2029	40,510,000	40,510,000	3.93	0.06

Stock options

The following is a summary of the changes in the Company's stock option activities for the period ended 31 October 2025 and year ended 31 July 2025:

	31 October 2025		31 July 2025	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Outstanding, beginning	5,180,000	\$ 0.05	5,180,000	\$ 0.05
Granted	-	-	-	-
Outstanding, ending	5,180,000	0.05	5,180,000	0.05

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results

As at 31 October 2025 and 2024

The following table summarizes information regarding stock options outstanding and exercisable as at 31 October 2025:

Expiry Date	Number of options outstanding	Number of options exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise price (\$)
3 July 2029	5,180,000	5,180,000	3.93	0.05

Financial and Other Instruments

The Company's financial assets and liabilities consist of cash, amounts receivable, and trade and other payables. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

As at 31 October 2025, the Company has cash of \$992,001 to meet its current obligations. The fair value of these instruments approximates their carrying value due to the short-term nature of their maturity.

The following table summarizes information regarding financial assets and liabilities at amortized costs and fair value through profit or loss ("FVTPL") as at 31 October 2025 and 2024:

	31 October 2025	31 July 2025
	\$	\$
FINANCIAL ASSETS		
Financial assets, at amortized cost		
Cash	878,317	992,001
Amounts receivable	3,905	2,348
Prepaid expenses	27,532	25,808
Reclamation bond	55,900	55,900
	965,654	1,076,057
Financial assets, at FVTPL		
Short-term investments	250,000	175,000
	990,654	1,251,057
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	13,739	25,315
	13,739	25,315

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results

As at 31 October 2025 and 2024

Fair Value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

As at 31 October 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets at fair value				
Short-term investments - Shares	250,000	-	-	250,000
Total financial assets at fair value	250,000	-	-	250,000

Related Parties Transaction

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as people performing similar functions.

The Company's related party expenses are summarized as follows for the period ended 31 October 2025 and 2024:

31 October	2025	2024
	\$	\$
Consulting fees to CFO	10,500	10,500
Consulting fees to a Director	4,500	4,500
Consulting fees to CEO and Director	15,000	15,000
Consulting fees to Corporate Secretary	15,000	15,000
Total related party expenses	45,000	45,000

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results

As at 31 October 2025 and 2024

Key Management Personnel Compensation

The remuneration of directors and other members of key management for the period ended 31 October 2025 and 2024 were as follows:

31 October	2025	2024
	\$	\$
Short-term benefits – management and consulting fees	45,000	45,000
Total key management personnel compensation	45,000	45,000

Critical Accounting Estimates

The preparation of condensed financial statements requires the Company to select from possible alternative accounting principles, and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date and reported costs and expenditures during the reporting period. Estimates and assumptions may be revised as new information is obtained and are subject to change. The Company's accounting policies and estimates used in the preparation of the condensed financial statements are considered appropriate in the circumstances but are subject to judgments and uncertainties inherent in the financial reporting process.

Off-Balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements during the period.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of Management. In the preparation of these financial statements estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Risks

There is currently no market for the common shares of the Company. Investment in the common shares must be regarded as highly speculative due to the proposed nature of the Company's business and its present stage of development. There is no guarantee such a transaction will be completed.

The Company was only recently incorporated and has no active business or material assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the completion of the Arrangement.

AC/DC BATTERY METALS INC.

Management's Discussion and Analysis of Financial Results
As at 31 October 2025 and 2024

The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company.

An acquisition financed by the issuance of treasury shares could result in a change in the control of the Company and may cause the shareholders' interest in the Company to be further diluted.

There can be no assurance that an active and liquid market for the Company's common shares will develop and an investor may find it difficult to resell the common shares.

Outlook

Although current management has demonstrated its ability to raise funds in the past, with the current financial market conditions and global economic uncertainty, there can be no assurance they will be able to do so in the future. The financial results and discussion do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Caution Regarding Forward Looking Statements

Except for historical information contained in this discussion and analysis, disclosure statements contained herein are forward-looking. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially, from those in such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

Other Information

Additional information about the Company is available on SEDAR at www.sedarplus.ca