



QUANTUM
BATTERY METALS CORP

MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JANUARY 31, 2025

QUANTUM BATTERY METALS CORP.

Management Discussion and Analysis

For the year ended January 31, 2025

The Management Discussion and Analysis (“MD&A”), prepared May 30, 2025 should be read in conjunction with the audited consolidated financial statements for the year ended January 31, 2025 and the notes thereto of Quantum Battery Metals Corp. (“Quantum” or the “Company”) which were prepared in accordance with International Financial Reporting Standards (“IFRS”). Unless otherwise noted, all currency amounts are in Canadian dollars.

This management discussion and analysis may contain forward-looking statements in respect of various matters including upcoming events and include without limitation, statements regarding discussions of the Company’s business strategy, future plans, projections, objectives, estimates and forecasts and statements as to management’s expectations with respect to, among other things, the development of the Company’s project. These forward-looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, certain transactions, certain approvals, changes in commodity prices, risks inherent in exploration results, timing and success, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and mineral resources), delays in the receipt of government approvals, and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this MD&A, the Company has applied several material assumptions, including without limitation, the assumption that any additional financing needed will be available on reasonable terms.

Additional factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other factors: (1) the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand and economic and political events affecting supply and demand; and (2) securing and the nature of regulatory permits and approvals and the costs of complying with environmental, health and safety laws and regulations.

The Company cannot assure you that any of these assumptions will prove to be correct.

The words “expect,” “anticipate,” “estimate,” “may,” “will,” “should,” “intend,” “believe,” “target,” “budget,” “plan,” “projection” and similar expressions are intended to identify forward-looking statements. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present during operations or if and when an undeveloped project is actually developed.

These factors should be considered carefully, and readers should not place undue reliance on the Company’s forward-looking statements. The Company believes that the expectations reflected in the forward-looking statements, including future-oriented financial information, contained in this MD&A and any documents incorporated by reference are reasonable, but no assurance can be given that these expectations will prove to be correct. In addition, although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, including future-oriented financial information, there may be other factors that cause actions, events, or results not to be as anticipated, estimated, or intended. The Company undertakes no obligation to disclose publicly any future revisions to forward-looking statements, including future-oriented financial information, to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events, except as expressly required by law.

Additionally, the forward-looking statements, including future-oriented financial information, contained herein are presented solely for the purpose of conveying our reasonable belief of the direction of the Company and may not be appropriate for other purposes.

The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

DESCRIPTION OF BUSINESS

The Company was incorporated on August 6, 2010 under the British Columbia Business Corporations Act. On November 7, 2017, the Company changed its name to Quantum Cobalt Corp. from Bravura Ventures Corp. to better reflect its direction and cobalt resource properties and begun trading under the stock symbol “QBOT”. On March 23, 2021, the Company changed its name to Quantum Battery Metals Corp. to better reflect its direction and its cobalt and lithium resource properties and begun trading under the stock symbol “QBAT”. The Company is domiciled in Canada and is a reporting issuer with its common shares publicly traded on the Canadian Securities Exchange (“CSE”). The Company is currently in the process of identifying new business projects to pursue and develop further. The address of its head office is 400-837 West Hastings Street, Vancouver, British Columbia, Canada, V6C 3N6.

On April 23, 2021, the Company completed the acquisition of 1296991 B.C. Ltd. (“1296991”). 1296991 holds an option over the surface access rights, mineral rights, mineral exploration data and permits to 32 mining claims comprising the Rose West lithium project. On April 13, 2022, the option agreement was terminated by the Company.

On October 7, 2022, the Company completed the acquisition of 1371817 B.C. Ltd. comprising the Lac Mistumis lithium project.

On May 2, 2023, the Company completed the acquisition of its first copper project, Hook's Harbour Copper Property through the acquisition of 1000333018 Ontario Corp. which has a 100% interest in and to 26 mineral claims, together with the surface rights, mineral rights, personal property and permits comprising the Hook's Harbour Copper Property.

On April 12, 2024, the Company closed a share exchange agreement acquiring the Copper Coffer Property. The share exchange agreement detailed the acquisition of the property through acquiring 1470191 B.C. Ltd. (“1470191”), which has a 100% option interest in and to 24 mineral claims, together with the surface rights, mineral rights, personal property, and permits associated therewith, located on the Copper Coffer Property.

On September 24, 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every 8 pre-consolidated shares.

MINERAL PROPERTIES

	Rabbit Cobalt Property	Kahuna Cobalt Property	Nipissing Lorrain Property	Albanel Lithium Property	Kelso Lithium Property	Lac Mistumis Lithium Property	Hook's Harbour Copper Property	Copper Coffer Property	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, January 31, 2023	90,960	102,713	66,621	479,867	398,298	1,834,855	-	-	2,973,314
Property acquisition	-	-	-	8,840	3,230	-	4,497,567	-	4,509,637
Exploration expenditures	667	667	667	667	666	666	21,104	-	25,104
Advance royalty	-	25,000	-	-	-	-	-	-	25,000
Balance, January 31, 2024	91,627	128,380	67,288	489,374	402,194	1,835,521	4,518,671	-	7,533,055
Property acquisition	8,000	-	-	-	1,058	117	500	1,750,000	1,751,675
Advance royalty	-	25,000	-	-	-	-	-	-	25,000
Balance, January 31, 2025	99,627	153,380	67,288	489,374	403,252	1,835,638	4,519,171	1,750,000	9,317,730

Albanel Lithium Property, Quebec

On October 3, 2019, the Company entered into a binding acquisition agreement with 1225768 B.C. Ltd. to acquire 100% interest in, and to, certain mineral properties, together with surface right, mineral rights, personal property and permits associated therewith, located in the Albanel property. The Albanel property is a lithium prospect with an approximate area of 2,751 hectares in a mining-friendly jurisdiction of Quebec. Pursuant to the acquisition agreement, the Company issued a total of 125,000 common shares in the capital of the Company with a fair value of \$350,000.

During the year ended January 31, 2022, the Company began the exploration work program for its lithium properties. The Company incurred \$75,639 of exploration expenditures during the year ended January 31, 2022, \$53,250 during the year ended January 31, 2023, and \$667 during the year ended January 31, 2024. Also, the Company renewed claims for \$8,840 in year ended January 31, 2024.

Kelso Lithium Property, Quebec

On October 3, 2019, the Company entered into a binding acquisition agreement with 1225768 B.C. Ltd. to acquire 100% interest in, and to, certain mineral properties, together with surface right, mineral rights, personal property and permits associated there with, located in the Kelso property. The Kelso property is a lithium prospect with an approximate area of 1,005 hectares in a mining-friendly jurisdiction of Quebec. Pursuant to the acquisition agreement, the Company issued a total of 125,000 common shares in the capital of the Company with a fair value of \$350,000.

During the year ended January 31, 2022, the Company began the exploration work program for its lithium properties. The Company incurred \$27,638 of exploration expenditures during the year ended January 31, 2022, \$20,303 during the year ended January 31, 2023, and \$666 during the year ended January 31, 2024. The Company renewed claims for \$1,058 (2023 - \$3,230) in year ended January 31, 2025.

Lac Mistumis Lithium Property, Quebec

On October 7, 2022, the Company closed the share exchange agreement with 1371817 B.C. Ltd. ("1371817") and the shareholders of 1371817. Through the acquisition of 1371817, the company would acquire 100% of the approximately 2,750-hectare Lac Mistumis Lithium Property, located in the territory of Eeyou Istchee, James Bay, Northern Quebec, Canada.

Pursuant to the share exchange agreement, the Company issued 555,556 common shares to the vendors in exchange for 100% of the outstanding shares of 1371817. The property is subject to a 3% net smelter returns royalty to the original vendor.

The Company has accounted for the purchase of 1371817 as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combination". The following table summarizes the total consideration, the fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition:

Fair value of common shares issued (555,556 at \$3.28)	\$	1,822,222
Total consideration	\$	1,822,222
Assets acquired:		
Exploration and evaluation asset	\$	1,822,222

The Company incurred \$12,633 of exploration expenditures during the year ended January 31, 2023, and \$666 during the year ended January 31, 2024. The Company renewed claims for \$117 during the year ended January 31, 2025.

Exploration Work Program for Lithium Properties

On May 7, 2021, the Company planned a summer work program targeting the Kelso and Albanel lithium properties, located in James Bay, Quebec, Canada, known for high-quality, low-impurity spodumene. The Company organized and undergone a preliminary satellite survey and is currently awaiting final results of the survey.

On May 26, 2021, the Company completed a satellite survey over its Alba and Kelso lithium properties. The satellite survey has identified several anomalous areas which will be further investigated over the course of subsequent fieldwork.

On June 11, 2021, the Company began to mobilize a ground crew for its lithium projects – Albanel and Kelso properties, as a priority for the 2021 mining program. The work being done will include rock sampling and the Company intends to use the survey results as a deciding factor on which parts of the three properties to start with. However, all two properties are located within Quebec, in which, cost and time for travel will be reduced due to the close proximity to each other. The proposed program budget will be adjusted as new results come in from initial geological work.

On June 24, 2021, the Company received positive results from its satellite survey which identified two outcropping pegmatites. These areas will be the main focus of the Company's Phase I exploration program on the Kelso and Albanel properties located in Quebec. The Kelso property consists of 19 contiguous claims totalling roughly 1,005.38 hectares and the Albanel property consists of 52 contiguous claims totalling approximately 2,751.15 hectares. The entire lithium property covers an area of approximately 3,756.53 hectares.

Highlights:

- Regional infrastructure supporting low-cost exploration;
- Easy access to power lines that cut through the property;
- Quad access from nearby network of well-maintained "heavy haul" roads;
- Highly active area of exploration with major contractors and suppliers nearby lowering exploration cost.

Currently, the Company has two projects within the James Bay area.

On July 27, 2021, the Company completed the first phase of its sampling program at the Albanel project. The grab samples indicate that the property has preliminarily visual anomalies which may extend its mineralization zone. The grab samples are currently in the process of being submitted for assay.

Based on the location of some of these anomalies, the Company has been recently active in the area with an on-site crew looking to strategically expand the footprint of the land package. The area in which the grab samples were taken have shown to have good access to the camp, supplies, and roads and infrastructure. The Company is exploring the idea of expansion near the project and exploring the idea of adding zones to make them contiguous tenements.

On August 16, 2021, the Company completed its sampling program of the Albanel and Kelso lithium projects. In the second and final phase of the prospecting sampling program, the team, deployed in Quebec with assistance from a helicopter crew, was able to obtain 96 grab samples throughout the three lithium projects (including Rose West when active at the time). The helicopter program lasted over several days and navigated to areas throughout the property. The additional grab samples by eyesight showed several anomalies, which were submitted to a laboratory for assay. The results for the previous samples taken from Albanel property in the first phase of the prospecting program are expected soon. The Company is excited to see the potential of its properties through the samples and intends to use the samples to plan its next exploration program.

On January 21, 2022, the Company started the preliminary review on a lithium project acquisition near the James Bay area. The claims neighbour properties with several new lithium discoveries and existing outcrops indicating continuous lithium-bearing pegmatites during their drill programs for lithium. The property is located near existing infrastructure and is easily accessible by road.

Rabbit Cobalt Property, Ontario

On August 16, 2017, the Company closed its acquisition of 10336602 Canada Inc. (“10336602”) pursuant to a share exchange agreement, dated July 28, 2017, among the Company, 10336602 and the shareholders of the target. 10336602 holds the Rabbit Cobalt Property, comprising of approximately 1,000-hectares located 14 kilometers southeast of Temagami and 55 kilometers south of Cobalt, near the eastern border of Ontario. The property comprises of 66 claim units.

Pursuant to the share exchange agreement, the Company made a cash payment of \$350,000 and issued a total of 50,000 common shares in the capital of the Company, to the shareholders of 10336602 in exchange for 100,000 Class A common shares in the capital of 10336602. A finder’s fee in the amount of \$35,000 was paid in connection with the acquisition.

During the year ended January 31, 2020, substantive expenditure on further exploration for and evaluation of the Rabbit Cobalt Property was not being planned. As a result, a write-off of \$2,436,067 was recorded to the consolidated statement of loss and comprehensive loss during the year ended January 31, 2020.

During the year ended January 31, 2022, the Company began the comprehensive work program for its cobalt properties. The Company incurred \$40,584 of exploration expenditures during the year ended January 31, 2022, \$50,376 during the year ended January 31, 2023, and \$667 during the year ended January 31, 2024. Furthermore, the Company renewed claims for \$8,000 during the year ended January 31, 2025.

Kahuna Cobalt Property, Ontario

On October 5, 2017, the Company closed and signed the definitive agreement with Caprock Ventures Corp. dated August 10, 2017 to acquire 100% of the approximately 1,200-hectare Kahuna cobalt-silver property, located 37 kilometers south of Cobalt, Ontario. Pursuant to the share exchange agreement, the Company paid a cash payment of \$300,000 and issued a total of 125,000 common shares in the capital of the Company. A finder's fee in the amount of \$31,500 was paid in connection with the acquisition. The properties are subject to a 0.5% net smelter return royalty on cobalt-gold production, which includes advance royalty payments of \$25,000 annually on December 31, beginning in 2020. The Company has the option at any time to purchase 0.5% of the royalty on payment of \$500,000. The original vendors of the property will retain a 1% NSR on the properties. The Company will have the right to purchase the 1% for \$1,000,000.

During the year ended January 31, 2020, substantive expenditure on further exploration for and evaluation of the Kahuna Cobalt Property has not yet been planned, and has been evaluated pending the Company obtaining further funding. As a result, a write-off of \$1,022,567 was recorded to the consolidated statement of loss and comprehensive loss during the year ended January 31, 2020.

During the year ended January 31, 2023, the Company incurred \$2,713 of exploration expenditures and accounted \$100,000 as royalty due. During the year ended January 31, 2024, the Company incurred \$667 of exploration expenditures and accounted \$25,000 as royalty due. During the year ended January 31, 2025, the Company accounted \$25,000 as royalty due.

Nipissing Lorrain Property, Ontario

On November 29, 2017, the Company closed the acquisition of 1142674 B.C. Ltd. (“1142674”) pursuant to a share exchange agreement, among the Company, 1142674 and the shareholders of 1142674. 1142674

holds the Nipissing Lorrain cobalt project which is located 26 kilometers southeast of Cobalt, Ontario. The property consists of 38 claim units for approximately 464 hectares.

Pursuant to the share exchange agreement, the Company was required to pay an aggregate amount of \$1,000,000 over a six-month period from date of close of the share exchange agreement, with an initial cash payment of \$500,000 (paid on closing) and \$250,000 subsequently every three months.

During the year ended January 31, 2020, substantive expenditure on further exploration for and evaluation of the Nipissing Lorrain Property was not being planned. In addition, the Company had not made all of the required payments under its November 29, 2017 share exchange agreement. As a result, a write-off of \$9,700,000 was recorded to the consolidated statement of loss and comprehensive loss during the year ended January 31, 2020.

During the year ended January 31, 2022, the subsequent payments amounting to \$500,000 were recorded as liability on the consolidated statement of financial position. As at January 31, 2023, the Company has paid off this debt. A total of 62,500 common shares in the capital of the Company were also issued on closing to the shareholders of 1142674 in exchange for one Class A common share in the capital of 1142674.

During the year ended January 31, 2022, the Company began the comprehensive work program for its cobalt properties. The Company incurred \$19,901 of exploration expenditures during the year ended January 31, 2022, \$46,720 during the year ended January 31, 2023, and \$667 during the year ended January 31, 2024.

Exploration Work Program for Cobalt Properties

On July 15, 2021, the Company began planning comprehensive work program for cobalt properties. The Company processed its exploration program with the inclusion of the Company's Nipissing cobalt property and Rabbit Lake cobalt property this year. The properties are located near the prolific district of Cobalt, Ontario, known for its high grades, ethical supply and historic mining.

This year, the Company contract further exploration work which was a follow-up on the previous work results. The Company considered to commence a drilling program on targeting preidentified historical targets that were high grade and historically mined.

On September 30, 2021, the Company deployed its ground team to the Nipissing and Rabbit Lake properties in Ontario and completed the first phase of its in-depth cobalt exploration program. The first phase of the program consisted of mineral/rock prospecting and sampling for both properties. The samples were prioritized, as the Company expected to use these results to plan a drilling operation within the upcoming year. The first phase also continued mapping out additional anomalies further to the already existing locations from the Company's exploration program in 2017. Previously in 2017, the Company initiated an exploration program in which samples were collected, submitted and analyzed, in which the average grade of the samples taken from the pile was over 2.33 per cent cobalt (Co), with a peak value of 8.33 per cent Co. The Company is now looking into the properties more as they are encouraged to continue from the 2017 program results. Following the 2021 exploration phase, the results have been immediately sent to assay for processing and are pending at this moment.

On January 25, 2022, the Company contracted a geological expert to analyze and help develop a thorough exploration program with various options for resource development. The geologist worked with the Company and its team to review and advise for the 2022 cobalt program by using historical and previous exploration programs of the Company.

On March 17, 2022, the Company finalized its 2022 cobalt exploration program and will deploy ground crew in upcoming weeks. The Company has had historical success in proving high-grade cobalt in the areas and has decided to increase its expenditures in the area.

Hook's Harbour Copper Property, Newfoundland and Labrador

On May 2, 2023, the Company closed the acquisition of 1000333018 Ontario Corp. ("1000333018") pursuant to a share exchange agreement, among the Company, 1000333018 and the shareholders of 1000333018. 1000333018 has a 100% interest in and to 26 mineral claims, together with the surface rights, mineral rights, personal property and permits associated with the Hook's Harbour Copper Property. The property has an approximate area of 650 hectares in jurisdiction of Newfoundland, Canada.

Pursuant to the share exchange agreement, the Company issued 735,294 common shares and warrants to the shareholders of 1000333018 in exchange for 100% of the outstanding shares in 1000333018. The property is subject to a 3% net smelter returns royalty to the original vendor.

The Company has accounted for the purchase of 1000333018 as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combination". The following table summarizes the total consideration, the fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition:

Fair value of common shares issued	\$	2,470,587
Fair value of warrants issued		2,270,560
Total consideration	\$	4,741,147
Allocated as follows:		
Cash	\$	250,000
Exploration and evaluation asset		4,491,147
Net assets acquired	\$	4,741,147

The Company incurred an additional \$6,420 of fees related to the transaction, which was capitalized as acquisition costs during the year ended January 31, 2024. The Company incurred \$21,104 of exploration expenditures during the year ended January 31, 2024. The Company renewed claims for \$500 during the year ended January 31, 2025.

Copper Coffer Property, Newfoundland

On April 12, 2024, the Company closed a share exchange agreement acquiring the Copper Coffer Property. The share exchange agreement detailed the acquisition of the property through acquiring 1470191 B.C. Ltd ("1470191"), which has a 100% option interest in and to 24 mineral claims, together with the surface rights, mineral rights, personal property, and permits associated there with located on the Copper Coffer Property.

Pursuant to the agreement, on April 12, 2024, the Company issued 1,250,000 common shares to the shareholders of 1470191 in exchange for 100% of the outstanding shares in 1470191. The property is subject to a 2% net smelter returns royalty to the original vendor.

The Company has accounted for the purchase of 1470191 as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combination". The following table summarizes the total consideration, the fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition:

Fair value of common shares issued (1,250,000 shares at \$1.40)	\$	1,750,000
Total consideration	\$	1,750,000
Assets acquired:		
Exploration and evaluation asset	\$	1,750,000

Exploration Work Program for Copper Property

On August 29, 2023, the Company finalized its exploration program for the Hook's Harbour property, a highly prospective copper property located in Newfoundland, Canada. The Company indicated that the exploration program is set to be completed mid-September of 2023, and will consist of remote sensing leveraging cutting-edge remote sensing satellite technology to unearth significant mineral potential at the site and to identify future targets and anomalies on the property.

PROPOSED ACQUISITION

On September 9, 2024, the Company signed a non-binding letter of intent with 1500643 B.C. Ltd. ("1500643"). 1500643 has a 100% option interest in and to 21 mineral claims, together with the surface rights, mineral rights, personal property and permits associated therewith located on the Calico Jack Property. The Calico Jack Property is a mineral exploration site covering approximately 525 hectares in Newfoundland, Canada.

The Company has successfully negotiated terms to proceed with a share exchange agreement. As part of the proposed transaction, the Company will issue 6,000,000 shares at a price of \$0.31 per share, resulting in a total consideration of \$1,860,000.

The transaction will be conducted as an arm's-length agreement, and no finder's fee will be paid in connection with the acquisition. As of May 30, 2025, the transaction was not yet completed.

SELECTED ANNUAL FINANCIAL RESULTS

The following selected financial data with respect to the Company's financial condition and results of operations have been derived from the audited consolidated financial statements of the Company for the years ended January 31, 2025, 2024, and 2023. The selected financial data should be read in conjunction with those consolidated financial statements and the notes thereto. In \$000's except per share amounts:

	2025	2024	2023
	\$	\$	\$
Total revenue	Nil	Nil	Nil
Net loss	(1,112)	(1,050)	(509)
Basic and diluted loss per share	(0.17)	(0.24)	(0.16)
Total assets	9,547	7,732	3,044
Accounts payable and accrued liabilities	1,083	1,091	1,140
Loans payable	741	695	440
Tax liability provision	808	Nil	Nil
Cash dividends declared per share for each class of share	Nil	Nil	Nil

OPERATIONS

Three months ended January 31, 2025 compared with the three months ended January 31, 2024

During the three months ended January 31, 2025, the Company reported a net loss and comprehensive loss of \$916,431 compared to \$187,356 during the three months ended January 31, 2024, representing an increase in net loss of \$729,075.

The increase in net loss was mainly attributable to the increase in provision for tax penalty to \$829,712 from \$Nil during the same period of the previous year. Consulting fees decreased to \$Nil from \$103,152 during the same period in the previous year due to no fees incurred or charged by consultants during the current period. Flow-through shares penalties decreased to \$Nil from \$7,776 during the same period of the previous year due to no qualified expenditures were incurred during the current period. Interest on loans payable increased to \$11,555 from \$11,234 during the same period of the previous year mainly due to the higher accruals of interest on loans during the current period. Investor relations increased to \$275 from \$Nil during the same period of the previous year due to investor communications incurred during the current period. Management fees increased to \$26,395 from \$22,500 during the same period of the previous year due to higher fees incurred during the current period. Office and miscellaneous expenses increased to \$25,969 from \$9,312 during the same period of the previous year due to the increase of business activities during the current period. Professional fees decreased to \$29,958 from \$35,323 during the same period of the previous year due to lower professional fees incurred during the current period. Transfer agent and filing fees increased to \$13,128 from \$8,185 during the same period of the previous year due to increased activity and regulatory periodic filing fees incurred during the current period. Foreign exchange gain increased to \$2,845 during the current period from \$802 during the same period of the previous year. Write-off of accounts payable increased to \$17,716 during the current period from \$5,140 during the same period of the previous year.

The Company's deferred income tax recovery decreased to \$Nil during the current period from \$4,184 during the same period of the previous year.

Year ended January 31, 2025 compared with the year ended January 31, 2024

During the year ended January 31, 2025, the Company reported a net loss and comprehensive loss of \$1,112,053 compared to \$1,049,531 during the year ended January 31, 2024, representing an increase in net loss of \$62,522.

The increase in net loss was mainly attributable to the increase in provision for tax penalty to \$829,712 from \$Nil during the current year. Advertising and promotion decreased to \$540 from \$397,655 during the previous year due to lower advertising and promotion fees were incurred during the current year. Consulting fees decreased to \$Nil from \$389,332 during the previous year due to no fees were incurred or charged by consultants during the current year. Flow-through shares penalties decreased to \$Nil from \$7,776 during the previous year due to no qualified expenditures were incurred during the current year. Interest on loans payable increased to \$45,970 from \$33,675 during the previous year mainly due to the higher accruals of interest on loans during the current year. Investor relations increased to \$6,455 from \$5,575 during the previous year due to higher investor communications incurred during the current year. Management fees decreased to \$99,895 from \$105,905 during the previous year due to the changes in the management resulting for lower fees incurred during the current year. Office and miscellaneous expenses increased to \$58,580 from \$28,286 during the previous year due to increased business activities during the current year. Professional fees decreased to \$52,851 from \$65,488 during the previous year due to lower professional fees incurred during the current year. Transfer agent and filing fees increased to \$35,414 from \$20,099 during the previous year due to increased activity and regulatory periodic filing fees incurred during the current year. Write-off of accounts payable increased to \$17,716 during the current year from \$5,140 during the previous year. Foreign exchange loss decreased to \$352 during the current year from

\$6,040 during the previous year. Interest income decreased to \$Nil during the current year from \$976 during the previous year.

The Company's deferred income tax recovery decreased to \$Nil during the current year from \$4,184 during the previous year.

SUMMARY OF QUARTERLY RESULTS **(\$000's except earnings per share)**

	January 31, 2025	October 31, 2024	July 31, 2024	April 30, 2024
	\$	\$	\$	\$
Revenue	Nil	Nil	Nil	Nil
Net Loss	(916)	(68)	(53)	(75)
Basic and Diluted Loss per share	(0.13)	(0.01)	(0.01)	(0.01)

	January 31, 2024	October 31, 2023	July 31, 2023	April 30, 2023
	\$	\$	\$	\$
Revenue	Nil	Nil	Nil	Nil
Net Loss	(187)	(252)	(555)	(55)
Basic and Diluted Loss per share	(0.04)	(0.06)	(0.12)	(0.02)

During the fourth quarter of 2025, the Company had a net loss and comprehensive loss of \$916,431 compared to \$187,356 in the fourth quarter of 2024. The significant change is due to \$829,712 of provision for tax penalty incurred during the current period.

During the third quarter of 2025, the Company had a net loss and comprehensive loss of \$67,720 compared to \$252,186 in the third quarter of 2024. The significant change is due to \$540 from \$136,032 advertising and promotion and \$Nil from \$47,619 consulting fees during the current period.

During the second quarter of 2025, the Company had a net loss and comprehensive loss of \$53,124 compared to \$554,529 in the second quarter of 2024. The significant change is due to \$Nil from \$261,623 advertising and promotion and \$Nil from \$238,561 consulting fees during the current period.

During the first quarter of 2025, the Company had a net loss and comprehensive loss of \$74,778 compared to \$55,460 in the first quarter of 2024. The significant change is due to \$11,304 from \$5,790 interest expense, \$14,078 from \$4,649 office and miscellaneous and \$15,057 from \$9,000 professional fees during the current period.

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2025, the Company had a cash balance of \$210,865 and working capital deficiency of \$2,405,661 compared to \$165,073 and \$1,590,433, respectively, as at January 31, 2024.

During the year ended January 31, 2025, net cash used in operating activities was \$244,533 (2024 - \$1,089,788) comprising a loss of \$1,112,053 (2024 - \$1,049,531), accrued interest on loans payable of \$45,970 (2024 - \$33,675), write-off of accounts payable of \$17,716 (2024 - \$5,140), tax liability provision of \$829,712 (2024 - \$Nil), deferred income tax recovery of \$Nil (2024 - \$4,184), an increase in tax recoverable and other receivable of \$5,402 (2024 - decrease of \$13,799), an increase in prepaid expenses

of \$975 (2024 - \$9,932), and an increase in accounts payable and accrued liabilities of \$15,931 (2024 - decrease of \$68,475).

Cash used in investing activities for the year ended January 31, 2025 was \$9,675 (2024 - provided by \$206,406), which was attributed to mineral property exploration acquisition. Cash provided by investing activities for the year ended January 31, 2024 was attributed to cash received from acquisition of 1000333018, offset by mineral property exploration acquisition and mineral property exploration expenditures.

Cash provided by financing activities for the year ended January 31, 2025 was \$300,000 (2024 - \$1,015,118), which was attributed to proceeds from private placement. Cash provided by financing activities for the year ended January 31, 2024 was primarily related to the proceeds from private placement, exercise of warrants, and proceeds from loans.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties have occurred in the normal course of operations. Key management is comprised of directors and executive officers. The following compensation was paid to key management or companies controlled by key management during the years ended January 31, 2025 and 2024:

		2025		2024
Management fees	\$	99,895	\$	105,905

During the year ended January 31, 2025, the Company paid or accrued management fees of \$6,000 (2024 - \$6,000) to Quinn Field-Dyte, interim CEO, CFO, and director of the Company, \$75,250 (2024 - \$72,500) to Essos Corporate Services Inc., a company owned by Von Torres, a director of the Company, \$8,000 (2024 - \$15,405) to Dave Jenkins, a director of the Company, and \$10,645 (2024 - \$12,000) to Marc Momeni, former CEO and director of the Company.

As at January 31, 2025, the Company has included in accounts payable and accrued liabilities \$Nil (2024 - \$500) to Quinn-Field Dyte, \$61,931 (2024 - \$69,230) to Essos Corporate Services Inc., a company owned by Von Torres for fees from May 2019 to January 2025, \$Nil (2024 - \$10,230) to Von Torres and \$2,150 (2024 - \$1,625) to Dave Jenkins for his fees from March 2021 to January 2025, for a total of \$64,081 (2024 - \$83,585).

As at January 31, 2025, the Company has included in accounts payable and accrued liabilities of \$3,645 (2024 - \$2,000) to Marc Momeni, former CEO of the Company for his fees from September 2024 to December 2024, \$229,950 (2024 - \$229,950) to Kenneth Tollstam, former CFO of the Company for his fees from January 2018 to October 2020, \$15,446 (2024 - \$46,946) to Anthony Jackson, former CFO of the Company for his fees from May 2016 to January 2017, \$105,000 (2024 - \$101,850) to Bridgemark Financial Corp., a company owned by Anthony Jackson for fees from September 2017 to January 2019 and April 2023 to February 2024, \$157,500 (2024 - \$157,500) to Regiis Oak, a company owned by Anthony Jackson for fees from February 2019 to March 2023, and \$4,267 (2024 - \$4,267) to Jackson & Company Professional Corp., a company owned by Anthony Jackson for expenses from June 2014 to July 2020, for a total of \$515,808 (2023 - \$540,513).

As at January 31, 2025, the Company has included in loans payable an amount of \$20,000 (2024 - \$20,000) and accrued interest of \$2,801 (2024 - \$2,199) due to Essos Corporate Services Inc., a company owned by Von Torres.

CRITICAL ACCOUNTING POLICIES

Financial Instruments

Fair Values

The Company's financial instruments consist of cash, accounts payable and loans payable. The following table summarizes the carrying values of the Company's financial instruments as at January 31, 2025 and 2024:

	January 31, 2025	January 31, 2024
Cash (i)	\$ 210,865	\$ 165,073
Accounts payable and loans payable (i)	\$ 1,823,458	\$ 1,785,772

(i) Amortized cost

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs that are not based on observable market data.

The fair values of cash, accounts payable and loans payable approximate their carrying values because of their current nature.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high-quality financial institution. The Company believes it has no significant credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above. The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. The Company's accounts payable and loans payable have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits. The Company is exposed to liquidity risk.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not have significant foreign exchange risk as majority of its transactions are in Canadian dollars.

Interest Rate Risk

Interest rate risk is the risk that the fair value of a fixed interest rate financial instrument will fluctuate inversely because of changes in market interest rate. The Company is not exposed to significant interest rate risk.

SHARE CAPITAL

Issued

The Company has 7,210,374 common shares issued and outstanding as at January 31, 2025 and as at May 30, 2025.

Share Purchase Options

The Company has no stock options outstanding as at January 31, 2025 and as at May 30, 2025.

Warrants

The Company has 183,824 share purchase warrants outstanding as at January 31, 2025 and as at May 30, 2025.

Escrow Shares

The Company has no shares held in escrow as at January 31, 2025 and as at May 30, 2025.

Listing on Canadian Stock Exchange

The Company began trading on the CSE on November 7, 2017 under the symbol “QBOT”. Effective February 10, 2015, the common shares of the Company were delisted from the TSX Venture Exchange (“TSXV”). On March 23, 2021, the Company changed its name to Quantum Battery Metals Corp. and began trading under the symbol of “QBAT”.

Private placements

On November 14, 2024, the Company closed its previously announced non-brokered private placement comprising 681,818 shares at a price of \$0.44 per share for gross proceeds of \$300,000. The proceeds of the private placement will be used for general working capital.

On November 27 and 28, 2023, the Company issued 735,294 common shares for gross proceeds of \$294,118 on the exercise of share purchase warrants at \$0.40 per share. The fair value of \$2,270,560 allocated to these warrants has been added to the share capital, totaling \$2,564,678.

On June 9, 2023, the Company closed its previously announced non-brokered private placement comprising 183,824 units at a price of \$2.72 per unit for gross proceeds of \$500,000 with a 50% overallotment option. Each unit will comprise one common share and one common share purchase warrant of the Company. Each warrant will be exercisable into a common share of the Company for a period of 24 months at an exercise price of \$3.36 for 24 months from issuance. The fair value of the warrants at the date of grant was estimated using the Black-Scholes Option Pricing at \$212,995 and recorded in reserves in equity, resulting a \$287,005 in share capital.

As at January 31, 2025, the Company had \$1,500 (2024 - \$1,500) of share subscription received in advance.

In 2023, to recognize shares issued without compensation from a former CFO and to a third party, the Company transferred \$54,300 subscription not received accounted in common shares to reserves. During the year ended January 31, 2025, the Company reversed \$31,500 from a former CFO and classified the amount as settlement to a portion of outstanding amounts owing to that former CFO. This amount has been recognized as an increase in equity reserves.

Shares issued for 1000333018 acquisition

On May 2, 2023, the Company issued 735,294 common shares at \$3.36 per share for a fair value of \$2,470,588 and 735,294 warrants to the shareholders of 1000333018 pursuant to the acquisition of Hook's Harbour Copper Property. The warrants are exercisable for 24 months at a price of \$0.40 per warrant. The fair value of the warrants at the date of grant was estimated using the Black-Scholes Option Pricing at \$2,270,560 and recorded in reserves in equity.

Shares issued for 1470191 acquisition

On April 12, 2024, the Company issued 1,250,000 common shares at \$1.40 per share for a fair value of \$1,750,000 pursuant to the acquisition of Copper Coffer Property.

Flow-through shares issued in fiscal 2018

During fiscal 2018, the Company renounced \$471,500 of Canadian exploration expenditures to subscribers of the 2018 flow-through financing. As a result of the flow-through financing, the Company recognized a liability of \$51,833 relating to the premiums subscribers had paid for the flow-through feature. After incurring expenditures during the year ended January 31, 2024, the Company recognized \$4,184 deferred income tax recovery in reduction of the premium on flow-through shares, for a cumulative over years of \$48,399. As at January 31, 2025, the remaining liability relating to the premium was \$3,434 (2024 - \$3,434).

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds received less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent on qualifying expenditures. As at January 31, 2025, the amount of flow-through proceeds remaining to be spent on qualifying expenditures was \$20,604 (2024 - \$20,604).

As a result of not incurring the qualified expenditures and not filing the forms with Canada Revenue Agency during the year ended January 31, 2025, the Company recognized an expense of \$Nil (2024 - \$7,776) for late filing penalties and interest. As at January 31, 2025, accounts payable and accrued liabilities include \$61,989 (2024 - \$61,989) related to interest and penalties.

The Company agreed to indemnify the flow-through shareholders for certain costs they incurred as a result of not meeting its obligation to spend the flow-through share proceeds on qualifying Canadian exploration expenditures in compliance with the applicable tax rules and pursuant to the share subscription agreement entered into. During the year ended January 31, 2023, the Company revised estimation and decrease \$130,765 accounted in comprehensive loss statement for the accrued indemnity of flow-through shareholders. As at January 31, 2025, accounts payable and accrued liabilities include \$115,000 (2024 - \$115,000) related to this indemnity.

CHANGES IN ACCOUNTING POLICIES

See Note 2 "Summary of Material Accounting Policies" and Note 3 "Application of new and revised international financial reporting standards" of the consolidated financial statements for the year ended January 31, 2025.

CONTINGENCIES

The Company raise financing by flow-through placements for which the Company renounced tax deductions to the investors. The Company engage eligible exploration expenses and management is required to fulfill its commitments within the stipulated deadline. However, there is no guarantee that the

funds expended by the Company will qualify as Canadian exploration expenses, even if the Company is committed to take all necessary measures to that effect.

During the year ended January 31, 2024, the Company received reassessments from the Canada Revenue Agency (the "CRA") that deny non-capital loss deductions relevant to the calculation of income taxes for the years 2017, 2018, and 2019. The reassessments seek to disallow the deduction of approximately \$6 million of these non-capital losses under the Income Tax Act (Canada) and corresponding provincial legislation for the years 2017 to 2019. The Company remains confident in the appropriateness of its tax filing position and intends to vigorously defend it. As such, the Company has not recognized any provision on the result of the reassessed taxes, penalties, and interests for \$1,683,268 as at December 1, 2023 in its audited annual consolidated financial statements. The Company filed a notice of objection for the reassessment and currently estimates that the ultimate resolution of the matter may take more than three years. If the Company is unsuccessful on its objection and appeal process, then any taxes payable plus interest and any penalties would have to be remitted.

During the year ended January 31, 2025, the Company recorded provision for tax penalty of \$829,712 as per the tax audit assessment issued by CRA. As at January 31, 2025, the remaining provision liability, after reduction by tax recoverable of \$21,772, amounted to \$807,940.

As at January 31, 2025, the Company was in default of its advance minimum royalty obligation under the Kahuna Cobalt Property agreement. As at May 30, 2025, the Company is still in negotiations with the vendor regarding a settlement extension.

MANAGEMENT CHANGES

On August 29, 2022, the Company appointed Marc Momeni as CEO and Director of the Company following the resignation of Andrew Sostad as CEO and Director.

On December 20, 2024, the Company has appointed Quinn Field-Dyte as interim CEO of the Company following the resignation of Marc Momeni as CEO and Director.

The Company's board now consists of Von Torres, David Greenway, Quinn Field-Dyte, and Dave Jenkins.

SUBSEQUENT EVENT

No subsequent event.