



**Management Discussion and Analysis
For the period ended March 31, 2023 and 2022**

The following management discussion and analysis (“MD&A”) is a review of operations, current financial position and outlook for Volt Lithium Corp. (the Company”) for the period ended March 31, 2023 and 2022 should be read in conjunction with the condensed interim consolidated financial statements for the period ended March 31, 2023, and 2022 (the “financial statements”). Amounts are reported in Canadian dollars based upon the financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. Information contained herein is presented as at May 23, 2023. Additional information can be found on SEDAR, www.sedar.com.

Forward-Looking Information

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results and achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. Readers are also advised to consider such forward-looking statements while considering the risks set forth below.

Cautionary Note Regarding Forward-Looking Information

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes “forward-looking information” under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the potential of the Company’s properties; the future price of gold; the success of exploration activities; cost and timing of future exploration and development; the estimation of mineral reserves and mineral resources; conclusions of economic evaluations; requirements for additional capital; and other statements relating to the financial and business prospects of the Company.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, “believes”, or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made.

Forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks

related to:

- The Company's goal of creating shareholder value by concentrating on the acquisition and development of properties that have the potential to contain economic resources.
- The Company's expected plans regarding the exploration plans for Klondike, Stateline and Silver King, and in particular, the availability of skilled labour, timing and the amount of the expected exploration budget.
- Management's economic outlook regarding future trends.
- The Company's ability to meet its working capital needs at the current level in the short term.
- Expectations with respect to raising capital.
- Sensitivity analysis on financial instruments may vary from amounts disclosed; and
- Governmental regulation and environmental liability.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, other factors could also cause materially different results. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Introduction

Volt Lithium Corp. (formerly Allied Copper Corp.) (the "Company") is an emerging lithium producer and lithium extraction technology innovator. The Company is developing its lithium project in the area of Rainbow Lake, in Northwest Alberta (the "Rainbow Lake Lithium Project") on the backbone of the mature and sophisticated Alberta oil industry that will allow the Company to catapult its development. The Company combines a significant resource and a well-established local industry with its own proprietary direct lithium extraction technology (the "DLE Technology") with a view to delivering lithium to market.

The Company trades on the TSX Venture Exchange under the symbol "VLT". The address of the Company's corporate office and principal place of business is 520 – 999 West Hastings Street, Vancouver, British Columbia, Canada V6C 2W2.

On December 9, 2022 the Company entered into a purchase and sale agreement with Volt Lithium Operations Corp. ("Volt Operations"), and the shareholders of Volt Operations pursuant to which the Company purchased all of the outstanding securities of Volt Operations from the Volt Operations shareholders in exchange for the issuance of 38,880,000 common shares of the Company, causing Volt Operations to become a wholly-owned subsidiary of the Company (the "Share Purchase and Sale Agreement") (Note 4).

On April 20, 2023 the Company changed its name from Allied Copper Corp to Volt Lithium Corp.

Volt. is an exploration stage company with no revenues from mineral-producing operations. Activities include acquiring mineral exploration properties and developing lithium extraction technology. The mineral exploration business is considered risky, and most exploration projects will not result in producing mines. The Company may offer an opportunity to other mining companies to acquire an interest in a property in return for funding all or part of the exploration and development of a particular property. The Company expects to finance its property acquisitions and exploration activities primarily through the issuance of equity in the form of common shares. The Company's ability to obtain financing depends on a number of factors including a positive mineral exploration environment, positive stock market conditions, the Company's track record and the experience of management. There can be no certainty that the Company will be able to obtain necessary financing or that such financing will be available in a timely manner or on terms acceptable to the Company.

Overall Performance

At March 31, 2023, the Company had cash of \$2,225,802 (June 30, 2022 - \$3,670,345) and a working capital surplus of \$2,399,326 (June 30, 2022 - surplus of \$3,090,574). During the period ended March 31, 2023, cash used in operating activities was \$3,425,062 (2022 \$902,025). Cash provided by financing activities was \$3,833,219

(2022 - \$3,660,665). Cash used in investing activities was \$1,852,700 (2022 – \$1,399,079 (provided by)).

For the period ended March 31, 2023, the Company recorded a net loss and comprehensive loss of \$5,425,570 compared to \$4,766,074 incurred in the period ended March 31, 2022. The significant changes between the period ended March 31, 2023 and 2022, is attributed to the listing expense (\$5,745,422) from the reverse takeover in 2021, the loss on sale of the Klondike property in February 2023 as well as research and development costs incurred throughout the direct lithium extraction “DLE” process.

Selected Annual Information

The selected financial information set out below is derived from the Company’s consolidated annual financial statements. The Company is an exploration stage company and has reported no revenue to date. The Company does not anticipate declaring or paying dividends for the foreseeable future.

	June 30, 2022	June 30, 2021
	\$	\$
Net loss and comprehensive loss	(5,014,439)	(2,301)
Basic and diluted loss per share	(0.17)	(0.00)
Total assets	5,901,677	39,881
Non-current financial liabilities	834,654	2,032

Operating Results

The major expenses for the period ended March 31, 2023, and March 31, 2022, were as follows:

	March 31, 2023	March 31, 2022
	\$	\$
Consulting fees	965,178	430,857
Marketing and promotion	733,642	519,111
Stock-based compensation	984,308	440,323
Research and development	834,669	-

- Consulting fees increased to \$965,178 during the period ended March 31, 2023 as a result of higher management fees incurred due to the increased corporate activity.
- Marketing and promotion fees increased to \$733,642 during the period ended March 31, 2023 from \$519,111 in the period ended March 31, 2022 as a result of increased corporate activity and focus around base building and investor awareness to the Volt Lithium Operations Corp acquisition and focus on the Lithium division.
- Research and development increased to \$834,669 during the period ended March 31, 2023 from \$Nil in the period ended March 31 2022 largely as a result of the Volt Lithium Operations Corp acquisition and the costs incurred in the DLE development process.

Liquidity and Capital Resources

The Company is an exploration-stage company and does not generate revenues. As such, it finances its operations and the exploration of its mineral properties through the issuance of share capital.

On February 24th, 2023 the Company issued 20,000,000 units at a price of \$0.20 per unit for proceeds of \$3,779,249, net of finder’s subscription receipts and share issuance costs (of \$220,751). Each unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant shall entitle the holder thereof to purchase one common share at a price of \$0.30 per common share until February 24, 2025.

On December 9, 2022, the Company issued 38,880,000 pursuant to a share purchase and sale agreement whereby the Company purchased 100% of the issued and outstanding shares of Volt.

On September 9, 2022 the Company issued 500,000 shares in accordance with the Stateline Property option agreement and paid \$50,000 to the optionors. The shares have a fair value of \$85,000 which is based upon the market price of \$0.17 per share.

On February 3, 2022 the Company issued 2,000,000 common shares in connection with the Klondike Property Option Agreement. The shares have a fair value of \$450,000 which is based upon market price at date of issuance.

On October 27, 2021, the Company converted 13,076,004 subscription receipt units issued on August 11, 2021. Each Unit is comprised of one Common Share and one-half of one Warrant. Each Warrant entitles the holder thereof to purchase one Warrant Share, subject to certain adjustments, at an exercise price of \$0.45 per Warrant Share for a period of twenty-four months.

On October 27, 2021, the Company entered into a reverse take-over transaction (See Note 4 of the Financial Statements). 18,308,748 common shares at an ascribed fair value of \$5,492,624 were issued for all of the issued and outstanding shares of Volt.

On August 11, 2021, the Company issued 13,076,004 subscription receipts, inclusive of the 522,381 subscription receipts issued to certain eligible finder's in lieu of cash commissions, at a price of \$0.30 per subscription receipt, for proceeds of \$3,660,665, net of finder's subscription receipts and share issuance costs. The 522,381 finder subscription receipts are valued at \$165,714. Each subscription receipt unit shall consist of one common share and one-half warrant. Each whole warrant will be exercisable at a price of \$0.45 per Allied share for a period of 24 months from the closing date. The Company issued 58,380 broker warrants with each warrant exercisable into common shares at a price of \$0.45 per share, expiring October 27, 2023. The subscription receipt warrants were fair valued at \$1,321,041 and the broker warrants were fair valued at \$11,796 using the Black-Scholes Option Pricing Model using the following assumptions: average risk-free interest rate – 0.78%; dividend yield – 0.00%; volatility rate – 100%; expected life 2 years.

On March 11, 2021, the Company issued 6,690,000 common shares at \$0.006 per share for gross proceeds of \$40,140.

On October 8, 2020, the Company issued 1,000 incorporation shares at \$0.01 per share for \$10.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at March 31, 2023, or at the date of this MD&A.

Proposed Transactions

The Company has no undisclosed proposed transactions as at March 31, 2023, or at the date of this MD&A.

Summary of Quarterly Results

The following table is a summary of selected unaudited financial information for the six most recent three-month fiscal quarters.

Quarter ending	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
	\$	\$	\$	\$
Working capital (deficiency) surplus	2,399,326	599,817	2,143,435	3,090,574
Expenses	(4,140,695)	1,019,009	265,866	341,887
Net loss and comprehensive loss	(4,140,695)	(1,019,009)	(265,866)	(248,365)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.01)

Quarter ending	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
	\$	\$	\$	\$
Working capital (deficiency) surplus	4,031,122	5,139,244	18,337	18,362
Expenses	681,574	4,054,494	29,006	-
Net loss and comprehensive loss	(681,574)	(4,054,494)	(29,006)	-
Basic and diluted loss per share	(0.01)	(0.15)	(0.08)	(0.01)

Reverse Takeover Transaction

Volt, with its wholly-owned subsidiary 1303288 B.C. Ltd. (“Subco”), entered into an agreement with 1269280 B.C. Ltd. (“BCCo”) on October 27, 2021, whereby the Company acquired from the shareholders of BCCo all the issued and outstanding shares of BCCo, causing BCCo to become a wholly-owned subsidiary of the Company (the “Amalgamation Agreement”).

Pursuant to the Amalgamation Agreement, the Company amalgamated Subco and BCCo (“Amalco”) in order to form a newly amalgamated company, which is a wholly-owned subsidiary of the Company. As part of the Amalgamation, the Company issued 13,076,004 units to BCCo subscription receipt holders in order to convert BCCo’s subscription receipts outstanding as at October 27, 2021 into units of the Company. Each unit consists of one common share and one-half common share purchase warrant, entitling the holders to purchase an additional common share at \$0.45 for a period of 24 months from the closing of the Amalgamation. The Amalgamation was completed on October 27, 2021.

The transaction will result in a legal combination of Allied and BCCo to form the resulting issuer (the “Resulting Issuer”), however, the Company does not meet the criteria for a business under IFRS 3, and so the transaction is considered to be a reverse takeover (“RTO”). From an accounting perspective, this is not considered to be a business combination but a capital transaction whereby BCCo is considered to issue additional shares in return for the net assets of the Company. For financial reporting purposes, the Resulting Issuer is considered a continuation of BCCo, the legal subsidiary, except with regard to authorized and issued share capital, which is that of Allied, the legal parent.

Since BCCo is deemed to be the acquirer for accounting purposes, its assets and liabilities will be included in the consolidated financial statements at their historical carrying values. The identifiable assets and liabilities of the former Volt Lithium Corp will be recognized at their fair value at the acquisition date of October 27, 2021, with the excess of the fair value of the equity interest consideration paid over the fair value of the net assets acquired being charged to the consolidated statements of loss and comprehensive loss as a listing expense.

The purchase price and allocation of assets and liabilities are presented as follows:

<u>Consideration paid on RTO</u>	
Fair value of shares retained by Allied shareholders (18,308,748 shares at \$0.30 per share)	5,492,624
Total purchase price	5,492,624
<u>Net working capital acquired by BCCo</u>	
Cash at bank	2,213,856
GST/HST receivable	106,666
Prepaid expenses and deposits	214,743
Accounts payable and accrued liabilities	(538,065)
Current portion of convertible promissory note payable	(2,250,000)
Net liabilities acquired	(252,800)
Listing fee expense	(5,745,424)

After the completion of the Transaction, the Company had 38,075,752 common shares, 18,770,344 share purchase warrants and 2,100,000 stock options outstanding.

Acquisition and intangible assets

On December 9, 2022 the Company entered into a purchase and sale agreement with Volt Lithium Operations Corp., and the shareholders of Volt Operations pursuant to which the Company purchased all of the outstanding securities of Volt Operations from the Volt Operations shareholders in exchange for the issuance of 38,880,000 common shares of the Company, causing Volt Operations to become a wholly owned subsidiary of the Company (the “Share Purchase and Sale Agreement”).

The assets acquired consisted primarily of Volt Operations’s proprietary direct lithium extraction (DLE) technology, 100% mineral interest ownership in the Rainbow Lake property (Note 8) and a royalty agreement with a producing oil and gas company (Note 8).

The transaction has been accounted for in accordance with guidance provided in IFRS 2 Share Based Payment and IFRS 3 Business Combinations. As Volt Operations did not qualify as a business according to the definition in IFRS 3, this transaction does not constitute a business combination; rather it is treated as an issuance of shares by Allied (accounting acquirer) for the net assets of Volt Operations (accounting acquiree) with the purchase price allocated to the assets acquired.

Consideration Paid

Fair value of 38,880,000 common shares issued by the Company at \$0.15/share	5,832,000
Legal fees	111,318
Total purchase price	5,943,318

Identifiable net assets acquired

	\$
Mining property and rights acquisition costs	262,500
Cash acquired	105,460
Amounts receivable	11,000
Prepaid expenses and deposits	165,000
Goods and sales tax receivable	37,920
Promissory Note payable by Volt to Company	(703,003)
Accounts payable and accrued liabilities	(489,413)
Fair value of net assets acquired	(610,536)
Excess value attributable to mining property and rights acquisition costs	6,553,854

Purchase price allocation

Royalty Agreement	197,813
Rainbow Lake Property	2,356,041
Intangible asset – DLE technology, 100% mineral interest ownership	4,000,000
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	6,553,854

Exploration and Property Update – Mining Properties & Rights

	Silver King Project	Klondike Property	Stateline Property	Rainbow Lake Property	Total
Cash option payments	19,487	-	-	-	19,487
Shares issued	-	-	-	-	-
Exploration expenditures	-	-	-	-	-
As at June 30, 2021	19,487	-	-	-	19,487
Option payment - cash issued	25,635	200,000	40,000	-	265,635
Option payment - shares issued	-	450,000	-	-	450,000
Exploration expenditures	442,090	660,737	138,500	-	1,241,327
As at June 30, 2022	487,212	1,310,737	178,500	-	1,976,449
Option payment - cash issued	-	-	50,000	-	50,000
Option payment - shares issued	-	-	85,000	-	85,000
Exploration expenditures	116,536	509,494	42,634	23,500	692,164
Purchase price allocation from acquisition	-	-	-	2,356,041	2,356,041
Impairment	-	(1,820,231)	-	-	(1,820,231)
As at March 31, 2023	603,748	-	356,134	2,379,541	3,339,423

Rainbow Lake

The Rainbow Lake Property is in northwest Alberta approximately 80 km west of the Town of High Level, 340 km north of the City of Grande Prairie, and 635 km northeast of Alberta's Capital City, Edmonton, AB. The property is defined by 20 contiguous Alberta Metallic and Industrial Mineral Permits (173,990 hectares) for which the Company has 100% mineral interest ownership.

On September 19, 2022, Volt Operations entered into an overriding royalty agreement with a producing oil and gas company ("Producer"). The lands covered by the royalty agreement overlap Volt Operation's mineral and mining rights in Northern Alberta. The royalty is calculated at 3% of the production. The rate will be reduced to 2% subsequent to Volt Operations receiving 100% of its original investment. Once Volt Operations receives 300% of its original investment the royalty agreement is terminated. As part of this agreement the company advanced

- \$125,000 on execution of the agreement (paid);
- \$125,000 upon execution of the definitive agreement (paid); and
- \$250,000 is due within 5 business days of the Volt Operations shares being listed on the TSX Venture Exchange (paid).

On September 28, 2022 the company entered into a lease agreement for the supply of water cleaning and lithium extraction equipment. The agreement is for three months with estimated monthly costs of \$200,000.

On October 28, 2022 Volt Operations entered into an agreement with Cabot Energy Inc. for the purposes of Volt Operations installing and operating a Water Treatment Unit on Cabot's lands and allowing Volt Operations access to Cabot's Produced Water derived from operations at the Cabot Field for the purpose of treating such Produced Water, engaging in Direct Lithium Extraction and redelivering to Cabot the Produced Brine.

On March 30, 2023 the Company commenced the pilot project to test its proprietary DLE process in a simulated

commercial environment.

As at the period ended March 31, 2023, the Company has incurred exploration and evaluation expenditures of \$23,500 related to the Rainbow Lake property (2022 - \$Nil).

Silver King Property

On February 10, 2021, the company entered into an option agreement with Goodsprings Exploration LLC (“Optionors”) to purchase 100% of the rights to the Silver King project in the State of Nevada. To earn a 100% interest the Company must complete the following:

- make aggregate cash payments of US\$420,000 to be paid as follows:
 - o US\$15,000 on or before March 25, 2021 (paid);
 - o US\$20,000 on or before February 10, 2022 (paid);
 - o US\$25,000 on or before February 10, 2023;
 - o US\$30,000 on or before February 10, 2024; and
 - o US\$330,000 on or before February 10, 2025.

In addition, the Company granted a 2% net smelter returns royalty (the “Royalty”) to the Optionors. At any time prior to commencement of commercial production, the Company can repurchase 1% of the Royalty by making a payment of US\$1,500,000.

As at the period ended March 31, 2023, the Company has incurred exploration and evaluation expenditures of \$558,626 related to the Silver King project (2022 - \$442,090).

Klondike Property

On December 3, 2021, Cloudbreak Discovery (Canada) Ltd. (a company with a director in common) and Alianza Minerals Ltd (“the Optionors”) optioned the Klondike Project to the Company. Under the agreement, the Company will be required to complete the following:

- make aggregate payments of \$400,000 CAD to be incurred as follows:
 - o \$50,000 December 3, 2021 (paid);
 - o \$150,000 on or before February 3, 2022 (paid);
 - o \$100,000 on or before February 3, 2025; and
 - o \$100,000 on or before February 3, 2026.
- issue a total of 7,000,000 ordinary shares as follows:
 - o 2,000,000 on or before February 3, 2022 (issued);
 - o 2,000,000 on or before February 3, 2023; and
 - o 3,000,000 on or before February 3, 2024.
- incur \$4,750,000 CAD in exploration expenditures on the property as follows:
 - o \$500,000 on or before February 3, 2023; and
 - o \$750,000 on or before February 3, 2024.
 - o \$1,500,000 on or before February 3, 2025; and
 - o \$2,000,000 on or before February 3, 2026.

In addition, upon the Company filing an NI 43-101 technical report indicating an inferred resource of at least 50,000,000 tonnes of copper or copper equivalent, the Company will issue an additional 3,000,000 warrants, in aggregate, to the Optionors. Each Additional Warrant will allow the holder thereof to acquire one common share of the Optionee for a period of three years from the date of issuance of such Additional Warrant at an exercise price equal to the 10-day VWAP of the common shares of the Optionee at the time of the issuance of the Additional Warrant. Upon completion of the option agreement obligations, the Optionors will transfer 100% interest in the property to the Company. The Optionors will retain a 2% NSR, of which one-half (1.0%) can be re-purchased from the Optionors for \$1,500,000 CAD.

As at the period ended March 31, 2023, the Company has incurred exploration and evaluation expenditures of \$1,170,231 related to the Klondike Property (2022 - \$660,737).

On February 2nd, 2023 the Company terminated its option to acquire a 100% interest in the Klondike Property,

pursuant to an option agreement among Cloudbreak Discovery PLC, Cloudbreak Exploration Inc., Tarsis Resources US Inc., Alianza Minerals Ltd. and Allied Copper dated December 3, 2021 (the “Option Agreement”). Upon termination of the Option Agreement, Allied Copper is required to maintain the mineral claims that comprise the Klondike Property in good standing for a period of two years, which is expected to cost approximately \$43,000.

Stateline Property

On February 9, 2022, the Company entered into an agreement to option the Stateline property located in Colorado, USA from Cloudbreak Discovery (Canada) Ltd and Alianza Minerals Ltd. Under the agreement, the Company will be required to complete the following:

- make aggregate payments of \$315,000 CAD to be incurred as follows:
 - o \$40,000 on February 9, 2022 (paid);
 - o \$50,000 on or before September 8, 2022 (paid);
 - o \$50,000 on or before September 8, 2023; and
 - o \$75,000 on or before September 8, 2024; and
 - o \$100,000 on or before September 8, 2025.
- issue a total of 4,250,000 ordinary shares as follows:
 - o 500,000 on or before September 8, 2022 (issued);
 - o 750,000 on or before September 8, 2023; and
 - o 1,500,000 on or before September 8, 2024; and
 - o 1,500,000 on or before September 8, 2025.
- incur \$3,750,000 CAD in exploration expenditures on the property as follows:
 - o \$500,000 on or before September 8, 2023; and
 - o \$750,000 on or before September 8, 2024.
 - o \$1,000,000 on or before September 8, 2025; and
 - o \$1,500,000 on or before September 8, 2026.

Upon completion of the option agreement obligations, the Optionors will transfer 100% interest in the property to the Company. The Optionors will retain a 2% NSR, of which is not subject to a buydown provision. This transaction is subject to regulatory approval.

The Company may also issue an additional 1,500,000 common shares and 1,500,000 common share purchase warrants to the Optionors in accordance with their pro rata interest upon an acquisition by the Company of an applicable interest within a set area of interest. The number and type of securities will depend on the aggregate area of interest acquired.

If the option is exercised, an undivided 100% right, title and interest in and to the applicable property will automatically vest in the Company and the Optionors will retain a 2% net smelter royalty which is not subject to a buydown provision.

As at the period ended March 31, 2023, the Company has incurred exploration and evaluation expenditures of \$181,134 related to the Stateline Property (2022 - \$138,500).

Promissory Note Receivable

On September 7, 2022, the Group entered into an agreement with Volt Lithium Operations Corp (formerly Innolith Corp.) whereby the Company will provide Volt Operations with a \$500,000 CAD secured promissory note on a one-year term. Volt Operations will pay 8% per annum interest to the Company, calculated daily, payable quarterly in cash and accrued to December 9, 2022.

On September 19, 2022, the Group entered into an agreement with Volt Lithium Operations Corp (formerly Innolith Corp.) whereby the Company will provide Volt Operations with a \$200,000 CAD secured promissory note on a one-year term. Volt Operations will pay 8% per annum interest to the Company, calculated daily, payable quarterly in cash and accrued at December 9, 2022.

As Volt Lithium Operations Corp is now a subsidiary of the Company the promissory notes were removed from the financials as part of the consolidation.

Royalty Agreement

On September 19, 2022, Volt Operations entered into an overriding royalty agreement with a producing oil and gas company (“Producer”). The lands covered by the royalty agreement overlap Volt Operation’s mineral and mining rights in Northern Alberta. The royalty is calculated at 3% of the production. The rate will be reduced to 2% subsequent to Volt Operations receiving 100% of its original investment. Once Volt Operations receives 300% of its original investment the royalty agreement is terminated. As part of this agreement the company advanced

- \$125,000 on execution of the agreement (paid);
- \$125,000 upon execution of the definitive agreement (paid); and
- \$250,000 is due within 5 business days of the Volt Operations shares being listed on the TSX Venture Exchange (paid).

At March 31, 2023 the Company received \$35,225 in royalties for the October and November production and has accrued the royalties receivable for the December 2022 to March 2023 production.

Balance, June 30, 2022	-
Cash paid	500,000
Revaluation (Note 4)	197,813
Amortization expense	(60,582)
Balance, March 31, 2023	637,231

Water Treatment and Lithium Extraction Agreement

On October 28, 2022 Volt Operations entered into an agreement with Cabot Energy Inc. for the purposes of Volt Operations installing and operating a Water Treatment Unit on Cabot’s lands and allowing Volt Operation’s access to Cabot’s Produced Water derived from operations at the Cabot Field for the purpose of treating such Produced Water, engaging in Direct Lithium Extraction and redelivering to Cabot the Produced Brine.

Convertible Promissory Note

On September 4, 2017, the Company issued a convertible promissory note (the “Note”) in connection with the acquisition of the Horseshoe Bend project mining rights. The Note bears an interest of 2% per annum calculated semi-annually and is convertible at \$6.00 per share. The Note originally matured on September 2, 2024 and was payable in certain installments. The fair value of the debt portion was estimated using a discounted cash flow model based on an expected life of seven years, the timing of expected principal payments and a discount rate of 15%. The residual value of \$984,700 was allocated to equity. As a result of administrative delays pending the resolution of certain other matters related to the acquisition principal repayments during the year ended June 30, 2020 were not made resulting in the Note entering default and becoming due on demand.

There was no movement in the debt portion of the Note from the period up to the date of assignment and year ended June 30, 2021.

For the period up to the date of assignment on October 29, 2021, the Company recorded an interest expense of \$15,000 (2021 - \$22,798) related to the Note. At October 29, 2021, the Company had interest payable of \$187,186 (June 30, 2022 - \$172,186) on the Note.

On October 29, 2021, the Company assigned the Note to 2362516 Ontario Inc (the “Assignee”), whereby the Assignee assumes all liabilities of the Company associated with the Note. As a result of the assignment, the Company realized a gain on the assignment of \$2,437,186 through other items, comprising of the principal outstanding and accrued interest as at October 29, 2021.

Related Party Transactions

The Company incurred expenses as a result of transactions with directors and officers, or to companies associated with these individuals during the period ended March 31, 2023 and 2022:

	March 31, 2023	March 31, 2022
Stock based compensation	\$462,539	\$369,680
Management Services	\$788,495	\$260,714
Technical Services	\$291,667	-

As at March 31, 2023, \$Nil (June 30, 2022 - \$19,705) was owing to a company with a director in common and \$189,750 (June 30, 2022 - \$Nil) is owed to company with a director in common. These balances are non-interest bearing, payable on demand and included in accounts payable and accrued liabilities.

As at March 31, 2023, \$101,700 (June 30, 2022 - \$101,700) was held as a retainer deposit paid to a company with a director in common.

Financial Instruments

As at March 31, 2023 and June 30, 2022, the Company's financial instruments consist of cash, goods and sales tax receivable, accounts payable and accrued liabilities, interest payable and convertible promissory note payable. Cash and goods and sales tax receivable are measured at amortized cost. Accounts payable and accrued liabilities, interest payable and convertible promissory note payable are measured at amortized cost.

The Company's financial instruments are exposed to certain financial risks including, credit risk, liquidity risk, and interest rate risk. Details of the primary risks that the Company is exposed to are laid out in the notes to the Company's consolidated financial statements. It has been determined that these risks, individually and in aggregate, are not material to the Company as a whole.

Critical Accounting Policies and Estimates

The accounting policies applied in the preparation of these financial statements are consistent with those applied and disclosed in Note 3 to the annual consolidated financial statements for the period ended June 30, 2022 and the period from incorporation on October 8, 2020 to June 30, 2021.

Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economic.

The Company has no significant source of operating cash flow and no revenue from operations. The Company has not determined whether its mining property and rights contain resource reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

The mining property and rights interests that the company has or has an option to earn an interest in are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization.

If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company may be subject to risks that could not reasonably be predicted in advance. Events such as labour

disputes, environmental issues, natural disasters or estimation errors are prime examples of industry-related risks.

The Company is in the business of resource exploration and as such, its prospects are largely dependent on movements in the price of various commodities. Prices fluctuate on a daily basis and are affected by a number of factors well beyond the control of the Company. The mineral exploration industry, in general, is a competitive market and there is no assurance that, even if commercial quantities of proven and probable reserves are discovered, a profitable market may exist. Due to the current grassroots nature of its operations, the Company does not enter into price hedging programs.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulations pertaining to the province of Ontario and Canada. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests, which are unknown to the Company at present, and which may have been caused by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently and may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities which may cause operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

The future costs of retiring mining assets include dismantling, remediation, ongoing treatment and monitoring of the site. These are reconciled and recorded as a liability at fair value. The liability is accreted, over time, through periodic charges to earnings. In addition, asset retirement costs are capitalized as part of the asset's carrying value and amortized over the asset's useful life. As the Company has not yet begun mining or milling operations, the Company currently has no identifiable obligations in relation to the retirement of its assets.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures and production costs. They may also cause a reduction in levels of production at producing properties or they may require abandonment or delays in the development of new mining properties.

Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the environment, the Company may become subject to liability for hazards against which it cannot be insured. The Company is subject to all environmental acts and regulations at the federal and provincial levels.

These include, but are not limited to, the following:

Federal Level (Canada)	Provincial Level
Canadian Environmental Protection Act	Ontario Environmental Protection Act

To the Company's knowledge, there are no liabilities to date which relate to environmental risks or hazards.

Evaluation of Disclosure Controls

As required by Multilateral Instrument 52-109, management carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of March 31, 2023. These controls continue to be monitored regularly and, in the future, an independent party will be engaged to test these controls. Based on the current evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the company's disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company to satisfy its continuous disclosure obligations, and are effective in ensuring that information required to be disclosed in reports that the Company files is accumulated and communicated to management as appropriate to allow for timely decisions regarding required disclosure. These comments are made within the context that the Company is a small business and as such there is little segregation of duties.

Subsequent Events

On April 29, 2023 3,889,780 warrants at \$0.45 expired.

On May 18, 2023 the Company completed its resource report which confirmed 4.3 million tonnes of LCE in the Inferred Mineral Resource category from the Devonian aged Sulphur Point, Muskeg and Keg River aquifers.

Corporate Governance Matters

The Company has an independent audit committee and a compensation committee that meets periodically as required to review and approve consolidated financial statements and to approve management compensation.

Capitalization and Outstanding Security Data

The authorized capital of the Company consists of an unlimited number of common shares. The following sets forth the outstanding securities of the Company as at March 31, 2023, and October 26, 2022:

	March 31, 2023	May 23, 2022
	#	#
Common shares	99,455,752	100,261,306
Stock options	7,915,000	7,765,000
Warrants	29,219,800	24,409,912

Additional Information

Additional information relating to Volt Lithium Corp., including the Company's Annual Information Filing is available on SEDAR at www.sedar.com.