VOLT LITHIUM CORP

(formerly Allied Copper Corp)

MANAGEMENT DISCUSSION & ANALYSIS

For the year ended June 30, 2023 and 2022

(Expressed in Canadian dollars)

MANAGEMENT DISCUSSION AND ANALYSIS

(for the year ended June 30, 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 year ended June 30, 2023 and 2022 should be read in conjunction with the annual audited financial statements for the year ended June 30, 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 October 30, 2023. Additional information can be found on SEDAR+, www.sedarplus.ca.

Business Overview and Strategy

Volt Lithium Corp. (formerly Allied Copper Corp.) (the "Company") is an emerging lithium producer and lithium extraction technology innovator. The Company aims to initiate commercial production of lithium hydroxide monohydrate and lithium carbonates, utilizing oilfield brine sources in North America. Leveraging pre-existing hydrocarbon infrastructure and proprietary extraction technology, the company plans to utilize existing oil wells to extract lithium deposits. This approach is anticipated to reduce initial capital expenditures and operational risks, and expedite the timeline to reach commercial viability. A pilot project has been successfully completed, offering preliminary evidence of the feasibility of commercial production, which is targeted for the latter half of 2024.

The Company trades on the TSX Venture Exchange under the symbol "VLT", the OTCQB under the symbol "VLTLF" and the Frankfurt Exchange under the symbol "I2D". The address of the Company's corporate office and principal place of business is Suite 1925, 639 5th Avenue SW, Calgary, Alberta, Canada T2P 0M9.

On October 31, 2022, 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"). The transaction was closed on December 9, 2022

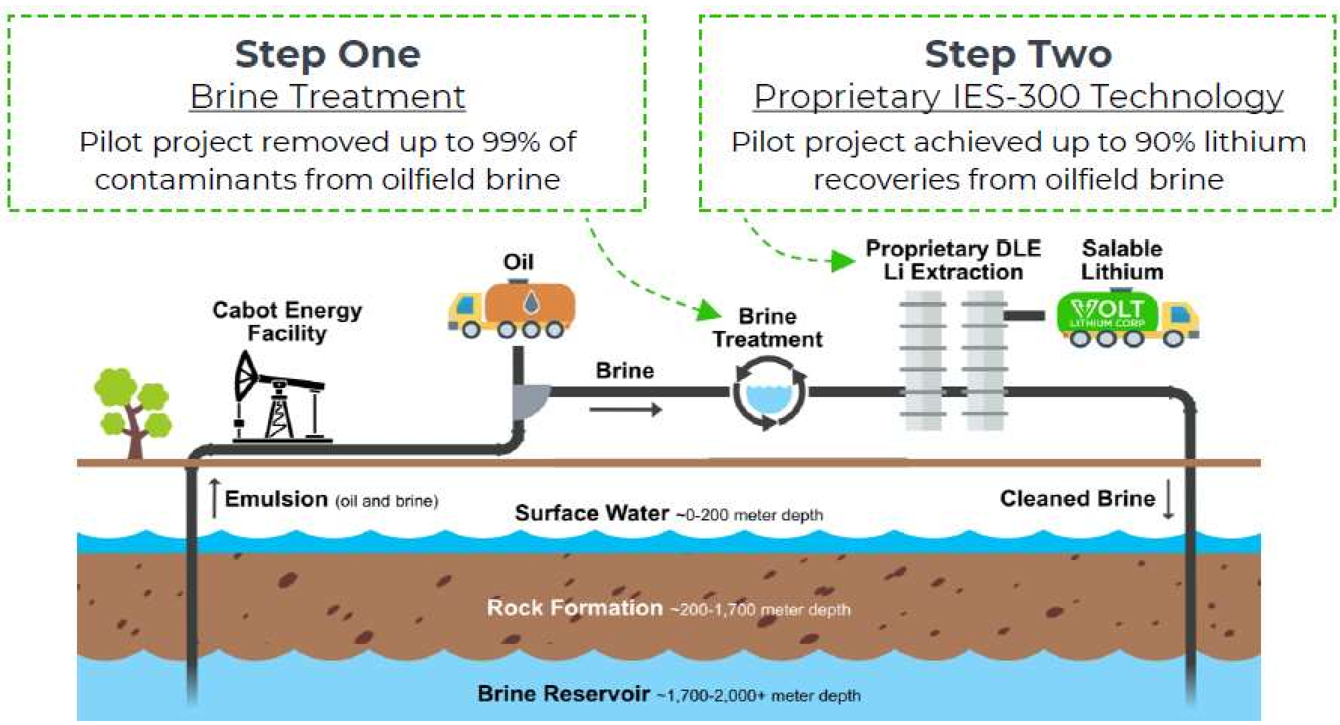
On April 26, 2023 the Company changed its name from Allied Copper Corp to Volt Lithium Corp.

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.

Pilot Plant Operations

In March of 2023, the Company commenced its Pilot Project which was designed to simulate a commercial operating environment and allow the Company to confirm economic recoveries of lithium at concentrations of up to 120 mg/L, an equivalent concentration to that found in the Muskeg aquifer at The Company's Rainbow Lake Property. The Pilot Project enabled the Company to verify the extraction capabilities of its IES-300 technology and to determine operating costs for the DLE process, a key factor in determining viability for commercial applications and ultimate profitability.

The Company consistently achieved extraction recoveries up to 90% using IES-300 at low lithium concentrations of 34 mg/L. The Company simulated pilot conditions using brine concentrated to 120 mg/L and achieved lithium extraction results as high as 90% with realized operating costs of less than CAD$4,000 per tonne, assuming sustained average production of 20,000 tpa of LHM.



Quarterly Highlights

- Pilot Project achieved 90% lithium recoveries at concentrations as low as 34 mg/L
- 97% recoveries achieved using 120 mg/L concentrations under simulated operating conditions
- Operating costs under CAD$4,000 per tonne at 120 mg/L expected to drive robust economics
- Novel breakthrough confirms commercial lithium extraction at low concentrations

At June 30, 2023, the Company had cash of $897,510 (June 30, 2022 - $3,670,345) and a working capital surplus of $875,936 (June 30, 2022 - surplus of $3,090,574). During the year ended June 30, 2023, cash used in operating activities was $4,128,245 (2022 $1,190,317). Cash provided by financing activities was $3,892,768 (2022 - $3,660,666). Cash used in investing activities was $2,537,358 (2022 – $1,179,602 (provided by)).

For the year ended June 30, 2023, the Company recorded a net loss and comprehensive loss of $7,228,474 compared to $5,014,439 incurred in the year ended June 30, 2022. The significant changes between the year ended June 30, 2023 and 2022, is attributed to the listing expense ($5,745,424) from the reverse takeover in 2021, the impairment of the Klondike, Stateline and Silver King properties as well as research and development costs incurred throughout the direct lithium extraction "DLE" process.

Summary of Quarterly Results

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

Quarter ending	**June 30, 2023**	March 31, 2023	December 31, 2022	September 30, 2022
	$	$	$	$
Working capital (deficiency) surplus	**875,936**	2,378,854	599,817	2,143,435
Expenses	**1,795,735**	4,156,719	1,010,154	265,866
Net loss and comprehensive loss	**(1,795,735)**	(4,156,719)	(1,010,154)	(265,866)
Basic and diluted loss per share	**(0.02)**	(0.05)	(0.02)	(0.01)

Quarter ending	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
	$	$	$	$
Working capital (deficiency) surplus	3,090,574	4,031,122	5,139,244	18,337
Expenses	341,887	681,574	4,054,494	29,006
Net loss and comprehensive loss	(248,365)	(681,574)	(4,054,494)	(29,006)
Basic and diluted loss per share	(0.01)	(0.01)	(0.15)	(0.00)

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, 2023	June 30, 2022
	$	$
Net loss and comprehensive loss	**(7,228,474)**	(5,014,439)
Basic and diluted loss per share	**(0.10)**	(0.17)
Total assets	**9,730,988**	5,901,677
Total liabilities	**770,092**	834,654

Operating Results

The major expenses for the year ended June 30, 2023, and June 30, 2022, were as follows:

	June 30, 2023	June 30, 2022
	$	$
Consulting fees	**1,272,458**	473,333
Marketing and promotion	**976,037**	561,608
Stock-based compensation	**984,330**	440,323
Research and development	**663,485**	-

- Consulting fees increased to $1,272,458 during the year ended June 30, 2023 as a result of corporate finance advisory and structuring fees incurred due to the increased corporate activity.
- Marketing and promotion fees increased to $976,037 during the year ended June 30, 2023 from $561,608 in the year ended June 30, 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 $663,485 during the year ended June 30, 2023 from $Nil in the year ended June 30 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.

Date	Details	Shares Issued	Shares Outstanding	Share Price	Gross Proceeds
10/8/2020	Incorporation shares	1,000	1,000	0.01	10
3/11/2021	Seed shares	6,690,000	6,691,000	0.006	40,140
10/27/2021	Shares issued through RTO	18,308,748	24,999,748	0.30	5,492,624
10/27/2021	Conversion of subscription receipts	13,076,004	38,075,752	0.30	3,922,801
2/3/2022	Issue of shares - mineral property *(Klondike Option Agreement)*	2,000,000	40,075,752	0.225	-
	Issue of shares - mineral property *(Klondike Option Agreement)*	500,000	40,575,752	0.17	-
	Issue of Shares - Volt Acquisition	38,880,000	79,455,752		-
2/24/2023	Issue of Shares - Private Placement	20,000,000	99,455,752	0.20	4,000,000
4/10/2023	Warrant exercise	111,111	99,566,863	0.30	33,333
4/12/2023	Warrant exercise	166,666	99,733,529	0.45	75,000
4/20/2023	Option exercise	150,000	99,883,529	0.155	23,250
4/28/2023	Warrant exercise	133,333	100,016,862	0.45	60,000
5/17/2023	Warrant exercise	44,444	100,061,306	0.30	13,333
5/19/2023	Warrant exercise	66,666	100,127,972	0.30	20,000
5/19/2023	Warrant exercise	200,000	100,327,972	0.45	90,000
5/26/2023	Warrant exercise	44,444	100,372,416	0.30	13,333

During the year ended 30 June, 2023, 150,000 options were exercised for gross proceeds of $23,250 and 766,664 warrants were exercised for gross proceeds of $304,999.

On February 24, 2023, the Company issued 20,000,000 units at a price of $0.20 per unit for proceeds of $3,886,485, net of finder's subscription receipts and share issuance costs (of $113,516). 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. At June 30, 2023, $6,283 was held in subscription receipts as a result of the placement being oversubscribed. These funds will be returned to investors.

The 449,458 finder's subscription receipt warrants were fair valued using the Black-Scholes Option Pricing Model using the following assumptions: average risk-free interest rate – 4.32%; dividend yield – 0.00%; volatility rate – 203.5%; expected life 2 years.

On October 27, 2021, the Company converted 13,076,004 subscription receipt units issued on August 11, 2021. Each Unit 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 issuance, the gross proceeds of $3,922,801 less cash finder fees of $183,228 and closing costs $276,199 were allocated $2,745,492 to share capital and $667,882 to warrant reserve based on their relative fair values.

The subscription receipt warrants, finders warrants, broker warrants, and consulting warrants were fair valued 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 October 27, 2021, the Company entered into a reverse take-over transaction (Note 5). 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 Lithium Corp.

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 (of $183,228).

The 522,381 finder subscription receipts are valued at $156,714. 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 Volt share for a period of 24 months from the closing date. The Company issued 550,235 broker warrants with each warrant exercisable into common shares at a price of $0.45 per share, expiring October 27, 2023.

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

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at June 30, 2023, or at the date of this MD&A.

Proposed Transactions

The Company has no undisclosed proposed transactions as at June 30, 2023, or at the date of this MD&A.

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:

Consideration paid on RTO	
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
Net working capital acquired by BCCo	
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 closed the transaction pursuant to the purchase and sale agreement entered 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' proprietary direct lithium extraction (DLE) technology, 100% mineral interest ownership in the Rainbow Lake property and a royalty agreement with a producing oil and gas company.

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
Amounts advanced by the Company to Volt Operations	700,000
Legal fees	111,318
Total purchase price	6,643,318

Identifiable net assets acquired	**$**
Cash acquired	105,490
Amounts receivable	11,000
Prepaid expenses and deposits	165,000
Goods and sales tax receivable	37,920
Accounts payable and accrued liabilities	(742,416)
Fair value of net assets acquired	(423,006)
Excess value attributable as per below	(7,066,324)

Purchase price allocation	**$**
Royalty agreement	697,813
Rainbow Lake Property	2,368,511
Intangible asset – DLE technology	4,000,000
	7,066,324

Commencing April 1, 2023, subsequent to the successful conclusion of bench scale testing, the company has initiated the amortization of the intangible asset. The amortization is being carried out on a straight-line basis, spanning an estimated 10-year useful life for the technology. It is important to note that the choice of 10-year useful life is based on current assumptions, considering the prevailing technological landscape. Given the rapid pace of technological advancements, it is anticipated that the effectiveness of the present technology may diminish after this period, rendering it potentially obsolete.

Exploration and Property Update – Mining Properties & Rights

	Silver King	Klondike	Stateline	Rainbow Lake	Total
Cash option payments	19,487	-	-	-	19,487
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	33,840	-	50,000	-	83,840
Option payment – shares issued	-	-	85,000	-	85,000
Exploration expenditures	82,695	509,494	42,634	1,191,116	1,825,939
Purchase price allocation from acquisition	-	-	-	2,368,511	2,368,511
Impairment	(603,747)	(1,820,231)	(356,134)	-	(2,780,112)
As at June 30, 2023	-	-	**-**	**3,559,627**	**3,559,627**

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 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 year ended June 30, 2023, the Company has incurred exploration and evaluation expenditures of $1,191,116 related to the Rainbow Lake property (2022 - $Nil).

The timeline below details the major milestones, timing and estimated associated costs the Company will incur as it moves to commercial production:

JUNE 2023	Select engineering firm to publish Preliminary Economic Assessment (PEA). Estimated costs to produce PEA - $500,000 payable in September 2023. (Completed)
AUGUST 2023	Raise up to $6,800,000 in the equity capital markets. (Completed)
AUGUST 2023	Finalize decision to finance Demonstration Plant – $750,000 (Completed)
NOVEMBER 2023	Finalize PEA – Cost to complete $500,000
OCTOBER 2023 TO MAY 2024	Complete Field work at Rainbow Lake to make determination for location of commercial operations. Cost $3,000,000
JANUARY TO DECEMBER 2024	Finalize Decision to build Commercial Unit – Volt expects it can commence installing equipment by August 2024 assuming Volt receives financing. Volt will select an equipment supplier to upgrade lithium chloride to lithium hydroxide monohydrate. Volt has been in discussions with equipment suppliers to scale equipment to meet Volt's needs.

Discontinued operations

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. As at the year ended June 30, 2023, the Company has incurred exploration and evaluation expenditures of $524,785 related to the Silver King project (2022 - $442,090).

On August 11, 2023 the Company terminated its option to acquire a 100% interest in the Silver King Property, pursuant to an option agreement among Goodsprings Exploration LLC, Robert Cole, Lori Cole and 1269280 BC Ltd., dated February 10, 2021. The property was impaired to $Nil on the termination of the agreement.

Klondike Property

On December 3, 2021, Cloudbreak Discovery (Canada) Ltd. (a company with a former director in common) and Alianza Minerals Ltd ("the Optionors") optioned the Klondike Project to the Company. As at the year ended June 30, 2023, the Company has incurred exploration and evaluation expenditures of $1,170,231 related to the Klondike Property (2022 - $660,737).

On February 2, 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 Volt Lithium dated December 3, 2021 (the "Option Agreement"). Upon termination of the Option Agreement, Volt Lithium 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. The property was impaired to $Nil on the termination of the agreement.

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. As at the year ended June 30, 2023, the Company has incurred exploration and evaluation expenditures of $181,134 related to the Stateline Property (2022 - $138,500).

On August 11, 2023 the Company terminated its option to acquire a 100% interest in the Stateline Property, pursuant to an option agreement among Cloudbreak Discovery PLC, Cloudbreak Exploration Inc., Tarsis Resources US Inc., Alianza Minerals Ltd. and Volt Lithium dated February 9, 2022 (the "Option Agreement"). Upon termination of the Option Agreement, Volt Lithium is required to maintain the mineral claims that comprise the Stateline Property in good standing for a period of two years, which is expected to cost approximately $30,000. The property was impaired to $Nil on the termination of the agreement.

Promissory Note Receivable

On September 7, 2022, the Company entered into an agreement with Volt Operations whereby the Company provided Volt Operations with a $500,000 CAD secured promissory note on a one-year term. Volt Operations paid 8% per annum interest to the Company, calculated daily, payable quarterly.

On September 19, 2022, the Company entered into an agreement with Volt Lithium Operations Corp (formerly Innolith Corp.) whereby the Company provided Volt Operations with a $200,000 CAD secured promissory note on a one-year term. Volt Operations paid 8% per annum interest to the Company, calculated daily, payable quarterly.

As Volt Operations was acquired by the Company, the promissory notes formed the part of the consideration paid (Note 4).

Royalty Agreement

On December 9, 2022, Volt Operations entered into an overriding royalty agreement which was previously entered into on September 19, 2022 by Volt Operations. The overriding royalty agreement with a producing oil and gas 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 June 30, 2023, the Company has accrued the royalty receivable of $117,693 for the period from December 2022 to June 2023 production.

Balance, June 30, 2022	**-**
Acquisition	697,813
Amortization expense	(72,480)
Balance, June 30, 2023	**625,333**

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 year ended June 30, 2023 and 2022:

	June 30, 2023	June 30, 2022
Stock based compensation	**$621,046**	$369,680
Management Fees	**$140,000**	
Consulting Fees	**$957,359**	$525,500
Technical Services	**$500,000**	

Management fees for the year were allocated for services rendered by Alex Wylie in his roles as President and Chief Executive Officer.

For the year ended June 30, 2023, consulting fees totaling $897,359 (2022 - $428,000) were disbursed to Cronin Services Ltd., a related party due to shared directorship. These fees were for back-office operations, corporate secretary functions, technical consulting, and corporate finance advisory services. Additionally, $60,000 (2022 - $45,000) was allocated to Uhl Consulting Services, a related party controlled by a board member.

On June 30, 2023, all service agreements with Cronin Services Ltd. were terminated. The retainer deposit previously held by the same entity was applied against the required 90-day notice period, as stipulated in the original agreements. Consequently, as of June 30, 2023, there was no outstanding retainer deposit (June 30, 2022 -

$101,700).

Payments categorized under 'Technical Services Fees' were made to Sterling Chemicals Ltd. (“Sterling”), a wholly owned subsidiary of Camber Resource Services Ltd. (“Camber”). These payments were in conjunction with the technical services agreement (“TSA”) dated April 12, 2022. In addition, $643,908 including GST was paid to Sterling for reimbursement of media/consumables, equipment and additional personnel outside the scope of the TSA. The Company’s CEO Alex Wylie is a shareholder of Camber, and company director Martin Scase is a shareholder, director and officer of Camber and a director and officer of Sterling.

Outstanding balances as of June 30, 2023, included $19,073 payable to Cronin Services Ltd. (June 30, 2022: $19,705), $225,377 payable to Sterling Chemicals Ltd. (June 30, 2022: $Nil), $5,250 payable to Uhl Consulting Services (June 30, 2022 - $Nil), and $21,420 payable to Alex Wylie (June 30, 2022: $Nil). These payables are non-interest-bearing, due on demand, and are included under the 'Accounts Payable and Accrued Liabilities' line item on the balance sheet.

Financial Instruments

As at June 30, 2023 and June 30, 2022, the Company’s financial instruments consist of cash, accounts 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 year ended June 30, 2023 and 2022.

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
Fisheries Act	
Navigable Waters Protection Act and Regulations	Ontario, Quebec and BC Mining 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 June 30, 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 July 19, 2023, the Company issued 75,000 shares in connection with an exercise of 75,000 warrants at $0.30 for gross proceeds of $22,500.

On August 4, 2023, the Company closed a Prospectus Offering and Concurrent Private Placement for aggregate gross proceeds of $6.8 million.

Under the Prospectus Offering, the Company issued 14,956,590 units ("HD Units") at a price of $0.22 per HD Unit and 11,262,500 flow-through units ("FT Units") at a price of $0.24 per FT Unit, raising gross proceeds of approximately $6 million. Concurrent with the closing of the Prospectus Offering, certain subscribers purchased a total of 266,666 FT Units at an offering price of $0.24 per FT Unit and 3,287,931 HD Units at an offering price of $0.22 per HD Unit pursuant to the Concurrent Private Placement, raising gross proceeds of approximately $787,345.

In connection with the Prospectus Offering and the Concurrent Private Placement, the Company paid to the Agents and any other syndicate members a cash commission of $346,848, which was equal to 6.0% of the gross proceeds from the Prospectus Offering, and issued an aggregate of 1,515,946 broker warrants, equal to 6.0% of the number of Units sold pursuant to the Prospectus Offering, subject to a reduction to 3.0% cash commission and 3.0% broker warrants for up to $2,000,000 of Units sold to purchasers under the president's list of the Prospectus Offering and in respect of all Units sold under the Concurrent Private Placement. Each broker warrant is exercisable for one HD Unit at the offering price of the HD Units until August 4, 2025. In addition, the company paid legal fees of $465,015 in connection with the placement.

Each FT Unit consists of one common share in the capital of the Company (each, a "Common Share") and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"), with the FT Units qualifying as "flow-through shares" within the meaning of subsection 66(15) of the Income Tax Act (Canada) and each HD Unit will consist of one Common Share and one-half of one Warrant. Each Warrant entitles the holder to purchase one Common Share at an exercise price of $0.33 until August 4, 2025.

On September 5, 2023, the company granted 3,855,000 stock options to certain directors, officers and consultants which are exercisable at a price of $0.30 per share for a period of four years from the date of grant, expiring on September 5, 2027.

On September 13, 2023, the Company issued 82,500 shares in connection with an exercise of 82,500 warrants at $0.33 for gross proceeds of $27,225.

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 June 30, 2023, and June 30, 2022:

	October 30, 2023	June 30, 2023
	#	#
Common shares	130,303,604	100,372,416
Stock options	10,895,000	7,765,000
Warrants	33,739,180	24,387,689

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 Rainbow Lake, 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.

Additional Information

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