

## FORM 5A

### ANNUAL LISTING SUMMARY

#### Introduction

The requirement to file this Form 5A does not apply to NV Issuers. NV Issuers must file a Form 51-102F2 Annual Information Form.

This Annual Listing Summary must be posted on or before the day on which the Issuer's annual financial statements are to be filed under the Securities Act. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies.

#### **General Instructions**

- (a) Prepare this Annual Listing Summary using the format set out below. The sequence of questions must not be altered, nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

**Listed Issuer Name:** Battery X Metals Inc. (the "Issuer")

**Website:** www.batteryxmetals.com

**Listing Statement Date:** March 9, 2020

**Description(s) of listed securities(symbol/type):** CSE:BATX, OTCQB:BATXF, FSE:5YW0, WKN:A41RJF

**Brief Description of the Issuer's Business:** *The Issuer is an energy transition resource exploration and technology company advancing a comprehensive strategy across the battery metals value chain. Central to this strategy is the development of patent-pending software and hardware systems designed to actively rebalance and extend the remaining useful life of lithium-ion and electric vehicle ("EV") batteries. In parallel, the Issuer is advancing proprietary battery material recovery technologies, in collaboration with a globally ranked top 20 university, and pursuing the exploration of critical battery metal projects. Through this integrated approach, the Issuer aims to contribute to a more sustainable, circular energy economy and support the development of a resilient domestic battery supply chain.*

**Description of additional (unlisted) securities outstanding**

Options, warrants, restricted share units (RSUs)		
<b>Jurisdiction of Incorporation:</b> British Columbia		
<b>Fiscal Year End:</b> December 31		
<b>Date of Last Shareholders' Meeting and Date of Next Shareholders' Meeting (if scheduled):</b>		
Last Shareholders Meeting: July 16, 2025 Next Shareholders Meeting: To Be Confirmed		
<b>Financial Information as at:</b> December 31, 2025		
	<b>Current</b>	<b>Previous</b>
<b>Cash</b>	37,874	608,825
<b>Current Assets</b>	328,004	923,583
<b>Non-current Assets</b>	2,782,002	2,762,826
<b>Current Liabilities</b>	2,128,583	1,119,398
<b>Non-current Liabilities</b>	-	72,662
<b>Shareholders' equity</b>	981,423	2,494,349
<b>Revenue</b>	N/A	N/A
<b>Net Income</b>	(5,334,469)	(3,742,556)
<b>Net Cash Flow from Operations</b>	570,951	557,248

## SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in the Schedules. If the required details are included in Schedule A or B, provide specific reference to the page or note.

### 1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

*Please refer to Note 12 of the audited annual Consolidated Financial Statements for the years ended December 31, 2025 (the “**Audited Annual Financial Statements**”), attached hereto as Schedule A, as all related party transactions have been disclosed in the Audited Annual Financial Statements. For information supplementary to that contained in the Audited Annual Financial Statements with respect to related party transactions, please refer to pages 17 and 18 of the related Management Discussion and Analysis for the year ended December 31, 2025 (the “**Annual MD&A**”), attached hereto as Schedule B.*

**2. Summary of securities issued and options granted during the period.**

Provide the following information for the Listed Issuer’s fiscal year:

- (a) summary of securities issued during the period,

*With respect to 2(a), please refer to note 11 in the Issuer’s Audited Annual Financial Statements for the year ended December 31, 2025, attached as Schedule A hereto.*

- (b) summary of options granted during the period,

*With respect to 2(a), please refer to note 11 in the Issuer’s Audited Annual Financial Statements for the year ended December 31, 2025, attached as Schedule A hereto.*

**3. Summary of securities as at the end of the reporting period.**

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of securities outstanding for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

*At December 31, 2025, the Issuer is authorized to issue an unlimited number of common shares without par value. At December 31, 2025, the Issuer had 3,586,758 common shares issued and outstanding.*

- (b) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

<b>Description</b>	<b>Number Outstanding</b>	<b>Exercise Price</b>	<b>Expiry Date/Vesting Date</b>
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<i>Options</i>	<i>194,500</i>	<i>\$2.000</i>	<i>October 10, 2027</i>
<i>Warrants</i>	<i>119,697</i>	<i>\$5.00</i>	<i>October 16, 2026</i>
	<i>838</i>	<i>\$13.20</i>	<i>January 24, 2026</i>
	<i>381,253</i>	<i>\$1.50</i>	<i>December 24, 2026</i>
	<i>93,042</i>	<i>\$6.30</i>	<i>August 1, 2027</i>
<i>Restricted Share Units (RSUs)</i>	<i>22,425</i>	<i>N/A</i>	<i>January 1, 2026</i>

- (c) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

*Nil.*

**4. List the names of the directors and officers and include the position(s) held and the date of appointment, as at the date this report is signed and filed.**

<b>Name</b>	<b>Position</b>	<b>Date Appointed</b>
Massimo Bellini Bressi	Chief Executive Officer, Director	August 6, 2024
Dallas Pretty	Chief Financial Officer, Director	August 2, 2024, July 16, 2025
Martino Ciambrelli	Director	December 26, 2024
Howard Blank	Director	November 15 2024
Norman John Campbell	Director	July 16, 2025

**5. Financial Resources**

- a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;
- b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;
- c) Disclose the total funds available to the Issuer and the following breakdown of those funds:
  - (i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and
  - (ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and
  - (iii) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds

available described under the preceding paragraph will be used by the Issuer.

*Please refer to the Issuer's Consolidated Financial Statements for the year ended December 31, 2025 attached as Schedule A hereto and the Issuer's Management Discussion and Analysis dated April 30, 2026, attached as Schedule B hereto.*

## 6. Status of Operations

During the fiscal year, did the Listed Issuer

- (a) reduce or impair its principal operating assets; or
- (b) cease or substantively reduce its business operations with respect to its stated business objectives in the most recent Listing Statement?

Provide details:

*Please refer to the Issuer's Consolidated Financial Statements for the year ended December 31, 2025 attached as Schedule A hereto and the Issuer's Management Discussion and Analysis dated April 30, 2026, attached as Schedule B hereto.*

## 7. Business Activity

- a) Activity for a mining or oil and gas Listed Issuer

- (i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, significant revenue from operations, or \$50,000 in exploration or development expenditures?

Provide details.

*Yes, the Issuer incurred approximately \$82,224 in exploration expenditures, across its active properties during the year.*

*Please refer to the Issuer's Consolidated Financial Statements for the year ended December 31, 2025 attached as Schedule A hereto and the Issuer's Management Discussion and Analysis dated April 30, 2026, attached as Schedule B hereto.*

- (ii) If the response to (i) above is "no", for the three most recent fiscal years did the Listed Issuer have an aggregate of \$100,000 in exploration or development expenditures?

Provide details.

*Not applicable.*

- b) Activity for industry segments other than mining or oil & gas

- (i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, or \$100,000 in revenue from operations or \$100,000 in development expenditures?

Provide details.

*Not applicable.*

- (ii) If the response to (i) above is “no”, for the three most recent fiscal years, did the Listed Issuer have either \$200,000 in operating revenues or \$200,000 in expenditures directly related to the development of the business?

Provide details.

*Not applicable.*

**SCHEDULE A: AUDITED ANNUAL FINANCIAL STATEMENTS**

**SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS**

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Annual Listing Summary.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated May 4, 2026 \_\_\_\_\_.

Massimo Bellini Bressi  
Name of Director or Senior Officer

"Massimo Bellini Bressi"  
Signature

Chief Executive Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer Battery X Metals Inc.	For Year Ended December 31, 2025	Date of Report YY/MM/D 26/05/04
Issuer Address 2501 - 550 Burrard Street.		
City/Province/Postal Code Vancouver, BC V6C 2B5	Issuer Fax No. N/A	Issuer Telephone No. 604-694-9823
Contact Name Massimo Bellini Bressi	Contact Position CEO	Contact Telephone No. 604-694-9823
Contact Email Address mbellini@batteryxmetals.com	Web Site Address <a href="https://www.batteryxmetals.com">https://www.batteryxmetals.com</a>	

Schedule "A"



**Consolidated Financial Statements**

**For the years ended December 31, 2025 and 2024**

**Expressed in Canadian Dollars**

**BATTERY X METALS INC.**  
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**(Expressed in Canadian Dollars)**

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## INDEPENDENT AUDITORS' REPORT

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To the Shareholders and Directors of Battery X Metals Inc.

### Opinion

We have audited the consolidated financial statements of Battery X Metals Inc. and its subsidiaries (together, the "Company") which comprise:

- the consolidated statements of financial position as at December 31, 2025 and 2024;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2025 and 2024, and its consolidated financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the consolidated financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, the key audit matters to be communicated in our auditors' report is as follows:

#### Acquisition of Battery X Rebalancing Technologies Inc.

##### *Description of the matter*

During the year ended December 31, 2025, the Company completed the acquisition of the remaining 51% interest in Battery X Rebalancing Technologies Inc. ("Battery X Rebalancing"), resulting in the Company obtaining control and recognizing an intangible asset related to battery rebalancing technology (Note 4). The transaction was accounted for as an asset acquisition rather than a business combination under IFRS 3 *Business Combinations* as Battery X Rebalancing did not meet the definition of a business. The transaction was considered a related party transaction under IAS 24 *Related Party Disclosures*, as the Company and Battery X Rebalancing shared common directors at the date of the acquisition.

As the transaction was accounted for as an asset acquisition, the Company recognized the identifiable net assets acquired, primarily consisting of intangible asset related to EV battery rebalancing technology, based on the fair value of the consideration transferred and the carrying value of the previously held interest.

*This transaction was significant due to:*

- The judgment involved in assessing whether the acquired set of activities and assets met the definition of a business under IFRS 3;
- The estimation uncertainty in determining the fair value of the consideration transferred, which included equity instruments;
- The judgment involved in assessing whether the acquired technology met the recognition criteria for intangible assets under IAS 38 *Intangible Assets*, including whether the asset was available for use at the acquisition date;
- The estimation involved in determination of the useful life of the acquired intangible asset; and
- The overall magnitude of the transaction and its impact on the consolidated financial position, results of operations, and required disclosures in the consolidated financial statements.

Given the significance of the transaction and the level of judgment involved, this was determined to be a key audit matter.

*How the matter was addressed in the audit*

Our approach to addressing the matter included the following procedures:

- Evaluating management's assessment that the transaction was appropriately accounted for as an asset acquisition rather than a business combination under IFRS 3;
- Assessing the fair value of the consideration transferred, including the valuation of shares issued;
- Evaluating the accounting treatment of the previously held interest upon obtaining control;
- Assessing whether the acquired technology met the recognition criteria for intangible assets under IAS 38 including verifying that the asset was in the condition necessary to be available for use;
- Involving valuation specialists to assist in evaluating the reasonableness of management's estimate of the useful life of the acquired intangible asset; and
- Assessing the presentation and accuracy of the note disclosure (Note 4)

## **Other Information**

Management is responsible for the other information. The other information comprises the Company's Management Discussion and Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Artem Valeev.

*Manning Elliott LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS  
Vancouver, British Columbia  
April 30, 2026

**BATTERY X METALS INC.**  
**Consolidated Statements of Financial Position**  
**(Expressed in Canadian Dollars)**

	Note	December 31, 2025	December 31, 2024
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash		37,874	608,825
Accounts receivable	12	33,054	-
Sales taxes receivable		73,125	27,636
Prepays and deposits	6,12	183,951	287,122
		328,004	923,583
<b>Investment in associate</b>	4,12	-	395,312
<b>Intangible asset</b>	4,12	913,211	-
<b>Exploration and evaluation assets</b>	5	1,868,791	2,255,330
<b>Right-of-use assets</b>	7,12	-	112,184
		<b>3,110,006</b>	<b>3,686,409</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	8,12	1,855,764	1,074,548
Loan payable	10	272,819	-
Current portion of lease liability	7,12	-	44,850
		2,128,583	1,119,398
Lease liability	7,12	-	72,662
		2,128,583	1,192,060
<b>Equity</b>			
Share capital	11	20,011,066	15,723,078
Reserves	11	1,494,129	2,319,888
Deficit		(20,523,772)	(15,548,617)
		981,423	2,494,349
		<b>3,110,006</b>	<b>3,686,409</b>

**Nature of business and continuing operations** (Note 1)

**Contingencies** (Note 9)

**Subsequent events** (Notes 5, 10,18)

Approved and authorized for issue on behalf of the Board on April 30, 2026.

"Massimo Bellini Bressi", Director      "Howard Blank", Director

The accompanying notes are an integral part of these consolidated financial statements.

**BATTERY X METALS INC.**  
**Consolidated Statements of Loss and Comprehensive Loss**  
**(Expressed in Canadian Dollars)**

		Years Ended December 31,	
		2025	2024
		\$	\$
<b>OPERATING EXPENSES</b>			
Consulting fees	12	1,158,932	694,478
Amortization and depreciation	4,7,12	238,787	32,053
Financing charges		2,059	10,452
Foreign exchange loss		13,646	7,266
Investor relations		835,354	320,000
Interest expense	7,10	17,789	20,266
Management fees and salaries	12	408,500	289,500
Marketing		70,106	47,654
Office and administrative		149,218	189,665
Professional fees	16	672,897	349,894
Property investigation costs		21,745	180
Research and development		262,492	-
Share-based compensation	11,12	161,460	210,978
Transfer agent and filing fees		61,811	45,823
		<b>(4,074,796)</b>	<b>(2,218,209)</b>
Loss of equity investment		(4,597)	(32,188)
Write-off of exploration asset	5	(472,763)	-
Gain on sale of subsidiary		-	50,000
Write-off of accounts payable		-	25,000
Loss on convertible debt		-	(266,305)
Gain on lease termination	7	7,711	-
Other losses		(8,365)	-
Impairment of prepaid expenses	6	(206,304)	-
Loss on debt settlement	11,12	(575,355)	(1,300,872)
		<b>(1,259,673)</b>	<b>(1,524,365)</b>
Loss before income taxes		(5,334,469)	(3,742,574)
Deferred tax recovery		-	(17)
<b>Net loss and comprehensive loss for the year</b>		<b>(5,334,469)</b>	<b>(3,742,557)</b>
Loss per share - basic and diluted		\$ (1.78)	\$ (4.29)
Weighted average number of common shares outstanding		2,996,266	872,218

The accompanying notes are an integral part of these consolidated financial statements.

**BATTERY X METALS INC.**  
**Consolidated Statements of Changes in Equity**  
**(Expressed in Canadian Dollars)**

	Number of shares	Amount	Share subscriptions	Commitment to issue shares	Reserves	Convertible debenture equity	Deficit	Total
		\$	\$	\$	\$	\$	\$	\$
<b>Balance at December 31, 2023</b>	<b>567,200</b>	<b>9,392,645</b>	<b>50,000</b>	<b>1,350,000</b>	<b>1,595,450</b>	<b>13,005</b>	<b>(11,957,290)</b>	<b>443,810</b>
Units issued for cash	777,750	1,723,770	(50,000)	-	49,380	-	-	1,723,150
Shares issued for exploration and evaluation assets	125,758	1,648,500	-	(1,350,000)	-	-	-	298,500
Shares issued for debt settlements	703,152	1,806,265	-	-	1,054,776	-	-	2,861,041
Shares issued for investment in associate	68,182	427,500	-	-	-	-	-	427,500
Shares issued on exercise of warrants	31,818	490,179	-	-	(175,179)	-	-	315,000
Shares issued for finders' fees	838	6,638	-	-	-	-	-	6,638
Share issuance costs	-	(42,521)	-	-	5,815	-	-	(36,706)
Forfeited warrants	-	270,102	-	-	(270,102)	-	-	-
Forfeited share options	-	-	-	-	(151,230)	-	151,230	-
Share-based compensation	-	-	-	-	210,978	-	-	210,978
Convertible debenture equity	-	-	-	-	-	(13,005)	-	(13,005)
Net loss for the year	-	-	-	-	-	-	(3,742,557)	(3,742,557)
<b>Balance at December 31, 2024</b>	<b>2,274,698</b>	<b>15,723,078</b>	<b>-</b>	<b>-</b>	<b>2,319,888</b>	<b>-</b>	<b>(15,548,617)</b>	<b>2,494,349</b>
Shares issued for debt settlements	113,422	680,529	-	-	439,251	-	-	1,119,780
Shares issued for acquisition	151,515	666,665	-	-	-	-	-	666,665
Shares issued for services	28,896	135,811	-	-	-	-	-	135,811
Shares issued on exercise of warrants	900,514	2,505,763	-	-	(868,811)	-	-	1,636,952
Shares issued on exercise of options	50,438	178,125	-	-	(77,250)	-	-	100,875
Forfeited warrants	-	-	-	-	(75,825)	-	75,825	-
Cancelled share options	-	-	-	-	(283,489)	-	283,489	-
Vesting of RSU's	-	-	-	-	161,460	-	-	161,460
Shares vested for RSU's	67,275	121,095	-	-	(121,095)	-	-	-
Net loss for the year	-	-	-	-	-	-	(5,334,469)	(5,334,469)
<b>Balance at December 31, 2025</b>	<b>3,586,758</b>	<b>20,011,066</b>	<b>-</b>	<b>-</b>	<b>1,494,129</b>	<b>-</b>	<b>(20,523,772)</b>	<b>981,423</b>

The accompanying notes are an integral part of these consolidated financial statements.

**BATTERY X METALS INC.**  
**Consolidated Statements of Cash Flows**  
**(Expressed in Canadian Dollars)**

	<b>Years Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows used in operating activities</b>		
Loss for the year	(5,334,469)	(3,742,556)
Items not affecting cash:		
Deferred tax recovery	-	(17)
Amortization and depreciation	238,787	32,053
Financing charges	-	10,471
Interest expense	17,789	20,266
Recovery from write-off of accounts payable	-	(25,000)
Share-based compensation	161,460	210,978
Share of loss of equity accounted investee	4,597	32,188
Other losses	8,365	-
Shares issued for finders' fees	-	6,638
Shares issued for services	135,811	-
Loss on debt settlement	575,355	1,567,177
Gain on lease termination	(7,711)	-
Write-off of exploration assets	472,763	-
Impairment of prepaid expenses	206,304	-
Gain on sale of subsidiary	-	(50,000)
Changes in non-cash working capital items:		
Sales taxes receivable	(43,560)	(25,407)
Accounts receivable	(33,054)	-
Prepays	96,867	(270,895)
Accounts payable and accrued liabilities	1,170,111	(174,108)
	<b>(2,330,585)</b>	<b>(2,408,213)</b>
<b>Cash flows used in investing activities</b>		
Exploration and evaluation asset expenditures	(82,224)	(50,760)
Cash acquired on acquisition	13,257	-
	<b>(72,967)</b>	<b>(50,760)</b>
<b>Cash flows provided by financing activities</b>		
Units issued for cash	-	2,602,747
Proceeds from exercise of warrants	1,636,952	490,179
Proceeds from exercise of options	100,875	-
Loan payable issued	270,000	-
Repayment of loans	(140,226)	-
Repayment of lease liabilities	(35,000)	-
Share issuance costs	-	(76,706)
	<b>1,832,601</b>	<b>3,016,220</b>
<b>Change in cash during the year</b>	<b>(570,951)</b>	<b>557,248</b>
<b>Cash, beginning of year</b>	<b>608,825</b>	<b>51,577</b>
<b>Cash, end of year</b>	<b>37,874</b>	<b>608,825</b>

Supplemental disclosures with respect to cash flows (Note 15)

The accompanying notes are an integral part of these consolidated financial statements.

# **BATTERY X METALS INC.**

## **Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)**

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### **1. NATURE OF BUSINESS AND CONTINUING OPERATIONS**

Battery X Metals Inc. (the “Company”) was incorporated on August 22, 2017 under the laws of British Columbia. The address of the Company’s registered and records office is 2501 - 550 Burrard Street, Vancouver, BC V6C 2B5. The Company’s common shares trade on the Canadian Securities Exchange under the symbol BATX, on the OTCQB Exchange under the symbol “BATXF”, and on the Frankfurt Stock Exchange under the symbol “5YW0”

The Company’s principal business activities include the acquisition and exploration of mineral property assets and the development of proprietary lithium-ion battery rebalancing and recycling technology. As at December 31, 2025 the Company had not yet determined whether the Company’s mineral property assets contained ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

During the year ended December 31, 2025, the Company incurred a loss of \$5,334,469. The Company had an accumulated deficit of \$20,523,772 as at December 31, 2025 (December 31, 2024 - \$15,548,617), which has been primarily funded by the issuance of equity, and a working capital deficiency of \$1,800,579 as at December 31, 2025 (December 31, 2024 - \$195,815). The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing, maintaining continued support from shareholders and creditors, and generating revenues sufficient to cover its operating costs.

Until sustainable revenues are achieved, the Company plans to fund its operations through additional equity and/or debt financings, potential proceeds from the exercise of outstanding warrants, and management of cash requirements through debt settlements, as appropriate.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. These consolidated financial statements have been prepared on a going concern basis and do not include any adjustments to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

### **2. MATERIAL ACCOUNTING POLICIES**

#### **Statement of compliance and basis of presentation**

These consolidated financial statements have been prepared using accounting policies in compliance with IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board and the interpretations of the International Financial Reporting Interpretations Committee.

These consolidated financial statements were approved by the Board of Directors of the Company and authorized for issuance on April 30, 2026.

#### **Basis of presentation**

The consolidated financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional currency of the Company and its subsidiaries is the Canadian dollar.

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

## BATTERY X METALS INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(Expressed in Canadian Dollars)

### 2. MATERIAL ACCOUNTING POLICIES (continued)

#### Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries as follows:

	Incorporation	Percentage owned	
		December 31, 2025	December 31, 2024
1379596 BC Ltd. ("1379596 BC")	Canada	100%	100%
Battery X Recycling Technologies Inc. ("Battery X Recycling")	Canada	100%	100%
YY Resources Inc. ("YY Resources")	Canada	100%	100%
1451917 B.C. Ltd ("1451917 BC")	Canada	100%	100%
Battery X Discoveries Inc. (Battery X Discoveries")	Canada	100%	-
Battery X Rebalancing Technologies Inc. ("Battery X Rebalancing")	Canada	100%	49%

On March 28, 2025, the Company acquired the remaining 51% of the shares of Battery X Rebalancing (Note 4), and as a result now owns 100%.

On April 3, 2025, the Company incorporated a wholly-owned subsidiary, Battery X Discoveries.

All significant intercompany accounts and transactions between the Company and its subsidiaries have been eliminated upon consolidation.

#### Investment in Associate

Investments in associates are accounted for using the equity method. The investment is initially recognized at cost and adjusted thereafter for the post-acquisition change in the investor's share of the associate's net assets.

#### Intangible Assets

Intangible assets are recognized when the asset is identifiable, the Company has control over the asset, future economic benefits are expected to flow to the Company, and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost, which for acquisitions involving the issuance of equity instruments represents the fair value of the consideration transferred, and for related-party transactions reflects the most reliable available measure of that consideration.

After the initial recognition, the intangible assets will be carried at cost, less any accumulated amortization and impairment losses if applicable. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives. The amortization method and useful lives are reviewed at least annually and adjusted prospectively when appropriate. Intangible assets are assessed for indicators of impairment at each reporting year. If such indicators exist, the recoverable amount is estimated. Intangible assets not yet available for use and intangible assets with indefinite useful lives are tested for impairment annually, regardless of indicators.

#### Research and Development Expenditures

Research costs are expensed as incurred. Research activities are aimed at obtaining new scientific or technical knowledge and do not meet the criteria for capitalization under IAS 38, *Intangible Assets*.

## **BATTERY X METALS INC.**

### **Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)**

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#### **2. MATERIAL ACCOUNTING POLICIES (continued)**

##### **Exploration and evaluation assets**

Pre-exploration costs are expensed as incurred. Costs directly related to the exploration and evaluation of mineral properties are capitalized once the legal rights to explore the mineral properties as acquired or obtained. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition are determined by management to be insufficient to recover the carrying value of the property, the carrying value is written down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

##### **Decommissioning, restoration and similar liabilities**

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of the plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

## **BATTERY X METALS INC.**

**Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(Expressed in Canadian Dollars)**

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### **2. MATERIAL ACCOUNTING POLICIES (continued)**

#### **Share capital**

Share capital issued for consideration other than cash is valued at the fair value of assets received or services rendered. If the fair value of assets received or services rendered cannot be reliably measured, shares issued for consideration will be valued at the quoted market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve. Consideration received for the exercise of warrants is recorded in capital stock and the related residual value is transferred from warrant reserve to capital stock.

#### **Loss per share**

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. The comparative loss per share has been restated in these consolidated financial statements to reflect the 20:1 share consolidation on October 28, 2025.

#### **Share-based payments**

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve. The Company transfers the value of forfeited and expired unexercised vested stock options and compensatory warrants to deficit or share capital from reserves on the date of expiration based on the nature of the item.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting year for changes in the underlying share price.

#### **Flow-through shares**

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

## **BATTERY X METALS INC.**

**Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(Expressed in Canadian Dollars)**

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### **2. MATERIAL ACCOUNTING POLICIES (continued)**

#### **Foreign currency**

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company and its subsidiaries operate (“the functional currency”), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the consolidated statement of financial position date are recognized in the consolidated statement of loss and comprehensive loss.

#### **Convertible Debenture**

Convertible debentures are financial instruments which are accounted for separately depending on the nature of their components: a financial liability and an equity instrument. The identification of such components embedded within a convertible debenture requires significant judgment given that it is based on the interpretation of the substance of the contractual arrangement.

Where the conversion option has a fixed conversion rate, the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual amount is accounted for as an equity instrument at issuance.

#### **Income taxes**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the consolidated statement of financial position date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the consolidated statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### **Financial instruments**

##### *Financial assets*

On initial recognition, financial assets are classified as measured at (i) amortized cost; (ii) fair value through other comprehensive income (“FVOCI”); and (iii) fair value through profit and loss (“FVTPL”). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset.

## **BATTERY X METALS INC.**

### **Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)**

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#### **2. MATERIAL ACCOUNTING POLICIES (continued)**

Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest method.

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest method. The Company does not have any assets classified at FVOCI.

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the consolidated statement of loss and comprehensive loss in the period in which it arises. The Company's cash is classified at FVTPL.

#### Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to the estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the year.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

For the years presented, the Company did not record an expected credit loss.

#### **Financial instruments (continued)**

#### Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs. Financial liabilities are classified as measured at FVTPL or amortized cost.

## **BATTERY X METALS INC.**

### **Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)**

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#### **2. MATERIAL ACCOUNTING POLICIES (continued)**

A financial liability is classified at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not classify any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. The Company classifies its accounts payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

#### **Accounting standards adopted**

The following amended standard was adopted as of January 1, 2024:

- *Presentation of Financial Statements (Amendments to IAS 1)* – the amendments provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date. These amendments:
  - specify that the rights and conditions existing at the end of the reporting year are relevant in determining whether the Company has a right to defer settlement of a liability by at least 12 months;
  - provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of liability; and
  - clarify when a liability is considered settled.

The Company concludes that the effect of such amendment did not have a material impact and therefore did not record any adjustments to the consolidated financial statements.

#### **New accounting standards issued and not yet effective**

IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in the IAS 7, Statement of Cash Flows. IFRS 18 is effective from January 1, 2027, however, companies are permitted to apply IFRS 18 before that date.

The Company has not yet determined the impact of this amendment on its consolidated financial statements.

## **BATTERY X METALS INC.**

### **Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)**

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#### **3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

##### **Significant accounting estimates**

- a) the measurement of deferred income tax assets and liabilities; and
- b) the inputs used in accounting for share-based payments.

##### **Significant accounting judgments**

- a) the determination of categories of financial assets and financial liabilities;
- b) step acquisitions and the determination as to whether the acquisition results in a business combination or an asset acquisition;
- c) the estimation of the useful life of intangible assets;
- d) the assessment of impairment indicators of intangible assets;
- e) the recognition of deferred income tax assets;
- f) the evaluation of the Company's ability to continue as a going concern; and
- g) the assessment of indications of impairment of the exploration and evaluation assets.

#### **4. ACQUISITION**

##### **Battery X Rebalancing**

In June 2024, the Company entered into a Share Exchange Agreement to acquire 49% ownership in Battery X Rebalancing Technologies Inc. Pursuant to the Share Exchange Agreement, on June 6, 2024, the Company issued 68,182 common shares of the Company to acquire a 49% interest in Battery X Rebalancing. The shares were valued at \$427,500 based on the trading price on June 6, 2024 of \$6.27. The acquisition was an arm's length transaction.

On March 28, 2025, the Company acquired the remaining 51% of the shares of Battery X Rebalancing by issuing 151,515 shares valued at \$666,665 based on the trading price on March 28, 2025 of \$4.40. The purchase did not meet the definition of a business combination under IFRS 3, *Business Combination* and was accounted for as an asset acquisition. The Company recognized an intangible asset comprising of the fair value of shares issued of \$666,665, the carrying amount of the previously held interest of \$383,252, and \$74,035 of assumed net liabilities of Battery X.

## BATTERY X METALS INC.

### Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)

#### 4. ACQUISITION (continued)

Rebalancing at the time of purchase.

The following details the relative fair values of net assets acquired:

Cash	13,257
Prepays and other receivables	201,929
Accounts payable and accrued liabilities	(81,582)
Advance to shareholders	(19,292)
Loans to external parties	(188,347)
<b>Net Liabilities</b>	<b>(74,035)</b>

The intangible asset acquired in this transaction consists of the knowledge base, technical development processes, intellectual property, and proprietary methods used to design and deliver solutions for rebalancing and extending the useful lifespan of electric vehicle (“EV”) batteries. Management has estimated the intangible asset will have a useful life of 4 years. The March 28, 2025 transaction is considered a related party transaction due to the companies sharing a common Director. (Note 12)

The following table is a summary of the investment in Battery X Rebalancing:

	\$
<b>Consideration:</b>	
Fair value of shares issued for 51% interest (151,515 @ \$4.40 per share)	666,665
Carrying amount of previously held 49 % interest	383,252
<b>Total consideration:</b>	<b>1,049,917</b>
Net liabilities acquired:	74,035
<b>Cost of intangible asset</b>	<b>1,123,952</b>
Amortization for the year ended December 31	(210,741)
<b>Balance, December 31, 2025</b>	<b>913,211</b>

#### 5. EXPLORATION AND EVALUATION ASSETS

	Belanger Project	Leaf River Project	Reservoir-Dozois Project	Y Lithium Project	Total
<b>Balance, December 31, 2023</b>	<b>121,884</b>	-	-	1,784,186	<b>1,906,070</b>
Property acquisition	19,000	142,500	142,500	-	<b>304,000</b>
Equipment rental	12,204	-	-	-	<b>12,204</b>
Labour	33,056	-	-	-	<b>33,056</b>
<b>Balance, December 31, 2024</b>	<b>186,144</b>	<b>142,500</b>	<b>142,500</b>	<b>1,784,186</b>	<b>2,255,330</b>
Property acquisition	16,500	-	-	-	16,500
Geological consulting	119	-	-	69,605	69,724
Write-down of exploration assets	(187,763)	(142,500)	(142,500)	-	(472,763)
<b>Balance, December 31, 2025</b>	<b>15,000</b>	-	-	<b>1,853,791</b>	<b>1,868,791</b>

## BATTERY X METALS INC.

### Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)

#### 5. EXPLORATION AND EVALUATION ASSETS (continued)

##### Belanger Project

Pursuant to an option agreement dated June 1, 2020 with Bounty Gold Corp. (“Belanger Project Optionor”), the Company was granted an option to acquire a 100% undivided interest in certain unpatented mining claims comprising the RLX North, RLX South, and Belanger properties (collectively, the “Belanger Project”) located in the District of Red Lake, Ontario, Canada.

In accordance with the option agreement, the Company can acquire 100% interest in the project by: (i) making cash payments in the aggregate amount of \$150,000; and (ii) issuing common shares in the capital of the Company (the “Consideration Shares”) having an aggregate cash value of \$300,000 to the Belanger Project Optionor as follows:

	Consideration Shares		Cash
	#	\$	\$
Upon execution of the option agreement on June 1, 2020 (issued and paid respectively)	1,515	30,000	25,000
On or before the 1 <sup>st</sup> anniversary on June 1, 2021 (issued 1,748 and paid respectively)	-	30,000	25,000
On or before the 2 <sup>nd</sup> anniversary on June 1, 2022 (issued 5,050 shares and paid respectively)	-	100,000	50,000
On or before the 3 <sup>rd</sup> anniversary on June 1, 2023*	-	140,000	50,000
	<b>1,515</b>	<b>300,000</b>	<b>150,000</b>

*\*In November 2023, the Company and the Belanger Project Optionor agreed to a final payment of \$25,000 in cash and 4,545 common shares (“November 2023 Agreement”). See below for the terms of the final payment.*

On November 27, 2024, the Company entered into an Addendum Agreement (the “November 2024 Agreement”) with the Belanger Project Optionor to acquire 100% of the Belanger Project. The November 2024 Agreement is an addendum to the November 2023 Agreement. As set out in the November 2024 Agreement, the Company had paid \$7,000 of the \$25,000 cash obligation under the November 2023 Agreement and has subsequently issued the 4,545 common shares originally required to be issued under the November 2023 Agreement.

In accordance with the terms of the November 2024 Agreement, the Company has agreed to pay the remaining balance of \$18,000 to the Belanger Project Optionor as follows:

- \$1,500 upon execution of the November 2024 Agreement (paid subsequently);
- \$5,500 on or before February 28, 2025 (paid);
- \$5,500 on or before April 30, 2025 (paid); and
- \$5,500 on or before June 30, 2025 (paid).

The Company made the final payment of \$5,500 (the “Final Payment”) under the November 2024 Agreement to the Optionor on July 2, 2025. With the completion of the Final Payment, the Company has satisfied all payment obligations under the Belanger Addendum Agreement and has earned a 100% interest in the Belanger Project, subject to a 3% net smelter returns royalty. The Company retains the right to purchase the first 1% of the NSR for \$750,000 and the remaining 2% for \$2,000,000 at any time prior to the commencement of commercial production.

On July 4, 2025, the Company relinquished four single-cell mining claims at its Belanger Project.

## BATTERY X METALS INC.

### Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)

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#### 5. EXPLORATION AND EVALUATION ASSETS (continued)

During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, Exploration for and Evaluation of Mineral Resources, recording a write-down of the carry value of the Belanger Project to an estimated recoverable amount of \$15,000.

Subsequent to the year ended December 31, 2025, the Company disposed of its 100% interest in the Belanger Project to Renegade Gold Inc., an arm's length corporation listed on the TSX Venture Exchange, for aggregate consideration of \$15,000, comprised of \$10,000 in cash and common shares with a fair value of \$5,000, as determined based on the share price on the date of the agreement (Note 18).

#### Y Lithium Project

In October 2023, the Company acquired 100% ownership of the Y Lithium Project located in Northern Saskatchewan's Bailey Lake region through the acquisition of YY Resources.

#### Leaf River Project

On June 6, 2024, the Company acquired 100% of the outstanding shares of 1451917 BC which held 100% ownership of the Nunavik, Quebec Leaf River Project. On acquisition, the Company allocated \$142,500 of the purchase price to this project.

During the year ended December 31, 2025, the Company determined it would no longer pursue further exploration activities on the property. Accordingly, the Company recognized an impairment charge of \$142,500, reducing the carrying value of the project to \$nil.

#### Reservoir-Dozois Project

On June 6, 2024, the Company acquired 100% of the outstanding shares of 1451917 BC which held 100% ownership of the Abitibi, Quebec Reservoir-Dozois Project. On acquisition, the Company allocated \$142,500 of the purchase price to this project.

During the year ended December 31, 2025, the Company determined it would no longer pursue further exploration activities on the property. Accordingly, the Company recognized an impairment charge of \$142,500, reducing the carrying value of the project to \$nil.

The Company is the beneficial owner of the properties contained in the Y Lithium, Leaf River, and Reservoir-Dozois Projects that are held in trust under a bare trust arrangement. The trustee holds legal title to the property, but all risks, rewards, and benefits of ownership remain with the Company.

#### 6. PREPAIDS AND DEPOSITS

	December 31, 2025	December 31, 2024
	\$	\$
Prepays	164,434	273,605
Deposits	19,517	13,517
	<b>183,951</b>	<b>287,122</b>

During the year ended December 31, 2025, the Company recorded an impairment charge of \$206,304 (2024 - \$nil) in connection with undelivered marketing services.

## BATTERY X METALS INC.

### Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)

#### 7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

In May 2024, the Company entered into an office lease in Vancouver, Canada incurring fixed payments of \$5,000 per month. The initial 1-year agreement was extended for an additional 2 years, for a total of 3 years (Note 12). As at August 1, 2025, the lease was terminated, and the related right-of-use asset and lease liability were extinguished. The Company recognized a gain on lease termination of \$7,711.

##### Right-of-Use Assets

	Office Lease
<b>Cost:</b>	<b>\$</b>
Balance, December 31, 2023	-
Additions	144,237
<b>Balance, December 31, 2024</b>	<b>144,237</b>
Derecognition on lease termination	(144,237)
<b>Balance, December 31, 2025</b>	<b>-</b>
<b>Accumulated depreciation:</b>	
Balance, December 31, 2023	-
Charge for the year	32,053
<b>Balance, December 31, 2024</b>	<b>32,053</b>
Charge for the year	28,046
Derecognition on lease termination	(60,099)
<b>At December 31, 2025</b>	<b>-</b>
<b>Net book value:</b>	
December 31, 2024	112,184
<b>December 31, 2025</b>	<b>-</b>

Depreciation of right-of-use assets is calculated using the straight-line method over the remaining lease term.

	December 31, 2025
	<b>\$</b>
<b>Balance, December 31, 2023</b>	<b>-</b>
Additions	144,237
Lease payments	(40,000)
Interest Expense	13,275
<b>Balance, December 31, 2024</b>	<b>117,512</b>
Lease payments	(35,000)
Interest expense	9,337
Derecognition on lease termination	(91,849)
<b>Balance, December 31, 2025</b>	<b>-</b>

The lease liabilities were discounted at a discount rate of 15%.

Depreciation expense for the year ended December 31, 2025 consists of \$210,741 (2024 – NIL) related to the intangible asset and \$28,046 (2024 - \$32,053) related to the ROU asset.

## BATTERY X METALS INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(Expressed in Canadian Dollars)

### 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2025	December 31, 2024
	\$	\$
Accounts payable	1,407,609	797,437
Accrued liabilities	448,155	277,111
	<b>1,855,764</b>	<b>1,074,548</b>

### 9. CONTINGENCIES

In April 2025, an alleged wrongful dismissal claim was brought against Battery X Rebalancing by a former independent consultant, seeking damages of up to approximately \$195,000. The claim pertains to alleged events that occurred prior to the Company's acquisition of the remaining 51% interest in Battery X Rebalancing, which closed on March 28, 2025. The Company disputes the allegations and intends to vigorously defend itself. As the outcome remains uncertain, no provision has been recorded in the consolidated financial statements at this time.

### 10. LOANS PAYABLE

The Company's loans payable consists of three unsecured loans, two loans of \$125,000 each received in November 2025, and a loan of \$20,000 received in December 2025, with interest accruing at 10% per annum and maturing one year from issuance. During the year ended December 31, 2025, the Company recorded interest expense of \$2,819 on these loans.

The Company also received and repaid loan principal of \$186,000 and accrued interest of \$7,981 during the year.

The loans outstanding as at December 31, 2025 are summarized below:

Loan Dates	Principal & Interest Amount	Maturity Date	Interest Rate
November 20, 2025	\$126,404	November 20, 2026	10% per annum
November 20, 2025	\$126,404	November 20, 2026	10% per annum
December 29, 2025	\$20,011	December 29, 2026	10% per annum
	<b>\$272,819</b>		

Subsequent to year ended December 31, 2025, the Company repaid all outstanding loan amounts in full, including all accrued interest.

### 11. SHARE CAPITAL AND RESERVES

#### Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

As at December 31, 2025, the Company had issued and outstanding common shares of 3,586,758 (December 31, 2024 – 2,274,698).

#### Issued and outstanding common shares

During the year ended December 31, 2025, the Company had the following share capital transactions:

## BATTERY X METALS INC.

### Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)

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#### 11. SHARE CAPITAL AND RESERVES (continued)

- a) On March 20, 2025, the Company exercised its call right to acquire the remaining 51% of the common shares of Battery X Rebalancing from the Battery X Rebalancing shareholders in consideration for 151,515 common shares of the Company (Note 4). The acquisition was completed effective March 28, 2025.
- b) On August 1, 2025, the Company completed a debt settlement to settle accounts payable and current liabilities totaling \$544,425 through the issuance of 93,042 units, plus 20,379 common shares. The common shares had a fair value of \$680,529 on the debt settlement date. Each unit consists of one common share and one warrant exercisable at \$6.30 for a period of two years. The warrants were valued at \$439,251 and were calculated using the Black-Scholes option pricing model based on the following assumptions: risk-free rate of 2.69%, forfeiture rate of 0%, no annual dividends, expected volatility of 176%, and a market price of the share at grant date of \$6.00. The Company recorded a loss of \$575,355 related to the debt settlement. Related parties participated in the transaction, settling debt of \$49,075 and receiving 10,224 units (Note 12).
- c) On October 30, 2025, the Company issued 28,896 common shares for value of \$135,811 in exchange for consulting services rendered.
- d) During the year ended December 31, 2025, 900,514 share purchase warrants were exercised for proceeds of \$1,636,952. The Company issued 900,514 common shares from the exercises.
- e) During the year ended December 31, 2025, options of 50,438 were exercised for proceeds of \$100,875. The Company issued 50,438 common shares from the exercises.

During the year ended December 31, 2024, the Company had the following share capital transactions:

- a) In January 2024, the Company issued 64,720 units at a price of \$6.60 per unit for gross proceeds of \$427,150 upon closing a private placement. Each unit consists of one common share and one common share purchase warrant. Each Warrant is exercisable into one common share at an exercise price of \$13.20 for a period of two years and no value was allocated to the warrants. In connection with the private placement, the Company incurred \$6,732 in finders' fees and issued a total of 838 finders' units ("Finder Units"). Each Finder Unit comprises one common share in the capital of the Company and one transferable common share purchase warrant of the Company. Each warrant is exercisable to acquire an additional common share of the Company at a price of \$13.20 per warrant for a period of two years. The common shares issued in the Finders Units were valued at \$6,638 based on the trading price on the date of closing of \$7.92 per share while the warrants issued in the Finders Units were valued at \$5,815 calculated using the Black-Scholes option pricing model. Insiders received 4,545 units (one common share plus one warrant) for proceeds of \$30,000.
- b) In February 2024, the Company issued 17,758 units at a price of \$6.60 per unit for gross proceeds of \$117,200 upon closing a private placement. Each unit consists of one common share and one common share purchase warrant with each warrant being exercisable into one common share at an exercise price of \$13.20 for a period of two years. In connection with the private placement, the Company incurred \$444 in finders' fees. Using the residual value method, the value attributed to the warrants was determined to be \$nil.
- c) In June 2024, the Company issued 68,182 common shares with a fair value of \$427,500 to the shareholders of Battery X Rebalancing in accordance with the Share Exchange Agreement (Note 4).
- d) In June 2024, the Company issued 45,455 common shares with a fair value of \$285,000 to the shareholders of 1451917 BC in accordance with the Share Exchange Agreement.
- e) In June 2024, the Company issued 90,880 common shares in connection with the settlement of \$597,305 of accounts payable and \$2,500 for services rendered. Of the total shares issued, 49,508 common shares were issued to related parties in settlement of \$326,750 of debt.

## **BATTERY X METALS INC.**

### **Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)**

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#### **11. SHARE CAPITAL AND RESERVES (continued)**

- f) In June 2024, the Company issued 75,758 common shares with a fair value of \$1,350,000 to the shareholders of 1379596 BC in accordance with the Share Exchange Agreement which was included in the commitment to issue shares as at December 31, 2023.
- g) In July 2024, the Company issued 74,818 units at a price of \$6.60 per unit for gross proceeds of \$493,800 upon closing a private placement. Each unit consists of one common share and one common share purchase warrant with each warrant being exercisable into one share at an exercise price of \$6.60 until July 29, 2026. The Company allocated \$49,380 to reserves representing the value of the warrants issued.
- h) In September 2024, the Company issued 20,455 units of the Company at a price of \$6.60 per unit for aggregate gross proceeds of \$135,000 upon closing a private placement. Each unit consists of one common share and one common share purchase warrant with each warrant being exercisable into one share at an exercise price of \$6.60 until September 3, 2026. Using the residual value method, the value attributed to the warrants was determined to be \$nil.
- i) In September 2024, the Company issued 21,970 common shares valued at \$217,500 for the exercise of 439,394 share purchase warrants with an exercise price of \$9.90.
- j) On October 11, 2024 the Company issued 9,849 common shares valued at \$97,500 for the exercise of 196,970 warrants with an exercise price of \$9.90.
- k) On November 29, 2024, the Company issued 12,273 common shares to settle accounts payable of \$81,000 owed by the Company to certain insiders and creditors of the Company. Massimo Bellini Bressi, the CEO of the Company had debt settled in the amount of \$42,000 and was issued 6,364 shares.
- l) On November 29, 2024, the Company consolidated all of its issued and outstanding common shares on a 3.3:1 basis, with every three and one-third pre-consolidated shares being converted into one post-consolidated share.
- m) On December 24, 2024, the Company issued 600,000 units of the Company at a price of \$1.00 per unit for aggregate gross proceeds of \$600,000 upon closing a private placement. Each unit consists of one common share and one common share purchase warrant with each warrant being exercisable into one share at an exercise price of \$1.50 until December 24, 2026. Using the residual value method, the value attributed to the warrants was determined to be \$nil.
- n) On December 24, 2024, the Company issued 600,000 units of the Company to settle accounts payable of \$600,000 owed to creditors of the Company. Each unit consists of one common share and one common share purchase warrant with each warrant being exercisable into one share at an exercise price of \$1.50 until December 24, 2026. Of these, 65,525 units were issued in settlement of \$65,525 of debt owed to directors, officers and related parties to officers of the Company. The warrants were valued at \$1,054,776 and were calculated using the Black-Scholes option pricing model based on the following assumptions: risk-free rate of 3.03%, forfeiture rate of 0%, no annual dividends, expected volatility of 206%, and a market price of the share at grant date of \$2.00.
- o) During the fiscal year the Company incurred losses of \$1,580,236 related to debt settlements with vendors.

## BATTERY X METALS INC.

### Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)

#### 11. SHARE CAPITAL AND RESERVES (continued)

##### Warrants

For the year ended December 31, 2025, a total of 145,277 common shares purchase warrants exercisable at \$9.90 expired unexercised. The expired warrants had exercise prices ranging between \$5.00 and \$9.90.

For the year ended December 31, 2025, a total of 900,514 common share purchase warrants were exercised for proceeds of \$1,636,952.

On October 2, 2025, the Company repriced 119,697 common share purchase warrants to a revised expiry date of October 16, 2026, and a revised exercise price of \$5.00 per warrant.

On August 1, 2025, the Company granted 93,042 common share purchase warrants in connection with the August 2025 debt settlement.

On January 7, 2025, the Company repriced a total of 177,751 warrants with prices between \$6.60 and \$13.20 to have a revised exercise price of \$5.00. Subsequently, on January 24, 2025 the warrant expiry dates were accelerated to expire on March 2, 2025.

During January 2024, the Company granted a total of 64,720 share purchase warrants in connection with the January 2024 private placement. Additionally, the Company granted 838 share purchase warrants to Finders in connection with the January 2024 private placement. The Finders' warrants are exercisable at \$13.20 per share, expire January 24, 2026, and have an estimated fair value of \$5,185, calculated using the Black-Scholes option pricing model based on the following assumptions: risk-free rate of 4.02%, forfeiture rate of 0%, no annual dividends, expected volatility of 232%, and a market price of the share at grant date of \$7.92.

During February 2024, the Company granted a total of 17,758 share purchase warrants in connection with the February 2024 private placement.

During July 2024, the Company granted a total of 74,818 share purchase warrants in connection with the July 2024 private placement. The Company allocated \$49,380 to reserves representing the value of the warrants issued.

During September 2024, the Company granted a total of 20,455 share purchase warrants in connection with the September 2024 private placement.

On December 24, 2024, the Company granted 600,000 share purchase warrants in connection with the December 2024 private placement.

On December 24, 2024, the Company granted 600,000 share purchase warrants in connection with the December 2024 debt settlement.

During the year ended December 31, 2024, 10,006 warrants with exercise prices ranging from \$39.60 to \$51.48 expired unexercised. As a result, \$270,102 was transferred from reserves to share capital.

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
<b>Balance, December 31, 2023</b>	<b>210,815</b>	<b>22.40</b>
Issued	1,378,588	2.60
Exercised	(31,818)	(10.00)
Expired	(10,006)	(40.20)
<b>Balance, December 31, 2024</b>	<b>1,547,579</b>	<b>3.40</b>

**BATTERY X METALS INC.**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
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**11. SHARE CAPITAL AND RESERVES (continued)****Warrants (continued)**

	Number of Warrants	Weighted Average Exercise Price \$
<b>Balance, December 31, 2024</b>	<b>1,547,579</b>	<b>3.40</b>
Issued	93,042	6.30
Exercised	(900,514)	(1.82)
Expired	(145,277)	(6.66)
<b>Balance, December 31, 2025</b>	<b>594,830</b>	<b>2.97</b>

As at December 31, 2025, the Company had the following outstanding warrants:

Number of Warrants	Exercise Price \$	Expiry date
119,697	5.00	October 16, 2026
838	13.20	January 24, 2026
381,253	1.50	December 24, 2026
93,042	6.30	August 1, 2027
<b>594,830</b>		

The weighted average remaining life of the outstanding warrants at December 31, 2025 was 1.04 years.

**Share options**

For the year ended December 31, 2025, 50,438 share options were exercised for proceeds of \$100,875.

For the year ended December 31, 2025, 23,030 share options were cancelled.

During the year ended December 31, 2024, 10,101 share options with exercise prices between \$2.40 and \$5.00 expired. As a result, \$151,230 was reclassified from reserves to deficit.

On December 30, 2024, the Company granted a total of 137,750 share options to certain directors, officers and consultants of the Company. The share options are exercisable at \$2.00 per share, expire December 30, 2026, and vested immediately upon grant. The estimated fair value, \$210,978 was calculated using the Black-Scholes option pricing model based on the following assumptions: risk-free rate of 2.96%, forfeiture rate of 0%, no annual dividends, expected volatility of 206%, and a market price of share at grant date \$1.80.

Share option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price \$
<b>Balance, December 31, 2023</b>	<b>33,131</b>	<b>17.80</b>
Granted	137,750	2.00
Cancelled	(10,101)	(20.80)
<b>Balance, December 31, 2024</b>	<b>160,780</b>	<b>4.00</b>
Exercised	(50,438)	(2.00)
Cancelled	(23,030)	(16.43)
<b>Balance, December 31, 2025</b>	<b>87,312</b>	<b>2.00</b>

**BATTERY X METALS INC.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended December 31, 2025 and 2024**  
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**11. SHARE CAPITAL AND RESERVES (continued)**

As at December 31, 2025, the Company had the following outstanding share options:

Number of Share Options	Exercise Price	Expiry date
	\$	
87,312	2.00	December 30, 2026

The weighted average remaining life of the outstanding share options at December 31, 2025 was 1.00 years.

**Restricted Share Units (RSUs)**

During the year ended December 31, 2025, the Company had the following RSU transactions:

- a) On January 1, 2025, the Company granted a total of 89,700 restricted share units (RSUs) to certain directors, officers, and consultants. The RSUs will vest in four equal tranches over 12 months.
- b) For the year ended December 31, 2025, 67,275 common shares were issued related to vested RSU's which were awarded to management and key consultants.

As at December 31, 2025 the following RSUs were outstanding.

Number of RSUs	Vesting Schedule
22,425	January 1, 2026

**12. RELATED PARTY BALANCES AND TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

On January 14, 2025, the Company entered into a promissory note agreement with a company with common directors and an officer to the Company (the "Related Company"). The Company transferred all its rights and obligations to the Related Company for its marketing service agreement with Atkiencheck.de AG for the sum of \$73,890. The Related Company agreed to reimburse the Company in fifteen (15) equal monthly installments of \$4,926 each, commencing on January 14, 2025 until the amount is paid in full. No interest shall accrue on unpaid principal amounts. For the year ended December 31, 2025 the remaining balance owed to the Company was \$33,054.

On March 28, 2025, the Company acquired the remaining 51% of the common shares of Battery X Rebalancing from the Battery X Rebalancing shareholders in consideration for 151,515 common shares of the Company (Note 4). This transaction is identified as a related party transaction due to Battery X Rebalancing and the Company having a common director.

On July 4, 2025, the Related Company assigned to the Company its rights to unused translation services from IR-WORLD.com Finanzkommunikation GmbH with a fair value of \$4,086. The assignment was applied as a debt settlement agreement which reduced the current accounts receivable due to the Company from the Related Company.

On August 1, 2025, and as part of a larger debt settlement transaction, the Company settled accounts payable of \$49,075 with related parties by issuing 10,224 units, each unit consisting of one common share and one common share purchase warrant.

## BATTERY X METALS INC.

### Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)

#### 12. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

A loss on debt settlement of \$60,536 was recorded for this related party transaction (Note 8).

Certain directors of the Company, also serve as directors of the parent company of the entity with which the Company has entered into an office lease agreement. In addition, the Chief Financial Officer of the Company, serves as an officer of that parent company. This lease agreement was terminated in August 2025. (Note 6).

In November 2025 the Company entered into a short-term rental agreement for shared office space, where there are common directors between both parties. Rental expenses incurred for the year ended December 31, 2025 amount to \$4,000 (2024 - \$nil).

The Company incurred the following key management personnel costs from related parties:

	For the year ended December 31,	
	2025	2024
	\$	\$
Management, professional, consulting fees and salaries	508,500	289,500
Share-based compensation	11,700	52,471
	<b>520,200</b>	<b>341,971</b>

As at December 31, 2025, the Company owed \$219,048 (December 31, 2024 - \$4,064) to directors of the Company, companies controlled by directors of the Company for expense reimbursements and unpaid management fees. The amounts payable in relation to these transactions are non-interest bearing, unsecured and due on demand.

As at December 31, 2025, the Company had accounts receivable of \$33,054 (December 31, 2024 - \$NIL) due from a related party with common directors.

As at December 31, 2025, the Company had prepaid amounts of \$20,586 (December 31, 2024 - \$137,500) recorded for payments to related parties, comprising \$10,500 paid to the CEO, and \$10,086 paid to a company with common directors. These amounts were for prepaid services and deposits.

For the year ended December 31, 2025, \$11,700 (2024 - \$NIL) was recorded as an expense to the Company in relation to RSU's vested to related parties.

#### 13. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource properties. The Company is not subject to any externally imposed capital restrictions.

The Company considers the aggregate of its share capital, share subscriptions received, reserves, and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

#### 14. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

## **BATTERY X METALS INC.**

### **Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)**

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#### **14. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)**

- 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 or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and accounts payable. The fair value of accounts receivable and accounts payable approximates their carrying values. Cash is measured at fair value using level 1 inputs on a recurring basis.

On March 31, 2025, the Company received 10,926,136 shares related to the Premier Silver debt settlement. The shares received were estimated to have a fair value of \$nil as the primary project for Premier Silver has ceased operations. The investment in Premier Silver is based on available public information from press releases and management's historical knowledge of the Company's operations (level 3).

The Company is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives for growth and stakeholder returns. The principal risks to which the Company is exposed, and the actions taken to manage them, are described below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below.

##### **a) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's corporate office is based in Canada and all of the Company's assets and expenses are denominated in Canadian dollars. The Company does not have any significant foreign currency denominated monetary liabilities.

##### **b) Interest rate risk**

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The convertible debentures are subject to a fixed interest rate. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

##### **c) Credit risk**

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company's cash is held in a large Canadian financial institution. The Company maintains certain cash deposits, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses on its cash deposits and believes it is not exposed to any significant credit risk on these deposits. The Company's sales tax receivable is due from the Government of Canada; therefore, the credit risk exposure is low.

##### **d) Liquidity risk**

In the management of the liquidity risk of the Company, the Company maintains a balance between continuity of funding and flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at December 31, 2025, the Company had a cash balance of \$37,874 to settle current liabilities of \$2,128,583 in the next 12 months. The Company requires additional cash financing to meet its current obligations and fund ongoing operations.

**BATTERY X METALS INC.**

Notes to the Consolidated Financial Statements  
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**15. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS**

	For the year ended December 31,	
	2025	2024
	\$	\$
Supplemental non-cash disclosures		
Shares issued pursuant to acquisition of exploration and evaluation assets	-	1,648,500
Shares issued for debt settlements	680,529	1,806,265
Shares issued for services rendered	135,811	-
Shares issued for acquisition of investment	666,665	427,500
Shares issued for share issuance costs	-	6,638
Warrants issued for share issuance costs	-	5,815
Reallocation of value of warrants included in units issued	439,451	125,799
Reallocation of value of options included in units issued	77,250	-
Reallocation of value of options on forfeiture	283,489	-
Reallocation of value of warrants on expiry	75,825	270,102
Restricted share units	121,095	-
Setup of ROU asset and lease liability	-	144,237

**16. PROFESSIONAL FEES**

	For the year ended December 31,	
	2025	2024
	\$	\$
Professional fee expenses:		
Accounting	125,195	82,050
Audit	235,760	97,520
Legal	311,942	170,324
	<b>672,897</b>	<b>349,894</b>

**17. INCOME TAXES**

The Company has losses carried forward of approximately \$8,787,762 available to reduce income taxes in future years which expire from 2039 to 2045.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	2025	2024
	\$	\$
Loss for the year	(5,334,469)	(3,742,556)
Canadian statutory income tax rate	27.00%	27.00%
Expected income tax recovery at statutory rate	(1,440,000)	(1,010,000)

## BATTERY X METALS INC.

### Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)

#### 17. INCOME TAXES (continued)

	2025	2024
	\$	\$
Tax effect of:		
Permanent differences and others	581,000	486,000
Change in unrecognized deferred income tax assets	859,000	524,000
Income tax recovery	-	-

The temporary differences that give rise to significant portions of the unrecognized deferred income tax assets are presented below:

	2025	2024
	\$	\$
Non-capital loss carry forwards	2,373,000	1,602,000
Capital losses	369,000	369,000
Intangibles and goodwill	57,000	9,000
Share issuance cost	-	11,000
Mineral properties	1,001,000	950,000
Unrecognized deferred tax assets	(3,800,000)	(2,941,000)
	-	-

#### 18. SUBSEQUENT EVENTS

- a) On January 1, 2026, 22,423 vested RSUs were issued to management and key consultants.
- b) On January 6, 2026, and February 10, 2026 the Company increased the budget with bullVestor Medien GmbH ("bullVestor") by €80,000 each, bringing the total engagement cost payable to €310,000 (approximately CAD \$503,000). The total engagement cost is inclusive of a €150,000 initial fee. On March 26, 2026, the Company entered into a separate corporate awareness and marketing services engagement with bullVestor, for a one-month term commencing April 1, 2026. In consideration, the Company paid a total fee of €165,000 (approximately CAD \$263,000).
- c) On January 16, 2026, the Company issued 946,075 units pursuant to a private placement for gross proceeds of \$2,412,491. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at \$3.00 per common share until January 16, 2028. Of these, 68,628 units were issued to related parties.
- d) On January 16, 2026, the Company issued 90,727 common shares pursuant to a debt settlement totaling \$408,272. Of these, 21,915 common shares were issued to related parties.
- e) On January 24, 2026, 838 share purchase warrants exercisable at \$13.20 per common share expired unexercised.
- f) In January 2026, 159,642 share purchase warrants were exercised for proceeds of \$239,463.
- g) On March 12, 2026, the Company granted a total of 197,500 stock options to directors, officers, and consultants of the Company, at an exercise price of \$2.10 per share. The stock options vest immediately on the grant date and have a two-year term expiring on March 12, 2028.

## **BATTERY X METALS INC.**

### **Notes to the Consolidated Financial Statements For the years ended December 31, 2025 and 2024 (Expressed in Canadian Dollars)**

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#### **18. SUBSEQUENT EVENTS (continued)**

- h) On March 12, 2026, the Company granted a total of 151,500 RSUs to directors, officers, and consultants of the Company, with 25% vesting on July 13, 2026, 25% vesting on September 12, 2026, 25% vesting on December 12, 2026, and the remaining 25% vesting on March 12, 2027.
- i) On March 20, 2026, the Company completed the sale of its 100% interest in the Belanger Project pursuant to the terms of a definitive mineral property purchase agreement dated February 5, 2026, to Renegade Gold Inc., an arm's length corporation, for a total consideration of \$15,000, consisting of \$10,000 in cash and common shares of Renegade Gold Inc. with a fair value of \$5,000.
- j) On March 26, 2026, the Company entered into a digital marketing and investor awareness agreement with i2i Marketing Group, LLC ("i2i Marketing"). Pursuant to the agreement, i2i Marketing will provide marketing services to the Company for an initial three-month term commencing April 1, 2026. In consideration, the Company will pay US\$300,000 (approximately CAD \$413,000), including a US\$50,000 non-refundable fee.
- k) In April 2026, 96,150 share purchase warrants were exercised for proceeds of \$144,225.
- l) Subsequent to year-end, the Company elected not to renew the mineral claims comprising the Reservoir-Dozois Project (Abitibi, Québec), with expiries on March 31 and April 9, 2026, and the Leaf River Project (Nunavik, Québec), with expiry on April 13, 2026.

Schedule "B"



**Management Discussion and Analysis**

**For the year ended December 31, 2025**

**BATTERY X METALS INC.**  
**Management Discussion and Analysis**  
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The purpose of this Management Discussion and Analysis (“MD&A”) is to explain management’s point of view of Battery X Metals Inc.’s (the “Company”) past performance and future outlook. This report also provides information to improve the reader’s understanding of the financial statements and related notes, and should therefore be read in conjunction with the audited consolidated financial statements and notes thereto for the years ended December 31, 2025 and 2024 (the “Annual Financial Statements”). Additional information on the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company’s website at [www.batteryxmetals.com](http://www.batteryxmetals.com). All information contained in this MD&A is current as of April 30, 2026, unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with IFRS Accounting Standards (“IFRS”) and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

**BUSINESS OVERVIEW**

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Battery X Metals Inc. (the “Company”) was incorporated on August 22, 2017 under the laws of British Columbia. The address of the Company’s registered and records office is 2501 - 550 Burrard Street, Vancouver, BC V6C 2B5. The Company’s common shares trade on the Canadian Securities Exchange under the symbol BATX, on the OTCQB Exchange under the symbol “BATXF”, and on the Frankfurt Stock Exchange under the symbol “5YW0”

The Company’s wholly-owned subsidiaries, 1379596 BC Ltd. (“137596 BC”), Battery X Recycling Technologies Inc. (“Battery X Recycling”), YY Resources Inc. (“YY Resources”), 1451917 BC Ltd. (“1451917 BC”), Battery X Rebalancing Technologies Inc. (“Battery X Rebalancing”), and Battery X Discoveries Inc. (“Battery X Discoveries”) are located in British Columbia, Canada.

Effective December 6, 2024, the Company implemented the consolidation of its issued and outstanding common shares on the basis of three and one-third (3.3) pre-consolidation common shares for every one (1) post-consolidation common share (the “Consolidation”). On October 28, 2025, the Company completed its 20:1 share consolidation, with each twenty (20) pre-consolidated Common Shares being consolidated into one (1) post-consolidated Common Share.

The Company is an energy transition resource exploration and technology company advancing a comprehensive strategy across the battery metals value chain. Central to this strategy is the development of patent-pending software and hardware systems designed to actively rebalance and extend the remaining useful life of lithium-ion and electric vehicle (“EV”) batteries. In parallel, the Company is advancing proprietary battery material recovery technologies, in collaboration with a globally ranked top 20 university, and pursuing the exploration of critical battery metal projects. Through this integrated approach, the Company aims to contribute to a more sustainable, circular energy economy and support the development of a resilient domestic battery supply chain.

The Company is engaged in the identification and advancement of energy transition-oriented mineral properties, with current exploration activities centered on its lithium-focused asset. Through its wholly owned subsidiaries, the Company is also progressing development-stage lithium-ion battery technology initiatives intended to support the broader battery supply chain. The Company’s mineral property remains at an early stage of exploration, with no current estimates of mineral resources or reserves, and its technology initiatives are also in the development stage, having generated limited revenues to date. Accordingly, the Company continues to allocate significant resources toward research and development, product advancement, and broader market entry initiatives, and does not anticipate achieving profitability in the near term.

As at the date of this report, exploration activities are focused on the Y Lithium Project, a district-scale, NI 43-101 compliant lithium exploration asset located near Bailey Lake in northern Saskatchewan, approximately 160 kilometers northeast of Stony Rapids and about 10 kilometers south of the Saskatchewan–Northwest Territories border. The project comprises four staked mineral claims across two claim blocks totaling approximately 5,856 hectares and is situated within the prospective Ennadai

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Greenstone Belt. The property is located approximately 5 kilometers west of a reported lithium- and tantalum-bearing pegmatite occurrence, highlighting the broader geological potential of the region.

On April 3, 2025, the Company incorporated Battery X Discoveries, a North American-focused exploration subsidiary dedicated to the identification, acquisition, and advancement of critical battery metal projects, including lithium, cobalt, graphite, nickel, and manganese. Battery X Discoveries has also entered into a binding memorandum of understanding with TerraDX Discoveries Inc. (“TerraDX”) and MineMind Metals Inc. (“MineMind Metals”), establishing a strategic joint venture framework to pursue battery metals exploration opportunities in Nevada, USA using artificial intelligence-driven mineral targeting technologies.

On October 31, 2025, Battery X Discoveries, in partnership with TerraDX and MineMind Metals, completed preliminary artificial intelligence-powered prospectivity modelling for its Nevada exploration initiative. The modelling, informed by approximately 60 curated geological datasets, identified multiple prospective zones exhibiting geological patterns consistent with known lithium mineralization. The project has since advanced to a secondary modelling phase focused on exclusion mapping and refinement of high-confidence exploration targets to support potential claim acquisition and further exploration activities in Nevada, USA.

### **Battery X Recycling**

Battery X Recycling is a development-stage company focused on the advancement of eco-friendly lithium-ion battery material recovery technologies. Battery X Recycling is developing a proprietary froth flotation technology designed to selectively recover battery-grade materials, including graphite, lithium, nickel, cobalt, manganese, and copper, from “black mass,” the residual material derived from shredded end-of-life lithium-ion batteries.

Research has been conducted in collaboration with the Institute of Mining Engineering at a globally ranked top 20 university (the “Global Top 20 University”), pursuant to an original collaborative research agreement, as amended, which concluded on June 30, 2025. Building on this foundational work, Battery X Recycling is a party to a new collaborative research agreement dated November 7, 2025, as amended December 30, 2025, with the Global Top 20 University.

The new agreement is focused on advancing the development of Battery X Recycling’s proprietary battery material recovery process through continued laboratory research and process refinement. Current work is focused on expanding testing to include lithium iron phosphate (“LFP”) black mass chemistries, improving graphite grade and metal oxide purity through optimization of flotation parameters and solvent-based treatments, and enhancing overall process selectivity. This work is intended to generate the data and process understanding necessary to support future pilot-scale development and potential commercial applications, subject to the achievement of additional laboratory milestones.

The Company’s research program has evaluated the recovery of graphite and metal oxides from lithium-ion battery black mass using a laboratory-scale froth flotation process. Two representative black mass samples, one oxidized and one unoxidized, were analyzed to assess the influence of graphite oxidation, binder coatings, and particle size on flotation performance. Preliminary trials were conducted using a Denver laboratory flotation cell under controlled conditions representative of industrial processes.

The research confirmed that graphite oxidation and the presence of polymer binders can significantly impair flotation efficiency by reducing graphite hydrophobicity and causing metal oxides to report with graphite. To address these challenges, a solvent-based pre-treatment step was developed to remove binder coatings and restore the surface properties of both graphite and metal oxides.

On April 4, 2025, the Company announced that it had demonstrated up to 97.0% graphite recovery and approximately 69.0% graphite purity, establishing a baseline level of performance for its proprietary flotation process.

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On May 6, 2025, the Company announced that subsequent work led to the identification of a new solvent system that enhanced the separation of oxides from graphite. Controlled trials using unoxidized NMC-dominant black mass achieved a 26.5%–31.5% relative increase in oxide recovery (to 48.10%) and a 5.5%–6.3% relative increase in graphite purity (to 73.0%), while maintaining graphite recovery at approximately 97% and oxide purity at approximately 90%.

On May 16, 2025, the Company announced that it had demonstrated further advancements, achieving 98.6% graphite recovery and 96.3% metal oxide purity through the combined application of the solvent-based treatment and a two-stage flotation process. These results reflect improvements in separation efficiency, material purity, and reduced binder interference compared to earlier single-stage testing.

When combined with optimized re-flotation stages, the process has achieved graphite recoveries exceeding 98% with concentrate grades of up to 76%, while producing metal oxide streams with purity levels of approximately 95% to 96%. These results were verified using combustion methods to confirm graphite content and material grade.

While these results represent a significant advancement in black mass processing under environmentally responsible conditions, the flotation of fine oxide particles alongside graphite remains an area of ongoing research. Current work continues to focus on improving selectivity and expanding testing across additional battery chemistries, including LFP black mass, to support continued validation and future pilot-scale development.

Battery X Recycling believes it is positioned to play a strategic role in the emerging circular battery economy by offering a clean and scalable pathway to recover battery-grade materials. Graphite, which constitutes up to 95% of the anode material in lithium-ion batteries, is typically not recovered in conventional hydrometallurgical or pyrometallurgical processes. By enabling the recovery of graphite alongside high-purity cathode oxides and phosphates, Battery X Recycling aims to support North America's critical mineral supply chains and reduce the environmental footprint of battery material production.

### **Battery X Rebalancing**

Battery X Rebalancing is a development-stage technology company focused on extending the remaining useful life of lithium-ion and electric vehicle (EV) batteries through a next-generation, patent-pending battery cell rebalancing hardware and software system (the "Rebalancing Machine"). The Rebalancing Machine integrates proprietary hardware and software components designed to detect and actively correct cell-level voltage imbalances, which contribute to capacity loss and premature battery failure.

The technology has been validated by the National Research Council of Canada ("NRC"), demonstrating its ability to correct cell imbalances and recover capacity lost as a result. In a controlled validation conducted on battery modules composed of fifteen 72Ah LiFePO<sub>4</sub> cells connected in series, cells were initially balanced to a uniform state of charge ("SOC"), yielding a measured discharge capacity of 71.10Ah. Three cells were subsequently artificially imbalanced, with one cell charged to a 20% higher SOC and two cells discharged to a 20% lower SOC, reducing discharge capacity to 46.24Ah, or approximately 35%. Following application of the Company's rebalancing technology, discharge capacity was restored to 70.94Ah, representing the recovery of approximately 99% of the capacity lost due to cell imbalance.

On June 6, 2024, the Company acquired a 49% ownership in Battery X Rebalancing in consideration for the issuance of 68,182 common shares in the capital of the Company valued at \$427,500. On March 28, 2025, the Company acquired the remaining 51% from the Battery X Rebalancing shareholders in consideration for the issuance of 151,515 common shares in the capital of the Company.

In May 2025, Battery X Rebalancing completed and received its second-generation working prototype of the Rebalancing Machine, featuring a compact, field-deployable design, enhanced diagnostics, integrated testing capabilities, and an improved user interface to support commercialization.

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On May 9, 2025, the Company announced that Battery X Rebalancing entered a collaborative, non-commercial agreement with a Vancouver-based automotive service center specializing in out-of-warranty Tesla vehicles to support field validation on Tesla and Nissan battery platforms. In May 2025, Battery X Rebalancing successfully conducted a preliminary trial on a 96-cell Nissan Leaf battery pack, composed of lithium manganese oxide (LMO) and lithium nickel oxide (LNO) chemistries.

On July 4, 2025, the Company announced the results of a real-world performance trial on a Class 3 commercial electric vehicle with a severely degraded battery pack exhibiting materially reduced usable capacity due to cell imbalance. Following completion of a full rebalancing procedure using the Rebalancing Machine, the vehicle's estimated driving range increased from approximately 40 kilometers to approximately 295 kilometers under no-load conditions, representing an increase of approximately 255 kilometers, or approximately 637%, demonstrating the ability of the technology to restore meaningful usable capacity without requiring full battery pack replacement.

On July 25, 2025, the Company announced the results of a subsequent real-world trial on a Class 3 commercial electric vehicle, where the Rebalancing Machine's integrated diagnostic capabilities identified a defective cell within a parallel-connected group that had caused premature vehicle shutdown below approximately 60% state of charge ("SOC"). Following targeted cell replacement and completion of a rebalancing procedure, the vehicle's estimated driving range increased from approximately 40 kilometers to approximately 265 kilometers under no-load conditions, representing an increase of approximately 225 kilometers, or approximately 563%, demonstrating the combined effectiveness of diagnostic identification and targeted intervention alongside rebalancing.

On October 24, 2025, the Company announced the results of a validation assessment conducted as a follow-up to the July 25, 2025 trial to evaluate the durability of performance improvements under real-world operating conditions. After approximately four months and more than 2,000 kilometers of continued use, the vehicle maintained stable range performance, achieving an estimated range of approximately 250 kilometers under test conditions and a weighted average effective driving range of approximately 220 kilometers per full charge, supporting the persistence of rebalancing outcomes over time.

On January 13, 2026, the Company announced the results of a real-world performance trial on a light-duty electric vehicle equipped with a severely imbalanced 144-cell lithium nickel manganese cobalt oxide ("NMC") battery pack that had become effectively inoperable, with an estimated pre-rebalancing range of approximately 0.1 kilometers per charge. Following completion of a full rebalancing procedure, the vehicle achieved an average estimated driving range of approximately 135.9 kilometers per charge under mixed driving conditions. The rebalancing process also reduced cell-level voltage variance across the battery pack, supporting improved capacity utilization and overall system performance.

On January 2, 2026, the Company announced a technical advancement supporting the expansion of the Rebalancing Machine's platform compatibility with high-volume electric vehicle architectures. As part of its ongoing development program, Battery X Rebalancing completed a high-resolution three-dimensional scan of a Tesla Model 3 battery pack, providing the foundational digital reference required to support the design and engineering of custom adaptor and connector solutions. This work represents an initial step toward enabling physical interfacing between the Rebalancing Machine and widely adopted EV battery platforms, and forms part of the Company's broader compatibility strategy aimed at supporting commercialization across a range of vehicle types and battery configurations.

Collectively, these preliminary validation activities demonstrate the Rebalancing Machine's ability to restore usable capacity, improve vehicle operability, and sustain performance improvements over time across multiple battery chemistries and vehicle classes in real-world battery imbalance scenarios. These results support the potential commercial applicability of the Company's technology as an effective solution for addressing battery degradation caused by cell imbalance, without requiring full battery pack replacement.

Battery X Rebalancing continues to advance its commercialization roadmap by refining standard operating procedures, enhancing and road mapping integrated software functionality, expanding EV platform compatibility, and evaluating potential commercial deployment partnerships. These efforts are aligned with

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the Company's objective of developing and commercializing an integrated product ecosystem that enhances battery management through advanced diagnostics and its patent-pending rebalancing technology. By prioritizing seamless user experience, robust data management, and system-level integration, the Company is positioning itself within the emerging market for battery health diagnostics and lifespan extension solutions.

With a growing number of EVs expected to exceed manufacturer warranty periods and experience battery performance degradation, the Company believes it is well positioned to address a significant and expanding market opportunity by extending remaining useful battery life, reducing the need for costly battery replacements, and supporting the broader transition toward electrification and sustainable energy systems.

**Business and Investment Acquisitions**

**Battery X Rebalancing Technologies Inc.**

On June 6, 2024, the Company acquired a 49% ownership in Battery X Rebalancing in consideration for the issuance of 68,182 common shares in the capital of the Company valued at \$427,500.

On March 20, 2025, the Company announced that it had exercised its call right to acquire the remaining 51% of the common shares of Battery X Rebalancing from the Battery X Rebalancing shareholders in consideration for 151,515 common shares of the Company. The purchase did not meet the definition of a business combination under IFRS 3 and was accounted for as an asset acquisition.

**1451917 BC Ltd.**

On June 16, 2024, the Company completed the acquisition of 100% of the issued and outstanding common shares of 1451917 BC by issuing 45,455 common shares of the Company valued at \$285,000 based on the closing price of the Company's common shares on June 16, 2024 of \$6.27.

At the time of acquisition, 1451917 BC owned two properties located in Quebec, Canada: the Leaf River Project and the Reservoir-Dozois Project. As a result, the Company acquired the exclusive rights to the two Quebec projects. The Company had acquired 1451917 BC for the sole purpose of acquiring the two Quebec projects.

The Leaf River Project is located in Nunavik, Quebec and consisted of 80 contiguous mining claims covering approximately 3,627 hectares. The Reservoir-Dozois Project is located in Abitibi, Quebec, approximately 90 kilometers south of Val-d'Or, and comprised 47 contiguous mineral claims across three claim blocks, totaling approximately 2,730 hectares.

Based on the number of shares acquired and the Company's decision-making power, the Company was determined to be the acquirer. The acquisition was determined to be an asset acquisition as 1451917 BC did not meet the definition of a business pursuant to IFRS 3. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values as at June 6, 2024.

**Current Period Key Highlights**

- On July 4, 2025, the Company reported the voluntary relinquishment of four single-cell mining claims associated with its Belanger Project in Red Lake, Ontario, reducing the project's area from ~2,215 ha to ~2,134 ha. This move reflects a strategic effort to streamline its exploration portfolio and allocate capital toward higher-priority battery metals initiatives. The Company also secured an extension from the Ontario Ministry of Energy and Mines to defer exploration expenditure requirements until April 18, 2026, enabling flexibility in reassessing the Belanger Project's role within its broader battery materials strategy.

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- On July 11, 2025, the Company engaged a U.S.-based investment bank as its exclusive financial advisor to explore a potential uplisting to a U.S. national securities exchange. As consideration for its services, the Company agreed to issue 28,896 common shares, payable in four equal monthly installments beginning July 20, 2025.
- On July 18, 2025, the Company reported AGM voting results, confirming the re-election of directors and approval of all business items, including its Omnibus Equity Plan and up to 25:1 share consolidation. Concurrently, the Company announced that effective July 17, 2025, it had entered into a \$35,000 investor communications agreement with Apollo Shareholder Relations and proposed to settle up to \$550,000 in debt through the issuance of up to 94,430 units (each comprising one share and one \$6.30 warrant) and up to 20,153 common shares, all at a deemed price of \$4.80.
- On August 1, 2025, the Company announced that YY Resources completed a high-resolution LiDAR and orthophoto survey at the Y Lithium Project in northern Saskatchewan. The \$56,400 survey, which qualifies for a 1.5x exploration expenditure credit under Saskatchewan's incentive program, enables the Company to apply \$84,600 in assessment credits. An NI 43-101 technical report has now been completed, to support future exploration planning and geological assessment. A copy of the NI 43-101 technical report is available under the Company's profile on SEDAR+.
- On August 1, 2025, the Company announced that it had made the final \$5,500 cash payment under the Belanger Addendum Agreement, earning a 100% interest in the Belanger Project, located in Ontario's Birch-Uchi Greenstone Belt near Red Lake, Ontario. The project is subject to a 3% net smelter returns royalty, with buyback rights for the first 1% at \$750,000 and the remaining 2% at \$2,000,000 prior to commercial production.
- On August 1, 2025, the Company completed a debt settlement totaling \$544,425 through the issuance of 93,042 units and 20,379 common shares. Each unit consists of one common share and one warrant exercisable at \$6.30 for a period of two years. As part of the settlement, related parties participated for \$49,075, receiving 10,224 units.
- During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, recording a write-down of the carry value of the Belanger Project, Reservoir-Dozois Project, and Leaf River project, recording a total impairment of \$472,763.

**SELECTED ANNUAL FINANCIAL INFORMATION**

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As at December 31, 2025, the Company was listed on the Canadian Securities Exchange, the OTCQB Exchange, and the Frankfurt Stock Exchange. The Company has not recorded any revenues and depends upon share issuances to fund its administrative, exploration, and lithium-ion battery technology development expenses. See the summary of results, below:

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	December 31, 2025	December 31, 2024
	\$	\$
Revenues	-	-
Operating expenses	(4,074,796)	(2,218,209)
Other items	(1,259,673)	(1,524,365)
Net and comprehensive loss for the period	(5,334,469)	(3,742,557)
Basic and diluted net loss per common share	(1.78)	(4.29)
Exploration and evaluation assets	1,868,791	2,255,330
Total assets	3,110,006	3,686,409
Total long-term liabilities	-	72,662
Working capital (deficiency)	(1,800,579)	(195,815)
Dividends per share	-	-

The Company's current projects are at the exploration and development stages and have not generated any revenues.

At December 31, 2025, the Company had not yet achieved profitable operations and had accumulated losses of \$20,523,772 (2024 – \$15,548,617) since inception. The net losses for the years ended December 31, 2025 and 2024 resulted in a net loss per share of \$1.78 and \$4.29 respectively.

At December 31, 2025, the Company has no continuing source of operating revenues. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities, primarily the development of its exploration projects.

## **RESULTS OF OPERATIONS**

The following discussion outlines the significant changes in administrative expenditures for the year ended December 31, 2025, as compared to the year ended December 31, 2024.

### For the year ended December 31, 2025

#### *Revenue*

The Company did not generate revenue during the twelve-month period ended December 31, 2025 or the comparative period ended December 31, 2024, as it continues to focus on advancing its exploration portfolio and lithium-ion battery technology development initiatives.

#### *Net Loss*

During the twelve-month period ended December 31, 2025, the Company recorded a net loss of \$5,334,469, compared to a net loss of \$3,742,557 during the twelve-month period ended December 31, 2024. The increase in net loss is primarily attributable to the following:

- Consulting fees increased from \$694,478 in the twelve-month period ended December 31, 2024 to \$1,158,932 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the engagement of additional consultants to support the Company's expanded activities in 2025, including exploration initiatives, R&D efforts relating to the Company's patent-pending lithium-ion battery recycling technology and related battery recycling initiatives undertaken

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in collaboration with a top 20 global university, as well as corporate advisory and capital markets consulting services in connection with strategic mergers and acquisitions (M&A) and broader capital markets initiatives.

- Amortization and depreciation expenses increased from \$32,053 in the twelve-month period ended December 31, 2024 to \$238,787 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the recognition and amortization of intangible assets acquired during the period, including those associated with Battery X Rebalancing, which include, among other items, the Rebalancing Machine, which began to be amortized following capitalization in 2025.
- Investor relations expenses increased from \$320,000 in the twelve-month period ended December 31, 2024 to \$835,354 in the twelve-month period ended December 31, 2025. This increase is attributable to enhanced investment in initiatives aimed at strengthening market awareness, investor engagement, and understanding of the Company's business, strategy, and development activities, including its patent-pending lithium-ion battery technology platform. These efforts included expanded digital communications, content development, and broader outreach initiatives intended to improve visibility across retail and institutional investor audiences. The increase also reflects the Company's efforts to support its evolving public company profile and broader capital markets presence, including initiatives associated with its proposed U.S. national securities exchange listing and public offering.
- Management fees and salaries increased from \$289,500 in the twelve-month period ended December 31, 2024 to \$408,500 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the timing and expansion of executive and advisory engagements, including the commencement of the CEO engagement in mid-2024, which resulted in a partial period of expense recognition in the prior year compared to a full twelve-month period in 2025, as well as the continued build-out of CFO advisory services to support the Company's growing operational and financial requirements.
- Marketing expenses increased from \$47,654 in the twelve-month period ended December 31, 2024 to \$70,106 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the expansion of the Company's corporate branding and marketing initiatives, including increased investment in digital platforms, content development, and external marketing services. These expenditures reflect the Company's focus on enhancing brand visibility, strengthening market positioning, and supporting its broader commercial and strategic objectives.
- Office and administrative expenses decreased from \$189,665 in the twelve-month period ended December 31, 2024 to \$149,218 in the twelve-month period ended December 31, 2025. This decrease is primarily attributable to certain higher non-recurring costs incurred in the prior period, including, but not limited to, external corporate secretarial services and website design expenditures. In the current period, corporate secretarial functions are provided by the Company's legal counsel and are included within professional fees, resulting, in part, in lower office and administrative expenses.
- Professional fees increased from \$349,894 in the twelve-month period ended December 31, 2024 to \$672,897 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to higher audit fees associated with Public Company Accounting Oversight Board (PCAOB) auditing requirements in connection with the Company's proposed U.S. national securities exchange listing and public offering, as well as increased legal and accounting fees related to the proposed offering, general corporate activities, and expanded operations. The increase also reflects professional fees incurred in connection with the acquisition of the remaining 51% interest in Battery X Rebalancing, including related legal, accounting, tax, and regulatory matters.

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- Property investigation costs increased from \$180 in the twelve-month period ended December 31, 2024 to \$21,750 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to a 45-day extension payment for exploration activities on the Y Lithium project for the 2025 exploration season, payable to the Saskatchewan Ministry of Energy and Resources, which is refundable, net of a nominal processing fee, subject to the Company completing the required exploration work on or before the extension date.
- Research and development expenses increased from \$nil in the twelve-month period ended December 31, 2024 to \$262,492 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to expanded R&D activities undertaken by Battery X Rebalancing in connection with the continued development, real-world validation trials, and commercialization readiness of the Company's patent-pending battery rebalancing technology, including its integrated hardware and software system, as well as increased R&D efforts by Battery X Recycling relating to the advancement of the Company's eco-friendly battery-grade material recovery technology, currently under development in collaboration with the Global Top 20 university.
- Share-based compensation expenses decreased from \$210,978 in the twelve-month period ended December 31, 2024 to \$161,460 in the twelve-month period ended December 31, 2025. This decrease is primarily attributable to the Company granting share options in December 2024, with no comparable option grants in 2025. Share-based compensation recognized in 2025 relates to restricted share units granted on January 1, 2025, which vested in accordance with the terms set out in the applicable RSU agreements.
- Write-off of exploration and evaluation assets expenses increased from \$nil in the twelve-month period ended December 31, 2024 to \$472,763 in the twelve-month period ended December 31, 2025. This increase is primarily attributable to the write-off of capitalized exploration and evaluation expenditures relating to the Leaf River Project, Reservoir-Dozois Project, and Belanger Project, following management's assessment of the recoverability of these assets and the Company's ongoing prioritization of its mineral exploration portfolio.
- Loss on convertible debt expenses decreased from \$266,305 in the twelve-month period ended December 31, 2024 to \$nil in the twelve-month period ended December 31, 2025. This decrease is attributable to a prior convertible debenture that was converted into securities of the Company in the prior period, reflecting the difference between the deemed settlement value of the debt and the fair market value of the Company's common shares on the date of settlement. In the current period, there were no comparable convertible debt instruments or related settlement transactions, and accordingly, no such expenses were recognized.
- Impairment of prepaid expenses loss increased from \$nil in the twelve-month period ended December 31, 2024 to \$206,304 in the twelve-month period ended December 31, 2025. This increase is attributable to an impairment charge recognized in respect of certain prepaid services, following management's reassessment of their recoverability based on current expectations of future economic benefit.
- Loss on debt settlement decreased from \$1,300,872 in the twelve-month period ended December 31, 2024 to \$575,355 in the twelve-month period ended December 31, 2025. This decrease is primarily attributable to a higher loss recognized in the prior period, reflecting differences in the amount and terms of debt settlements, including the variance between the deemed settlement value and the fair market value of the Company's common shares on the date of settlement.

**Outlook on Anticipated Expenses Over the Next 12 Months**

**Professional Fees:** The Company anticipates that professional fees will be sustained or increase over the next twelve months, reflecting the continued expansion and increasing complexity of its operations. As the Company advances the development and commercialization of its patent-pending battery rebalancing

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technology, continues to progress research and development initiatives under its battery recycling vertical, and advances its mineral exploration activities, demand for legal, accounting, audit, and tax advisory services is expected to increase. This is expected to be driven primarily by the Company's growing operational footprint, evolving regulatory and compliance requirements, and expanded financial reporting obligations, with additional increases associated with capital markets initiatives, including, but not limited to, its proposed U.S. national securities exchange listing and potential public offering. The Company expects to continue engaging external professional advisors to support corporate governance, transactional and strategic initiatives, regulatory compliance, and its ongoing operational and reporting requirements.

**Consulting Fees:** The Company anticipates that consulting fees will be sustained or increase over the next twelve months, reflecting continued growth initiatives and execution across its core areas of focus. Under Battery X Rebalancing, consulting expenditures are expected to increase as the Company advances the development and commercialization of the Rebalancing Machine, including software engineering, user interface and user experience development, expansion of EV platform compatibility, adaptor and connector design, and the standardization of operating procedures to support deployment across multiple vehicle platforms. Under Battery X Recycling, the Company expects to engage additional technical and engineering consultants to support the advancement of its proprietary battery material recovery technology, including ongoing laboratory work, process optimization, and progression toward pilot-scale development, including potential continued collaboration with the Global Top 20 University. In addition, the Company expects to incur consulting costs related to business development, strategic partnerships, commercialization planning, and capital markets advisory. Within its mineral exploration activities, consulting fees are expected to be sustained or increase in connection with Phase 1 exploration programs involving geological mapping, prospecting, and geochemical sampling to support drill target generation, as well as potential future activities contemplated under its binding MOU with TerraDX in respect of AI-driven exploration initiatives in Nevada, USA.

**Research and Development:** The Company anticipates that research and development expenses will increase over the next twelve months as it continues to advance its proprietary battery technologies across both Battery X Rebalancing and Battery X Recycling. Under Battery X Rebalancing, R&D efforts are expected to be primarily focused on continued software engineering development, including enhancements to the Company's integrated lithium-ion battery diagnostic and rebalancing platform, user interface and user experience design, data management capabilities, and overall system functionality. In parallel, the Company expects to undertake targeted hardware development and upgrades to support evolving software requirements, as well as design and aesthetic refinements to support commercialization. The Company also anticipates incurring costs associated with product certification and compliance processes, including standards such as UL Solutions (formerly Underwriters Laboratories), as it advances toward commercial deployment. Under Battery X Recycling, R&D expenditures are expected to be sustained or increase over the next twelve months, driven primarily by ongoing activities under the Company's research and collaboration agreement with the Global Top 20 University, which reflects a higher cost profile relative to the prior year. In addition to work performed under the collaboration agreement, the Company expects to focus on the assessment of completed work, evaluation of pilot-scale testing opportunities, and consideration of commercial feasibility and potential market entry initiatives, where applicable, as it advances its battery material recovery technology toward potential commercialization. These initiatives are expected to require continued investment in engineering, prototyping, trials, and validation to support ongoing product development and commercialization efforts.

**Investor Relations:** The Company anticipates that investor relations expenditures will be sustained or increase over the next twelve months as it continues to enhance its engagement with the investment community and support its broader capital markets strategy. As the Company advances its technology development and commercialization initiatives across Battery X Rebalancing and Battery X Recycling, and continues to progress its mineral exploration activities, it expects to increase its visibility among retail and institutional investors, expand its shareholder base, and strengthen market awareness of its business model and strategic direction. These activities are intended to support ongoing investor communications, transparency, and market understanding of the Company's operations and long-term objectives.

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**Management Fees and Salaries:** The Company anticipates that management fees and salaries will be sustained or increase over the next twelve months as it continues to build out its executive, technical, and operational teams to support its evolving activities. A significant portion of the upcoming period is expected to be focused on advancing development initiatives, including research and development, product refinement, and operational readiness, with commercialization efforts anticipated to progress in the latter part of the period. As the Company advances these initiatives, it expects to invest in leadership, engineering, and operational personnel to support execution across its battery technology programs and mineral exploration activities. These expenditures reflect the Company's focus on strengthening internal capabilities, supporting ongoing development, and positioning the organization for a transition toward commercialization.

**SUMMARY OF QUARTERLY RESULTS**

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Below is a summary of the Company's last eight quarterly results:

	<b>2025 Q4</b>	<b>2025 Q3</b>	<b>2025 Q2</b>	<b>2025 Q1</b>
	<b>December 31, 2025</b>	<b>September 30, 2025</b>	<b>June 30, 2025</b>	<b>March 31, 2025</b>
	\$	\$	\$	\$
Net and comprehensive loss	(2,175,708)	(1,334,475)	(1,353,907)	(470,379)
Loss per share-basic and diluted	(0.61)	(0.40)	(0.49)	(0.20)
	<b>2024 Q4</b>	<b>2024 Q3</b>	<b>2024 Q2</b>	<b>2024 Q1</b>
	<b>December 31, 2024</b>	<b>September 30, 2024</b>	<b>June 30, 2024</b>	<b>March 31, 2024</b>
	\$	\$	\$	\$
Net and comprehensive loss	(2,246,992)	(663,439)	(632,405)	(199,721)
Loss per share-basic and diluted	(2.58)	(0.67)	(0.91)	(1.05)

Over the past eight quarters, the Company's financial results have been influenced by a combination of non-recurring transactions, evolving strategic priorities, and deliberate increases in operating and corporate development expenditures. Variations in net and comprehensive loss from quarter to quarter were driven primarily by non-cash adjustments, including asset impairments and liability settlements, as well as targeted expenditures to support development, commercialization, and market positioning initiatives.

The most significant net losses were recorded in the fourth quarter of 2024 and the fourth quarter of 2025. Results for the fourth quarter of 2024 were materially impacted by a non-cash loss on the settlement of historical accounts payable, together with increased share-based compensation associated with option grants and higher consulting expenditures to support business development and commercialization activities. In the fourth quarter of 2025, results were impacted by increased consulting expenditures, as well as non-cash write-downs of exploration and evaluation assets and an impairment of prepaid expenses.

**SUMMARY OF EXPLORATION ACTIVITIES**

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The total cumulative acquisition and exploration and evaluation expenditures for the Company's current projects at December 31, 2025 are summarized as follows:

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	Belanger Project	Y Lithium Project	Leaf River Project	Reservoir -Dozois Project	Total
	\$	\$	\$	\$	\$
Property acquisition	445,000	1,784,186	142,500	142,500	2,514,186
Exploration costs					
Assay	170,907	-	-	-	170,907
Data and reporting	2,000	-	-	-	2,000
Equipment rental	16,204	-	-	-	16,204
Geological consulting	17,185	69,605	-	-	86,790
Labour	75,414	-	-	-	75,414
Staking	200	-	-	-	200
Claims fee	15,071	-	-	-	15,071
Supplies and other	16,119	-	-	-	16,119
	758,100	1,853,791	142,500	142,500	2,896,891
Write-off of exploration and evaluation asset	(743,100)	-	(142,500)	(142,500)	(1,028,100)
<b>Balance, December 31, 2025</b>	<b>15,000</b>	<b>1,853,791</b>	<b>-</b>	<b>-</b>	<b>1,868,791</b>

For the year ended December 31, 2025, the Company incurred \$86,224 in acquisition and exploration expenditures compared to incurring \$349,260 exploration expenditures during the year ended December 31, 2024.

**Change during the year ended December 31, 2025 and December 31, 2024**

	Belanger Project	Y Lithium Project	Leaf River Project	Reservoir-Dozois Project	Total
<b>Balance, December 31, 2023</b>	<b>121,884</b>	<b>1,784,186</b>	<b>-</b>	<b>-</b>	<b>1,906,070</b>
Property acquisition	19,000	-	142,500	142,500	304,000
Equipment rental	12,204	-	-	-	12,204
Labour	33,056	-	-	-	33,056
<b>Balance, December 31, 2024</b>	<b>186,144</b>	<b>1,784,186</b>	<b>142,500</b>	<b>142,500</b>	<b>2,255,330</b>
Property acquisition	16,500	-	-	-	16,500
Geological consulting	119	69,605	-	-	69,724
Write-down of exploration assets	(187,763)	-	(142,500)	(142,500)	(472,763)
<b>Balance, December 31, 2025</b>	<b>15,000</b>	<b>1,853,791</b>	<b>-</b>	<b>-</b>	<b>1,868,791</b>

**Belanger Project**

Pursuant to an option agreement dated June 1, 2020 with Bounty Gold Corp. (“Belanger Project Optionor”), the Company was granted an option to acquire a 100% undivided interest in certain unpatented mining claims comprising the RLX North, RLX South, and Belanger properties (collectively, the “Belanger Project”) located in the District of Red Lake, Ontario, Canada.

The RLX North and RLX South properties (the “RLX Properties”) formed a large (approximately 10,000 hectare) land package contiguous to, and almost entirely surrounding, the Great Bear Resources Ltd.’s Sobel property. The RLX Properties are also situated along the same geological trend as the Red Lake

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Gold Mines, now operated by Evolution Mining Limited, with gold endowment of 29.63 M oz Au at an average grade of 21 g/t Au.

The Belanger property is an approximately 2,100 hectare property located 2.2 km north of Infinite Ore Corp.'s Garnet/Arrow deposit in the District of Red Lake, Ontario. The Belanger property is interpreted to be primarily underlain by the 2.74 Ga Confederation Assemblage. Historic exploration on the Belanger property has identified three significant gold-copper occurrences over an interpreted strike length of 600 meters.

In accordance with the option agreement, the Company can acquire the 100% interest in the project by: (i) making cash payments in the aggregate amount of \$150,000; and (ii) issuing common shares in the capital of the Company (the "Consideration Shares") having an aggregate cash value of \$300,000 to the Belanger Project Optionor as follows:

	Consideration Shares		Cash
	#	\$	\$
Upon execution of the option agreement on June 1, 2020 (issued and paid respectively)	1,515	30,000	25,000
On or before the 1 <sup>st</sup> anniversary on June 1, 2021 (issued 1,748 and paid respectively)	-	30,000	25,000
On or before the 2 <sup>nd</sup> anniversary on June 1, 2022 (issued 5,050 shares and paid respectively)	-	100,000	50,000
On or before the 3 <sup>rd</sup> anniversary on June 1, 2023*	-	140,000	50,000
	<b>1,515</b>	<b>300,000</b>	<b>150,000</b>

*\*In November 2023, the Company and the Belanger Project Optionor agreed to a final payment of \$25,000 in cash and 4,515 shares ("November 2023 Agreement"). See below for terms of the final payment.*

In accordance with the November 2023 Agreement, claims related to RLX South and RLX North were excluded. As a result, as at December 31, 2023, the Company wrote off \$555,337 related to the RLX South and North claims. Pursuant to November 2023 Agreement, the Company can exercise the option and acquire the 100% interest in the project by (i) making the final cash payment of \$25,000; and (ii) issuing 4,545 common shares of the Company to the Belanger Project Optionor as follows:

- \$1,000 (paid) and 1,515 common shares on or before November 30, 2023 (issued subsequently);
- \$2,000 on or before the first calendar day of each month from December 1, 2023 to November 1, 2024 inclusive (\$6,000 paid);\*\*
- 1,515 common shares on or before March 15, 2024 (issued subsequently); and
- 1,515 common shares on or before July 15, 2024 (issued subsequently)

*\*\*The terms of the cash payments under the November 2023 Agreement were amended in November 2024. See below for the revised terms.*

On November 27, 2024, the Company entered into an Addendum Agreement (the "November 2024 Agreement") with the Belanger Project Optionor to acquire 100% of the Belanger Project. The November 2024 Agreement is an addendum to the November 2023 Agreement. As set out in the November 2024 Agreement, the Company had paid \$7,000 of the \$25,000 cash obligation under the November 2023 Agreement and has subsequently issued the 4,545 common shares originally required to be issued under the November 2023 Agreement. In accordance with the terms of the November 2024 Agreement, the Company has agreed to pay the remaining balance of \$18,000 to the Belanger Project Optionor as follows:

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\$1,500 upon execution of the November 2024 Agreement (paid subsequently);  
\$5,500 on or before February 28, 2025 (paid);  
\$5,500 on or before April 30, 2025 (paid); and  
\$5,500 on or before June 30, 2025 (paid).

During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, recording a write-down of the carry value of the Belanger Project to an estimated recoverable amount of \$15,000.

Subsequent to the year ended December 31, 2025, the company disposed of its interest in the Belanger Project to Renegade Gold Inc. for consideration of \$10,000 in cash and common shares having a fair value of \$5,000, determined based on the share price on the agreement execution date.

### **Y Lithium Project**

In October 2023, the Company acquired a 100% interest in the Y Lithium Project located in northern Saskatchewan's Bailey Lake region through the acquisition of YY Resources.

The Y Lithium Project is a district-scale lithium exploration asset located approximately 160 kilometers northeast of Stony Rapids, Saskatchewan, and approximately 10 kilometers south of the Saskatchewan–Northwest Territories border. The project consists of four staked mineral claims across two claim blocks, covering a total area of approximately 5,856 hectares. The claims are held in good standing and are not subject to underlying royalties or property payments.

The property is situated within the prospective Ennadai Greenstone Belt and is located approximately 5 kilometers west of a reported lithium- and tantalum-bearing pegmatite occurrence, highlighting the broader geological potential of the Bailey Lake region. While nearby discoveries are not necessarily indicative of mineralization on the Y Lithium Project, they support the regional prospectivity of the area.

In 2025, the Company completed a high-resolution LiDAR (Light Detection and Ranging) and orthophoto survey across the property. An assessment report was subsequently filed with the Saskatchewan Ministry of Energy and Resources. The LiDAR survey is expected to support the identification of glacial features, potential outcrop exposure, and prospective boulder trains, and, when integrated with available geological datasets, is intended to assist in delineating lithological contacts and structural corridors for future exploration targeting.

The Company has also filed an independent NI 43-101 technical report, effective October 16, 2025, which provides recommendations for further exploration, including a Phase I geological mapping and sampling program targeting prospective zones identified through the integration of LiDAR data and regional geological information. The Company is actively progressing exploration planning for the 2026 field season, including the design of this Phase I program.

The Phase I program is expected to include geological mapping and prospecting of outcrop and boulder fields, targeted evaluation of prospective lithological units, and geochemical sampling to support drill target generation.

To date, the Y Lithium Project remains at an early stage of exploration, with no current estimates of mineral resources or reserves. Further work is required to evaluate the mineral potential of the property, and future exploration activities remain subject to market conditions, the availability of financing, and ongoing strategic priorities.

### **Leaf River Project**

On June 6, 2024, the Company acquired 100% of the outstanding shares of 1451917 BC which holds 100% ownership of the Nunavik, Quebec Leaf River Project, encompassing 83 claims over approximately 3,500 hectares. On acquisition, the Company allocated \$142,500 of the purchase price to this project.

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During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, determining that no further resources will be allocated to the exploration and evaluation of the Leaf River Project and that no substantive expenditures are budgeted for the property. The company recorded an impairment of \$142,500, reducing the carrying value of the Leaf River Project to \$nil, reflecting management's assessment.

Subsequent to the year ended December 31, 2025, the Company elected not to renew the mineral claims comprising the Leaf River Project, located in Nunavik, Quebec, upon their expiry on April 13, 2026.

**Reservoir-Dozois Project**

On June 6, 2024, the Company acquired 100% of the outstanding shares of 1451917 BC which holds 100% ownership of the Abitibi, Quebec Reservoir-Dozois Project, encompassing 52 claims over approximately 3,500 hectares. On acquisition, the Company allocated \$142,500 of the purchase price to this project.

During the year ended December 31, 2025, management identified indicators of impairment in accordance with IFRS 6, determining that no further resources will be allocated to the exploration and evaluation of the Reservoir-Dozois Project and that no substantive expenditures are budgeted for the property. The company recorded an impairment of \$142,500, reducing the carrying value of the Reservoir-Dozois Project to \$nil, reflecting management's assessment.

Subsequent to the year ended December 31, 2025, the Company elected not to renew the mineral claims comprising the Reservoir-Dozois Project, located in Abitibi, Quebec, upon their respective expiries on March 31, 2026 and April 9, 2026.

**LIQUIDITY, FINANCIAL POSITION, AND CAPITAL RESOURCES**

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The Company is not in commercial production on its mineral property and has not generated material revenues during the year ended December 31, 2025. Activities continue to be funded primarily through equity financings, with additional funding from debt instruments and the exercise of options and warrants; and, from time to time, the Company may address indebtedness through share-for-debt arrangements. During the year ended December 31, 2025, the Company generated initial and immaterial revenues under its Revenue Share Agreement related to the Rebalancing Machine (as disclosed in the Company's news release dated July 18, 2025); however, such revenues to date have been limited. The Company continues to prioritize substantial investments in research and development, product development, and broader market entry and expansion initiatives, and does not expect to achieve profitability in the near term.

As at December 31, 2025, the Company had current assets of \$328,004 (December 31, 2024 - \$923,583), including cash of \$37,874 (December 31, 2024 - \$608,825), and current liabilities of \$2,128,583 (December 31, 2024 - \$1,119,398), resulting in a working capital deficit of \$1,800,579 (December 31, 2024 - \$195,815).

During the year ended December 31, 2025, the Company generated funds through the exercise of warrants and stock options, as follows:

- In January 2025, 14,682 warrants exercised for gross proceeds of \$73,409.
- In February 2025, 67,085 warrants exercised for gross proceeds of \$335,424.
- In April 2025, 210,890 warrants exercised for gross proceeds of \$316,334.
- In May 2025, 20,285 warrants exercised for gross proceeds of \$30,428, and 4,000 stock options exercised for gross proceeds of \$8,000.
- In June 2025, 89,560 warrants exercised for gross proceeds of \$134,341, and 34,438 stock options exercised for gross proceeds of \$68,875.

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- In July 2025, 362,593 warrants exercised for gross proceeds of \$543,889, and 4,500 stock options exercised for gross proceeds of \$9,000
- In August 2025, 78,698 warrants exercised for gross proceeds of \$118,047, and 7,500 stock options exercised for gross proceeds of \$15,000
- In September 2025, 7,325 warrants exercised for gross proceeds of \$10,988.
- In December 2025, 49,394 warrants exercised for gross proceeds of \$74,091.

For the year ended December 31, 2025, the Company reported a net increase in cash outflows of \$1,128,199 compared to the same period in the previous year. Operating activities used \$77,628 less cash due to higher non-cash expenses incurred, such as amortization, the write-off of exploration expenses and an impairment of prepaid expenses. An increase in accounts payable and accrued liabilities also preserved cash balances. Affecting cash negatively was a decrease in the recognized loss on debt settlement versus prior year, and an increase in paid consulting fees, professional fees, and investor relations activities. Cash flows used in investing activities increased by \$22,207 year-over-year, reflecting higher expenditures on exploration and evaluation assets during the current period. Financing activities decreased by \$1,183,619, primarily from a decrease of private placements of \$2,602,747 versus 2024, offset by an increase of exercises of warrants, which increased cash flows by \$1,146,773, and exercise of stock options which increased cash by \$100,875 compared to year ended December 31, 2024.

The Company's operations include the acquisition, maintenance, and exploration of mineral properties, as well as the development of proprietary lithium-ion battery rebalancing and recycling technologies. Its future financial success depends on the discovery of new mineral resources and the development of commercially viable lithium-ion battery rebalancing and recycling solutions.

As the Company has incurred net losses to date and only recently commenced the generation of limited, non-material revenue during the year ended December 31, 2025, it remains reliant on raising external capital to meet its obligations and fund ongoing activities. There can be no assurance that such financing will be available in the required amounts, when needed, or on acceptable terms. Failure to secure sufficient funding may impact the Company's ability to continue as a going concern and could result in a material reduction in the net realizable value of its assets.

The Company plans to address its working capital deficit and capital needs primarily through equity financings, debt financings, and share-for-debt transactions. Subject to successful financing, the Company expects to be in a stronger position to expand operations in alignment with its long-term strategic objectives.

The Company will need to raise additional funds through the issuance of shares. Although the Company has been successful in raising funds in the past, there can be no assurance that the Company will be able to raise sufficient funds in the future, in which case the Company may be unable to meet obligations in the normal course of business. These factors may cast significant doubt regarding the Company's ability to continue as a going concern. Should the Company be unable to discharge liabilities in the normal course of business, the net realizable value of the Company's assets may be materially less than amounts on the statement of financial position.

**COMMITMENTS AND CONTINGENCIES**

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In April 2025, an alleged wrongful dismissal claim was brought against Battery X Rebalancing by a former independent consultant, seeking damages of up to approximately \$195,000. The claim pertains to alleged events that occurred prior to the Company's acquisition of the remaining 51% interest in Battery X Rebalancing, which closed on March 28, 2025. The Company disputes the allegations and intends to vigorously defend itself. As the outcome remains uncertain, no provision has been recorded in the financial statements at this time.

The Company has no material or significant commitments or contingencies, not disclosed elsewhere, as at December 31, 2025 or the date of this report.

## **RELATED PARTY TRANSACTIONS**

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Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

In November 2025 the Company entered into a short-term rental agreement for shared office space, where there are common directors between both parties. Rental expenses incurred for the year ended December 31, 2025 amount to \$4,000 (2024 - \$nil).

On August 1, 2025, as part of a broader debt settlement transaction, the Company settled accounts payable owing to related parties in the amount of \$49,075 through the issuance of 10,224 units, with each unit consisting of one common share and one common share purchase warrant.

On August 1, 2025, as part of a larger debt settlement transaction, the Company settled accounts payable of \$49,075 with related parties by issuing 10,224 units, each unit consisting of one common share and one common share purchase warrant.

On July 4, 2025 the Related Company assigned to the Company its rights to unused translation services from IR-WORLD.com Finanzkommunikation GmbH for unused translation services with a fair value of \$4,086. The assignment was applied as a debt settlement against amounts receivable from the Related Company.

On March 28, 2025, the Company acquired the remaining 51% of the common shares of Battery X Rebalancing from the Battery X Rebalancing shareholders in consideration for 151,515 common shares of the Company. This transaction is identified as a related party transaction due to Battery X Rebalancing and the Company having a common Director.

On January 14, 2025 the Company entered into a promissory note agreement with a company with common directors and an officer to the Company (the “Related Company”). The Company transferred all its rights and obligations to the Related Company for its marketing service agreement with Atkiencheck.de AG for the sum of \$73,890. The Related Company agreed to reimburse the Company in fifteen (15) equal monthly installments of \$4,926 each, commencing on January 14, 2025 until the amount is paid in full. No interest shall accrue on unpaid principal amounts. For the year ended December 31, 2025 the remaining balance owed to the Company was \$33,054.

During the year ended December 31, 2024, the Company issued 2,427,924 common shares and 1,310,500 warrants to directors and officers of the Company to settle \$434,275 of accounts payable. The Company recognized a loss of \$141,278 related to these transactions.

On August 6, 2024, the Company announced the appointment of Massimo Bellini Bressi as Chief Executive Officer and director of the Company succeeding Mark Brezer, who has resigned as the Company’s CEO and President.

On August 2, 2024, the Company entered into a contract with a new CFO and Corporate Secretary. Under the terms of this agreement, he was paid \$150,000 for a one-year term. Additionally, the CFO was granted 15,000 options in December 2024.

Martino Ciambrelli, John Campbell, and Howard Blank, directors of the Company, also serve as directors of the parent company of the entity with which the Company has entered into an office lease agreement.

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Dallas Pretty, a director and the Chief Financial Officer of the Company, serves as an officer of that parent company. This lease agreement was terminated in August 2025.

The Company incurred the following key management personnel costs from related parties:

	<b>For the year ended</b>	
	<b>December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Management, professional, consulting fees and salaries	508,500	289,500
Share-based compensation	11,700	52,471
	<b>520,200</b>	<b>341,971</b>

As at December 31, 2025, the Company owed \$219,048 (December 31, 2024 - \$4,064) to directors of the Company, companies controlled by directors of the Company for expense reimbursements and unpaid management fees. The amounts payable in relation to these transactions are non-interest bearing, unsecured and due on demand.

As at December 31, 2025, the Company had prepaid amounts of \$20,586 (December 31, 2024 - \$137,500) recorded for payments to related parties, comprising \$10,500 paid to the CEO, and \$10,086 paid to a company with common directors. These amounts were for prepaid services and deposits.

As at December 31, 2025, the Company had accounts receivable of \$33,054 (December 31, 2024 - \$NIL) due from a related party with common directors.

For the year ended December 31, 2025, \$11,700 was recorded as an expense to the company in relation to RSU's vested to related parties.

**OFF BALANCE SHEET TRANSACTIONS**

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The Company has no off-balance-sheet transactions as at December 31, 2025 or the date of this report.

**USE OF PROCEEDS FROM FINANCING ACTIVITIES FOR YEAR ENDED DECEMBER 31, 2025**

**Use of Proceeds for the year ended December 31, 2025**

<b>Category</b>	<b>Amount</b>
Proceeds	2,007,827
Consultants	(643,219)
Loan repayments	(120,851)
Investor Relations	(1,116,871)
Marketing	(34,176)
Legal	(188,385)
Operations	(238,269)
Accounting & Audit	(237,007)
<b>Change in Cash</b>	<b>(570,951)</b>

**RISKS AND UNCERTAINTIES**

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The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks are associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

While the Company remains engaged in the acquisition, exploration, and development of mineral properties, it is also advancing its lithium-ion battery rebalancing, recycling, and related technology businesses. Each of these business initiatives carries unique risks, as outlined below.

### **Exploration, Development and Operating Risks**

The Company is in the process of exploration and development of its projects and has not yet generated any revenues from production. The recovery of expenditures on mineral properties and the related exploration and evaluation expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its projects, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Resource exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's efforts will be successful and will result in commercial production or profitability.

### **Fluctuating Resource Prices**

The economics of resource exploration and development are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the quantity and quality of resources and fluctuations in the market price of those resources. Depending on the price of resources, the Company may determine that it is impractical to continue a resource exploration operation or to develop one. Resource prices are prone to fluctuations and the marketability of resources are affected by government regulation relating to price, royalties, allowable production and the importing and exporting of resources, the effect of which cannot be accurately predicted.

### **Financing Risks and Dilution to Shareholders**

The Company has limited financial resources and immaterial revenues. The Company will require additional funds to continue with its current business. Additionally, if the Company's programs on its projects are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

### **Title to Properties**

Acquisition of title to mineral properties can be a very detailed and time-consuming process. Title to, and the area of, properties could be disputed. The Company cannot give a certain assurance that title to its properties will not be challenged or impugned. A successful claim that the Company does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any resources or minerals on its properties without compensation for its prior expenditures relating to its projects.

### **Regulatory, Permit and License Requirements**

The current and future operations of the Company, including both its mineral exploration activities and the research, development, commercialization, and deployment of its lithium-ion battery technologies, require

permits, licenses, and approvals from various governmental and regulatory authorities. These operations are subject to, and will remain governed by, extensive laws and regulations relating to, among other things, mineral exploration and development, technology commercialization, product safety and certification, intellectual property, taxation, labour standards, occupational health and safety, waste management, the handling and disposal of toxic substances, land use, environmental protection, and site safety. For mineral exploration, companies frequently incur increased costs and delays due to the need to comply with permitting and environmental requirements. There can be no assurance that all necessary permits, licenses, and approvals for the Company's facilities and exploration activities will be obtained on reasonable terms, in a timely manner, or at all. Similarly, for its battery technology business, certain jurisdictions may require compliance with additional regulatory frameworks governing the testing, manufacturing, transport, use, and recycling of energy storage systems. These frameworks may evolve rapidly, and obtaining or maintaining necessary certifications or approvals may be costly and time-consuming. Failure to comply with applicable laws, regulations, or permitting conditions may result in enforcement actions, including orders issued by regulatory or judicial authorities requiring suspension or cessation of operations, as well as corrective measures that could require significant capital expenditures, installation of additional equipment, or remedial actions. In certain circumstances, the Company may be required to compensate third parties for losses or damages arising from its activities and may be subject to civil or criminal fines, penalties, or other sanctions. Furthermore, amendments to existing laws, regulations, or permitting requirements—or the more stringent enforcement thereof—could materially and adversely impact the Company by increasing capital or operating costs, delaying project timelines, or requiring the modification, suspension, or abandonment of new or existing operations.

### **Competition**

The mineral resource exploration and development industry is highly competitive. The Company competes with other mining and exploration companies, many of which have substantially greater financial, technical, and operational resources, for the acquisition of mineral claims, strategic properties, and other mineral interests. The Company also competes for access to qualified geologists, engineers, drill contractors, and other specialized personnel required for exploration and development activities. Failure to compete effectively in securing high-quality projects or personnel could have a material adverse effect on the Company's mineral exploration prospects. Similarly, the lithium-ion battery technology sector—including battery rebalancing, recycling, and related energy storage solutions—is also characterized by intense competition, rapid technological change, and evolving industry standards. The Company competes with established battery manufacturers, technology developers, recycling firms, and new market entrants, many of which possess greater financial resources, broader commercial networks, and more extensive intellectual property portfolios. Competitors may develop technologies that are more effective, less costly, or more rapidly commercialized than the Company's offerings, which could reduce the Company's market share or limit its growth opportunities. In both its mineral exploration and battery technology segments, the Company's ability to compete successfully depends on factors such as access to capital, speed of innovation, protection and commercialization of intellectual property, operational efficiency, and the ability to attract and retain skilled personnel. Failure to maintain a competitive position in either or both business segments could have a material adverse effect on the Company's business, results of operations, and long-term prospects.

### **Technology Development, Commercialization, and Market Risks**

The Company's non-resource business includes the development and commercialization of proprietary battery rebalancing and recycling technologies. There is no assurance these technologies will achieve intended performance, regulatory approvals, or market acceptance. Technical challenges, competitive solutions, evolving customer requirements, or supply chain constraints may delay commercialization, increase costs, or limit market adoption.

### **Intellectual Property (IP) Protection Risks**

The Company's ability to maintain a competitive advantage in its battery technology businesses depends on effectively protecting its proprietary technologies, processes, and know-how. While the Company may

seek patent protection and use confidentiality measures, there is no assurance these efforts will prevent competitors from developing similar or superior technologies, reverse-engineering its solutions, or infringing on its IP. IP disputes can be costly, time-consuming, and uncertain, and could materially impact the Company's ability to commercialize its technologies.

### **Reliance on Management and Dependence on Key Personnel**

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors.

There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

### **Environmental Risks**

The Company's exploration and development programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the resource business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

### **Conflicts of Interest**

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA.

To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA and applicable internal corporate governance or board policies where and when applicable.

### **Political Risks**

The Company's operations may be adversely affected by changes in governmental policies, political instability, or other economic developments beyond its control. These risks include, but are not limited to, changes in taxation policies, the imposition of economic sanctions, currency controls, trade restrictions, and shifts in industrial, environmental, or energy policies that may directly or indirectly impact the Company's activities. The Company's mineral exploration operations are subject to various laws governing exploration, development, production, export of products, labour standards, occupational health, toxic substances, land use, water use, indigenous and local community land claims, and environmental protection. Similarly, the Company's lithium-ion battery technology operations—including rebalancing, recycling, and related research and development—are subject to evolving regulations covering energy storage, transportation of hazardous materials, waste management, extended producer responsibility (EPR) programs, and product safety standards. No assurance can be given that new laws or regulations will not be enacted, or that

existing ones will not be applied or enforced in a manner that increases costs, delays operations, restricts market access, or otherwise has a material adverse impact on the Company's projects, technologies, or business prospects.

### **Uninsurable Risks**

Exploration, development, and production operations on mineral resource properties involve numerous risks, including unexpected or unusual geological or operating conditions, fires, floods, earthquakes, and other environmental events, any of which could result in damage to or destruction of facilities, harm to life or property, environmental contamination, and possible legal liability. Similarly, the Company's lithium-ion battery technology operations—including rebalancing, recycling, and related research and development—are subject to operational hazards such as equipment malfunction, process failures, chemical handling risks, and supply chain disruptions. These events could result in injury, property damage, environmental harm, or product liability claims. Although the Company takes precautions to minimize these risks, operations in both segments remain subject to hazards that may cause environmental pollution, regulatory enforcement actions, or other liabilities that could materially and adversely affect the Company's business, operations, and financial performance. It is not always possible to obtain insurance against all such risks, and the Company may elect not to insure certain risks due to high premiums, exclusions, or other commercial considerations. Should uninsured or underinsured liabilities arise, they could have a material adverse impact on the Company's results of operations, financial condition, and share value.

### **Litigation**

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

## **SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

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The preparation of the Annual Financial Statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. The Annual Financial Statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

### **Significant accounting estimates**

- a) the measurement of deferred income tax assets and liabilities; and
- b) the inputs used in accounting for share-based payments.

### **Significant accounting judgments**

- a) the determination of categories of financial assets and financial liabilities;
- b) step acquisitions and the determination as to whether the acquisition results in a business combination

or an asset acquisition;

- c) the estimation of the useful life of intangible assets;
- d) the assessment of impairment indicators of intangible assets;
- e) the recognition of deferred income tax assets;
- f) the evaluation of the Company's ability to continue as a going concern; and
- g) the assessment of indications of impairment of the exploration and evaluation assets.

## **ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED**

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The Company has performed an assessment of new standards issued by the International Accounting Standards Board ("IASB") that are not yet effective and has determined that any standards that have been issued would have no or very minimal impact on the Company's financial statements.

## **FINANCIAL INSTRUMENTS AND FINANCIAL RISK**

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Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- 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 or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and accounts payable. The fair value of accounts payables approximates their carrying values. Cash is measured at fair value using level 1 inputs.

On March 31, 2025 the Company received 10,926,136 shares related to the Premier Silver debt settlement. The shares received were estimated to have a fair value of \$nil as the primary project for Premier Silver has ceased operations. The investment in Premier Silver is based on available public information from press releases and management's historical knowledge of the Company's operations (level 3).

The Company is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives for growth and stakeholder returns. The principal risks to which the Company is exposed, and the actions taken to manage them, are described below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below.

### **a) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's corporate office is based in Canada and all of the Company's assets and expenses are denominated in Canadian dollars. The Company does not have any significant foreign currency denominated monetary liabilities.

### **b) Interest rate risk**

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

**c) Credit risk**

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company's cash is held in a large Canadian financial institution. The Company maintains certain cash deposits, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses on its cash deposits and believes it is not exposed to any significant credit risk on these deposits. The Company's sales tax receivable is due from the Government of Canada; therefore, the credit risk exposure is low.

**d) Liquidity risk**

*Working Capital*

In the management of liquidity risk, the Company maintains a balance between continuity of funding and financial flexibility through the use of both borrowings and equity financing. Management closely monitors the Company's liquidity position and expects to have adequate sources of funding to finance its projects and operations. As at December 31, 2025, the Company had a cash balance of \$37,874 to settle current liabilities of \$2,128,583.

To address the working capital deficiency, management intends to pursue equity financing, debt financing, debt-for-equity settlements with its creditors, debt restructuring. Management will continue to diligently monitor and adjust the capital budget based on expected cash flows from capital raising activities, and/or the exercise of options and warrants. As such, management believes the Company will have sufficient resources to fund its future operations and expansion plans.

*Future Capital Requirements*

In addition to addressing its current working capital deficiency, the Company anticipates requiring approximately \$2,500,000 in new capital over the next 12 months to support ongoing operations and strategic initiatives. These anticipated expenditures include general and administrative costs related to consultants and professionals, advancement of exploration programs on current and potential future projects, continued development and future commercialization of Battery X Rebalancing's lithium-ion battery rebalancing machine, and ongoing research and development of Battery X Recycling's proprietary battery material recovery technology.

The Company must continue to secure funding through equity financings, the issuance of convertible or standard debt, and the exercise of options and warrants, and may address current and future indebtedness through share-for-debt arrangements. The Company is not yet self-sustaining and remains dependent on external sources of capital to fund its operations, which may result in material dilution to existing shareholders. There can be no assurance that additional financing will be available in the amounts required, on a timely basis, or on terms acceptable to the Company.

The Company intends to address its working capital and capital expenditure requirements primarily through equity financings, debt financings, the exercise of options and warrants, and share-for-debt transactions to manage outstanding obligations. Upon achieving these objectives, the Company expects to be better positioned to pursue operational expansion, subject to the successful completion of additional financing.

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUER WITHOUT SIGNIFICANT REVENUE**

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As the Company has not generated significant revenue from operations in either of its last two financial years, the following outlines the material components of expenditures for the twelve months ended December 31, 2025:

**(a) Exploration and Evaluation Assets or Expenditures**

As at December 31, 2025, the carrying value of the Company's exploration and evaluation assets totaled \$1,868,791. During the year, the Company incurred \$16,500 in property acquisition costs related to the Belanger Project and \$69,605 in geological consulting related to the Y Lithium project.

**(b) Expensed Research and Development Costs**

The Company continues to advance its development-stage lithium-ion battery recycling and rebalancing technologies through its wholly-owned subsidiaries, Battery X Recycling and Battery X Rebalancing. During the year ended December 31, 2025, \$200,000 in research and development expenses were attributable to a Battery X Rebalancing expense for the development of the Rebalancing Machine, which was delivered during the three-month period ended June 30, 2025. In addition, other related expenditures were expensed as incurred and are reflected within operating expense categories, including consulting fees and share-based compensation. Expenses of \$60,000 and \$2,492 for black mass research and black mass respectively, were incurred by Battery X Recycling Technology during the year.

**(c) Intangible Assets Arising from Development**

Intangible assets totaling \$1,123,952 were recognized during the year ended December 31, 2025 in connection with the acquisition of the remaining 51% interest in BATX Rebalancing, resulting in the Company obtaining 100% ownership. These intangible assets relate to, among other things, the development of the Company's battery rebalancing technology, including, but not limited to, the Rebalancing Machine.

The intangible asset has an estimated useful life of four years. Accordingly, the Company recognized amortization expense of \$210,741 for the year ended December 31, 2025, resulting in a carrying value of \$913,211 as at December 31, 2025.

**d) General and Administration Expenses**

Significant general and administration expenses for the year ended December 31, 2025, included:

**Consulting fees:** \$1,158,932  
**Investor relations:** \$835,354  
**Management fees and salaries:** \$408,500  
**Professional fees:** \$672,897  
**Office and administration:** \$149,218  
**Share-based compensation:** \$161,460

**DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES, OPTIONS AND WARRANTS**

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**Common Shares**

The Company has one class of common shares. Below is a summary of the common shares, share options, and warrants issued and outstanding as at December 31, 2025 and the date of this report.

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	<b>As at December 31, 2025</b>	<b>As at the date of this report</b>
Common shares	3,586,758	4,901,775
Share options	87,312	284,812
Warrants	594,830	1,284,275
Restricted Share Units	22,425	151,500

**Share Options**

The Company has issued incentive options to certain directors, officers, and consultants of the Company. As of the date of this report, the following share options were outstanding.

<b>Number of Share Options</b>	<b>Exercise Price</b>	<b>Expiry date</b>
	\$	
87,312	\$2.00	December 30, 2026
197,500	\$2.10	March 12, 2028
<b>284,812</b>		

**Warrants**

As of the date of this report, the following warrants were outstanding.

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry date</b>
	\$	
119,697	5.00	October 16, 2026
125,461	1.50	December 24, 2026
93,042	6.30	August 1, 2027
946,075	\$3.00	January 16, 2028
<b>1,284,275</b>		

**Restricted Share Units (RSUs)**

As of the date of this report the following RSUs were outstanding.

<b>Number of RSUs</b>	<b>Vesting Schedule</b>
<b>151,500</b>	
	25% vests July 13, 2026
	25% vests September 12, 2026
	25% vests December 12, 2026
	25% vests March 12, 2027
<b>151,500</b>	

**SUBSEQUENT EVENTS**

- 1) On January 1, 2026, all outstanding RSUs had vested and 22,423 common shares were issued to management and consultants.
- 2) On January 6, 2026, and February 10, 2026 the Company increased the budget with bullVestor Medien GmbH ("bullVestor") by €80,000 each, bringing the total engagement cost payable to €310,000 (approximately CAD \$503,000). The total engagement cost is inclusive of a €150,000 initial

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fee. On March 26, 2026, the Company entered into a separate corporate awareness and marketing services engagement with bullVestor, for a one-month term commencing April 1, 2026. In consideration, the Company paid a total fee of €165,000 (approximately CAD \$263,000).

- 3) On January 13, 2026, the Company announced that Battery X Rebalancing completed a preliminary real-world performance trial demonstrating a significant increase in estimated driving range of approximately 135.9 kilometers per charge following the application of its patent-pending, second-generation lithium-ion battery rebalancing hardware and software platform, providing further technical validation of the Company's battery rebalancing technology
- 4) On January 16, 2026, the Company issued 946,075 units pursuant to a private placement for gross proceeds of \$2,412,491. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at \$3.00 per common share until January 16, 2028. Of these, 68,628 units were issued to related parties.
- 5) On January 16, 2026, the Company issued 90,727 common shares pursuant to a debt settlement totaling \$408,272. Of these, 21,915 common shares were issued to related parties.
- 6) On January 24, 2026, 838 share purchase warrants exercisable at \$13.20 per common share expired unexercised.
- 7) In January 2026, 159,642 share purchase warrants were exercised for proceeds of \$239,463.
- 8) On March 12, 2026, the Company granted a total of 197,500 Stock Options at an exercise price of \$2.10 per share. The Stock Options vest immediately and have a two-year term expiring on March 12, 2028.
- 9) On March 12, 2026, the Company granted a total of 151,500 RSUs to directors, officers, and consultants of the Company, with 25% vesting on July 13, 2026, 25% vesting on September 12, 2026, 25% vesting on December 12, 2026, and the remaining 25% vesting on March 12, 2027.
- 10) On March 20, 2026, the Company completed the sale of its 100% interest in the Belanger Project pursuant to the terms of a definitive mineral property purchase agreement dated February 5, 2026, to Renegade Gold Inc., an arm's length, TSX Venture Exchange-listed issuer, for total consideration of \$15,000, consisting of aggregate cash payments of \$10,000 and the issuance of common shares of Renegade Gold Inc. having an aggregate deemed value of \$5,000.
- 11) On March 26, 2026, the Company, through Battery X Rebalancing, filed an International patent application under the Patent Cooperation Treaty (PCT) for its lithium-ion battery diagnostics and rebalancing hardware and software platform, claiming priority to prior U.S. provisional filings and establishing a pathway to pursue patent protection in over 150 countries.
- 12) On March 27, 2026, the Company announced that it had entered into a digital marketing and investor awareness agreement dated March 26, 2026, with i2i Marketing Group, LLC, pursuant to which i2i Marketing will provide marketing services for an initial three-month term commencing April 1, 2026. The Company agreed to a total creation and media distribution budget of US\$300,000 (approximately CAD \$413,000), which is non-refundable and includes US\$50,000 previously paid under a prior content creation agreement, with the remaining US\$250,000 payable upon execution. The Company will not issue any securities to i2i Marketing in connection with the engagement. i2i Marketing is arm's length to the Company; however, to the knowledge of the Company, i2i Marketing and its principals hold securities of the Company, including common shares, warrants, restricted share units, and stock options.
- 13) In April 2026, 96,150 share purchase warrants were exercised for proceeds of \$144,225.
- 14) Subsequent to year-end, the Company elected not to renew the mineral claims comprising the

Reservoir-Dozois Project, located in Abitibi, Québec, upon their respective expiries on March 31, 2026 and April 9, 2026, and the mineral claims comprising the Leaf River Project, located in Nunavik, Québec, upon their expiry on April 13, 2026.

## **OTHER DISCLOSURES**

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### **Additional Information**

Additional information relating to the Company may be found on or in:

- SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca);
- the Company's audited consolidated financial statements for the years ended December 31, 2025 and 2024.

This MD&A was approved by the Board of Directors of Battery X Metals Inc. effective April 30, 2026.

## **FORWARD-LOOKING STATEMENTS**

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Certain sections of this MD&A contain forward-looking statements and forward-looking information. All statements, other than statements of historical fact, made by the Company that address activities, events, or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements or forward-looking information, including, but not limited to, statements preceded by, followed by, or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements and forward-looking information contained or incorporated by reference in this MD&A may relate to the Company's future financial condition, results of operations, plans, objectives, performance, or business developments including, among other things, anticipated expenditures, including professional fees, consulting fees, research and development expenses, investor relations expenditures, and management fees and salaries; the advancement, testing, validation, commercialization, and potential market adoption of the Company's lithium-ion battery recycling and rebalancing technologies; the timing and success of pilot-scale testing and potential commercial deployment; the expansion of EV platform compatibility, adaptor and connector development, and product certification; research and development programs and outcomes; the continuation and results of collaborative research arrangements; mineral exploration activities, including planned exploration programs and the potential development of exploration targets; the Company's AI-driven exploration initiatives under its strategic arrangements; projections of market prices and costs; supply and demand for battery metals and related products; expectations regarding the Company's ability to obtain additional financing, including to fund working capital requirements and anticipated capital expenditures; the Company's capital markets initiatives, including its proposed U.S. national securities exchange listing and potential public offering; and the Company's overall business strategy, growth plans, and future operations.

Forward-looking statements and forward-looking information are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements and information, are inherently subject to significant business, economic, technical, and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this MD&A, which may prove to be incorrect, include, but are not limited to: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions, or otherwise; (2) permitting, access, exploration, technology development, commercialization, expansion, and acquisitions at the Company's projects and technology initiatives being consistent with current expectations; (3) the viability, development, validation, and commercialization of the Company's proprietary technologies being consistent with current expectations; (4) the results of the Company's research and development programs, validation trials, and exploration activities being consistent with expectations; (5) the Company's ability to successfully advance its technologies from development-stage to commercialization; (6) political,

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regulatory, and legal developments in Canada and other jurisdictions being consistent with current expectations; (7) certain price assumptions for battery metals and other commodities; (8) prices for and availability of equipment, labour, electricity, water, and other key supplies remaining consistent with current levels; (9) labour and materials costs increasing on a basis consistent with current expectations; and (10) the availability and timing of additional financing being consistent with the Company's current expectations.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and forward-looking information. Such factors include, but are not limited to: the Company's ability to obtain additional financing and maintain adequate liquidity; fluctuations in currency markets; fluctuations in the spot and forward price of battery metals or other commodities; changes in national and local government legislation, taxation, controls, regulations, and political or economic developments; operating or technical difficulties in connection with exploration activities, technology research and development, pilot-scale testing, and commercialization; risks related to the performance, reliability, and scalability of the Company's technologies; delays or challenges in achieving product certification, regulatory approvals, or market acceptance; the speculative nature of mineral exploration and technology development; competition for capital, strategic opportunities, technology assets, and skilled personnel; incorrect assessments of the value or potential of acquisitions, projects, or technologies; supply chain constraints; fluctuations in foreign exchange or interest rates; stock market volatility; risks related to intellectual property protection and potential infringement; changes in market demand for electric vehicles and battery technologies; and general economic, financial, and business conditions.

In addition, there are risks and hazards associated with both mineral exploration and technology development, including environmental hazards, industrial accidents, unusual or unexpected geological formations, pressures, cave-ins, flooding, technical malfunctions, delays in product development or commercialization, changes in market demand, and the risk of inadequate insurance or the inability to obtain insurance to cover these risks. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements or forward-looking information made by, or on behalf of, the Company.

There can be no assurance that forward-looking statements and forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Forward-looking statements and forward-looking information are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements and forward-looking information made in this MD&A are qualified by these cautionary statements and those made in the Company's other filings with applicable securities regulators in Canada, including, but not limited to, the Annual Financial Statements. These factors are not intended to represent a complete list of the factors that could affect the Company, and readers should not place undue reliance on forward-looking statements or forward-looking information in this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements and forward-looking information, whether as a result of new information, future events, or otherwise, except as required by applicable law.

The forward-looking statements and forward-looking information contained herein are based on information available as of the date of this MD&A.