Rock Tech Lithium Inc.
Management's Discussion and Analysis
For the year ended December 31, 2023
Dated March 25, 2024

ROCK TECH LITHIUM INC.

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General

This Management's Discussion and Analysis ("**MD&A**") of Rock Tech Lithium Inc. ("**Rock Tech**" or the "**Company**") is dated March 25, 2024 and provides analysis of the Company's financial and operating results for the year ended December 31, 2023. This MD&A should be read in conjunction with the annual audited consolidated financial statements of the Company as at and for the year ended December 31, 2023 and 2022 (the "**Consolidated Financial Statements**"), which have been prepared in accordance with accounting policies as prescribed under IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), using the accounting policies described in Note 2 to the Consolidated Financial Statements.

The Consolidated Financial Statements and other information regarding the Company is available on the Company's SEDAR profile at www.sedar.com and on the Company's website at www.rocktechlithium.com. Unless stated otherwise, a reference in this MD&A to other documents or to information or documents available on a website does not constitute the incorporation by reference into this MD&A of such other document or such other information available on such website.

This MD&A contains certain statements that constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities legislation (see the "*Cautionary Note on Forward-Looking Statements*" section of this MD&A). Unless otherwise indicated, all dollar amounts in this MD&A are expressed in Canadian dollars. In this MD&A, references to "$" are to Canadian dollars, references to "USD" are to United States dollars and references to "EUR" are to euros.

About Rock Tech

Rock Tech's vision is to supply the battery industry with sustainable and locally produced lithium achieving a recycling rate of 100% to ensure resilient and independent supply chains.

Rock Tech plans to build several high-tech lithium refineries ("Converters") in North America and Europe. Producing in the vicinity of its customers guarantees supply-chain transparency and just-in-time delivery. The Company's first merchant lithium converter is proposed to be built in Guben, Germany (the "**Guben Converter**"). Rock Tech's advanced project development status positions the Company as first-mover in the region. Rock Tech intends to build its second lithium converter in Ontario, Canada, integrating Rock Tech's 100% owned Georgia Lake lithium mining project. Rock Tech will use proven and tested production processes in its Converters to ensure quick time to market and mitigate project execution risk. Rock Tech is on track to establish itself as an industry-leading lithium supplier in Europe and North America with envisioned production capacities up to 120,000 tonnes of lithium carbonate equivalent per year and a local market share of up to 30%.

To close the most pressing gap in the clean mobility story, Rock Tech has gathered a strong and highly experienced team. It holds itself accountable to strict ESG standards and is developing a proprietary refining process to further increase efficiency and sustainability. Rock Tech plans to source raw material from its own mineral project in Canada (the **"Georgia Lake Project")** as well as procuring it from responsibly producing mines. In the years to come, the Company will extract its material from discarded batteries.

The Company is a development stage company and does not currently produce, sell or convert any mineral products. Consequentially, the Company does not have any current sales revenues or positive cash flow from operations. The Company is actively pursuing various sources of potential financing to fund the construction and development of the proposed Guben Converter, the Georgia Lake Project, the Ontario converter project, and for other general corporate purposes.

Rock Tech Lithium Inc. has a number of direct and indirect subsidiaries which own assets and conduct activities in different jurisdictions. The terms "Rock Tech" and the "Company" are used in this MD&A for simplicity of the discussion provided herein and may include references to subsidiaries of Rock Tech Lithium Inc. being the ultimate shareholder.

Company Highlights

The following highlights the Company's developments during the year ended December 31, 2023 and subsequent events up to the date of this MD&A.

Georgia Lake Project

- Continued engagement with local indigenous communities and other project stakeholders. Successfully completed an exploration field programme identifying prospective targets for a future drill programme.
- Partnered with CIBC Capital Markets to identify potential strategic partners for development of the Georgia Lake asset.
- Signed MOU with Imagine Lithium Inc. ("Imagine") to explore cooperation opportunities between the Georgia Lake Project and Imagine's Jackpot Project.

Guben Converter

- With respect to financing activities, the Company partnered with Deutsche Bank during Q2 to lead the equity raising and partnership discussions surrounding the Guben converter. Discussions continued with targeted lender groups in connection with the Company's evaluation of potential project financing arrangements in respect of the Guben Converter. Next steps on financing will be progressed on closure of a first feedstock supply agreement.
- Discussions with feedstock partners progressed. The falling market prices for lithium raw materials and finished products during H2 2023 present an opportunity. Execution of a definitive feedstock supply agreement is envisaged for Q2 2024.
- The permitting process is ongoing. The relevant authorities have canceled the public hearing in Q4 2023 as no fundamental objections were received. Full permitting for the Guben Converter expected to be obtained by Q2 2024.
- The Company has filed, via its subsidiary Rock Tech Guben GmbH, an expression of interest for participation in a new subsidy program that was published September 25, 2023. The total amount of subsidies could be up to EUR 200m.
- During Q4 2023 the environmental management systems of the German subsidiary Rock Tech Guben GmbH has been audited and certified according to EMAS (Eco-Management and Audit Scheme), a European standard for such systems.
- In Q3 2023, the Company finalized first preparatory site activities such as test piling and building of temporary access roads.

Northern Ontario (Canada) Converter Project

- In Q3 2023, the Company kicked-off the project and started a selection process for potential sites
- In Q4 2023, engineering study works started following an announcement of a partnership with the BMI Group and Red Rock Indian Band to investigate an industrial property in the town of Red Rock as potential location for Rock Tech's proposed lithium refinery as well as a potential strategic investment partnership.

- Announcement of a partnership with Electra Battery Materials Corporation to investigate the potentials of recycling batteries and lithium in a closed-loop system locally in Ontario.
- In March 2024, the Company announced the signing of a Cooperation Agreement with the BMI Group ("BMI") which bindingly confirms the parties' plans to enter into a long-term lease contract for the location of the Northern Ontario Converter at the former Norampac Paper Mill site in Red Rock. The Red Rock site was selected by Rock Tech following the successful completion of a comprehensive site-assessment process. BMI commits to invest $5 million into the project as part of the Cooperation Agreement.

Corporate

- As at December 31, 2023, the Company had working capital of approximately $10.9 million (December 31, 2022: $31.4 million), including approximately $14.7 million in cash on hand (December 31, 2022: $34.8 million).
- The Company announced the closing of a non-brokered private placement on December 29, 2023, issuing 4,478,754 units at a price of $1.30 per unit for aggregate gross proceeds of approximately $5.8 million.
- The Company increased activities with respect to raising further equity to fund both corporate operations and asset development.

Overall Performance

Georgia Lake Project

At its Georgia Lake Project, the Company is actively conducting exploration, development, and basic engineering activities. As part of its vertical integration strategy for the Georgia Lake Project, the Company's objective is to bring the Georgia Lake Project into production to supply its future Lithium Convertor in Northern Ontario with spodumene concentrate, an intermediate product, for conversion into the chemical lithium hydroxide for inclusion in the cathode of a lithium-ion battery. The Company is continuing with efforts to select a strategic partner to jointly advance the Georgia Lake Project.

The Company completed 17 diamond drill holes (3,676 metres) on the Main Zone North ("MZN" or "NC") and McVittie ("MV") deposits in Q4 2023 to support future mineral resource updates. Highlights from this drilling include:

- NC-23-01 3.2 m (true width) at 0.87% Li_2O starting from 57.1m
- NC-23-02 3.5 m (true width) at 1.07% Li_2O starting from 103.0m
- NC-23-03 4.0 m (true width) at 1.08% Li_2O starting from 162.3m
- NC-23-06 4.9 m (true width) at 0.73% Li_2O starting from 67.6m
- NC-23-07 7.7 m (true width) at 0.71% Li_2O starting from 59.6m
- NC-23-07 4.3 m (true width) at 1.42% Li_2O starting from 139.9m
- NC-23-08 3.1 m (true width) at 1.19% Li_2O starting from 7.1m
- NC-23-09 2.5 m (true width) at 0.92% Li_2O starting from 117.8m
- MV-23-01 6.4 m (downhole width) at 0.93% Li_2O starting from 107.4m
- MV-23-03 2.1 m (downhole width) at 1.30% Li_2O starting from 95.6m
- MV-23-05 2.7 m (downhole width) at 1.66% Li_2O starting from 59.05m

The Company initiated a multi-approach exploration programme late in Q2 2023 that focused on prospecting, biogeochemical surveying, mapping, and sampling around high priority targets. Additionally, the Company completed mechanical stripping and channel sampling at the East Conway target area in late Q3-Q4. Final results and interpretations along with future follow-up plans will be published in Q1 2024. Highlights, milestones and key statistics from the 2023 field programme (Q2-Q4) include:

- Thirty (30) prospecting (grab) samples taken of which seven (7) assayed over 1% Li_2O. These samples were exclusively from the East Conway and Foster-Lew target areas;

- Thirty-nine (39) channel cuts for a total of 178.93 metres were completed. One hundred and ninety-seven (197) channel samples taken of which thirty-three (33) assayed over 1% and sixty-nine (69) assayed over 0.5% Li_2O. Channel samples were taken at East Conway, Foster-Lew, Line 20 and Main Zone SW target areas with East Conway and Foster Lew yielding all the assays greater than 1% Li_2O;

- Three hundred and eighty-eight (388) biogeochemistry samples were taken from black spruce trees on the property; two hundred (200) from bark and one hundred and eighty-eight (188) from new growth twigs. Preliminary results suggest that cesium (Cs) as the best pathfinder for spodumene-bearing pegmatites with notable anomalous samples at the Camp 38 and MZN-East areas;

- Mechanical overburden stripping at East Conway (1,350 m^2) completed along with 8km of re-furbished access trails;

Operational highlights from 2023 include:

- Construction of a bridge crossing over the Lower Postagoni River providing access from Nama Creek to East Conway and other southern target areas on the property;

- Purchase and refurbishment of the core processing and site support facilities in Beardmore, ON.

Administrative highlights for 2023 include:

- In Q2 2023, the mining claims to lease process was completed; mining Lease 110094 was issued by the Crown covering the remaining Nama Creek area; The new mining leases provide the surface rights to allow for future construction of the Georgia Lake Mine mining and processing activities as defined in the PFS.

Boston Lake Option Agreement (the "Option Agreement"):

- In July 2023, the Company was granted the option to acquire a 100% undivided interest in the unpatented mining claims associated with the property in the Thunder Bay Mining District of Ontario (the "Boston Lake Claims").
- During the year ended December 31, 2023, the Company made cash payments of $25,000 (December 31, 2022 - $nil) and issued 12,623 shares with a value of $25,000 (December 31, 2022 - $nil). These amounts were initially capitalized as exploration and evaluation assets and subsequently written off when it was determined that the Company would not be pursing the option agreement.
- As of December 31, 2023, the Company has made the decision to not pursue the Option Agreement and therefore does not expect to incur any further exploration expenditures, cash payments, or share issuances in relation to the Option Agreement. This resulted in a $50,000 write off of exploration and evaluation assets.

Exploration and Evaluation Expenditures

The following table sets out Rock Tech's net exploration expenditures and total exploration and evaluations assets related to the Georgia Lake Project as at and for year ended December 31, 2023 and the year ended December 31, 2022, respectively:

		For the year ended: December 31, 2023		For the year ended: December 31, 2022
Georgia Lake:				
Balance, beginning of year	$	21,940,793	$	12,976,889
Costs incurred during year:				
General management		901,157		1,211,873
Engineering		286,161		1,449,969
Exploration		2,523,555		4,912,807
Environment and permitting		245,293		1,389,255
Balance, end of year	**$**	**25,896,959**	**$**	**21,940,793**

Significant Milestones

The Company anticipates that the Georgia Lake Project will need to achieve the following significant milestones prior to commencing construction:

Milestone	Costs Incurred (as of February 29, 2024)	Expected Costs Remaining[(1)]
Further Exploration Drilling Program	$2,660,000	$2,500,000 – $4,000,000
Completion of Feasibility Study	N/A	$3,000,000 – $5,000,000
Finalize Permitting	$2,185,000	$2,000,000 – $4,000,000

Note:

1) Such amounts represent estimates that are based on various assumptions and expectations. Although Rock Tech considers these assumptions and expectations to be reasonable based on information available as at the date hereof, the Company cannot give any assurance that such assumptions and expectations will prove to be correct. As a result, the actual costs Rock Tech will incur in respect of the milestones noted herein may differ materially from such estimates. See "*Cautionary Note on Forward-Looking Statements*".

Guben Converter

Concurrent with the development of the Georgia Lake Project, the Company continues to progress the development of the Guben Converter through its German subsidiary Rock Tech Guben GmbH. The Guben Converter is designed to process spodumene concentrate from multiple sources, with initial supply sourced via third-party feedstock agreements, to produce lithium hydroxide.

The Company anticipates that the Guben Converter will be constructed with an annual nameplate production capacity of 24,000 tonnes of lithium hydroxide and that a robust industry-standard flowsheet for a typical sulphate processing route will be adopted. In late 2021, the Company already completed a pilot test program that resulted in the successful production of high purity lithium hydroxide, supporting the proposed process plant design of the Guben Converter.

Since then, the Company was actively conducting additional laboratory and pilot-scale metallurgical testing to confirm the process design criteria over a variety of potential feed sources. Also, the Company conducted permitting works, basic engineering, and front-end engineering design work for the Guben Converter. The Company also successfully finalized a FEL 3 Study in 2023 as a next important step towards financing for the Guben Converter. The final results of the FEL3 Study have been thoroughly examined and approved by an independent technical engineer ("ITE") during the course of Q2 2023.

Development Progress

Permitting: During 2022 the Company submitted two applications to the Brandenburg State Office for the Environment (the "Brandenburg Office for the Environment") for both the first partial permit (the "First Guben Permit"), and the second partial (and final) permit (the "Second Guben Permit"). The First Guben Permit was obtained on March 3, 2023. The final decision in respect of the Second Guben Permit is still expected to be received from the Brandenburg Office for the Environment in Q2 2024. This second (and final) permit would also include the official operating licence for the Guben Converter.

FEL3 study: In parallel with ongoing permitting works, the Company completed its FEL3 study in May 2023. The FEL3 study is, among others, required for obtaining the final credit approval for the intended project financing.

The FEL3 study comprised of:

- continuation of metallurgical testwork;
- continued development of process flowsheet, plant layout, configuration and major equipment selection;
- progression of discipline engineering to support improved accuracy of cost estimates (Class 2 according to the Cost Estimate Classification System by AACE International);
- continue major procurement activities including basic engineering design for major supply packages;
- inquire of major construction and installation contractors to support improved accuracy of cost estimates;
- continue developing logistics plan;
- continue discussions to progress supply and offtake agreements; and
- progression of approvals.

In May 2023 the study was finalized by the Company's German subsidiary Rock Tech Guben GmbH in collaboration with the engineering partner AFRY AB, resulting in another important milestone towards the Project's construction phase. The profitability has been estimated to have a post-tax NPV (8%) of EUR 1,194m (USD 1,246m) – an increase of 43% in Euro terms compared to the Bankable Project Study ("BPS"). Key economic results of the FEL3 are reported below:

KEY METRICS AND ASSUMPTIONS[A]		
	EUR	USD
After-Tax NPV[B]	EUR 1,194m	USD 1,246m
After-Tax IRR	22.3%	
Payback Period	3.6 years	
Initial Capital Expenditure	EUR 730m	USD 762m
Annual Operating Cost per tonne LHM[C]	EUR 5,033	USD 5,252
Average spodumene concentrate price (6% Li2O) paid	EUR 1,883 / t	USD 1,965 / t
Average LHM price received[D]	EUR 30,435 / t	USD 31,771 / t

Notes to the table:

A. Key metrics are calculated on nameplate annual production of 24,000 tonnes of LHM over 25-year life of project (as applicable). For more details on exchange rates see footnote 1.
B. Discount rate of 8%.
C. Excluding costs for spodumene. Operating costs are calculated on nameplate annual production of 24,000 tonnes of LHM over 25-year life of project.
D. Based on market forecasts projected over 25-year life of project.

The FEL3 initial capital costs have increased by 4% in Euro terms compared with the BPS as the last published study phase. Improvements to the capital expenditure ("CAPEX") estimate accuracy include improved engineering completed during the FEL3, more developed construction planning, and a refined understanding of freight requirements; all of which served as the basis for the FEL3 estimate and support a Class 2 level of certainty. Given that the project is being realized in Germany and is mainly European financed, the increase in costs is given here in EUR. The increase in USD would be arithmetically higher and would amount to 11.6%. Only 2.6% of this increase is attributable to higher material quantities and higher unit rates. The remaining 9.0% of the increase is caused by foreign exchange rate changes of EUR and USD. For further details, the Company refers to the press release dated May 15, 2023.

During Q3 2023, the Company initiated and completed a tender process to select the EPCM (Engineering, Procurement and Construction Management) partner. The selected company is an internationally renowned EPCM contractor. The signing and execution of the EPCM contract and hence the start of the works depend on the final and successful application of the newly introduced subsidy program (TCTF) and the successful conclusion of project financing.

Pricing Strategy

Rock Tech generally aims to link product prices to suitable and representative material price indices. The Company aims to grant flexible discounts that reflect the economic reality of fluctuating product pricing. As such, when product prices are high (relative to material price indices), the Company may grant higher discounts. Conversely, when product prices are low (relative to material price indices), the Company may not be able to provide such discounts and therefore maintain their long-term economic viability.

Additionally, certain offtake volumes may be subject to a floor and ceiling price. This mechanism is intended to mitigate extraordinary and unlikely upside and downside risks, for both the Company and its business partners, resulting from fluctuating product pricing. For such volumes subject to a floor and ceiling price, the previously mentioned linkage to a material price index would only apply while the contract price (i. e. the material index price including any possible discounts) is higher than the agreed floor price and lower than the agreed ceiling price.

In terms of lithium raw materials or feedstock for its conversion facility, the Company intends to source spodumene at fixed or variable indexed prices including a discount ensuring profitable business operations at all times.

Project Financing

The Company continues to advance the overall financing strategy for the Guben Converter Project, including increased subsidy opportunities, equity and debt financing. Targeted financing groups with respect to equity and debt are: project finance banks with support of export credit agencies, private debt funds, institutional investors, and strategic investors within the battery and automotive industry. With completion of the FEL3 Study in Q2 2023 the engineering has reached a sufficient degree of maturity for progressing financing processes across all funding types.

In 2022, the Company submitted several subsidy applications to the German state of Brandenburg. Recent changes to the European subsidy scheme resulted in the newly implemented TCTF scheme ("Temporary Crisis Transition Framework"). The relevant tender for the battery industry has been officially announced on September 25, 2023 by the German Federal Ministry for Economic Affairs and Climate Action. Eligible companies may now be granted subsidies up to EUR 200m. The tender outlines that the process will be split into two phases. Until November 9, 2023, interested parties were to submit their expressions of interest (first phase). The Company filed its expression of interest at the beginning of November 2023. After a following consultation period with said parties the relevant federal ministry will decide who will be eligible to submit a full subsidy application in Q1 2024 (second phase). The overall process is expected to be finalised during H1 2024, depending on the progress regarding the overall project financing.

Furthermore, the Company mandated Deutsche Bank AG during Q2 2023 to serve as placement agent for the Converter related equity financing. In order to progress efforts on equity financing, preliminary feedback on the success of the additional subsidy applications is required, which is expected during H1 2024.

Finally, through its mandated debt advisor Blackbird Partners, the Company has retained a leading mineral financing advisory firm to support its debt financing efforts. Furthermore, and in support of the financing activities, the company Behre Dolbear Australia, a leading independent engineering consultancy in the mining sector, has been mandated on behalf of the future lender group to complete the independent technical expert's report (the "**ITE-reports**") on the Guben Converter. The ITE's review of the FEL3 study has been completed and the final report has been issued for lender's use. The results of the ITE-reports will assist future lenders in their due diligence process. The initial request for proposal circulated to lending institutions has yielded a strong response with at least ten institutions signalling to date an interest in providing debt financing. Among these institutions is the European Investment Bank who have formally published their ongoing review of the project.

Supply and Off-Take Arrangements

During the year ended December 31, 2023, the Company intensified its efforts to enter into definitive agreements especially regarding the supply of spodumene concentrate for its Guben Converter. For this purpose, the Company is having advanced discussions about offtake and strategic cooperations with several potential partners from Australia, Canada, and Asia. Furthermore, its joint venture RTT Lithium SA ("RTT") with Transamine Holdings and Investments Ltd. ("Transamine") was commenced during Q1 2023. During Q3 the Company has been approached by several interested parties; trading houses, mine operators, and similar internationally active corporations. RTT is in advanced negotiations with these interested parties. Although a definitive agreement is still pending, the market sentiment compared to previous quarters has improved and execution of a definitive feedstock supply agreement is envisaged for Q1 2024.

In October 2022, the Company announced that it had entered into a volume commitment agreement with Mercedes-Benz (the "Volume Commitment Agreement") dated October 18, 2022, an amendment to the framework agreement dated June 20, 2022, which was previously disclosed as the supply agreement in the press release dated October 20, 2022. The Volume Commitment Agreement provides for the supply of an average of 10,000 tonnes of battery-grade lithium hydroxide per year to Mercedes-Benz for a term of five years commencing in 2026 after a product qualification period. The Volume Commitment Agreement will represent the sale of 40% of the nameplate capacity of the Guben Converter to an estimated sales volume of up to EUR 1.5 billion.

Downstream Development Expenses

The following table sets out Rock Tech's downstream development expenses related to the Guben Converter for the year ended December 31, 2023 and 2022, respectively:

	For the years ended December 31	
Lithium Hydroxide Converter	**2023**	**2022**
Engineering	$ 6,445,329	$ 33,592,580
Project Management	4,869,885	5,243,048
Permitting	1,602,859	1,577,979
Research and Development	423,158	775,002
Other	505,859	188,241
Total	**$ 13,847,090**	**$ 41,376,850**

The decrease in downstream development expenses in 2023 compared to the prior year is largely due to decreased engineering costs related to the FEL3 study that was completed in early 2023, for which the majority of engineering work was completed in 2022.

Anticipated Timeline and Significant Milestones

Depending particularly on the finalization of spodumene supply agreements, as well as the application status of the new German TCTF (Temporary Crisis and Transition Framework) subsidy programs and finalization of overall project financing, the Company anticipates starting physical construction works at its Guben site and the placement of major key equipment orders during H22024.

The Company anticipates that bringing the Guben Converter in service will require, among other things, achieving the following significant milestones:

Milestone	**Costs Incurred (as of February 29, 2024)**	**Expected Costs Remaining(1)**	**Expected Completion Date**
Receipt of Guben Permits	EUR 801,000	EUR 1.5m – EUR 2.0m	Q2 2024
Soil Replacement and Ground Work	EUR 580,000	EUR 8.0m– EUR 10.0m	H2 2024
Construction of Guben Converter	EUR 33,165,000	EUR 720m(2)	2026

Notes:

(1) Such amounts represent estimates that are based on various assumptions and expectations. Although Rock Tech considers these assumptions and expectations to be reasonable based on information available as at the date hereof, the Company cannot give any assurance that such assumptions and expectations will prove to be correct. As a result, the actual costs Rock Tech will incur in respect of the milestones noted herein may differ materially from such estimates. See "*Cautionary Note on Forward-Looking Statements*".

(2) This estimate is based on the results of the FEL3 and is subject to revision.

ESG and Sustainability

The Company is committed to developing the Georgia Lake Project and the Guben Converter in a responsible and sustainable manner, and holds itself accountable to strict environmental, social and governance ("**ESG**") standards. The Company has set various environmental, social and governance and sustainability targets and is developing roadmaps to reach them in collaboration with a number of sustainability partners, including Fraunhofer Institute for Environmental, Safety and Energy Technology UMSICHT and CSCS Ireland Limited (Circulor).

In May 2023, the Fraunhofer Institute UMSICHT completed an independently verified Lifecycle Assessment (LCA) for Rock Tech including its carbon footprint for its product from mine-to-gate. The LCA assessed the carbon footprint of the Company's LHM produced in its proposed Guben converter from spodumene concentrate imported from Australia. In the "Basis Scenario", combined scope 1, scope 2, and scope 3 (upstream) emissions of 10.5 kg CO2 per kg LHM produced were determined. Considering optimization scenarios, the LCA indicates a carbon footprint as low as 5.4 kg CO2 per kg LHM. Compared with LHM produced from other raw materials and in other regions, the Company's product could thus cause up to 65% fewer CO2 emissions than LHM produced from spodumene concentrate in China or comparably low emissions as LHM produced from South American brines.

In addition, the Company has appointed a Compliance, Corporate Governance and Sustainability committee of the board of directors of the Company, which has overall responsibility for overseeing the implementation and effective operation of the Company's ESG policy.

Rock Tech's ESG targets include:

- By 2030, Rock Tech aims to reduce scope 1 and 2 emissions at the Guben converter by at least 50% compared to the 2023 LCA base case of 4.34 t CO_2/t LHM. As an aspirational target, Rock Tech aims to reduce scope 1 and 2 emissions in Guben to zero by 2030.
- By 2030, Rock Tech aims for a 15% reduction of scope 3 emissions at the Guben converter compared to the 2023 LCA base case of 6.2 t CO_2/t LHM. As an aspirational target, Rock Tech aims to reduce scope 3 emissions from Guben by 40 % by 2030.
- Rock Tech estimates scope 1 and 2 emissions at its Georgia Lake to be 0.5 t CO_2/t SC6. Rock Tech aims to improve its respective carbon footprint from this baseline. The aspirational target is a reduction of 60%.
- By 2030, Rock Tech aims for at least 90% utilization of its non-lithium products produced in Guben.
- By 2030, Rock Tech aims to produce up to 50% of its battery grade lithium products from recycled feedstock.
- Rock Tech strives to minimize its impact on water resources in the regions we conduct our mining operations. Within 2 years of commercial production, Rock Tech aims to meet Level A or higher of Towards Sustainable Mining (TSM)'s Water Stewardship Protocol.
- Rock Tech is an equal opportunity employer, and all job applicants are considered for employment. By 2030, Rock Tech aims to increase its female workforce to 40%, leadership positions to 40%, and board members to 50%.
- Rock Tech is committed to fostering a generative health and safety culture with the goal of achieving zero harm.
- By 2025, Rock Tech aims for corporate sustainability disclosure in alignment with TCFD recommendations, and to adopt all mandatory sustainability disclosure Frameworks.
- Rock Tech proactively supports the battery passport transparency requirements for lithium mining & refining in alignment with the new EU Battery Directive and aims for full compliance within 1 year of commercial production in Guben.

An essential part of the Company's sustainability strategy will be based on the ongoing identification of issues and potential impacts to guide our strategic planning. To further support its ESG and sustainability targets, the Company conducted a materiality assessment in summer 2023 and identified relevant topics and mid- to long-term initiatives material to the Company's value creation proposition and its stakeholders.

During Q4 2023, the environmental management systems of the German subsidiary Rock Tech Guben GmbH has been audited and certified according to EMAS (Eco-Management and Audit Scheme), a European standard for such systems.

Next Steps

In accordance with its supply agreement with Mercedes Benz, the Company and its Georgia Lake Project intends working towards certification by sustainable mining standards, namely "Towards Sustainable Mining" ("TSM") and "Initiative for Responsible Mining Assurances" ("IRMA") to ensure sustainable spodumene supply.

The Company aims to align its disclosures with recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and assess impact of forthcoming sustainability reporting regulation.

Results of Operations

Three-month period ended December 31, 2023 and December 31, 2022

The Company's net loss for the three-month period ended December 31, 2023, was $4,376,516 (2022: $11,800,903). The following table summarizes the most significant expenses incurred by the Company during the fourth quarter of 2023 and 2022, respectively.

		Three-month periods ending December 31,		
Income Statement Category	**Significant Components**	**2023**	**2022**	**Change**
Downstream Lithium Converter Development Expenses	Engineering, permitting, project management, and research & development	$1,104,583	$9,426,817	($8,322,234)
Consulting Fees	Director fees, management fees, and the engagement of strategy and technical consultants	$952,834	$1,086,355	($133,521)
Professional Fees	Tax and assurance fees, financing costs, general legal expenses, as well as legal fees related to the development of the Guben Converter	$96,380	$658,625	($562,245)
Community Relations	Community engagement expenses with local Indigenous communities in Canada and other community relations for Georgia Lake Project	$95,772	-$1,845,338	$1,941,110
Marketing and communication	Corporate development, marketing and investor relations	$113,322	$85,917	$27,405
General Administration Expenses	Office rent and general office expenses; Commercial liability and directors' and officers' insurance policies; regulatory filings and other overhead	$624,267	$540,101	$84,166
Salaries and Wages	Officers and employees in Canada and Germany	$1,152,915	$694,028	$458,887
Stock-Based Payments	Value of stock options granted to directors, officers, employees and consultants	$492,489	$2,339,736	($1,847,247)
Amortization	Expense charge for the amortization of property, plant & equipment and right-of-use (ROU) assets	$113,961	$97,669	$16,292

Lower net losses during the three-month period ended December 31, 2023 compared to the prior year period were primarily attributable to a decrease in expenses incurred by the Company during the quarter compared to the three-month period ended December 31, 2022, including approximately:

- $8.3 million decrease in Converter development expenses in respect of the Guben Converter, primarily due to high spending on engineering work for the FEL3 study in the prior year (also see "Overall Performance – Guben Converter" section above);
- $0.6 million decrease in professional fees as a result of a decrease in legal fees related to the development of the Guben Converter and a decrease in legal fees related to AIF and prospectus preparation; and
- $0.1 million decrease in consulting fees due to the Company's decreased reliance on external consultants for corporate activities compared to the prior year period.

The decrease in net loss was partially offset by approximately:

- $0.5 million increase in salaries and wages expenses due primarily to severance payments as a result of the reduction of job roles; and
- $0.2 million increase in stock-based payments, related to an increase in the number of stock options vested during the period.

The Company expects to continue to incur losses until either the Georgia Lake Project or the Guben Converter come into production, which may or may not occur. The Company further expects that its losses will be greater in future financial periods, as expenses are anticipated to continue to rise in conjunction with the expected continued acceleration of development activities in respect of the Company's projects and development opportunities (including the Georgia Lake Project and the Guben Converter) and staffing levels needed to support such development activities. See "*Risk Factors*" section below.

Years ended December 31, 2023 and December 31, 2022

The Company's net loss for the year ended December 31, 2023, was $28,678,129 (2022: $61,579,897). The following table summarizes the most significant expenses incurred by the Company during the years ended December 31, 2023 and 2022, respectively.

		Years ended December 31,		
Income Statement Category	**Significant Components**	**2023**	**2022**	**Change**
Downstream Lithium Converter Development Expenses	Engineering, metallurgical testing, permitting, project management, and research & development	$13,847,090	$41,376,850	($27,529,760)
Consulting Fees	Fees charged by executives of the Company, director fees and the engagement of strategy and technical consultants	$3,046,735	$5,091,158	($2,044,423)
Professional Fees	Tax and assurance fees, financing costs, general legal expenses, as well as legal fees related to the development of the Guben Converter	$1,174,241	$3,358,710	($2,184,469)
Community Relations	Community engagement expenses with local Indigenous communities in Canada and other community relations for Georgia Lake Project	$153,368	$2,277,010	($2,123,642)
Marketing and communication	Corporate development, marketing and investor relations	$449,622	$346,693	$102,929
General Administration Expenses	Office rent and general office expenses; Commercial liability and directors' and officers' insurance policies; regulatory filings and Other overhead	$2,123,997	$2,226,716	($102,719)
Salaries and Wages	Officers and employees in Canada and Germany	$5,223,565	$4,896,286	$327,279
Stock-Based Payments	Value of stock options granted to directors, officers, employees and consultants	$2,432,274	$3,820,287	($1,388,013)
Amortization	Expense charge for the amortization of property, plant & equipment and right-of-use (ROU) assets	$478,747	$275,911	$202,836

Lower net losses during the year ended December 31, 2023 compared to the prior year were primarily attributable to a decrease in expenses incurred by the Company, including decreases of approximately:

- $27.5 million decrease in Converter development expenses in respect of the Guben Converter, primarily due to lower costs relating to engineering work on the FEL3 study for which the majority was completed in 2022 (also see "*Overall Performance – Guben Converter*" section above);
- $2.2 million decrease in professional fees as a result of a decrease in legal fees related to the development of the Guben Converter and a decrease in legal fees related to AIF and prospectus preparation;
- $2.1 million decrease in community relations expense, related to 750,000 warrants granted to Indigenous communities in the prior year comparative period;
- $2.0 million decrease in consulting fees due to the Company's decreased reliance on external consultants for corporate activities compared to the prior year period; and
- $1.4 million decrease in stock-based payments, related to a decrease in the number of stock options vested during the period.

Summary of Quarterly Results

	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net Sales	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Net Loss before taxes	(4,630,263)	(5,449,877)	(6,367,657)	(12,246,715)	(12,862,947)	(24,555,708)	(12,990,478)	(12,246,713)
Basic and Diluted Loss per share	(0.30)	(0.06)	(0.20)	(0.13)	(0.15)	(0.31)	(0.18)	(0.16)
Net Loss	(4,636,373)	(5,398,537)	(6,402,629)	(12,181,585)	(12,862,944)	(24,555,708)	(12,990,478)	(11,344,025)
Comprehensive Loss	(4,426,516)	(5,373,059)	(6,803,045)	(12,075,509)	(11,800,903)	(23,954,579)	(14,406,379)	(11,418,036)

In addition to the factors discussed above under the heading "*Results of Operations*", fluctuations in the Company's financial performance during the most recently completed eight quarters were impacted by financing and investing activities and share-based payments related to the granting of stock options to directors, officer, employees and consultants. Periods in which financings are completed tend to be accompanied by higher-than-average filing fees and legal expenses while periods in which investing activities are undertaken (i.e., exploration programs) tend to be accompanied by higher than average general and administrative costs and other overhead costs necessary to support such investing activities. Fluctuations in the Company's quarter-over-quarter financial performance during the indicated periods were also impacted by fluctuations in the business cycle.

Liquidity and Capital Resources

The Company had working capital (being current assets less current liabilities) of approximately $10.9 million as at December 31, 2023 (December 31, 2022: $31.4 million), including approximately $14.7 million of cash (December 31, 2022: $34.8 million). The Company is a development stage company with no current revenue or cash flows from operations. During the year ended December 31 2023, the Company had negative cash flows from operating activities and no revenue is anticipated until either the Georgia Lake Project or the Guben Converter come into production. Furthermore, significant additional funding will be required to bring the Georgia Lake Project and/or the Guben Converter into commercial production.

Accordingly, the Company's ability to fund ongoing exploration and development activities are dependent upon its ability to continue to successfully access financing in the capital markets. Management expects that the Company will continue to fund the development of the Georgia Lake Project and the Guben Converter through equity financing and available cash, and/or through debt financing.

The Company is able to manage and control the timing and amount of expenditures in respect of the Georgia Lake Project and the Guben Converter as sole owner of both projects, subject to risks inherent in the development and construction of mining development projects and downstream processing facilities (as discussed in the "*Risk Factors – Operational Risks*" section of this MD&A). Additionally, preliminary discussions with certain targeted lender groups continue in connection with the Company's evaluation of potential project financing arrangements in respect of the Guben Converter, as discussed above. Nevertheless, there can be no assurance that such sources of financing will be available or sufficient to meet the funding requirements in respect of the Georgia Lake Project or the Guben Converter (see "*Risk Factors – Project Financing Risks*").

Rock Tech's capital structure is comprised of working capital and share capital. Management continues to monitor the Company's liquidity and financial requirements and may adjust Rock Tech's capital structure as needed to reflect corporate objectives and/or in response to real or expected changes in economic and industry conditions. To maintain or adjust the Company's capital structure, it may issue additional equity securities, obtain debt financing through project finance facilities or private senior debt and/or adjust capital spending.

Cash Used in Operating Activities

Cash used in operating activities during the year ended December 31, 2023, was $25.9 million, compared to $57.7 million during the year ended December 31, 2022. See "*Results of Operations for the years ended* during the year ended December 31*, 2023 and 2022*" for additional information regarding the significant components of operating activities.

Cash Used in Investing Activities

Cash used in investing activities during the year ended December 31, 2023 was $5.1 million, compared to $12.9 million during the year ended December 31, 2022. The period-over-period decrease was primarily impacted by decreased spending at the Georgia Lake Project as well as cash paid to complete the land purchase for the Guben Converter site in the prior year.

Cash Provided by Financing Activities

For the year ended December 31, 2023, cash provided by financing activities of $10.9 million consisted primarily of proceeds from the exercise of warrants and net $5.7 million proceeds from a private placement that occurred in December 2023. For the year ended December 31, 2022, cash provided by financing activities of $49.6 million consisted of $11.0 million proceeds from the exercise of stock options and warrants and $1.8 million from the proceeds of the closing of the Company's second and final tranche of its previously announced brokered offering of units in January 2022, and $40.1 million from the proceeds of the closing of the Company's underwritten offering and non-brokered private placement that occurred in August 2022.

Use of Proceeds Reconciliation

Prospectus Offering: On August 19, 2022, the Company closed the Prospectus Offering, issuing an aggregate of 11,449,743 Units of the Company pursuant to the Prospectus Offering for aggregate gross proceeds of approximately $40.1 million (net proceeds of approximately $37.1 million). Each Unit is comprised of one common share in the capital of Rock Tech (a "Common Share") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one Common Share for a period of 36 months from August 19, 2022, at an exercise price of $4.50.

The following chart includes a reconciliation of the manner in which the net proceeds from the Prospectus Offering were used by the Company as of February 29, 2024:

Category	As Disclosed in Prospectus Supplement	Use of Proceeds (as of February 29, 2024)
Converter Project Costs (Permitting, BPS/FEL3 Study, Soil Replacement, Engineering, Project Management, Long Lead Items)	$29,911,816	$27,515,000
Georgia Lake Project Costs (Permitting, Exploration, Engineering)	$3,738,977	$3,738,977
General Corporate Purposes	$3,738,977	$3,738,977
Total Use of Net Proceeds	$37,389,770	$34,992,954
Remaining Net Proceeds		$2,121,799

Off-Balance Sheet Arrangements

As at December 31, 2023, the Company did not have any off-balance sheet transactions.

Related Party Transactions

The Company's related parties include key management personnel and companies related by way of directors or shareholders in common.

All transactions with related parties have occurred in the normal course of business, on an arm's length basis. Unless indicated otherwise, all amounts paid to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Included in accounts payable and accrued liabilities for the year ended December 31, 2023 are amounts due to related parties of $360,527 (December 31, 2022 – $337,714). These amounts have arisen during the normal course of operations and are unsecured and non-interest bearing.

For the year ended December 31, 2023, the Company recorded share-based compensation of $1,407,095 (December 31, 2022 – $2,589,136) for options granted to directors and officers of the Company.

The Company's key management consists of its officers and directors. Key management compensation for the periods ended December 31, 2023 and 2022 is as follows:

		Years ended December 31,		
		2023		**2022**
Salaries and wages	$	1,024,062	$	1,446,154
Consulting fees		1,102,717		979,525
Stock-based payments		1,407,095		2,589,136
Downstream development		-		189,071
	$	**3,533,874**	**$**	**5,203,886**

Related party fees and expenses were incurred in the normal course of operations in connection with the companies owned by key management and directors.. Expenses have been measured at the exchange amount.

Significant estimates and assumptions

Material accounting estimates usually disclosed by resource issuers such as assumptions regarding depletion, resource and production values and capital write downs are not applicable to the Company as it is at the exploration and development stage. The Company utilises certain estimates as more fully described in Note 2 to the consolidated financial statements. There were no changes to the Company's existing estimates during the year ended December 31, 2023.

Changes in Accounting Policies including Initial Adoption

The accounting policies followed by the Company are set out in Note 2 to the December 31, 2023 consolidated Financial Statements of the Company. There were no changes to the Company's accounting policies during the year ended December 31, 2023.

New Accounting Standards not yet Adopted

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published *Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)* which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2024. Earlier application is permitted. This is just a clarification and the Company has been consistently following above requirements. The amendment is expected to have no impact on the Company's financial statements on adoption.

Disclosure of accounting policy information (Amendments to IAS 1)

The IASB has issued amendments to IAS 1. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures and replaces the requirement to disclose "significant accounting policies" with the requirement to disclose "material accounting policies".

This amendment is effective for annual periods starting on or after January 1, 2023. The amendment is expected to have no impact on the Company's financial statements on adoption.

Definition of Accounting Estimates (Amendments to IAS 8)

The IASB has issued amendments to IAS 8. The amendments clarify the distinction between a change in an accounting policy and a change in an accounting estimate and provides a definition for accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

This amendment is effective for annual periods starting on or after January 1, 2023. The amendment is expected to have no impact on the Company's financial statements on adoption.

Accounting for deferred tax on leases and decommissioning obligations

The IASB has issued amendments to IAS 12. The amendments specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations.

IAS 12 Income Taxes specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future.

In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations—transactions for which companies recognize both an asset and a liability.

The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

This amendment is effective for annual periods starting on or after January 1, 2023. The amendment is expected to have no impact on the Company's financial statements on adoption.

Temporary relief from accounting for deferred taxes (Amendments to IAS 12)

The IASB has issued amendments to IAS 12. The amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform.

The OECD published the Pillar Two model rules in December 2021 to ensure that large multinational companies would be subject to a minimum 15% tax rate. More than 135 countries and jurisdictions representing more than 90% of global GDP have agreed to the Pillar Two model rules.

The amendments will introduce:

- a temporary exception—to the accounting for deferred taxes arising from jurisdictions implementing the global tax rules. This will help to ensure consistency in the financial statements while easing into the implementation of the rules; and
- targeted disclosure requirements—to help investors better understand a company's exposure to income taxes arising from the reform, particularly before legislation implementing the rules is in effect.

Companies can benefit from the temporary exception immediately but are required to provide the disclosures to investors for annual reporting periods beginning on or after January 1, 2023. The amendments are expected to have no impact on the Company's financial statements on adoption.

Financial Instruments and Risk Management

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payables and accrued liabilities, and amounts due to related parties. The fair value of the Company's arms-length financial assets and liabilities are estimated by management to approximate their carrying values due to the immediate or short-term maturity of these financial instruments.

The fair value of amounts due to related parties is assumed to equal its stated value. Comparable arms-length risk profiles, terms and interest rates are not available for management to determine if any fair value adjustments are required.

The Company's functional currency is the Canadian dollar. Currently, the Company does not use any hedging or derivative instruments to reduce its exposure to foreign currency risk.

Risk Factors

Financial Risks

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has operations in Canada and Germany which creates exposure to foreign currency fluctuations, and therefore the fluctuation of foreign exchange rates will have a potential impact upon the profitability of the Company, however, the Company holds funds in both Canadian Dollars and Euros to minimize the impact of foreign exchange fluctuations.

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in Euros ("EUR"). At December 31, 2023, the Company holds cash of $7,483,378 (December 31, 2022 - $13,958,453) in EUR bank accounts and $8,184 (December 31, 2022 - $235,384) in U.S. dollar bank accounts. A 1% change in foreign exchange rates would have an effect of $108,431 (December 31, 2022 -

$203,370) on foreign currency. During the year ended December 31, 2023, the Company had a foreign exchange loss of $120,220 (December 31, 2022 - $1,938,584 foreign exchange gain).

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The cash is deposited in bank accounts held with major banks in Canada and Germany. As all of the Company's cash is held by two banks, there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to credit risk is on its other receivables. This risk is minimal as receivables consist primarily of refundable government goods and services and value added taxes.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a revolving planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company believes it has adequate cash at December 31, 2023 to reduce its risk, however in order to pursue its Georgia Lake and Guben Converter projects at the targeted speed, further fundraising will be necessary in the course of 2024.

Capital management

The Company's policy is to maintain a strong capital base to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of $10,946,493 of working capital and $168,981,921 of share capital (December 31, 2022 - $31,394,669 working capital and $157,625,866 share capital). There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Project Financing Risks

The Company anticipates that significant capital expenditures will be required in connection with the development of the Georgia Lake Project (see "*Overall Performance – Georgia Lake Project*") and the Guben Converter (see "*Overall Performance – Guben Converter*"), with additional financing required to advance the projects into construction as planned. As the Company is a development stage company with no current revenue or cash flows from operations, the Company expects to fund such development and construction costs through equity and/or debt financing. As of the date of this MD&A, financial markets remain volatile as a result of the impacts of the hostilities involving Russia and Ukraine on the global economy, high inflation, as well as high interest rates uncertainty around their further development. There can be no assurance that equity or debt financing will be available or sufficient to meet the funding requirements in respect of the Georgia Lake Project or the Guben Converter or, if equity or debt financing is available, that it will be available on terms acceptable to the Company. Any such financing may result in substantial dilution to existing shareholders of the Company and could adversely impact the market price of the common shares and the Company's ability to access capital markets in the future.

Alternatively, or in addition to equity or debt, such financing may take the form of a partnership, joint venture or a royalty (in the case of the Georgia Lake Project), any of which would mean that existing shareholders of the Company would own a smaller percentage of the applicable project.

An inability for the Company to access sufficient capital for its projects or operations could have a material adverse impact on its financial condition, results of operations and/or future prospects. In particular, failing to obtain requisite financing, in a timely manner and on acceptable terms, could cause the Company to miss certain acquisition or investment opportunities or to postpone, abandon, reduce or terminate its operations.

Share Price Fluctuations

Global securities markets often experience elevated price and volume volatility leading to wide fluctuations in the market value of companies regardless of operating performance, underlying asset values or growth prospects. There can be no assurance that fluctuations in the price and volume of the Company's securities will not occur in the future.

In particular, the market price of the common shares and the Company's financial results may be significantly adversely affected by the Company's actual or anticipated results of operations, as well as global economic and political trends and developments, including adverse changes to or volatility in: global product prices; interest rates; inflation; global supply of mineral products, global and regional consumption patterns, speculative trading activities; foreign exchange rates; etc. The price of mineral products has fluctuated significantly in recent years and significant future price declines could cause potential commercial production to be uneconomic. A severe decline in the price of minerals would have a material adverse effect on the Company. In addition, the financial markets are currently experiencing significant volatility in prices and value as a result of the high inflationary environment and global macroeconomic tensions including the war in the Ukraine, which has particularly affected the market prices of equity securities of many resource issuers and that sometimes has been unrelated to the operating performance of these companies. Broad market fluctuations, as well as economic conditions generally and in the mining industry specifically, may adversely affect the market price of the common shares.

Inflation Risk

The general rate of inflation impacts the general economic and business environment, which in turn impacts the Company as described elsewhere in this section. Inflationary pressures as well as any economic conditions resulting from governmental attempts to reduce inflation, such as the imposition of higher interest rates or wage and price controls, may negatively impact levels of demand for lithium products and input costs, and could, accordingly, have a material adverse effect on Rock Tech's business, financial condition and results of operations. Higher interest rates as a result of inflation could negatively impact future borrowing costs or make debt financing less attractive to the Company, which could, in turn, have a material adverse effect on Rock Tech's cash flow and ability to service obligations under future debt securities and other debt obligations (if any).

No Operating Revenues and History of Losses

The Company has had no operating revenues and a history of losses, and no operating revenues are anticipated until either the Georgia Lake Project or the Guben Converter come into production, which may or may not occur. The Company will continue to experience losses unless and until it can successfully develop and begin profitable commercial production and there can be no assurance that the Company will be able to do so. Also see "*Risk Factors – Operational Risks – No Production Experience*".

Royalties on the Georgia Lake Project Risks

The Georgia Lake Project is subject to a 1.5% NSR Royalty. Certain leases in the southern spodumene pegmatite area of the Georgia Lake Project, namely the Newkirk-Vegan, Parole Lake, McVittie, MNW and Foster-Lew leases, may be subject to a claimed 0.5% gross royalty. Increases in royalty rates would reduce profit margins and, if such increases were significant, would adversely affect future operating results at the Georgia Lake Project.

No Dividends

The Company has not declared or paid any dividends on its common shares and has not generated revenues or cash flow from operations since its incorporation. Furthermore, the Company does not expect to declare or pay any dividends for the foreseeable future, as the Company currently intends to retain any future earnings to fund the ongoing development and growth of its business and projects.

Foreign Subsidiary Risks

The Company conducts certain business through its German-based subsidiaries Rock Tech Consulting GmbH and Rock Tech Guben GmbH. Any limitation on the transfer of cash or other assets between the Company and Rock Tech Consulting GmbH, Rock Tech Guben GmbH or the perception that such limitation may exist now or in the future, could have an adverse impact on the Company's valuation.

Operational Risks

Exploration and Development Risks

The Company is concurrently completing exploration activities to optimize the Georgia Lake Project and further developing the Guben Converter in order to update its assessment of the financial viability of such projects. These considerations depend on multiple factors, including: the attributes of the applicable property, such as the underlying mineral properties (in respect of the Georgia Lake Project) and proximity and access to infrastructure; the general economic environment and market conditions for lithium hydroxide; processing methods and costs; and necessary approvals and permits.

The Company has finalized the FEL3 Study for the Guben Converter in May 2023. Consistent with the Bankable Project Study, the FEL3 Study projects an annual production capacity of 24,000 tonnes of lithium hydroxide. The timing and scope of the development plan for the Guben Converter may be impacted by the results of future discussions with stakeholders, potential lenders, feedstock suppliers and prospective customers. Changes to the scope and design of the development plan resulting from such discussions could also have a substantial effect on the Company's assessment of the financial viability of the Guben Converter. The FEL3 Study continues to support the commercial viability of the Guben Converter. However, there are many additional factors that can impact the development of the project, including: permitting decisions; the terms and availability of financing; cost overruns; and delays in development. The Guben Converter is also subject to the development, construction and operational risks described elsewhere in this MD&A. Accordingly, there can be no assurance that the Company will ever build or operate the Guben Converter. If the Company is unable to develop the Guben Converter in a commercially viable manner, its business and financial condition could be materially adversely affected.

In connection with its Georgia Lake Project operations, the Company is exposed to considerable risks inherent in the exploration and development of mineral projects, which even a combination of careful evaluation, experience and knowledge may not eliminate. Such risks include:

- the capital-intensive nature of the exploration and development of mineral properties;
- relatively few mineral projects achieve production due to, among other factors, the impact of geological and metallurgical risks on planned production profiles, recovery rates or economic viability of the project;
- there can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable;
- as with all mining operations, there is uncertainty and, therefore, risks associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions; and

Unsuccessful exploration or development efforts at the Georgia Lake Project could have a material adverse impact on the Company's results of operations and financial condition.

Construction Risks, Delays and Cost Overruns

Should the Company elect to proceed with the Georgia Lake Project and/or the Guben Converter, delays or cost overruns may occur during the construction of either project, both of which are considerably capital intensive and susceptible to potentially significant cost overruns and delays. Construction costs and project timelines depend on the accuracy of prior estimates and are prone to cost overruns and delays. Actual construction timelines and costs may vary from prior estimates, potentially significantly, due to a number of factors, including: the availability and performance of suppliers, contractors, materials and equipment; the granting of necessary approvals and permits in a timely manner; construction pricing escalation; changing engineering and design requirements; labour disruptions; adverse weather conditions; and the availability of financing on acceptable terms. Many of the risks related to development and constructions costs and schedule risks are described elsewhere in this MD&A.

Any delays to project timelines or cost overruns represent direct costs to the Company and may delay the generation of revenue and free cash flow. As a result, adverse changes in the construction timelines or costs of the Georgia Lake Project or the Guben Converter could have a significant effect on the financial prospects of such project, which may have a significant impact on the financial condition of the Company and its operating results. Even if commercial operations are achieved, equipment and facilities may not operate as planned due to design or manufacturing flaws, which may not all be covered by warranty. Mechanical breakdown(s) could occur in equipment after the applicable warrant period has expired, resulting in loss of production as well as the cost of repairs.

Lack of Experience

The development of the Georgia Lake Project and the Guben Converter will require the construction and operation of mines, processing plants and related infrastructure and, although certain of its officers, directors and/or consultants may have such experience, the Company itself has never completed a mining development project or a downstream processing plant. As a result, it is more difficult to evaluate the Company's prospects, and the Company's future success is more uncertain than if it had a more proven history. In addition, the Company is and will continue to be subject to all the risks associated with establishing new commercial operations, including but not limited to:

- the timing and cost, which can be considerable, of the construction of mining and processing facilities;
- the availability, efficiency and cost of skilled labour, materials and equipment;
- the need to obtain necessary environmental and other governmental approvals and permits and the timing of the receipt of such approvals and permits;
- the availability of funds to finance construction and development activities; and
- potential increases in construction and operating costs due to changes in the costs of fuel, power, materials and supplies.

It is common in new mining and commercial processing operations to experience unexpected costs, problems and delays during construction, development and start-up. In addition, delays in the early stages of production often occur. Accordingly, even if the Company completes planned development and construction activities, it cannot provide assurance that such activities will result in profitable operations at either the Georgia Lake Project or the Guben Converter.

Mineral Resource and Reserve Estimates

The Company's mineral resource and mineral reserve estimates have been determined and valued based on assumed future prices, cut-off grades and operating costs at the time of calculation, as set out in the Georgia Lake Technical Report or Preliminary Feasibility Study (PFS). However, until mineral deposits are actually mined and processed, mineral resources and mineral reserves must be considered as estimates only. By their nature, mineral resource and mineral reserve estimates are imprecise and depend, to a certain extent, on analyses of drilling results and statistical inferences that may ultimately prove to be inaccurate. These estimated mineral resources and mineral reserves should not be interpreted as assurances of certain commercial viability or of the profitability of any future operations. Investors are cautioned not to place undue reliance on these estimates.

In addition, any inferred mineral resources included in this MD&A are an estimate only. Inferred mineral resources have a greater amount of uncertainty as to their existence and economic feasibility. Accordingly, the Company makes no assurance that inferred mineral resources will ever be upgraded to a higher category. Investors are cautioned not to assume that inferred mineral resources exist or are economically mineable.

Risks Associated With Future Operations

Future Commercial Operations Risks: Future commercial operations at the Georgia Lake Project and/or the Guben Converter, if any, are expected to involve significant risks and hazards, many of which could result in damages to persons, property or the environment and may result in stoppages and/or potential legal liabilities. In respect of both projects, the Company expects that future operations will be subject to all of the hazards and risks normally incidental to commercial industrial activities, including: equipment breakdowns and failures; unexpected maintenance and replacement costs; human error; labour disputes; industrial accidents; and other catastrophic events, including those related to climate change and extreme weather events (see "*Risk Factors – Regulatory and Environmental Risks – Climate Change*"). Many of these risks are beyond Rock Tech's control and any of which could result in a disruption to operations, asset damage, environmental issues and delays in construction, labour and materials.

To the extent the Company develops the Georgia Lake Project to production, the Company's operations will also be subject to all of the hazards and risks associated with the production of minerals, including:

- unusual or unexpected geological formations;
- seismic activities;
- periodic disruptions due to inclement or hazardous weather conditions;
- releases or other environmental pollution and the consequential liability; and
- mechanical equipment and facility performance issues.

Although the Company has liability insurance and will augment coverage in anticipation of development and construction programs, some risks and hazards may be uninsurable or involve considerable premiums. See "*Risk Factors – General Risks – Insurance Risks*".

Future Costs and Returns Risks: Despite budget forecasting and planning activities undertaken by the Company, actual future capital costs, operating costs, production and economic returns with respect to the Company's projects may differ significantly from those anticipated and there are no assurances that any future development activities will result in profitable operations. The capital costs required to advance the Georgia Lake Project to commercial production or the Guben Converter to its expected nameplate processing capacity may be significantly higher than anticipated. To the extent that such risks impact upon either project, there may be a material adverse effect on the results of operations of such project, which may in turn have a material adverse effect the financial condition and operations of the Company.

The Company may lack sufficient operating history (see "*Risk Factors – Operational Risks – No Production Experience*") upon which it can base estimates of future operating costs. Decisions about the development of the Georgia Lake Project, the Guben Converter and other Converter(s) will ultimately be based upon feasibility and engineering studies. Such studies derive estimates of cash operating costs based upon a number of factors, including:

- anticipated tonnage, grades and metallurgical characteristics of the mineralized material to be mined and/or processed;
- anticipated recovery rates of the metals from the mineralized material;
- cash operating costs of comparable facilities and equipment; and
- anticipated climatic conditions.

Cash operating costs, production and economic returns, and other estimates contained in studies or estimates prepared by or for the Company, including the Georgia Lake Technical Report and the Converter Engineering Study, may differ significantly from those ultimately realized due to a variety of factors, including the ongoing hostilities involving Russia and Ukraine and other factors described elsewhere in this section. Adverse variances in actual operating costs, production or economic returns from those currently anticipated may have a significant adverse impact on the financial prospects of the applicable project, as well as the business and operating results of the Company.

Novel Project/Deposit Risks

Guben Converter – Novel Project Risks: Lithium processing is an emerging field and, despite careful planning and preventative actions taken by the Company, it will not be able to eliminate the various risks inherent to the development, construction and operation of novel commercial-scale lithium conversion projects such as the proposed Guben Converter. China currently accounts for the significant majority of lithium processing activity globally and, to the Company's knowledge, the processing of spodumene concentrate into lithium hydroxide has not been previously undertaken on a commercial scale in Europe. Commercial scale lithium processing operations in China are inherently different from those in other regions due to a number of economic, social, political and other differences, and therefore may not be indicative of lithium processing development, construction and operations elsewhere.

The FEL3 Study included a risk management report based on the risk assessment conducted by the Finnish Engineering Partner, AFRY, in connection with the study. The risk management report identified various risks associated with the construction of the Guben Converter, as well as suggested preventative actions and risk management activities in relation to identified risks. For example, the Company plans to adopt the industry-standard flowsheet for a typical sulphate processing route for the Guben Converter, which flowsheet has been developed and demonstrated in a pilot test program. Nevertheless, the process of assembling a commercial scale process flowsheet has not been deployed on a commercial basis and, therefore, remains subject to known and unknown risks inherent with any commercialization.

In addition, it is difficult to predict the complex interplay of different components of the proposed process plant design and operation of the Guben Converter, which may be adversely impacted by unexpected development, construction and/or operating conditions, planned and unplanned maintenance and ramp up times, each of which may delay or reduce expected future production and/or increase costs.

Accordingly, despite careful planning and risk mitigation and management activities by the Company, there can be no assurance that risks associated with novel commercial-scale projects will not materialize during the development, construction and/or operation of the Guben Converter. If any of these risks were to materialize, it may have an adverse effect on the Company's business, financial condition and results of operation.

Georgia Lake Project – Novel Deposit Risks: While the mine plan and costs for the Georgia Lake Project are based on metallurgical tests and other known industry processes and equipment, the processes contemplated by the Company for production of spodumene concentrate at the Georgia Lake Project have not yet been demonstrated at commercial scale. There is a risk that when production is increased to a commercial scale, efficiencies of recovery and throughput capacity may not be met, that the Company may be unable to demonstrate production to scale, or that scaled production may not be cost effective. If any of these risks were to materialize, it may have a material adverse effect on the development of the Georgia Lake Project, which could in turn have a material adverse impact on the Company's business, operations, and prospects.

Component Risks

As with other mineral exploration companies, certain raw materials, supplies, and other critical resources used in connection with the Company's operations are obtained from a sole or limited group of suppliers. Due to an increase in activity in the global mining sector, there has been an increase in global demand for such resources. In addition, global macroeconomic tensions have caused and may continue to cause disruptions in global supply chains, which may reduce or eliminate the availability of certain supplies, particularly those sourced from outside of Canada (in respect of Georgia Lake Project operations) or Germany (in respect of Converter operations). Any decrease in the supplier's inventory could cause unanticipated cost increases, an inability to obtain adequate supplies and delays in delivery times, thereby impacting the timing and extent of exploration and development activities and future operating costs.

Completing the development of the Georgia Lake Project and the Guben Converter requires access to reliable sources of electricity, power, and water on acceptable terms. Prices for such materials can be affected by numerous factors beyond the Company's control, including global and regional supply and demand, weather patterns, political and economic conditions, and applicable regulatory regimes. The Company can provide no assurance that it will secure the materials required to support development or future operating activities or that such materials can be obtained on reasonable terms. Without access to such items in a timely manner and on acceptable terms, the Company's development of the Georgia Lake Project or the Guben Converter, as applicable, may be hindered and there can be no assurance that: the development of such project(s) will be completed on a timely basis, if at all; any resulting operations will achieve the anticipated results; or the ongoing operating costs associated with such project(s) will be in-line with the Company's expectations.

In addition, key operating supplies such as fuel, materials, reagents, and spare parts are necessary to support anticipated operating activities at the Georgia Lake Project and the Guben Converter, respectively. If these supplies become unavailable or their costs increase significantly, the profitability of the Company's operations would be negatively impacted.

Further, feedstock is expected to comprise a significant portion of the operating costs of the Guben Converter. There is no guarantee that the Company will secure the required feedstock for the Guben Converter, as there is no assurance that the Company will be able to source feedstock from existing third-party commercial operations on acceptable terms, or to invest in research and development for the recycling of lithium-ion batteries and reuse of lithium. Further, the Company, notwithstanding its best efforts, cannot guarantee that it will achieve its goal of securing 50% of its required raw material feedstock from recycling by 2030. An inability to secure such feedstock on reasonable terms may have an adverse impact on the profitability and economic viability of the Guben Converter.

The Company has set a number of ESG goals, including certain goals related to lowering the emissions intensity and environmental impact of its supply chain and operations (see "*Overall Performance – ESG and Sustainability*"). Rock Tech's ability to achieve its ESG goals is subject to a number of risks and uncertainties and no assurance can be provided that the Company will be able to achieve any or all such goals. The Company's ability to achieve its ESG goals depends upon, among other things, the Company's ability to develop and implement new technologies and to secure lower-carbon power and feedstock. In the event that the Company is unable to implement these strategies and technologies as planned in an economically feasible manner or without negatively impacting future operations or business plans, or in the event that such strategies or technologies do not perform as expected, the Company may be unable to meet its ESG goals on current timelines, or at all.

Seasonality

Exploration and development activities at the Georgia Lake Project are influenced by seasonal weather patterns, as may also be the case in respect of any future mining activities at the property. Inclement weather and spring thaw may make the ground unstable. Consequently, municipalities and provincial transportation departments occasionally enact road bans that restrict the movement of heavy equipment, thereby potentially reducing activity levels. Also, certain areas of the Georgia Lake Project may be difficult or impossible to access during certain seasons due to the impact of weather and precipitation on ground conditions. There can be no assurance that these seasonal factors will not adversely affect the timing and scope of the Company's exploration, development, and future mining activities at the Georgia Lake Project, which could in turn have a material adverse impact on the Company's business, operations and prospects.

Foreign Operations Risks

The Company plans to build the Guben Converter in Germany and has already established engineering and finance entities in the country. Planning to operate in Germany exposes the Company to German laws, regulations, policies and other directives. Changes to any applicable laws, regulations, policies or other directives, or shifts in political or social attitudes in any of the jurisdictions in which the Company operates may adversely affect the Company's operations and prospects for development and may affect the Company's ability to fund its ongoing expenditures at its projects. Regardless of the economic viability of the Guben Converter, and despite being beyond the Company's control, such legal, political or social changes could have a substantial negative impact on the business and financial condition of the Company.

Regulatory and Environmental Risks

Environmental Laws and Regulations

All phases of the mining business present environmental risks and are subject to environmental legislation and regulations promulgated by governmental authorities at the federal, provincial, state and municipal level. Such legislation and regulations provide for, among other things, restrictions, conditions and prohibitions on: emissions; the handling, transportation and disposal of waste and other substances; the reclamation of operational sites; the protection of species at risk; and spills, releases or emissions of various substances produced in association with mineral production and processing. In addition, such legislation and regulations require that mining and processing sites be operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities and may require the deposit of adequate security to cover reclamation and remediation obligations. Compliance with environmental legislation and regulations can require significant expenditures and the failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by applicable authorities, the curtailment of production or other activities or a significant increase in capital and/or operating expenses. In addition, environmental assessments of proposed projects carry a heightened degree of responsibility for the project proponent and its directors, officers, and employees. Companies engaged in the development of commercial projects may be exposed to the risk of increased costs and delays in development and/or operational activities as a result of the need to comply with applicable laws, regulations and permits.

Management believes that the Company is in compliance with all material laws and regulations which currently apply to its activities. However, no assurance can be given that, notwithstanding precautions taken by the Company and its limited operational history, breaches of environmental laws (whether inadvertent or not) or environmental pollution will not result in additional costs or curtailment of planned activities and investments, which could have a material and adverse effect on the Company's future results of operations and financial condition.

Furthermore, 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. Changes to current laws, regulations and permits could require increases in capital expenditures or future operating costs or require the Company to delay the development of future projects, each of which may have a material adverse impact on the Company.

Government Approvals

The Company's activities are subject to government approvals covering: development; land resumptions; taxes; labour standards and occupational health and safety matters; the handling, transportation and disposal of waste and other substances and other matters, including issues affecting Indigenous communities neighbouring the Georgia Lake Project. The costs associated with compliance with these approvals can be substantial. Although management believes that the Company's activities are carried out in accordance with all existing governmental authorizations and approvals, no assurance can be given that new rules and regulations will not be enacted that impose additional approval requirements or that existing rules and regulations related to current approval requirements will not be applied in a manner which could limit or curtail development or future operations, or cause additional expenses, capital expenditures, restrictions or delays in the development of the Company's projects. Further, the licenses and permits issued in respect of the Company's projects, including the Georgia Lake Project and the Guben Converter, may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses and permits. In the event of revocation, the value of Rock Tech's investments in such projects may decline or the Company's related activities may be postponed, abandoned, reduced, and/or terminated.

Indigenous Communities and Duty to Consult

The Company operates and conducts exploration in areas which are subject to the traditional rights and treaties of Indigenous communities. Many of these rights and treaties impose additional obligations on governments and private parties as they relate to the rights of Indigenous communities concerning resource development. Additionally, some mandate that government consult with, and if required, accommodate Indigenous community members in connection with government actions which may affect members, including actions to approve or grant mining rights or exploration, development or production permits. The Company is committed to engaging with the appropriate Indigenous communities in relation to the potential impact of its activities on such rights, which may result in delays or suspensions of exploration or mining activities.

Permitting Risks

Rock Tech's mineral claims, licenses and permits are subject to periodic renewal. While it is expected that renewals will be given as and when sought, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith. The Company's business objectives may also be impeded by the costs of holding and/or renewing the Company's mineral claims, licenses, and permits. In addition, the duration and success of Rock Tech's efforts to obtain and renew mineral claims, licenses and permits are contingent upon many variables not within its control.

The Company's current and expected future operations, including exploration, development and production activities at the Georgia Lake Project and development, construction and processing activities in respect of the Guben Converter, require licenses and permits from various governmental authorities, each of which can be time-consuming and costly to obtain, maintain and renew. Permitting for these projects remains in progress, and the Company's the development of such projects, as currently contemplated, will require many environmental, construction and, in the case of the Georgia Lake Project, mining permits, each of which can be time-consuming and costly to obtain, maintain and renew. In connection with its development plans, the Company must obtain and maintain a number of permits that impose strict conditions, requirements and obligations on the Company, including those relating to various environmental and health and safety matters. To obtain, maintain and renew certain permits, Rock Tech is required to conduct environmental assessments pertaining to the potential impact of its operations on the environment and to take steps to avoid or mitigate those impacts. The Company cannot be certain that all licenses and permits that it may require for its operations will be obtainable on reasonable terms or at all. Delays or a failure to obtain such licenses and permits, or a failure to comply with the terms of any such licenses and permits that the Company has obtained, could have a material adverse impact on Rock Tech.

Climate Change

There is significant evidence of the negative effects of climate change on the planet and public support for climate change actions has grown in recent years, as has the impetus to pursue new technologies to mitigate the effects of climate change. Governments in Canada, Germany and around the world have responded by adopting ambitious emissions reduction targets and supporting legislation, including measures relating to carbon pricing, emissions reduction initiatives and alternative energy incentives and mandates.

Rock Tech has grouped its risks related to climate change into two main categories: (i) physical risks; and (ii) transition risks. Physical risks have been further sub-divided into: (a) acute physical risks (those that are event-driven, including increased severity of extreme weather events); and (b) chronic physical risks (those that relate to longer-term shifts in climate patterns). Transition risks have been further sub-divided into: (1) regulatory and policy risks; (2) reputational risks; and (3) technology risks.

Physical Risks – Acute Risks: Climate change has been linked to rising sea levels and increased extreme events, such as more intense hurricanes, increasing ocean acidification, extreme hot and cold weather, heavy snowfall and rainfall and increased risk of wildfires, each of which may adversely impact the Company's operations, increasing their cost and negatively impacting future production. Moreover, extreme weather conditions may lead to disruptions in Rock Tech's ability to transport future production, as well as goods and services in its supply chains. The Georgia Lake Project and the proposed site of the Guben Converter are located in close proximity to forests and/or rivers, and a wildfire or flood, may result in significant restrictions on development and construction activities, shutdowns and downtime and reductions in future production. At this time, Rock Tech is unable to determine the extent to which climate change may lead to increased hazards affecting its operations.

Physical Risks – Chronic Risks: Anthropogenic climate change is estimated to have brought about a warming of 1.0° Celsius above pre-industrial levels. As the level of activity in the mining industry is influenced by seasonal weather patterns, long-term shifts in climate patterns increase the risk of exacerbating development and/or operational delays at the Georgia Lake Project, as well as the other risks posed by seasonal weather patterns. See also "*Risk Factors – Operational Risks – Seasonality*".

In addition, long-term shifts in weather patterns, such as water scarcity, increased frequency and severity of storms and fires and prolonged heat waves may require the Company to incur greater expenditures (time and capital) to deal with the challenges posed by such changes to its development activities, future operations, supply chain, transport needs, and employee safety, which may in turn have a material adverse effect on the Company's business, operations and financial condition.

Transition Risks – Regulatory and Policy Risks: Climate change policy is evolving at regional, national, and international levels and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place to prevent climate change or mitigate its effects. Existing and future laws and regulations may impose significant liabilities for a failure to comply with requirements thereunder. Concerns over climate change, fossil fuels, emissions and water and land-use could lead to the enactment of more stringent laws and regulations applicable to the Company. Any new laws and regulations (or additional requirements to existing laws and regulations) could have a material impact on the Company's business, financial condition, results of operations and prospects.

Adverse impacts to the Company's business as a result of climate change-related legislation may include, but are not limited to, increased compliance costs, permitting delays, increased operating costs and capital expenditures. Given the evolving nature of climate change policy, emission controls, and resulting requirements, it is expected that current and future climate change regulations will have the effect of increasing Rock Tech's compliance costs and operating expenses.

The Company's exploration and development activities and other operations and activities emit greenhouse gasses, which requires Rock Tech to comply with applicable emissions legislation. In addition, mining and processing operations are energy intensive and result in greenhouse gas emissions either directly or through the purchase of fossil fuel-based electricity. As a result, future operations (if any) at the Georgia Lake Project and the Guben Converter will also emit greenhouse gasses and such projects will also be required to comply with then applicable emissions legislation.

Transition Risks – Reputational Risks: Concerns regarding climate change may increase public scrutiny of industries that are thought to have more significant environmental impacts.

The price of common shares and/or the Company's business, financial condition or operations may be negatively impacted as a result of any negative public opinion towards the mining and mineral processing industry or as a result of any negative sentiment in respect of Rock Tech's reputation with stakeholders, special interest groups, political leadership, the media or other entities. Public opinion may be influenced by certain media and special interest groups' negative portrayal of the mining industry, as well as their opposition to certain related projects. Concerns about climate change, and environmental harm more generally, have resulted in a number of environmental activists and members of the public opposing mining exploration, development and production activities, which may influence investors' willingness to invest in the mining industry. See also "*Risk Factors – Regulatory and Environmental Matters – Opposition to Projects*".

Transition Risks – Technology Risks: The Company is committed to operating responsibly and reducing the negative effects of its current and future operations on the environment. However, the Company's ability to reduce emissions, energy and water use and adopt new innovations is constrained by technological advancement, operational realities and economics. The adoption of new technologies by the Company to address climate change could require a significant capital investment.

Title Matters

Although the Company has exercised due diligence with respect to determining title to its mineral project, there can be no assurance of title to any of the Company's property interests, or that such title will ultimately be secured. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. The Company's property interests may also be subject to prior unregistered agreements or transfers or other land claims, and title may be affected by undetected defects and adverse laws and regulations.

The Company cannot guarantee that title to its properties will not be challenged. There may be valid challenges to the title of the Company's mineral property which, if successful, could adversely impact exploration and development activities. Such claims, regardless of validity, could impose significant costs to defend adversely impacting the financial position of the Company and causing delays to the development schedule.

Surface Rights and Access

Although the Company has acquired the right to some or all of the minerals in the ground subject to the tenures that it has acquired, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are no existing surface rights holders, this does not usually cause a problem, as there are no impediments to surface access. However, in areas where there are local populations or landowners, it is necessary, as a practical matter, to negotiate surface access. There can be no guarantee that, despite having the right at law to access the surface and carry-on mining activities, the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdictions.

Although the Company holds surface rights or legal access to all areas of the Georgia Lake Project, there is a risk that such rights may be deficient or subject to dispute. The procurement or enforcement of such rights can be costly and time consuming. In areas where there are local populations or landowners, it may be necessary, as a practical matter, to negotiate surface access. Despite having the legal right to access the surface and to carry on exploration and mining activities, Rock Tech may not be able to negotiate satisfactory agreements with existing landowners/occupiers for such access, and therefore it may be unable to carry out mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on local officials or court assistance.

In addition, there is a risk that developing laws and movements respecting the acquisition of lands and other rights of Indigenous communities may alter the arrangements made by prior owners of the lands where the Georgia Lake Project is located. Future laws and actions could have a material adverse effect on Rock Tech's operations at the Georgia Lake Project or on its financial position and results of operations.

Opposition to Projects

The Company may face opposition to the development of the Georgia Lake Project and/or the Guben Converter. There has been increasing public concern relating to the effects of mining on natural landscapes, communities and on the environment and opponents of other mining projects have, in some cases, been successful in bringing public and political pressure against mining projects. In the event of opposition to either the Georgia Lake Project or the

Guben Converter, the Company’s development of such project may be delayed or prevented, even if such development is found to be economically viable and legally permissible.

Industry Risks

Volatile Product Prices

The Company’s ability to undertake profitable operations at the Georgia Lake Project and the Guben Converter, if and to the extent such projects are developed and enter commercial operations, will be significantly impacted by changes in the price of intermediate and final lithium-based products. The prices of these products have fluctuated significantly in recent years and such fluctuations may materially impact the ability of the Company to raise necessary funding and the economics of both upstream and downstream projects. These fluctuations are beyond the Company’s control and are often the result of proposed and enacted policies designed to increase electrification and/or curtail or expedite the development of critical mineral projects. New discoveries, technological breakthroughs, global supply and demand, inflation, interest rates and foreign exchange rates, in addition to other factors, may also contribute to price volatility.

Lithium is not a traded commodity in the manner of base and precious metals and its price is significantly affected by the purity and performance. Sales agreements are negotiated on an individual and private basis with each different end-user, whose specifications will also impact the price they are willing to pay. If the products produced from the Company’s projects do not meet lithium hydroxide quality and/or do not meet customer specifications, there will be a negative effect on pricing and availability of customers. The Company may not be able to effectively mitigate against pricing risks for its products. A prolonged decrease in the price which the Company is able to obtain for its products may affect the value of the Company, the price of common shares and the potential value of the Georgia Lake Project and the Guben Converter.

Competition

The mineral exploration and production industry is intensely competitive. The Company competes and will continue to compete with entities which are better financed and have better access to capital than the Company; there is no assurance that the Company will be able to successfully compete against such other corporations and entities for capital or for properties. Furthermore, there is competition for experienced management and directors in the junior mineral exploration and development sector. There can be no assurance that the Company will be successful in attracting and retaining qualified personnel as competition for persons with relevant experience and skill sets increases.

A high level of competition exists with respect to securing a reliable, predictable supply of lithium raw materials. This competition could lead to materially higher prices and existing and emerging raw material producers may pursue vertical integration, retaining their raw materials and producing lithium hydroxide or other final products for the market. Any resultant unavailability of raw material feedstock could adversely impact the Company’s Guben Converter operations, potentially leading to higher costs, idle capacity or the curtailment of activities.

The Company may also encounter competition from other lithium producers for the supply of raw materials (see “*Risk Factors – Operational Risks – Component Risks*”) and for customers (see “*Risk Factors – Industry Risks – Reliance on Off-Take Agreements*”).

Increased competition for raw material, spodumene concentrate or lithium hydroxide production could adversely impact the Company’s ability to attract the required capital funding, engage desired engineering, construction and procurement contractors, procure the require equipment at a desired time or cost and retain key personnel.

Reliance on Off-Take Agreements

Currently, there is no developed spot market for lithium products. Accordingly, the Company expects to enter into off-take agreements:

- with existing third-party commercial producers to acquire spodumene concentrate feedstock for the Guben Converter;
- with existing third-party processors to sell spodumene concentrate produced at the Georgia Lake Project (until the Company successfully implements its vertical integration strategy for the Georgia Lake Project by developing and constructing a North American Converter); and
- with manufacturers of the downstream lithium-ion battery value chain or commodity trading companies to sell lithium hydroxide processed at the Guben Converter; whereas these “end-users” could be Cathode or battery producers or automotive OEMs themselves

However, competition in both the upstream and downstream segments of the business is high and the Company anticipates that the level of such competition will continue to increase. Furthermore, emerging and existing lithium mining companies are exhibiting a trend towards greater vertical integration, which may result in additional competition faced by: (i) the Company’s Georgia Lake operations for the sale of intermediate lithium products to third-party processers; and (ii) the Company’s Guben Converter operations in the acquisition of spodumene concentrate feedstock.

Price is just one of several factors which may be considered by potential customers. For example, lithium hydroxide produced at the Guben Converter in the future will be subject to product quality tests from prospective customers. In addition, potential customers may also consider emissions generated in the Company’s entire value chain, the origin of its raw material feedstock and any reagents used. There is no assurance the Company’s product will satisfy customer specifications or other considerations or that it will be able to negotiate acceptable terms and conditions for the sale of its products. Accordingly, the Company may not be successful in finding customers. Further, any default or early termination by counterparties under future off-take agreements which are material to Rock Tech’s business and operations may have an adverse effect on the Company’s financial condition and results from operations.

Growth of Lithium Markets

The development of lithium operations and the need for intermediate and final lithium products produced and/or processed by the Company is largely dependent on the adoption of lithium-ion batteries for electrical vehicles and other large format batteries, which currently have limited market share and whose projected adoption rates are not assured. To the extent that such markets do not develop in the manner or according to the timelines contemplated by the Company, the long-term growth in the market for lithium projects could be adversely affected. In such case, the potential for the development and/or commercial viability of the Georgia Lake Project and the Guben Converter would be inhibited which would have a negative effect on the business and financial condition of the Company.

General Risks

Economic & Geopolitical Risks

Global financial conditions have, at various times in the past, and may, in the future, experience extreme volatility. Many industries, including the mining industry, are impacted by volatile market conditions. Global financial conditions may be subject to sudden and rapid destabilizations in response to economic shocks or other events, such as the COVID-19 pandemic and the hostilities involving Russia and Ukraine. A slowdown in the financial markets or other economic conditions, including adverse changes in consumer spending, employment rates, business conditions, inflation, fluctuations in fuel and energy costs, consumer debt levels, lack of available credit lines, the state of the financial markets, interest rates and tax rates, may adversely affect the Company’s financial condition and prospects. Future economic shocks may be precipitated by a number of causes, including government debt levels, fluctuations in the price of oil and other commodities, the volatility of commodity prices, geopolitical instability, changes in laws or governments, war, terrorism, the volatility of currency exchanges, inflation or deflation, the devaluation and volatility of global stock markets, pandemics and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms favourable to Rock Tech or at all. In such an event, the Company's operations and financial condition could be adversely impacted.

Reliance on Key Personnel

The Company's success is highly dependent upon the performance of its key officers, directors and employees, and its ability to attract additional and retain existing key personnel. Owing to the relatively small size of the current lithium market, personnel with the skills and experience required to develop and implement the Company's business and development strategies are scarce and competition for them is high. Failure to attract and retain key individuals with necessary skills, including but not limited to key engineering, metallurgical, chemical, processing or project management personnel could cause adverse consequences and interrupt and/or delay the Company's development plans.

Project Management Risks

The Company is concurrently overseeing the advancement of two major projects, each of which requires the dedication of considerable time and resources by the Company and its management team. At the Georgia Lake Project, a major lithium mining project, the Company is actively involved in exploration and development activities. In parallel, progress continues to be made on the development of the Guben Converter, a merchant lithium hydroxide Converter, including permitting and the preparation of initial ground works. The advancement of two major resource projects concurrently brings with it the associated risk of strains arising on managerial, human and other resources. The Company's ability to successfully manage each of these processes will depend on a number of factors, including its ability to manage competing demands on time and other resources, financial or otherwise, and successfully retain personnel and recruit new personnel to support its growth and the advancement of its projects.

Health and Safety Risks

The Company's business in relation to both the Georgia Lake Project and the Guben Converter carries an inherent risk of liability related to worker health and safety, including the risk of government-imposed orders to remedy unsafe conditions, potential penalties for contravention of health and safety laws, licenses, permits and other approvals, and potential civil liability. Compliance with health and safety laws and the requirements of licenses, permits and other approvals is, and will remain, material to the Company's business. The Company may become subject to government orders, investigations, inquiries or other proceedings (including civil claims) relating to health and safety matters. The occurrence of any of these events or any changes, additions to or more rigorous enforcement of health and safety laws, licenses, permits or other approvals could have a significant impact on operations and/or result in additional material expenditures. As a consequence, no assurances can be given that additional workers' health and safety issues relating to presently known or unknown matters will not require unanticipated expenditures, or result in fines, penalties or other consequences (including changes to operations) material to its business and operations.

North American Converter Risks

In furtherance of Rock Tech's vertical integration strategy for the Georgia Lake Project, the Company is conducting preliminary investigation and planning activities in respect of a potential lithium hydroxide Converter in North America (see "*Overall Performance – Georgia Lake Project*"*).* Accordingly, should the Company elect to proceed with the construction and development of a North American Converter, such Converter will face and be subject to many of the same risks as the Guben Converter described elsewhere in this MD&A.

Conflicts of Interest Risks

Certain directors and officers of the Company are, or may become, engaged in other business activities which may potentially compete with or become customers or suppliers of Rock Tech. As such, there is a potential that situations may arise where the other interests of these directors and officers may conflict with the interests of the Company.

To mitigate this risk, directors and officers of the Company are required to disclose the existence of potential conflicts of interest in accordance with the Business Corporations Act (British Columbia) and other applicable regulations and are subject to the related procedures set out therein.

Intangible Properties Risks

The Company has made a patent application for its lithium hydroxide manufacturing process (the "**Nitrate Process**") with the European Patent Office. A worldwide Patent Cooperation Treaty application in respect of the Nitrate Process claiming priority to the Company's European patent was filed by the Company on October 29, 2021 with the Canadian Intellectual Property Office. The application was published on January 25, 2023. The regional phase in Europe for the above-mentioned international application was initiated in due time before the European Patent Office on April 21, 2023. The EP-application was published on September 13,2023. There is no guarantee that the patent will be granted nor does a grant of a patent guarantee that the patent concerned is valid or that the technology (patented or otherwise) does not infringe on the rights of others. The Company cannot guarantee that the patent will be approved for final acceptance and granted. Further, patent registration, although an indicator of valid intellectual property ownership, is not indefeasible as any errors in the registration process may lead to registration being challenged or revoked. The Company cannot be certain that the validity, ownership or authorized use of intellectual property relevant to its business will not be successfully challenged by third parties. In addition, there can be no guarantee that unauthorized use or copying of the Company's intellectual property can or will be prevented.

The Company makes no assurance that the Nitrate Process is novel, that it will be proven commercially, that it will result in a reduced consumption of energy, that the production of by-products will generate additional revenue streams rather than waste, or that the Nitrate Process will replace the industry-standard sulphate route in most or any operating lithium Converters worldwide.

Insurance Risks

In the course of the development of the Georgia Lake Project or the Guben Converter, as well as the future operation of such projects, the Company is and will remain subject to a significant number of development, construction and operational risks, as described elsewhere in this MD&A. It is not always possible to fully insure against such risks and, even where such insurance is available, the Company may decide to not obtain insurance against such risks. Should such liabilities arise without adequate insurance coverage, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company. Furthermore, while the Company maintains liability insurance in accordance with industry standards, the nature of these types of risks is such that liabilities could exceed policy limits and the Company could incur significant costs that could have a material adverse effect on its business, results of operations and financial condition.

Enforcement of Judgments

The Company is incorporated under the Business Corporations Act (*British Columbia*) and is headquartered in Ontario, Canada, but certain directors and officers are not citizens or residents of Canada. In addition, the Company intends on constructing, developing and operating certain material assets, such as the Guben Converter, outside of Canada. As a result, it may be difficult or impossible for an investor to: (i) enforce in courts outside Canada judgments against the Company and its directors and officers obtained in Canadian courts and predicated upon the civil liability provisions of Canadian securities laws; or (ii) bring in courts outside Canada an original action against the Company and directors and officers to enforce liabilities based upon such securities laws.

Cyber-Security Risks

Threats to information technology systems associated with cyber-security risks and cyber incidents or attacks continue to grow. It is possible that the business, financial and other systems of the Company or other companies with which it does business could be compromised, which might not be noticed for some period of time. Risks associated with these threats include, among other things, loss of intellectual property, disruption of business operations and safety procedures, loss or damage to worksite data delivery systems, and increased costs to prevent, respond to or mitigate cyber-security events.

Internal Controls

The Chief Executive Officer and Chief Financial Officer of the Company filed a Venture Issuer Basic Certificate on Form 52-109FV1, with respect to the financial information contained in the audited annual financial statements of the Company and the respective MD&A, and on Form 52-109FV2, with respect to the financial information contained in the unaudited interim financial statements of the Company and the respective MD&A. Such Venture Issuer Basic Certificates, as compared to Form 52-109F1 and Form 52-109F2, respectively, do not include representations relating to the establishment and maintenance by the Company of disclosure controls and procedures and internal control over financial reporting (each as defined in National Instrument 52-109—*Certification of Disclosure in Issuers' Annual and Interim Filings*).

Share Capitalization

Total Outstanding as of:	**December 31, 2023**	**Date of this report**	**Exercise price range:**
Shares outstanding	101,255,039	101,255,039	
Stock options	3,873,500	6,998,500	$0.53 - $6.08
Warrants	18,476,153	18,476,153	$1.69 - $6.77

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the year ended December 31, 2023, were based on the loss attributable to common shareholders and the weighted average number of common shares outstanding. Diluted loss per share did not include the effect of stock options and warrants as the effect would be anti-dilutive.

Technical Information and Qualified Person

Detailed scientific and technical information in respect of the Georgia Lake Project can be found in the "*Georgia Lake Lithium Project, Pre-Feasibility Study*" (721024----) report dated November 17, 2022 (the "**Georgia Lake Technical Report**"). The Georgia Lake Technical Report is available on the Company's SEDAR profile at www.sedar.com. The Georgia Lake Technical Report was prepared by the following individuals, each of whom is a "qualified person" for the purposes of National Instrument 43--101—*Standards of Disclosure for Mineral Projects* ("**NI 43--101**"): D. Warren, P.Eng. with AMC Mining Consultants, G. Methven, P.Eng. with AMC Mining Consultants, M. Molavi, P.Eng. with AMC Mining Consultants, D. Nussipakynova, P.Geo. with AMC Mining Consultants, R. Schmitt, P.Geo. with ERM Consultants Canada, A. McIntyre, P.Eng. with Knight Piesold Consulting, B. O'Connor, P.Eng. with Pinchin Limited, A. Sneyd, P.Eng. with Wave International, C. Murrell, P.Eng. with Wave International, S. Supanz, P.Eng. with Wave International, J. Schloffer, P.Eng. with Wave International.

Robert MacDonald, P.Eng., the Company's General Manager of the Georgia Lake Project, has reviewed and approved the scientific and technical information in this MD&A with respect to the Georgia Lake Project. Mr. MacDonald is a "qualified person" for the purposes of NI 43-101.

See the Georgia Lake Technical Report for further information about the Georgia Lake Project, including a description of key assumptions, parameters and methods relating to resources estimates in respect of the mineral property.

Non-IFRS and Other Financial Measures

In this MD&A, the Company has disclosed certain non-IFRS financial measures and ratios that are not defined in accordance with IFRS and which are not disclosed in the Company's financial statements, including total operating costs and total operating costs per tonne.. Non-IFRS financial measures either exclude an amount that is included in, or include an amount that is excluded from, the composition of the most directly comparable financial measure specified, defined and determined in accordance with IFRS. Such financial measures do not have any standardized meaning under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Accordingly, non-IFRS financial measures should not be considered in isolation or as a substitute for, or superior to, measures and ratios of the Company's financial performance or prospects specified, defined or determined in accordance with IFRS. Management expects to use such measures to set objectives and as a key performance indicator and believes that such information may be useful to investors and analysts in understanding and assessing the estimated financial performance of the Company's projects.

Certain Non-IFRS financial measures used in this MD&A and common to the mining industry are defined below:

Total operating costs and operating costs per tonne: Total operating costs are reflective of the cost of production. Total operating costs reported in the PFS include mining costs, processing costs, tailings storage facility costs, water & waste management costs, and on-site general & administrative costs. Operating costs per tonne is calculated as total LOM operating costs divided by total LOM mill feed tonnes.

Total cash costs and cash costs per tonne: Total cash costs are reflective of the cost of production. Total cash costs reported in the PFS include mining costs, processing costs, tailings storage facility costs, water & waste management costs, on-site general & administrative costs, transportation costs and royalties. Cash costs per tonne is calculated as total LOM cash costs divided by total LOM mill feed tonnes.

All-in Sustaining Costs ("AISC") and AISC per tonne: AISC is reflective of all of the expenditures that are required to produce spodumene concentrate from operations. AISC reported in the PFS includes total cash costs, pre-production capital, sustaining capital (including closure costs). AISC per tonne is calculated as AISC divided by total LOM mill feed tonnes.

Management and Board of Directors

The current directors and officers are:

Dirk Harbecke – Director, Chairman and Chief Executive Officer
Stefan Krause – Director and Vice Chairman
Klaus Schmitz – Director
Dr. Peter Kausch – Director
Esther Bahne – Director
Michelle Gahagan – Director
Sonja Rossteuscher – Chief Financial Officer
Kerstin Wedemann – Chief Legal and Operations Officer
Robert MacDonald – General Manager, Georgia Lake Project
Monique Hutchins – Corporate Secretary

Cautionary Note Regarding Forward-Looking Statements

Certain statements and information in this MD&A constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities legislation (collectively, "**forward-looking statements**"), which are based on Rock Tech's current expectations, estimates and assumptions in light of its experience and perception of historical trends. All statements other than statements of historical fact may constitute forward-looking statements. Often, forward-looking statements are identified by words such as "believe", "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect", "project", "potential", "ongoing", "could", "would", "target" or the negative of these terms or similar expressions, although not all forward-looking statements contain these terms or similar expressions.

In particular, forward-looking statements in this MD&A include, but are not limited to, statements relating to: the Company's vision, strategy and objectives; the Company's plans and expectations with respect to its planned and prospective projects, including the Georgia Lake Project and the Guben Converter, including the expected costs, capital expenditures, milestones, timing and outcomes thereof; plans and expectations for the Company's development and exploration opportunities, projects and future operations, including production and processing estimates and processes employed, anticipated capital expenditures, operating costs and economic returns, as well as future development and operating activities, schedules, regulatory and environmental applications and approvals, and the results thereof, as well as the impact of such opportunities, projects and operations on its future financial performance; the expected timing, costs and outcomes of studies, surveys, tests, models and reports conducted by or on behalf of the Company, including the pre-feasibility study in respect of the Georgia Lake Project, the BPS, the FEL3 study and the ITE-report; expected regulatory processes and outcomes, including in relation to the Guben Permits and Rock Tech's application for government subsidies in respect of its operations; expectations regarding the source and strategy in relation to securing feedstock in relation to future operations and the sale of the Company's future production, including future contracts in respect of feedstock and intermediate and final lithium products; expectations regarding the relationship between, and future actions to be taken by, Rock Tech and contractual counterparties and other stakeholders, including statements regarding the expected benefits thereof; the feasibility, potential applications and benefits of investments and process development activities undertaken by the Company; mineral resources and reserves estimates contained in Georgia Lake Technical Report; the requirements of any environmental assessment process or for environmental protection necessary for securing permission to advance the Company's development projects to an operating phase; the Company's ESG and sustainability related targets, including the benefits and achievement thereof and future actions taken by the Company in relation thereto; and the availability and ability of the Company to secure additional financing and the favourability of any terms received.

Forward-looking statements used in this MD&A are based on various assumptions, estimates, expectations and opinions of the Company and, in certain cases, third party experts, that are believed by management of Rock Tech to be reasonable at the time. Such factors and assumptions include, among other things: the supply and demand for, deliveries of, and the level and volatility of prices of, feedstock and intermediate and final lithium products; expected growth, performance and business operations; the availability of financing on acceptable terms; future commodity prices, interest rates, tax rates and exchange rates; prospects and growth opportunities available to the Company; general business and economic conditions; the costs and results of exploration, development and operating activities; Rock Tech's ability to procure supplies and other equipment necessary for its business; the accuracy and reliability of technical data, forecasts, estimates and studies. While Rock Tech considers these factors and assumptions to be reasonable based on information available as at the date hereof, the Company cannot give any assurance that such factors or assumptions will prove to be correct.

In addition, forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond Rock Tech's control, that may cause actual events, results, performance and/or achievements to be materially different from that which is expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to: the Company's ability to access funding required to invest in available opportunities and projects (including the Georgia Lake Project and the proposed Guben Converter) and on satisfactory terms; the hostilities involving Russia and Ukraine; risks inherent in the exploration and development of mineral projects and establishing new commercial operations, including unanticipated events and other difficulties related to construction, development and operation of the Georgia Lake Project and/or the Guben Converter; hazards associated with mineral production and commercial operations; the risk that Rock Tech will not be able to meet its financial obligations as they fall due; adverse general economic and market conditions, including adverse changes, volatility or prolonged weaknesses, as applicable, in interest rates, exchange rates, commodity prices, supply/demand trends and overall economic activity and growth levels; the Company's mineral resource estimates may prove inaccurate or the Company may encounter unusual or unexpected geological formations; an inability to retain and attract skilled staff and to enter into off-take agreements to secure feedstock from third party suppliers and to sell intermediate and final lithium products; actions by governmental authorities, including adverse changes in tax laws and treatment, regulatory processes or increased environmental regulation; the cost of compliance with current and future environmental and other laws and regulations; title defects, competition from existing and new competitors, adverse changes in market prices of Rock Tech's securities, Rock Tech's history of losses and lack of experience; impacts of climate change; and other risks and uncertainties described under the heading "*Risk Factors*" in this MD&A.

Readers are cautioned that such factors, assumptions, risks and uncertainties are not exhaustive. Forward-looking statements should not be read as a guarantee of future performance or results. The forward-looking statements contained in this MD&A are included for the purpose of providing investors with information to assist them in understanding management's current views of the Company's financial and operational prospects and may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statements that are included in this MD&A, except in accordance with applicable securities laws.