

RockTech Lithium

Rock Tech Lithium Inc.

Management Discussion and Analysis

MD&A

September 30, 2021

PREPARED BY MANAGEMENT

ROCK TECH LITHIUM INC.

Management Discussion and Analysis

For the three and nine months ended September 30, 2021

This Management Discussion and Analysis (“MD&A”) of Rock Tech Lithium Inc. (the “Company”) provides analysis of the Company’s financial results for the three and nine months ended September 30, 2021 and incorporates certain information from prior fiscal years. This MD&A should be read in conjunction with the annual audited consolidated financial statements of the Company for the years ended December 31, 2021 and 2020. These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). This MD&A contains statements that constitute “forward-looking” statements and other cautionary notices (refer to “Forward-Looking Statements and Estimates” in this MD&A).

Date of Report November 26, 2021

Overall Performance

The Company, a Tier 1 Listed Issuer on the TSX Venture Exchange, is a lithium development company holding a 100% interest in the Georgia Lake lithium project in the Thunder Bay Mining District of Ontario. The Company is also planning to build European and North American lithium hydroxide conversion capacity.

The Company is planning to build multiple lithium hydroxide converters both in Europe and in North America, and has selected Guben, Germany, as the site for its first converter, with operations forecasted to begin in 2024. Lithium hydroxide converters “convert” raw material feedstock, in the form of spodumene concentrate, lithium chloride or other form, into the chemical lithium hydroxide for inclusion in the cathode of a lithium-ion battery. In order to secure the required feedstock, the Company is pursuing three strategies: (i) sourcing feedstock from existing commercial operations, (ii) developing its own feedstock source in Canada, and (iii) watching and carefully investing in R&D for the recycling of lithium-ion batteries and reuse of lithium. The Company is actively conducting pilot-scale metallurgical tests, basic engineering and front-end engineering design for its first planned Converter and exploration, development and basic engineering work at its Georgia Lake lithium project .

The Georgia Lake project consists of 277 claim units and 41 mining leases. The project is located in an area underlain by metasediments and metavolcanics of Archean age. These metasediments were invaded by large masses of Algoman granitic rocks and by numerous sills and dykes of genetically related porphyry, pegmatites and granite aplite. The Georgia Lake pegmatites contain lithium-bearing spodumene and have demonstrated the potential for beryl, columbite, molybdenite, amblygonite, apatite and biotite. Since acquiring the project in 2009, the Company has completed several exploration programs including prospecting, channel sampling and over 14,000 metres of drilling. As of the date of this report, the property has a National Instrument 43-101 compliant resource estimate including a measured resource estimate of 2.31 million tonnes grading 1.04% lithium oxide, an indicated resource estimate of 4.31 million tonnes grading 0.99% lithium oxide and an inferred resource estimate of 6.68 million tonnes at 1.16% lithium oxide.

The Company’s continuation as a going-concern is dependent upon the successful results of its mineral property exploration activities and its ability to raise equity capital sufficient to meet current and future obligations. As at September 30, 2021, the Company had cash and cash equivalents of \$11,558,841 which alleviates significant doubt about the Company’s ability to continue as a going concern.

Qualified Person

Robert MacDonald, P. Eng., a Qualified Person as defined by National Instrument 43-101, has reviewed and verified the technical information provided in this release. All technical information provided in the MD&A has been previously disclosed by way of news releases made by the Company.

Property Details and Results to Date

Georgia Lake Lithium Property, Northwest Ontario

The Georgia Lake lithium project was the subject of significant historical exploration work conducted by past operators. Over 33,000 metres of drilling had been completed on the original claim blocks acquired by the Company, providing Rock Tech with an historical resource estimate. The Nama Creek claim block, located in the northeast corner of the Georgia Lake properties, was poised to go into production in the late 1950s, with a 4-compartment mine shaft being built to a depth of 153 metres. During the year ended December 31, 2020, the Company continued with environmental baseline studies and other related permitting activities. The Company did not recognize any impairment on the property during the period.

Exploration expenditures incurred:

Georgia Lake, Ontario	For the period ended: September 30, 2021	For the year ended: December 31, 2021
Property acquisition costs		
Balance, beginning of year	\$ 1,420,375	\$ 1,420,175
Acquisitions	-	200
Balance, end of period	1,420,375	1,420,375
Exploration and evaluation expenditures		
Balance, beginning of year	2,836,543	2,412,478
Costs incurred during period:		
Administration	66,097	81,259
Assaying	21,404	133,299
Camp and field costs	34,739	7,011
Drilling	464,292	-
Engineering consulting	342,060	-
Environmental baseline and permitting	168,033	133,580
Geological consulting	76,308	25,287
Labour	-	14,134
Permitting and land holding costs	2,645	3,445
Technical reports	87,369	24,440
Transportation	12,176	1,610
	1,275,123	424,065
Balance, end of period	4,111,666	2,836,543
Total	\$ 5,532,041	\$ 4,256,918

Applicable Regulations and Permits

The Province of Ontario, in which the Company's property is located, has a history of being an excellent jurisdiction in which to conduct mineral exploration. As a result, Management doesn't anticipate encountering difficulties in obtaining the necessary work, environmental and regulatory permits for any planned exploration programs.

The Company's mineral exploration activities expose it to potential responsibilities related to the identification and protection of First Nations' archaeological and cultural sites and artefacts that may be located within the boundaries of the Company's claims. Management works closely with the First Nations peoples and leaderships involved in these areas to protect their interests. The costs of conducting any required archaeological studies are treated as an exploration expense. Management is not aware of any such interests that would unduly restrict its exploration activities.

Downstream development

Rock Tech is planning to build a lithium hydroxide production plant that will convert hard rock lithium feedstock into a lithium chemical commonly used in the battery industry. During the year ended December 31, 2020, the Company commenced basic engineering and metallurgical studies regarding the planned lithium hydroxide converter. In October 2021, the Company located the site for the first lithium converter in Guben, Brandenburg, Germany. In order to acquire the site, Rock Tech will make a cash payment to the property owners totaling 1,130,877€ no later than six months from the date of the finalized agreement. As of the date of this report, the Company has not made this payment.

Expenses incurred during the period were as follows:

	For period ended September 30, 2021		For year ended December 31, 2020	
Lithium Hydroxide Converter				
Costs incurred during the period:				
Site Due Diligence	\$	52,687	\$	7,658
Engineering		1,499,109		159,874
Metallurgy		1,000,443		55,411
Project Management		3,302,047		189,849
Disbursements		192,665		-
Total	\$	6,046,951	\$	412,792

Selected Annual Information

Fiscal Year	2020	2019	2018	2017
	(\$)	(\$)	(\$)	(\$)
	IFRS	IFRS	IFRS	IFRS
Total revenue	-	-	-	-
Loss	(3,039,970)	(1,049,293)	(3,444,621)	(3,277,052)
Loss per share	(0.08)	(0.03)	(0.10)	(0.12)
Total assets	13,426,687	5,570,982	4,840,758	5,948,183
Long term financial liabilities	n/a	n/a	n/a	n/a
Cash dividends declared	n/a	n/a	n/a	n/a

The Company's financial statements are expressed in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards (IFRS).

The losses, year-over-year, reflect the current stage of development of the Company and, more specifically, general administration expenses and the impairment of exploration properties that the Company has decided to abandon. The level of expenditures varies based on available funds and the exploration and promotion programs planned.

In 2020, the Company incurred \$424,265 in net exploration expenditures related to the Georgia Lake property and planned lithium hydroxide converter and recognized an impairment loss of \$30,433 on the El Nogalito property. The amount was previously classified as a Prepaid Expense pending the grant of certain mining licenses by the relevant authorities in Mexico. During the year-ended December 31, 2019, the Company decided to no longer pursue the acquisition of the El Nogalito project. The amount recognized as a Mineral Property Impairment is refundable by the property vendors; however, the Company assesses the likelihood of collection to be low.

In 2019, the Company incurred \$298,927 in net exploration expenditures related to the Georgia Lake property and did not recognize any impairment losses.

In 2018, the Company incurred \$555,229 in net exploration expenditures related to the Georgia Lake property and did not recognize any impairment losses.

In 2017, the Company incurred \$983,137 in net exploration expenditures related to the Georgia Lake property and did not recognize any impairment losses.

Results of Operations for the year ended December 31, 2020 and 2019

The Company had working capital of \$8,383,056 as of December 31, 2020 (2019: \$1,488,646), including \$8,987,743 of cash (2019: \$1,650,864). The most significant expenses were:

- General administration expenses of \$54,318 (2019: \$42,224) related to office rent, commercial liability and directors' and officers' insurance policies and other overhead.
- Management fees of \$472,500 (2019: \$370,000) related to fees charged by the executive chairman and chief executive officer;
- Salaries and wages of \$210,000 (2019: \$185,000) related to the chief financial officer;
- Professional fees of \$74,022 (2019: \$59,442) related to assurance and general legal expenses.
- Stock-based payments of \$1,333,340 (2019: \$69,085) related to the value of stock options granted to directors, officers, employees and consultants;
- Consulting fees of \$218,297 (2019: \$67,697) related to the establishment of an advisory board and the engagement of technical consultants;
- Downstream lithium converter development expenses of \$412,792 related to site due diligence, engineering, metallurgical testing and project management (2019: \$Nil);
- Project investigation expenses of \$19,176 (2019: \$237);
- Travel and promotion expenses of \$190,421 (2019: \$227,177) related to increased exploration, corporate development, marketing and investor relations activities during the year;
- Transfer agent and filing fees of \$33,269 (2019: \$26,678) related personal information forms, shares-for-services and other regulatory filings.

The Company expects losses to continue unless and until it finds a commercially viable ore body or deposit and commences commercial production thereon or until commercial production commences at its planned lithium hydroxide facility. The Company further expects that its loss will be greater in succeeding years as it ramps up development and grows its headcount.

Summary of Quarterly Results

	2021			2020				2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net Sales	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Net Income/(Loss)	(7,444,601)	(3,979,126)	(5,273,889)	(942,036)	(411,928)	(284,135)	(1,401,871)	(201,480)
Basic and Diluted Earnings/ (Loss) per share	(0.14)	(0.08)	(0.10)	(0.03)	(0.01)	(0.01)	(0.04)	(0.01)
Comprehensive Income/(Loss)	(7,456,923)	(3,980,439)	(5,273,889)	(942,036)	(411,928)	(284,135)	(1,401,871)	(201,480)
Basic and diluted earnings/(loss) per share	(0.14)	(0.08)	(0.10)	(0.02)	(0.01)	(0.01)	(0.04)	(0.01)

Fluctuations in the quarter-to-quarter performance are largely the result of 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 (ie – exploration programs) tend to be accompanied by higher than average general and administrative costs and other overheads necessary to support such investing activities. Fluctuations in the quarter-to-quarter performance are also due to fluctuations in the business cycle.

Results of Operations for the quarter ended September 30, 2021 and 2020

The Company's comprehensive loss for the quarter ended September 30, 2021, was \$7,526,985 (2020: \$411,928). The most significant expenses were:

- General administration expenses of \$389,081 (2020: \$13,878), related to office rent, insurance and other overheads.
- Stock-based payments of \$1,597,389 (2020: \$Nil) related to the granting of stock options to directors, officers, employees and consultants;
- Management fees of \$179,308 (2020: \$105,000) related to the Executive Chairman, the Chief Executive Officer, and the Chief Financial Officer;
- Salaries and wages of \$498,295 (2020: \$52,500) related to the Corporate Secretary and other employees;
- Professional fees of \$31,392 (2020: \$17,250) related to general legal expenses;
- Consulting fees of \$1,305,671 (2020: \$49,527) related to directors, advisory board and business development expenses;
- Downstream lithium converter development expenses of \$3,136,217 related to site due diligence, engineering, metallurgical testing and project management (2020: \$Nil);
- Travel, promotion and business development expenses of \$375,907 (2020: \$21,059) related to corporate development, investor relations and shareholder communications activities during the quarter;

Results of Operations for the quarter ended June 30, 2021 and 2020

The Company's comprehensive loss for the quarter ended June 30, 2021, was \$3,980,439 (2020: \$284,135). The most significant expenses were:

- General administration expenses of \$40,993 (2020: \$13,747), related to office rent, insurance and other overheads.
- Stock-based payments of \$1,089,348 (2020: \$Nil) related to the granting of stock options to directors, officers, employees and consultants;
- Management fees of \$98,937 (2020: \$140,000) related to the executive chairman and the chief executive officer;
- Salaries and wages of \$298,771 (2020: \$52,500) related to the chief financial officer and other employees;
- Professional fees of \$28,879 (2020: \$2,500) related to general legal expenses;
- Consulting fees of \$563,980 (2020: \$29,910) related to advisory board and business development expenses;
- Downstream lithium converter development expenses of \$1,584,165 related to site due diligence, engineering, metallurgical testing and project management (2020: \$Nil);
- Travel, promotion and business development expenses of \$236,673 (2020: \$41,382) related to corporate development, investor relations and shareholder communications activities during the quarter;

Results of Operations for the quarter ended March 31, 2021 and 2020

The Company's comprehensive loss for the quarter ended March 31, 2021, was \$5,273,889 (2020: \$1,401,871). The most significant expenses were:

- General administration expenses of \$44,174 (2020: \$11,954), related to office rent, insurance and other overheads.
- Stock-based payments of \$3,318,600 (2020: \$1,032,812) related to the granting of stock options to directors, officers, employees and consultants;
- Management fees of \$105,000 (2020: \$122,500) related to the executive chairman and the chief executive officer;
- Salaries and wages of \$69,167 (2020: \$52,500) related to the chief financial officer and other employees;
- Professional fees of \$13,442 (2020: \$2,985) related to general legal expenses;
- Consulting fees of \$118,642 (2020: \$59,170) related to advisory board and business development expenses;
- Downstream lithium converter development expenses of \$1,326,569 related to site due diligence, engineering, metallurgical testing and project management (2020: \$Nil);
- Travel, promotion and business development expenses of \$184,371 (2020: \$78,562) related to corporate development, investor relations and shareholder communications activities during the quarter;

Liquidity

The Company's comprehensive loss for the nine months ended September 30, 2021, was \$16,781,317 (2020: \$2,097,933).

The Company had working capital of \$8,874,940 as of September 30, 2021 (December 31, 2020: \$8,383,056), including \$11,558,841 of cash (December 31, 2020: \$8,987,743).

Capital Resources

The Company has not generated any revenue and no revenue is anticipated until the Company begins extracting and selling minerals and/or lithium chemicals. Accordingly, the Company must continually raise funds from sources other than the sale of minerals found on its properties.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet transactions.

Related Party Transactions

Included in accounts payable and accrued liabilities are amounts due to related parties of \$92,377 (December 31, 2020- \$6,000). These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

For the nine months ended September 30, 2021, the Company recorded share-based compensation of \$6,005,337 (September 30, 2020 - \$1,180,814) for options granted to directors, officers, employees and consultants of the Company (Note 6).

The Company's key management consists of its officers and directors. Key management compensation for the nine months ended September 30, 2021 and 2020 is as follows:

	Periods ended September 30,			
	2021		2020	
Management fees	\$	383,245	\$	367,500
Salaries and wages		391,667		157,500
Consulting fees		83,500		138,607
	\$	858,412	\$	663,607

During the nine months ended September 30, 2021, the Company incurred management fees of \$220,000 (2020: \$122,500) payable to the CEO of the Company.

During the nine months ended September 30, 2021, the Company incurred management fees of \$97,037 (2020: \$157,500) payable to the Chairman of the Company.

During the nine months ended September 30, 2021, the Company incurred salary expense and management fees of \$171,208 (2020: \$157,500) payable to the CFO of the Company.

Intercompany balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Related party fees and expenses were incurred in the normal course of operations in connection with the companies owned by key management and directors. The amounts allocated to exploration consulting were capitalized to exploration and evaluation assets during the period. Expenses have been measured at the exchange amount.

Critical Accounting Estimates

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 financial statements. There have been no changes to the Company's existing estimates.

Changes in Accounting Policies including Initial Adoption

The accounting policies followed by the Company are set out in Note 2 to the audited consolidated financial statements for the year ended December 31, 2020 and have been consistently followed in the preparation of the unaudited condensed interim financial statements of the Company.

Financial Instruments and Risk Management

The Company's financial instruments consist of cash, amounts receivable, accounts payable 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.

The Company's financial instruments are exposed to the following 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 is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in Euros ("EUR"), US Dollars ("USD"), and Australian Dollars ("AUD"). At September 30, 2021, the Company holds cash in EUR bank accounts of \$281,380 (December 31, 2020 - \$nil). A 1% change in foreign exchange rates would have an effect of \$2,814 (December 31, 2020 - \$nil) on foreign currency.

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 Group's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in a bank account held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Group's secondary exposure to risk is on its other receivables. This risk is minimal as receivables consist primarily of refundable government goods and services taxes.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group has a planning and budgeting process in place to help determine the funds required to support the Group's normal operating requirements on an ongoing basis. The Group 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 Group's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Group's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Group believes it has adequate cash at June 30, 2021 to reduce its risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on its cash equivalents as these instruments have original maturities of three months or less and are therefore exposed to interest rate fluctuations on renewal. A 1% change in market interest rates would not have a material impact on the Group's net loss.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Group consists of working and share capital. There were no changes in the Group's approach to capital management during the year. The Group is not subject to any externally imposed capital requirements.

Other Risk Factors

Volatile commodity prices

Prices of intermediate and final lithium products fluctuate. These fluctuations can 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, inflation, interest rates and foreign exchange rates, in addition to other factors, may also contribute to price volatility.

Reliance on key personnel

The Company's success is highly dependent upon the performance of its directors and officers and its ability to attract and retain key personnel. Owing to the relatively small size of the lithium market to date, personnel with the skills and experience required to plan, build and operate a lithium hydroxide converter are scarce and competitive for them is high. The loss of key engineering, metallurgical, chemical, processing or project management personnel could cause adverse consequences and interrupt and/or delay the Company's development plans.

Reliance on off-take agreements

Although the Company owns the Georgia Lake lithium project, its planned lithium hydroxide conversion capacity requires feedstock of an amount substantially exceeding the measured, indicated and inferred resources delineated at the Project to date requiring the Company to secure additional feedstock from other sources. Competition from established and planned lithium hydroxide converter businesses for suitable feedstock is high. Furthermore, emerging and existing lithium mining companies are exhibiting a trend towards greater vertical integration creating additional competition for feedstock. Off-take agreements with emerging and existing producers of spodumene concentrate will be necessary in order for the Company to execute its Converter strategy.

Construction risk

Lithium hydroxide converters carry considerable capital intensity and are susceptible to significant cost overruns. Similarly, geologists and mining engineers rely on estimates when developing a mineral project into a producing mine and actual results often differ materially from these estimates.

In addition to construction costs, project timelines are subject to estimates and include items beyond the control of the Company. The availability and performance of Engineering, Procurement and Construction ("EPC") contractors, the availability of requisite equipment and materials and the granting of necessary approvals pose significant risks to the project timeline. Any delays to the project timeline represent direct costs to the Company and delay the generation of revenue and free cash flow.

Operational risk

The operation of mines and converter facilities involves many risks and hazards which could result in damages to persons, property or the environment resulting in stoppages and/or potential legal liabilities. 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 which could adversely impact the Company's financial condition.

Exploration and mining risk

Although the Company plans to source lithium feedstock from emerging and/or established miners, the Georgia Lake lithium project is expected to contribute significantly to the Company's raw material supply needs. The exploration and development of mineral projects involves considerable risk. Relatively few mineral projects achieve production due to several factors. Geological and metallurgical risks may impact planned production profiles and recovery rates or cause a mineral project to be sub-economic. Community risks, environmental risks, fires, permitting risks and the availability of equipment and personnel can adversely impact exploration programs and development activities.

Environmental and regulatory risk

The development of the Company's mineral and converter projects are subject to environmental regulations promulgated by government agencies from time to time. The regulations impose restrictions on emissions, the handling, transportation and disposal of waste, the reclamation of sites, the protection species at risk, the preservation of antiquities and other concerns. Failure to comply with applicable laws, regulations, and permitting

requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities and the curtailment of production or a significant increase in capital and/or operating expenses. Changes to current regulations, laws and permitting requirements could have a material adverse impact on the Company's mineral and converter projects causing delays and/or increased capital and operating costs. Additionally, environmental hazards which are unknown to the Company at present and which have been caused by previous or existing owners or operators may exist on the Company's properties.

Title matters

Although the Company has exercised due diligence with respect to determining title to its mineral project, title to the Company's mineral property may be subject to disputes or other claims including indigenous land title claims. 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.

Competition

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 planned Converter business leading to higher costs, idle capacity or the curtailment of activities.

The Company may also encounter competition from other lithium hydroxide producers for raw material supply and for customers. The price of the Company's potential lithium hydroxide is but one of several factors considered by potential customers. 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 and other product specifications the Company may not be able to meet.

Increased competition for raw material 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 required equipment at a desired time or cost and retain the key personnel.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's cash is primarily held in Canadian dollars and will incur significant expenditures in US dollars ("USD"), Euros ("EUR") and Australian dollars ("AUD") with respect to the development of its Converter based in Europe. As such, fluctuations in the exchange rate between the Canadian dollar and USD, EUR and/or AUD could result in actual costs differing materially from estimates.

Share price fluctuations

Global securities markets often experience elevated price and volume volatility leading to wide fluctuations in the market value of companies irrespective 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.

Climate change

Anthropogenic climate change is estimated to have brought about a warming of 1.0° Celsius above pre-industrial levels. This is thought to contribute to overall sea level rise, temperature rise, melting ice sheets and glaciers, increased extreme events such as more intense hurricanes, increasing ocean acidification and increased risk of wildfires. Rock Tech's Georgia Lake lithium project is located in Ontario's boreal forest region, the largest forest

region in Canada. With an area of 50 million hectares, the boreal forest contains two-thirds of Ontario's forest and extends from the northern limits of the Great Lakes-St. Lawrence forest to the Hudson Bay Lowlands. Increasing extreme events such as ice storms, snowstorms and/or wildfires and extreme hot and/or cold temperatures may adversely impact the Company's ability to operate. Wildfires and increased wildfire risk, particularly if they result in Implementation Orders issued under the authority of Section 23(1) of *the Forest Fires Prevention Act*, can severely restrict exploration and development activities at the Company's Project. Climate change may also have an adverse impact on the insurability of the Company's activities and premises and overall insurance premiums, resulting in higher costs.

Internal Controls

The Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Share Capitalization

Total Outstanding as of:	September 30, 2021	Date of this report:	Exercise price range:
Shares outstanding	59,805,611	61,799,811	
Stock options	4,555,000	4,525,000	\$0.53 - \$5.21
Warrants	15,226,403	13,262,203	\$0.70 - \$2.00

At September 30, 2021, the Company had 59,805,611 common shares issued and outstanding.

On January 8, 2021, the Company issued 2,580,645 units at \$1.55 per unit related to a private placement. Each unit consisted of one common share and one share purchase warrant exercisable into one common share at a price of \$1.80 until January 8, 2023.

On January 20, 2021, the Company issued 2,500,000 units at \$1.60 per unit related to a private placement. Each unit consisted of one common share and one share purchase warrant exercisable into one common share at a price of \$2.00 until January 21, 2023.

During the nine months ended September 30, 2021, the Company issued 2,440,000 common shares related to the exercise of stock options and received proceeds of \$1,244,600.

During the nine months ended September 30, 2021, the Company issued 3,486,003 common shares related to the exercise of share purchase warrants and received proceeds of \$3,364,240.

Subsequent to period end, the Company issued 1,964,200 common shares related to the exercise of share purchase warrants for total proceeds of \$1,875,450, and issued 30,000 common shares related to the exercise of stock options for total proceeds of \$15,900.

At December 31, 2020, the Company had 48,798,963 common shares issued and outstanding.

On February 5, 2020, the Company issued 3,604,622 units at \$0.45 per unit related to a private placement. Each unit consisted of one common share and one-half of one share purchase warrant with each whole warrant exercisable

into one common share at a price of \$0.70 until February 5, 2023. The Company recorded \$11,786 as share issuance cost.

On December 18, 2020, the Company issued 9,994,447 units at \$0.85 per unit related to a private placement. Each Unit consisted of one common share and one share purchase warrant exercisable into one common share at a price of \$1.00 until December 17, 2022. The Company recorded \$35,421 as share issuance cost.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the quarter ended September 30, 2021, was 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.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. In connection with the foregoing, the number of Common Shares reserved for issuance to any one person in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.

On January 14, 2020, the Company granted 500,000 stock options to a director and officer of the Company. The options have an exercise price of \$0.53. The grant date fair value of the options recognized as share-based compensation was \$232,714, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 1.69%; volatility of 174%; dividend rate 0%; forfeiture rate 0%; and expected life of 5.97 years.

On January 14, 2020, the Company granted 10,000 stock options to a consultant of the Company. The options have an exercise price of \$0.53. The grant date fair value of the options recognized as share-based compensation for the period was \$2,576, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 1.69%; volatility of 73%; dividend rate 0%; forfeiture rate 0%; and expected life of 3 years.

On January 14, 2020, 45,000 stock options originally granted on July 18, 2017 with an exercise price of \$0.93 were amended to an exercise price of \$0.53. The expiry date of these stock options was also amended to December 31, 2025. An additional \$17,952 of share-based compensation was recorded based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 1.69%; volatility of 120%; dividend rate 0%; forfeiture rate 0%; and expected life of 5.97 years.

On January 14, 2020, 1,250,000 stock options originally granted on December 20, 2017 with an exercise price of \$1.50 were amended to an exercise price of \$0.53. The expiry date of these stock options was also amended to December 31, 2025. An additional \$473,044 of share-based compensation was recorded based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 1.69%; volatility of 120%; dividend rate 0%; forfeiture rate 0%; and expected life of 5.97 years.

On January 14, 2020, 1,480,000 stock options originally granted on August 6, 2018 with an exercise price of \$0.88 were amended to an exercise price of \$0.53. The expiry date of these stock options was also amended to December 31, 2025. An additional \$419,836 of share-based compensation was recorded based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 1.69%; volatility of 120%; dividend rate 0%; forfeiture rate 0%; and expected life of 5.97 years.

On January 14, 2020, 225,000 stock options originally granted on June 7, 2019 with an exercise price of \$0.62 were amended to an exercise price of \$0.53. The expiry date of these stock options was also amended to December 31, 2025. An additional \$53,757 of share-based compensation was recorded based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate of 1.69%; volatility of 120%; dividend rate 0%; forfeiture rate 0%; and expected life of 5.97 years.

On July 24, 2020, the Company granted 20,000 stock options to a consultant of the Company. The options have an exercise price of \$0.60. The grant date fair value of the options recognized as share-based compensation for the period was \$5,962, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.24%; volatility of 87%; dividend rate 0%; forfeiture rate 0%; and expected life of 2 years.

On July 24, 2020, the Company granted 250,000 stock options to a consultant of the Company. The options have an exercise price of \$0.60. The grant date fair value of the options recognized as share-based compensation for the period was \$127,499, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.24%; volatility of 128%; dividend rate 0%; forfeiture rate 0%; and expected life of 5 years.

On February 16, 2021, the Company granted 1,480,000 stock options to directors, officers, employees and consultants of the Company. The options have an exercise price of \$4.21. The grant date fair value of the options recognized as share-based compensation for the period was \$3,318,600, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.20%; volatility of 118%; dividend rate 0%; forfeiture rate 0%; and expected life of 1.5 years.

On May 3, 2021, the Company granted 375,000 stock options to consultants of the Company. The options have an exercise price of \$4.42. The grant date fair value of the options recognized as share-based compensation for the period was \$956,627, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.29%; volatility of 113%; dividend rate 0%; forfeiture rate 0%; and expected life of 2 years.

On May 3, 2021, the Company granted 65,000 stock options to employees of the Company. The options have an exercise price of \$4.42 and fully vest on May 3, 2022, with an expiry date of May 3, 2024. The fair value of the options granted was \$178,769, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.29%; volatility of 101%; dividend rate 0%; forfeiture rate 0%; and expected life of 3 years. The share-based compensation expense recognized in the period for the vesting of these options was \$73,467.

On May 3, 2021, the Company granted 65,000 stock options to employees of the Company. The options have an exercise price of \$4.42 and fully vest on May 3, 2023, with an expiry date of May 3, 2025. The fair value of the options granted was \$190,177, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.29%; volatility of 95.4%; dividend rate 0%; forfeiture rate 0%; and expected life of 4 years. The share-based compensation expense recognized in the period for the vesting of these options was \$39,077.

On May 25, 2021, the Company granted 130,000 stock options to consultants of the Company. The options have an exercise price of \$4.06 with an expiry date of May 3, 2023, and vest as follows: 50% on August 25, 2021, and 50% on November 25, 2021. The fair value of the options granted was \$303,851, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.30%; volatility of 113%; dividend rate 0%; forfeiture rate 0%; and expected life of 2 years. The share-based compensation expense recognized in the period for the vesting of these options was \$257,698.

On May 25, 2021, the Company granted 600,000 stock options to a consultant of the Company. The options have an exercise price of \$4.06 with an expiry date of May 3, 2023, and vest based on certain share price restrictions. No share-based compensation expense has been recognized on these options in the period.

On July 6, 2021, the Company granted 12,500 stock options to an employee of the Company. The options have an exercise price of \$5.21 and fully vest on July 6, 2022, with an expiry date of July 6, 2024. The fair value of the options granted was \$40,568, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free

rate 0.46%; volatility of 101%; dividend rate 0%; forfeiture rate 0%; and expected life of 3 years. The share-based compensation expense recognized in the period for the vesting of these options was \$9,558.

On July 6, 2021, the Company granted 12,500 stock options to an employee of the Company. The options have an exercise price of \$5.21 and fully vest on July 6, 2023, with an expiry date of July 6, 2025. The fair value of the options granted was \$43,384, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.46%; volatility of 96%; dividend rate 0%; forfeiture rate 0%; and expected life of 4 years. The share-based compensation expense recognized in the period for the vesting of these options was \$5,111.

On September 1, 2021, the Company granted 475,000 stock options to employees and directors of the Company. The options have an exercise price of \$5.05. The grant date fair value of the options recognized as share-based compensation for the period was \$1,345,198, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.37%; volatility of 109%; dividend rate 0%; forfeiture rate 0%; and expected life of 2 years.

The changes in options during the nine months ended September 30, 2021 and 2020 are as follows:

	September 30, 2021		December 31, 2020	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	3,780,000	\$0.52	3,510,000	\$0.97
Options granted	3,215,000	\$4.34	780,000	\$0.49
Options exercised	(2,440,000)	\$0.51	-	-
Options cancelled	-	-	(500,000)	\$0.05
Options expired	-	-	(10,000)	\$1.66
Options outstanding, ending	4,555,000	\$2.02	3,780,000	\$0.52

Details of options outstanding and exercisable at September 30, 2021, are as follows:

Number outstanding	Price	Remaining Life	Weighted average grant date fair value
125,000	\$0.53	0.68 years	\$0.46
965,000	\$0.53	4.25 years	\$0.46
250,000	\$0.60	3.81 years	\$0.28
1,480,000	\$4.21	1.38 years	\$2.24
375,000	\$4.42	1.59 years	\$2.55
65,000	\$4.42	2.59 years	\$2.75
65,000	\$4.42	3.59 years	\$2.93
730,000	\$4.06	1.65 years	\$2.34
12,500	\$5.21	2.76 years	\$3.25
12,500	\$5.21	3.76 years	\$3.47
475,000	\$5.05	1.92 years	\$2.83

Warrants

The changes in warrants during the nine months ended September 30, 2021 and 2020 are as follows:

	September 30, 2021		December 31, 2020	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning	13,631,761	\$0.95	1,835,002	\$0.95
Warrants issued	5,080,645	\$1.90	1,802,311	\$0.18
Warrants exercised	(3,486,003)	\$0.97	-	-
Warrants outstanding, ending	15,226,403	\$1.26	3,637,313	\$0.98

Details of warrants outstanding and exercisable as at September 30, 2021 are as follows:

Number outstanding	Price	Remaining Life
150,057	\$0.85	0.52 years
1,177,500	\$0.95	0.22 years
1,551,111	\$0.70	1.35 years
7,247,700	\$1.00	1.21 years
19,390	\$1.25	0.52 years
2,580,645	\$1.80	1.27 years
2,500,000	\$2.00	1.31 years

Management and Board of Directors

The current directors and officers are:

Dirk Harbecke – Director, Chairman and Chief Executive Officer
Stefan Krause – Director, Vice Chairman and Chief Financial Officer
Dr. Peter Kausch – Director
Klaus Schmitz – Director
Wolfgang Voigt - Director
Simon Bodensteiner – Director
Stephen Egle – Chief Operating Officer
Don Stevens – Chief Technology Officer
Esther Bahne- Chief Strategy and Marketing Officer
Olaf Schulze – Head of Engineering
Robert MacDonald – General Manager, Georgia Lake Lithium Project
Brad Barnett –Corporate Secretary

Website

The Company maintains a website at www.rocktechlithium.com which serves as an information source for its investors.

Cautionary Note on Forward-looking statements

Certain information set forth in this report contains “forward-looking information” within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts included in this report, including those regarding Rock Tech’s opinions, beliefs and expectations, business strategy, development and exploration opportunities and projects, mineral resource estimates, drilling and modeling plans, and plans and objectives of management for operations and properties constitute forward-looking information. Generally, forward-looking information can be identified by the use of words or phrases such as “estimate”, “project”, “anticipate”, “expect”, “intend”, “believe”, “hope”, “may” and similar expressions, as well as “will”, “shall” and all other indications of future tense. All forward-looking information set forth in this report are expressly qualified in their entirety by the cautionary statements referred to in this section.

Forward-looking information is based on certain estimates, expectations, analysis and opinions that are believed by management of Rock Tech to be reasonable at the time they were made or in certain cases, on third party expert opinions. This forward-looking information was derived utilizing numerous assumptions regarding, among other things, availability of financing on satisfactory terms, the supply and demand for, deliveries of, and the level and volatility of prices of, intermediate and final lithium products, expected growth, performance and business operation, prospects and opportunities, general business and economic conditions, results of development and exploration, Rock Tech’s ability to procure supplies and other equipment necessary for its business, including development and exploration activities. The foregoing list is not exhaustive of all assumptions which may have been used in developing the forward-looking information. While Rock Tech considers these assumptions to be reasonable based on information currently available, they may prove to be incorrect. Forward-looking information should not be read as a guarantee of future performance or results.

In addition, forward-looking information involves known and unknown risks and uncertainties and other factors, many of which are beyond Rock Tech’s control, that may cause Rock Tech’s actual events, results, performance and/or achievements to be materially different from that which is expressed or implied by such forward-looking information. Risks and uncertainties that may cause actual events, results, performance and/or achievements to vary materially include the risk that Rock Tech will not be able to meet its financial obligations as they fall due, changes in commodity prices, Rock Tech’s ability to retain and attract skilled staff and to secure feedstock from third party suppliers, unanticipated events and other difficulties related to construction, development and operation of converters and mines, the cost of compliance with current and future environmental and other laws and regulations, title defects, competition from existing and new competitors, changes in currency exchange rates and market prices of Rock Tech’s securities, Rock Tech’s history of losses, impacts of climate change and other risks and uncertainties discussed under the heading “Financial Instruments and Other Risks” in this report. Such risks and uncertainties do not represent an exhaustive list of all risk factors that could cause actual events, results, performance and/or achievements to vary materially from the forward-looking information.

We cannot assure you that actual events, results, performance and/or achievements will be consistent with the forward-looking information and management’s assumptions may prove to be incorrect. Our forward-looking information reflects Rock Tech management’s views as at the date the information is created. Except as may be required by law, Rock Tech undertakes no obligation and expressly disclaims any responsibility, obligation or undertaking to update or to revise any forward-looking information, whether as a result of new information, future events or otherwise, to reflect any change in Rock Tech’s expectations or any change in events, conditions or circumstances on which any such information is based.

The forward-looking information contained herein is presented for the purposes of assisting readers in understanding Rock Tech’s plans, objectives and goals and is not appropriate for any other purposes. This report also contains references to certain market, industry and peer group data, which is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Although Rock Tech believes these sources to be generally reliable, such information is subject to interpretation and cannot be verified with complete certainty due to limits on the availability of raw data, the voluntary nature of the data-gathering process and other inherent limitations and uncertainties. Rock Tech has not

independently verified any of the data from third-party sources referred to in this report and accordingly, the accuracy and completeness of such data is not guaranteed.

Given these uncertainties, readers are cautioned not to rely on the forward-looking information set forth in this report.