MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended August 31, 2026

Report Date: October 29, 2026

This Management's Discussion and Analysis ("MD&A") of Grit Metals Corp. (the "Company") provides a review of activities, results of operations and financial condition of the Company for the three months ended August 31, 2026, and is prepared by management using information available as of October 29, 2026. We have also prepared this MD&A with reference to National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

The MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three months ended August 31, 2026 and the audited financial statements for the year ended May 31, 2026, together with the related notes thereto. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars.

Forward-Looking Statements

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar terms, or statements that certain events or conditions "might", "may", "could" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking statements in this MD&A include, but are not limited to, statements relating to resource estimates, the likelihood of discovering mineralization or resources, and our ability to raise additional capital required to operate the business.

Forward-looking information is based on the opinions and estimates of management at the date the forward-looking statements are made, and is subject to a variety of risks, uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, Europe, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain qualified personnel, competition for drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under **Risk Factors**. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information, to conform such information to actual results or to changes in our expectations, except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

BUSINESS OVERVIEW

Grit Metals Corp. was incorporated on February 2, 2021, under the laws of British Columbia. The Company trades on the TSX Venture Exchange under the symbol "FIN". The registered and records offices of the Company are located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

Grit Metals Corp. is a junior mining exploration company currently focussed on its 100%-owned Lithium-Cesium-Tantalum Finnish Pegmatite mineral claims in central Finland.

On April 6, 2023, the Company entered into a definitive earn-in agreement with Capella Minerals Ltd. ("Capella") to earn up to an 80-per-cent interest in a portfolio of lithium (lithium-cesium-tantalum (LCT)) and REE pegmatite reservations held by Capella in central Finland. On April 5, 2024, the Company amended its agreement with Capella and acquired a 100% interest in the Capella Property. This property consists of five lithium and REE pegmatite reservations in central Finland.

On September 1, 2023, the Company acquired the shares of BB Gold Inc., a company existing under the laws of Newfoundland and Labrador and its wholly owned Finnish subsidiary Sisu Exploration.

On May 22, 2024, the Company incorporated Grit Exploration Oy, a wholly owned Finnish subsidiary, to secure and manage various reservations and exploration permits in Finland.

The Company will need additional funding in the future through equity financing to acquire new projects and further develop its existing assets (See **Liquidity and Capital Resources** below). Many factors influence the Company's ability to raise funds, including the health of the capital markets, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the funding of new projects. Management is considering all identifiable sources of equity capital, but there is no assurance that the Company will be able to secure additional financings in the future, and if secured, at terms that are favourable.

HIGHLIGHTS FOR THE QUARTER ENDED AUGUST 31, 2026, AND UP TO OCTOBER 29, 2026

- On July 28, 2026, the Company announced results from its surface exploration and maiden diamond drilling program at the Company's 100%-owned Capella Property in Central Finland. During the three months ended August 31, 2026 management continued to evaluate and interpret data from the completed Phase I and Phase II exploration programs on the property. The results are being used to further define prospective drill targets and support planning for a future drill program.

- On August 12, 2026, the Company appointed Mr. Jake Clark, MGeol (Hons), MAIG, RPGeo., as CEO and a director. Mr. Clark was previously Vice President, Exploration. Mr. Jeremy Poirier, the former CEO, became Chairman, replacing Mr. Gino DeMichele, who retired from the Board. In connection with the appointment, the Company granted Mr. Clark stock options to purchase 700,000 common shares at an exercise price of $0.11 per share. Once vested, the options are exercisable for five years from the grant date.

- On October 1, 2026, the Company appointed Ms. Dani Palahanova, CPA, as Chief Financial Officer and Corporate Secretary. She succeeded Mr. Joel Leonard, CPA, who stepped down as CFO. In connection with the appointment, the Company granted Ms. Palahanova stock options to purchase 300,000 common shares at an exercise price of $0.08 per share. Once vested, the options are exercisable for five years from the grant date.

MINERAL PROPERTIES AND EXPLORATION

Capella Property

On April 6, 2023, the Company entered into a definitive earn-in agreement with Capella Minerals Ltd. ("Capella") to earn up to an 80% interest in the Capella Property, a portfolio of lithium (LCT) and rare earth element ("REE") pegmatite reservations held by Capella in central Finland.

On April 3, 2024, the Company amended the agreement to acquire a 100% interest in the project. Whereas the original agreement was structured as a two-stage 51%/80% earn-in, the revised agreement granted the Company an immediate 100% interest in the project with no further commitments due to Capella.

Under the amended agreement, the Company paid Capella $250,000 in cash and issued 1,100,000 common shares. Capella also received a 2% net smelter royalty ("NSR") on the Project, half of which may be repurchased by the Company at any time for €1,000,000.

Finland Pegmatite Project ("FPP") Exploration

The Finland Pegmatite Project portfolio comprises multiple lithium and REE pegmatite reservations and exploration licenses in central Finland covering approximately 250,000 hectares (2,500 km²). The holdings target LCT pegmatite complexes within the Järvi-Pohjanmaa and Seinäjoki lithium-permissive tracts as defined by the Geological Survey of Finland ("GTK"). Four original reservations (Nabba, Lappajärvi West, Lappajärvi East, and Kaatiala) lie immediately adjacent to, and to the south of, Keliber Oy's spodumene mine development project in Finland's Kaustinen district.

All of the Company's tenements lie within the Pohjanmaa belt, comprising mica schists and mica gneisses intercalated with metavolcanic rocks. The Pohjanmaa belt, which encompasses the Kaustinen and Jarvi-Pohjanmaa tracts, hosts numerous rare-element pegmatites in the north, proximal to the Nabba reservation. Lithium pegmatites of the Kaustinen province are classified as "albite-spodumene-type," as defined by Černý and Ercit (2005). These pegmatites intruded post-metamorphism and crosscut the metavolcanic and metasedimentary rocks at the northern edge of the belt.

In Finland, mineral reservations are valid for two years, allowing the holder to evaluate the geological potential before applying for more advanced exploration rights called Exploration Licenses.

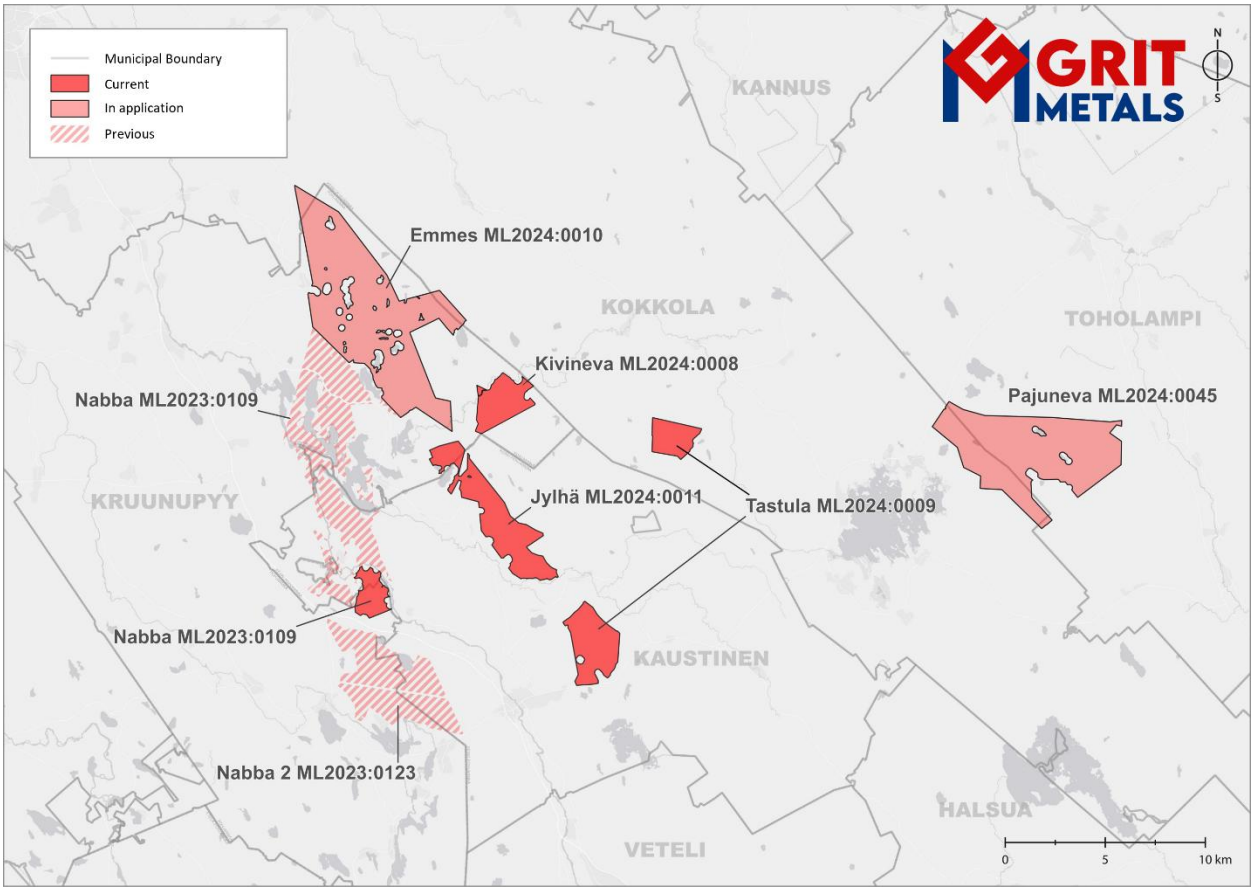


Figure 1: Finland Pegmatite Project land package map, as of May 31, 2026.

Phase I exploration summary (2023)

The Company completed its Phase I exploration program on the Finland Pegmatite Project on November 21, 2023, following field activities conducted from early July to the end of October 2023. The program was designed as a regional-scale reconnaissance and target-generation campaign across the Company's >250,000-hectare land position in central Finland.

Phase I work comprised reconnaissance prospecting and geological mapping, focused on following up known pegmatite occurrences documented by the Geological Survey of Finland (GTK), as well as evaluating granitic complexes considered prospective for lithium-cesium-tantalum (LCT) pegmatites. Prospecting in areas of extensive glacial overburden led to the discovery of numerous pegmatite boulders and boulder swarms, including boulders containing spodumene, the principal lithium-bearing mineral in the region.

A total of 1,106 rock-chip (grab) samples were collected during Phase I. Assay results, released on December 7, 2023, confirmed widespread spodumene-bearing LCT pegmatite mineralization across the project area. The most significant discovery was the Kyrola Prospect on the Nabba Reservation, where a spodumene-bearing pegmatite boulder field measuring approximately 350 metres by 110 metres was outlined. Forty-nine samples from Kyrola returned assays ranging from 0.003% to 3.84% Li_2O, with 15 samples exceeding 0.50% Li_2O and 11 samples exceeding 1.00% Li_2O. Additional spodumene-bearing boulder clusters were identified at Kaitnabba, where grab samples returned 1.57% and 1.01% Li_2O.

The success of Phase I directly supported the Company's first applications for Exploration Licenses, with two ELs totalling 4,550 hectares submitted over the most prospective portion of the Nabba Reservation, adjacent to Keliber Oy's advanced lithium projects. Overall, Phase I demonstrated that lithium-bearing LCT pegmatites are widely distributed, locally high-grade, and likely proximal to bedrock sources, providing a strong technical basis for follow-up Phase II exploration and drill-target definition.

Phase II exploration summary (2024; concluded November 2024)

The Phase II exploration program, completed in November 2024, successfully advanced the Finland Pegmatite Project from early target generation to district-scale target definition. Building on the discoveries

made during Phase I, Phase II focused on expanding coverage across newly secured exploration licenses, refining existing targets, and evaluating the broader lithium potential of the Kaustinen–Seinäjoki region.

During the 2024 field season, the Company completed systematic follow-up prospecting, geological mapping, and rock-chip sampling, together with preliminary geophysical surveys, across an expanded land package. This work confirmed that spodumene-bearing LCT pegmatite mineralization is widespread, occurring as multiple discrete boulder clusters and trends across the project area. The scale, continuity, and distribution of these occurrences demonstrate the presence of a large, fertile pegmatite system rather than isolated showings.

Phase II also resulted in a material increase in the Company's exploration footprint, with the submission of additional Exploration License applications that consolidated the Company's position within the highly prospective Kaustinen–Seinäjoki belt. Integration of Phase II results with Phase I data allowed the Company to prioritize and rank targets, narrowing its focus to those areas showing the strongest geological vectors toward concealed bedrock sources.

Overall, Phase II met its objectives by confirming the regional prospectivity of the project area, expanding the inventory of lithium targets, and providing a clear technical basis for base-of-till sampling, trenching, and preliminary diamond drilling on the most advanced targets.

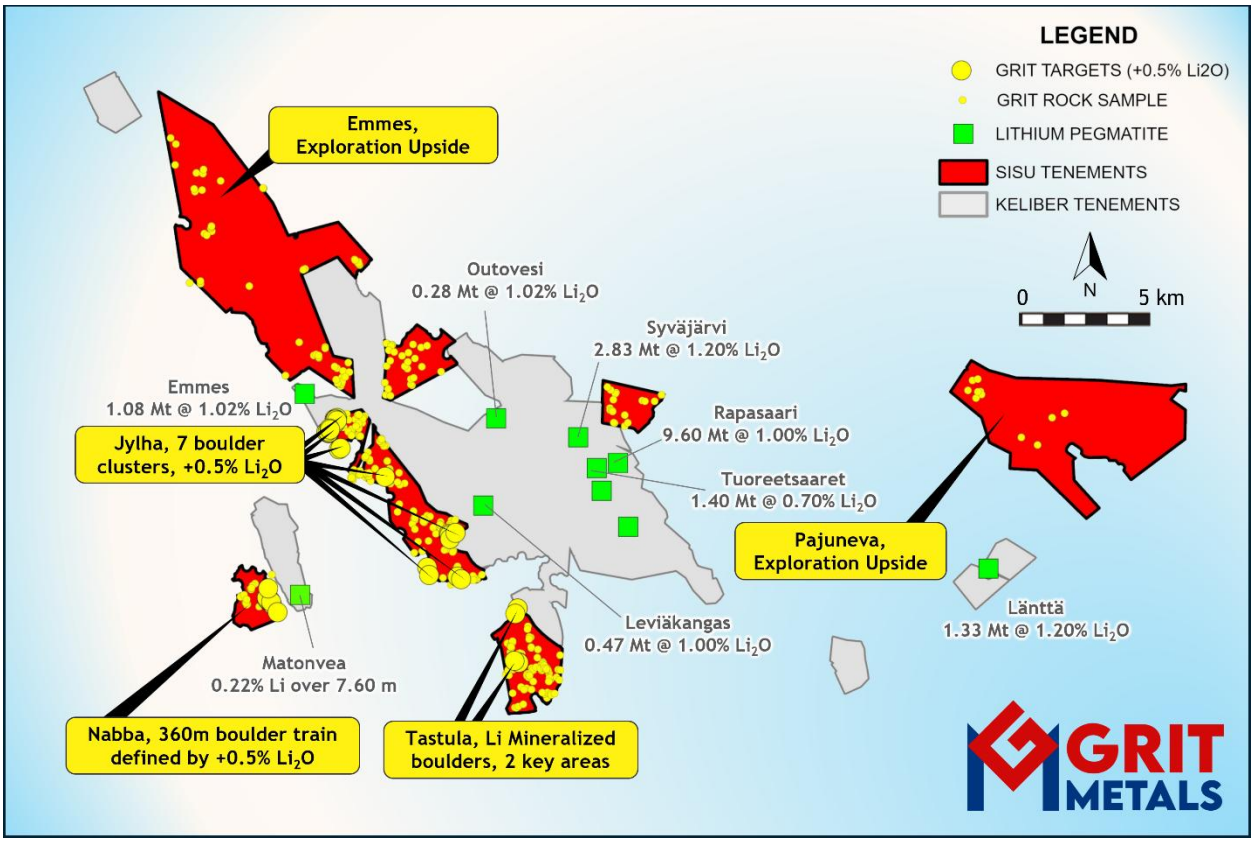


Figure 2: High-level summary with key targets in Company license package, with Keliber deposit and MRE figures (source: Sibanye-Stillwater, 31 Dec 2023).

Key targets

Exploration at the Finland Pegmatite Project has delineated multiple spodumene-bearing LCT pegmatite targets across the Company's central Finland land package. The most advanced target is the Kyrola Prospect on the Nabba area, where Phase I and II work outlined an extensive spodumene-bearing pegmatite boulder field extending up to approximately 850 metres in length, with grab samples returning values of up to 3.84% Li_2O. Based on boulder angularity and regional glacial transport models, the Company interprets that the bedrock source is likely proximal, making Kyrola a priority target for drill testing.

Additional high-grade boulder clusters at Kaitnabba, located southwest of Kyrola, returned grab samples of up to 1.57% Li_2O, confirming further lithium fertility within the Nabba area. Phase II exploration in 2024 significantly expanded the target inventory with the discovery of the Jylhä North and Mörkylä prospects,

where multiple large spodumene-bearing boulders were traced over hundreds of metres, returning assays of up to 2.80% Li_2O and 2.46% Li_2O, respectively. Follow-up work in early 2025 identified additional spodumene-bearing trends in the Jylhä South–Southwest area, further reinforcing the interpretation of a clustered, district-scale LCT pegmatite system. The Mörkylä target is situated just 2 km southwest of Keliber's Leviäkangas deposit and is a priority drill target for the Company.



Figure 3: Jylhä discovery boulder and close up of spodumene crystals sampled.



Figure 4: Example of a sampled boulder found at Mörkylä target, with visible spodumene crystals.

Earlier-stage targets at Tastula demonstrate broad mineralized dispersion over a multi-kilometre area, while the Tarikko Prospect in the Seinäjoki Lithium–Tin Belt returned a high-grade grab sample of 5.60% Li_2O from an LCT pegmatite outcrop, highlighting potential beyond the core Kaustinen area. Collectively, these targets provide a pipeline from drill-ready prospects to early-stage discoveries, supporting the Company's planned progression toward preliminary diamond drilling on its most advanced targets. Based on regional glacial history, analogues and field observations, the Company interprets that boulder sources may be relatively proximal to their current locations; further work is required to confirm bedrock sources and define drill targets.

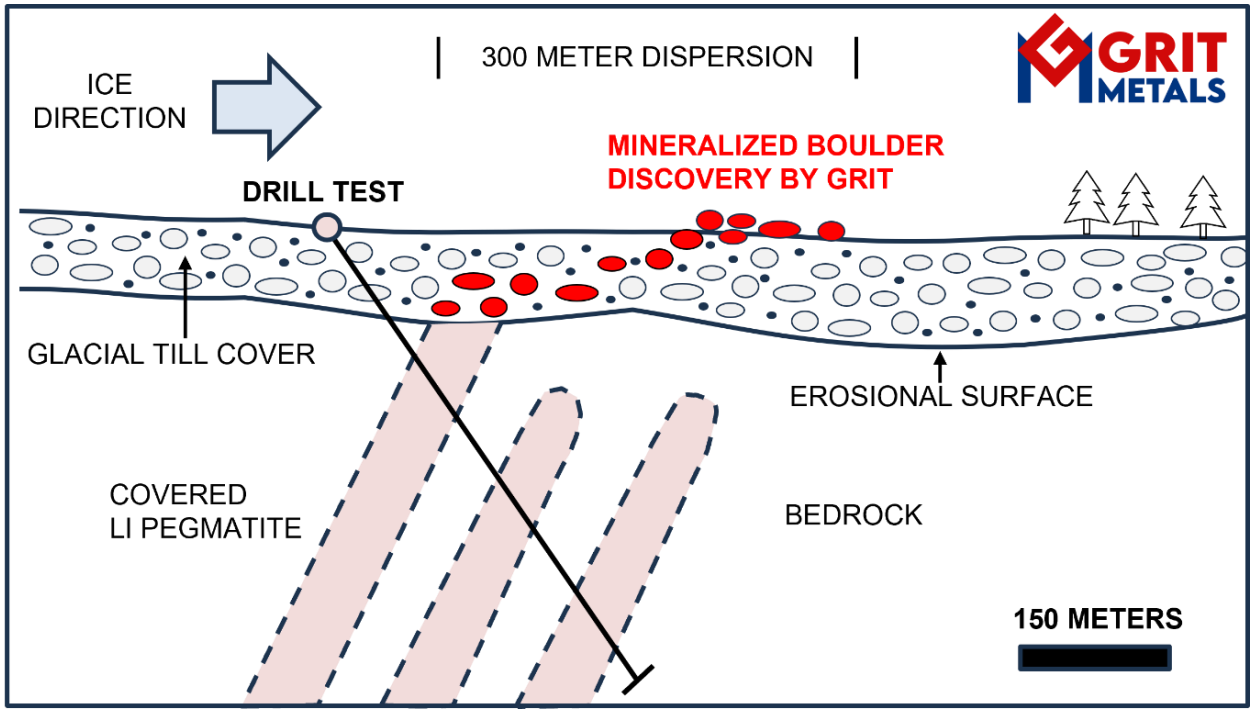


Figure 5: Grit exploration strategy- progressing from surface boulder sampling through glacial cover to bedrock.

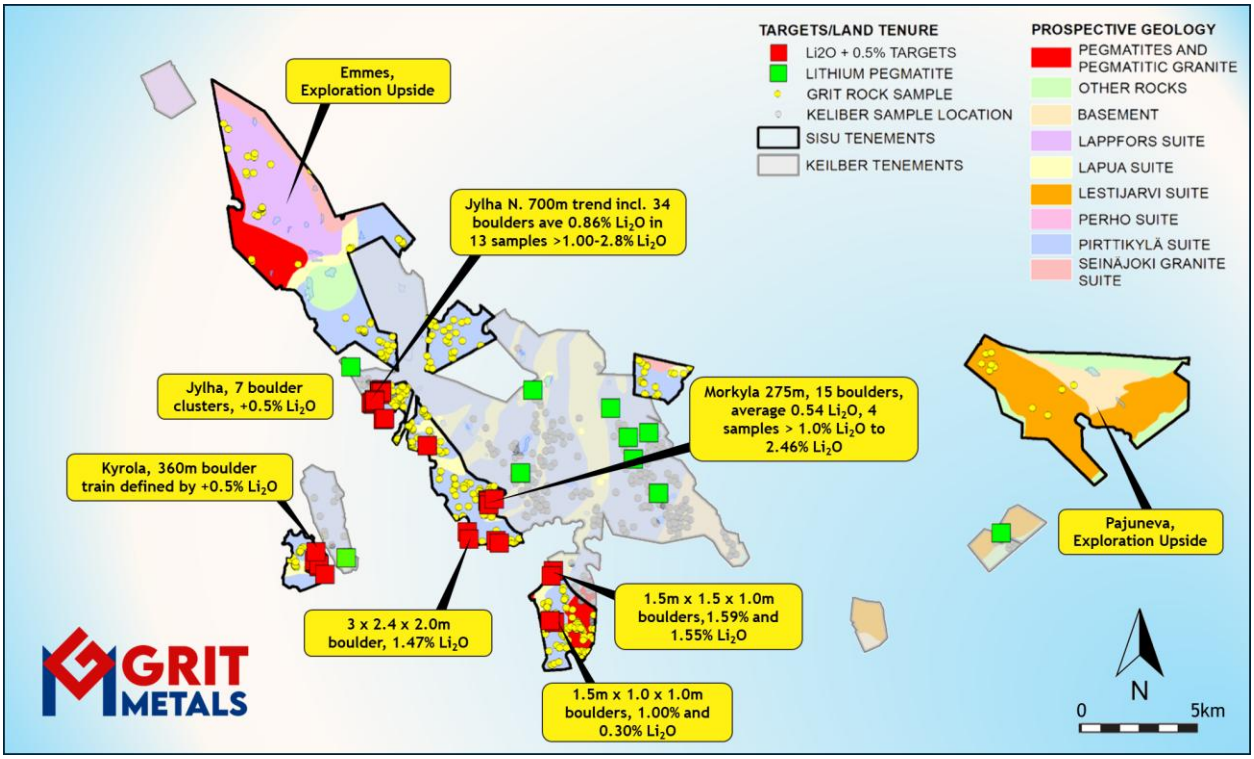


Figure 6: Summary figure of Finland Pegmatite Project priority exploration targets and highlights, as of December 2025.

Table 1: Summary table of Finland Pegmatite Project target detail, highlights and company announcements of results.

Target / Area	Tenure / Location context	When identified / disclosed	Style / footprint (as described)	Reported results (highlights)	Notes / interpretation (as stated)
Kyrola (Nabba)	Nabba Reservation / Nabba EL area	Discovered in Phase I (2023); assays released Dec 7, 2023; follow-up late 2023–2024	Boulder field initially 350 m x 110 m, later extended to ~850 m length	49 grab samples 0.003%–3.84% Li_2O, mean 0.53% Li_2O; 15 samples >0.50% Li_2O; 11 >1.0% Li_2O; 4 >2.0% Li_2O	Angular boulders; weak Cs-Ta-Be-Sn; interpreted potential source NW within ~300–500 m (requires follow-up)
Kaitnabba (Nabba 2)	Nabba Reservation (~9 km SW of Kyrola)	Discovered in Phase I (2023); disclosed Dec 7, 2023	Boulder cluster; boulders ~0.2–0.4 m diameter	Two boulders 1.57% and 1.01% Li_2O	Anomalous Cs-Ta-Be-Sn; described as mineralogically similar to Keliber deposits
Kaatiala	~100 km south of Nabba; 3,200 ha property	Historic mine; sampled during program (Phase I context)	Pegmatite body ~40 m wide; mined 1942–1968 for quartz/feldspar	Waste pile sampling up to 0.25% Li_2O (also 0.20%, 0.09%)	Pegmatite described as quartz–feldspar–muscovite–tourmaline (± spodumene)
Jylhä North	2024 discovery area on EL ground	Disclosed Nov 12, 2024	34 large boulders up to 3 m diameter over 700 m	0.01%–2.80% Li_2O, avg 0.86% Li_2O	Spodumene visible; part of expanded 2024 target set
Mörkylä (Jylhä SW)	~1.5 km west of Keliber's Levikangas (as stated)	Disclosed Nov 12, 2024	~275 m NW–SE trend; 15 boulders/blocks; boulders up to >4 m	0.004%–2.46% Li_2O, avg 0.54% Li_2O	Coarse visible spodumene; considered robust potential; relationship to nearby deposits noted (not indicative)
Tastula Prospects	2024 discovery area on EL ground	Identified during 2024 field season	≥3 clusters across ~2 km x 4 km area; boulders often >1.5 m	32 boulders 0.0004%–1.59% Li_2O; 5 samples >0.30% Li_2O	Coarse-grained spodumene observed; early-stage boulder field targeting
Jylhä South–Southwest	Southern portion of Jylhä license	Disclosed Jan 6, 2025	Multiple new areas adjacent/near Mörkylä	0.94% Li_2O (225 m east of Mörkylä); 0.11% & 2.13% Li_2O (~1.7 km SW); 1.47% Li_2O (nearby 3 m boulder); 0.62% Li_2O (~1.6 km south)	Additional trends interpreted as potentially having up-ice sources within the license
Tarikko (Koura Project)	Seinäjoki Lithium–Tin Belt; ~100 km south of main Kaustinen group	Disclosed Jan 6, 2025	Outcrop LCT pegmatite (extent unknown)	Grab sample 5.60% Li_2O	Width/strike unknown at time of disclosure; grab sample selectivity cautioned

Work completed late 2024 – early 2025

Late 2024 activities comprised completion of Phase II fieldwork, continued sampling/prospecting and preliminary geophysics, and interpretation of results from newly identified spodumene-bearing boulder trends. On January 6, 2025, the Company reported that all assay results had been received, including the final batch of samples from the 2024 program, and disclosed additional results from Jylhä South–Southwest and Tarikko.

Following Mining Act amendments that came into force during 2023 (with fee and holding-cost impacts becoming apparent through 2023–2024), the Company completed a strategic review during 2024 and reduced its footprint by relinquishing lower-priority areas, including relinquishment of the Nabba 2 permit in February 2025, to focus expenditures on higher priority targets.

Work completed in late 2025 – early 2026

On December 5, 2025, the Company announced the appointment of Mr. Jake Clark as Vice President, Exploration (VPX) and established a technical advisory board bringing decades of global hands-on experience taking projects from discovery through development.

From December 2025 to January 2026, the newly appointed team focused on data interpretation and target reassessment to identify drill-ready prospects. After advancing two greenfield targets to drill test-ready, the Company successfully secured a diamond drilling contractor for a preliminary drilling program he drilling program commenced in March 2026 and was completed in May 2026, comprising 29 diamond drill holes totaling 2,787.4 meters. Additional field mapping and boulder sampling campaigns were undertaken in parallel with the drilling program in order to identify further greenfields targets within the Grit Metals land package.

During this period, the VPX made several visits to the project area to engage with local communities and landowners in support of the exploration program. The Company also secured additional contract personnel, including a Finnish-speaking geologist, who mobilized to site in early March 2026.

Work completed during the quarter ended August 31, 2026

During the quarter, the Company received and reviewed the final assay results from its maiden diamond drilling program at the 100%-owned Central Finland Lithium Project, together with results from additional surface boulder sampling undertaken during the previous reporting period.

The drilling program, completed in May 2026, comprised 29 diamond drill holes totalling 2,787.4 meters, including 16 holes for 1,603.4 meters at Kyrölä (Figure 7) and 13 holes for 1,184.0 meters at Mörkylä (Figure 8). The program tested priority targets identified through previous geological mapping, geochemical sampling and the discovery of spodumene-bearing boulder anomalies.

On July 28, 2026, the Company announced the results of the drilling program, which confirmed the presence of multiple geochemically evolved and fractionated lithium-cesium-tantalum ("LCT") pegmatite bodies within the Project area. Although drilling did not intersect significant spodumene-bearing lithium mineralisation, geochemical analyses identified enrichment in LCT-associated pathfinder elements and fractionation indicators, providing additional geological information to refine the Company's exploration targeting model.

At Kyrölä, drilling intersected multiple albite-quartz and muscovite-rich pegmatites, including a muscovite-bearing pegmatite horizon identified in drill holes KY26-012, KY26-017, KY26-018 and KY26-019. These pegmatites exhibit geological characteristics comparable to muscovite-rich pegmatites documented in association with spodumene-bearing pegmatites at nearby deposits within the Kaustinen lithium district.

Geochemical analysis of the drill intersections provided additional information regarding pegmatite fractionation and identified a potential northeastward vector towards more evolved portions of the system. At Mörkylä, drill hole MK26-007 intersected a 2.90-meter interval averaging 250 ppm lithium, 46.2 ppm cesium, 27.5 ppm tin and 5.9 ppm beryllium. Although the interval is not considered economically mineralised, its geochemical signature may indicate proximity to more evolved pegmatite bodies. The

results, in conjunction with surface sampling, provided a potential northeastward exploration vector for future investigation.

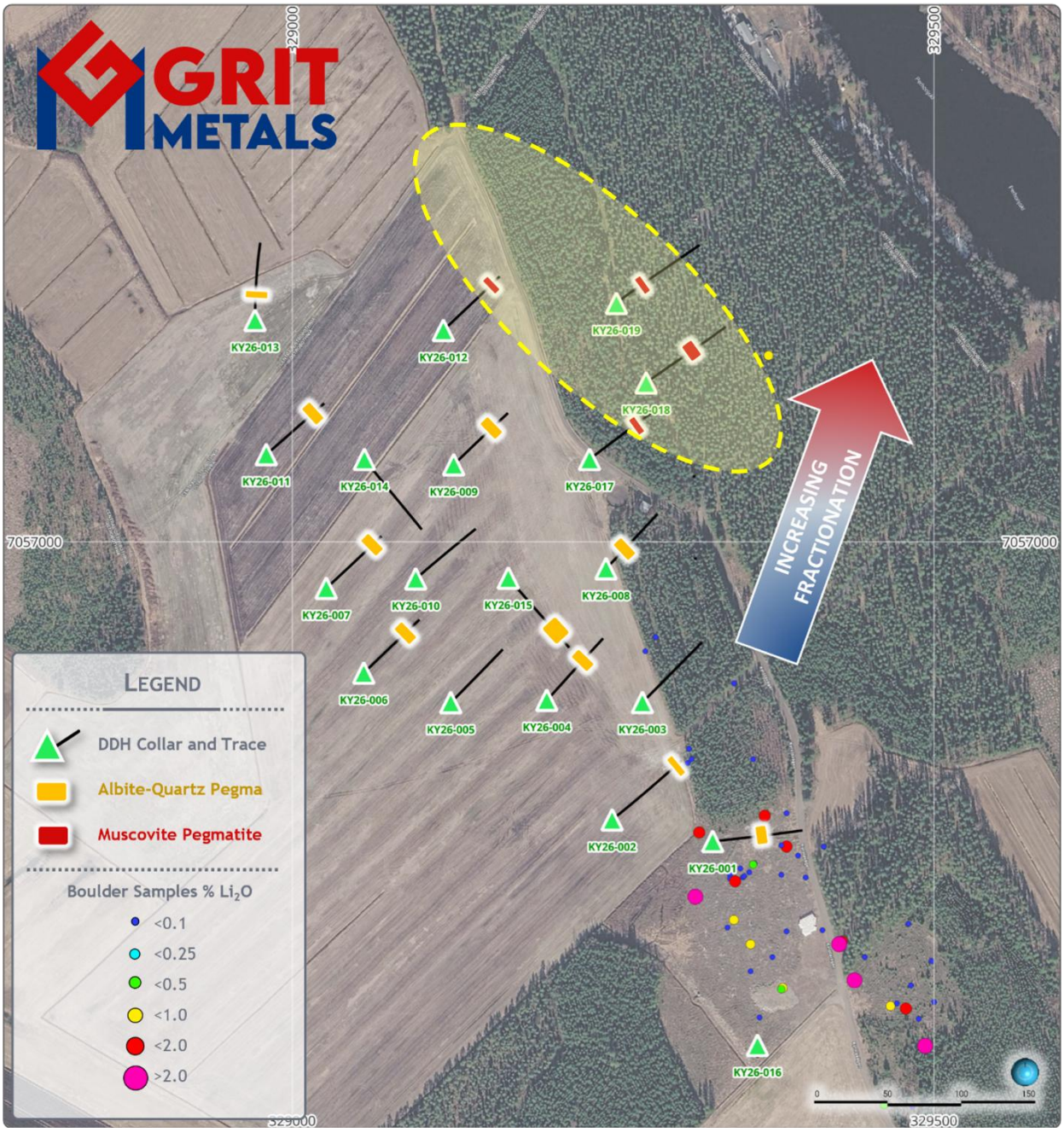


Figure 7: Summary of drilling and downhole visual intercepts, surface boulder sampling and direction of geochemical vectoring, shown at Kyrölä.

In parallel, the Company received assay results from additional surface boulder sampling undertaken across the Project area, principally within the Jylhä exploration permit. The program identified new spodumene-bearing pegmatite boulders in previously untested areas, including samples returning 2.01% and 2.35% Li_2O. Several additional samples returned anomalous lithium concentrations exceeding 0.5% Li_2O.

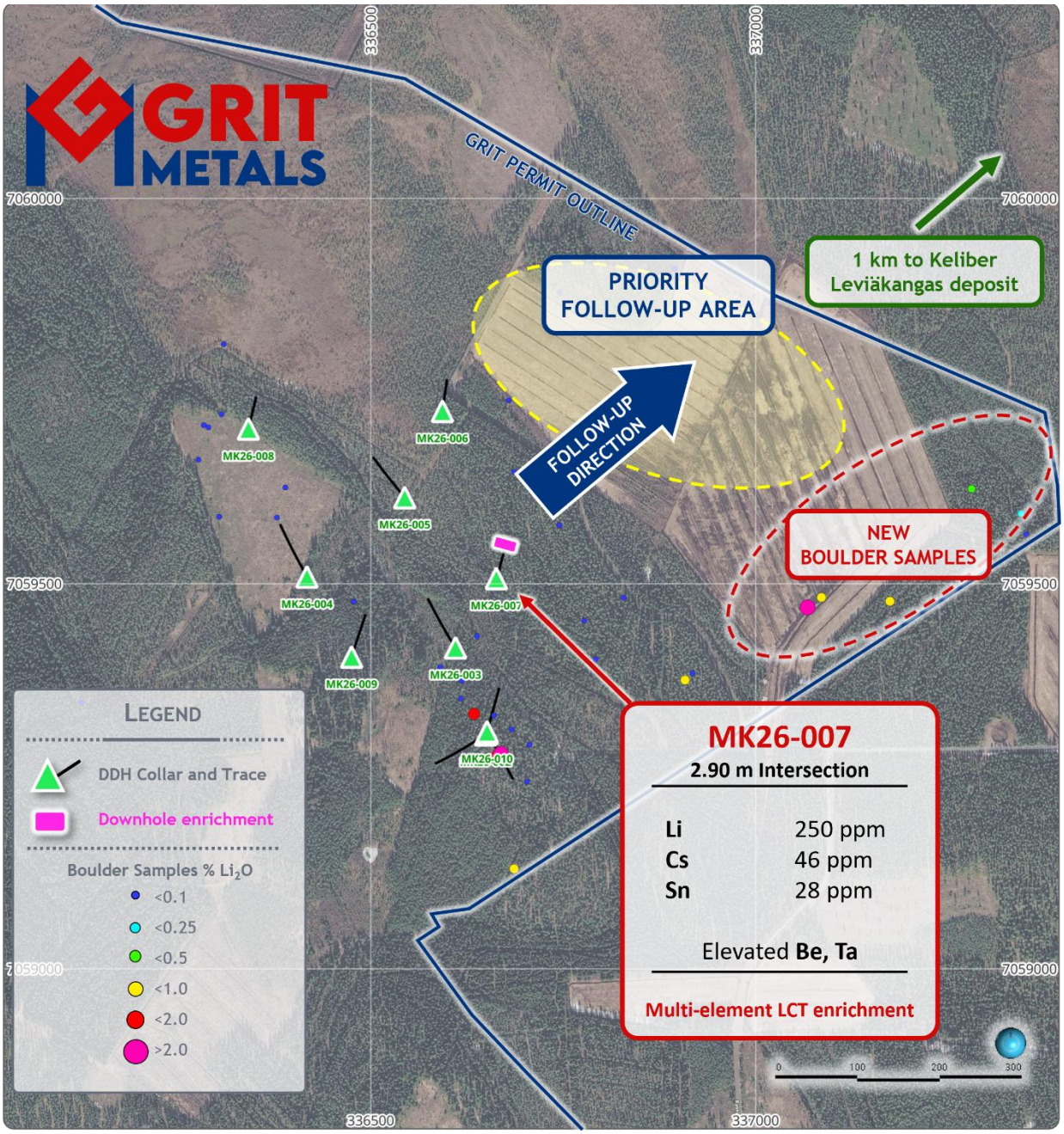


Figure 8: Summary of drilling with MK26-007 highlighted. New additional boulders and fractionation vectoring indicates a priority follow up area to the NE of Mörkylä.

Of particular interest was the identification of a new cluster of lithium-bearing boulders east of the Mörkylä target, together with additional anomalous samples in the central portion of the Jylhä permit. These discoveries expanded the known distribution of spodumene-bearing boulders and identified additional areas for follow-up exploration. The bedrock sources of these boulders remain undetermined.



Figure 9: High-grade lithium-bearing boulder samples from Jylhä (left) and Mörkylä (right), further highlighting the exploration potential of both targets.

Following receipt of the analytical results, the Company incorporated the drilling and surface geochemical datasets into its geological interpretation and exploration targeting model. The combined results have improved the Company's understanding of pegmatite distribution and fractionation across the Project and will assist in prioritising future surface exploration and drill targeting.

Corporate Developments

On August 12, 2026, the Company announced the appointment of Jake Clark, previously Vice President Exploration, as Chief Executive Officer and a director of the Company. Mr. Clark succeeded Jeremy Poirier, who transitioned to the role of Chairman following the retirement of Gino DeMichele from the Board of Directors.

In connection with the appointment, the Company approved the grant of 700,000 stock options to Mr. Clark, exercisable at $0.11 per common share for a period of five years, subject to the terms of the Company's Equity Incentive Plan.

On October 1, 2026, the Company appointed Ms. Dani Palahanova, CPA, as Chief Financial Officer and Corporate Secretary. She succeeded Mr. Joel Leonard, who stepped down as CFO. In connection with the appointment, the Company granted Ms. Palahanova stock options to purchase 300,000 common shares at an exercise price of $0.08 per share. Once vested, the options are exercisable for five years from the grant date, subject to the terms of the Company's Equity Incentive Plan.

Cautionary Statement

The Company’s projects are in the Kaustinen-Seinajoki region, which is highly prospective for LCT pegmatite deposits, as evidenced by the success of the Geological Survey of Finland (GTK) and subsequently Keliber Oy in discovering significant Li-bearing spodumene pegmatite prospects and deposits in the region. The Company’s success in identifying widespread spodumene-rich LCT pegmatitic boulders is very encouraging, as the area is topographically flat and extensively covered by a thin veneer of glacial overburden.

It is important to note that all the significant deposit and prospect discoveries (with one exception) in the belt were found by tracing boulders back to source and identifying the source ultimately through drilling. The GTK/Keliber Oy discoveries demonstrate that boulders are generally located within 300 – 500 m of their source suggests excellent potential for discovery on the Company's licenses.

Grit Metals cautions investors grab samples are selective samples by their nature and are not necessarily indicative of mineralization on the property. The Company further cautions the presence of lithium mineralization on Keliber Oy's properties and/or adjacent or nearby properties is not necessarily indicative of mineralization on the Company's properties.

QA/QC and sampling

Samples were submitted to and prepared at Sodankylä in Finland and analysed at Loughrea in Ireland by ALS Laboratories, an independent commercial laboratory. ALS inserted internal standards, blanks and pulp duplicates within each sample batch as part of their own internal monitoring of quality control protocols. Grit Metals monitors precision and bias performance by inserting certified lithium standards (OREAS 750b, OREAS 754 and GTA-05) as well as blanks and half core duplicates into each batch submitted to ALS at a rate of 1:20.

The major element oxides and trace elements including Li, Cs, Ta and Be were analysed by ALS analytical package ME-MS89L involving digestion by Na_2O_2 fusion followed by ALS's super trace ICP-MS methodology. QAQC results to date do not indicate any analytical accuracy issues with all standards returning values Li values within 3 standard deviations of their certified mean and blanks returning expected values.

QP Statement

The technical content of this Management Discussion and Analysis by has been reviewed and approved by Mr. Jake Clark, MAIG, RPGeo., Chief Executive Officer, who is a Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects. As Mr. Clark is an officer and shareholder of the Company, he is not independent under National Instrument 43-101.

OUTLOOK

Following the successful completion of financings in January 2026, Grit Metals remains focused on systematically advancing its portfolio of highly prospective lithium-cesium-tantalum (LCT) pegmatite projects. Management continues to aggregate exploration data, refine geological models, and prioritize high-potential targets for further evaluation. The Company has integrated results from its recent exploration campaigns into a comprehensive targeting framework and identified a number of high-priority drill-ready targets. Grit Metals also continues to evaluate strategic partnerships and financing opportunities to optimize project advancement and maximize shareholder value.

Given the global demand for critical minerals, particularly lithium for battery technology, Grit Metals is well positioned to benefit from the growing interest in European-based lithium supply chains. With a strong technical team and an expanding geological dataset, Grit Metals remains committed to unlocking the value of its Finnish exploration portfolio and advancing towards resource definition and potential development.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Three months ended August 31, 2026, compared to the three months ended August 31, 2025

During the three months ended August 31, 2026, the Company recorded a net loss and comprehensive loss of $158,877, compared with $84,954 for the three months ended August 31, 2025, an increase of $73,923. The increase was primarily attributable to share-based compensation, office and accounting expense and investor relations expense. Loss per share for both periods was $0.00.

As the Company does not yet generate revenue from its operations, changes in its financial performance are driven solely by changes in the Company's expenses. Significant items affecting expenses are as follows:

- Investor relations expense increased to $11,000 for the quarter ended August 31, 2026, compared to $5,000 in the same period in 2025. During the period, the Company ran a new investor awareness campaign.
- Office and accounting expense increased to $20,084 during the period ended August 31, 2026, compared to $8,663 in the same period in 2025. The increase of $11,421 was attributable to higher administrative cost during the period.
- Share-based compensation totaled $47,444 for the three months ended August 31, 2026, compared to $Nil in the same period in 2025. The increase was due to equity-based awards granted in the current period.

SUMMARY OF QUARTERLY RESULTS

	For the quarter ended	Revenue $	Net loss $	Net comprehensive loss $	Basic and diluted loss per common share $
Q1/27	August 31, 2026	-	(158,877)	(158,877)	(0.00)
Q4/26	May 31, 2026	-	(411,464)	(411,464)	(0.01)
Q3/26	February 28, 2026	-	(356,249)	(356,249)	(0.01)
Q2/26	November 30, 2025	-	(113,376)	(113,376)	(0.00)
Q1/26	August 31, 2025	-	(84,954)	(84,954)	(0.00)
Q4/25	May 31, 2025	-	(1,236,427)	(1,236,427)	(0.02)
Q3/25	February 28, 2025	-	(151,676)	(151,676)	(0.02)
Q2/25	November 30, 2024	-	(342,667)	(342,667)	(0.01)

For the first quarter of fiscal 2027 ended August 31, 2026, the Company recorded a net and comprehensive loss of $158,877, a decrease of $252,587 from the net and comprehensive loss of $411,464 recorded in the quarter ended May 31, 2026. The decrease was primarily attributable to lower marketing and advertising, investor relations and professional fee expenses.

The quarter ended May 31, 2026, saw an increase in the net and comprehensive loss of the previous quarter by $55,215. The fourth quarter increase is mainly due to an increase in professional fees.

The third quarter of fiscal 2026 ended February 28, 2026, saw an increase in the net and comprehensive loss over the previous quarter of $242,873. The third quarter increase is mainly due to an increase in marketing and advertising fees as the Company ran a new investor awareness campaign, increase in Share based payments as new share-based compensation was granted during the quarter, and an increase in legal fees.

The second quarter of fiscal 2026, ended November 30, 2025, recorded an increase in net and comprehensive loss of $28,422 compared to the previous quarter. This was mainly due to an increase in professional fees as the Company completed the annual audit of the financial statements during the quarter.

OUTSTANDING SHARE DATA

	October 29, 2026	August 31, 2026	May 31, 2026
Common shares	66,288,815	66,288,815	66,288,815
Stock options	4,355,000	4,055,000	3,355,000
Share purchase warrants	5,020,000	16,146,400	19,264,177
Brokers' warrants outstanding	714,000	977,550	1,302,419
Fully diluted	76,377,815	87,467,765	90,210,411

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2026, the Company had a cash balance of $86,154 (May 31, 2026 - $437,113) and working capital of $7,107 (May 31, 2026 - $168,057). The decrease in liquidity primarily reflects cash used in operating activities and expenditures on exploration and evaluation assets during the quarter.

Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain and not expected in the foreseeable future given the nature of the exploration and development industry. The Company intends to finance its future funding requirements through equity share issuances. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Company's ability to continue as a going concern.

Net cash used in operating activities during the three months ended August 31, 2026, was $301,442, an increase from $121,343 in the comparable period of the prior year. The increase in cash used in operating activities primarily reflected changes in non-cash working capital, including a $195,347 decrease in accounts payable and accrued liabilities during the quarter.

Net cash used in investing activities for the period ended August 31, 2026, was $49,517, compared to $13,670 in the same period of 2025. The increase of $35,847 reflects the expenditure on exploration activities in Finland, and increased the carrying value of the Company's exploration and evaluation assets to $4,914,934 as at August 31, 2026, from $4,865,417 at May 31, 2026.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances and/or other financing arrangements. While the Company's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

RELATED PARTY TRANSACTIONS AND BALANCES

During the quarter ended August 31, 2026, the Company had the following related party transactions and balances:

	Three months ended	
	August 31, 2026	August 31, 2025
	$	$
Management fees	63,403	70,500
Share-based payments	35,915	-
	99,318	70,500

All transactions are incurred in the normal course of business and are negotiated on terms between the parties which are believed to represent fair market value for all services rendered.

- At August 31, 2026, $65,084 (2025 - $8,925) related to management fees and professional fees was included in accounts payable and accrued liabilities.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair values of the Company's financial instruments approximate their carrying values due to their current nature.

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

At the date of this MD&A, there are no transactions outstanding that have been proposed, but not approved, by either the Company or regulatory authorities.

SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND NEW POLICIES

In applying the Company's accounting policies, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from the judgments, estimates and assumptions made by management and will seldom equal the estimated results. Please refer to the audited Financial Statements for the year ended May 31, 2026, for a full list of policies and financial statement Note 3 therein dealing specifically with significant accounting estimates and judgments.

There were no new policies adopted during the period ended August 31, 2026 or the year ended May 31, 2026.

The financial statements and information include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Critical accounting estimates

The inputs used in valuing share-based payments

The Company uses the fair-value method of accounting for share-based payments (related to incentive stock options and compensation warrants granted, modified or settled). Under this method compensation costs attributable to stock option awards granted are measured at fair value at the issue or grant date and

are expensed over the vesting period. In determining the fair value for share-based payments, the Company uses option pricing models and makes estimates of the expected volatility of the stock, the expected life and risk-free rate. The expected volatility is based on historical volatility of the Company's stock over a period commensurate with the expected life of the option. Changes to these estimates could result in the fair value of share-based payments expense being less than or greater than the amount recorded.

Significant accounting judgments

The evaluation of the Company's ability to continue as a going concern.

The Company's management has made an assessment of the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon obtaining additional financing to fund its ongoing operations and exploration activities. There can be no assurance that sufficient financing will be available, and these circumstances indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Valuation of exploration and evaluation assets

The Company is required to review the carrying value of its exploration and evaluation properties at each reporting date for potential impairment. Impairment is indicated if the carrying value of the Company's exploration and evaluation assets is not recoverable. If impairment is indicated, the amount by which the carrying value of exploration and evaluation assets exceeds their estimated fair value is charged to the statements of loss and comprehensive loss.

Evaluating for recoverability during the exploration and evaluation phase requires judgment in determining whether future economic benefits from future exploitation, sale or otherwise are likely. Evaluations may be more complex where activities have not reached a stage which permits a reasonable assessment of the existence of reserves or resources. Management must make certain estimates and assumptions about future events or circumstances including, but not limited to, the interpretation of geological, geophysical and seismic data, the Company's financial ability to continue exploration and evaluation activities, contractual issues with joint venture partners, the impact of government legislation and political stability in the region, and the impact of current and expected future metal prices on potential reserves.

CAPITAL MANAGEMENT

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

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

EFFECTIVENESS OF DISCLOSURE CONTROLS

The Company has internal controls over financial reporting to provide reasonable assurance as to the reliability of financial reporting and that preparation of financial statements for external purposes are in accordance with IFRS. There is an inability to totally segregate duties due to the small size of the Company, but management believes these weaknesses have been mitigated through management's and directors' involvement.

RISK FACTORS

The Company is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory, and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the

Company, or which are presently considered immaterial could adversely impact the Company's business, results of operations and financial performance in future periods.

Exploration and Development of its Mineral Properties

The exploration for and development of mineral properties involves significant risks, which even a combination of careful evaluation, experience and knowledge of management, key employees and contractors of the Company may not eliminate. Exploration for minerals and development of mining projects is a highly speculative venture necessarily involving substantial risk. The exploration expenditures made by the Company may not result in discoveries of commercial quantities of minerals. The long-term commercial success of the Company depends on its ability to explore, discover, develop and commercially produce minerals from its exploration and evaluation assets and to locate and acquire additional properties worthy of exploration and development.

None of the properties in which the Company has an interest have any Mineral Resources or Reserves.

Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in the definition of a Mineral Resource or Mineral Reserves (within the meaning of NI 43-101). Currently, there are no Mineral Resources or Mineral Reserves on any of the properties in which the Company has an interest. The failure of the Company to discover and establish Mineral Resources or Mineral Reserves could restrict the Company's ability to successfully implement its strategies for long-term growth.

Title Risks

The acquisition of title to exploration and evaluation assets or interests therein is a very detailed and time-consuming process. The exploration and evaluation assets may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. Any challenge to the title or access to any of the properties in which the Company has an interest may have a negative impact on the Company as the Company will incur delay and expenses in defending such challenge and, if the challenge is successful, the Company may lose any interest it may have in the subject property.

Limited Operating History

The Company has a history of losses since its inception, and the values attributed to the Company's exploration and evaluation assets may not be realizable The Company has not yet commenced mining operations, and therefore, has no history of earnings or of a return on investment, and there is no assurance that the Company's assets will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of the Company must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

Disclosure Controls and Internal Control Over Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting. Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification by the Company or its senior officers on the effectiveness of these controls at this time.

Government Laws, Regulation and Permitting

Exploration and development activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at any of its properties. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Additional Financings

The Company expects to be substantially dependent upon the equity capital markets to carry out its business objectives and to pursue additional investments. There can be no assurance that such financing will be available to the Company on acceptable terms or at all.

Additional equity financings may significantly dilute shareholdings of its shareholders. If the Company is not able to obtain such financing, it may not be able to expand its portfolio of assets and may not be able to execute on its business strategy.

There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations or to complete proposed exploration programs or acquisitions. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Going Concern Assumption

The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Key Management and Competition

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Commodity Prices

Metal prices, including the price for lithium, fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of metal and mineral commodities have fluctuated widely in recent years. The Company's liquidity and long term ability to raise the capital required to execute its business plans may be affected by market volatilities.

Foreign Currency Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk related to cash, accounts payable and commitments denominated in foreign currencies. roximately $202.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The Company will be Reliant on Third-party Reporting

The Company may rely on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise as it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and/or engineering information. If the information provided by such third parties to the Company contains material inaccuracies or omissions, the Company's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Company.

APPROVAL

The Board of Directors of the Company has approved the disclosures in this MDA.

Additional information related to the Company is available on SEDAR+ at www.sedarplus.com.