

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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This management's discussion and analysis of financial position and results of operations ("MD&A") is prepared as of March 1, 2023 and should be read in conjunction with the unaudited condensed interim consolidated financial statements of Foremost Lithium Resource & Technology Ltd. ("Far" or the "Company") for the period ended December 31, 2022 with the related notes thereto. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted.

Readers should also refer to the Company's audited financial statements and the accompanying notes for the year ended March 31, 2022 and the Company's accompanying annual MD&A (together the "Annual Filings").

Further information regarding the Company and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be obtained from [www.sedar.com](http://www.sedar.com).

### **Forward-Looking Statements**

Except for statements of historical facts relating to the Company, this MD&A contains "forward-looking statements" within the meaning of applicable securities legislation. These forward-looking statements are made as of the date of this MD&A and the Company does not intend and does not assume any obligation to update these forward-looking statements, except as required by applicable securities laws.

Forward-looking statements may include, but are not limited to, statements with respect to the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of future exploration programs, capital expenditures, success of exploration activities, permitting timelines, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, the completion of transactions and future listings and regulatory approvals. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this MD&A includes, among other things, disclosure regarding: the Company's mineral properties as well as its outlook, statements with respect to the success of exploration activities, permitting timelines, costs and expenditure requirements for additional capital, regulatory approvals, as well as the information under the headings "Overall Performance", "Liquidity" and "Capital Resources".

In making the forward looking statements in this MD&A, the Company has applied certain factors and assumptions that it believes are reasonable, including that there is no material deterioration in general business and economic conditions; that the timing, costs and results of the Company's proposed exploration programs are consistent with the Company's current expectations; that the Company receives regulatory and governmental approvals and permits for its properties on a timely basis; that the Company is able to obtain financing for its properties on reasonable terms and on a timely basis; that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis; that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions; that any environmental and other proceedings or disputes are satisfactorily resolved.

However, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors may include, among others, actual results of current and proposed exploration activities; actual results of reclamation activities; future metal prices; accidents, labor disputes, adverse weather conditions, unanticipated geological formations and other risks of the mining industry; delays in obtaining governmental or regulatory approvals or financing or in the completion of exploration activities, as well as those factors discussed in the section entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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The technical information in this MD&A has been reviewed by Lindsay Bottomer, P. Geo, and Mark Fedikow, P. Geo. Both are qualified persons as defined by Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“NI 43-101”).

### **DATE**

This MD&A is dated as of March 1, 2023.

### **DESCRIPTION OF BUSINESS**

The Company owns or holds options on four Manitoba lithium exploration projects: the 100% owned Zoro property, Jean Lake optioned from Mount Morgan Resources Ltd., Peg North optioned from Strider Resources Limited and Grass River Lithium projects near Snow Lake, Manitoba, the Hidden Lake project, located in Northwest Territories, which is optioned from 92 Resources Corp, and the Jol Lithium property in the Snow Lake area in Manitoba. The Company is actively exploring both projects.

The Company also owns a 100% interest in the Winston property, a gold and silver property located in New Mexico, USA, subject to certain underlying payment obligations and permitted encumbrances.

### **SUBSIDIARIES**

The Company currently has two subsidiaries, Sequoia Gold & Silver Ltd., a British Columbia Company, and Sierra Gold & Silver Ltd, a New Mexico company (“Sierra”). Sierra holds the Company’s Winston property in New Mexico, USA.

### **MINERAL PROPERTIES**

#### **LITHIUM**

##### **The Zoro Lithium Project**

The Zoro Lithium project totals approximately 3,603 hectares located near the east shore of Wekusko Lake in west-central Manitoba, approximately 20 km east of the mining town of Snow Lake, 249 km southeast of Thompson and 571 km northeast of Winnipeg and is comprised of the Zoro 1 claim, the Manitoba claims, and the Zoro North claims.

##### **Zoro 1 Claim (Snow Lake, Manitoba, Canada)**

The Company owns a 100% undivided interest in the Zoro 1 claim totaling approximately 52 hectares in size. The Company acquired the Zoro 1 claim in 2017 for a purchase price of 7,000,000 common shares of the Company, \$50,000 cash, and a non-interest-bearing promissory note for \$100,000 (paid). In addition, the Company paid a finder’s fee of 1,000,000 common shares to an arm’s length third party in connection with the acquisition of the Zoro 1 claim. Further details of the Company’s acquisition of the Zoro 1 claim are included in the Financial Statements and Annual Filings.

##### **Manitoba and Green Bay Lithium Claims (Snow Lake, Manitoba, Canada)**

The Company has earned a 100% interest in all lithium-bearing pegmatite dykes on three contiguous claims in Manitoba by paying \$250,000 in cash and issuing \$250,000 in shares (2,724,674 shares issued). The claims include the Zoro 1, Manitoba, and Green Bay properties.

The property is subject to a 2% NSR. The Company can acquire an undivided fifty percent interest in the NSR, being one-half of the NSR or a 1% Net Smelter Return from Strider by making a \$1,000,000 cash payment to Strider, together with all accrued but unpaid NSR at the time, prior to the commencement of commercial production.

During the option period, the Company is responsible for carrying out and administering exploration, development, and mining work on the property and for maintaining the property in good standing.

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

---

### **Grass River Claims (“GRC”) (Snow Lake, Manitoba, Canada)**

During January 2022, the Company announced the acquisition of The Grass River Claims, located in the historic mining district of Snow Lake Manitoba, 6.5 kilometers east of the Zoro lithium property. The Grass River Claims (“GRC”) consist of 27 claims totaling 14,873 acres and hosts multiple pegmatites exposed in outcrop and 7 drill-indicated spodumene-bearing pegmatite dykes. This acquisition significantly expands the Company’s Snow Lake Lithium project by 130% to an amalgamated 26,276 acres making the Company the second largest lithium focused exploration company in Snow Lake.

### **Jol Lithium Claim (Snow Lake, Manitoba, Canada)**

In July 2022, the Company entered into an agreement to acquire a 100% interest in the MB3530 claim in the Snow Lake area in Manitoba. To earn the interest, the Company paid \$8,000 and issued 18,181 common shares. The property is subject to a 2% NSR.

MB3530 encompasses 25 hectares (62 acres) situated due North from the Company’s Jean Lake project and due West of the Company’s Zoro project.

### **Peg North Claims (Snow Lake, Manitoba, Canada)**

In July 2022, the Company entered into an option agreement to acquire a 100% interest in the Peg North claims located in the historic Snow Lake mining district in Manitoba. To earn the interest, the Company will pay \$750,000 in cash (paid \$100,000) and \$750,000 in shares (issued 526,316 shares valued at \$100,000) and incur \$3,000,000 of exploration expenditures. The property is subject to a 2% NSR.

The Peg North Claims consist of 28 claims hosting five known pegmatite dykes, [Cerny, et. al.1981] 1 and captures the northern extension of the Crowduck Bay Fault and surrounding area, known for its lithium-enriched pegmatite dyke clusters. The acquisition pursuant to the Option Agreement will significantly expand the Company’s Snow Lake lithium holdings by 16,697 acres (6,757 hectares) to an amalgamated 43,031 acres (17,414 hectares) in the prospective Snow Lake pegmatite fields.

### **Exploration at the Zoro Lithium Project, Snow Lake, Manitoba**

On July 3, 2019, the Company announced assay results from the fifth drilling program at its 100% owned Zoro Lithium Project, near Snow Lake, Manitoba. 3,054 metres of drilling across 22 holes identified five new pegmatite dykes, bringing the total to (13) thirteen. Drilling has also extended the limits of high-grade lithium-bearing pegmatite at Dyke 8, now intersected by six holes from two drilling campaigns.

Zoro includes thirteen (13) identified pegmatite dykes. Diamond drilling, prospecting, and sampling programs conducted in 2016 through 2019 confirmed the presence of the spodumene bearing pegmatites. Five drill programs have been completed to date, delivering high-grade lithium assays from all drill holes. Metallurgical studies on material collected from four 2018 drill holes at Dyke 1 are ongoing. The Company previously assessed the amount of high-grade lithium in Dyke 1 through a 2017/2018 winter drill program, reaching the dyke’s deeper levels (>150 metres). Additionally, the winter drill program was designed to expand to Dykes 5 and 7, to test historic results and recent assay results from trench and outcrop sampling of both dykes. During the 2017/18 winter drill program, the Company also discovered a previously unknown spodumene bearing pegmatite dyke. The discovery was made during the 2,472-metre, 19-hole drill program, as described in Company’s news releases on January 19 and February 13, 2018. The discovery of this additional dyke was made by drill-testing a Mobile Metal Ions (MMI) soil geochemical anomaly bringing the total of known high-grade lithium mineralized spodumene pegmatite dykes on the Zoro Lithium Project to eight. Further results from the winter drill program included narrow intercepts from shallow drill holes testing Dykes 2, 5 and 7. Of these, Dyke 5, tested by drill hole FAR18-30, intersected 1 metre of 1.2% Li<sub>2</sub>O. Overall the results for each of these dykes were consistent with historic exploration results. The Company has posted the results of all drill programs and laboratory testing on its website at [www.foremostlithium.com](http://www.foremostlithium.com)

#### **Soil Geochemical Surveys**

The successful drill testing of a Mobile Metal Ions (“MMI”) soil geochemical anomaly in 2017 and the discovery of high-grade Dyke 8 has provided the rationale for expanding these surveys to the remainder of the property. A helicopter-assisted crew of

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

---

field technicians extended the current MMI survey coverage on the property with the collection of 784 soil samples. The new 2018 data has defined numerous extensions to anomalies identified in previous MMI surveys on the Project, thereby increasing the target size for diamond drilling. A total of 18 new targets have been delineated and were the focus of the contracted March 2022 1,500-metre drill program. 12 new targets were identified in December 2021 of which the top 10 shall be drill tested by the MMDF subsidized March 2022 drill program.

### Geological Mapping

A helicopter-assisted geological mapping crew has undertaken the first new mapping on the Zoro lithium Project area since the 1950s. The project was undertaken to provide an interpretation of the geological setting of the spodumene-bearing pegmatite dykes and any post-depositional structural overprints that may have affected the current location of the dykes. The mapping project was augmented by a drill core sampling program with the intent of assessing mineralogical and geochemical tools for vectoring towards additional pegmatites on the property. Both aspects of this summer's work formed the basis of an M.Sc. thesis program undertaken at the University of Western Ontario under the guidance of Professor Robert Linnen and Dr. Tania Martins of the Manitoba Geological Survey. A preliminary map at a scale of 1:4000 has been produced and establishes the geological setting for 8 known spodumene-bearing pegmatite dykes on the property. Mineralogical studies are ongoing.

### Metallurgical Drill Core Sampling

The Company completed additional drill core sampling from Dyke 1 on the Zoro Lithium Project in 2020 to provide material for the metallurgical survey, which was completed by SGS Mineral Services at their Lakefield facility. A 2020 peer reviewed technical publication co-authored with SGS Mineral Services concluded that spodumene-bearing pegmatite from Zoro Dyke 1 can be processed using industry standard metallurgy to produce a 6% battery-grade lithium ( $\text{Li}_2\text{O}$ ) concentrate<sup>1</sup>.

### Tantalum Potential

The 2016 intersection of 0.113% tantalum ( $\text{Ta}_2\text{O}_5$ ) in drill hole DDH FAR16-001 and the presence of elevated tantalum assays on the property has encouraged the Company to further evaluate tantalum potential. The mineral tantalite ( $\text{Mn, Fe}(\text{Ta, Nb})_2\text{O}_6$ ) is the primary source of the metal tantalum. It is a dark blue gray, dense, and very hard mineral rarely found in pegmatites and is used in the electronics industry for capacitors and high-power resistors. It is also used to make alloys to increase strength, ductility, and corrosion resistance. The metal is used in dental and surgical instruments and implants, as it causes no immune response.

### NI 43-101 Technical Report

On July 9, 2018, the Company announced that it had received the first ever resource estimate for Dyke 1 on its Zoro Lithium Property. Dyke 1 contains an inferred resource of 1,074,567 tonnes grading 0.91%  $\text{Li}_2\text{O}$ , 182 ppm Be, 198 ppm Cs, 51 ppm Ga, 1212 ppm Rb, and 43 ppm Ta (at a cut-off of 0.3%  $\text{Li}_2\text{O}$ ). Dyke 1 is open at depth and to the north and south where additional exploration is ongoing. The estimate has an effective date of July 6, 2018, and was prepared by Scott Zelligan P. Geo., an independent resource geologist of Coldwater, Ontario. Dyke 1 is one of eight known spodumene-mineralized pegmatite dykes on the property. The remaining dykes are currently the object of ongoing exploration including drill-testing. Inferred Mineral Resources are not Mineral Reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. There has been insufficient exploration to define the inferred resources as an indicated or measured mineral resource, however, it is reasonably expected that most of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future. Please refer to the Company's new release dated July 9, 2018, for further details regarding this resource estimate and the methodologies, procedures and assumptions used to estimate same. The Company has filed the NI 43-101 Technical Report on SEDAR.

### Chain of Custody, Quality Control and Quality Assurance, and Data Verification

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<sup>1</sup> Grammatikopoulos, et. al. (2020), "Mineralogical Characterization and Preliminary Beneficiation of the Zoro Lithium Project, Manitoba, Canada." Mining, Metallurgy & Exploration, Society for Mining, Metallurgy & Exploration Inc. 2020 <https://doi.org/10.1007/s42461-020-00299-2>

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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Drill core for assay purposes was sawn in half after logging and core mark-up by the Company's geologist. Samples were collected based on an appropriate sample interval and washed to remove mud from cutting the core with the core saw. The core sample was placed into a clear plastic bag and the sample number written on the bag. An assay tag was inserted into the sample bag, one tag was inserted into the core box marking the sample location and the third tag was retained in storage. All core samples were placed into a white vinyl pail with a sample inventory, labeled and stored in a locked facility until enough samples were available for shipping. At this point the sample pails were taken to the local shipping company and loaded into a sealed transport truck. A bill of lading was signed by the geologist after the number of sample pails were counted and the shipping address confirmed. Receipt of the sample pails was acknowledged by the assay laboratory. Blanks, duplicate samples, and internal standard reference materials were included with each sample batch.

All data used to estimate the above reported mineral resource estimate, including sampling, analytical, and test data, has been verified by Scott Zelligan, P.Geo., from the original sources. This includes a site visit to the Zoro Lithium Project, review of previously drilled intervals in person, and a comparison of the drill hole database to drill logs and assay certificates.

### *A Permit to Extract a Bulk Sample*

On January 6, 2022, the Company announced that it has received a permit from the Province of Manitoba to extract a 500kg bulk sample from Dike 1 on its Zoro Lithium Property.

The Company plans to extract a 500-kilogram bulk sample of spodumene-bearing pegmatite from Dyke 1 on its Zoro Lithium Project. The bulk sample was shipped to SGS Canada and subsequently to Xpert Process Solutions (XPS) for metallurgical testing and process development. A 2020 peer reviewed technical publication co-authored with SGS Mineral Services concluded that spodumene-bearing pegmatite from Zoro Dyke 1 can be processed using industry standard metallurgy to produce a 6% battery-grade lithium (Li<sub>2</sub>O) concentrate [1]. The goal for the upcoming 500 kg bulk sample is to demonstrate that pegmatite from the Company's Zoro Lithium Project is suitable to produce battery-grade lithium hydroxide (LiOH) thereby making it viable to market its lithium to strategic partners prior to development.

### *Drill Program*

On February 8, 2022, the Company announced an upcoming 1500 metre diamond drill program scheduled to commence in the first week of March in 2022 on its 100% percent owned Zoro Lithium Project in Snow Lake, Manitoba. The Company has contracted Bodnar Drilling of St. Rose du Lac, Manitoba and Gogal Air Services to provide rotary air support, core storage, and preparation facilities for this upcoming program.

Prior to this upcoming 2022 drill program, a total of fifty-eight historic diamond drill holes have been drilled on the Zoro property. From the previous 2018 drilling campaign, 8 lithium mineralized spodumene pegmatite dykes were documented on the property. Of these Dyke 1 and Dyke 8 are the most prominent and remain open at depth and along strike to perform additional in-fill drilling and delineate additional tonnage of resource.

On March 14, 2022, the Company announced that field operations had commenced with a ten (10) diamond drill hole ("DDH") 1,500-meter program. This is the first drilling program for the Company since 2018. The focus of this drill program was to test ten (10) new spodumene pegmatite targets on the Zoro project. Drill core samples were shipped to Activation Laboratories (Ancaster, Ontario) for assaying services. Drill and helicopter pads for each of the 10 holes were cut and prepared by Moss Line cutting of Snow Lake. Figure 1 below shows an image of the location of the FM-21-064 drill pad.

# Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022



Figure 1 - Picture from Gogal Air Services helicopter mobilizing crew and equipment to the FM-21-064 drill pad

Table 1 and Figure 3 illustrate the specific drill targets that will be tested in 2022 for lithium oxide ( $\text{Li}_2\text{O}\%$ ) mineralization. The expected host rocks for the lithium mineralization are spodumene-bearing pegmatite dykes. The locations of the drill holes are indicated by the RED STARS on Figure 3.

**Table 1- Summary of 2022 Zoro property drill targets.** All drill holes dip  $-50^\circ$  degrees, trend  $65^\circ$  degrees except DDH FM22-60 which trends  $245^\circ$  degrees. The total depth of each hole is expected to be 150 meters.

Foremost Lithium Drill Hole Collar Location UTM and Coordinates (NAD83 Zone 14)			
DRILL HOLE	NAME	UTM EAST	UTM NORTH
1	FM22-64	459306	6081579
2	FM22-65	459175	6081481
3	FM22-66	459114	6081185
4	FM22-67	459997	6080468
5	FM22-68	460234	6079765
6	FM22-69	460176	6079680
7	FM22-70	459334	6079699
8	FM22-62	458931	6079786
9	FM22-63	458753	6079680
10	FM22-60	458597	6080125



# Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis  
Period Ending December 31, 2022

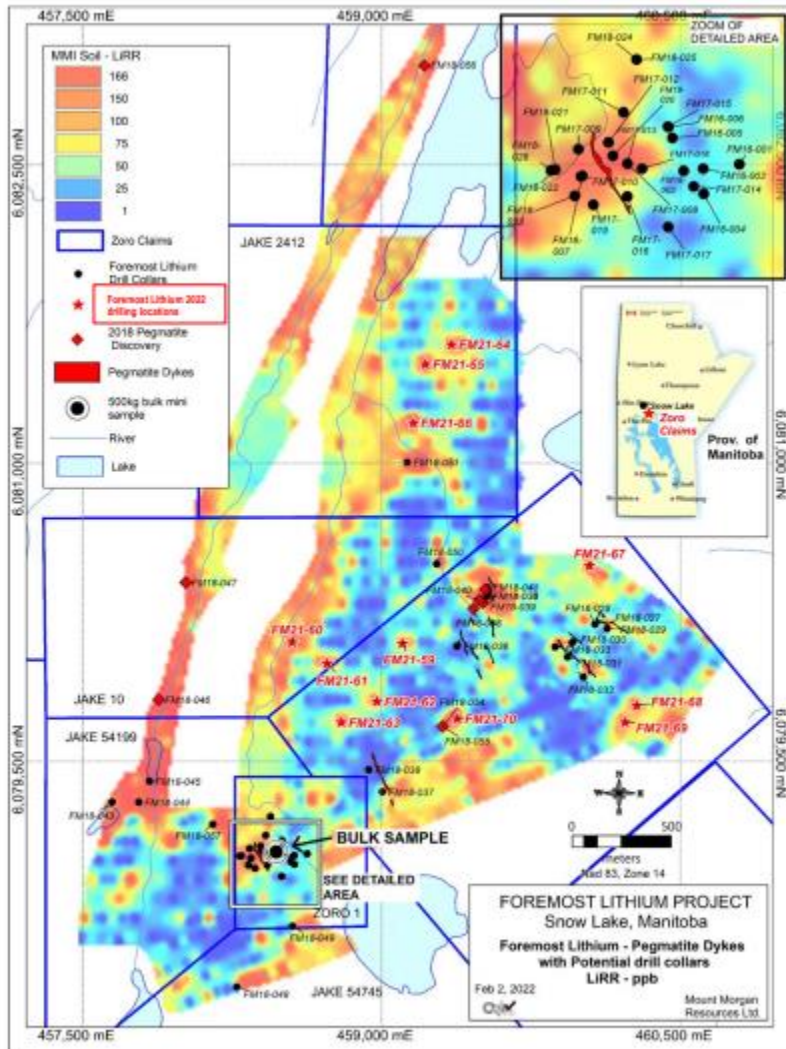


Figure 3 - Map of the ZORO Lithium Project, Snow Lake area, Manitoba. Red stars indicate new 2022 drill targets identified with Mobile Metal Ion (MMI) Technology, a proven advanced soil geochemical exploration technique. Solid black lines are lithium-bearing pegmatites on the property.

On April 26, 2022, the Company announced it has completed a ten-hole 1,509-metre drill program designed to test Mobile Metal Ion (“MMI”) soil geochemical anomalies and assess the deeper levels of high-grade spodumene pegmatite Dike 8 discovered in 2018. The drilling contract was completed by Bodnar Drilling Ltd. of Ste. Rose du Lac and helicopter support was provided by Gogal Air Services Ltd. of Snow Lake. Both Bodnar and Gogal Air are Manitoba corporations.

## Dyke 16 Discovery

The sixteenth (16th) spodumene-bearing pegmatite dyke on the Zoro property was intersected by two drill holes. DDH FM22-70 drilled at -50 degrees inclination. Two pegmatite intercepts totaling 4.9 meters with up to 15% light green spodumene crystal aggregates. A second hole, DDHFM22-70B was drilled at a steeper inclination of -65 degrees to undercut the first pegmatite intersection. This hole intersected a five-meter intercept of the same spodumene mineralized pegmatite as hole FM22-70. The host rock to these pegmatites is a fine-grained foliated basalt.

# Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022



Figure 1 - DDH FM22-70 drilled at -50 degrees inclination intersected two pegmatite intercepts totaling 4.9 meters with up to 15% light green spodumene crystal aggregates.

The location of dyke 16 is illustrated in relation to all previous pegmatite dykes on the Zoro property in Figure 2 below.

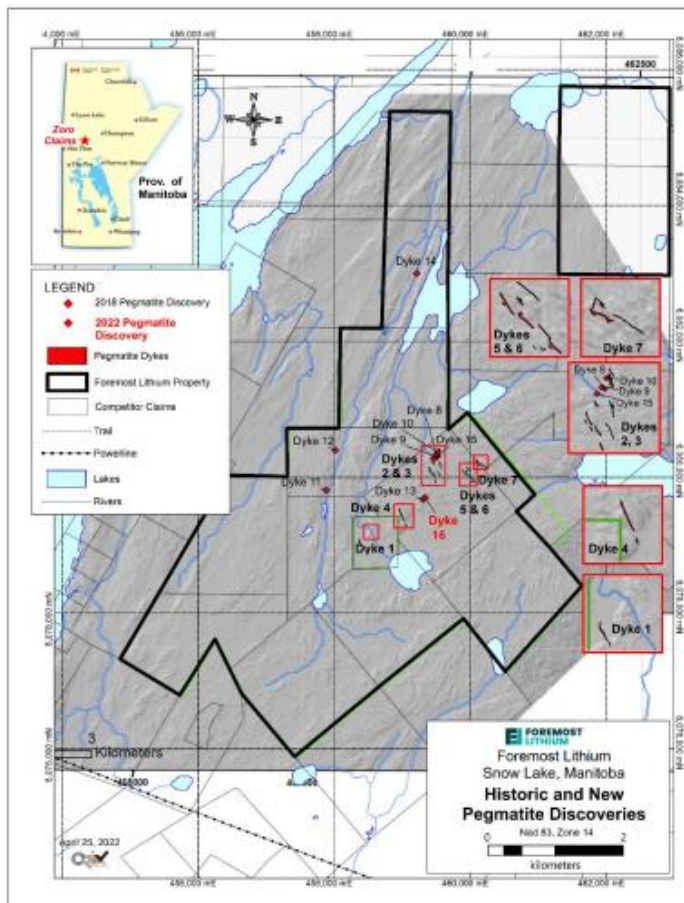


Figure 2 - Map of Zoro property showing the locations of newly discovered Dyke 16 together with locations of all previously discovered spodumene-bearing pegmatite dykes



## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

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High-grade spodumene pegmatite Dyke 8 was discovered on the Zoro property in 2018 by the drill testing of a Mobile Metal Ions soil geochemical anomaly. Drill hole Far18-35 testing the MMI anomaly intersected 36.5 m of spodumene-bearing pegmatite. Assay results from hole FAR18-35 included three separate intercepts of high-grade lithium including 12.3 m of 1.1%  $\text{Li}_2\text{O}$ , 4.4 m of 1.2 %  $\text{Li}_2\text{O}$ , and 2.2 m of 1.5%  $\text{Li}_2\text{O}$ .

In 2022 DDHFM22-71 was drilled at -65 degrees to undercut the 2018 pegmatite intersections. A 4.5- meter spodumene-bearing pegmatite was intersected between 70.45 and 75.89 meters before being truncated by a fault [see Figure 3]. This intercept is 37 meters below the previous 2018 drill intercepted Dyke 8 spodumene mineralization. A further pegmatite was intersected below the fault between 84.4 and 86.65 meters [see Figure 4].



Figure 3 - A 4.5-meter spodumene-bearing pegmatite was intersected between 70.45 and 75.89 meters before being truncated by a fault



Figure 4 - A further pegmatite was intersected below the fault between 84.4 and 86.65 meters on Dyke 8

To date Dyke 8 has drill indicated dimensions of 120 m in length, 5-15 m in width and has been drilled to a depth of 157 m.

After logging, all spodumene-bearing pegmatite intercepts were sawn in half and one half of the core shipped to Activation Laboratories (Ancaster, Ontario) for multielement analysis. The analysis of the 2022 core samples will be consistent with previous years analytical program. This includes “UT-7” lithium and related metal analysis by ICP-MS after total dissolution by sodium pyrophosphate.

### Dyke 16

DDH FM22-70 intersected spodumene-bearing pegmatite between 32.44 m and 35.80 m. Assay results vary from 0.04% to 1.33%  $\text{Li}_2\text{O}$  in 4 core samples over 3.36 m. DDHFM22-70B, drilled to undercut the first pegmatite intercept, intersected 4.92 m of spodumene-bearing pegmatite with lithium contents varying from 0.04% to 1.05%  $\text{Li}_2\text{O}$  in 5 core samples (Table 1). Related metal concentrations in Dyke 16 for Cs (225-476 ppm), Nb (74.9-116.2 ppm) and Ta (28.3-89.7 ppm) compare favourably with those for Dyke 1.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

### Dyke 8

High-grade spodumene pegmatite Dyke 8 was discovered on the Zoro property in 2018 by the drill testing of a Mobile Metal Ions soil geochemical anomaly. Discovery hole Far18-35 intersected 36.5 m of spodumene-bearing pegmatite including individual intercepts of 12.3 m of 1.1% Li<sub>2</sub>O, 4.4 m of 1.2 % Li<sub>2</sub>O, and 2.2 m of 1.5% Li<sub>2</sub>O.

DDHFM22-71 undercut the original 2018 pegmatite discovery and intersected three discrete pegmatites. A spodumene-bearing pegmatite was intersected between 70.45 and 75.89 m, a second between 84.4 m and 86.65 m and a third between 148.75 m and 152.65 m. Host rocks include fine-grained, variably altered, and foliated basalt +/- pyroxene.

Assay results from the first pegmatite intersection vary from 0.05%-0.86% Li<sub>2</sub>O in 5 core samples over 5.44 m and 0.05% Li<sub>2</sub>O in each of 2 core samples over 2.25 m from the second pegmatite intersection (Table 1). A third pegmatite intersected over 3.91 m in DDHFM22-071 assayed 0.09-0.21% Li<sub>2</sub>O with the highest concentrations for related metals Cs (1440 ppm) and Nb (137.9 ppm); cf. sample 423028; Table 1). Tantalum analyses from Dike 8 core samples vary between 30.2 ppm and 88.5 ppm.

### Gold

Fine-grained disseminated, veinlet and fracture-controlled arsenopyrite, pyrite and lesser chalcopyrite were observed in the 2022 core from DDHFM22-072. Fifty-one drill core samples were collected from silicified and locally quartz-potassium feldspar flooded quartz feldspar porphyry (QFP) and 5 core samples from DDHFM22-063 in dark green, foliated, chloritic and silicified basalt locally overprinted with pink and red garnet. Mineralized intervals in altered QFP varied from 2 m to 21.8 m and in a single interval of 3.89 m in altered basalt.

Results (Table 1) for the QFP have a range in concentration of below detection of 1part per billion to 4.76 g/t gold with an average of 0.31g/t. The highest gold content of 4.76 g/t occurs in a 0.68 m wide grey, mottled, foliated and boudinaged QFP with visibly altered feldspar phenocrysts. Assays from the altered basalt samples vary from below detection of 1part per billion to 0.16 g/t over a core interval of 3.89 m.

All samples were analyzed for gold contents based on a 30-gram fire assay and an Instrumental Neutron Activation Analysis (INAA) finish.

**Table 1. Summary of NQ core assay results for lithium and related metals from spodumene-bearing pegmatites and pegmatites without visible spodumene, 2022 Zoro lithium property drill program. Analysis by Actlabs procedure UT-7 that combines a total sodium peroxide fusion with ICP-MS finish.**

### Dyke 16

DDHFM22-070	NQ Core Sample	Depth (m)	Width (m)	Li ppm	Li20%	Cs ppm	Nb ppm	Ta ppm
	423011	32.44-33.24	0.8	203	0.04	296	137	86.6
	423012	33.24-34.0	0.76	1040	0.22	226	116.2	89.7
	423013	34.0-35.0	1	6220	1.33	260	84.3	58.8
	423014	35.0-35.8	0.8	4000	0.86	253	97.1	47.4
<b>DDHFM22-070B</b>								
	423015	43.21-44.0	0.79	200	0.04	395	107.9	65.3
	423016	44.0-45.0	1.0	3030	0.65	225	74.9	28.3
	423017	45.0-46.0	1.0	4890	1.05	319	113.3	35.7
	423018	46.0-47.0	1.0	4460	0.96	301	111.5	35.7
	423019	47.0-48.13	1.13	4030	0.86	476	106.5	61.9

### Dyke 8

DDHFM22-071

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

423021	70.45-71.30	0.85	563	0.12	328	99.9	63.1
423022	71.30-72.30	1.0	4030	0.86	384	57.1	30.2
423023	72.30-73.30	1.0	1770	0.38	562	61.3	46.2
423024	73.30-74.27	0.97	1170	0.25	362	92.6	52.8
423025	75.20-75.89	0.69	659	0.14	565	135	55.2
423026	84.40-85.50	1.10	275	0.05	330	49.6	31.6
423027*	85.5-86.65	1.15	246	0.05	414	62.8	34.3
423028*	148.74-149.4	0.65	1000	0.21	1440	137.9	88.5
423029*	150.76-151.7	0.94	440	0.09	777	67.3	32.8
423031*	151.7-152.65	0.95	429	0.09	539	90.4	59.3

**Note: \* Refers to no visible spodumene observed in core sample**

### Bulk Sample

On May 26, 2022, the Company announced that it has contracted XPS Expert Process Solutions (a Glencore company) to develop a process to develop and refine spodumene concentrate (SC6 technical specification) into a saleable battery-grade lithium hydroxide product. The contractual relationship reflects the Company's commitment to deliver battery grade lithium hydroxide to supply an integrated EV battery ecosystem to energize the electrification of the transportation sector.

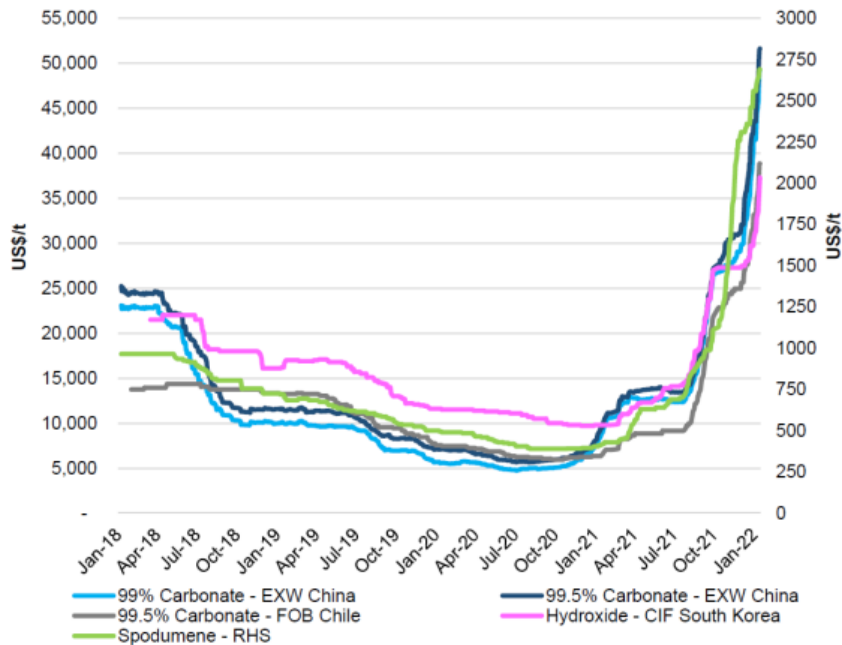
The Company's initial 2020 metallurgical test work, done in conjunction with SGS Canada Inc, indicated that it is possible that Heavy Liquids Separation (HLS) combined with magnetite separation can be used to produce a high-grade (close to 6% Li<sub>2</sub>O) lithium spodumene concentrate after the rejection of iron silicate minerals therefore, most of the spodumene should be amenable to recovery by HLS and/or flotation. The mineralogical characteristics of the Zoro Dyke 1 pegmatite highlight the economic potential of the project. These preliminary findings suggest that the Company's Zoro property contains lithium resources meeting industry and market specifications. The new project with XPS and SGS will utilize a more robust 500 kg sample size which will allow us to confirm that it is feasible to convert the 6% Li<sub>2</sub>O from Zoro to Lithium hydroxide (LiOH) which is the compound for which the Electric Vehicle makers / giga factories have unprecedented demand.

The project will be undertaken at XPS's Falconbridge, Canada facility and SGS Canada Inc.'s Lakefield, Canada facility. The project includes single stage Dense Media Separation (DMS), flotation, pyrometallurgy, and hydrometallurgy. Phase 1 is evaluating the potential purity and recovery of lithium from concentrates to ultimately improve commercial understanding and provide data for the generation of a continuous pilot process. Phase 1 results have the objective of producing a Technical Specification SC6 Spodumene Concentrate. SC6 is an inorganic material that can be further refined for use in the manufacturing of batteries, ceramics, glass, grease, and various lithium products.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022



Source: Asian Metals, Benchmark Mineral Intelligence, Canaccord Genuity estimates

Lithium Demand Outpaces Supply. Chemical and spodumene pricing: Spodumene concentrate 532% higher, Lithium carbonate 431% Lithium hydroxide 340% higher year over year. Data and figure from Canaccord Genuity Research “Rating and Target Price Changes EV Materials” January 24, 2022.

Planned Phase 2 of the metallurgy study will determine how to best process the SC6 into a saleable battery-grade lithium hydroxide (LiOH) monohydrate. Several processing approaches will be explored to optimize the economics of the production flowsheet. The Company anticipates completing Phase 2 in Q1 of 2023. XPS will issue a report confirming the chemical composition and Lithium hydroxide product samples will be available for due diligence testing with qualified battery manufacturers.

There are several positive trends for lithium demand, particularly lithium hydroxide in the USA. Between 2020 and 2030, RK Equity forecasted an increase in demand of almost 30 times for battery cells. Translated, this equates to 600 GWh of battery cell demand and approximately 500KT Lithium Carbonate Equivalent (LCE) of battery-grade lithium demand (85%-90% hydroxide). In addition, energy storage and commercial vehicles will add further battery demand. The Company believes it is highly likely that North America will emulate Europe's battery raw material strategy and target a high percentage of local lithium chemical production. America currently has ~15KT LCE of local chemical production capacity – a fraction of the 500KT LCE demand forecasted for 2030. Hard rock ore to hydroxide offers the fastest route to increased supply, and The Company's land position hosts significant potential, projects such as the Company's “Lithium Lane” will be seen as strategic in the years to come.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

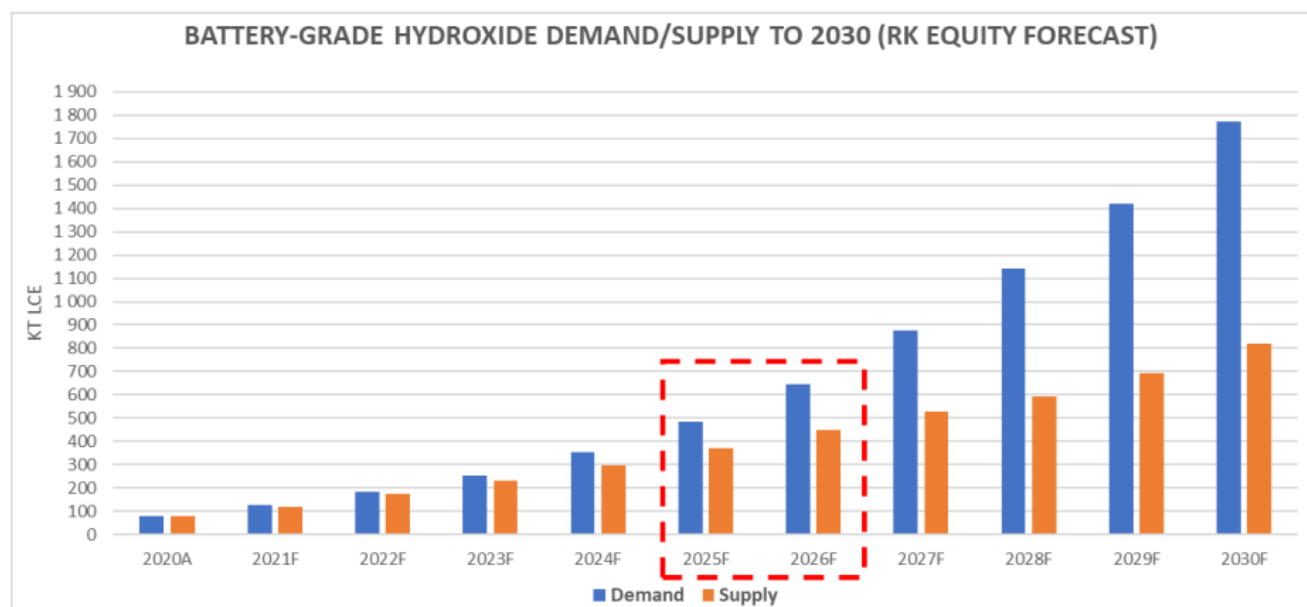


Figure 1 - Battery-grade hydroxide demand/supply to 2030 (Source: RK Equity/ Frontier Lithium Independent Research Report)

### Hidden Lake, Yellowknife, NWT

In February 2018, the Company entered into an option agreement (the “Hidden Lake Option Agreement”) with 92 Resources Corp (“92 Resources”, now Patriot Battery Metals Ltd.) to acquire up to 90% interest in the Hidden Lake Lithium project, Northwest Territories (the “Hidden Lake Project”).

The Hidden Lake Project consists of five contiguous mineral claims totaling approximately 1,659 hectares within the central parts of the Yellowknife Lithium Pegmatite Belt along Highway 4, approximately 40 km east of Yellowknife. 92 Resources’ 2016 exploration results returned 1.90% Li<sub>2</sub>O over 9 metres and grab samples up to 3.3% Li<sub>2</sub>O. Metallurgical test work has produced a high-grade mineral concentrate of 6.16% Li<sub>2</sub>O with an average spodumene lithium content of per cent lithium (8.2% Li<sub>2</sub>O). 92 Resources also channel sampled four dykes extensively which range between 275 and 790 metres in length and up to about 10 metres in width which returned an average lithium concentration of 1.03% Li<sub>2</sub>O for the 308 samples with surface samples up to 3.3% Li<sub>2</sub>O. Due to the success of 92 Resources’ programs, preliminary metallurgical test work and scoping lithium extraction tests were conducted. The scoping test work achieved an overall extraction of 97%, indicating that industry standard lithium extraction techniques applied to typical spodumene concentrates are applicable to concentrates produced from the pegmatites at Hidden Lake. The Hidden Lake Project is easily road accessible and its proximity to infrastructure provides for numerous development advantages.

Under the terms of the Hidden Lake Option Agreement, the Company can earn up to 90% interest in the Hidden Lake Project as follows:

- a) the consideration for the initial 60% interest:
  - i. cash payment of \$50,000 upon execution of the agreement (paid).
  - ii. issuance of 555,555 common shares (issued and valued at \$225,000) upon execution of the agreement.
  - iii. exploration expenditures of \$500,000 to be incurred by January 22, 2019 (completed).
- b) the consideration for an additional 10% interest (70% total):
  - i. issuance of common shares with a fair market value of \$250,000 based on the average market price to a maximum of \$1.50 per share by January 22, 2019 (not issued as the Company decided not to add to its 60% interest as at December 31, 2018).
  - ii. additional exploration expenditures of \$500,000 to be incurred by January 22, 2020.



## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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- c) the consideration for an additional 10% interest (80% total):
  - i. issuance of common shares with a fair market value of \$300,000 based on the average market price to a maximum of \$1.50 per share by January 22, 2020.
  - ii. additional exploration expenditures of \$600,000 to be incurred by January 22, 2021.
- d) the consideration for an additional 10% interest (90% total):
  - i. issuance of common shares with a fair market value of \$400,000 based on the average market price to a maximum of \$1.50 per share by January 22, 2021.
  - ii. additional exploration expenditures of \$700,000 to be incurred by January 22, 2022.

The Company chose not to accelerate the exercise of the option beyond the initial 60% interest. The Company may now opt to form a joint venture with 92 Resources on a 60:40 basis, the Company will be responsible for funding the initial \$1,000,000 in joint venture expenditures, after which costs are shared on a 60:40 basis.

During the year ended March 31, 2020, the Company wrote-off \$870,046 of the carrying value of the Hidden Lake property to \$Nil due to lack of plans for exploration because of limited funding.

On November 7, 2022, the Company signed a binding term sheet with respect to the sale of its 60% interest in the Hidden Lake Project in Yellowknife, NWT for \$3,500,000 to an arm's length party. The Company has received a \$100,000 non-refundable deposit in connection with signing the term sheet. The closing of the transaction and receipt of the remaining \$3,400,000 of the purchase price is expected to occur within 30 days, subject to the parties entering and approving definitive binding documentation, final due diligence by the purchaser, receipt of applicable third-party consents and other customary conditions for a transaction of this nature.

On December 1, 2022, the Company completed the sale of its 60% interest in its Hidden Lake Project in Yellowknife, NWT for \$3,500,000 to Youssa PTY Ltd., an Australian private Company.

### **Exploration at the Hidden Lake Project, Northwest Territories**

In May 2018, the Company announced it had mobilized a drill rig to its Hidden Lake Project targeting high-grade lithium-bearing pegmatites with an initial minimum 1,100 metre diamond drilling campaign. The Company signed the drill contract with Northtech Drilling for the program. Great Slave Helicopters provided helicopter support for the drill program which was managed in the field by Henry Lole of Dahrouge Consulting. Previous channel sampling at Hidden Lake conducted by 92 Resources returned grades as high as 3.3% Li<sub>2</sub>O at surface. The Company has completed a 1,100-metre drill program, with the goal of defining continuity of mineralization at depth. A total of 197 core samples were collected and were submitted to SGS Mineral Services (Lakefield) for lithium and multi-element analysis.

Results indicate each of the targeted pegmatite dykes, HL-001 through HL-003 and D-12, is marked by high-grade Li<sub>2</sub>O assays of 1.0% to 2.0% over widths that vary between 2.0 m and 9.2 m. The high-grade nature of these spodumene-mineralized pegmatites coupled with the demonstrated favourable metallurgical characteristics demonstrated by previous operators makes these drill results significant. Although this drill campaign targeted four dykes, the Hidden Lake Project itself hosts a swarm of at least ten lithium-bearing spodumene pegmatite dykes that have been identified by previous explorers. See News Release dated February 2, 2021. Very recent mineralogical evaluation and metallurgical testing of samples from the Hidden Lake pegmatites by SGS Mineral Services (Vancouver) indicates a lithium concentrate of >6% Li<sub>2</sub>O with a recovery of 97% are achievable. These results indicate the Hidden Lake pegmatites can be treated using standard industry practices for spodumene beneficiation.

### **Jean Lake Lithium-Gold Project, Manitoba, Canada**

On July 30, 2021, the Company entered into an option agreement with Mount Morgan Resources Ltd. to acquire a 100% interest in the Jean Lake lithium-gold project located in Manitoba.

The option agreement provides for the Company to earn a 100% interest over 4 years by cash payments and share issuances to Mount Morgan Resources Ltd. and exploration expenditures as follows:

- a) \$25,000 cash (paid) and common shares of the Company having a value of \$25,000 (250,000 shares issued) on or before

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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August 1, 2021.

- b) \$50,000 cash (paid), \$50,000 in common shares (335,235 shares issued) and \$50,000 exploration expenditures (incurred) on or before August 1, 2022.
- c) \$50,000 cash, \$50,000 in common shares and \$50,000 (further) exploration expenditures August 1, 2023.
- d) \$50,000 cash, \$50,000 in common shares and \$50,000 (further) exploration expenditures August 1, 2024.
- e) \$75,000 cash, \$75,000 in common shares and \$50,000 (further) exploration expenditures August 1, 2025.

Once the Company earns the interest, the Company will grant a 2% NSR to Mount Morgan Resources Ltd. The NSR may be reduced to 1% by the Company's payment of \$1,000,000 to the NSR holder.

### **Exploration at the Jean Lake Lithium-Gold Project, Manitoba**

On December 9, 2021, the Company announced the commencement of a UAV-borne magnetic survey over the Jean Lake property where high-grade lithium pegmatite dyke was rediscovered in August of 2021 shortly after the property was optioned. Recent assay results from two locations on the "Beryl" or B1 pegmatite gave a range of 3.89-5.17% Li<sub>2</sub>O in five samples collected from blaster trenched material. The trench and spodumene-bearing pegmatite dyke were exposed for mapping and sampling after approximately 80 years of accumulated organic debris was removed.

An Unmanned Aerial Vehicle or "UAV"-assisted magnetic survey was flown by EarthEx Geophysical Solutions Inc. (Selkirk, Manitoba) at 25 m line-spacing with 250 metre tie-lines over the Jean Lake property. A total of 500-line km was flown. The survey commenced November 29 (2021) and despite some weather delays was completed on December 13<sup>th</sup>, 2021. The orientation of the flight lines is designed to assess the magnetic signatures of lithium-bearing pegmatites in and along the Beryl Lithium Trend and the Thompson Brothers Lithium Trend that transects the Jean Lake property. The superior spatial precision of the UAV-acquired magnetic data will provide an assessment of the depth to source, dip of the body, and the overall shape and size of the body which will assist subsequent diamond drill targeting. Results of the survey will be released in the Company's news releases. The magnetic survey will be followed up with a Lidar survey in the spring of 2022 after the snowpack has melted.

On March 1, 2022, the Company reported initial data from the UAV magnetic survey over the Jean Lake property. Images from EarthEx Geophysical Solutions Inc. ("EarthEx") magnetic data identified several highly prospective targets which correlate with the previously identified Beryl pegmatite dykes (B1 and B-2) which assayed between 3.89% - 5.17% Li<sub>2</sub>O. The locations of the B1 and B-2 Beryl pegmatite dykes are annotated with the magnetic data in Figure 1. The black lines are the preliminary interpretation of the magnetic low lineaments from a Centre for Exploration Targeting ("CET") analysis and overlie the magnetic "low" picks layer. The coincidence of the trends of magnetic lows with the Beryl pegmatites and their extension along a trend recognized for its association with high-grade lithium pegmatites is highly encouraging.

# Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

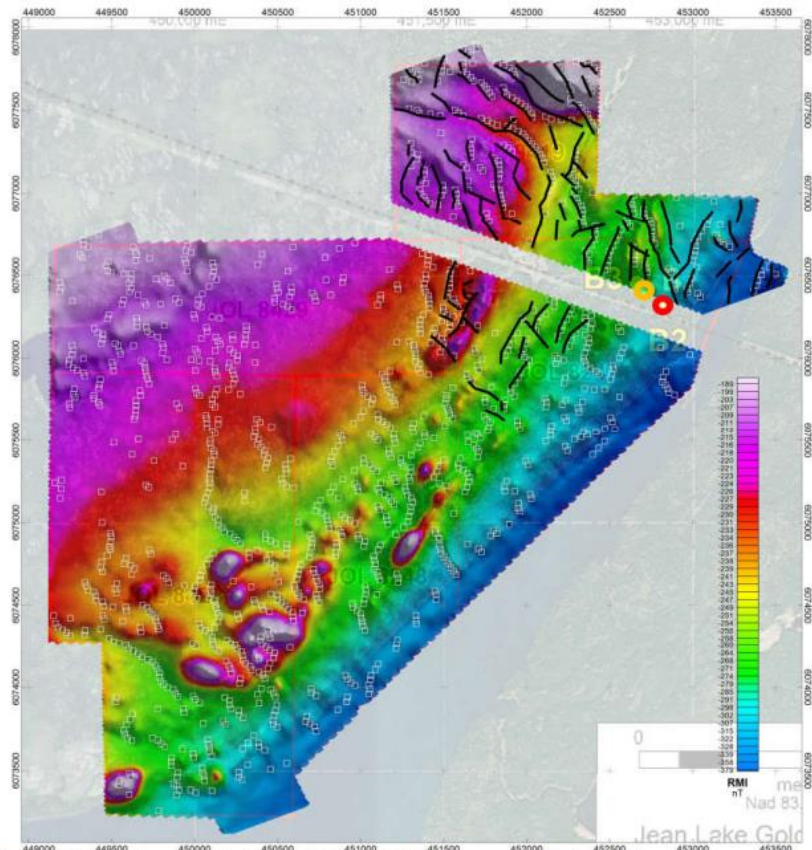


Figure 1 - Magnetic image covering the Jean Lake project. The blue square is 500m by 500m to provide a sense of scale. The gap in the image is due to the location of Hydroelectric power lines crossing the property. Location B (orange circle) assayed 3.89%  $\text{Li}_2\text{O}$ ; and Location B2 (red circle) assayed 5.17%  $\text{Li}_2\text{O}$ .

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis  
Period Ending December 31, 2022

Figure 2 builds upon Figure 1 now showing Snow Lake Lithium's Sherritt Gordon (SG) claims with an overlay of their disclosed magnetic survey results from February 15<sup>th</sup>, 2020. The data are of the same resolution and were both acquired and processed by EarthEx. There is a noticeable correlation between magnetic lows observed on both properties. There is a prospective "Lithium Lane" which connects the known pegmatite dykes and interpreted lineaments on both properties.

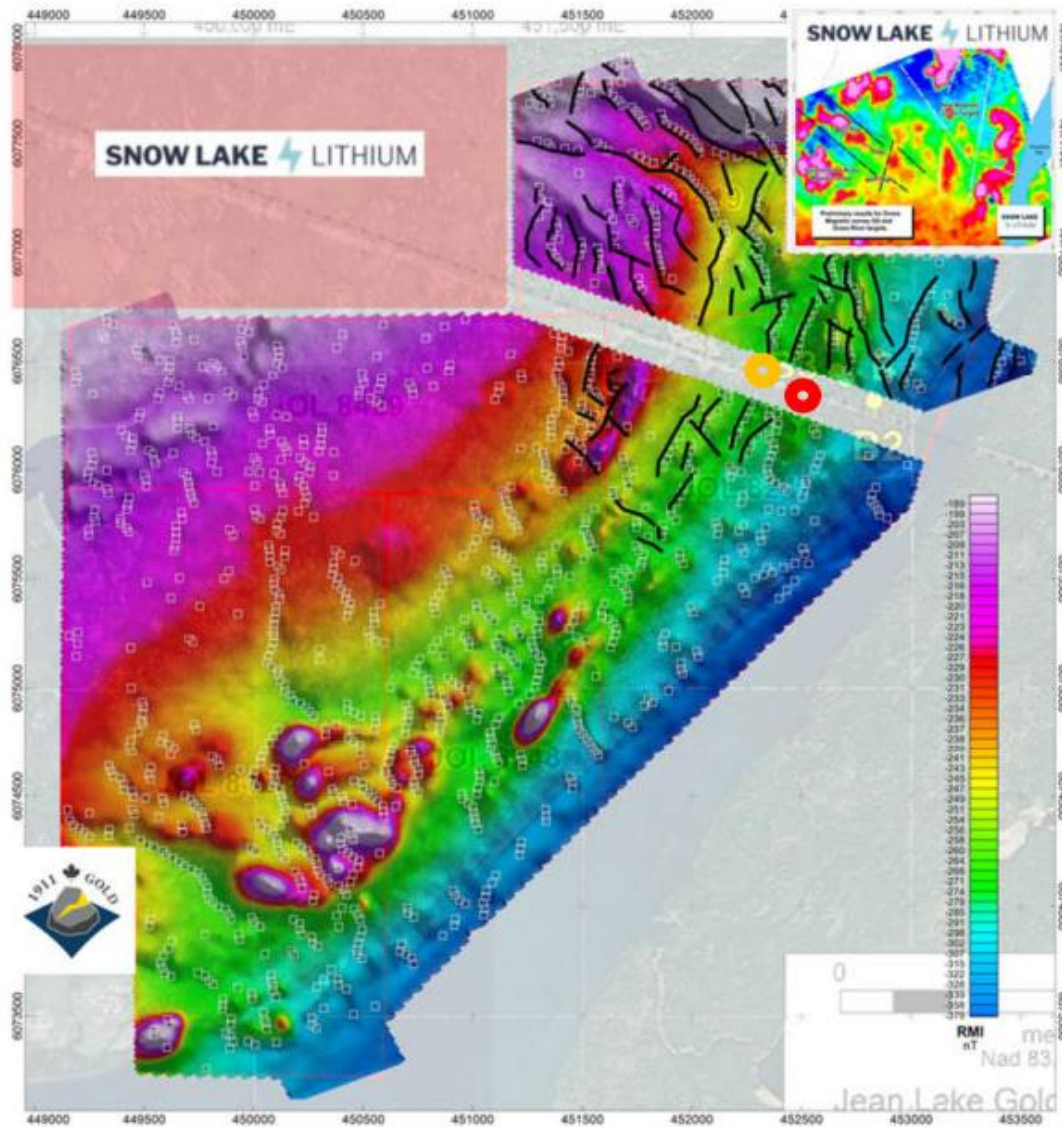


Figure 2 - Foremost Lithium's Jean Lake magnetic survey results with overlays of Snow Lake Lithium and 1911 Gold's land positions. Also included are the preliminary results from Snow Lake's magnetic survey over their SG claims.

On April 14, 2022, the Company announced final interpreted results from the Unmanned Aerial Vehicle, ("UAV") magnetic survey over the Jean Lake property. Jean Lake is the Company's 100% owned 1,002-hectare (2,476-acre) property situated in Snow Lake, Manitoba, Canada. The North-East sector of the Company's Jean Lake property (claim JOL 9419) directly abuts with Snow Lake Lithium's (NASDAQ: LITM) Sherritt Gordon ("SG") and Grass River ("GRP") pegmatites exposed on Snow Lake Lithium's ADD3203 claim.

Final images from EarthEx Geophysical Solutions Inc. ("EarthEx") magnetic data identified fourteen (14) high priority structural targets for further exploration work in the northern portion of the Jean Lake property. Fourteen sets of independently colored lines are final interpretations of the magnetic low lineaments from a Centre for Exploration Targeting ("CET") analysis



# Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

and overlay the magnetic “low” picks layer. The coincidence of the magnetic lows with the Beryl Pegmatites and their extension along a trend recognized for its association with Snow Lake Lithium’s high-grade SG and GRP spodumene pegmatites is highly encouraging. Of particular importance, Target 11 (BLUE) and Target 10 (GREEN) directly match the previously identified Beryl Pegmatite dykes (B-1 and B-2). The locations of the B-1 and B-2 Beryl Pegmatite dykes are annotated with the magnetic data in Figure 1.

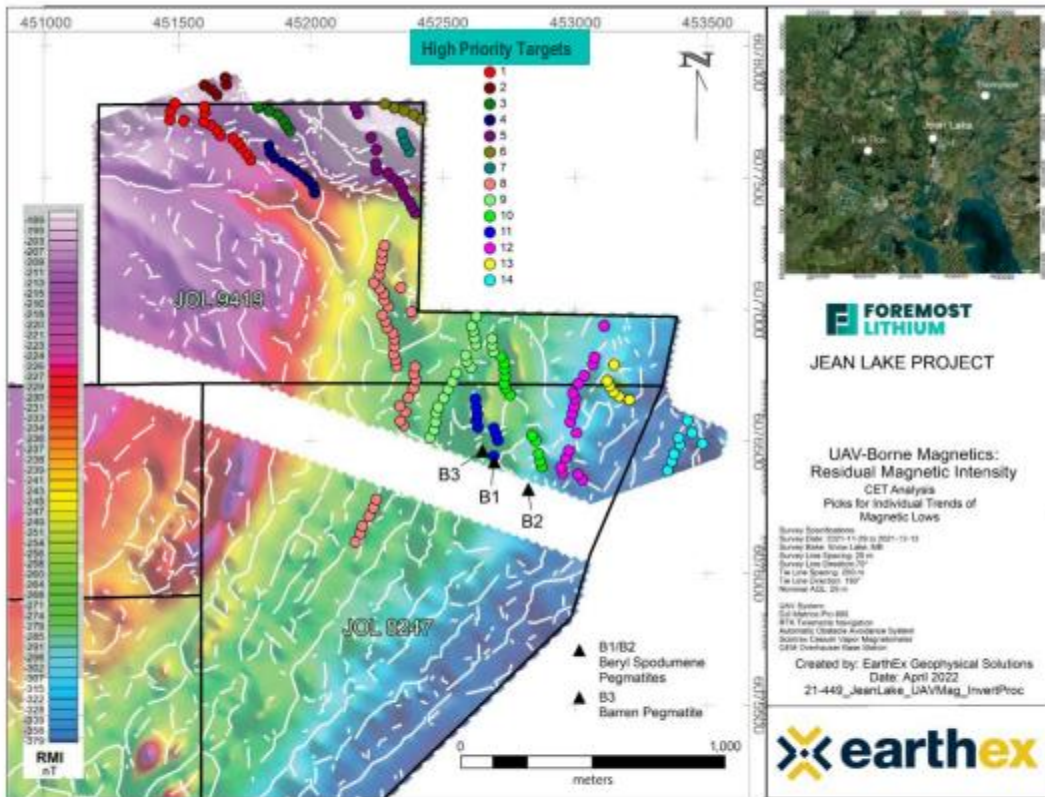


Figure 1 - Magnetic image covering the Jean Lake property. The gap in the image is due to the location of Hydroelectric power lines crossing the property. Location B-1 assayed 3.89%  $\text{Li}_2\text{O}$  connects with target 11; and Location B2 (red circle) assayed 5.17%  $\text{Li}_2\text{O}$  and connects with target 10.

Figure 2 builds upon Figure 1 now showing Snow Lake Lithium’s SG and GRP spodumene pegmatites as per their disclosed interim drilling results from March 10th, 2022 [1]. There are multiple features which appear to connect the High Priority Targets known pegmatite dykes and interpreted lineaments on both properties.



**Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

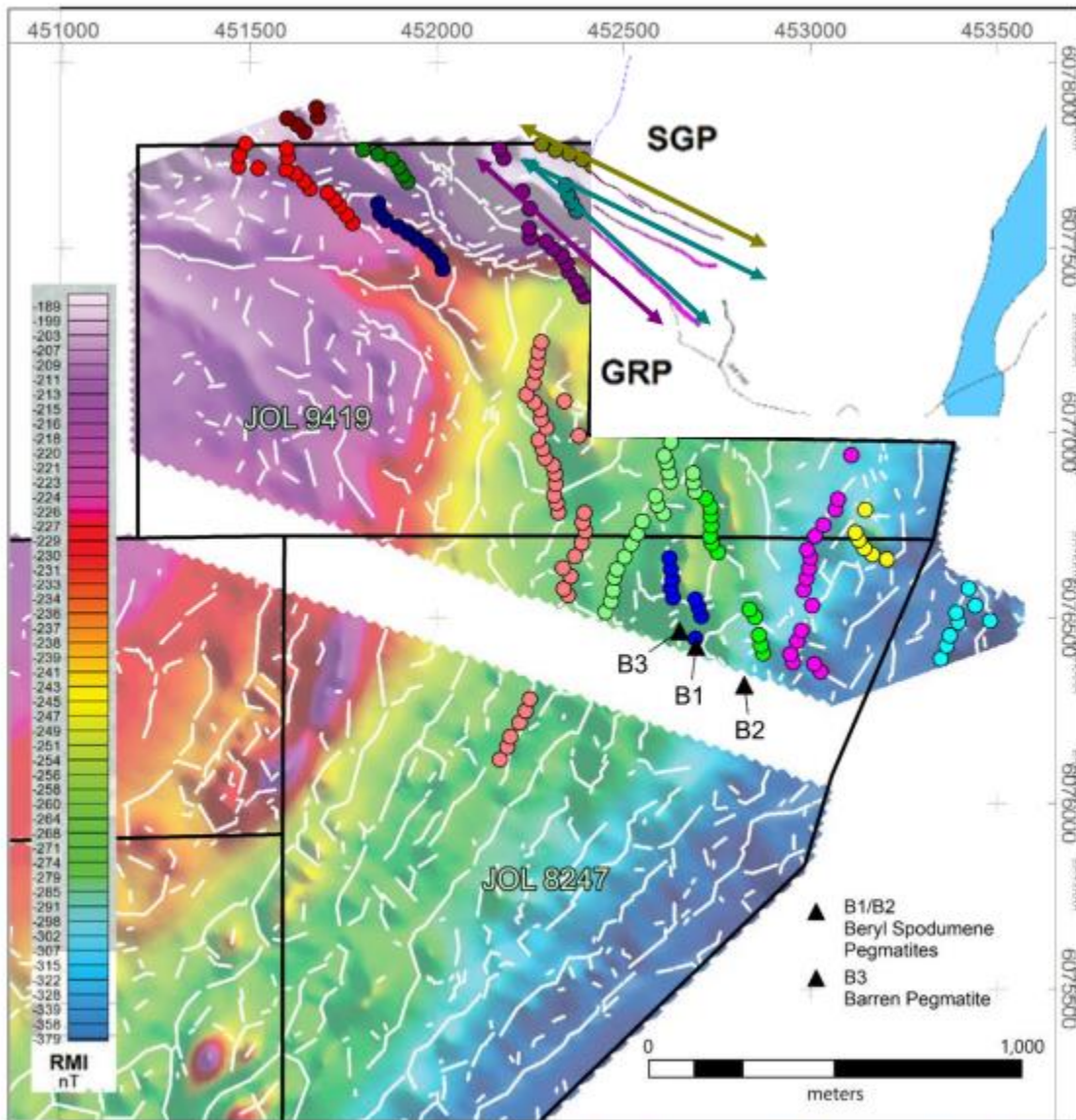


Figure 2 - Foremost Lithium's Jean Lake magnetic survey results with overlays of Snow Lake Lithium's SG and GRC pegmatites.

On June 8, 2022, the Company announced that they have commenced exploration that will lay the groundwork for a diamond drill program on their 100% owned Jean Lake Lithium Property. The first step of this process includes the mobilizing of field crews to their 1,002 hectare/2,476-acre property where the high-grade Beryl spodumene-bearing pegmatite dykes were uncovered in August 2021. Field work will be staged from a base in Snow Lake with helicopter support from Gogal Air Services.

Exploration Program

Two field crews will commence follow-up prospecting of fourteen (14) high priority targets defined as magnetically low and structurally recessive lineaments. These lineaments host the beryl pegmatites, are in part on trend with the SGM and Grass River lithium pegmatites of Snow Lake Resources and are interpreted as high priority exploration targets. The lineaments were defined by an Unmanned Aerial Vehicle (UAV Drone) assisted high-resolution geophysical survey and Centre of Exploration Targeting "CET" analysis of the acquired data (see March 1, 2022, news release). The survey was flown by EarthEx Geophysical Solutions Inc. (Selkirk, Manitoba) with financial support from the Manitoba Mineral Development Fund.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis  
Period Ending December 31, 2022

The lineaments will be prospected, and rock chip sampled and assayed for lithium and related elements where exposure is permissive. Where the lineaments are overburden covered, Mobile Metal Ion (“MMI”) soil geochemical surveys will be initiated. Rock and soil geochemical data will be reported in a subsequent news release and ultimately integrated with magnetic survey results to form the basis for drill testing.

On October 17, 2022, the Company commenced preparations for a winter diamond drill program on its 100% owned 2,476 acre/1,002 hectare Jean Lake Lithium Property situated in the mine-friendly district of Snow Lake, Manitoba. The drill targets will include the high-grade spodumene-bearing Beryl pegmatite dykes where grab sample assays of 3.89% and 5.17% Li<sub>2</sub>O were received from pegmatite dyke B1 and 3.81%, 4.09% and 4.74% Li<sub>2</sub>O from pegmatite dyke B2 in August 2021. Elsewhere on the property coincident drone (“UAV” or Unmanned Aerial Vehicle) magnetic lows with coincident anomalous responses for lithium, cesium, rubidium, and niobium in soil samples analyzed with Mobile Metal Ion Technology (MMI) will be drill tested.

The linear trend of magnetic lows defined on the Jean Lake property by the UAV borne survey are interpreted as the magnetic signature of the coarse spodumene bearing Sherritt Gordon #1 and #2 and the Grass River pegmatite dykes currently being explored and developed by Snow Lake Resources Ltd. There are also linear trends of magnetic lows associated with the high-grade Beryl pegmatites which will be drill tested.

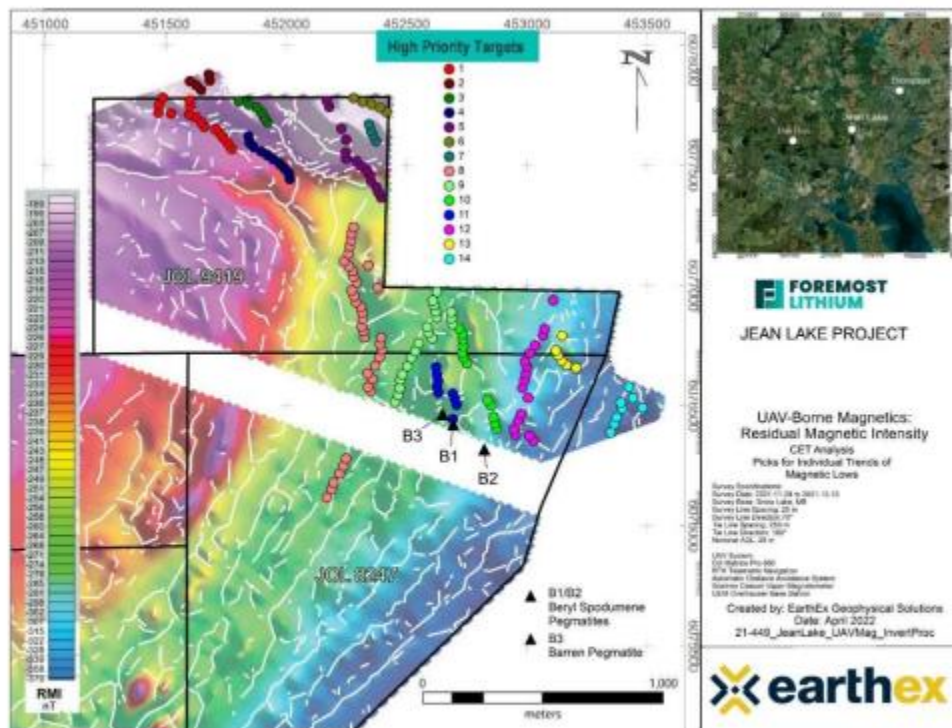


Figure 1 - Magnetic image covering the Jean Lake property. The gap in the image is due to the location of Hydroelectric power lines crossing the property. Location B-1 assayed 3.89% Li<sub>2</sub>O connects with target 11; and Location B2 (red circle) assayed 5.17% Li<sub>2</sub>O and connects with target 10

The UAV-borne magnetic surveys were flown by EarthEx Geophysical Solutions Inc. (Selkirk, Manitoba) with financial support from the Manitoba Mineral Development Fund. MMI analyses were undertaken in the laboratories of SGS Canada Inc. Burnaby (B.C.).

The drill program will be staged from a base in Snow Lake with helicopter support from Gogal Air Services. Assay samples from drill core will be shipped to Activation Laboratories (“ACTLABS”; Ancaster, Ontario) for lithium and related element analysis using analytical approach UT-7 after a total sodium peroxide fusion.

On November 3, 2022, the Company completed a UAV-assisted high-resolution airborne magnetic survey on its “Lithium

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

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Lane” Properties near the historic mining town of Snow Lake, west-central Manitoba. Foremost contracted EarthEx Geophysical Solutions Inc. (Selkirk, Manitoba), which flew a total of 7,472.7-line km over the entire 43,031 acre/17,414hectares land package.

### UAV-Borne Magnetic Surveys

UAV-flown high resolution magnetic data lends itself very well to finding new prospective drill targets (Figures 1 and 2 below) with precision using high-resolution. The UAV system’s resolution has provided excellent litho-structural detail over all Foremost’s Lithium Lane Properties and has generated detailed 3D models of the magnetic sources on the properties. The magnetic survey can provide valuable exploration information such as depth to source, dip of the body as well as the overall shape and morphology of the lithological unit. The resolution of the survey allows targeting of bedrock structures which may host lithium pegmatite deposits, which when coupled with 3D products from inversion of magnetic survey data provides an excellent source of information for Foremost Lithium to define drill-targets on their property based on their magnetic signatures including both magnetic and nonmagnetic targets.

### Magnetometer Survey Details

The drone magnetometer surveys were flown with a flightline azimuth of 070° and flightline spacing of 25m. Tie lines were established at 250m spacing. Each property survey and the number of line km flown include:

1. Grass River Lithium Property: Survey was conducted between April 14 and May 27, 2022, and comprised 2,734.1-line km.
2. Zoro Lithium Property: Survey was conducted between May 28 and June 15, 2022, and comprised 1,264.7-line km.
3. Jean Lake Property: Survey was conducted between November 29, 2021, and December 20, 2021, and comprised 483.4-line km.
4. Peg North Property: Survey was conducted between June 15th, 2022, and October 6th, 2022, and comprised 2990.5-line km.



Figure 1. A magnetometer towed by a UAV or drone measuring the magnetic signature of the rocks on the ground over the Zoro Lithium Property.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

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Figure 2. A magnetometer towed by a UAV or drone measuring the magnetic signature of the rocks on the ground over the Zoro Lithium Property.

### Interpretation:

The linear trend of magnetic lows defined on the Jean Lake property by the UAV survey are interpreted as the extension of the magnetic signatures of the coarse spodumene-bearing Sherritt Gordon #1 and #2 and the Grass River pegmatite dykes currently being explored and developed by Snow Lake Resources Ltd. Mobile Metal Ion responses in soils collected over and adjacent to these magnetic anomalies and those associated with Foremost's high-grade Beryl pegmatite are characterized by elevated lithium, rubidium, cesium, niobium and the rare earth elements. As such, coincident magnetic lows and elevated MMI responses for lithium and related elements will be drill tested.

On November 21, 2022, the Company announced that it received a work permit from the Mining Permit office of the Manitoba Government and has finalized plans to begin a 24-hole, 3,000 metre diamond drill program on its 100% owned Jean Lake Lithium Project located near the historic mining town of Snow Lake, west-central Manitoba commencing on December 02, 2022.

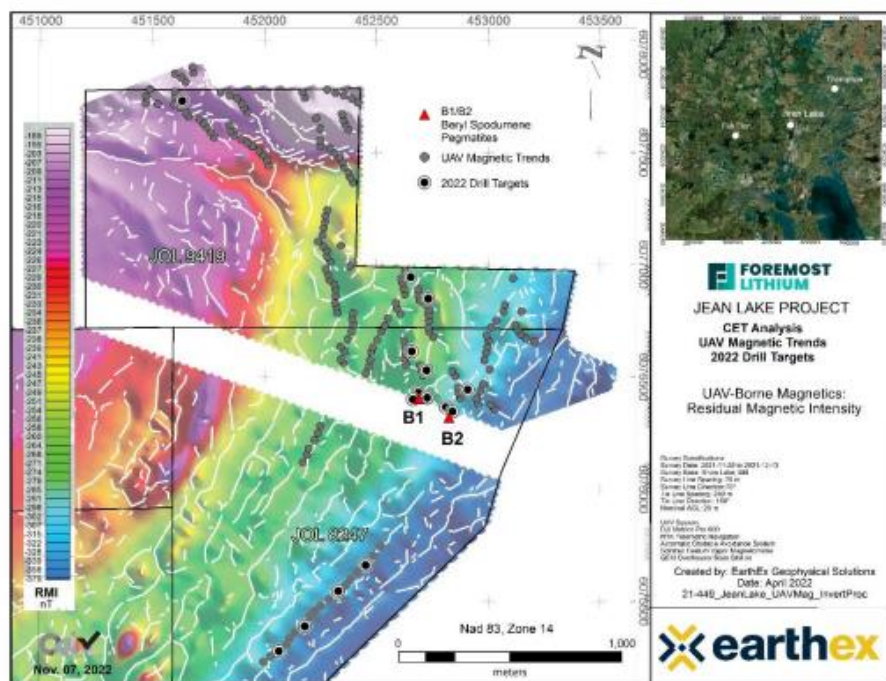
The Company has signed a drill contract with BRL Drilling Ltd. (Temagami, Ontario), air support, core storage and preparation facilities in Snow Lake will be provided by Gogal Air Services, drill pads will be cut by Moss Line Cutting Ltd. (Snow Lake) and field technical support will be provided by Golden Frost Exploration (Oakbank, Manitoba).



## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022



**Figure 1 depicts the linear magnetic anomalies of B1 and B2 and the location of the proposed drill holes**

The Jean Lake lithium property is located at the east end of the prolific Paleoproterozoic Flin Flon-Snow Lake greenstone belt. The Jean Lake property was first prospected in 1931 by Peter Kobar, who optioned the property to Sherritt Gordon Mines Ltd (SGM). A 1942 exploration program by SGM consisted of 19 shallow drill holes resulting in the discovery of three spodumene-bearing pegmatite dykes, SGM-1, -2 and -3.

SGM-3, now referred to as the Beryl dyke or B1, was re-discovered on the Jean Lake property in 2021 by prospecting beneath 80 years of organic and inorganic debris. Two rock samples from Beryl dyke B1 assayed 3.89 and 5.17% Li<sub>2</sub>O. A second nearby spodumene-bearing pegmatite named B2, also discovered by prospecting, gave assay results of 3.81, 4.09 and 4.74% Li<sub>2</sub>O in three rock samples. Both B1 and B2 and linear UAV-assisted magnetic trends overlain by soils with elevated lithium contents are the focus of this drill program.

## **GOLD AND SILVER**

### **Winston Property, New Mexico, USA**

The Company controls, subject to certain underlying royalties, a 100% interest in the Winston property located in Sierra County, New Mexico, USA (the “Winston Property”). The Winston Property is comprised of 149 unpatented lode mining claims (the “LG Claims”), the Ivanhoe and Emporio patented mining claims (the “Ivanhoe/Emporio Claims”) and four unpatented mining claims (the “Little Granite Claims”) and is prospective for gold and silver.

In accordance with the terms and condition of the underlying purchase agreement to complete the acquisition of the Ivanhoe/Emporia claims, the Company is required to pay the original owner of the claims the remaining purchase price of US\$361,375 (US\$42,000 paid). Before the remaining purchase price is paid in full, the Company is subject to a minimum monthly royalty payment based on monthly average silver price which reduces the remaining purchase price once paid. The accrued minimum monthly royalty payments outstanding as of December 31, 2022, totals US\$225,125 (March 31, 2022 – US\$207,125). The agreement also entitles the owner to a permanent production royalty of 2% of NSR.

On December 14, 2022, the Company announced that it has acquired 100% interest of Little Granite Claims in the Winston Group of Properties Gold/Silver Project.



## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

The Winston Property is in good standing.

### Exploration at the Winston Property, New Mexico, USA

The Little Granite Mine is a high-grade epithermal silver-gold system which was last explored in the early 1980s. In addition to Little Granite, Far Resources also controls the core claims covering the nearby Ivanhoe-Emporio Mines, which may represent an attractive bulk mineable gold target. The historic mines are hosted by north-south orientated vein systems which display characteristics typical of low sulphidation epithermal style mineralisation. This style of mineralisation hosts some of the highest-grade precious metal mines worldwide, including Sleeper (Nevada), Creede (Colorado), Fruta del Norte (Ecuador) and Hishikari (Japan). The mineralisation in the Winston area is believed to be Tertiary in age and related to the Rio Grande Rift. The Black Range District was mined extensively in the 1880s but has seen little activity since.

Michael Feinstein, PhD, CPG, of Mineoro Explorations LLC is assisting the Company with their exploration campaign aimed at targeting the bonanza zone of the Little Granite Epithermal Vein System. Existing data will be integrated with structure, alteration, and geochemistry in a 3D model. The host volcanic stratigraphy of the Gila and dominant structural control of the Rio Grande Rift provide excellent context for the emplacement of well-developed vein systems.

The Company mobilized a field crew to the Winston project in early October of 2020. The crew evaluated the best options for access and logistical support of the planned Phase 1 program focused on the Little Granite Mine area. The Phase 1 program consisted of soil and rock geochemical sampling, geological mapping with particular focus on structural controls of the silver-gold mineralisation and possibly ground geophysics and terrain mapping using a drone as disclosed in the April 23, 2021, news release.

On February 4, 2021, the Company reported the results of recent sampling on its wholly owned Winston Project in New Mexico. High grade gold and silver values were confirmed from three historic mines, Ivanhoe, Emporia and Little Granite, in the south part of the company's land holdings. Twenty ore characterisation samples from these three mines returned peak values of 66.5 g/t gold and 2940 g/t silver from Little Granite, 26.8 g/t gold and 1670 g/t silver from Ivanhoe and 46.1 g/t gold and 517 g/t silver from Emporia.

Detailed sample results are listed below. The samples were obtained as part of the initial geological evaluation of the property, during which mine environs, workings and dumps were walked and inspected to collect representative samples of the different styles of mineralisation. High grade mineralisation was confirmed at the Little Granite, Ivanhoe and Emporia mine sites.

Sample#	Comment	Mine	Au_ppm	Ag_ppm
1670958	Sugary white quartz w patches of black sulphides	Emporio	46.10	366.0
1670959	amethyst vein and breccia w minor oxides	Emporio	0.02	1.0
1670960	banded vein w some red zones and minor ginguro	Emporio	44.90	517.0
1670957	banded comb quartz w calcite, oxides, drk gray zones	Ivanhoe	0.38	563.0
1670976	sugary quartz/adularia/calcite banded vein w black sulph bands, up to 20% locally	Ivanhoe	4.82	1,670.0
1670977	layered comb amethyst w oxides and replacement textures	Ivanhoe	0.02	3.8
1670978	massive drk gray qtz w red oxide zone, some CuOx	Ivanhoe	2.91	628.0
1670979	calcite breccia w chalco, included banded vein clast	Ivanhoe	0.47	383.0
1670980	layered chalcedony w black sulphides, minor calcite	Ivanhoe	26.80	940.0
1670981	qtz/adularia vein w green mustard oxide	Ivanhoe	1.30	849.0
1670962	comb amethyst/sugary quartz w red-orange oxides	L Granite	3.33	218.0
1670963	coarse comb qtz w calcite and bright green crystalline oxide	L Granite	7.97	189.0
1670964	dark grey mucky qtz vein phase, red-orange oxides w tr CuOx	L Granite	6.43	525.0
1670990	comb qtz w red and black sulphide layers, rare variety on this dump	L Granite	0.41	690.0
1670992	Quartz with red-oxide fluff	L Granite	0.10	7.6
1670993	Qtz/adularia vein phase w minor orange oxides	L Granite	2.15	163.0
1670994	white banded coarse comb vein, dump background	L Granite	7.00	337.0
1670995	select high grade ore grab at LG haul tower	L Granite	66.50	2,940.0

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis  
Period Ending December 31, 2022

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These samples were collected by Dr. Michael Feinstein of Mineoro Explorations during three visits to the project between October and December of 2020. Numerous samples were collected throughout the project area, and historic mine sites were visited several times. Multiple, overlapping phases of alteration and mineralisation are evident throughout as illustrated in the sample photos following. The ore characterization samples were collected to better understand which phases are of greatest economic interest. The results confirm that earlier reports of high-grade silver and gold values from historic workings have legitimacy and justify a major exploration program using modern methods to define the nature and size of mineralisation.



Current plans for follow-up work include additional geochemical sampling, geological mapping, and claim staking. The acquisition of detailed imagery and surface terrane models are being investigated as a precursor to project and target scale geophysical surveys.

All samples were collected by Mineoro Explorations and securely maintained through to submission to the ALS Minerals laboratory in Tucson. Samples were analysed by Fire Assay and ICP-MS. Internal laboratory QA/QC protocols were followed and 5% external standards are submitted with all sample batches.

The Company has recently expanded its land position in the area, which now covers 149 claims totalling approx. 2980 acres. The Company is engaging with local landowners to obtain unencumbered land access required to mobilize a drill rig. Once access has been secured, management will seek funding to execute a 2022 drill program on the Ivanhoe-Emporio property.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

### Results of Operations

#### Expenses incurred for nine months ended December 31, 2022

During the nine-month period ended December 31, 2022, the Company earned no revenue and had a comprehensive income of \$634,626 (2021 – loss of \$1,116,491).

Total expenses before other items for the period ended December 31, 2022, were \$3,455,990 compared to \$1,212,979 for the corresponding period ended December 31, 2021.

The table below details the significant changes in major expenditures from 2022 and 2021.

Expenses	Nine Month Period Ended December 31, 2022	Nine Month Period Ended December 31, 2021	Explanation for Change Increase / Decrease in Expenses
Consulting	295,023	142,801	Increased due to increased business advisory services rendered in the current period.
Investor relations	147,989	221,437	Decreased due to lower investor relations costs and activities.
Office and interest expense	160,535	114,602	Increased due to interest expenses on the outstanding balance of accounts payable and loan payable in the current period.
Professional Fees	1,191,029	206,660	Increased primarily due to an increase in legal fees relating to changes in management, name change and financing.
Share-based payments	1,316,890	149,200	Increased due to more share options and PSU's granted and vesting through the current period.
Transfer agent and filing fees	51,667	44,618	Increased due to financing activities which resulted in higher filing fees incurred.
Travel	22,288	20,282	Increased due to increased travel during the current period.

The Company incurred a \$4,000 unrealized loss on long-term investments during the period ended December 31, 2022 (March 31, 2022 - \$Nil) related the value of certain shares of Alchemist Mining Inc. being held by the Company for investment purposes. See Note 4 of the Company's Financial Statements accompanying this MD&A.

During the period ended December 31, 2022, the Company completed the sale of its 60% interest in its Hidden Lake Project in Yellowknife, NWT to Youssa PTY Ltd., an Australian private Company resulting in a gain on sale of property of \$3,500,000.

#### Expenses incurred for three months ended December 31, 2022

During the three-month period ended December 31, 2022, the Company earned no revenue and had a comprehensive income of \$2,154,228 (2021 – loss of \$746,581).

Total expenses before other items for the three-month period ended December 31, 2022, were \$1,814,129 compared to \$826,797 for the corresponding period ended December 31, 2021.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

The table below details the significant changes in major expenditures from 2022 and 2021.

Expenses	Three Month Period Ended December 31, 2022	Three Month Period Ended December 31, 2021	Explanation for Change Increase / Decrease in Expenses
Consulting	66,514	52,434	Increased due to increased business advisory services rendered in the current period.
Investor relations	51,770	137,434	Decreased due to lower investor relations costs and activities.
Office and interest expense	27,042	94,061	Decreased due to interest expenses on the outstanding balance of accounts payable and loan payable in the prior period.
Professional Fees	676,854	143,049	Increased primarily due to an increase in legal fees relating to changes in management, name change and financing.
Share-based payments	776,916	149,200	Increased due to more share options and PSU's granted and vested during the current period.
Transfer agent and filing fees	22,632	28,627	Decreased due to financing activities which resulted in lower filing fees incurred.
Travel	3,401	8,813	Decreased due to decreased travel during the current period.

### SUMMARY OF QUARTERLY RESULTS

A summary of selected financial information for the eight most recently completed quarters is set out below and should be read in conjunction with the Company's consolidated Interim Financial Statements and related notes for such periods (Note 2):

	Three Months Ended Dec 31, 2022	Three Months Ended Sep 30, 2022	Three Months Ended June 30, 2022	Three Months Ended Mar 31, 2022	Three Months Ended Dec 31, 2021	Three Months Ended Sep 30, 2021	Three Months Ended June 30, 2021	Three Months Ended Mar 31, 2021
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses	1,814,129	882,298	759,563	2,860,767	826,797	128,491	257,690	1,341,394
Total comprehensive loss (income)	(2,154,228)	751,616	767,986	3,034,432	746,581	123,152	246,757	1,335,136
Income (loss) per share – basic and diluted <sup>(1)</sup>	0.01	(0.00)	(0.00)	(0.02)	(0.00)	(0.00)	(0.00)	(0.01)
Total assets	13,530,636	10,376,744	9,802,357	7,918,078	7,704,225	6,940,821	7,024,556	6,924,574
Total liabilities	2,841,312	2,900,781	2,633,408	1,176,332	1,433,198	982,819	1,136,174	1,175,065
Total equity	\$ 10,689,324	\$ 7,475,963	\$ 7,168,949	\$ 6,741,746	\$ 6,271,027	\$ 5,860,193	\$ 5,888,382	\$ 5,749,509
Weighted average number of common shares outstanding (1)	197,184,096	190,753,414	181,009,232	175,770,983	163,727,870	158,377,273	157,331,247	151,617,833

Note 1: Based on the weighted average number of common shares outstanding during the period.

Note 2: During the year ended March 31, 2022, management determined that there was an error pertaining to exploration and evaluation and accounts payable and accrued liabilities. This error was a result of the under accrual of option payments required on the Company's Winston mineral property. Quarterly total assets and total liabilities have been restated as compared to the amounts reported in our previously issued quarterly MD&A and condensed quarterly financial statements. There were no impacts on operating income or net income from these changes, and no changes in working capital and cash flow.

During the quarter ended December 31, 2022, expenses increased to \$1,814,226 compared to \$882,298 for the quarter ended September 30, 2022. The increase was primarily attributable to management fees of \$189,000 (September 30, 2022 - \$83,251), professional fees of \$676,854 (September 30, 2022 - \$359,961) and share-based payments of \$776,916 (September 30, 2022 - \$208,426).

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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During the quarter ended September 30, 2022, expenses increased to \$882,298 compared to \$759,563 for the quarter ended June 30, 2022. The increase was primarily attributable to investor relations of \$67,967 (June 30, 2022 - \$28,252), management fees of \$83,251 (June 30, 2022 - \$56,318), and professional fees of \$359,961 (June 30, 2022 - \$154,214).

During the quarter ended June 30, 2022, expenses decreased to \$759,563 compared to \$2,860,767 for the quarter ended March 31, 2022. The decrease was primarily attributable to management fees of \$56,318 (March 31, 2022 - \$61,885), share-based payments of \$331,548 (March 31, 2022 - \$2,333,019), and forgiveness of debt \$Nil (March 31, 2022 - \$100,355).

During the quarter ended March 31, 2022, expenses increased to \$2,860,767 compared to \$826,797 for the quarter ended December 31, 2021. The increase was primarily attributable to management fees of \$61,885 (December 31, 2021 - \$213,179), share-based payments of \$2,333,019 (December 31, 2021 - \$149,200), and forgiveness of debt \$100,355 (December 31, 2021 - \$Nil).

During the quarter ended December 31, 2021, expenses increased to \$826,797 compared to \$128,491 for the quarter ended September 30, 2021. The increase was primarily attributable to investor relations of \$137,434 (September 30, 2021 - \$14,003) due to the Company's effort to raising awareness in the market, management fees of \$213,179 (September 30, 2021 - \$50,100), professional fees of \$143,049 (September 30, 2021 - \$21,858) due to an increase in legal fees relating to the replacement of the board of directors and change in management and share-based payments of \$149,200 (September 30, 2021 - \$Nil) for options granted.

During the quarter ended September 30, 2021, expenses decreased to \$128,491 compared to \$257,690 for the quarter ended June 30, 2021. The decrease was primarily attributable to consulting of \$16,711 (June 30, 2021 - \$73,656) due to the timing of consulting fees recorded, investor relations of \$14,003 (June 30, 2021 - \$70,000) and professional fees of \$21,858 (June 30, 2021 - \$41,753).

During the quarter ended June 30, 2021, expenses decreased to \$257,690 compared to \$1,341,394 for the quarter ended March 31, 2021. The decrease was primarily attributable to investor relations of \$70,000 (March 31, 2021 - \$200,175), office of \$12,137 (March 31, 2021 - \$178,668) due to interest expenses on the outstanding balance of accounts payable during the comparative period and share-based payments of \$Nil (March 31, 2021 - \$800,801) for options granted.

### **LIQUIDITY AND GOING CONCERN**

The interim condensed consolidated financial statements were prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at December 31, 2022, the Company has had significant losses. In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the issuance of common shares and short-term loans. The Company continues to seek capital through various means including the issuance of equity and/or debt. These circumstances cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

In March 2020, there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could result in delays during business, including potential delays to its business plans and activities, and continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These uncertainties raise substantial doubt upon the Company's ability to continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

The Company's business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.



## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

		As at December 31, 2022		As at March 31, 2022
Working capital deficit	\$	(270,809)	\$	(667,829)
Deficit	\$	(18,503,615)	\$	(19,717,089)

Net cash provided by operating activities for the period ended December 31, 2022 was \$1,398,647 compared to \$769,578 used during the period ended December 31, 2021. The difference was primarily due to the \$3,500,000 sale of a property, share-based payment expense related to options and PSU's and changes in non-cash working capital items.

Net cash used in investing activities for the period ended December 31, 2022 was \$3,161,683, compared to \$548,688 used during the period ended December 31, 2021, and consisted of acquisition costs and property expenditures during the period.

Net cash provided by financing activities for the period ended December 31, 2022 was \$3,840,027 compared to \$1,346,469 during the period ended December 31, 2021. The increase was due to proceeds from loan proceed, private placements and from warrants and options exercised during the current period.

The Company is continuing its exploration program and will use its available working capital to continue this work. It is likely that the Company will need to obtain additional debt/equity financing in order to carry out further exploration programs on its properties depending on the results of recent exploration and to satisfy its business and property commitments for the ensuing year. The Company intends to rely on equity or debt financing from arm's length parties to fund its operations for the upcoming year. The Company may find it necessary to issue shares to settle some of its existing debt obligations. There are no assurances that the Company will be successful in raising the necessary funds to maintain its current operations and explore its properties on commercially reasonable terms or at all.

### CAPITAL RESOURCES

As of the date of the MD&A, the Company is continuing its exploration programs on the Zoro, Jean Lake and Grass River Lithium Projects. The Company intends to use available working capital and may issue additional common shares to cover the cost of this program.

The Company also has certain ongoing option/property payments and maintenance fees/taxes associated with its Zoro, Jean Lake, Grass River, and Hidden Lake Lithium Projects; and the Winston Property as more particularly described in "Overall Performance" above.

During the period from April 1, 2022 to March 1, 2023, the Company:

- issued 650,000 common shares upon exercise of options for gross proceeds of \$77,750. The weighted average share price on the date of the option exercises was \$0.24.
- issued 10,637,489 common shares upon exercise of warrants for gross proceeds of \$1,059,017.
- issued 526,316 common shares at a value of \$100,000 as part of the acquisition payment for the Peg North Option Agreement.
- closed a non-brokered private placement of 4,887,668 flow-through common shares at \$0.34 per common shares for gross proceeds of \$1,661,807. Cash finder's fees of \$99,624 were paid on the financings and the Company issued 288,235 share purchase finders warrants. Each finders warrant entitles the holder to purchase one common share at a price of \$0.20 for a two-year period.
- issued 18,181 common shares at a value of \$2,454 as part of the acquisition payment for the Jol Lithium Option Agreement.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

- entered into a loan agreement to borrow \$1,145,520, inclusive of a prior advance of \$145,520 (“Initial Advance”) included in accounts payable and accrued liabilities. The loan accrues interest at a rate of 8.35%, payable monthly, including an aggregate of \$6,894 accrued to date on the Initial Advance, and matures on May 10, 2023.
- issued 335,235 common shares at a value of \$58,666 pursuant to the acquisition of the Jean Lake Property.
- issued 1,000,000 common shares valued at \$165,000 pursuant to PSU redemption to a related party.

### CONTRACTUAL OBLIGATIONS

Other than described in “Capital Resources” and certain stock option and consulting agreements, the Company does not presently have any other material contractual obligations. See “Transactions with Related Parties”.

### OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

### TRANSACTIONS WITH RELATED PARTIES

For the period ended December 31, 2022

Paid or accrued to:	Management and director fees	Investor relation fees	Total
Key management personnel:			
Former CEO	\$ 52,000	\$ -	\$ 52,000
Corporation owned by a former CEO	51,569	-	51,569
Former CFO and current Director	87,000	-	87,000
Former Director	24,000	-	24,000
A company in which a Director has an interest	-	66,530	66,530
Current CEO	45,000	-	45,000
Current Director	5,000	-	5,000
Current Director	3,000	-	3,000
Current Director	3,000	-	3,000
	\$ 270,569	\$ 66,530	\$ 337,099

During the nine month period ended December 31, 2022, the Company’s stock-based compensation expense included \$736,726 relating to stock-options and PSU’s granted to current and former directors, officers and companies controlled by them and vested through the period.

For the period ended December 31, 2021

Paid or accrued to:	Management fees	Share-based payments	Total
<b><u>Key management personnel:</u></b>			
CEO	\$ 12,779	\$ -	\$ 12,779
Former CEO	158,650	-	158,650
Former CFO	141,950	-	141,950
	\$ 313,379	\$ -	\$ 313,379

During the period ended December 31, 2022, the Company entered into a loan agreement with a related party to borrow \$1,145,520, inclusive of a prior advance of \$145,520 (“Initial Advance”) included in accounts payable and accrued liabilities owing to a director of the Company. The loan accrues interest at a rate of 8.35%, payable monthly, and matures on May 10, 2023. The Company paid an aggregate of \$56,000 in interest during the period ended December 31, 2022.

## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

The amounts due to related parties included in accounts payable and accrued liabilities are as follows:

	As at December 31, 2022	As at March 31, 2022
Due to corporation owned by a former CEO	\$ 27,000	\$ -
Due to a former CFO	-	30
Due to a corporation owned by a former CEO	80,997	80,997
Due to a former director of the Company	18,000	18,000
Due to the CEO	15,750	-
Former CFO and current director	3,321	-
Due to a director	5,250	-
Due to a director	3,329	-
Due to a director	3,000	-
	\$ 156,647	\$ 99,027

The amounts due are unsecured, non-interest bearing, and have no specific terms of repayment.

### Related party Performance Share Units

For performance-based stock options with a market condition, a Monte Carlo simulation model is used to determine the fair value. The Monte Carlo model utilizes multiple input variables that determine the probability of satisfying the market conditions stipulated in the award. The expense recognized for performance-based options is based on an estimation of the probability of achieving the market condition and the timing of the achieving of the market condition, which is difficult to predict. The following assumptions were used at the time of grant:

	For the period ended December 31, 2022	For the year ended March 31, 2022
Market target price	\$0.50	\$0.50
Share price	\$0.265	\$0.30
Expected life (years)	3	2
Interest rate	2.39%	2.27%
Annualized volatility (based on historical volatility)	107.5%	111.2%

Effective January 17, 2022, amended September 7, 2022, the Company's board of directors adopted a performance-based share unit plan (the "PSU Plan") which reserved a fixed aggregate of 17,169,535 common shares (being 10% of the Company's then issued and outstanding common shares") for issuance upon the redemption of performance-based share award units (each a "PSU"). Under the terms of the PSU Plan, the Company is required to obtain shareholder approval for the PSU Plan within 3 years after its adoption, and at least every three years thereafter. Any PSUs issued are subject to a four month hold from date of issue.

	Number of PSUs Outstanding	Number of PSUs Vested	Weighted Average Grant Date Fair Value	Share-based payment reserve
Balance at March 31, 2021	-	-	\$ -	\$ -
PSUs granted	13,999,996	-	0.297	1,063,622
PSUs vested	-	2,500,000	0.355	-
PSUs redeemed	(1,500,000)	(1,500,000)	0.355	(532,500)
Balance at March 31, 2022	12,499,996	1,000,000	0.290	531,122
PSUs granted	8,000,004	-	0.190	60,495
PSUs vesting through the period	-	-	0.290	135,395
PSUs redeemed	(500,000)	(500,000)	0.355	(177,500)
PSUs forfeited/cancelled	(19,500,000)	-	0.297	(372,012)
Balance at December 31, 2022	500,000	500,000	\$ 0.355	\$ 177,500

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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On January 31, 2022, the Company granted 13,999,996 PSUs fair valued at \$4,156,210, to certain directors and officers under the Company's PSU Plan. Of the 13,999,996 PSUs granted, 2,500,000 PSUs vested and became redeemable by the holders, and the remaining 11,499,996 PSUs will vest and become redeemable only upon the achievement of certain closing price milestones ranging between \$0.50 and \$1.75 which will expire on January 31, 2025.

Of the 13,999,996 PSUs granted, 2,500,000 PSUs vested during the year ended March 31, 2022 and the remaining unvested PSUs are expensed straight line over 3 years. During the year ended March 31, 2022, the Company recognized share-based payment expense of \$1,063,622. Of the 2,500,000 PSUs that vested, 1,500,000 were converted to common shares during the year-ended March 31, 2022. During the period ended December 31, 2022, the Company recognized share-based payment expense of \$135,395.

During the period ended December 31, 2022, the Company granted 2,000,000 PSUs fair valued at \$387,379, to a director under the Company's PSU Plan. The PSUs will vest and become redeemable only upon the achievement of certain closing price milestones ranging between \$0.50 and \$1.75 which were to expire on April 12, 2025. During the period ended December 31, 2022, the Company recognized share-based payment expense of \$60,495.

During the period ended December 31, 2022, the Company modified 6,999,996 unvested PSUs from earlier grants. The modified PSUs are fair valued at \$638,584 and will vest and become redeemable upon the occurrence of certain capital market liquidity events, with the balance vesting on the achievement of certain closing price milestones ranging between \$0.39 and \$1.36. The Company recognized \$78,204 in share-based compensation expense.

During the period ended December 31, 2022, the Company granted 6,000,004 PSUs fair valued at \$1,288,898, to a director under the Company's PSU Plan. The PSUs will vest and become redeemable upon the occurrence of certain capital market liquidity events, with the balance vesting on the achievement of certain closing price milestones ranging between \$0.39 and \$1.36. The Company recognized \$67,032 in share-based compensation expense.

During the period ended December 31, 2022, 19,500,000 unvested PSUs were cancelled. Upon cancellation \$517,248 of previously recognized share-based compensation expense was reversed from reserves directly to deficit.

### **PROPOSED TRANSACTIONS**

Save as disclosed herein, there are no asset or business acquisitions, or dispositions currently being proposed by the directors or senior management of the Company that will have a material effect on the financial condition, results of operations or cash flows of the Company.

### **CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

Please refer to the condensed interim consolidated financial statements on [www.sedar.com](http://www.sedar.com).

### **FINANCIAL AND OTHER INSTRUMENTS**

#### **Capital and Financial Risk Management**

##### *Capital management*

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. capital stock, reserves and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue Common Shares through private placements. The Company is not exposed to any externally imposed capital requirements.

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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The Company's overall strategy remains unchanged from fiscal year 2022 (see the Annual Filings).

### *Fair value*

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

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

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's long-term investment constitutes a Level 1 fair value measurement.

The carrying value of cash, current portion of net investment in sublease, current portion of lease obligation, short-term loan payable, long-term loan payable and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

### *Financial risk factors*

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

#### *Credit risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and net investment in sublease. The Company limits its exposure to credit loss by placing its cash with major Canadian financial institutions and monitors the incoming sublease monthly payments to ensure they are current.

#### *Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of December 31, 2022, the Company had a cash balance of \$2,312,446 (March 31, 2022 – \$235,455) to settle current liabilities of \$2,841,312 (March 31, 2022 – \$1,101,946). All the Company's financial liabilities except lease obligation have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

#### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

#### *Interest rate risk*

The Company has cash balances and interest-bearing debt. The Company's cash does not have significant exposure to interest.

#### *Foreign currency risk*

The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities, and option agreement payments that are denominated in a foreign currency. There is a risk in the exchange rate of the Canadian dollar relative to the US dollar and a significant change in this rate could influence the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.



## Foremost Lithium Resource & Technology Ltd.

Management Discussions and Analysis

Period Ending December 31, 2022

### *Price risk*

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and lithium, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

### **Other MD&A Requirements**

#### **Disclosure of Outstanding Security Data**

As at March 1, 2023, the following shares and options were issued and outstanding:

	Issued & Outstanding	Expiry Dates	Weighted Average Exercise Prices
Common shares	198,480,799		
Options	11,815,000	Ranging from March 1, 2024 to February 16, 2027	\$0.22
Warrants	1,488,235	Ranging from December 2, 2023 to July 19, 2024	\$0.14

Except as disclosed above, there are no other options, warrants or other rights to acquire common shares of the Company outstanding. However, see "Overall Performance" for details of certain optional common share payments that the Company will be required to make in order to maintain and/or exercise its existing option agreements to acquire the Manitoba Lithium Claims, the Zoro North Claims and the Hidden Lake Project.

#### **Additional Disclosure for Junior Issuers**

The Company does not have sufficient working capital to cover its estimated operating and exploration expenses for the remainder of 2022. Thereafter, the Company will require additional funds to cover its estimated general and administrative expenses. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. See "Risks and Uncertainties" below. Please refer to the Company's consolidated financial statements for information on the exploration expenditures on a property-by-property basis.

#### **Risks and Uncertainties**

Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge and careful evaluation may fail to overcome. These risks may be even greater in the Company's case given its formative stage of development.

Exploration activities are expensive and seldom result in the discovery of a commercially viable resource. There is no assurance that the Company's exploration will result in the discovery of an economically viable mineral deposit. The Company has generated losses to date and anticipates that it will require additional funds to further explore its properties. There is no assurance such additional funding will be available to the Company on commercially reasonable terms or at all. Additional equity financing may result in substantial dilution thereby reducing the marketability of the Company's shares. The Company's activities are subject to the risks normally encountered in the mining exploration business. The economics of exploring, developing and operating resource properties are affected by many factors including the cost of exploration and development operations, variations of the grade of any ore mined and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects. The Company's mineral resource properties have not been surveyed and may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. In addition, the Company may become subject to liability for hazards against which it is not insured. The mining industry is highly competitive in all its phases and the Company competes with other mining companies, many with greater financial and technical resources, in the search for, and the acquisition of, mineral resource properties and in the marketing of minerals. Additional risks include the lack of an active market for the Company's securities and the present

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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intention of the Company not to pay dividends. Certain of the Company's directors and officers also serve as directors or officers of other public and private resource companies, and to the extent that such other companies may participate in ventures in which the Company may participate, such directors and officers of the Company may have a conflict of interest. Finally, the Company has no history of earnings, and there is no assurance that any of its current or future mineral properties will generate earnings, operate profitably or provide a return on investment in the future. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered considering its early stage of operations.

For a more detailed discussion of the risk factors affecting the Company and its exploration activities, please refer to the Company's prospectus which can be assessed on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### **Contingencies**

During the year ended March 31, 2022, the Company filed a claim against certain previous directors of the Company for wrongful transfer of funds in the amount of \$157,185 for alleged deferred compensation to these directors. As a result of the claim against the Company, alleging that they are entitled to the compensation that had been garnished, and are also entitled to termination or change of control clauses as per their alleged management agreements. The amounts were garnished and later released as part of the settlement agreement detailed below.

The previous directors have also filed a counter claim against the Company, alleging that they are entitled to the compensation that has been garnished and being held in escrow, and are also entitled to termination or change of control clauses as per their alleged management agreements. The alleged management agreements would entitle each of the two directors to 12 months compensation in lieu of notice to termination without cause or 24 months of compensation if their agreements were terminated and within 6 months of a change of control of the Company, which includes a change in power to elect a majority of the board of directors or otherwise direct the management of the Company through proxies, voting agreements, or otherwise. Per the counter claim, the management agreement containing these clauses had allegedly been executed during the year prior to their dismissal and the change in control.

Subsequent to December 31, 2022, the Company reached an agreement to settle the claim and counterclaim by the release of the funds held in court to the defendants and a nominal payment which has been made.

During the period ended December 31, 2022, the Company received correspondence from legal counsel to a former officer and alleging the former officer was in an employment relationship with the Company and the Company failed to pay him wages and severance of approximately \$360,000, claiming damages from alleged wrongful dismissal, bad faith damages and related claims. The claim also alleged that the Company did not have the legal right to cancel 6,500,000 PSU's. The Company has made an assessment on the validity of the claims and, at this time, the probability and amounts of any potential loss resulting from such claims is not determinable and no amounts have been accrued for any potential liability resulting from this in these condensed interim consolidated financial statements.

During the period ended December 31, 2022, the Company received correspondence from legal counsel to a former officer of the Company alleging the former officer was in an employment relationship with the Company and the Company failed to pay him wages and severance of approximately \$306,000 alleging he has been subject to inappropriate conduct in the course of his alleged employment. The claim also alleged that the Company did not have the legal right to cancel 3,500,000 PSU's. The Company has made an assessment on the validity of the claims and, at this time, the probability and amounts of any potential loss resulting from such claims is not determinable and no amounts have been accrued for any potential liability resulting from this in these condensed interim consolidated financial statements.

The Company determines whether an estimated loss from a contingency should be accrued by assessing whether a loss is deemed probable and can be reasonably estimated. We assess our potential liability by analyzing our litigation and regulatory matters using available information. We develop our views on estimated losses in consultation with outside counsel handling our defense in these matters, which involves an analysis of potential results, assuming a combination of litigation and settlement strategies. Should developments in any of these matters cause a change in our determination as to an unfavorable outcome and result in the need to recognize a material accrual or should any of these matters result in a final adverse judgment or be settled for significant amounts, they could have a material adverse effect on our results of operations, cash flows and financial position in the period or periods in which such change in determination, judgment or settlement occurs.

## **Foremost Lithium Resource & Technology Ltd.**

Management Discussions and Analysis

Period Ending December 31, 2022

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### **Changes in Management**

On April 13, 2022, the Company announced the appointment of John Gravelle as Chair of its board of directors.

On June 6, 2022, the Company announced the appointment of John Gravelle as President and CEO and the resignation of Scott Taylor as CEO.

On September 8, 2022, the Company appointed of Jason Barnard to its board of directors and announced the resignation of Scott Taylor from the board of directors.

Effective September 29, 2022 John Gravelle ceased to act as Chief Executive Officer and President but remains on the Company's board of directors.

On December 5, 2022, the Company announced appointment of Jason Barnard as the new interim President and CEO.

On December 14, 2022, the Company announced appointment of Mike McLeod as the Chairman of the Board, Cyrus Driver as Chief Financial Officer and Corporate Secretary and Raymond Strafehl in Advisory Board.

On December 14, 2022, the Company announced that John Gravelle and Pierre Yves Tenn ceased to be on the Company's board of directors.

On January 1, 2023, the Company appointed of Cyrus Driver as CFO and the resignation of Andrew Lyons.