



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
IN RESPECT OF A REVERSE-TAKE OVER FOR FUSE BATTERY METALS INC.**

TO BE HELD ON DECEMBER 22, 2025

AND

INFORMATION CIRCULAR

November 17, 2025

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Reverse-Take Over described in this information circular.

FUSE BATTERY METALS INC.
3028 Quadra Court, Coquitlam, British
Columbia, V3B 5X6 Telephone: +236-521-0207

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of shareholders of FUSE BATTERY METALS INC. (the “**Company**”) will be held at the office of Fuse Battery Metals Inc., 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6 on December 22, 2025, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

- (1) to receive the audited financial statements of the Company for the fiscal years ended December 31, 2023 December 31, 2024, and the accompanying report of the auditors;
- (2) to set the number of directors of the Company at five (5);
- (3) to elect Tim Fernback, Robert Setter, Chip Richardson, Ryan Cheung and Andrew Gertler as directors of the Company who will serve for the ensuing year;
- (4) to appoint Shim & Associates LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending December 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2024;
- (5) to consider and, if thought fit, to pass a resolution approving the Reverse Takeover (“Transaction) of the Company from a Tier 2 Mining Exploration Company to a Tier 2 Technology Company in accordance with Policy 5.2 – *Changes of Business and Reverse Takeovers* of the TSX Venture Exchange, as described in the Information Circular;
- (6) subject to the approval of the resolution to approve the Transaction consider and if thought fit approve as an ordinary resolution the increase and amendment of the Company’s 20% fixed Stock Option Plan to include the 50,000,000 Transaction shares and the 40,000,000 private placement shares to be issued upon the completion of the Transaction
- (7) to consider and if thought fit, to approve, with or without variation, an ordinary resolution to approve the creation of Fan (Jessie) Johnson, as a new “Control Person” of the Company, as defined by the policies of the TSX Venture Exchange, as fully described in the accompanying Information Circular and;
- (8) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The board of directors of the Company has fixed November 17, 2025 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, or a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act (Canada)*, or a nominee of any of the foregoing that holds your securities on your behalf (each, an "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 17th day of November, 2025

By Order of the Board of Directors of

FUSE BATTERY METALS INC.

"Tim Fernback"

Tim Fernback

CEO and Director

**PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING,
PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED FORM OF PROXY AND PROMPTLY RETURN IT IN
THE ENVELOPE PROVIDED.**

FUSE BATTERY METALS INC.
3028 Quadra Court, Coquitlam, British
Columbia, V3B 5X6 Telephone: +236-521-0207

INFORMATION CIRCULAR

November 17, 2025

INTRODUCTION

This information circular (this “**Information Circular**”) accompanies the notice of annual general and special meeting of shareholders (the “**Notice**”) of Fuse Battery Metals Inc. (the “**Company**” or “**FUSE**”) and is furnished to shareholders (each, a “**Shareholder**”) holding common shares (the “**Shares**”) of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the Shareholders to be held at 10:00 a.m. (Vancouver time) on December 22, 2025 at the offices of Fuse Battery Metals Inc., 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6 or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is November 17, 2025. Unless otherwise stated, all amounts herein are in Canadian dollars.

CAUTION RELATING TO FORWARD-LOOKING STATEMENTS

Certain statements herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation which are based on expectations, estimates and projections as at the date of this Information Circular or the dates of the documents incorporated herein by reference, as applicable. Such forward-looking statements or information include, but are not limited to, statements or information concerning: the approval of the reverse takeover of the Company from a Tier 2 Mining Company to a Tier 2 Technology Company, as such term is defined under Exchange (as defined herein) Policy 5.2 (as defined herein) (the “**Reverse Takeover**”); the potential benefits of the Reverse Takeover; statements relating to the business and future activities of the Company, as applicable, in relation to the Reverse Takeover; the ability of the Company to continue to successfully compete in its markets; requirements for additional capital and future financing; planned activities and planned future acquisitions; and other events and conditions that may occur in the future.

Often, but not always, forward-looking statements or information 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 statements that certain actions, events or results “*may*”, “*could*”, “*would*”, “*might*” or “*will*” be taken, occur or be achieved. With respect to forward-looking statements and information contained herein, numerous assumptions have been made, including among other things, the Company’s ability to obtain approval of the Reverse Takeover from the Shareholders and the Exchange. Although management of the Company believes that the assumptions made and the expectations represented by such statement or information are reasonable, there can be no assurance that a forward-looking statement or information referenced herein will prove to be accurate. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Such risks, uncertainties and other factors include the following, among others: the failure to satisfy the requirements to complete the Reverse Takeover, including obtaining the necessary Shareholder and regulatory approvals, including that of the Exchange, the Company’s lack of operating history as a technology company, risks relating to its current business being at the development stage, risks relating to market acceptance of the Company’s current business, and risks relating to intellectual property rights, as well as the other factors discussed under “*Risk Factors*” in Appendix “H” hereto.

Readers should also refer to the Company's most recent interim and annual MD&A for additional information on risks and uncertainties relating to forward-looking statements and information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Also, many of the factors are beyond the control of the Company. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to reissue or update any forward-looking statements or information as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements and information herein are qualified by this cautionary statement.

TABLE OF CONTENTS

	Page
GLOSSARY OF TERMS.....	1
SUMMARY	5
FUSE BATTERY METALS	5
Shareholder Approval.....	5
Reasons for the Reverse Takeover	6
Available Funds	6
Risk Factors.....	7
Non-Arm's Length Party Transactions.....	7
Legal Proceedings.....	7
Auditor, Transfer Agent and Registrar	7
Auditor	7
Transfer Agent and Registrar.....	8
PROXIES AND VOTING RIGHTS	8
VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES.....	8
Solicitation of Proxies.....	8
Appointment of Proxyholders	8
Voting by Proxyholder.....	8
Right and Restrictions of the Shares	10
Voting of the Shares	10
Principal Holders of Voting Securities.....	11
RECORD DATE	11
INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON	11
VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES.....	11
FINANCIAL STATEMENTS	11
ELECTION OF DIRECTORS.....	12
Advance Notice.....	12
Orders.....	13
Bankruptcies.....	13
Penalties and Sanctions	13
STATEMENT OF EXECUTIVE COMPENSATION	13
General	13
Stock Options and Other Compensation Securities	15
Incentive Plan Awards – Value Vested or Earned During the Year	15
Exercise of Compensation Securities by Directors and NEOs	16
Stock Option Plans and Other Incentive Plans	16
Employment, Consulting and Management Agreements.....	16
Oversight and Description of Director and NEO Compensation	16
Pension Plan Benefits	17
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.....	17
APPOINTMENT OF AUDITOR	17
AUDIT COMMITTEE DISCLOSURE.....	17
The Audit Committee Charter.....	17
Composition of the Audit Committee.....	17
Relevant Education and Experience.....	18
Audit Committee Oversight	19
Reliance on Certain Exemptions	19
Pre-Approval Policies and Procedures	19
External Auditor Service Fees	19

Exemption.....	19
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....	19
INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS.....	20
MANAGEMENT CONTRACTS.....	20
CORPORATE GOVERNANCE.....	20
Board of Directors.....	20
Directorships	20
Orientation and Continuing Education.....	21
Ethical Business Conduct.....	21
Nomination of Directors	21
Compensation.....	21
Other Board Committees.....	21
Assessments.....	21
LEGAL PROCEEDINGS.....	22
MATERIAL CONTRACTS	22
INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON	22
PRIOR SALES	22
PARTICULARS OF MATTERS TO BE ACTED UPON	22
Stock Option Plan.....	22
INFORMATION CONCERNING FUSE BATTERY METALS INC.....	24
Corporate Structure	24
Selected Financial Information and Management's Discussion and Analysis	24
Background to the Reverse Takeover.....	25
Share Exchange Agreement Terms	27
Sponsorship.....	27
Reverse Takeover Transaction Costs.....	28
Loan Arrangement Fuse and Pointor AI	28
Finder's Fee	28
Financing	28
INFORMATION CONCERNING 154576 B.C. Ltd, dba Pointor AI.....	28
Corporate Structure and Name and Incorporation	28
General Development of the Business	28
History.....	28
Significant Acquisitions	29
Narrative Description of the Business.....	29
Mission statement	29
Vision Statement.....	29
Business Model	29
Pointor AI Software Platform.....	29
Core Product: AI-Driven Recruitment Platform.....	29
Successful Track Record of Pointor AI Principals/Founders.....	31
Rationale for the Reverse Takeover	32
Available Funds.....	33
Business Objectives and Milestones.....	33
Buy Philosophy: AI-Powered Incubation & Investment/Roll-Up Strategy (2025 and Beyond).....	34
Research and Development.....	34
Market.....	34
Revenue Model.....	36
Selected Consolidated Financial Information and Management Discussion and Analysis	36
Description of Securities	36
Consolidated Capitalization	37
Prior Sales.....	37

Executive Compensation	37
Non-Arm's Length Party Transactions	37
Legal Proceedings.....	37
Material Contracts	38
INFORMATION CONCERNING THE RESULTING ISSUER.....	38
Corporate Structure	38
Name and Incorporation.....	38
Description of the Securities	38
Pro Forma Consolidated Capitalization	38
Available Funds and Principal Purposes.....	40
Available Funds	40
Dividends.....	40
Principal Purposes of Funds	40
Principal Securityholders.....	41
Directors, Officers and Promoters.....	41
Committees of the Board of Directors.....	43
Cease Trade Orders or Bankruptcies	44
Penalties or Sanctions	45
Conflicts of Interest	45
Other Reporting Issuer Experience	45
Executive Compensation.....	47
Compensation Discussion and Analysis	47
Summary Compensation Table – Proposed Compensation.....	47
Incentive Plans Awards	48
Indebtedness of Directors and Officers.....	48
Investor Relations Arrangements.....	48
Options to Purchase Securities.....	48
Escrowed Securities.....	49
Resulting Issuer Escrowed Shares	49
Release Terms of the Escrow for the Escrowed Shares	50
Auditor(s), Transfer Agent(s) and Registrar(s).....	50
Risks Related to the Reverse Takeover	50
Risk Mitigation Following the Reverse Takeover.....	50
Non-Arm's Length Party Transactions	51
Exchange Approvals.....	51
Reverse Takeover Resolution	51
Recommendation of the Board	51
Approval of Amended Stock Option Plan.....	52
Creation of New Control Person	52
TSX Venture Exchange Requirements	52
ADDITIONAL INFORMATION	53
SPONSORSHIP OF THE REVERSE TAKEOVER	53
EXPERTS.....	53
OTHER MATTERS	53
APPROVAL OF THE BOARD OF DIRECTORS	54
ON BEHALF OF THE BOARD OF DIRECTORS OF	54
FUSE BATTERY METALS INC.	54

APPENDIX "A" Audited Annual Financial Statements and MD&A for Fuse for the year ended December 31, 2023
APPENDIX "B" Audited Annual Financial Statements and MD&A for Fuse for the year ended December 31, 2024
APPENDIX "C" Reviewed Financial Statements and MD&A for Fuse as at September 30, 2025
APPENDIX "D" Audited Financial Statements and MD&A for Pointor AI as at September 30, 2025
APPENDIX "E" Pro Forma Financial Statements for the Resulting Issuer as at September 30, 2025
APPENDIX "F" Stock Option Plan
APPENDIX "G" Audit Committee Charter
APPENDIX "H" Risk Factors

GLOSSARY OF TERMS

The following is a glossary of certain defined terms used throughout this Information Circular. This is not an exhaustive list of defined terms used in this Information Circular and additional terms are defined throughout. Words importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

“Amended Plan” means the Incentive Stock Option Plan of the Company immediately upon Closing;

“Plan Resolution” has the meaning ascribed to such term under “*Approval of Amended Incentive Stock Option Plan – Approval of the Plan*”;

“Advance Notice” has the meaning ascribed to such term under “*Election of Directors – Advance Notice*”; **“affiliate”** has the meaning ascribed to it under the BCBCA;

“AI” means artificial intelligence;

“Arm’s Length Transaction” means a transaction which is not a Related Party Transaction;

“Arcterix” means Arcterix SARL a bespoke AI and custom software solutions company, and original developer of the Pointor AI intellectual property based out of Paris, France.

“Associate” when used to indicate a relationship with any Person, means: (a) an issuer of which that Person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding securities of the issuer, (b) a partner, other than a limited partner, of that Person, (c) a trust or estate in which that Person has a substantial beneficial interest or for which that Person serves as trustee or in a similar capacity, or (d) a relative, including the spouse of that Person or a relative of that Person’s spouse, if the relative has the same home as that Person, but where the Exchange determines that two Persons shall, or shall not, be deemed to be Associates with respect to a member firm, member corporation or holding company of a member corporation, then such determination shall be determinative of their relationships in the application of Rule D.100 of the TSX Venture Exchange Rule Book and Policies with respect to that member firm, member corporation or holding company;

“Audit Committee” means the audit committee of the Company;

“Audit Committee Charter” means the charter of the Audit Committee;

“BCBCA” means the *Business Corporations Act* (British Columbia) and the regulations thereunder, as amended from time to time;

“Board” means the board of directors of the Company;

“Broadridge” means Broadridge Financial Solutions, Inc.;

“CEO” means an individual who acted as chief executive officer of a company, or an individual who acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” means an individual who acted as chief financial officer of a company, or an individual who acted in a similar capacity, for any part of the most recently completed financial year;

“Company” or **“FUSE”** has the meaning ascribed to such term on Page 1;

“Compensation Securities” has the meaning ascribed to such term under *“Statement of Executive Compensation – General”*;

“Control Person” has the meaning ascribed to such term in Exchange Policy 1.1 – *Interpretation*;

“CTO” means Chief Technology Officer;

“DevOps” has the meaning of a set of practices, tools, and a cultural philosophy that combines software development and IT operations to shorten the systems development lifecycle and provide high-quality, continuous delivery;

“Eligible Person” has the meaning ascribed to such term in the 2025 Plan;

“Exchange” means the TSX Venture Exchange Inc.;

“Exchange Policies” means the policies of the Exchange;

“Financing” means the proposed \$2,000,000 private placement of Subscription Rights, issued at a price of CAD\$0.05 per Subscription Right, with each Subscription Right converting to a Company common share with no additional consideration.

“Fuse Financial Statements” means the audited annual financial statements and MD&A of Fuse for the fiscal years ended December 31, 2024 and 2023, attached as Schedule "A" and "B" to this Information Circular, and the Reviewed financial statements and MD&A of Fuse for the nine months ended September 30, 2025, attached as Appendix "C" to this Information Circular;

“Grant Date” has the meaning ascribed to such term in the Plan;

“Information Circular” has the meaning ascribed to such term on Page 1;

“Insider” if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer,
- (b) a director or senior officer of a company that is an Insider or subsidiary of the issuer,
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer, or
- (d) the issuer itself if it holds any of its own securities;

“LiCo” means LiCo Energy Metals Inc., a predecessor to FUSE;

“MD&A” means a company’s management’s discussion and analysis in Form 51-102F1;

“Meeting” has the meaning ascribed to such term on Page 1;

“Named Executive Officers” or **“NEO”** has the meaning ascribed to such terms under the heading *“Statement of Executive Compensation – General”*;

“NI 52-110” means National Instrument 52-110 – *Audit Committees*;

"NI 54-101" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

"NI 58-101" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*;

"NOBO" has the meaning ascribed to such term under *"Advice to Beneficial Shareholders"*;

"Notice" has the meaning ascribed to such term on Page 1;

"OBO" has the meaning ascribed to such term under *"Advice to Beneficial Shareholders"*;

"Option" means options of the Company to purchase Shares;

"Participant" has the meaning ascribed to such term in the 2025 Plan;

"Person" means any individual, firm, partnership, joint venture, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, governmental entity, syndicate or other entity, whether or not having legal status;

"plan" has the meaning ascribed to such term under the heading *"Statement of Executive Compensation – General"*;

"Plan" has the meaning ascribed to such term under the heading *"Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans"*;

"Prerequisites" has the meaning ascribed to such term under the heading *"Statement of Executive Compensation – General"*;

"Pointor AI" has the meaning ascribed to such term under *"Information Concerning Pointor AI"*;

"Pointor Financial Statements" means the audited financial statements of Pointor AI for the period from inception to August 31, 2025, attached hereto at Appendix "D";

"Policy 2.2" means Exchange Policy 2.2 – *Sponsorship and Sponsorship Requirements*;

"Policy 5.2" means Exchange Policy 5.2 – *Changes of Business and Reverse Takeovers*;

"Policy 5.9" means Exchange Policy 5.9 – *Protection of Minority Security Holders in Special Transactions*;

"Principal" means: (a) a Person who acted as a promoter of an issuer within two years before the initial public offering prospectus or final Exchange bulletin; (b) a director or senior officer of an issuer or any of its material operating subsidiaries at the time of the initial public offering prospectus or final Exchange bulletin; (c) a Person that holds securities carrying more than twenty (20%) percent of the voting rights attached to an issuer's outstanding securities immediately before and immediately after an issuer's initial public offering or immediately

after the final Exchange bulletin for non-initial public offering transactions; and (d) a Person that: (i) holds securities carrying more than 10% of the voting rights attached to an issuer's outstanding securities immediately before and immediately after the issuer's initial public offering or immediately after the final Exchange bulletin for non-initial public offering transactions; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries;

"Related Party Transaction" has the meaning ascribed to such term in Policy 5.9, and includes a related party transaction that is determined by the Exchange to be a Related Party Transaction;

"Reverse Takeover" has the meaning ascribed to such term on Page 1;

"Reverse Takeover Resolution" has the meaning ascribed to such term under "*Particulars of Matters to be Acted Upon – Reverse Takeover Resolution*";

"RTO" has the meaning ascribed to such term under "*Summary – FUSE BATTERY METALS INC.*";

"SaaS" means software-as-a-service;

"SEDAR+" means the System for Electronic Document Analysis and Retrieval;

"Security-Based Compensation Arrangements" has the meaning ascribed to such term in the 2025 Plan;

"Share" has the meaning ascribed to such term on Page 1;

"Shareholder" has the meaning ascribed to such term on Page 1;

"SMEs" has the meaning ascribed to such term under "*Summary – FUSE BATTERY METALS INC.*";

"underlying securities" has the meaning ascribed to such term under the heading "*Statement of Executive Compensation – General*";

"U.S.", "USA" or "United States" means the United States of America, its territories and possessions;

"UI/UX" has the meaning of User Interface and User Experience and

"Warrant" has the meaning ascribed to such term under the heading "*Prior Sales*".

SUMMARY

The following is a summary of information relating to the Company and should be read together with the more detailed information and financial data and statements contained elsewhere in this Information Circular. This summary is provided for convenience only and is qualified in its entirety by the more detailed information appearing or referred to elsewhere in this Information Circular, including the schedules hereto. Terms with initial capital letters in this Summary used but otherwise not defined herein are defined elsewhere in this Information Circular.

This Information Circular has been prepared in connection with the Reverse Takeover and seeks to provide Shareholders with the requisite information relating to such Reverse Takeover such that Shareholders may make an informed decision as to whether to approve such Reverse Takeover in accordance with the Policy 5.2.

FUSE BATTERY METALS

Fuse Battery Metals Inc. (the “Company” or “Fuse”), was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in resource properties in the province of Ontario, Canada and the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange (“TSXV”) under the symbol FUSE, as a Tier 2 mining issuer and in the process of exploring its mineral properties.

On 31 January 2023, the Company changed its name to Fuse Battery Metals Inc. The Company’s shares commenced trading under the new name effective, 2 February 2023. The Company’s trading symbol FUSE remained the same.

On 14 July 2023, the Company formed Ignition Battery Metals Inc. and subscribed to 100% of its shares.

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis.

The head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

Unless the context suggests otherwise, references to “Fuse” or the “Company” or “we”, “us”, “our” or similar terms refer to Fuse Battery Metals Inc.

On September 9, 2025, the Company entered into a Share Exchange Agreement with 1545726 B.C. Ltd (DBA “**Pointor AI**”) to acquire the company and build out its first proprietary AI product in the HR / Recruitment Industry designed to help businesses efficiently and cost-effectively recruit both senior executives and employees using artificial intelligence, automation and machine learning software, as more particularly described under the heading *POINTOR AI* below. For more information, see “*General Development of the Business*” below.

As a result of these developments, the Company has been deemed to have undergone a “Reverse Takeover” under Policy 5.2. Accordingly, the Company must seek approval of the Reverse Takeover from its Shareholders and from the Exchange. Shareholder approval of the Reverse Takeover will confirm the change of the business of the Company and provide greater flexibility for the Company to leverage management’s experience with AI-driven businesses, develop its Pointor AI technology, and create value for Shareholders.

Shareholder Approval

As at the date of this Information Circular, the Company has not yet received conditional or final approval from the Exchange for the Reverse Takeover. In order to be effective, the Reverse Takeover Resolution (as defined herein) must be approved by a majority of the Shares represented by Disinterest Shareholders present at the Meeting in person or by proxy.

There can be no assurance that the Company will be able to satisfy the requirements of the Exchange such that the Exchange will provide final approval of the proposed Reverse Takeover. If the Reverse Takeover is approved, the Company will move from a Tier 2 Mining Company to a Tier 2 Technology Company on the Exchange. For more information, see "*Approval of the Reverse Takeover*".

Reasons for the Reverse Takeover

The following is a summary of reasons Fuse is seeking Shareholder approval for the Reverse Takeover:

- It confirms and reflects the strategic shift in the Company's business towards AI-driven human resource solutions for SMEs and Enterprise level, moving away from mining exploration activities.
- It is supported by the Board and management's collective expertise in technology sectors and the shift from mining exploration to acquiring a third-party AI advanced startup focused on developing proprietary AI solutions for the global HR and personnel recruitment industry ensures greater control, cost efficiency, and near term revenue generation.
- Fuse adopted a structured approach, allowing for the internal review of different strategic acquisitions of AI-driven companies that align with SME and Enterprise level automation needs.
- It seeks to provide greater flexibility to the Company to deploy funds to develop the Pointor AI technology and both develop and acquire other prospective investments within the AI technology sector.
- It will offer more opportunities for the Company to continue creating value for its Shareholders by positioning Fuse for long-term growth in the AI technology section through AI-driven solutions.

Available Funds

As at September 30, 2025, the Issuer had working capital deficit of approximately \$50,546. Accordingly, the estimated pro forma consolidated working capital deficit of the Resulting Issuer as at September \$75,520. The Company intends to use its commercially reasonable efforts to complete the Financing for gross proceeds of \$2,000,000 at an effective price of CAD\$0.05 per Company common share. Upon proposing that the financing take effect on or about November 30, 2025, the Resulting Issuer had a working capital of \$1,924,480.

The following table sets forth the estimated Available Funds of the Resulting Issuer before and after Giving Effect to the Financing, which should take effect on or about November 30, 2025 as required to achieve its business objectives during the twelve (12) months following the date of this Information Circular:

Use of Funds	(\$)
Research and Development ⁽¹⁾	400,000
Product Marketing and Sales ⁽²⁾	200,000
Management Salaries and G&A ⁽³⁾	400,000
Legal, Professional Services and Regulatory Expenses ⁽⁴⁾	150,000
Investor Relations, Digital Marketing and Media Outreach ⁽⁵⁾	200,000
Private Placement Transaction and Listing Fees ⁽⁶⁾	25,000
Unallocated Working Capital	473,890
Total:	1,924,480

(1) Includes contract software development fees payable to Arcterix SARL, a related party of two proposed Fuse directors

(2) Includes sales specific salaries, marketing literature, tradeshows, and business development expenses

(3) Includes management wages, contractor fees, director's fees and general & administrative expenses

- (4) Includes payments related to legal fees, auditor review fees, transfer agent fees, and other regulatory expenses incurred or expected to be incurred over the next twelve (12) months.
- (5) Includes payments for investor relations activities, digital media, social media and corporate advertising.
- (6) Estimated private placement transaction and listing fees.
- (7) Working capital deficit prior to the financing.

As at the date of this Information Circular, the Company has not used any of the proceeds of the Financing. The proceeds to be used for software development, product marketing, investor relations, general and administrative expenses, and working capital. The general and administrative expenses include corporate purposes and may be utilized for general administrative expenses including employee salaries, legal, accounting and audit costs.

The Company intends to spend the proceeds of the Financing as stated herein; however, there may be circumstances where, for sound business reasons, a reallocation of the net proceeds may be deemed prudent or necessary.

The intended uses of funds note above may vary based upon a number of factors and variances may be material. The amounts shown in the table are estimates only and are based upon the information available to the Company as of the date of this Information Circular. For more information on the intended use of available funds and corresponding business objectives and milestones, see "*Business Objectives and Milestones*" below.

Risk Factors

An investment in the Company involves a substantial degree of risk and should be regarded as highly speculative due to the nature of the business of Fuse in its current state. The risks, uncertainties, and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to risk factors such as: (i) the failure of the Exchange to grant final approval of the Reverse Takeover; (ii) risks related to transitioning from diversified investment opportunities to a focused AI-driven technology strategy; (iii) potential technological challenges in developing and implementing AI-driven HR and personnel recruitment solutions; (iv) competition within the AI technology sector; (v) potential inability to generate revenue and/or cash flow from Pointor AI product; (vi) volatility in market demand for AI solutions; (vii) risks associated with financial restructuring and leadership changes; (viii) reliance on the expertise and decisions of the new management team; (ix) exchange rate fluctuations affecting international operations; (x) dependency on continuous innovation and adaptation; and (xi) other risk factors set forth herein and in the continuous disclosure filings of the Company from time to time. Please see Appendix "H" to this Information Circular for more information regarding the risks related to the Reverse Takeover.

Non-Arm's Length Party Transactions

Within the 24 months prior to the date of this Information Circular, the Company has not acquired any assets or services from any director or officer of the Company, or any Shareholder who beneficially owns more than 10% of the Shares other than those services rendered by Otherwise pursuant to the DSA.

Legal Proceedings

There are no material pending legal proceedings to which the Company is a party, or of which any of its property is the subject matter, nor is Fuse aware that any such proceedings are contemplated.

Auditor, Transfer Agent and Registrar

Auditor

The auditor of the Company is Shim & Associates LLP, at its Vancouver office at 900 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Shim & Associates LLP, Chartered Professional Accountants, as auditors of the Company for the fiscal year ending December 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2024.

Transfer Agent and Registrar

The transfer agent of the Company is Olympia Trust Company, at its Vancouver office, located at 1900 - 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2, Canada.

PROXIES AND VOTING RIGHTS
VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by Directors, Officers and regular employees of the Company. All costs of solicitation of proxies by management will be borne by the Company.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "Proxy") are directors and officers of, or counsel to, the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the shares of the Company ("Shares") represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders electing to submit a Proxy may do so by:

- (a) completing, dating and signing the enclosed form of Proxy and returning it to the Company's transfer agent, Olympia Trust Company ("Olympia"), Attention: Proxy Department, by fax to 1 (403) 668-8307, via email to proxy@olympiatrust.com or by mail to Olympia Trust Company, Attention: Proxy Department, PO Box 128, STN M, Calgary, AB T2P 2H6; or
- (b) using the internet through the website of the Company's transfer agent at <https://css.olympiatrust.com/pxlogin>. Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy form for the holder's account number and the Proxy control number;

in all cases ensuring that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders of the Company who do not hold Shares in their

own name. Beneficial shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Shares).

If Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Shares will not be registered in the shareholder's name on the records of the Company. Such Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In the United States the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many United States brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Many brokers delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications or another investor communication service (collectively, for the purposes of this Information Circular, "**Broadridge**") in Canada and the United States. Broadridge will typically mail a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Shares directly at the Meeting - the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Shares voted.**

Although as a Beneficial shareholder you may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxy holder for your broker and vote your Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Shares as proxy holder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Shares.

This Information Circular and related material is being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a Proxy may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the registered shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Olympia Trust Company, by fax to 1 (403) 668-8307, via email to proxy@olympiatrust.com or by mail to Olympia Trust Company, Attention: Proxy Department, PO Box 128, STN M, Calgary, AB T2P 2H6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered shareholder's Shares.

Only registered shareholders have the right to revoke a Proxy. Beneficial shareholders who wish to revoke their Proxy must, at least seven days before the Meeting, arrange for their respective intermediaries (as described above) to revoke the Proxy on their behalf. A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the Board to be the close of business November 17, 2025, a total of 37,629,745 Shares were issued and outstanding.

Right and Restrictions of the Shares

Holders of Shares are entitled to one vote for each Share held at all meetings of Shareholders, including the Meeting, to receive dividends if, as and when declared by the Board, and to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Company. The Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring a holder of Shares to contribute additional capital, and no restrictions on the issuance of additional securities by the Company. There are no restrictions on the repurchase or redemption of Shares by the Company except to the extent that any such repurchase or redemption would render Fuse insolvent.

Voting of the Shares

Only Shareholders of record on the close of business on the record date, who either personally attend the Meeting or who complete and deliver the enclosed form of proxy in the manner and subject to the provisions set out under the heading *"Appointment of Proxy"* will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

Principal Holders of Voting Securities

To the knowledge of the directors and executive officers of the Company, no individuals or companies beneficially own, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company.

RECORD DATE

The Company has set the close of business on November 17, 2025 as the record date (the "Record Date") for the Meeting. Only the registered holders of common shares, and those beneficial holders entitled to receive notice through their intermediaries, as at that date, are entitled to receive notice of and to vote at the Meeting unless after that date a shareholder of record transfers his or her shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he or she owns such shares, requests at least ten (10) days prior to the Meeting that the transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such shares at the Meeting.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed herein, no person who has been a director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the appointment of auditors and as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The holders of the Company's common shares of record at the Record Date are entitled to vote such shares at the Meeting on the basis of one vote for each common share held. The Company is authorized to issue an unlimited number of common shares without par value (the "shares") of which 37,629,745 shares are issued and outstanding as of the Record Date. The Company has no other class of voting securities.

A quorum for the transaction of business at the Meeting is one person who is, or who represents by proxy one or more shareholders who, in the aggregate, hold at least 5% of the issued and shares entitled to vote at the meeting. If there is only one shareholder entitled to vote at a meeting of shareholders: (a) the quorum is one person who is, or who represents by proxy, that shareholder; and (b) that shareholder, present in person or by proxy, may constitute the meeting.

To the knowledge of the directors and executive officers of the Company, and based upon the Company's review of the records maintained by Olympia Trust Company and insider reports filed with System for Electronic Disclosure by Insiders (SEDI), as at the Record Date, no one shareholder beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

FINANCIAL STATEMENTS

The audited financial statements and the MD&A of the Company for the years ended December 31, 2024 and 2023, together with the auditor's report thereon, will be presented to the Shareholders at the Meeting. The Fuse Financial Statements and MD&A are attached hereto at Appendix "A" and "B" respectively and are also available on SEDAR+ at www.sedarplus.ca.

ELECTION OF DIRECTORS

NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at five (5). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management recommends the approval of setting the number of directors of the Company at five (5).

Advance Notice

The Company's articles (the "Articles") provide for advance notice (the "Advance Notice") to the Company in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCBCA or (ii) a Shareholder proposal made pursuant to the provisions of the BCBCA.

The purpose of the Advance Notice is to ensure that all Shareholders – including those participating in a meeting by proxy – receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things the Advance Notice fixes a deadline by which holders of Shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders, and sets forth the minimum information that a Shareholder must include in the notice to the Company for the notice to be in proper written form.

The foregoing is merely a summary of the Advance Notice provisions in the Articles, is not comprehensive, and is qualified by the full text of the Articles, which are available under the Company's SEDAR+ profile at www.sedarplus.ca.

As of the date of the Information Circular the Company has not received notice of a nomination in compliance with the Advance Notice.

Management of the Company proposes to nominate all of the current directors of the Company, as set out in the table below, for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Director Since	Number of Shares Owned ⁽¹⁾
Tim Fernback ⁽²⁾ Director, President & CEO British Columbia, Canada	Chartered Professional Accountant, President of TCF Ventures Corp., a private company providing financial advisory services to public and private companies.	November 10, 2022	653,000
Robert Setter Director British Columbia, Canada	Self-employed writer and consultant, 2011 to present; Director of the Company since February 2020 and current director and chairman of Grid Battery Metals Inc.	Feb 11, 2020	Nil
Chip Richardson ⁽²⁾ Director Oregon, USA	Assistant VP for Wedbush Securities Inc.	May 19, 2020	Nil
Ryan Cheung ⁽²⁾ Director British Columbia, Canada	Founder and managing partner of MCPA Services Inc., and consultant who provides financial reporting, taxation and strategic guidance for public and private companies.	April 17, 2023	40,000

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Director Since	Number of Shares Owned ⁽¹⁾
Andrew Gertler Director Quebec, Canada	Self-employed. Founder of Viscount Mining Corp. (founded in 2010) and holds the title of Independent Director. He is also the founder of Sinomar Capital Corp.	October 9, 2025	Nil

(1) Information has been furnished by the respective nominees individually.

(2) Member of the Audit Committee.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Shares represented by proxies for the election of any other persons as directors.

Orders

Except as disclosed below, to the best of management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, CEO or CFO of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

Bankruptcies

To the best of management's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency.

Penalties and Sanctions

To the best of management's knowledge, and within ten (10) years before the date of this Information Circular, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Statement of Executive Compensation:

"compensation securities" includes stock options, convertible securities, exchangeable securities and similar

instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"NEO" or "named executive officer" means:

- (a) each individual who served as CEO of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as CFO of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

"plan" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"underlying securities" means any securities issuable on conversion, exchange or exercise of compensation securities.

Pursuant to Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* under NI 51-102, the Company provides the following disclosure regarding all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and each director of the Company in the most recently completed year, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given, or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company.

Name and Position	Year ending December 31,	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Option-based Awards (\$)	Non-Equity Incentive Plans (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Robert Setter⁽¹⁾ <i>Former CEO and current Director</i>	2024	24,000	Nil	Nil	Nil	Nil	24,000
	2023	24,000	Nil	Nil	Nil	Nil	24,000
Tim Fernback⁽²⁾ <i>Current CEO and Director</i>	2024	72,000	Nil	Nil	Nil	Nil	72,000
	2023	72,000	Nil	Nil	Nil	Nil	72,000
Ryan Cheung⁽³⁾ <i>Current Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Chip Richardson⁽⁴⁾ <i>Current Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Andrew Gertler⁽⁵⁾	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2024	\$60,000	Nil	Nil	Nil	Nil	60,000

Name and Position	Year ending December 31,	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Option-based Awards (\$)	Non-Equity Incentive Plans (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Robert Guanzon⁽⁷⁾ <i>Current CFO</i>	2023	57,000	Nil	Nil	Nil	Nil	57,000

(1) Robert Setter was appointed to the Company Board of Directors on February 11, 2020 and then appointed as CEO on March 4, 2020. Effective January 13, 2023, Mr. Setter resigned as President and CEO of the Company, while remaining a Director.

(2) Tim Fernback was the appointed Director of the Company as of November 10, 2022 and subsequently appointed President & CEO of the Company from January 13, 2023 to Present.

(3) Ryan Cheung was appointed on April 17, 2023.

(4) Chip Richardson was appointed Director of the Company on May 19, 2020.

(5) Andrew Gertler was appointed Director of the Company on October 9, 2025.

(7) Robert Guanzon has acted as CFO of the Company from March 30'16 to present.

Stock Options and Other Compensation Securities

The following table sets forth option-based awards outstanding to NEOs for the fiscal year ended December 31, 2024. The closing price of the Company's shares on the TSX Venture Exchange (the "Exchange") on December 31, 2024 was \$0.03. The value of the unexercised, in the money options is based on the difference between the market price on December 31, 2024 and the exercise price of the options.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share based awards that have not vested (\$)	Market or payout value of vested share based awards not paid out or distributed (\$)
Robert Setter	100,000	\$0.2625	Feb. 2'28	n/a	n/a	n/a	n/a
Robert Guanzon	50,000	\$0.2625	Feb. 2'28	n/a	n/a	n/a	n/a
Tim Fernback ⁽²⁾	200,000	\$0.25	Jan 10, 2027	\$Nil	n/a	n/a	n/a
	200,000	\$0.2625	Feb. 2, 2028	\$Nil	n/a	n/a	n/a

(1) Value vested during the year is calculated by subtracting the market price of the Corporation's common shares on the date the option vested (being the closing price of the Corporation's shares on the TSXV on the last trading day prior to the vesting date) from the exercise price of the option.

(2) Subsequent to year-end, effective January 13, 2023, Mr. Setter resigned as President and CEO of the Company and Tim Fernback was appointed President and CEO.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of share-based and option-based awards vested or earned by NEOs during the fiscal year ended December 31, 2024:

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert Setter	n/a	n/a	n/a
Robert Guanzon	n/a	n/a	n/a
Tim Fernback ⁽²⁾	n/a	n/a	n/a

(1) Value vested during the year is calculated by subtracting the market price of the Company's common shares on the date the option vested (being the closing price of the Company's shares on the TSXV on the last trading day prior to the vesting date) from the exercise price of the option.

(2) Subsequent to year-end, effective January 13, 2023, Mr. Setter resigned as President and CEO of the Company and Tim Fernback was appointed interim President and CEO.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by directors and NEOs in the year ended December 31, 2024.

Stock Option Plans and Other Incentive Plans

The Company's current stock option plan (the "Plan"), which it adopted on February 1, 2024, is a 20% "fixed" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed twenty (20%) percent of the total number of issued Shares (calculated on a non-diluted basis) as February 1, 2024. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, Management Company Employees (as defined in the Exchange Policies), consultants and Eligible Charitable

Organizations (as defined in the Exchange Policies) and its subsidiaries or affiliates, Options. As at December 31, 2024, there were 4,900,000 Options outstanding under the Plan.

Employment, Consulting and Management Agreements

There are no material terms of any agreement or arrangement under which compensation was provided during the most recently completed financial year or payable in respect of services provided by directors or a named executive officer that has not been disclosed.

Oversight and Description of Director and NEO Compensation

The compensation paid by the Company to NEOs directly and indirectly is designed to fairly compensate the NEOs for the time they commit to the Company's affairs. The objective of the compensation is to retain their services and to incent and reward them for those services.

The objective of the Board is to maintain strong executive leadership through, in part, compensation practices, and thereby build Shareholder value. The Board seeks to motivate and reward executives whose knowledge, skills and performance are critical to the Company's success. Performance goals are subjective because the Company is currently a mining company, but may be generally described as enhancing Shareholder value through acquisitions, such as the acquisition of Pointor AI, as well as arranging debt and equity financings, and managing Company business and investor relations.

The Company uses equity-based awards to incent NEOs, as well as directors, officers, employees and consultants who are not also NEOs. The Board as a whole is responsible for setting or amending any equity inactive plan under which an equity-based award is granted.

No new actions, decisions or policies were made after the end of the most recently completed financial year that could affect a reasonable person's understanding of an NEO's compensation for the most recently completed financial year. Neither the Board nor any committee of the Board has considered the implication of risks associated with the Company's compensation policies and practices, as such policies and practices are subject to constant change having regard to the Company's stage of development and external factors such as the state of the world financial markets and the world economy. No NEO or director is prohibited from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director; and to the best of the Company's knowledge and belief, there are no such financial instruments currently available.

Except as described under the heading "*Employment, Consulting and Management Agreements*", the Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, except for the granting of Options from time to time in accordance with the terms of the Plan and the Exchange Policies. During the fiscal year ended December 31, 2024, no Options were granted to directors, officers and employees of the Company or to its Named Executive Officers. Other than disclosed herein no payments were made to any directors or NEOs during the fiscal year ended December 31, 2024.

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Plan, being the Company's only equity compensation plan, as of December 31, 2024

Plan Category	Number of shares to be issued upon exercise of outstanding Options ⁽¹⁾ (a)	Weighted-average exercise price of outstanding Options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾ (c)
Equity compensation plans approved by Shareholders	4,900,000	N/A	2,617,952
Equity compensation plans not approved by Shareholders	N/A	N/A	N/A
Total	4,900,000	N/A	2,617,952

⁽¹⁾ The Company does not have any warrants or rights outstanding under any equity compensation plans.

⁽²⁾ The Plan is a fixed stock option plan under which the Company can issue such number of options as is equal to 20% of the Company's issued and outstanding Shares from time to time. As of December 31, 2024, there were 37,589,745 Shares outstanding and the Company could issue up to 2,617,925 options to acquire Shares on such date.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Shim & Associates LLP, Chartered Professional Accountants, as auditors of the Company for the fiscal year ending December 31, 2024 and to authorize the directors of the Company to fix the remuneration to be to be paid to the auditors for the fiscal year ending December 31, 2024. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management recommends that Shareholders vote for the appointment of Shim & Associates LLP, Chartered Professional Accountants, as the Company's auditors for the Company's fiscal year ending December 31, 2024 and the authorization of the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2024.

AUDIT COMMITTEE DISCLOSURE

Under NI 52-110, a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to the Audit Committee:

The Audit Committee Charter

The full text of the Audit Committee Charter is attached as Appendix "G" to the Company's information circular dated November 17, 2025 and filed on the Company's profile on SEDAR+ at www.sedarplus.ca.

Composition of the Audit Committee

The members of the Audit Committee are elected by the Board at its first meeting following the annual Shareholders' meeting, to serve one-year terms. There are no limits on how many consecutive terms an Audit Committee member may serve.

The Company's Audit Committee is comprised of three directors consisting of Chip Richardson, Tim Fernback (Chair) and Ryan Cheung. As defined in NI 52-110, Mr. Fernback, the Company's CEO is not "independent", as he is an executive officer of the Company, and Mr. Cheung and Mr. Richardson are independent. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

The following sets out the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member and that provides each member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting:

Tim Fernback

Mr. Fernback brings over 30 years of experience in financing public and private companies in Canada. Mr. Fernback obtained a Bachelor of Science, Honours (B.Sc.) from McMaster University in Hamilton, Ontario and a Master of Business Administration (MBA) with a concentration in Finance from the University of British Columbia. Mr. Fernback holds a Certified Professional Accounting (CPA, CMA) designation in Canada and is currently director of several publicly traded companies in Canada.

Chip Richardson

Chip Richardson has the role of Assistant Vice President, Investments for Wedbush Securities in Lake Oswego, a suburb of nearby Portland, Oregon. From the age of fourteen, Chip began investing in the stock market and upon graduation from Oregon State University (B.Sc. Economics), Chip was hired as a Financial Advisor by Dean Witter Securities, now Morgan Stanley. After Dean Witter, Chip worked at Paine Webber, now UBS, before joining Wedbush in 1999.

Wedbush Securities is the Largest New York Stock Exchange member firm in the western USA in addition to the largest market maker on the Pacific Stock Exchange. Founded by Mr. Edward Wedbush the firm now has roughly 900 employees in 100 offices in the United States.

Ryan Cheung

Ryan Cheung, CPA, CA, is the founder and managing partner of MCPA Services Inc, Chartered Professional Accountants, in Vancouver, Canada. Mr. Cheung serves as a director and/or officer and consultant for several public and private companies, providing financial reporting, taxation and strategic guidance. He has been an active member of the Chartered Professional Accountants of British Columbia (formerly Institute of Chartered Accountants of British Columbia) since January 2008. Mr. Cheung holds a diploma in accounting from the University of British Columbia and a Bachelor of Commerce in international business from the University of Victoria.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or Control Persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case-by-case basis.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the last two fiscal years, by category, are as follows:

Year Ended December 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2024	\$20,000	Nil	Nil	\$3,500
2023	\$27,000	Nil	Nil	Nil

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company's most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both, carrying more than ten percent of the voting rights attached to the Shares outstanding (an “**Insider**”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

Except as disclosed under the heading “*Employment, Consulting and Management Agreements*”, management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

CORPORATE GOVERNANCE

Pursuant to NI 58-101, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board facilitates its exercise of independent supervision over the Company’s management through frequent meetings of the Board. The Board is currently comprised of five (5) directors, consisting of Tim Fernback, Robert Setter, Ryan Cheung, Andrew Gertler and William (Chip) Richardson. The Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company. Each of Ryan Cheung, Andrew Gertler and William Richardson are independent, while Tim Fernback and Robert Setter are not independent as they currently serve or have served as an executive officer of the Company during the past three years.

The Company has not developed written position descriptions for the chair and chair of each board committee. The Board and CEO have not developed a written position description for the CEO. The directors are actively and regularly involved in reviewing and supervising the operations of the Company and have regular and full access to management. The independent directors are able to meet at any time without any members of management including the non-independent directors being present. The Board expects management to operate the business of the Company with a high level of integrity. Management is expected to execute the Company’s business plan and to meet performance goals and objectives.

Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name of Director of the Company	Names of Other Reporting Issuers
Tim Fernback	Grid Battery Metals Inc. SKRR Exploration Inc. Apogee Minerals Ltd. Temas Resources Corp. AC/DC Battery Metals Inc.
Robert Setter	Grid Battery Metals Inc. AC/DC Battery Metals Inc.
William (Chip) Richardson	None
Ryan Cheung	Monumental Energy Corp. AC/DC Battery Metals Inc.

Name of Director of the Company	Names of Other Reporting Issuers
Andrew Gertler	Viscount Mining Corp. Solid Impact Investments Corp. AC/DC Battery Metals Inc.

Orientation and Continuing Education

New directors to the Board are provided with access to recent publicly filed documents of the Company, all reports and the Company's internal financial information, access to management, experts and consultants, and a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interest of the Company.

Compensation

Except as disclosed under the heading "*Employment, Consulting and Management Agreements*", the Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, except for the granting of incentive stock options from time to time in accordance with the terms of the Company's stock option plan and the Exchange Policies. In the event that such compensation is to be paid, it is expected that the Board as a whole will be responsible for determining compensation and that individual directors will abstain from voting in respect of compensation proposed to be paid to themselves.

During the fiscal year ended December 31, 2024, no stock options were granted to directors, officers and employees of the Company or to its NEOs. Other than as disclosed herein, no amount was paid to any director of the Company during the fiscal year ended December 31, 2024 for services as a consultant or expert.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Company is a party, or of which any of its property is the subject matter, nor is Fuse aware that any such proceedings are contemplated.

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business or as otherwise disclosed in this Information Circular, the material contracts of the Company are:

1. the Promissory Note dated July 11, 2025 between FUSE and Pointor AI, an arm's length loan agreement, as further described under "**Loan Arrangement Fuse and Pointor AI**";
2. the Share Exchange Agreement dated September 9, 2025 between FUSE and Pointor AI, an arm's length agreement, as further described under "**Share Exchange Agreement Terms**"; and

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Information Circular director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the grant of options which may be granted to such persons upon the approval of the Plan, as further discussed below.

PRIOR SALES

On October 8, 2025, Fuse has issued 40,000 shares upon exercise of 40,000 stock options at a price of \$0.40 per share for \$10,000.

Other than the above, Fuse has not issued of any securities for the twelve (12) month period preceding the date of this Information Circular.

PARTICULARS OF MATTERS TO BE ACTED UPON

Stock Option Plan

The aggregate number of Shares that may be reserved for issuance at any point in time shall not exceed 10% of the issued and outstanding common shares at the time of the stock option grant (subject to standard anti-dilution adjustments). If a stock option expires or otherwise terminates without being exercised, the number of Common Shares reserved for issuance under that expired or terminated stock option will become available for issuance. The number of Shares subject to an option to a Service Provider shall be determined by the Board, but no Service Provider shall be granted an option which exceeds the maximum number of shares permitted by the Exchange or any stock exchange on which the Shares are then listed, or other regulatory body having jurisdiction.

The exercise price of the Shares covered by each option shall be determined by the Board, provided that the exercise price shall not be less than the Discounted Market Price permitted by the Exchange or any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction.

Should the expiry date of an Option fall within a Blackout Period of the Company, such expiry date shall, subject to approval of the Exchange, be automatically extended without any further act or formality to that day which is the tenth (10th) business day after the end of the Blackout Period, such tenth business day to be considered the expiry date for such Option for all purposes under the Option Plan.

The Option Plan provides that it is solely within the discretion of the Board, or its Committee if so designated, to

determine who should receive stock options and in what amounts, subject to the following conditions:

1. options will be non-assignable and non-transferable except that they will be exercisable by the personal representative of the option holder in the event of the option holder's death;
2. options may be exercisable for a maximum of ten years from the date of grant (subject to extension where the expiry date falls within a "Blackout Period", as disclosed above);
3. the aggregate number of options together with all other Share Compensation Arrangements granted to any one option holder (including companies wholly owned by that option holder) in a 12-month period must not exceed 5% of the issued shares of the Company, calculated on the date an option is granted to the option holder, unless the Company has obtained Disinterested Shareholder Approval;
4. the aggregate number of options together with all other Share Compensation Arrangements granted to any one consultant in a 12-month period must not exceed 2% of the issued shares of the Company, calculated at the date an option is granted to the consultant;
5. the aggregate number of options granted to all option holders retained to provide Investor Relations Activities (as defined in Exchange Policy 1.1) must not exceed 2% of the issued shares of the Company in any 12-month period, calculated at the date an option is granted to any such option holder;
6. at no time will options be issued which could permit at any time the aggregate number of shares reserved for issuance under stock options granted to insiders (as a group) at any point in time exceeding 10% of the issued shares, unless the Company has obtained Disinterested Shareholder Approval;
7. at no time will options together with all other Share Compensation Arrangements be issued which could permit at any time the grant to insiders (as a group), within a 12-month period, of an aggregate number of options exceeding 10% of the issued shares calculated at the date an option is granted to any insider, unless the Company has obtained Disinterested Shareholder Approval;
8. options held by an option holder who is a director, employee, consultant or management company employee will expire 90 days after the option holder ceases to be a director, employee, consultant or management company employee, which time period the Company determines is reasonable;
9. in the event of an option holder's death, the option holder's personal representative may exercise any portion of the option holder's vested outstanding options for a period of one (1) year following the option holder's death;
10. options cannot be granted to directors, employees, consultants or management company employees that are not bona fide directors, employees, consultants or management company employees, as the case may be; and
11. options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Company's Common Shares.

The Option Plan provides that other terms and conditions may be attached to a particular stock option, such terms and conditions to be referred to in a schedule attached to the option certificate. Stock options granted to directors, senior officers, employees or consultants vest when granted unless otherwise determined by the Board, or its Compensation Committee, on a case-by-case basis. Stock options granted to consultants or employees performing Investor Relations Activities, as such term is defined by the Exchange, will vest in stages over 12-months with no more than one-quarter of the Options vesting in any three-month period.

In addition, under the Option Plan a stock option will expire immediately in the event an Optionee is dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

The price at which an Optionee may purchase a Common Share upon the exercise of an Option will be as set forth in the option certificate issued in respect of such Option and in any event will not be less than the discounted market price of the Company's Common Shares as of the date of the grant of the stock option (the "Grant Date"). The

market price of the Company's Common Shares for a particular Grant Date will typically be the closing trading price of the Company's Common Shares on the day immediately preceding the Grant Date, or otherwise in accordance with the terms of the Option Plan. Discounted market price has the meaning assigned by Policy 1.1 of the TSX Venture Exchange Policies. In addition to any resale restriction under securities laws, if the exercise price of the Option is based on a Discounted Market Price, the Exchange Hold Period will apply to all Common Shares issued under each Option, commencing from the Grant Date. The Exchange Hold Period will also apply to all Common Shares issued under any Option granted to a director, officer or Insider (as such term is defined by the Exchange) of the Company, regardless of whether the Option was granted at market or discounted market price in addition to any resale restrictions under securities laws.

In no case will a stock option be exercisable at a price less than the minimum prescribed by the organized trading facility or the applicable regulatory authorities that would apply to the grant of the stock option in question.

INFORMATION CONCERNING FUSE BATTERY METALS INC.

Corporate Structure

Fuse Battery Metals Inc. (the "Company" or "Fuse"), was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in resource properties in the province of Ontario, Canada and the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange ("TSXV") under the symbol FUSE, as a Tier 2 mining issuer and in the process of exploring its mineral properties.

On 31 January 2023, the Company changed its name to Fuse Battery Metals Inc. The Company's shares commenced trading under the new name effective, 2 February 2023. The Company's trading symbol FUSE remained the same.

On 14 July 2023, the Company formed Ignition Battery Metals Inc. and subscribed to 100% of its shares.

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis.

The Fuse head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

Unless the context suggests otherwise, references to "Fuse" or the "Company" or "we", "us", "our" or similar terms refer to Fuse Battery Metals Inc.

Selected Financial Information and Management's Discussion and Analysis

The following table sets forth selected information regarding the expenses of Fuse for the fiscal years ended December 31, 2024 and December 31, 2023 and for the **nine** months ended **September 30, 2025** which are incorporated by reference into this Information Circular. Such information is derived from the Fuse Financial Statements and should be read in conjunction therewith:

Expenses	Nine Months Ended September 30, 2025 (unaudited) (\$)	Fiscal Year Ended December 31, 2024 (audited) (\$)	Fiscal Year Ended December 31, 2023 (audited) (\$)
Total Assets	788,324	950,356	5,716,710
Total Liabilities	134,124	20,854	20,744
Revenues	-	-	-
Expenses	273,779	588,305	1,668,360

Expenses	Nine Months Ended September 30, 2025 (unaudited) (\$)	Fiscal Year Ended December 31, 2024 (audited) (\$)	Fiscal Year Ended December 31, 2023 (audited) (\$)
Basic and Diluted Loss per Share	(0.007)	0.127)	(0.045)
Loss and comprehensive loss for the period	(39,267)	(4,766,464)	(1,673,487)

The Fuse Financial Statements are available under Fuse's profile on SEDAR+ at www.sedarplus.ca. Copies may also be obtained upon request without charge from Fuse's head office located at 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

Fuse's MD&A for the fiscal years ended December 31, 2024 and December 31, 2023 and for the nine (9) months ended September 30, 2025 are attached hereto at Appendix "A", "B" and "C" to this Information Circular. The MD&As should be read in conjunction with the Fuse Financial Statements attached hereto at Appendix "A", "B" and "C" and are available under Fuse's profile on SEDAR+ at www.sedarplus.ca. Copies may also be obtained upon request without charge from Fuse's head office located at 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

On September 9, 2025, the Company entered into a Share Exchange Agreement with 1545726 B.C. Ltd (DBA "**Pointor AI**") to acquire the company and build out its first proprietary AI product in the HR / Recruitment Industry designed to help businesses efficiently and cost-effectively recruit both senior executives and employees using artificial intelligence, automation and machine learning software, as more particularly described under the heading *POINTOR AI* below. For more information, see "*General Development of the Business*" below.

As a result of these developments, the Company has been deemed to have undergone a "Reverse Takeover" under Policy 5.2. Accordingly, the Company must seek approval of the Reverse Takeover from its Shareholders and from the Exchange. Shareholder approval of the Reverse Takeover will confirm the natural evolution of the business of the Company over the past year and provide greater flexibility for the Company to leverage management's experience with AI-driven businesses, develop its Pointor AI technology, and create value for Shareholders.

Background to the Reverse Takeover

Fuse, formerly known as LiCo Battery Metals Inc., has been listed as a Mining Issuer but underwent strategic refocusing and realignment in the second half of 2025, while maintaining its mineral exploration activities in both Nevada, USA and Ontario, Canada. At the end of August 2025, based on the weak state of the lithium commodity market, the Company decided to terminate its two lithium exploration properties in Nevada, namely Lithium Springs and Monitor Valley, and not renew the associated mineral claims. Fuse still holds title to two cobalt mineral exploration properties, Glencore-Bucke and Teledyne, in northern Ontario.

In mid-2025, Fuse decided to explore business opportunities outside of mining in order to diversify its businesses away from mining and began to evaluate different technologies and technology companies, particularly in areas such as human resources automation and artificial intelligence. These sectors were attractive due to their reliance on human capital and manual processes, which presented clear opportunities for automation using AI. The strategy aimed to invest in companies with strong client bases and recurring revenue, then enhance their value by integrating AI to automate delivery, improve efficiency, and scale operations. By doing so, Fuse postulated that it could effectively transform traditional services into tech-enabled products—unlocking Shareholder value through margin expansion and offering more affordable, consistent services to end customers.

Through this process and Fuse's market research, management identified a compelling and underserved opportunity: human resources and executive recruitment industries. Given the management team's deep knowledge in business and SME consulting, they chose to seek out and acquire a new and growing AI focused company. Such an acquisition would allow Fuse to address the market need directly, retain full control over future product development, and rapidly deliver a scalable, tech-enabled solution tailored to business decision-makers. As part of its strategic shift towards a new AI product, the Company recognized the need to seek out a target company, supplement its expertise in managing small public companies and increase its capacity to conduct R&D and Executive recruitment expertise on an AI focused solution. To this end, the Company determined that Pointor AI, and its existing experienced management team and business model, was a

The Company issued a news release on July 17, 2025, advising that it would concentrate its future activities on AI solutions and had signed a Letter of Intent ("LOI") to acquire 1545726 B.C. Ltd. (dba "Pointor AI"). On September 15, 2025, the Company announced that it signed a Share Exchange Agreement with Pointor AI for the acquisition of 100% of the Pointor AI common and preferred shares by way of an arm's length share exchange transaction.

Pointor AI is a novel recruitment technology business that is developing an AI-driven platform that management believes reduces executive and specialist hiring time by 80% and costs by up to 90% compared to traditional executive search methods, which typically charge 30-35% of first-year salary. Pointor AI has a website located at <https://www.pointor.ai>.

The Pointor AI-driven recruitment platform leverages machine learning and natural language processing to analyze publicly available professional data, offering features including competitor research, automated org chart building, talent mapping, and salary benchmarking. The platform's four-layer architecture (data collection, processing, intelligence, and interface) delivers an intuitive user experience for both recruiters and hiring managers.

1545726 B.C. Ltd., dba Pointor AI, is a newly incorporated private company dedicated to the commercialization of AI software for the Human Resources, Executive Search and Recruitment Industries. The principals of this company are Ms. Jessie (Fan) Johnson, CEO, Mr. Tarka L'Herpiniere, COO, and Oliver Willett, VP Business Development. Ms. Jessie (Fan) Johnson is a control person and currently owns 66.67% of the issued and outstanding shares of 1545726 B.C. Ltd.

Founded in 2025 and with offices in Burnaby, Canada and London, United Kingdom, Pointor AI plans to complete the development and commercialization of its first AI-powered product in the 2026 calendar year which it plans to first deploy in the European financial services industry under a Software-As-A-Service ("SaaS") model.

The global recruitment market, valued at US\$757 billion in 2024, is projected to reach US\$2.3 trillion by 2033 (CAGR 13.1%). Pointor AI targets large enterprises with 10,000+ employees, focusing initially on the UK and North America, with planned expansion to the EU in Year 2 and Asia in Year 3.

Pointor AI employs a dual revenue model: (1) Per-Placement Fee Model with a base fee of £500 per job plus 5% of first-year salary, averaging £5,500 per hire; and (2) Enterprise Subscription Model with an average monthly fee of £5,000 (£60,000 ARR), including unlimited searches and dedicated support. Our competitive advantages include proprietary data assets, specialized executive search focus, enterprise grade technology with rapid implementation (2-4 weeks vs. industry standard 3-6 months), and significant cost advantages (80-90% savings vs. traditional executive search).

On September 16, 2025, and after a period of negotiation subsequent to the signing of the LOI, Fuse announced the formal signing of a Share Exchange Agreement for 100% of Pointor AI common shares, constituting a proposed Reverse Takeover / reverse takeover of Pointer AI.

Under the terms of the Share Exchange Agreement, certain management changes are intended to occur concurrently with the closing of the Transaction pursuant to which three nominees of Pointor AI will be appointed to the Company's board of directors and the officers of Pointor AI will replace the Company's current officers, with the exception of Fuse's current Director Tim Fernback (post Reverse Takeover proposed new Chairman), current Fuse Director Robert Setter and current Fuse Director Ryan Cheung, as well the current Fuse Corporate Secretary Tina Whyte, and current Fuse CFO Robert Guanzon, all of whom will remain in such position.

As a result of these developments, the Company has been deemed to have undergone a "Reverse Takeover" under Policy 5.2 and, as such, must seek approval of the Reverse Takeover from its Shareholders and from the Exchange. Disinterred Shareholder approval of the Reverse Takeover being sought at the Meeting will seek to confirm the natural evolution of the business of the Company over the aforementioned years and provide greater flexibility for the Company to leverage management's experience with AI-driven businesses, develop its Pointor AI technology, and create value for Shareholders.

As at the date of this Information Circular, the Company has not yet received conditional or final approval from the Exchange for the Reverse Takeover. There can be no assurance that the Company will be able to satisfy the requirements of the Exchange such that the Exchange will provide final approval of the proposed Reverse Takeover. If the Reverse Takeover is approved, the Company will move from a Tier 2 Mineral Exploration Company to a Tier 2

Technology Company on the Exchange.

Share Exchange Agreement Terms

Subject to the execution and delivery of a mutually acceptable definitive agreement, Fuse will acquire Pointor AI through the issuance of an aggregate of 50,000,000 of its common shares at a deemed price of \$0.05 per share, by way of a share exchange transaction.

The Pointor AI shareholders will receive a price per Consideration Share that is anticipated to be equal to the price per share to be issued in the private placement financing that the Company intends to complete concurrently with the Reverse Takeover.

In addition to the escrow requirements of the TSXV, Fuse common shares issued as part of the Reverse Takeover will be subject to the following performance escrow conditions, managed by the Company's Transfer Agent or suitable authority, and released upon successfully demonstrating the following Milestones have transpired. If required by the TSXV, the performance escrow releases may be subject to timing constraints as a part of the terms of release. If this is the case, then the Parties will negotiate additional time-based escrow release criterion based on the Pointor AI stated business plan and financial projections that will also apply to the escrow release schedule as a Term of Escrow Release.

	Shares subject to Performance Escrow Release	Terms of Performance Escrow Release
Initial Release	8,000,000	Upon TSXV Transaction Final Approval
Escrow Milestone 1	8,000,000	Upon the successful completion and announcement of the B2B ("Business to Business") Minimum Viable Product as referenced in the Pointor AI business plan.
Escrow Milestone 2	8,000,000	Upon the successful recognition of the first CAD\$1 of sales revenue from a third-party B2B customer sale and as stated in the Company's Quarterly Financial Statements ("FS")
Escrow Milestone 3	8,000,000	After recognizing the first CAD\$323,750 in cumulative B2B sales revenue in the FS
Escrow Milestone 4	8,000,000	After recognizing the first CAD\$6,784,875 in cumulative B2B sales revenue in the FS
Escrow Milestone 5	<u>10,000,000</u>	After the successful development and launch of the Company's second product for sale (Business to Consumer or "B2C") and record revenue from the first 100 individual customers from third-party sales in the FS
TOTAL	50,000,000	OR After recognizing the first CAD\$8,000,000 in cumulative B2B sales revenue in the FS

Subject to the approval of the TSXV, all Escrow Milestones shall be accelerated giving rise to the release of any remaining Performance Shares, upon any sale, Takeover-bid, amalgamation or plan of arrangement resulting in a change of control of the Resulting Issuer in a transaction, or series of related transactions.

Sponsorship

Sponsorship of a Reverse Takeover is required by the TSXV unless exempt in accordance with TSXV policies or the

TSXV provides a waiver from sponsorship requirements. Fuse intends to apply for a waiver from the sponsorship requirements; however, there is no assurance that it will be able to obtain a waiver from sponsorship requirements if an exemption from sponsorship is not available.

Reverse Takeover Transaction Costs

Each party shall be responsible for its own costs and expenses incurred with respect to the Transaction.

Loan Arrangement Fuse and Pointor AI

Upon the successful execution of the July 17, 2025 LOI, Fuse loaned Pointor AI CAD\$25,000, to apply towards the Transaction costs incurred by Pointor AI. If the Transaction is successfully completed on the TSXV, no interest will accrue on this loan and the loan will be forgiven in its entirety as part of the Transaction. If the Transaction is not successfully concluded within twelve months of successful LOI execution, an interest rate of prime lending rate (CIBC) plus 1% per annum will accrue and the loan will become payable to Fuse on demand.

Finder's Fee

In connection with the Transaction, a finder's fee is payable in the amount of 1,500,000 shares to an arm's length party. The finder's fee is subject to a successful completion of the Transaction and is payable on the same terms as the milestone provisions above with 250,000 share increments, as per TSXV Policy 5.1 and is subject to TSXV approval.

Financing

In connection with the Transaction, and subject to TSXV approval, the Company intends to complete a private placement of subscription receipts for minimum gross proceeds of CAD\$2.0 million (the "Financing") at a minimum price of CAD\$0.05/subscription receipt. Immediately upon completion of the Transaction, each subscription receipt will convert to a single common share of the Company on closing of the Transaction. The Financing may be brokered or non-brokered and Agent's commissions and/or finder's fees in cash or securities may be payable in connection with the Financing subject to compliance with TSXV policies and the Financing and finder's fees are subject to the approval of the TSXV. All securities issued pursuant to the Financing, Transaction and finder's fees will be subject to a hold period as required under applicable Canadian securities legislation.

INFORMATION CONCERNING 154576 B.C. Ltd, dba Pointor AI

Corporate Structure and Name and Incorporation

1545726 B.C. Ltd. DBA Pointor AI (the "Target Company" or "Pointor AI"), was incorporated in British Columbia on 25 June 2025. Pointor AI currently holds AI-based software technology, know-how and intellectual property for the human resources and recruitment industries. The Company is an early staged technology company which is engaged in the research, development and commercialization of proprietary software. Pointer AI does not have any intercorporate relationships.

Pointor AI's head office and registered office address is located at Suite 501, 3292 Production Way, Burnaby, British Columbia, V5A 4R4.

General Development of the Business

History

Pointer AI is a recruitment technology business that transforms executive search through an AI-driven recruitment platform for candidate identification and engagement. Founded in 2025, Pointor AI has a corporate office in Burnaby, Canada and a business development office in London, United Kingdom. The Pointor AI software platform is being initially developed to facilitate cost and time savings within the executive recruitment industry and targets a reduction in hiring time by up to 80% and costs by up to 90% when compared to traditional executive search methods. Pointor AI plans to complete the development and commercialization of its initial AI software application within the first twelve months post-Financing. As of the date of this Information Circular, Pointor AI is in initial

development stages of its first software product and has no commercial software products available for sale and no revenue from operations.

Significant Acquisitions

Pointer AI has not completed a significant acquisition for which financial statements would be required under National Instrument 41-101 - *General Prospectus Requirements*.

Narrative Description of the Business

Mission statement

To revolutionize executive search and specialist recruitment by replacing high-cost recruitment fees with an AI-powered platform that delivers faster, higher-quality, and more affordable talent acquisition solutions.

Vision Statement

To establish the industry standard for AI-powered recruitment optimization by delivering measurable improvements in hiring speed, quality, and cost-effectiveness across global enterprises.

Business Model

Pointer AI has set out to employ a SaaS model focused on the enterprise recruitment market.

Our target customers are:

- Global enterprises with 10,000+ employees
- Mid-market companies (1,000-10,000 employees) with specialized hiring needs
- Executive search and specialist recruitment firms seeking technology enhancement
- HR workflow management software companies (e.g. Workday) will be able to integrate Pointer AI to manage their internal org charts, competitor analysis, salary benchmarking and other data analytics
- All recruitment software or professional network sites (e.g. Bullhorn or LinkedIn): will be able to utilize Pointer AI to make their data more transparent enabling an easier and more accurate candidate search functionality

The platform seeks to deliver value through:

- Reduced time-to-hire (from industry average of 90-120 days to 20-30 days)
- Lower recruitment costs (80-90% savings versus traditional executive search)
- Improved candidate quality through the candidate matching engine
- Competitive intelligence through org chart mapping

Pointer AI Software Platform

Core Product: AI-Driven Recruitment Platform

Pointer AI's core product is an AI-driven recruitment platform that will transform how enterprises identify, assess, and engage executive talent. The platform is designed to leverage machine learning algorithms and natural language processing to analyze vast amounts of publicly available professional data, creating a comprehensive talent intelligence ecosystem.

Key Product Features:

Feature	Description	Business Benefit
Competitor Research & Analysis	AI-powered identification and analysis of competitors' organizational structures and talent pools	80% reduction in competitive intelligence gathering time; strategic hiring advantage
Org Chart Building & Visualization	Automated creation of detailed organizational charts for target companies	Comprehensive understanding of reporting structures and potential talent acquisition opportunities
Talent Mapping Across Competitors	Visual representation of how talent is distributed across competitor organizations	Identification of talent clusters and potential recruitment targets
Competitor Vulnerability Analysis	Assessment of which competitors may be at risk of talent loss	Strategic recruitment opportunities and market intelligence
Cross-Industry Talent Identification	Discovery of transferable skills and experience from adjacent industries	40% expansion of qualified candidate pools; innovative hiring solutions
Salary Benchmarking	Real-time analysis of compensation data across industries, roles, and regions	Competitive offer creation; reduced time-to-hire; improved offer acceptance rates
Diversity Intelligence	AI-driven insights on diversity metrics and inclusion opportunities within talent pools	Enhanced workforce diversity; compliance with DEI initiatives; access to broader talent perspectives

The Pointor AI software platform boasts several core capabilities, such as operational dashboards that are intuitive and with role-based access, forecasting tools, guided workflow from job specification to candidate engagement, one-click candidate outreach with customizable tables, and interactive filtering. The platform captures data from multiple software applications and tools, integrates it into a single dashboard, and uses AI to generate forward-looking recommendations that are company-specific and easy to understand. This functionality is currently demonstrated through a beta version which has been deployed for internal presentations and select early users to validate its functionality and usability.

The Pointor AI software platform is also designed to assist hiring managers with data acquisition on which competitor the candidate is currently working for, along with competitor insights, simplified interface focused on candidate review and selection, comparative analysis of shortlisted candidates with supporting references, interview guidance and decision support tools, and feedback mechanisms to improve future candidate matching.

Future enhancements will focus on improving efficiency through automated finance workflows and productivity advancements. This ensures that the Pointor AI evolves to meet the growing demands of its user base.

Moreover, Fuse plans to refine its go-to-market strategy for Pointor AI. Targeted marketing efforts are being developed to identify key industries and build relationships with potential customers. This strategy aims to ensure that the Pointor AI meets the evolving needs of small, medium and large-sized businesses and drives significant value for its users.

Within the first six months of the Reverse Takeover, Pointer AI plans to onboard beta users onto its platform. Pointer AI is currently actively engaging with other beta users, with expectations to monetize these accounts in the near future.

Given the current stage of development and planned activities post Reverse Takeover, Fuse reasonably anticipates that within 12 months of the Reverse Takeover, Pointor AI will achieve commercialization. The Company expects to begin generating revenue from its sales within this period, supporting its business operations and commercialization strategy. Furthermore, Pointor AI's current go-to- market strategy is focused on key industries and establishing additional customer relationships.

Successful Track Record of Pointor AI Principals/Founders

Pointor AI's current principals have extensive experience in developing products and services within various technology sectors.

The following provides summary biographical information of each of the individuals intended to be appointed as members of the Company's board of directors and/or as management of the Company:

JESSIE (FAN) JOHNSON – PROPOSED NEW CEO/DIRECTOR

Jessie Johnson, (Age 46), is a dynamic and results-driven business leader with over 20 years of global experience in executive search, sales leadership, and entrepreneurship. She is the Founder and Managing Director of an elite executive search firm. Under her leadership, the company has become a top-tier global talent partner to some of the world's largest FinTech, data, and AI-driven technology companies, consistently doubling its revenue year-on-year.

Today, the company is a preferred supplier to those industry leaders across North America, Europe, and Asia. Jessie successfully expanded operations into France in 2021 and continues to drive strategic hiring at the senior executive level across international markets.

Before founding her firm, Jessie spent a decade in senior leadership roles at two of the UK's largest recruitment firms, where she built multi-million-pound revenue streams from the ground up and secured long-term partnerships with major global banks and technology giants. Her track record of scaling teams, breaking into new markets, and delivering high-impact talent solutions has firmly positioned her as a force in the global executive search industry.

TARKA L'HERPINIERE - PROPOSED NEW CTO / DIRECTOR

Tarka L'Herpiniere, (Age 44), brings an unparalleled depth of expertise and a proven track record of innovation to the role of Chief Technology Officer. Educated at the prestigious University of Bath and Brunel University in the United Kingdom, Tarka has dedicated two decades to pioneering advancements in artificial intelligence. This extensive experience is underscored by an impressive entrepreneurial journey, marked by the successful launch and exit of four distinct startups. Tarka's unique blend of academic rigor, hands-on development, and commercial acumen positions him perfectly to spearhead our technological vision and drive transformative growth.

Along with Oliver Willett, Tarka is co-founder of Arcterix SARL ("Arcterix"), a bespoke AI and custom software solutions company, and original developer of the Pointor AI intellectual property based out of Paris, France. Arcterix is a pioneering AI industry company that operates within Europe for its global client base building and training AI models and AI solutions for both large and small enterprises.

OLIVER WILLETT – PROPOSED NEW STRATEGIC ADVISOR / DIRECTOR

Oliver Willett, (Age 52), brings a unique blend of start-ups and investment experience across a broad range of sectors including AI, fintech, agri-tech, e-commerce and impact, and has a proven track record in leading innovative projects. He sits on the boards of multiple companies, advising on strategy, finance, operations and commercialization. Over the last 30 years he has raised over \$100m in successful venture financings and has advised on mergers, acquisitions and disposals of over \$500m.

Along with Tarka L'Herpiniere, Oliver is a co-founder of Arcterix, a bespoke AI and custom software solutions company, and original developer of the Pointor AI intellectual property.

FLORIAN PIXNER – PROPOSED NEW VP COMMERCIAL DEVELOPMENT

Florian Pixner, (Age 45), is a high-impact commercial leader with over 20 years of global experience in sales strategy, revenue acceleration, and data-driven business transformation. He specializes in helping data and intelligence companies scale revenue, penetrate new markets, and drive commercial performance—particularly in private equity-backed environments.

Florian has held senior leadership positions at two of the world's leading data intelligence firms, where he built and

led high-growth sales organizations across wealth, healthcare, and risk intelligence divisions, consistently delivering double-digit growth and expanding international market share. He played a key role in one of the industry's landmark exits—a £1.2 billion acquisition by ION Group.

Combining commercial expertise with strategic execution, Florian successfully led the post-acquisition integration of five businesses, unifying product, sales, and go-to-market teams to reignite growth in a global people intelligence portfolio. Among those, he helped scale BoardEx, now viewed as an adjacent competitor to Pointor AI.

Florian Pixner is the founder of CVT Advisory (Kent, UK) which partners with PE firms, scale-ups, and data-centric platforms, advising executive teams on go-to-market execution, commercial strategy, sales enablement, and expansion planning— delivering growth-focused sales strategy and go-to-market execution that accelerate both revenue and enterprise value for their clients.

Collectively, this leadership team has successfully brought products and platforms to market, generated commercial sales, and delivered sustainable operations with positive cash flow in both the executive recruitment and AI technology / software development industries. Their technical and strategic expertise positions will allow Fuse to scale effectively in the market they serve, seeking to meet the Exchange's listing expectations and criteria and to execute on Fuse's commercialization and revenue plan.

Rationale for the Reverse Takeover

The Reverse Takeover will confirm the change in the business of the Company as described above. This shift reflects the Company's commitment to enhancing the overall management of executive recruitment, customer acquisition, and operational efficiencies for SMEs and large enterprise-sized clients through the strategic application of AI. The Company believes this transition will provide more options for the Company to create Shareholder value and ensure long-term financial sustainability for the Company.

The decision to transition to an AI-driven investment and technology company is rooted in the Company's strategic investment philosophy and the evolving business landscape.

Fuse's current focus is based on:

1. Historical Business Challenges & Market Shift

Fuse's previous investment model lacked scalability and high-growth potential, with past mineral exploration activities yielding limited financial returns. The rapid advancements in AI, particularly within business automation and financial intelligence, presented an opportunity for the Company to reposition itself within a high-growth sector.

2. Strategic Refocus on AI-Driven Investments

Following the review of the Company's operations in 2025, the Board identified AI-powered human resources and operational solutions as a scalable, high-margin opportunity. The shift to acquiring a third-party AI startup experienced in developing proprietary AI solutions ensures greater cost efficiency, and revenue generation.

3. Adoption of a 'Build or Buy' Investment Framework

Fuse adopted a structured investment policy, allowing for:

- Strategic acquisitions of AI-driven companies that align with SME automation needs; and
- Development of proprietary AI solutions, beginning with the Pointor AI tool, which provides real-time human resource and recruitment analysis, market forecasting, and automation.

4. Market Research & Validation

Prior to implementing its AI acquisition strategy, Fuse conducted an industry analysis, confirming that existing human resource and executive recruitment tools do not fully address SME and enterprise-level company management challenges. This validated the need for Fuse's AI- driven financial automation solutions, leading to:

- The strategic decision to focus on AI applications that are novel and timely; and
- Successful fundraising to support AI product development and corporate expansion.

Available Funds

As at September 30, 2025, the Issuer had working capital deficit of approximately \$50,546. Accordingly, the estimated pro forma consolidated working capital deficit of the Resulting Issuer as at September \$75,520. The Company intends to use its commercially reasonable efforts to complete the Financing for gross proceeds of \$2,000,000 at an effective price of CAD\$0.05 per Company common share. Upon proposing that the financing take effect on or about November 30, 2025, the Resulting Issuer had a working capital of \$1,924,480.

The following table sets forth the estimated Available Funds of the Resulting Issuer before and after Giving Effect to the Financing, which should take effect on or about November 30, 2025 as required to achieve its business objectives during the twelve (12) months following the date of this Information Circular:

Use of Funds	(\\$)
Research and Development ⁽¹⁾	400,000
Product Marketing and Sales ⁽²⁾	200,000
Management Salaries and G&A ⁽³⁾	400,000
Legal, Professional Services and Regulatory Expenses ⁽⁴⁾	150,000
Investor Relations, Digital Marketing and Media Outreach ⁽⁵⁾	200,000
Private Placement Transaction and Listing Fees ⁽⁶⁾	25,000
Unallocated Working Capital	473,890
Total:	1,924,480

(1) Includes contract software development fees payable to Arcterix SARL, a related party of two proposed Fuse directors
(2) Includes sales specific salaries, marketing literature, tradeshows, and business development expenses
(3) Includes management wages, contractor fees, director's fees and general & administrative expenses
(4) Includes payments related to legal fees, auditor review fees, transfer agent fees, and other regulatory expenses incurred or expected to be incurred over the next twelve (12) months.
(5) Includes payments for investor relations activities, digital media, social media and corporate advertising.
(6) Estimated private placement transaction and listing fees.
(7) Working capital deficit prior to the financing.

The intended uses of funds note above may vary based upon a number of factors and variances may be material. The amounts shown in the table are estimates only and are based upon the information available Fuse as of the date of this Information Circular.

Business Objectives and Milestones

The Company is exploring future opportunities to invest in and develop technologies that complement its Pointor AI solution. The Company may pursue diversified, cross-functional solutions (horizontal) which offer a wide range of solutions across human resources, information technology, and finance for SMEs, or specialized, industry-focused products (vertical), specializing in financial and accounting software for SMEs.

Accordingly, the Company intends to implement a new business model to ensure long-term scalability and financial sustainability while minimizing risks through a build-or-buy investment philosophy.

Build Philosophy: Development of AI Driven Financial Solutions (2025)

- Develop and launch an AI-powered human resource ("HR") recruitment solution for SMEs and Enterprise-level clients, offering real-time job market analysis, forecasting, and automation.
- AI-powered financial solutions that provide real-time HR recruitment insights and intelligent forecasting.

- HR Management tools with predictive analytics to help SMEs recruit key, mission critical and hard-to-find personnel.
- Workflow automation solutions to improve SME productivity and eliminate redundant manual tasks.
- Automated marketing insights to optimize personnel recruiting funnels and drive customer retention through data-driven strategies.

Buy Philosophy: AI-Powered Incubation & Investment/Roll-Up Strategy (2025 and Beyond)

- Fuse will create horizontal services for SMEs by investing in, acquiring stakes in, and consolidating companies and technologies.
- The focus will be on leveraging AI to unlock value for underperforming or low-growth businesses and transitioning them into scalable, product-driven models.
- There is a significant market opportunity in investing in complementary "zombie" companies—such as venture-backed firms that have not secured follow-on funding and are struggling to scale.
- Fuse will roll up investments in technologies across verticals, integrating AI-powered automation to transform traditional service-based companies into scalable AI-driven product offerings.
- By supporting invested businesses using AI, Fuse will manage a portfolio of technologies that aim to streamline recruitment and HR operations, enhance employee engagement, and improve financial performance, positioning these companies for long-term success.
- These companies will collectively offer a portfolio of solutions in the SME and Enterprise-level corporate space.

Research and Development

Upon the successful completion of the Reverse Takeover transaction and associated financing, the company proposes to spend approximately CAD\$400,000 or 20% of its funds available on additional software development for its first commercial SaaS product using AI within the first six month period. The vast majority of these funds (approximately 90%) will be used to for labour costs relating to project design, data science, front and backend development, DevOps engineering, and UI/UX design. Pointor AI will deploy both internal and contract labour sources for this software development. The remaining funds (approximately 10%) will be used for the purchase of software tools, training costs and integration tools. Management believes that there are sufficient resources available at both Pointor AI and Arcterix to develop and commercialize the company's proposed SaaS products.

Pointor AI's technology and intellectual property is not subject to any proprietary protections other than trade secret. The company proposes to selectively both trademark and copyright its innovations in the future.

Market

There are 32.2 million SMEs in the US, representing 99.9% of all business in the US.¹ On average, 4.7 million new SMEs are started every year in the United States.² On average, approximately 20.8% of SMEs fail in the first year, 49.9% fail in the first five years, and 65.8% fail by year ten.³ Pointor AI is designed to provide innovative solutions these businesses require.

The AI SaaS market is expanding, with analysts predicting sustained growth driven by the increasing demand for intelligent automation and advanced data analytics. This presents a significant opportunity to serve the underserved SME market with AI SaaS solution.

The global recruitment market, valued at US\$757.56 billion in 2023, is projected to reach US\$2.03 trillion by 2031 (CAGR 13.1%)⁴. Pointor AI targets SMEs and large enterprises with 10,000+ employees, focusing initially on the UK and North America, with planned expansion to the EU in Year 2 and Asia in Year 3.

As of the date of this Information Circular, the Pointer AI products are in development, and as such, have not achieved market acceptance.

Competition

Indirect Competitor

Company name: SeekOut (Bellevue WA USA) www.seekout.com

SeekOut is a privately funded company in the USA. SeekOut offers an AI-powered talent intelligence platform that scrapes data from public sources like LinkedIn, GitHub, and research databases to build rich candidate profiles and diversity analytics.

Perceived Strengths as assessed by Pointer AI management:

- Advanced filtering for technical roles
- Strong DEI focus and organizational insights
- Widely used by enterprise clients for passive sourcing

Perceived Limitations as assessed by Pointer AI management:

- Primarily a sourcing engine without integrated shortlist management
- Lacks reference checking capabilities
- Not optimized for executive-level competitor analysis

Market Position as assessed by Pointer AI management:

- Funding: Over US\$189 million raised to date with a Series C enterprise valuation above US\$1.2 billion
- Customers: Microsoft, Salesforce, and VMware among others
- Pricing: Enterprise-level subscriptions with custom quotes

What Differentiates Pointer AI from SeekOut as assessed by Pointer AI management:

Pointer AI's unique expertise in organizational chart building provides fully automated competitor-based organizational chart mapping, shortlisting, and reference validation. Unlike SeekOut, which offers AI recruitment software with some competitor analysis features, Pointer AI's proposed products will have a specialized focus on organizational chart building. By automating the process of mapping competitors' organizational structures and identifying key talent, Pointer AI's proposed products will save clients both time and resources while providing actionable insights to inform them of their hiring decisions.

Direct Competitor

Company name: WhiteCrow Research (Wilmington DE USA). www.whitecrowresearch.com

WhiteCrow Research is a private company that has offices in the USA, United Kingdom, India, Malaysia, Singapore, Hong Kong and the United Arab Emirates. It primarily operates in the same market segment as Pointer AI, with its focus on competitor research and org chart building. WhiteCrow research currently offers services relating to talent sourcing for live roles, proactive pipelining for anticipated vacancies, talent maps, succession planning and competitor identification and organization structure analysis.

Perceived Strengths as assessed by Pointer AI management:

- Strong tech-powered offering connecting clients to a vast talent community
- Provides talent insights and dedicated consultants 13AI-driven technology
- Services include talent sourcing, proactive pipelining, talent maps, succession planning, and competitor identification

Perceived Limitations as assessed by Pointer AI management:

- Solution still in development stage
- Does not provide shortlisting or recruitment-specific solutions
- Primary focus on talent solutions may limit comprehensive competitor research capabilities

Market Position as assessed by Pointer AI management:

- Customers: Specific customer names not publicly disclosed

- Pricing: Unique model offering unlimited hires at a fixed cost, with a subscription fee for consultants to integrate with clients' in-house talent teams

What Differentiates Pointer AI from WhiteCrow Research as assessed by Pointor AI management:

Pointer AI's expertise in automated competitor-based org chart mapping, shortlisting, and reference validation sets it apart from WhiteCrow Research. Pointer AI's proposed AI-powered recruitment solution provides clients with more comprehensive and actionable insights to inform their hiring decisions.

Revenue Model

Pointor AI employs a dual revenue model: (1) Per-Placement Fee Model with a base fee of £500 per job plus 5% of first-year salary, averaging £5,500 per hire; and (2) Enterprise Subscription Model with an average monthly fee of £5,000 (£60,000 ARR), including unlimited searches and dedicated support. Our competitive advantages include proprietary data assets, specialized executive search focus, enterprise grade technology with rapid implementation (2-4 weeks vs. industry standard 3-6 months), and significant cost advantages (80-90% savings vs. traditional executive search).

The market for Pointor AI's proposed products is neither seasonal nor cyclical. Management believes that obsolescence is not a near term material risk due to the novel nature of the proposed SaaS products. There are no material environmental protection requirements affecting the company's proposed operations.

¹ Data Axle USA, Small Business Statistics (2024), online: <https://www.dataaxleusa.com/blog/small-business-statistics/>.

² United States Small Business Administration, Frequently Asked Questions About Small Business (2023) (7 March 2023), online: <https://advocacy.sba.gov/2023/03/07/frequently-asked-questions-about-smallbusiness-2023/>.

³ Commerce Institute, How Many New Businesses Start Each Year? (2024 Data) (2024), online: <https://www.commerceinstitute.com/new-businessesstarted-every-year/>.

⁴ Hero Hunt.ai, The State of Recruitment Agencies (FULL REPORT 2024) (2024), online: <https://www.herohunt.ai/blog/the-state-of-recruitment-agencies-in-full-report-2024#:~:text=2,13.1%25%20from%202023%20to%202031.>

Selected Consolidated Financial Information and Management Discussion and Analysis

The audited financial statements of Pointor AI for the period from inception to September 30, 2025, together with the auditor's report thereon, and the Pointor AI management discussion and analysis for that period are attached hereto as Appendix "D" respectively.

The following table sets forth selected information regarding Pointor AI for the period ended September 30, 2025. Such information is derived from the Pointor AI Financial Statements and should be read in conjunction therewith:

	Fiscal Period Ended September 30, 2025 (audited) (\$)
Expenses	
Total Assets	7,627
Total Liabilities	32,600
Revenues	-
Expenses	25,073
Basic and Diluted Loss per Share	(2.51)
Loss and comprehensive loss for the period	(25,073)

Description of Securities

The authorized capital of Pointor AI consists of unlimited number of common shares, no par value.

As of the date of this Information Circular, Pointor AI has 10,000 common shares issued and outstanding .

Consolidated Capitalization

Type of Security	Authorized	Outstanding as at September 30, 2025	Outstanding as at the date hereof
Common Shares	Unlimited	10,000	10,000

Prior Sales

Within the past 12 months, Pointor AI has issued the following securities:

Date Issued	Number of Shares	Type of Security	Issue Price per Share	Aggregate Issue Price	Nature of consideration
June 25, 2025	10,000	Common Shares	\$0.01	\$100	In kind, acquisition of intellectual property assets

The common shares of Pointor AI are held as follows:

Pointor AI Shareholder	Number of Pointor Shares Held as of October 31, 2025
Jessie (Fan) Johnson (CEO and Director)	6,667 shares (66.67%)
Oliver Willett. (Vice President and Director)	1,667 shares (16.67%)
Tarka L'Herpinere (CTO and Director)	1,666 shares (16.66%)
Total	10,000 shares (100%)

Executive Compensation

None

Non-Arm's Length Party Transactions

Other than as set out herein in regards to its agreement with Arcterix AI, there has been no acquisition of assets or services or provision of assets or service in any transaction within the five years before the date of this Information Circular, or in any proposed transaction, where Pointor AI or any subsidiary of Pointor AI has obtained such assets or services from:

- (a) any director, officer or promoter of Pointor AI;
- (b) a securityholder disclosed in this Information Circular as a principal securityholder, either before or after giving effect to the Transaction; or
- (c) an Associate or Affiliate of any of the Persons or companies referred to in paragraphs (a) or (b) above.

Legal Proceedings

There are no legal proceedings material to Pointor AI to which Pointor AI is a party to or of which any of its property is the subject matter, and there are no such proceedings known to Pointor AI to be contemplated.

Material Contracts

The material contracts entered into by Pointor AI since inception, currently still in effect or in respect of which Pointor AI has outstanding obligations (other than contracts entered into in the ordinary course of business), are as follows:

- the Share Exchange Agreement dated September 9, 2025 between FUSE and Pointor AI, an arm's length agreement, as further described under "Share Exchange Agreement Terms"; and
- the Arcterix Software Development Agreement, a non-arm's length agreement between Arcterix SARL and Pointor AI, as further described under "Statement of Executive Compensation – Employment, Consulting and Management Agreements".

Copies of these agreements will be available for inspection at the registered and records offices of Pointor AI located at Suite 501, 3292 Production Way, Burnaby, British Columbia, V5A 4R4 until the date of closing of the Transaction and for a period of 30 days thereafter.

INFORMATION CONCERNING THE RESULTING ISSUER

Corporate Structure

Name and Incorporation

Following the completion of the Transaction, Fuse, as the Resulting Issuer, will operate under the name "Fuse Battery Metals Inc." and will be governed by the provisions of the BCBCA. The Resulting Issuer plans on changing its name post Transaction.

Intercorporate Relationships

Following the completion of the Transaction, the Resulting Issuer will own, directly or indirectly, all of the issued and outstanding common shares of Pointor AI. As a result of the Transaction, the previous shareholders of Pointor AI will become shareholders of the Resulting Issuer.

Narrative Description of the Business

The Resulting Issuer will have the same stated objective and milestones as Pointor AI. For the narrative description of the business of the Resulting Issuer, including business and development milestones, see "*Information Concerning 154576 B.C. Ltd, dba Pointor AI – General Development of Business*". See "*Information Concerning 154576 B.C. Ltd, dba Pointor AI – Narrative Description of Business*" for further information on Pointor AI's products and services.

Description of the Securities

Upon completion of the Transaction, the Fuse Consolidated Shares will be the Resulting Issuer Shares. For a description of the attributes of the Fuse common shares, please refer to "Pro-Forma Consolidated Capitalization below" of this Information Circular.

Pro Forma Consolidated Capitalization

The following table sets forth the pro forma share and loan capital of the Resulting Issuer as at September 30, 2025 on a consolidated basis, based on the pro forma consolidated financial statements contained in this Information Circular after giving effect to the Transaction and the Financing. This table should be read in conjunction with the pro forma consolidated financial statements and notes thereto included in this Information Circular.

Designation of Security	Amount Authorized or to be Authorized	Amount outstanding after giving effect to the Transaction	
Common Shares	Unlimited	40,000,000	Financing Subscription receipts that automatically convert on closing of the Transaction to common shares

Designation of Security	Amount Authorized or to be Authorized	Amount outstanding after giving effect to the Transaction	
Common Shares	Unlimited	50,000,000	Share exchange agreement to be issued to the shareholders of Pointor ¹
Common Shares	Unlimited	1,500,000	Finder's fee shares to be issued concurrently with the closing of the Transaction
Common Shares	Unlimited	37,629,745	Currently issued and outstanding shares of Fuse
Total:		129,129,745	

¹ In addition to the escrow requirements of the TSXV, Fuse common shares issued as part of the Reverse Takeover will be subject to the following performance escrow conditions, managed by the Company's Transfer Agent or suitable authority, and released upon successfully demonstrating the following Milestones have transpired. If required by the TSXV, the performance escrow releases may be subject to timing constraints as a part of the terms of release. If this is the case, then the Parties will negotiate additional time-based escrow release criterion based on the Pointor AI stated business plan and financial projections that will also apply to the escrow release schedule as a Term of Escrow Release.

	Shares subject to Performance Escrow Release	Terms of Performance Escrow Release
Initial Release	8,000,000	Upon TSXV Transaction Final Approval
Escrow Milestone 1	8,000,000	Upon the successful completion and announcement of the B2B ("Business to Business") Minimum Viable Product as referenced in the Pointor AI business plan.
Escrow Milestone 2	8,000,000	Upon the successful recognition of the first CAD\$1 of sales revenue from a third-party B2B customer sale and as stated in the Company's Quarterly Financial Statements ("FS")
Escrow Milestone 3	8,000,000	After recognizing the first CAD\$323,750 in cumulative B2B sales revenue in the FS
Escrow Milestone 4	8,000,000	After recognizing the first CAD\$6,784,875 in cumulative B2B sales revenue in the FS
Escrow Milestone 5 TOTAL	<u>10,000,000</u> 50,000,000	After the successful development and launch of the Company's second product for sale (Business to Consumer or "B2C") and record revenue from the first 100 individual customers from third-party sales in the FS OR After recognizing the first CAD\$8,000,000 in cumulative B2B sales revenue in the FS

Fully Diluted Share Capital

The following table outlines the expected number and percentage of securities of the Resulting Issuer to be outstanding on a non-diluted and fully-diluted basis after giving effect to the Transaction and the Financing:

Designation of Security	Number, Giving Effect to the Transaction and Financing ¹	Percentage Giving Effect to the Transaction and Financing (undiluted)	Percentage, Giving Effect to the Transaction and Financing (fully-diluted)
Resulting Issuer Shares			
Shares Issued			
Fuse Shares	37,629,745	29.14%	24.09%
Pointor Shares + Finder Shares	51,500,000	39.88%	32.98%
Financing Shares	40,000,000	30.98%	25.61%
Subtotals	129,129,745	100.00%	82.68%
Reserved for issuance under the:			
Options ¹	1,890,000	1.46%	1.21%
Warrants	12,270,770	9.50%	7.86%
Options ²	12,886,353	9.98%	8.25%

Subtotal Convertible Securities	27,047,123		20.95%		17.32%
Total (fully-diluted)	156,176,868				100.00%

¹ current options outstanding

² Options to be granted upon closing of Transaction

Available Funds and Principal Purposes

Available Funds

Concurrently with the completion of the Transaction, the Financing will be completed for gross proceeds of a minimum of \$2,000,000.

As at September 30, 2025, the Issuer had working capital deficit of approximately \$50,546. Accordingly, the estimated pro forma consolidated working capital deficit of the Resulting Issuer as at September \$75,520. Upon proposing that the financing take effect on or about November 30, 2025, the Resulting Issuer had a working capital of \$1,924,480.

Source of Funds	Amount (Giving Effect to the Minimum Financing) (C\$)
Consolidated working capital of the Resulting Issuer as at on or about November 30, 2025 (Upon completion of Financing)	\$1,924,480
Net proceeds from the Financing	\$2,000,000

Dividends

The proposed directors of the Resulting Issuer anticipate that the Resulting Issuer will retain all future earnings and other cash resources for the future operation and development of its business, and accordingly, do not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the board of the directors of the Resulting Issuer after taking into account many factors including the Resulting Issuer's operating results, financial condition and current and anticipated cash assets.

Principal Purposes of Funds

The following table sets forth the estimated Available Funds of the Resulting Issuer before and after Giving Effect to the Financing, which should take effect on or about November 30, 2025. The principal purposes of the Available Funds will be as follows:

Use of Funds	(\$)
Research and Development ⁽¹⁾	400,000
Product Marketing and Sales ⁽²⁾	200,000
Management Salaries and G&A ⁽³⁾	400,000
Legal, Professional Services and Regulatory Expenses ⁽⁴⁾	150,000
Investor Relations, Digital Marketing and Media Outreach ⁽⁵⁾	200,000
Private Placement Transaction and Listing Fees ⁽⁶⁾	25,000
Unallocated Working Capital	473,890
Total:	1,924,480

⁽¹⁾ Includes contract software development fees payable to Arcterix SARL, a related party of two proposed Fuse directors

- (2) Includes sales specific salaries, marketing literature, tradeshows, and business development expenses
- (3) Includes management wages, contractor fees, director's fees and general & administrative expenses
- (4) Includes payments related to legal fees, auditor review fees, transfer agent fees, and other regulatory expenses incurred or expected to be incurred over the next twelve (12) months.
- (5) Includes payments for investor relations activities, digital media, social media and corporate advertising.
- (6) Estimated private placement transaction and listing fees.
- (7) Working capital deficit prior to the financing.

While the foregoing reflects management's current expectation as to the proposed use of the Available Funds, there may be circumstances where, for sound business reasons, reallocation of funds may be necessary in order for the Resulting Issuer to achieve its stated business objectives.

Principal Securityholders

To the knowledge of the Issuer or Pointor AI, upon completion of the Transaction and the Financing, no person will beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the Resulting Issuer Shares except as follows:

Name and Municipality of Residence	Number of Resulting Issuer Shares Owned	Percentage of Resulting Issuer Shares Giving Effect to the Financing	Type of Ownership
Jessie (Fan) Johnson Chamonix, France	33,333,334 ⁽¹⁾	25.81% (non-diluted) / 21.34% (fully-diluted)	Direct

Notes

- Assumes 129,129,745 Resulting Issuer Shares outstanding on the Financing (156,176,868 fully-diluted).

Directors, Officers and Promoters

Name, Address, Occupation and Security Holdings

The following are the names and municipalities of residence of each proposed director and officer of the Resulting Issuer, the positions and offices to be held with the Resulting Issuer, their respective principal occupations within the five preceding years and the number and percentage of common shares of the Resulting Issuer which will be held by each of them on completion of the Financing. Each director will hold office until the next annual meeting of the Resulting Issuer unless his office is earlier vacated in accordance with the BCBCA.

Name, City of Residence of each Proposed Director and Officer	Position to be held with Resulting Issuer	Principal Occupation for the last five years	Director of Fuse or Target Issuer Since	Number and Percentage of Resulting Issuer Shares Giving Effect to the Financing and the Transaction⁽¹⁾⁽²⁾
Jessie (Fan)John Chamonix, France	President, CEO and Director	Ms. Johnson is the Founder and managing director of Dynamite, an executive recruiting firm, Dynamite which is based in the UK and France and has been active in HR/executive recruitment space for over 15 years	Target June 25'25	33,333,334 25.81%

Name, City of Residence of each Proposed Director and Officer	Position to be held with Resulting Issuer	Principal Occupation for the last five years	Director of Fuse or Target Issuer Since	Number and Percentage of Resulting Issuer Shares Giving Effect to the Financing and the Transaction ⁽¹⁾⁽²⁾
Taka L'Herpinire Chamonix, France	CTO and Director	Tarka L'Herpinire works with a company called Arcterix SARL which is a software development company. Mr. L'Herpinire has worked on various machine learning and artificial intelligence projects in the past for different client companies	Target June 25'25	8,333,333 6.45%
Oliver Willett Chamonix, France	Director	Oliver Willett also works with Arcterix SARL. Oliver has also worked on various machine learning and AI project in the past for different companies	Target June 25'25	8,333,333 6.45%
Tim Fernback Vancouver, BC, Canada	Chairman and Director	Chartered Professional Accountant, President of TCF Ventures Corp., a private company providing financial advisory services to public and private companies. Mr. Fernback has over 25 years of financing experience as a director and officer of public and private companies	Fuse Mar. 27'23	653,000 .50%
Robert Setter Qualicum Beach, BC, Canada	Director	Self-employed writer and consultant, 2011 to present; Director of the Company since February 2020 and current director and chairman of Grid Battery Metals Inc.	Fuse Feb 11, 2020	Nil
Ryan Cheung Vancouver, BC, Canada	Director	Founder and managing partner of MCPA Services Inc., and consultant who provides financial reporting, taxation and strategic guidance for public and private companies.	Fuse April 27, 203	40,000 .03%
Robert Guanzon Richmond, BC, Canada	CFO	Mr. Guanzon serves as Chief Financial Officer of several junior resource companies listed on the TSXV. Mr. Guanzon brings extensive experience in dealing with financial and accounting matters as well as corporate strategy.	Fuse Mar. 30'16	8,000 .006%

Name, City of Residence of each Proposed Director and Officer	Position to be held with Resulting Issuer	Principal Occupation for the last five years	Director of Fuse or Target Issuer Since	Number and Percentage of Resulting Issuer Shares Giving Effect to the Financing and the Transaction ⁽¹⁾⁽²⁾
Tina Whyte Coquitlam, BC, Canada	Corporate Secretary	Ms. Whyte serves as Corporate Secretary for publicly listed companies in mining and metals and diversified areas. Including drafting contracts; all matters relating to stock exchange transactions, including regulatory compliance and extensive experience in supporting and directing governance processes	Fuse Mar. 30'16	140,000 .11%

1. Assumes no participation in the Financing by any proposed director or officer of the Resulting Issuer.
2. Upon completion of the Transaction, it is expected there will be 129,129,745 Resulting Issuer Shares issued and outstanding (giving effect to Transaction, Finder's Fee and Financing).

The term of office of the directors expires annually at the time of the Resulting Issuer's annual general meeting or when or until their successor is duly appointed or elected. The term of office of the Resulting Issuer's executive officers expires at the discretion of the Resulting Issuer's directors. A majority of the proposed directors of the Resulting Issuer are considered to be independent within the meaning of National Instrument 58-101. Jessie (Fan) Johnson, Tarka L'Herpiniere and Tim Fernback are not independent within the meaning National Instrument 58-101.

Committees of the Board of Directors

Audit Committee

The Audit Committee of the Resulting Issuer will initially be comprised of three directors as follows: Tim Fernback, Ryan Cheung and Oliver Willett. Ryan Cheung and Oliver Willett are each "independent" within the meaning of National Instrument 52-110, while Mr. Tim Fernback as he was President and CEO in the last three years. In addition, each Audit Committee member is "financially literate", within the meaning of National Instrument 52-110 and possesses education or experience that is relevant for the performance of their responsibilities as Audit Committee members.

The Audit Committee will oversee the accounting and financial reporting practices and procedures of the Resulting Issuer and the audits of the Resulting Issuer's financial statements. The principal responsibilities of the Audit Committee are expected to include: (i) overseeing the quality and integrity of the internal controls and accounting procedures of the Resulting Issuer, including reviewing the Resulting Issuer's procedures for internal control with the Resulting Issuer's auditor and chief financial officer; (ii) reviewing and assessing the quality and integrity of the Resulting Issuer's annual and quarterly financial statements and related management discussion and analysis, as well as all other material continuous disclosure documents, such as the Resulting Issuer's annual information form; (iii) monitoring compliance with legal and regulatory requirements related to financial reporting; (iv) reviewing and approving the engagement of the auditor of the Resulting Issuer and independent audit fees; (v) reviewing the qualifications, performance and independence of the auditor of the Resulting Issuer, considering the auditor's recommendations and managing the relationship with the auditor, including meeting with the auditor as required in connection with the audit services provided to the Resulting Issuer; (vi) assessing the Resulting Issuer's financial and accounting personnel; (vii) reviewing the Resulting Issuer's risk management procedures; (viii) reviewing any significant transactions outside the Resulting Issuer's ordinary course of business and any pending litigation involving the Resulting Issuer; and (ix) examining improprieties or suspected improprieties with respect to accounting and other matters that affect financial reporting.

Other Committees

Directors will be appointed in due course to the Compensation Committee and the Corporate Governance and Nominating Committee following completion of the Transaction in accordance with regulatory guidelines.

The Compensation Committee is expected to oversee the remuneration policies and practices of the Resulting Issuer. The principal responsibilities of the Compensation Committee are expected to include: (i) considering the Resulting Issuer's overall remuneration strategy and, where information is available, verifying the appropriateness of existing remuneration levels using external sources for comparison; (ii) comparing the nature and amount of the Resulting Issuer's directors' and executive officers' compensation to performance against goals set for the year while considering relevant comparative information, independent expert advice and the financial position of the Resulting Issuer; and (iii) making recommendations to the board in respect of director and executive officer remuneration matters, with the overall objective of ensuring maximum shareholder benefit from the retention of high quality board and executive team members.

The Corporate Governance and Nominating Committee is expected to oversee the Resulting Issuer's approach to corporate governance matters. The principal responsibilities of the Corporate Governance and Nominating Committee are expected to include: (i) monitoring and overseeing the quality and effectiveness of the corporate governance practices and policies of the Resulting Issuer; (ii) considering nominees for independent directors of the Resulting Issuer; (iii) adopting and implementing corporate communication policies and ensuring the effectiveness and integrity of communication and reporting to the Resulting Issuer's shareholders and the public generally; (iv) planning for the succession of directors and executive officers of the Resulting Issuer, including appointing, training and monitoring senior management to ensure that the board and management have appropriate skill and experience; and (v) administering the board's relationship with the management of the Resulting Issuer.

The composition of each such committee will be determined by the board of directors of the Resulting Issuer following completion of the Transaction.

Shareholdings of Directors and Executive Officers

As at the date of this Information Circular, after giving effect to the Transaction, the Financing, the proposed directors and executive officers of the Resulting Issuer, as a group, will own 50,841,000 Resulting Issuer Shares, representing approximately 39.37% of the issued and outstanding Resulting Issuer Shares (on a non-diluted basis and Giving Effect to the Financing) and assuming no convertible securities are exercised.

Biographies of Executive Officers and Directors

For biographies of the executive officers and directors of the Resulting Issuer, see "***Biographies of Executive Officers and Directors***"

Cease Trade Orders or Bankruptcies

Other than as set out below, as at the date of this Information Circular, no proposed nominee for election as a director of the Resulting Issuer is, or has been, within 10 years before the date of this Information Circular a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity:

- (a) was subject to a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order) or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an "Order"); or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

As at the date of this Information Circular, no proposed nominee for election as a director of the Resulting Issuer has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties or Sanctions

As at the date of this Information Circular, no proposed nominee for election as a director of the Resulting Issuer has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Conflicts of Interest

Directors and officers of the Resulting Issuer may also serve as directors and/or officers of, or otherwise be involved with or consulted by, other companies engaged in biotechnology development and may be presented from time to time with situations or opportunities which give rise to apparent conflicts of interest which cannot be resolved by arm's-length negotiations but only through exercise by the officers and directors of such judgment as is consistent with their fiduciary duties to the Resulting Issuer which arise under applicable corporate law, especially insofar as taking advantage, directly or indirectly, of information or opportunities acquired in their capacities as directors or officers of the Resulting Issuer. It is expected that all conflicts of interest will be resolved in accordance with the BCBCA. It is expected that any transactions with officers and directors will be on terms consistent with industry standards and sound business practice in accordance with the fiduciary duties of those persons to the Resulting Issuer, and, depending upon the magnitude of the transactions and the absence of any disinterested board members, may be submitted to the shareholders for their approval.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name of Proposed Directors, Officers and Promoters of the Resulting Issuer	Names of Other Reporting Issuers	Exchange	Position	FROM	TO
Tim Fernback	Grid Battery Metals Inc. SKRR Exploration Inc. Apogee Minerals Ltd. Temas Resources Corp. AC/DC Battery Metals Inc.	TSXV TSXV TSXV CSE TSXV	President, CEO & Director Director Director President, CEO & CFO CEO & Director President, CEO & Director	2023-03-28 - current 2024-07-17 – current 2019-05-21 – current 2023-11-29 – current 2023-07-14 - current	
Robert Setter	Grid Battery Metals Inc. AC/DC Battery Metals Inc.	TSXV TSXV	Director Director	2020-04-09 – current 2024-04-09 - current	
Ryan Cheung	Monumental Energy Corp. AC/DC Battery Metals Inc.	TSXV TSXV	CFO & Director Director	2020-06-15 – current 2024-08-30 - current	
Robert Guanzon	AC/DC Battery Metals Inc. Grid Battery Metals Inc. New Age Metals Inc. Metal Quest Mining Inc	TSXV TSXV TSXV TSXV	CFO CFO CFO CFO	2024-03-14 – current 2016-04-28 – current 009-03-11 – current 2011-12-12 - current	
Tina Whyte	AC/DC Battery Metals Inc. Grid Battery Metals Inc. Nord Precious Metals Mining Inc Granada Gold Mine Inc.	TSXV TSXV TSXV TSXV	Corporate Secretary Corporate Secretary Corporate Secretary Corporate Secretary	2024-03-14 – current 2016-04-28 – current 2016-04-13 – current 2016-04-18 - current	

The following sets out the biographies of the directors and officers of the Resulting Issuers.

Biographies of Executive Officers and Directors

JESSIE (FAN) JOHNSON –CEO AND DIRECTOR

Jessie Johnson is a dynamic and results-driven business leader with over 20 years of global experience in executive search, sales leadership, and entrepreneurship. She is the Founder and Managing Director of an elite executive search firm. Under her leadership, the company has become a top-tier global talent partner to some of the world's largest FinTech, data, and AI-driven technology companies, consistently doubling its revenue year-on-year.

Today, the company is a preferred supplier to those industry leaders across North America, Europe, and Asia. Jessie successfully expanded operations into France in 2021 and continues to drive strategic hiring at the senior executive level across international markets.

Before founding her firm, Jessie spent a decade in senior leadership roles at two of the UK's largest recruitment firms, where she built multi-million-pound revenue streams from the ground up and secured long-term partnerships with major global banks and technology giants. Her track record of scaling teams, breaking into new markets, and delivering high-impact talent solutions has firmly positioned her as a force in the global executive search industry.

TARKA L'HERPINIERE - CTO AND DIRECTOR

Tarka L'Herpiniere brings an unparalleled depth of expertise and a proven track record of innovation to the role of Chief Technology Officer. Educated at the prestigious University of Bath and Brunel University in the United Kingdom, Tarka has dedicated two decades to pioneering advancements in artificial intelligence. This extensive experience is underscored by an impressive entrepreneurial journey, marked by the successful launch and exit of four distinct startups. Tarka's unique blend of academic rigor, hands-on development, and commercial acumen positions him perfectly to spearhead our technological vision and drive transformative growth.

Along with Oliver Willett, Tarka is co-founder of Arcterix SARL ("Arcterix"), a bespoke AI and custom software solutions company, and original developer of the Pointor AI intellectual property based out of Paris, France. Arcterix is a pioneering AI industry company that operates within Europe for its global client base building and training AI models and AI solutions for both large and small enterprises.

OLIVER WILLETT – DIRECTOR

Oliver Willett brings a unique blend of start-ups and investment experience across a broad range of sectors including AI, fintech, agri-tech, e-commerce and impact, and has a proven track record in leading innovative projects. He sits on the boards of multiple companies, advising on strategy, finance, operations and commercialization. Over the last 30 years he has raised over \$100m in successful venture financings and has advised on mergers, acquisitions and disposals of over \$500m.

Along with Tarka L'Herpiniere, Oliver is a co-founder of Arcterix, a bespoke AI and custom software solutions company, and original developer of the Pointor AI intellectual property.

TIM FERNBACK – CHAIRMAN AND DIRECTOR

Mr. Fernback brings over 30 years of experience in financing public and private companies in Canada. Mr. Fernback obtained a Bachelor of Science, Honours (B.Sc.) from McMaster University in Hamilton, Ontario and a Master of Business Administration (MBA) with a concentration in Finance from the University of British Columbia. Mr. Fernback holds a Certified Professional Accounting (CPA, CMA) designation in Canada and is currently director of several publicly traded companies in Canada.

RYAN CHEUNG - DIRECTOR

Ryan Cheung, CPA, CA, is the founder and managing partner of MCPA Services Inc, Chartered Professional Accountants, in Vancouver, Canada. Mr. Cheung serves as a director and/or officer and consultant for several public and private companies, providing financial reporting, taxation and strategic guidance. He has been an active member of the Chartered Professional Accountants of British Columbia (formerly Institute of Chartered Accountants of British Columbia) since January 2008. Mr. Cheung holds a diploma in accounting from the University of British Columbia and a Bachelor of Commerce in international business from the University of Victoria.

ROBERT SETTER – DIRECTOR

Robert Setter is the former Senior Financial Editor for Report on Mining and has been consulting with publicly trading companies for over a decade. In addition to AC/DC, Mr. Setter has held other board of director positions. Mr. Setter holds a degree in Economics from UBC. Since 2000 he has held several key positions including Research Manager, Corporate Research and Analytics and has been involved in the launch of dozens of new enterprises assisting with financing, cash flow forecasting, strategic client acquisition and planning. Mr. Setter brings over two decades of business development, marketing and resource experience to the Company.

ROBERT GUANZON – CFO

Mr. Guanzon serves as Chief Financial Officer of several junior resource companies listed on the TSXV. Mr. Guanzon holds a Bachelor of Science degree in Accounting and brings extensive experience in dealing with financial and accounting matters as well corporate strategy.

TINA WHYTE – CORPORATE SECRETARY

Tina Whyte brings over 20 years of experience in the corporate and securities industry. Her expertise spans to areas of corporate governance, continuous disclosure, financing transactions and regulatory filings and compliance. Ms. Whyte holds corporate secretary positions with other publicly listed companies.

Executive Compensation

Compensation Discussion and Analysis

Following completion of the Transaction, it is expected that the executive compensation structure of the Resulting Issuer and the philosophy of the directors of the Resulting Issuer in respect of executive compensation will be substantially similar to that of Pointor AI. For information on the compensation structure and philosophy of Pointor AI, please see the discussion under the heading *“Information Concerning the Target Company – Compensation Discussion and Analysis”*.

Summary Compensation Table – Proposed Compensation

The following table sets forth a proposed compensation plan for the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of Resulting Issuer after the completion of the listing.

Name and Position	Salary, consulting fee, retainer or commission Annual (\$)	Bonus (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation Annual (\$)
Jessie (Fan) Johnson President & CEO	133,200	Nil	Nil	Nil	133,200
Robert Guanzon CFO	60,000	Nil	Nil	Nil	60,000

Executive compensation will be determined by the board of directors of the Resulting Issuer following the completion of the Transaction based on the recommendation of the Compensation Committee (once such committee is established).

Incentive Plans Awards

Share-based awards

During the 12 month period following completion of the Transaction, it is expected that the Resulting Issuer will grant share-based awards, being awards granted under an equity incentive plan of equity-based instruments that may have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, and/or deferred share units.

Option-based awards

The Resulting Issuer intends to grant option-based awards, being awards under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features by granting stock options to its directors, officers and employees, however, the timing, amounts, exercise price and the recipients of such issuances have not yet been determined. Such stock options are expected to be granted under the Fuse Stock Option Plan which will be assumed by the Resulting Issuer. For an overview of the Fuse Stock Option Plan, please see the discussion under the heading "Stock Option Plan".

Pension Plan Benefits

During the 12 month period following completion of the Transaction, it is not expected that the Resulting Issuer will provide for defined benefit plans or defined contribution plans, being plans that provide for payments or benefits at, following, or in connection with retirement, or provide for deferred compensation plans.

Compensation of Directors

It is anticipated that the directors of the Resulting Issuer will be paid fees for their services, however, the amounts of such fees will be determined at the discretion of the board of directors of the Resulting Issuer following completion of the Transactions. The Resulting Issuer may also grant stock options to directors in recognition of the time and effort that such directors devote to the Resulting Issuer.

Indebtedness of Directors and Officers

Other than as disclosed herein, no individual who is, or at any time since the beginning of the most recently completed financial year of Pointor AI or the Issuer, was, a director or officer of Pointor AI or the Issuer, no proposed director or officer of the Resulting Issuer, and no associate of any such director, officer or proposed nominee, is indebted to Pointor AI or any of its subsidiaries or the Issuer or Fuse Sub (other than for "routine indebtedness" as defined by applicable securities legislation) or has any indebtedness that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Pointor AI, or the Issuer.

Investor Relations Arrangements

There are no agreements for investor relations arrangements at this time.

Options to Purchase Securities

Other than as set out in the table below, as at the date of this Information Circular, there are no stock options to purchase securities of the Resulting Issuer that will be held upon completion of the Transaction and the Financing by:

- proposed officers of the Resulting Issuer as a group and proposed directors of the Resulting Issuer who are not also officers as a group;
- officers of all subsidiaries of the Resulting Issuer as a group and directors of those subsidiaries who are not also officers of the subsidiary as a group;
- other employees of the Resulting Issuer as a group;
- consultants of the Resulting Issuer as a group; and
- any other person or company, including any agent or underwriter.

The following table sets out information, as of the date of this Information Circular, on options to purchase Resulting Issuer Shares that will be held upon completion of the Transaction to the extent presently known and subject to applicable regulatory approvals:

Class of Optionee	Type of Security	Number of Resulting Issuer Shares Under Option	Exercise Price (C\$)	Expiry Date
Proposed Officers	Resulting Issuer Options	6,454,487	\$0.05	Five years from the date of grant
Proposed Directors (other than officers)	Resulting Issuer Options	3,227,244	\$0.05	Five years from the date of grant
Former Directors and Officer	Resulting Issuer Options	1,613,622 500,000	\$0.05 \$0.05	Five years from the date of grant
Other Employees	Resulting Issuer Options	0	0	Five years from the date of grant
Consultants	Resulting Issuer Options	1,000,000	\$0.05	Five years from the date of grant
TOTAL				

Stock Option Plan

Upon completion of the Transaction, the Resulting Issuer will retain the Fuse Stock Option Plan adopted by the Issuer. See "FUSE - STOCK OPTION PLAN".

Escrowed Securities

Resulting Issuer Escrowed Shares

The following table sets out, as of the date of this Information Circular and to the knowledge of Fuse and Pointor AI, the name and municipality of residence of the Resulting Issuer Shareholders whose Resulting Issuer Shares (the "Resulting Issuer Escrowed Shares") will be subject to a Exchange Form 5D –Escrow Agreement (on an undiluted basis):

Name and Municipality of Residence of Shareholder	Escrowed Securities ⁽¹⁾	Number and Percentage of Securities Giving Effect to the Financing and the Transaction ⁽²⁾
Jessie (Fan) Johnson (CEO and Director)	33,333,334 Resulting Issuer Shares 8,333,333	(28.51%)
Oliver Willett (Director)	8,333,333 Resulting Issuer Shares	(6.53%)
Tarka L'Herpiniere (CTO and Director)	8,333,333 Resulting Issuer Shares	(6.53%)
Total	50,000,000 Resulting Issuer Shares	(41.57%)

Notes:

1. The escrow agent of these Resulting Issuer Shares will be Olympia Trust Company.
2. Assuming no Resulting Issuer Shares are purchased pursuant to the Financing.

Release Terms of the Escrow for the Escrowed Shares

Pursuant to the Escrow Agreement, the Escrowed Shares are held in escrow by Olympia Trust Company as the escrow agent. The Escrow Agreement provide that the Escrowed Shares shall not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the written consent of the Exchange. Under the Escrow Agreement, 10% of the Escrowed Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the “**Initial Release**”) and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. If the Resulting Issuer meets the Exchange’s Tier 1 minimum listing requirements, the release of the Escrow Shares will be accelerated. An accelerated escrow release will not commence until the Resulting Issuer has made an application to the Exchange for listing as a Tier 1 issuer and the Exchange has issued a bulletin that announces the acceptance for listing of the Resulting Issuer on Tier 1 of the Exchange.

Where the Resulting Issuer Escrowed Shares are held by a non-individual (a “**holding company**”), each holding company pursuant to the applicable escrow agreement has agreed, or will agree, not to carry out any transactions during the currency of the escrow agreement which would result in a change of control of the holding company, without the consent of the Exchange. Any holding company must sign an undertaking to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities that could reasonably result in a change of control of the holding company. In addition, the Exchange may require an undertaking from any control person of the holding company not to transfer the shares of that company.

The Resulting Issuer Escrowed Shares may not be transferred within escrow without the approval of the Exchange for release or transfer other than in specified circumstances set out in the applicable escrow agreement.

Auditor(s), Transfer Agent(s) and Registrar(s)

It is anticipated that the independent auditors of the Resulting Issuer subsequent to the Completion of the Transaction will continue to be Shim & Associates LLP, at its Vancouver office at 900 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

It is anticipated that the registrar and transfer agent for the Resulting Issuer Common Shares subsequent to the Completion of the Transaction will continue to be Olympia Trust Company, at its Vancouver office, located at 1900 - 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2, Canada.

Risks Related to the Reverse Takeover

Please see Appendix “H” to this Information Circular for more information regarding the risks related to the Reverse Takeover.

Risk Mitigation Following the Reverse Takeover

Fuse has structured its business model to mitigate risks associated with AI investments, software development, and technology commercialization. Fuse is focused on a balanced approach that combines strategic investments with proprietary AI development. This strategy ensures full ownership and control over intellectual property, reducing reliance on external companies while eliminating the risk of overpaying for speculative AI ventures. By investing in both internal AI product development and selectively investing in businesses that align with its technology ecosystem, Fuse can build scalable, high-margin solutions tailored for SMEs. Additionally, by leveraging a cost-efficient AI development framework, Fuse minimizes capital expenditure through a lean engineering structure, cloud-based infrastructure, and the use of pre-existing AI frameworks to accelerate product development. These measures enable the Company to bring AI-powered solutions to market efficiently while maintaining financial discipline.

The Company's diversified business model ensures sustainable revenue generation and long-term stability by combining technology ownership and strategic investments. Unlike firms that solely rely on acquisitions or passive equity holdings, Fuse's hybrid approach allows it to generate direct revenues through AI solution sales, licensing agreements, and equity partnerships. By adopting a SaaS model, Fuse benefits from predictable, recurring revenue streams rather than one-time sales, enhancing capital efficiency and reducing customer acquisition costs. By developing, investing, and monetizing AI solutions, Fuse has positioned itself for sustained growth, financial resilience, and long-term Shareholder value. Management believes that there are no material risks involved with

having its initial operations developing software in Europe for an international market.

Non-Arm's Length Party Transactions

Within the 24 months prior to the date of this Information Circular, the Company has not acquired any assets or services from any director or officer of the Company, or any Shareholder who beneficially owns more than 10% of the Shares other than those services rendered by Otherwise pursuant to the DSA.

Exchange Approvals

The Reverse Takeover constitutes a “Reverse Takeover” pursuant to the Exchange Policies. As at the date of this Information Circular, the Company has not received conditional approval of the Reverse Takeover from the Exchange. There can be no assurance that the Company will be able to satisfy the requirements of the Exchange such that the Exchange will provide final approval of the Reverse Takeover and issue the Final Exchange Bulletin (as such term is defined in Exchange Policies).

Reverse Takeover Resolution

Policy 5.2 requires the Company obtain Shareholder approval of the Reverse Takeover by way of an ordinary resolution of Shareholders. In the event that the resolution is not passed or if the Company is unable to obtain Exchange final approval, then the Reverse Takeover may not be completed and the Company will have to reconsider its strategic direction.

At the Meeting, Shareholders will be asked to approve the following ordinary resolution (the “**Reverse Takeover Resolution**”), which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Reverse Takeover Resolution:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. The Company be and is hereby authorized to proceed with the Reverse Takeover of the Company from an “investment issuer” to a “technology issuer” (the “**Reverse Takeover**”), as more particular described in the Company’s information circular dated November 17, 2025, be and is hereby ratified, confirmed and approved;
2. The Company be and is hereby authorized to prepare and file any application for orders, consents and approvals and any other documents reasonably considered necessary under applicable laws in connection with the Reverse Takeover, and the previous actions of the directors of the Company in approving, preparing and filing any such documents are hereby ratified and approved;
3. The board of directors of the Company is hereby authorized, at any time in its sole discretion, to determine whether or not to proceed with this resolution without further approval, ratification or confirmation by the Shareholders.
4. Any director or officer of the Company be and is hereby authorized to prepare, execute on behalf of the Company, as required, and file any and all documents necessary to give effect to this ordinary resolution and to take any and all such other actions and complete and execute any and all such other documents as may be required to carry out the intent and purpose of these resolutions.”

The form of the Reverse Takeover Resolution set forth above is subject to such amendments as management of the Company may propose at the Meeting, but which do not materially affect the substance of the Reverse Takeover Resolution.

Recommendation of the Board

After considering, among other things, the items set out above, the Board unanimously concluded that the Reverse Takeover is in the best interests of the Company.

Management recommends that Shareholders vote for the approval of the Reverse Takeover. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Reverse Takeover Resolution.

Approval of Amended Stock Option Plan

Subject to the approval of the Transaction Resolution, Shareholders will be asked to adopt the resolution set out below ratifying and approving the Amended Stock Option Plan (the "Amended Stock Option Plan").

At the Meeting, the shareholders of the Company will be asked to approve the following resolution:

"BE IT RESOLVED that:

1. Subject to the closing of the Transaction and the completion of the Private Placement Financing whereby 991,500,000 shares will be issued, Fuse will have an issued and outstanding share capital in the amount of 129,129,745 as described in the Information Circular, be and it is hereby ratified and approved on behalf of Fuse and Fuse shareholders as the stock option plan for AC/DC, subject to regulatory approval;
2. the Board of Directors of Company be authorized to grant options under and subject to the terms and conditions of the Amended Stock Option Plan, which may be exercised to purchase up to an aggregate of a fixed 20% of the issued and outstanding common shares of the Company; and
3. the Board of Directors of the Company be and is hereby authorized, without further shareholder approval, to make such changes to the Company's Amended Stock Option Plan as may be required or approved by the regulatory authorities.

Management recommends that shareholders vote in favour of the foregoing resolution, and the persons named in the enclosed form of proxy intend to vote for the approval of the foregoing resolution at the Meeting unless otherwise directed by the shareholders appointing them.

Creation of New Control Person

In connection with the successful closing of the Transaction, Fan (Jessie) Johnson, CEO of the Company will hold 33,333,334 shares which represents 25.81% of the issued and outstanding shares of the Company upon completion of the Transaction which the TSX Venture Exchange requires on a disinterested basis shareholder approval to create a new "Control Person", as more particularly described below.

TSX Venture Exchange Requirements

Under the policies of the TSXV, a "Control Person" of the Company is any person that holds (or is one of a combination of persons that hold) (i) a sufficient number of any securities of the Company so as to affect materially the control of the Company or (ii) more than 20% of the outstanding voting shares of the Company, except where there is evidence showing that such person(s) does not materially affect the control of the Company.

The policies of the TSXV require that if a transaction will result in the creation of a new Control Person of the Company, the Company must obtain approval of its shareholders on a disinterested basis - meaning the approval of shareholders holding a majority of shares held excluding shares held by the proposed new Control Person and its associates and affiliates ("Disinterested Shares").

The shareholders will be asked to consider, and if thought fit, pass, with or without variation, an ordinary resolution to ratify, confirm and approve the creation of Jessie Johnson, as a new Control Person of the Company:

"BE IT RESOLVED THAT:

1. subject to regulatory approval, and in accordance with the policies of the TSX Venture Exchange, the shareholders of the Company hereby approve Jessie Johnson, as a new Control Person of the Company, as defined by the policies of the TSX Venture Exchange; and
2. any one director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute under the seal of the Company or otherwise, and to deliver, all such other deeds, documents, instruments and assurances and to do all such other acts may be deemed necessary to carry out the terms of the foregoing resolution."

Management recommends a vote "FOR" the approval of the foregoing resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed Proxy intend to vote FOR the approval of the foregoing resolution.

ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at c/o 3028 Quadra Court, Coquitlam, British Columbia Canada V3B 5X6, to request copies of the Company's financial statements and related MD&A. Financial information is provided in the Company's audited financial statements and MD&A for the most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR+ at www.sedarplus.ca.

SPONSORSHIP OF THE REVERSE TAKEOVER

Pursuant to Policy 2.2 of the Exchange Corporate Finance Manual, sponsorship is generally required in conjunction with a Reverse Takeover. Fuse has applied for and obtained a waiver of the sponsorship requirement in connection with the Reverse Takeover from the Exchange on the basis that, pursuant to Section 3.4(a) of Policy 2.2, it would not be contrary to the public interest, as Fuse is not a Foreign Issuer (as defined in Policy 2.2) and that the directors and officers of the Company collectively: (a) possess a positive record with junior companies; (b) have the ability to raise financing; (c) have a positive corporate governance record; (d) have the technical experience required of the industry sector; and (e) show a positive record of experience as directors or senior officers with public companies in Canada or the United States.

EXPERTS

Shim & Associates LLP is the independent auditor of the Company. To the knowledge of management of Fuse, as of the date hereof, neither Shim & Associates LLP, nor any Associate or Affiliate thereof, has any beneficial interest, direct or indirect, in the securities or property of Fuse.

OTHER MATTERS

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved, and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

DATED at Vancouver, British Columbia this 17th day of November, 2025.

**ON BEHALF OF THE BOARD OF
DIRECTORS OF
FUSE BATTERY METALS INC.**

"Tim Fernback"

Tim Fernback
CEO and Director

APPENDIX "A"

Audited Annual Financial Statements and MD&A for Fuse as at December 31, 2023



Fuse Battery Metals Inc.

**Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Fuse Battery Metals Inc.

Opinion

We have audited the accompanying consolidated financial statements of Fuse Battery Metals Inc. (the "Company"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at 31 December 2023, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The consolidated financial statements of the Company as at 31 December 2022, and for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 21 April 2023.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditors' report.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditors' report thereon, included in Management's Discussion and Analysis report.

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

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

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

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

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

SHIM & Associates LLP
Chartered Professional Accountants

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Dong H. Shim.

"SHIM & Associates LLP"

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
April 15, 2024

Fuse Battery Metals Inc.
Consolidated Statements of Financial Position
As at 31 December 2023 and 2022
(Expressed in Canadian dollars)

	Notes	2023	2022
ASSETS		\$	\$
Current assets			
Cash	5	1,097,000	2,024,884
Amounts receivable		5,420	53,163
Prepaid expenses		10,370	12,833
		1,112,790	2,090,880
Exploration and evaluation properties	6	4,603,920	4,308,142
Total assets		5,716,710	6,399,022
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	7	20,744	43,119
		20,744	43,119
Equity			
Share capital	9	39,307,200	39,237,200
Reserves	9	9,374,351	8,360,801
Obligation to issue shares	6, 9	-	70,000
Deficit		(42,985,585)	(41,312,098)
Total equity		5,695,966	6,355,903
Total equity and liabilities		5,716,710	6,399,022

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 14)

APPROVED BY THE BOARD:

“Tim Fernback”
 Tim Fernback “Robert Setter”
 Robert Setter

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

Fuse Battery Metals Inc.

Consolidated Statements of Loss and Comprehensive Loss

For the years ended 31 December 2023 and 2022

(Expressed in Canadian dollars)

	Notes	2023	2022
Administration expenses		\$	\$
Accounting and audit fees		34,590	26,980
Consulting fees	8	417,694	379,049
Legal fees		6,531	6,279
Marketing and communications		46,059	999,265
Office expenses		7,650	58,392
Rent		2,000	24,000
Share-based payments	8,9	1,013,550	1,015,198
Transfer agent and regulatory fees		69,913	102,104
Travel, lodging and food		70,373	30,056
Loss before other items		(1,668,360)	(2,641,323)
Other income (expense)			
Foreign exchange loss		(5,152)	(2,053)
Interest income		25	27
Net loss and comprehensive loss for the year		(1,673,487)	(2,643,349)
Loss per share			
Basic and diluted	10	(0.009)	(0.018)

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

Fuse Battery Metals Inc.
Consolidated Statements of Cash Flows
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

	Notes	2023	2022
OPERATING ACTIVITIES		\$	\$
Loss for the year		(1,673,487)	(2,643,349)
Adjustment for:			
Share-based payments	8,9	1,013,550	1,015,198
Changes in operating working capital:			
Decrease (increase) in amounts receivable		47,743	(50,427)
Decrease in prepaid expenses		2,463	9,323
Decrease in trade and other payables		(22,375)	(6,917)
Cash used in operating activities		(632,106)	(1,676,172)
INVESTING ACTIVITIES			
Exploration and evaluation properties expenditures	6	(295,778)	(522,603)
Cash used in investing activities		(295,778)	(522,603)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares, net	9	-	3,061,800
Exercise of warrants	9	-	120,000
Exercise of options	9	-	357,500
Cash from financing activities		-	3,539,300
Increase (decrease) in cash		(927,884)	1,340,525
Cash, beginning of year		2,024,884	684,359
Cash, end of year		1,097,000	2,024,884
Supplemental cash flow information (Note 11)			
Interest paid		-	-
Income taxes paid		-	-

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

Fuse Battery Metals Inc.

Consolidated Statements of Changes in Equity For the years ended 31 December 2023 and 2022 (Expressed in Canadian dollars)

	Notes	Number of common shares	Share Capital	Reserves	Obligation to issue shares	Deficit	Total
Balances, 31 December 2021		110,367,897	\$ 36,618,009	\$ 6,425,494	\$ -	\$ (38,668,749)	\$ 4,374,754
Shares issued for:							
Common shares	9	62,900,000	3,145,000	-	-	-	3,415,000
Exercise of warrants	9	1,846,154	159,701	(39,701)	-	-	120,000
Exercise of options	9	7,300,000	763,586	(406,086)	-	-	357,500
Shares to be issued to acquire properties	6, 9	-	-	-	70,000	-	70,000
Share issue costs	9	4,534,750	(101,083)	17,883	-	-	(83,200)
Share-based payments	9	-	-	1,015,198	-	-	1,015,198
Value assigned to warrants	9	-	(1,348,013)	1,348,013	-	-	-
Net loss and comprehensive loss for the year		-	-	-	-	(2,643,349)	(2,643,349)
Balances, 31 December 2022		186,948,801	39,237,200	8,360,801	70,000	(41,312,098)	6,355,903
Shares issued to acquire properties	6, 9	1,000,000	70,000	-	(70,000)	-	-
Share-based payments	9	-	-	1,013,550	-	-	1,013,550
Net loss and comprehensive loss for the year		-	-	-	-	(1,673,487)	(1,673,487)
Balances, 31 December 2023		187,948,801	39,307,200	9,374,351	-	(42,985,585)	5,695,966

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

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Fuse Battery Metals Inc. (the “Company”) was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in exploration and evaluation properties in the province of Ontario, Canada and held an interest in exploration and evaluation properties in the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange (“TSXV”) having the symbol FUSE, as a Tier 2 mining issuer and is in the process of exploring its exploration and evaluation properties.

The head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company had cash of \$1,097,000 at 31 December 2023 (2022: \$2,024,884), but management cannot provide assurance that the Company will ultimately achieve profitable operations, or raise additional debt and/or equity capital.

The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company’s continuing operations and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its mineral property interests, and on future profitable production from or proceeds from the disposition of its mineral property interests. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

2. BASIS OF PREPARATION

2.1 Basis of consolidation

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

Subsidiary	Country of Incorporation	Equity interest at	
		2023	2022
Ignition Battery Metals Inc.	Canada	100%	-
Fuse Cobalt USA Inc.	United States	100%	100%

Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

On 14 July 2023, the Company formed Ignition Battery Metals Inc. and subscribed to 100% of its shares.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

2.2 Basis of presentation

The Company's consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 12.

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary, and all values are rounded to the nearest dollar.

2.3 Statement of compliance

The consolidated financial statements of the Company have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

2.4 Approval of the consolidated financial statements

The consolidated financial statements of the Company for the year ended 31 December 2023 were approved and authorized for issue by the Board of Directors on 15 April 2024.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Accounting standards issued but not yet effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

3.2 Foreign currency transactions

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect on that date. At the year-end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the year-end date and the related translation differences are recognized in net income.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently remeasured.

3.3 Restricted cash

The Company, from time to time, issues flow-through shares and renounces qualified exploration expenditures to the subscribers of such shares. Amounts renounced but not yet expended form the basis for the restricted cash.

3.4 Exploration and evaluation properties

Following the acquisition of a legal right to explore a property, all direct costs related to the acquisition and exploration of the property are deferred until the property to which they relate is placed into production, sold, allowed to lapse or abandoned. Mineral property acquisition costs include cash consideration and the fair market value of common shares issued for mineral property interests based on the trading price of the shares. These costs will be amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned. Once commercial production has commenced, the net costs of the applicable property, will be charged to operations using the unit-of-production method based on reserves. Proceeds received from the sale of any interest in a property are first credited against the carrying value of the property, with any excess included in the consolidated statement of loss and comprehensive loss for the year. On an ongoing basis, the Company evaluates each property based on results to date to determine the nature of exploration work that is warranted in the future. Impairment may occur in the carrying value of mineral interests when one of the following conditions exists:

- i) The Company's work program on a property has significantly changed, so that previously identified resource targets or work programs are no longer being pursued;
- ii) Exploration results are not promising and no more work is being planned in the foreseeable future; or
- iii) The remaining lease terms are insufficient to conduct necessary studies or exploration work.

Once impairment has been determined, the carrying value will be written-down to net recoverable amount. When the carrying value of the property exceeds its recoverable amount, which is the higher of the asset's fair value less costs to sell and value in use, the asset is written down accordingly. As a result, the direct costs related to the acquisition of mineral property interests in excess of estimated recoveries are written off to impairment of exploration and evaluation properties in the statement of loss and comprehensive loss.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

The Company enters into property option agreements, whereby the Company will transfer part of a mineral interest, as consideration for the incurring of certain exploration and evaluation expenditures by the optionee which would otherwise have been undertaken by the Company. The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the property, with any excess cash accounted for as a gain on disposal.

3.5 Impairment of long-lived assets

The recoverability of long-lived assets is assessed when an event occurs that indicates impairment. Recoverability is based on factors such as future asset utilization and the future discounted cash flows expected to result from the use or sale of the related assets. An impairment loss is recognized in the period when it is determined that the carrying amount of the asset will not be recoverable. At that time, the carrying amount is written down to the recoverable amount, which equals the higher of fair value less costs to sell and value in use. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.6 Financial instruments

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive net loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the year in which they arise.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

3.7 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

3.8 Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that they relate to items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

3.9 Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares, share warrants and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

3.10 Flow-through shares

The Company, from time to time, issues flow-through common shares to finance a portion of its exploration programs. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through shares into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium reversal is recognized as a reduction in the deferred tax expense and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for qualifying Canadian resource property exploration expenditures, within the prescribed period. The portion of proceeds received but not yet expended at the end of the period is disclosed separately within restricted cash.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back rule, in accordance with Government of Canada income tax regulations. When applicable, this tax is accrued as a financial expense until paid.

3.11 Loss per share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period. Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

3.12 Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted.

Where the terms and conditions of options are modified before they vest, any increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of loss and comprehensive loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the consolidated statement of loss and comprehensive loss, unless they are related to the issuance of shares, in which case they are recorded as a reduction of share capital.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, the shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

3.13 Leases

IFRS 16, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This Company had no leases that qualified under IFRS 16 during the years ended 31 December 2023 and 2022.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern.

5. CASH

The Company's cash is denominated in the following currencies:

31 December	2023	2022
Denominated in Canadian dollars	\$ 1,041,017	\$ 2,015,828
Denominated in U.S. dollars	55,983	9,056
Total cash	1,097,000	2,024,884

Fuse Battery Metals Inc.

Notes to the Consolidated Financial Statements For the years ended 31 December 2023 and 2022 (Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION PROPERTIES

Exploration and evaluation properties include the following amounts for the year ended 31 December 2023:

	Glencore Bucke Cobalt	Teledyne Cobalt	Lithium Springs	Monitor Valley	Total
ACQUISITION COSTS	\$	\$	\$	\$	\$
Balance, 1 January 2023	380,000	2,010,000	81,170	75,870	2,547,040
Balance, 31 December 2023	380,000	2,010,000	81,170	75,870	2,547,040
EXPLORATION AND EVALUATION COSTS					
Balance, 1 January 2023	890,398	870,704	-	-	1,761,102
Assaying	20,733	-	-	-	20,733
Field expenses	-	-	-	17,619	17,619
Geological	-	-	-	194,491	194,491
Maintenance, claim fees	-	2,295	28,505	32,135	62,935
Balance, 31 December 2023	911,131	872,999	28,505	244,245	2,056,880
Total costs – 31 December 2023	1,291,131	2,882,999	109,675	320,115	4,603,920

Exploration and evaluation properties include the following amounts for the year ended 31 December 2022:

	Glencore Bucke Cobalt	Teledyne Cobalt	Lithium Springs, Nevada	Monitor Valley, Nevada	Total
ACQUISITION COSTS	\$	\$	\$	\$	\$
Balance, 1 January 2022	380,000	2,010,000	-	-	2,390,000
Additions	-	-	81,170	75,870	157,040
Balance, 31 December 2022	380,000	2,010,000	81,170	75,870	2,547,040
EXPLORATION AND EVALUATION COSTS					
Balance, 1 January 2022	695,886	624,914	-	-	1,320,800
Drilling	-	221,804	-	-	221,804
Engineering and consulting	-	3,225	-	-	3,225
Field expenses	123,118	13,300	-	-	136,418
Geological	71,394	5,520	-	-	76,914
Maintenance, claim fees	-	1,941	-	-	1,941
Balance, 31 December 2022	890,398	870,704	-	-	1,761,102
Total costs – 31 December 2022	1,270,398	2,880,704	81,170	75,870	4,308,142

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

Canada:

Glencore Bucke Cobalt Project:

On 31 August 2017, the Company entered into a property purchase agreement to acquire a 100% interest from Glencore Canada Corporation in the Glencore Bucke Property, situated in Bucke Township of Cobalt, Ontario, subject to a back-in provision, production royalty and off-take agreement.

In order to earn the 100% interest in the mineral claims, the Company is required to issue shares and make payments as follows:

	Cash Payment	Expenditures
Upon signing (paid)	\$ 150,000	\$ -
On or before 28 February 2018 (paid and incurred)	350,000	250,000
	500,000	250,000

The agreement is subject to a 3.5% Net Smelter Royalty (“NSR”). One-half of the royalty can be purchased for \$1,000,000.

On 28 February 2018, the Company paid \$350,000 and completed its obligations under the property purchase agreement.

On 7 May 2018, the Company entered into a property option agreement with Surge Exploration Inc. (“Surge”) whereby Surge can acquire the right to earn an undivided and up to 60% interest in to the Glencore Bucke Claims and Teledyne Claims located in the Timiskaming District of the Province of Ontario. The option agreement is “non-arm’s length” and is a related party transaction due to an officer in common between Surge and the Company.

Pursuant to the terms of the Option Agreement, Surge has 24 months within which to exercise the option as follows:

	Cash Payment	Share issuances	Expenditures
Upon Exchange Approval (received)	\$ 240,000	100,000	\$ -
On or before two years anniversary (cancelled)	-	-	1,536,000
	240,000	100,000	1,536,000

The \$240,000 cash received was allocated \$120,000 to Glencore Bucke and \$120,000 to the Teledyne Cobalt Property.

On 24 February 2020, the Company negotiated the early termination of the Option Agreement originally announced on 7 May 2018 with Surge. The Company will retain 100% interest in the property by the early cancellation of the Option Agreement and all rights in regards to the property will revert back to the Company upon the Company issuing to Surge 5,000,000 common shares (issued with a fair value of \$225,000, allocated to the Teledyne Cobalt Property).

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

Teledyne Cobalt Project:

On 8 September 2016, the Company entered into an option agreement with New Found Gold Corp. (formerly Palisade Resources Corp.) to acquire a 100% interest, in and to certain mineral claims located in Timiskaming, Ontario subject to a 2% NSR upon commencement of commercial production.

On 2 April 2018, the Company and New Found Gold Corp. signed an amending agreement for the Teledyne Cobalt Project:

In order to earn the 100% interest in the mineral claims, the Company was required to issue 1,000,000 shares (issued with a fair value of \$1,070,000) and make payments of \$835,000 (paid).

United States:

Lithium Springs Property:

On 28 November 2022, the Company entered into a purchase agreement to purchase placer claims located at south end of the Black Rock Desert outside of the hamlet of Gerlach in Washoe County, Nevada.

Terms:

- (a) making a cash payment to the vendor in the amount of \$46,170 (US\$33,982) (paid) upon signing the agreement;
- (b) issuing to the vendor 500,000 fully paid and non-assessable common shares of the Company upon TSXV acceptance of the transaction (issued) (Note 9).

Monitor Valley North Property:

On 28 November 2022, the Company entered into a purchase agreement to purchase placer claims located northeast of Tonopah, Nevada. On 22 March 2023, the final Purchase Sale Agreement closed.

Terms:

- (a) making a cash payment to the vendor in the amount of \$40,870 (US\$30,081) (paid) upon signing the agreement;
- (b) issuing to the Vendor 500,000 fully paid and non-assessable common shares of the Company upon TSXV acceptance of the transaction (issued) (Note 9).

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

7. TRADE AND OTHER PAYABLES

The Company's trade payables and accrued liabilities are principally comprised of amounts for administrative activities. These are broken down as follows:

31 December	2023	2022
Trade payables	\$ 744	\$ 23,119
Accrued liabilities	20,000	20,000
Total trade and other payables	20,744	43,119

8. RELATED PARTY TRANSACTIONS

For the years ended 31 December 2023 and 2022, the Company had transactions with the following key management personnel and companies related by way of directors, officers or shareholders in common.

8.1 Key management personnel compensation

The remuneration of directors and other members of key management for the years ended 31 December 2023 and 2022 are as follows:

	2023	2022
Consulting fees to Director and former President	\$ 24,000	19,000
Consulting fees to Director, President and Chief Executive Officer (“CEO”)	72,000	12,000
Consulting fees to Chief Financial Officer (“CFO”)	57,500	54,500
Consulting fees to the Corporate Secretary	74,000	67,000
Consulting fees to the former Director and former Chairman	-	37,500
Consulting fees to a company controlled by a former director	-	6,000
Share based payments	159,149	105,331
Total related party transactions	386,649	301,331

9. SHARE CAPITAL

9.1 Authorized share capital

The Company has an authorized share capital of an unlimited number of common shares with no par value.

As at 31 December 2023, the Company had 187,948,801 common shares issued and outstanding (2022: 186,948,801).

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

9.2 Share issuance

a) Private Placements

- On 15 December 2022, the Company issued 30,000,000 non flow-through (“NFT”) units at a price of \$0.05 per unit for cash proceeds of \$1,500,000. Each NFT unit is comprised of one NFT common share of the Company and one warrant exercisable during the five years following the closing to purchase one additional NFT common share for \$0.065. The Company allocated a fair value of \$707,514 to the warrants. The Company paid finder’s fees of 2,249,750 NFT common shares, \$45,450 cash and 300,000 finders’ warrants. The fair value of the finders’ warrants was estimated at \$17,883 using the Black-Scholes Option Pricing Model.
- On 26 January 2022, the Company issued 32,900,000 NFT units at a price of \$0.05 per unit for cash proceeds of \$1,645,000. Each NFT unit is comprised of one NFT common share of the Company and one warrant exercisable during the five years following the closing to purchase one additional NFT common share for \$0.065. The Company allocated a fair value of \$640,499 to the warrants. The Company paid finder’s fees of 2,285,000 NFT common shares and \$37,750 cash.

b) Exercise of Options

- During the year ended 31 December 2022, the Company issued 7,300,000 common shares related to the exercise of 7,300,000 stock options at an exercise price between \$0.025 to \$0.050 per share for proceeds of \$357,500. The average share price on the dates the options were exercised was \$0.049.

c) Exercise of Warrants

- During the year ended 31 December 2022, the Company issued 1,846,154 common shares related to the exercise of 1,846,154 warrants at an exercise price between \$0.025 to \$0.050 per share for proceeds of \$120,000. The average share price on the dates the warrants were exercised was \$0.049.

d) Acquisition of properties

- During the year ended 31 December 2023, the Company issued 500,000 common shares at a fair value of \$35,000 to acquire Lithium Springs Property (Note 6).
- During the year ended 31 December 2023, the Company issued 500,000 common shares at a fair value of \$35,000 to acquire Monitor Valley Property (Note 6).
- During the year ended 31 December 2022, the Company recorded an obligation to issue 1,000,000 common shares at a fair value of \$70,000 to acquire the Lithium Springs Property and the Monitor Valley North Property (Note 6).

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

9.3 Stock option plan

The Company adopted a stock option plan whereby it is authorized to grant options to executive officers and directors, employees and/or consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. Effective 1 February 2024, the aggregate maximum number of common shares issuable under the plan is 30,939,610 common shares. The aggregate number of options granted to one optionee in a 12-month period is limited to 5% of the issued common shares of the Company or 2% for consultant or IR consultant.

The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but shall not be less than the last closing price of the Company's common shares on the day before the date on which the Directors grant such options.

Vesting of options is at the discretion of the Board is except for IR consultant, which is over a period of not less than 12-months.

The following is a summary of the changes in the Company's stock option activities for the years ended 31 December 2023 and 2022:

	31 December 2023		31 December 2022	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Outstanding, beginning of year	10,650,001	\$ 0.052	1,390,001	0.113
Granted	15,450,000	0.052	18,250,000	0.050
Exercised	-	-	(7,300,000)	0.049
Cancelled/expired	(1,100,000)	0.050	(1,690,000)	0.094
Outstanding, end of year	25,000,001	0.052	10,650,001	0.052
Exercisable, end of year	25,000,001	0.052	10,650,001	0.052

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

The following table summarizes information regarding stock options outstanding and exercisable as at 31 December 2023:

Exercise price	Number of options outstanding	Number of options exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise price
Options				\$
\$0.07	1,000,000	1,000,000	1.58	0.070
\$0.055	1	1	2.52	0.055
\$0.0525	15,250,000	15,250,000	4.09	0.0525
\$0.05	8,150,000	8,150,000	3.03	0.050
\$0.05	400,000	400,000	3.59	0.050
\$0.05	200,000	200,000	4.30	0.050
Total	25,000,001	25,000,001	3.64	0.052

The weighted average fair value of the options granted during the years ended 31 December 2023 and 2022 was estimated at \$0.07 per option (2022: \$0.06) at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

31 December	2023	2022
Risk free interest rate	2.81-3.15%	1.42-2.92%
Expected life	5 years	2 years
Expected volatility	159-161 %	159-171%
Expected dividend per share	-	-

Total expenses arising from share-based payments recognized during the year ended 31 December 2023 was \$1,013,550 (2022: \$1,015,198) using the Black-Scholes Option Pricing Model.

9.4 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 31 December 2023 and 2022:

	31 December 2023		31 December 2022	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Outstanding, beginning of year	61,553,846	\$ 0.065	200,000	0.033
Granted	-	-	63,200,000	0.065
Exercised	-	-	(1,846,154)	0.065
Outstanding, end of year	61,553,846	0.065	61,553,846	0.065

Fuse Battery Metals Inc.

Notes to the Consolidated Financial Statements For the years ended 31 December 2023 and 2022 (Expressed in Canadian dollars)

During the year ended 31 December 2022, in conjunction with the private placements, the Company issued a total of 62,900,000 share purchase warrants.

The following table summarizes information regarding share purchase warrants outstanding and exercisable as at 31 December 2023:

Exercise price	Number of warrants outstanding	Weighted-average remaining contractual life (years)	Weighted-average exercise price
Share purchase warrants			\$
\$0.033	200,000	1.25	0.033
\$0.065	31,053,846	3.07	0.065
\$0.065	30,300,000	3.96	0.065
Total	61,553,846	3.50	0.065

The weighted average fair value of the warrants granted during the year ended 31 December 2023 was \$Nil (2022: \$0.022) per warrant at the grant date using the Black-Scholes Pricing Model. The weighted average assumptions used for the calculation were:

31 December	2023	2022
Risk free interest rate	-	1.84-3.14%
Expected life	-	2 years
Expected volatility	-	148-166%
Expected dividend per share	-	-

10. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

31 December	2023	2022
Net loss for the year	\$ (1,673,487)	\$ (2,643,349)
Weighted average number of shares – basic and diluted	187,703,596	147,037,579
Loss per share, basic and diluted	\$ (0.009)	\$ (0.018)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, share purchase warrants and convertible debentures, in the weighted average number of common shares outstanding during the year, if dilutive. All of the stock options and warrants were anti-dilutive for the years ended 31 December 2023 and 2022.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

11. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash investing and financing transactions:

During the year ended 31 December 2023, the Company had \$Nil (2022: \$4,739) in accounts payable related to exploration and evaluation expenditures.

During the year ended 31 December 2023, the Company issued 1,000,000 common shares valued at \$70,000 to acquire the Lithium Springs and Monitor Valley Properties (Note 6).

12. FINANCIAL INSTRUMENTS

12.1 Categories of financial instruments

31 December	2023	2022
FINANCIAL ASSETS, at FVTPL	\$	\$
Cash	1,097,000	2,024,884
Total financial assets	1,097,000	2,024,884
FINANCIAL LIABILITIES, at amortized cost		
Trade payables	744	23,119
Total financial liabilities	744	23,119

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

12.2 General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Board of Directors receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board of Directors is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

12.3 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market price is comprised of interest rate risk.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decrease on the interest rate offered on cash held with chartered Canadian financial institutions. Interest rate risk is assessed as minimal.

12.4 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. Credit risk is assessed as minimal.

12.5 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash and restricted cash balances. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

As at 31 December 2023, the Company had a cash balance of \$1,097,000 (2022: \$2,024,884) and receivables of \$5,420 (2022: \$53,163) to settle current liabilities due in twelve months or less of \$20,744 (2022: \$43,119) and carry out its planned exploration program in the coming year. Management seeks additional financing through the issuance of equity instruments and liquidation of its marketable securities, either partial or in full, to continue its operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Liquidity risk is assessed as high.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

12.6 Currency Risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations. Currency risk is assessed as minimal.

12.7 Determination of Fair Value

The carrying amounts for cash, amounts receivable, and trade payables approximate fair value due to their short-term nature.

13. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to maintain an appropriate capital base in order to:

1. advance the Company's corporate strategies to create long-term value for its stakeholders;
2. sustain the Company's operations and growth throughout metals and materials cycles; and
3. ensure compliance with the covenants of any applicable credit facility and other financing facilities used from time to time.

The Company monitors its capital and capital structure on an ongoing basis to ensure it is sufficient to achieve the Company's short-term and long-term strategic objectives. Management primarily funds the Company's exploration by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. Management closely monitors its cash balance. The balance of cash as at 31 December 2023 was \$1,097,000 (2022: \$2,024,884). The Company does not currently have significant debt outstanding and there are presently no formal capital requirements with which the Company has not complied.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the year ended 31 December 2023.

14. COMMITMENTS AND CONTINGENCIES

- a) The Company has indemnified the subscribers of flow-through shares of the Company issued in prior years against any tax related amounts that may become payable as a result of the Company not making eligible expenditures.
- b) The Company's exploration and evaluation activities are subject to various Canadian federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

c) As at 31 December 2023, the Company owns various exploration and evaluation properties (Note 6). Management does not consider that any amounts related to decommissioning liabilities are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these obligations in the future.

15. INCOME TAXES

The provision for income taxes for the years ended 31 December 2023 and 2022 consist of:

Year ended 31 December	2023	2022
Net loss for the year	\$ 1,673,487	\$ 2,643,349
Canadian federal and provincial income tax rates	27%	27%
Expected income tax recovery	451,841	713,704
Permanent differences	(275,876)	(252,174)
Change in prior year provision	-	333
Change in unrecognized deferred tax assets	(175,965)	(461,863)
Total income tax recovery	-	-

The tax effect of temporary differences that give rise to the Company's net future income tax assets is as follows:

As at 31 December	2023	2022
Deferred tax assets		
Non-capital loss	\$ 4,711,653	\$ 4,525,350
Net capital loss	34,324	34,324
Mineral properties, tax value in excess of carrying value	887,209	887,209
Share issue costs	17,319	27,657
Less: deferred tax assets not recognized	5,650,505 (5,650,505)	5,474,540 (5,474,540)
Total deferred tax assets	-	-

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

As at 31 December 2023, the Company had capital losses in Canada totaling \$254,252 that may be carried forward indefinitely, cumulative exploration and development expenses of \$7,889,881, and a non-capital loss carry forward of \$17,450,566 available for tax purposes in Canada which expires as follows:

Year of Expiry	Tax Operating Losses
2026	\$ 1,078,204
2027	2,192,340
2028	1,115,553
2029	749,913
2030	807,608
2031	904,618
2032	525,041
2034	304,766
2035	435,883
2036	1,159,054
2037	2,423,043
2038	1,482,342
2039	412,647
2040	1,002,443
2041	502,652
2042	1,664,448
2043	690,011
Total non-capital losses	17,450,566

16. SEGMENTED INFORMATION

The Company's only business activity is exploration and development of exploration and evaluation properties carried out in Canada.

The breakdown of geographic area for the year ended 31 December 2023 is as follows:

31 December 2023	Canada	USA	Total
Total expenses	\$ 1,668,360	-	\$ 1,668,360
Current assets	1,112,790	-	1,112,790
Exploration and evaluation properties	4,174,130	429,790	4,603,920
Total assets	5,286,920	429,790	5,716,710

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2023 and 2022
(Expressed in Canadian dollars)

The breakdown of geographic area for the year ended 31 December 2022 is as follows:

31 December 2022	Canada	USA	Total
Total expenses	\$ 2,641,323	\$ -	\$ 2,641,323
Current assets	2,090,880	-	2,090,880
Exploration and evaluation properties	4,151,102	157,040	4,308,142
Total assets	6,241,982	157,040	6,399,022



Fuse Battery Metals Inc.

**Amended
Management's Discussion and Analysis**

For the year ended 31 December 2023

The following management discussion and analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2023. Results have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All monetary amounts are reported in Canadian dollars unless otherwise indicated. This MD&A is dated 15 April 2024.

This MD&A contains forward-looking information. See "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

For further information on the Company reference should be made to the Company's public filings which are available on SEDAR website (www.sedar.com).

DESCRIPTION OF BUSINESS

Fuse Battery Metals Inc., formerly Fuse Cobalt Inc. (the “Company” or “Fuse”), was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in resource properties in the province of Ontario, Canada and the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange (“TSXV”) under the symbol FUSE, as a Tier 2 mining issuer and in the process of exploring its mineral properties.

On 31 January 2023, the Company changed its name to Fuse Battery Metals Inc. The Company’s shares commenced trading under the new name effective, 2 February 2023. The Company’s trading symbol FUSE remained the same.

The head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

Unless the context suggests otherwise, references to “Fuse” or the “Company” or “we”, “us”, “our” or similar terms refer to Fuse Battery Metals Inc. (formerly Fuse Cobalt Inc.)

FORWARD-LOOKING STATEMENTS

This MD&A may contain forward-looking statements that involve a number of known and unknown risks and uncertainties including statements regarding the outlook of Fuse’s business and results of operations. By their nature, these risks and uncertainties could cause actual results, performance and achievements to differ materially from those indicated. Such factors include, without limitation, risks inherent in mineral exploration, the Company’s history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, and environmental risks. Readers should not place undue reliance on these forward-looking statements which speak only as of the date the statements were made, and are also advised to consider such forward looking statements while considering the risks set forth below.

Fuse disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as is required by applicable securities regulations.

PROJECT OVERVIEW

Ontario Properties:

Fuse currently is exploring two mineral properties in the Timiskaming District of Ontario known as the Glencore Bucke and Teledyne Cobalt Properties. The Properties are located in Bucke and Lorrain Townships, 6 km east-northeast of Cobalt, Ontario. The Properties are situated in the historical Cobalt mining camp, that dates back to 1903 when silver was first discovered there. This was one of the world’s largest silver camps, having produced an estimated 464,853,101 oz Ag (13,178,364 kg), 25,329,992 lb Co (11,489,491 kg) from 1904 to 1988 (Pressaco, Webster, and Zalnieriunas, 2008).

On 7 May 2018, the Company entered into an option agreement (the “Surge Option Agreement”) with Surge Exploration Inc. (“Surge”) whereby Surge could earn an undivided 60% interest in the Glencore Bucke and the Teledyne Cobalt Properties subject to cash payments of \$240,000 (received), share issuance of 1,000,000 shares of Surge and exploration expenditures of \$1,536,000 on or before two years from the date of the Surge Option Agreement. Upon Surge having exercised the Option, Surge will have earned an undivided 60% interest in the Cobalt Properties, and the parties will enter into a Commercially Reasonable and Definitive Joint

Venture Agreement. The Surge Option Agreement is “non-arm’s length” and is a related party transaction due to an officer in common between Fuse and the Company. The Company received an independent third-party fairness opinion from Bruce Laird, P.Geo. concluding that the terms of the Surge Option Agreement between the Company and Surge is fair to the shareholders of the Company.

On 24 February 2020, the Company negotiated the termination of the Surge Option Agreement. Upon the issuance 2,500,000 common shares of Fuse to Surge. Fuse will retain 100% interest in the Glencore Bucke and Teledyne Claims, located near Cobalt, Ontario and Surge will have no further direct rights to the Properties.

Glencore Bucke Project

Fuse entered into a property purchase agreement dated 31 August 2017 with Glencore Canada Corporation (subsidiary of Glencore plc) (“Glencore”) of Baar Switzerland, LSE: GLEN to acquire a 100% interest in the Glencore Bucke Property situated in Bucke Township, 6 km east-northeast of Cobalt, Ontario. On 28 February, 2018, the Company completed its obligations under the purchase agreement.

The Glencore Bucke property consists of two patented mining claims totaling approximately 16.2 ha in area and sits along the west boundary of Fuse’s Teledyne Cobalt Project. In 1981, Teledyne leased mining claim 585 (“Glencore Bucke Property”) from Falconbridge Nickel Mines Ltd., as the company recognized the significant exploration potential that the Property had due to the possible southern extensions of the Cobalt Contact veins on mining claim T43819 that projected southward onto the Property. In the same year, Teledyne completed 36 diamond drill holes totaling 10,903 ft (3323.3 m) on the Property. The drilling program outlined two separate vein systems hosting significant cobalt and silver values. The two zones are known as the Main Zone, measuring 152.4 m in length, and the Northwest Zone, measuring 70.0 m in length. The Main Zone had a north-south strike, which is hypothesized as the southern extension of the #3 vein from the Cobalt Contact Mine located immediately to the north of the Property. Additional work was recommended but never completed due to a downturn in cobalt prices at the time. Based on the surface drill program completed by Teledyne, historical reserves of 60,000 tons in the geologically inferred category, and 15,000 tons in the probable category, at an average grade of 0.45% Co, 3.0 oz/t Ag was estimated (Linn, 1983). The historical reserve estimate contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. The Company is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

In the fall of 2017, Fuse completed 21 diamond drill holes totalling 1,913.50 m on the Glencore Bucke Property. Fuse’s Phase 1 diamond drill program was designed to confirm and extend the existing known mineralized zones on the Property. The program tested the Main Zone for a strike length of approximately 55 m and the Northwest Zone for a strike length of approximately 45 m. Due to the nature of the mineralization, drill holes were closely spaced apart, generally at 10 m along sections, and 12.5 m between sections on average. The most significant results include:

- GB17-03 that intersected 0.76% Co, 1 ppm Ag over 1.0m from 21.15 to 22.15 m.
- GB17-04 that intersected 1.62% Co, 7 ppm Ag over 0.50 m from 16.25 to 16.75 m.
 - Including 3.11% Co, 13.8 ppm Ag over 0.25m from 16.5 to 16.75m
- GB17-06 that intersected 0.25% Co, 12 ppm Ag over 1.75 m from 22.50 to 24.25 m.
 - Including 1.15% Co and 50.8 ppm Ag over 0.25m from 23.5 to 23.75m.
- GB17-06 that intersected 4.45% Co, 34.2 ppm Ag over 0.30 m from 44.40 to 44.70 m.
- GB17-07 that intersected 1.11% Co, 16.6 ppm Ag over 2.00 m from 98.5 to 100.50 m.

- Including 7.64% Co and 9.1 ppm Ag over 0.26m from 99.79 to 100.05m.
- GB17-10 that intersected 0.55% Co, 0.8 ppm Ag over 5.00 m from 28.00 to 33.00 m.
- GB17-13 that intersected 0.92% Co, 2.85 ppm Ag over 2.00 m from 34 to 36 m
 - Including 4.09% C and 6.6 ppm Ag over 0.3 m from 35.1 to 35.4 m
- GB17-13 that intersected 0.46% Co, 132.5 ppm Ag over 0.90 m from 77.60 to 78.50 m.
- GB17-13 that intersected 0.55% Co, 16.9 ppm Ag over 0.60 m from 100.80 to 101.40 m.
- GB17-15 that intersected 0.55% Co, 2.1 ppm Ag over 0.90 m from 27.50 to 28.40 m.
- GB17-15 that intersected 8.42% Co, 136 ppm Ag over 0.30 m from 62.40 to 62.70 m.
- GB17-18 that intersected 0.43% Co, 86.8 ppm Ag over 0.90 m from 80.10 to 81.00 m.
- GB17-19 that intersected 0.75% Co, 111.1 ppm Ag over 0.60 m from 46.00 to 46.60 m.
- GB17-20 that intersected 0.44% Co, 19.4 ppm Ag over 4.05 m from 60.25 to 64.30 m.
- Including 0.76% Co, 31.3 ppm Ag over 2.3m
- Including 3.54% Co, 49.4 ppm Ag over 0.3m from 62.8 to 63.1m
- GB17-21 that intersected 0.73% Co, 50.0 ppm Ag over 0.60 m from 69.70 to 70.30 m.

Drill Intercept locations and QAQC procedures are disclosed in the Teledyne Technical Report: [Fuse Battery Technical Report Feb 4'21.pdf](#)

The aforementioned intervals represent core lengths, and not true widths.

During the fall of 2018, Fuse completed 24 diamond drill holes totaling 2,559.03 m on the Glencore Bucke Property. The Phase 2 program was planned with the intent of intersecting mineralized zones along strike and vertically above and below previous intersections reported by Fuse in 2017 on the Main and Northwest Zones. In addition, the Phase 2 program tested several outlying targets, drill hole GB18-41 was completed to test for mineralization at depth beneath a historical trench and intersected anomalous cobalt mineralization. To the south, drill holes GB18-42 to GB18-45 were completed in a fence 200 m south of recent drilling on the Main and North West Zones (2017 and 2018 Fuse) in an area where no known historical drilling had been completed. Selected significant results for drill holes GB18-22 through to GB18-45 include:

- GB18-26 that intersected 0.29 % Co over 0.25 m from 79.25 to 79.50 m.
- GB18-27 that intersected 0.47 % Co, 0.82% Cu over 2.33 m from 94.42 to 96.75 m
 - Including 1.3% Co, 0.97% Cu over 0.83 m from 94.42 to 95.25 m.
- GB18-29 that intersected 0.06% Co, 1.28% Cu over 3.75 m from 61.75 to 65.50 m
 - Including 0.24% Co, 0.43% Cu over 0.40 m from 63.00 to 63.40 m.
- GB18-30 that intersected 0.70 % Co over 0.50 m from 40.00 to 40.50 m.
- GB18-31 that intersected 0.13% Co over 1.85 m from 54.75 to 56.60 m,
 - Including 0.65% Co over 0.35 m from 56.25 to 56.60 m.
- GB18-33 that intersected 0.26% Co over 0.25 m from 31.70 to 31.95m, and 0.37% Co over 0.25 m from 32.15 to 32.40 m.
- GB18-34 that intersected 0.63% Co, 1.63% Cu over 2.00 m from 108.25 to 110.25 m,
 - Including 2.01% Co, 0.28% Cu over 0.45 m from 109.80 to 110.25 m.
- GB18-35 that intersected 0.87% Co, 1.02% Cu over 0.25 m from 80.10 to 80.35 m.
- GB18-36 that intersected 1.48% Co, 0.38% Cu over 0.50 m from 93.50 to 94.00 m.
- GB18-38 that intersected 0.26% Co, 0.44% Cu over 0.55m from 76.25 to 76.80 m.
- GB18-39 that intersected 0.62% Co over 0.50 m from 89.50 to 90.00 m, and 0.61% Co over 0.40 m from 93.35 to 93.75 m.
- GB18-40 that intersected 0.12% Co, 0.33% Cu over 0.75 m from 94.75 to 95.50 m.
- GB18-44 that intersected 0.26 % Co, 1.16% Cu over 3.15 m from 110.60 to 113.75 m,

- Including 0.57% Co, 0.27% Cu over 0.65 m from 110.60 to 111.25 m.
- GB18-45 that intersected 0.43% Cu, 1.04% Zn over 7.90 m from 104.00 to 111.90 m,
 - Including 2.01% Cu, 0.55% Zn over 0.70 m from 109.00 to 109.70 m.

Drill Intercept locations and QA/QC procedures are disclosed in the Teledyne Technical Report: [Fuse Battery Technical Report Feb. 4'21.pdf](#)

The aforementioned intervals represent core lengths, and not true widths.

In Summer of 2022, the company directed Simcoe Geoscience to conduct an IP survey utilizing the Alpha IP Wireless Time Domain Distributed Technology System over the Glencore/Buck Project. The objective of the survey was to resolve narrow vein cobalt and silver mineralization and any cross-cutting structures to a depth of approximately 125m on 400m long grid lines with a 50m line spacing.

Following the IP survey, the company conducted a drill program on the Bucke Property in Autumn of 2022. The drill program completed 13 drill holes for a total of 1842 meters. Five holes in the north to follow up on T-18, GB17-21, GB18-36, and GB17-15 further down dip of the existing structure. Successfully the new holes had comparable results and prove the mineralization continues further at depth in the Main Zone. Four holes were planned east and southward to test IP anomalies interpreted to be structural features of interest, no significant values reported. Toward the south, four holes to follow up GB18-44, test geophysical targets and determine if structures or veins trend onto the Teledyne. These holes contained two excellent cobalt results suggesting the mineralization may continue further southward onto the Teledyne.

Key highlights from the 2022 drill campaign:

- GB22-46 intercepted 1.8% Cu over 5.58m from 101.39 to 106.97m, including 3.54% Cu over 1.00m from 105.00 to 106.00m. It also intercepted 0.39% Co and 0.58% Cu over 0.75m from 137.70m to 138.45m.
- GB22-47 intercepted 2.06% Cu and 0.18% Co over 6.85m from 103.15 to 110.00m, including 3.94% Cu and 0.84% Co over 0.54m from 104.91 to 105.45m.
- GB22-49 intercepted 1.46% Cu over 2.00m from 123.00 to 125.00m.
- GB22-50 intercepted 7.75% Co and 5.44% Ni over 0.42m from 55.38 to 55.80m, and 2.17% Cu over 3.93m from 66.88 to 70.81m, including 4.01% Cu over 0.93m from 67.87 to 68.80m.
- GB22-55 intercepted 5.71% Co and 3.14% Ni over 0.47m from 64.16 to 64.63m.
- GB22-56 intercepted 5.56 % Co and 2.66 % Ni over 0.52m from 99.00 to 99.52m.
- GB22-50 contained up to 11.9 grams per tonne Au from initial statistics the gold grade is strongly correlated with Nickel and Cobalt. Nickel and Cobalt also have a strong correlation.

This campaign had many successful intercepts, a more complete list can be found in the 5 September 2023 News Release.

Teledyne Cobalt Project

In 2016, Fuse entered into an option agreement to acquire up to a 100% interest, subject to a 2% net smelter royalty ("NSR"), on the Teledyne Cobalt Property. In the spring of 2018, Fuse announced that it had amended and accelerated the option agreement, and that it earned a 100% interest in the Property with the vendors retaining the 2% NSR.

The Property, located in Bucke and Lorrain Townships, consists of 5 patented mining claims totaling 79.1 ha, and 46 unpatented mining claim cells totaling approximately 700 ha. The Property is easily accessible by highway 567 and a well-maintained secondary road.

The Property adjoins the south and west boundaries of claims that hosted the Agaunico Mine. From 1905 through to 1961, the Agaunico Mine produced a total of 4,350,000 lbs. of cobalt ("Co"), and 980,000 oz. of silver ("Ag") (Cunningham-Dunlop, 1979). A significant portion of the cobalt that was produced at the Agaunico Mine was located along structures that extended southward towards the northern boundary of patented mining claim PAT-49017, part of the Teledyne Cobalt Property. Cobalt mineralization consisted of cobaltite and smaltite hosted within steeply dipping veins and extensive disseminations within Huronian sedimentary rocks. From 1951 through to 1957, the average Co content of the ores mined at the Agaunico Mine was approximately 0.5%. In 1955, 526,000 lbs. of Co, 146,000 oz. of Ag, 117,000 lbs. of nickel ("Ni"), and 81,000 lbs. of copper ("Cu") were extracted from 62,000 tons of ore (Cunningham-Dunlop, 1979).

In 1953, Big Agaunico Mines Ltd. carried out a drilling program on a portion of Fuse's Teledyne Cobalt Property to locate the extension of the south-striking Agaunico cobalt-rich Vein 15. Drill holes No. 8 and No. 12 intersected 0.58% Co over 5 ft (1.5 m), and 0.46% Co over 3 ft (0.9 m) respectively. The aforementioned intervals represent core lengths, and not true widths. These intersections, located 350 ft (106.7 m) and 600 ft (182.9 m) south of the northern claim boundary of claim 372, confirmed the likely extension of the Agaunico cobalt zone (Vein #15) onto the Property (Cunningham-Dunlop, 1979).

In 1979, Teledyne Canada Ltd. ("Teledyne") completed six surface diamond drill holes and encountered a zone of cobalt mineralization that extended 640 ft (195 m) south from the claim boundary. In 1980, Teledyne completed a 10 ft (3.0 m) by 13 ft (4.0 m) access decline at a decline of -15 degrees for length of approximately 2,300 ft (701.0 m) to facilitate underground exploration of the mineralization zone encountered in their surface diamond drilling program. A total of 6,167 ft (1,879.7 m) of underground diamond drilling was completed in 22 drill holes (Bresee, 1981). The drill program confirmed the extension of the Agaunico cobalt zone onto patented mining claim PAT-49017 for a strike length of approximately 500 ft (152.4 m). The drill program also encountered a second zone with a strike length of 450 ft (137.2 m). Based on the surface and underground diamond drill programs, historical reserves of 60,000 tons in the geologically inferred category, and 40,000 tons in the probable category, at an average grade of 0.45% Co, 0.6 oz/t Ag was estimated (Linn, 1983). The historical reserve contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. The Company is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

Over \$25 million (inflation-adjusted) of past work has already been completed on the Teledyne Property. This work has resulted in valuable infrastructure, which includes a 10 ft (3.0 m) by 13 ft (4.0 m) access ramp at a decline of -15 degrees for a length of approximately 2,300 ft (701.0 m) constructed to facilitate underground exploration of the mineralized zone.

During the fall of 2017, Fuse completed 11 diamond drill holes totaling 2,204 m on the Teledyne Cobalt Property. Fuse's Phase 1 diamond drill program was designed to confirm and extend the existing known mineralization along strike, and up and down dip. The program tested the Teledyne Main Zone for a strike length of approximately 220 m. The most significant results include:

- TE17-01 that intersected 0.62% Co over 6.00 m from 136.00 to 142.00 m including 3.92% Co over 0.75 m from 140.25 to 141.00 m.

- TE17-02 that intersected 0.95% Co over 1.9 0m from 143.00 to 144.90 m,
 - Including 2.58% Co over 0.60 m from 144.30 to 144.90 m.
 - Including 4.80% Co over 0.30 m from 144.60 to 144.90 m.
- TE17-02 that intersected 0.59% Co over 3.90 m from 156.00 to 159.90 m, including 2.22% Co over 0.60 m from 156.60 to 157.20 m.
- TE17-04 that intersected 1.82% Co over 6.00 m from 138.00 to 144.00 m, including 5.06% Co over 1.75 m from 141.25 to 143.00 m.
 - Including 1.64% Co, 6.9 ppm Ag over 0.55m from 140.45 to 141.00 m
 - Including 4.31% Co, 15.2 ppm Ag over 0.39m from 141.25 to 141.64 m
 - Including 18.7% Co, 16 ppm Ag over 0.15m from 141.64 to 141.79 m
 - Including 7.25% Co, 8.7 ppm Ag over 0.45m from 142.05 to 142.5 m
 - Including 1.86% Co, 5.2 ppm Ag over 0.50m from 142.5 to 143.0 m
- TE17-05 that intersected 2.32% Co over 4.00 m from 126.50 to 130.50 m
 - Including 21.9% Co, 11.5ppm Ag over 0.36m from 127.64 to 128.0 m.
- TE17-05 that intersected 1.70% Co over 6.00 m from 136.00 to 142.00 m.
- TE17-07 that intersected 0.50% Co over 2.10 m from 127.60 to 129.70 m.
- TE17-08 that intersected 0.77% Co over 3.40 m from 169.50 to 172.90 m,
 - including 1.17% Co over 2.00 m from 169.50 to 171.50 m.
- TE17-08 that intersected 0.59% Co over 1.20 m from 174.00 to 175.20 m.
- TE17-08 that intersected 0.62% Co over 0.60 m from 178.60 to 179.20 m.
- TE17-11 that intersected 0.54% Co over 2.00 m from 130.00 to 132.00 m.

Drill Intercept locations and QAQC procedures are disclosed in the Teledyne Technical Report: [Fuse Battery Technical Report Feb. 4'21.pdf](#)

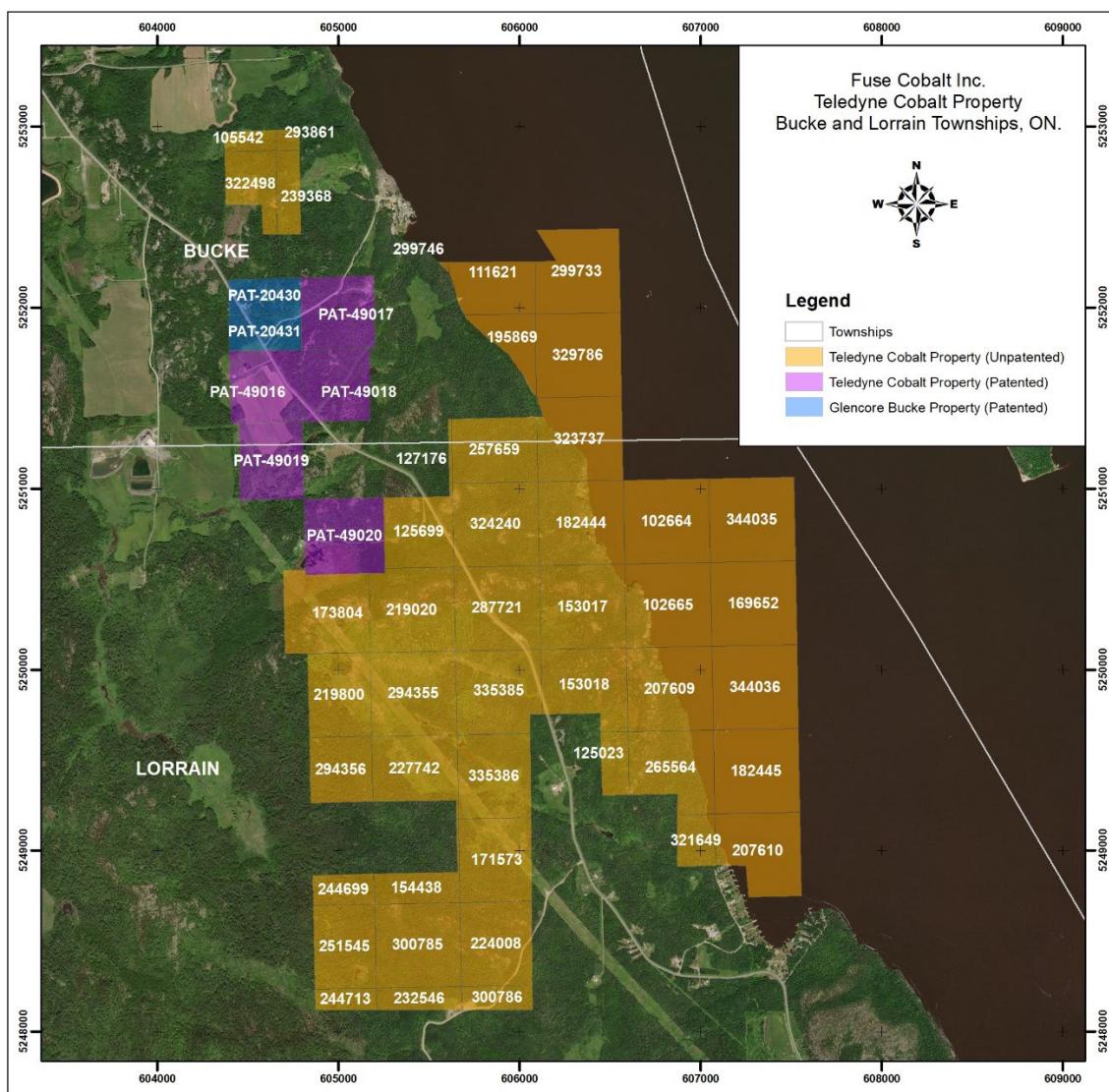
The aforementioned intervals represent core lengths, and not true widths.

During the fall of 2018, Fuse completed 9 diamond drill holes totaling 1,689.15 m on the Teledyne Cobalt Property. As at Glencore Bucke, the Phase 2 program was planned with the intent of intersecting mineralized zones along strike and vertically above and below previous intersections reported by Fuse in 2017. In addition, the Phase 2 program tested several outlying targets, both beneath a historical trench with veining present at surface, and to intersect the East Zone. Selected significant results for drill holes TE18-12 through to TE18-20 include:

- TE18-12 that intersected 1.12% Co over 5.20 m from 136.80 to 142.00 m.
 - Including 4.68% Co, 2.5 ppm Ag over 0.45m from 136.8 to 137.25m
 - Including 1.74% Co, 1.5 ppm Ag over 0.71m from 137.75 to 138.46 m
 - Including 2.71% Co, 1.2 ppm Ag over 0.35m from 139.75 to 140.10m
- TE18-13 that intersected 0.63% Co over 3.00 m from 167.40 to 170.40 m including 2.98% Co over 0.50 m from 167.40 to 167.90 m.
- TE18-14 that intersected 0.10% Co over 2.00 m from 128.50 to 130.50 m.
- TE18-15 that intersected 1.15% Co over 2.31 m from 122.00 to 124.31 m,
 - Including 4.26% Co, 4.5 ppm Ag over 0.5m from 123.81 to 124.31 m
- TE18-17 that intersected 1.33% Co over 4.35 m from 116.90 to 121.25 m,
 - Including 2.54% Co over 0.25m from 116.9 to 117.15m,
 - Including 5.79% Co over 0.35m from 117.8 to 118.15m,
 - Including 6.89% Co over 0.25 m from 120.50 to 120.75 m.
- TE18-19 that intersected 0.26% Co over 0.30 m from 151.30 to 151.60 m.

Drill Intercept locations and QA/QC procedures are disclosed in the Teledyne Technical Report: [Fuse Battery Technical Report Feb. 4'21.pdf](#)

The aforementioned intervals represent core lengths, and not true widths.



Qualified Person Statement

“Project Overview” and “Subsequent Event” sections of this MD&A have been reviewed and approved for technical content by Matt Halliday, P. Geo., an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

The Qualified Person has verified the data disclosed, including sampling and analytical data. The data was validated by reviewing the geological database and doing spot checks on key analytical results with the certificates of analysis. Drill depths were verified from the geological database and spot checked against the driller invoices. Claims were verified using MLAS reports. A review of pertinent historical literature on the

Teledyne was performed, mostly through data available from historic assessment reports on the Geology Ontario website. The QP found a copy of the Linn report in a the Branchwater Resources Ltd Report 1998, which outlines the historic resources.

Nevada, USA Properties:

Lithium Springs Property

In November 2022, Fuse entered a Purchase and Sale agreement to acquire a 100% interest in 108 placer claims. The claims cover approximately 858 hectares of playa and alluvial fan located at the south end of the Black Rock Desert outside of the hamlet of Gerlach in Washoe County, Nevada.

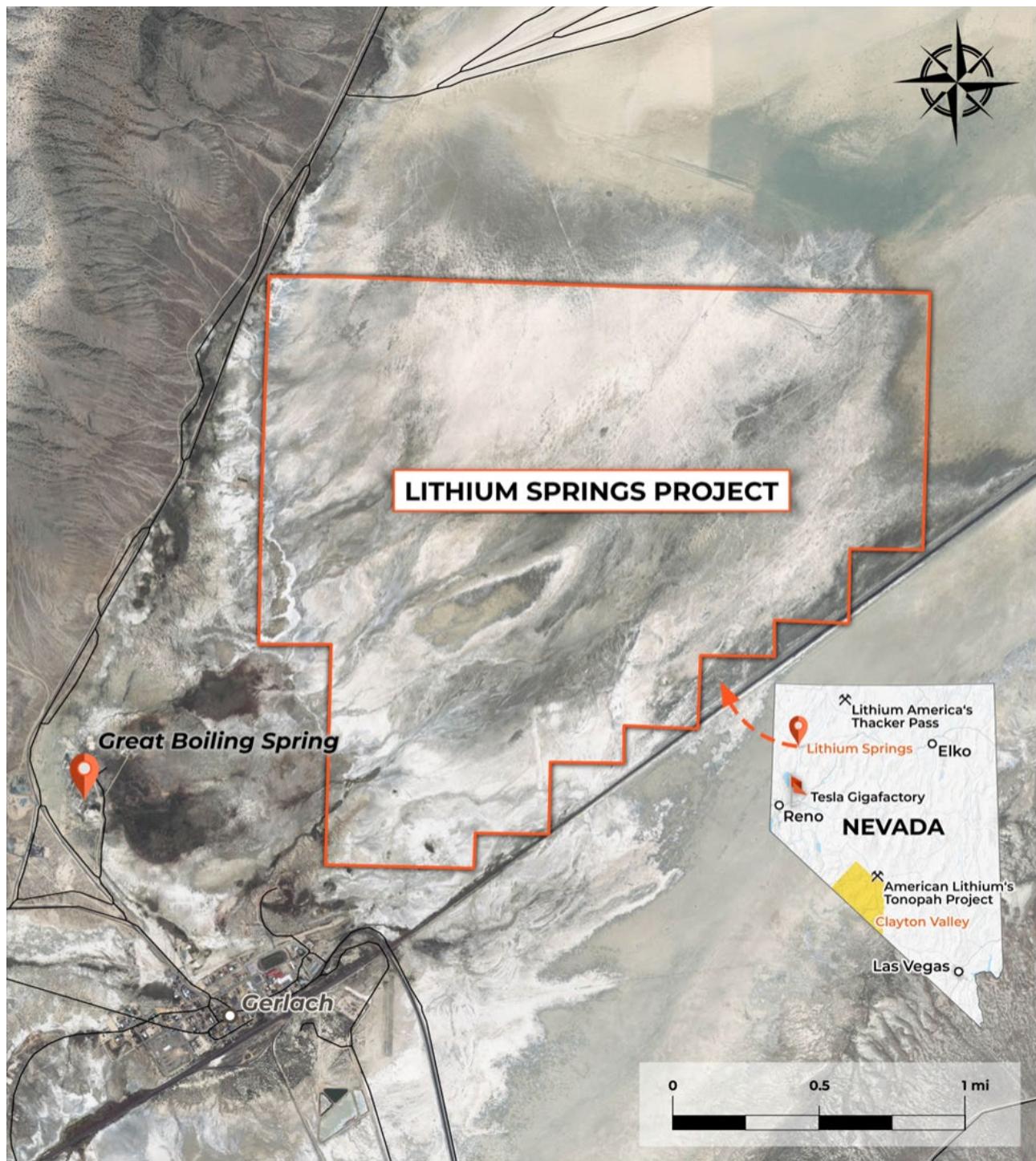
The project is located at the southern end of Black Rock Desert, Nevada, about 132 air-line km north-northeast of Reno, Nevada. Black Rock Desert basin is about 110 km long and up to 25 km wide at the widest point. The central playa measures about 50 km northeast – southwest and 10 km southeast – northwest. The western arm of the Black Rock Desert covers an area of about 2,000 square kilometers and contains 5 of the 30 currently listed Known Geothermal Resource Areas in Nevada.

The property covers an area of playa underlain by a moderately deep basin interpreted from gravity and seismic surveys indicating a maximum thickness of valley-fill deposits of about 1,200 m/ 3,600 ft. A high salt content prevents any significant vegetation from growing on the playa surface. Locally, the basin is being fed in part by boiling springs and siliceous sinter containing strongly anomalous Lithium values (up to 3.5 ppm) that flank the property on the west side. (U.S. GEOLOGICAL SURVEY Open-File Report 81-918.) While these lithium values are well below those of producing lithium bines, they do represent a significant source of metal available for evaporative concentration within the playa basin.

In 2016, a grid soil sampling program was conducted on the property, consisting of 170 sites where samples were collected at 200-meter intervals on lines spaced 400 meters apart. The results showed lithium values ranging from 82.8 to 520 ppm, with a median of 182 ppm, which were significantly higher than the background in the surrounding areas.

The presence of lithium in the active geothermal fluids and surface salts of the Black Rock Desert property, along with the local geologic setting, suggests similarities to lithium brine deposits in Clayton Valley, Nevada, and South America. The geothermal fluids in the nearby area have lithium concentrations in the 3 to 5 mg per liter range, which likely contributed to the surface sampling values.

These preliminary results justify further exploration for a Clayton Valley type brine and/or clay deposit. A reasonable expectation for the Company's First Phase exploration program would be to re-sample the area, complete a geophysical survey, and conduct a phased exploration program consisting of surface sampling, auger or push drill water sampling, and geophysical work to identify drilling sites for an initial drill test of the property. A subsequent Phase two exploration program may include additional surface and sub-surface sampling in the form of drilling, to test the property for lithium-bearing brine and/or clay deposits.



Monitor Valley North Property

In November 2022, Fuse entered into a Purchase and Sale Agreement whereby the Company became the legal and beneficial owner of 97 placer claims (MVN1 – MVN97) covering approximately 770 hectares of alluvial sediments and clays located 134 km northeast of Tonopah, Nevada.

The property is located in Monitor Valley, Nevada, about 138 km north-northeast of Tonopah, Nevada. The center of the property is about 39.21° North Latitude, 116.65° West Longitude. The property is 55 km due west of the Little Smokey Valley, Nevada where exploration for lithium is ongoing.

The Monitor Valley North Project is a sediment-hosted lithium clay target. The property is easily accessible for exploration and exploitation to be carried out throughout the year. A surface sampling program was conducted on a 100m x 100m grid across the property with grades ranging from 10ppm to 70 ppm. A Controlled Source Audio-frequency Magnetotelluric (CSAMT) geophysics program was conducted on the site, comprised of 9 E-W trending liens and a total of 17-line kilometers of data collected.



On 11 September 11 2023, KLM Geoscience mobilized to the Monitor Valley North Project to collect CSAMT data across the project site.

On 17 September 2023, Rangefront Geological mobilized to the Monitor Valley North Project to collect soil samples on a 100m x100m grid across the project site.

Qualified Person Statement

“Project Overview” and “Subsequent Event” sections of this MD&A have been reviewed and approved for technical content by Seth Cude, PG (Principal Geologist), an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

SELECTED ANNUAL AND QUARTERLY FINANCIAL INFORMATION

Selected Annual Financial Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars. The following table summarizes selected financial data for Fuse for each of the three most recently completed financial years. This information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with IFRS, and related notes.

	Years Ended 31 December (audited)		
	2023	2022	2021
Total revenues	\$ -	\$ -	\$ -
General and administrative expenses	(1,668,360)	(2,641,323)	(444,861)
Loss before other items in total	(1,668,360)	(2,641,323)	(444,861)
Net loss	(1,673,487)	(2,643,349)	(517,105)
Net income (loss) per share – Basic & fully diluted	(0.009)	(0.018)	(0.005)
Totals assets	5,716,710	6,399,022	4,420,051
Cash dividends declared per share	Nil	Nil	Nil

Selected Quarterly Financial Information

The following table sets out Fuse's summarized quarterly results for each of the eight most recently completed quarters. This financial data has been prepared in accordance with IFRS. All amounts are shown in Canadian dollars.

	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022
Loss from operations	\$(988,168)	\$(167,531)	\$(214,205)	\$(298,456)	\$(374,779)	\$(882,041)	\$(221,366)	\$(1,163,136)
Comprehensive Loss for the quarter	\$(991,173)	\$(168,936)	\$(214,964)	\$(298,411)	\$(381,458)	\$(874,552)	\$(221,093)	\$(1,166,243)
Diluted Income (Loss) per share	\$(0.003)	\$(0.001)	\$(0.001)	\$(0.002)	\$(0.002)	\$(0.004)	\$(0.001)	\$(0.011)

RESULTS OF OPERATIONS

For the year ended 31 December 2023 compared to the same period ended 31 December 2022.

Comprehensive loss for the year ended 31 December 2023 was \$1,673,487 as compared to \$2,643,349 for the same period in 2022. The decrease in comprehensive loss of \$969,862 was mainly attributable to the net effect of:

- Increase of \$7,610 in Accounting and audit fees, from \$26,980 in 2022 to \$34,590 in 2023.
- Increase of \$38,645 in Consulting fees, from \$379,049 in 2022 to \$417,694 in 2023.
- Increase of \$252 in Legal fees, from \$6,279 in 2022 to \$6,531 in 2023.
- Decrease of \$953,206 in Marketing and Communications, from \$999,265 in 2022 to \$46,059 in 2023.
- Decrease of \$50,742 in Office expenses, from \$58,392 in 2022 to \$7,650 in 2023.

- Decrease of \$22,000 in Rent, from \$24,000 in 2022 to \$2,000 in 2023.
- Decrease of \$1,648 in Share-based payments, from \$1,015,198 in 2022 to \$1,013,550 in 2023.
- Decrease of \$32,191 in Transfer agent and regulatory fees, from \$102,104 in 2022 to \$69,913 in 2023.
- Increase of \$40,317 in Travel, lodging and food, from \$30,056 in 2022 to \$70,373 in 2023.
- Increase of \$3,099 in Foreign exchange gain, from \$2,053 in 2022 to \$5,152 in 2023.

For the three months ended 31 December 2023 compared to the same period ended 31 December 2022.

Comprehensive loss for the three months ended 31 December 2023 was \$991,173 as compared to \$381,460 for the same period in 2022. The increase in comprehensive loss of \$609,713 was mainly attributable to the net effect of:

- Decrease of \$175 in Accounting and audit fees, from \$20,175 in 2022 to \$20,000 in 2023.
- Increase of \$8,483 in Consulting fees, from \$87,425 in 2022 to \$95,908 in 2023.
- Decrease of \$1,516 in Legal fees, from \$1,516 in 2022 to \$Nil in 2023.
- Decrease of \$244,286 in Marketing and Communications, from \$254,454 in 2022 to \$10,168 in 2023.
- Decrease of \$44,574 in Office expenses, from \$24,746 in 2022 to \$19,828(recovery) in 2023.
- Decrease of \$6,000 in Rent, from \$6,000 in 2022 to \$Nil in 2023.
- Increase of \$935,919 in Share-based payments, from \$81,704(recovery) in 2022 to \$854,215 in 2023.
- Decrease of \$41,050 in Transfer agent and regulatory fees, from \$47,017 in 2022 to \$5,967 in 2023.
- Increase of \$6,587 in Travel, lodging and food, from \$15,151 in 2022 to \$21,738 in 2023.
- Decrease of \$3,696 in Foreign exchange loss, from \$6,701 in 2022 to \$3,005 in 2023.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2023 the Company had \$1,097,000 in cash (2022: \$2,024,884). Working capital as at 31 December 2023 was \$1,092,046 (2022: \$2,047,761).

During the year ended 31 December 2023, the Company had a net decrease in cash of \$927,884 compared to \$1,340,525 – net increase as at 31 December 2022. The decrease cash in was mainly due to the net effect of general and administrative expenses during the year and common shares issuance in 2022.

From time to time the Company works to raise additional capital through private placements and other forms of equity financing. Its ability to fund exploration projects is dependent upon its ability to obtain sufficient funding for operations and is ultimately dependent on the recoverability of the amounts capitalized to mineral exploration properties. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. Because the Company is not yet a producer, the primary source of future funds is through the sale of additional equity capital and optioning of resource properties. There is no assurance that the Company will be successful in raising sufficient capital to meet its obligations. If it is not

successful in raising sufficient capital, it may have to curtail or otherwise limit operations. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

RELATED PARTY TRANSACTIONS

Except as set forth below and elsewhere within this MD&A, the Company has not entered into any related party transactions for the years ended 31 December 2023 and 2022.

The remuneration of directors and other members of key management for the years ended 31 December 2023 and 2022 are as follows:

31 December	2023	2022
Short-term benefits – consulting and corporate development fees	\$ 227,500	196,000
Share-based payments	159,149	105,331
Total key management personnel compensation	386,649	301,331

Related party transactions are summarized as follows:

31 December	2023	2022
Consulting fees to Director and former President	\$ 24,000	19,000
Consulting fees to Director, President and Chief Executive Officer (“CEO”)	72,000	12,000
Consulting fees to Chief Financial Officer (“CFO”)	57,500	54,500
Consulting fees to the Corporate Secretary	74,000	67,000
Consulting fees to the former Director and former Chairman	-	37,500
Consulting fees to a company controlled by a former director	-	6,000
Share based payments	159,149	105,331
Total related party transactions	386,649	301,331

OUTSTANDING SHARE DATA

The number of common shares outstanding as at 31 December 2023 was 187,948,801 shares (2022: 186,948,801).

CONTROLS AND PROCEDURES

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), Fuse utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing a Venture Issuer Basic Certificate do not make any representations relating to establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP ("IFRS").

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of Fuse's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided securities legislation.

RISK FACTORS

The mineral industry involves significant risks. In addition to the risk factors described elsewhere in this MD&A, the risk factors that should be taken into account in considering Fuse's business include, but are not limited to, those set out below. Any one or more of these risks could have a material adverse effect on the future prospects of the Company and the value of its securities.

Current Global Financial Condition

Current global financial conditions have been subject to increased volatility and turmoil. These factors may affect Fuse's ability to obtain equity financing in the future or, if obtained, to do so on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations as well as the trading price of its common shares could be adversely affected.

Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, Fuse's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves or resources through drilling, to develop metallurgical processes, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves.

The Company may be subject to risks that could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. Fuse attempts to balance these risks through insurance programs where required and ongoing risk assessments conducted by its technical team.

Commodity Prices

Fuse is in the business of exploring for base and precious metals, the market prices of which can fluctuate widely. Metal prices ultimately depend on demand in the end markets for which metals are used. Demand is affected by numerous factors beyond the Company's control, including the overall state of the economy, general level of industrial production, interest rates, the rate of inflation, and the stability of exchange rates, any of which can cause significant fluctuations in metals prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of metals has fluctuated widely in recent years and there are no assurances as to what will be the future prices of base and precious metals. In the course of its current operations, the Company does not enter into price hedging programs.

Environmental

Exploration projects and operations are subject to the environmental laws and applicable regulations of the jurisdiction in which Fuse operates. Environmental standards continue to evolve and the trend is to a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. If and when appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability.

Reliance upon Key Personnel

The Company is dependent upon a number of key management and operational personnel, including the services of certain key employees. Its ability to manage activities, and hence its success, will depend in large

part on the efforts of these individuals. During times when metals prices are strong, the Company faces intense competition for qualified personnel, and there can be no assurance that Fuse will be able to attract and retain such personnel at any time. Fuse does not maintain “key person” life insurance. Accordingly, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company.

Insurance

Fuse’s insurance will not cover all the potential risks associated with its operations. In addition, although certain risks are insurable, it might be unable to maintain insurance to cover these risks at economically feasible premiums. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Fuse or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that it may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Requirements to Obtain Government Permits

Government approvals and permits are currently required in connection with Fuse’s exploration activities, and further approvals and permits may be required in the future. The duration and success of the Company’s efforts to obtain permits are contingent upon many variables outside of its control. Obtaining government permits may increase costs and cause delays depending on the nature of the activity to be permitted and the interpretation of applicable requirements implemented by the permitting authority. There can be no assurance that all necessary permits will be obtained and if obtained, that the costs involved will not exceed Fuse’s estimates or that it will be able to maintain such permits. To the extent such approvals are required and not obtained or maintained, the Company may be prohibited from proceeding with planned exploration or development of mineral properties.

Joint Ventures

From time to time Fuse may enter into one or more joint ventures. Any failure of a joint venture partner to meet its obligations could have a material adverse effect on such joint ventures. In addition, the Company might be unable to exert influence over strategic decisions made in connection with properties that are involved in such joint ventures.

Exploration Risks

The exploration for and development of mineral deposits involves significant risks. Few properties that are explored are ultimately developed into producing mines. Whether a mineral deposit will be commercially viable depends on a number of factors, including: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulation, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Even if the Company identifies and acquires an economically viable ore body, several years may elapse from the initial stages of development until production. As a result, it cannot be assured that Fuse’s exploration or development efforts will yield new mineral reserves or will result in any new commercial mining operations.

Mineral Property Title Risk

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of the properties will not be challenged or impaired. Third parties may have valid claims underlying portions of Fuse's interests, including prior unregistered liens, agreements, transfers or claims, including aboriginal land claims, and title may be affected by, among other things, undetected defects or unforeseen changes to the boundaries of Fuse's properties by governmental authorities. As a result, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its properties. An impairment to or defect in the title to the Company's properties could have a material adverse effect on its business, financial condition or results of operations. In addition, such claims, whether or not valid, would involve additional cost and expense to defend or settle.

Potential for Conflicts of Interest

Certain of the Company's directors and officers may also serve as directors or officers of other companies involved in natural resource exploration and development or other businesses and consequently there exists the possibility for such directors and officers to be in a position of conflict. Fuse expects that any decision made by any of such directors and officers involving Fuse will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Fuse and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matters in which such director may have a conflict of interest or which are governed by the procedures set forth in applicable law.

SUBSEQUENT EVENTS

There is no reportable subsequent event.

APPENDIX "B"

Audited Annual Financial Statements and MD&A for Fuse as at December 31, 2024



Fuse Battery Metals Inc.

**Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Fuse Battery Metals Inc.

Opinion

We have audited the accompanying consolidated financial statements of Fuse Battery Metals Inc. (the "Company"), which comprise the consolidated statements of financial position as at 31 December 2024 and 2023, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at 31 December 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditors' report.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

SHIM & Associates LLP
Chartered Professional Accountants

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

The engagement partner on the audit resulting in this independent auditor's report is Dong H. Shim.

"SHIM & Associates LLP"

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada

April 22, 2025

Fuse Battery Metals Inc.
Consolidated Statements of Financial Position
As at 31 December 2024 and 2023
(Expressed in Canadian dollars)

	Notes	2024	2023
ASSETS		\$	\$
Current assets			
Cash	5	245,365	1,097,000
Amounts receivable		10,218	5,420
Prepaid expenses		22,428	10,370
		278,011	1,112,790
Exploration and evaluation properties	6	672,345	4,603,920
Total assets		950,356	5,716,710
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	7	20,854	20,744
		20,854	20,744
Equity			
Share capital	9	39,307,200	39,307,200
Reserves	9	9,374,351	9,374,351
Deficit		(47,752,049)	(42,985,585)
Total equity		929,502	5,695,966
Total equity and liabilities		950,356	5,716,710

Nature of operations and going concern (Note 1)

Commitments and contingencies (Note 14)

APPROVED BY THE BOARD:

“Tim Fernback”
 Tim Fernback

“Robert Setter”
 Robert Setter

Fuse Battery Metals Inc.

Consolidated Statements of Loss and Comprehensive Loss

For the years ended 31 December 2024 and 2023

(Expressed in Canadian dollars)

	Notes	2024	2023
Administration expenses		\$	\$
Accounting and audit fees	8	23,500	34,590
Consulting fees		468,738	417,694
Legal fees		-	6,531
Marketing and communications		11,912	46,059
Office expenses		19,472	7,650
Rent		-	2,000
Share-based payments	8,9	-	1,013,550
Transfer agent and regulatory fees		57,780	69,913
Travel, lodging and food		6,903	70,373
Loss before other items		(588,305)	(1,668,360)
Other income (expense)			
Foreign exchange loss	6	(4,031)	(5,152)
Impairment of exploration and evaluation properties		(4,174,128)	-
Interest income		-	25
Net loss and comprehensive loss for the year		(4,766,464)	(1,673,487)
Loss per share			
Basic and diluted	10	(0.127)	(0.045)

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

Fuse Battery Metals Inc.
Consolidated Statements of Cash Flows
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

	Notes	2024	2023
OPERATING ACTIVITIES		\$	\$
Loss for the year		(4,766,464)	(1,673,487)
Adjustments for:			
Share-based payments	8,9	-	1,013,550
Impairment of exploration and evaluation properties	6	4,174,128	-
Changes in operating working capital:			
(Increase) decrease in amounts receivable		(4,798)	47,743
(Increase) decrease in prepaid expenses		(12,058)	2,463
Increase (decrease) in trade and other payables		110	(22,375)
Cash used in operating activities		(609,082)	(632,106)
INVESTING ACTIVITIES			
Exploration and evaluation properties expenditures	6	(242,553)	(295,778)
Cash used in investing activities		(242,553)	(295,778)
Decrease in cash		(851,635)	(927,884)
Cash, beginning of year		1,097,000	2,024,884
Cash, end of year		245,365	1,097,000
Supplemental cash flow information (Note 11)			
Interest paid		-	-
Income taxes paid		-	-

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

Fuse Battery Metals Inc.

Consolidated Statements of Changes in Equity For the years ended 31 December 2024 and 2023 Expressed in Canadian dollars)

	Notes	Number of common shares	Share Capital	Reserves	Obligation to issue shares	Deficit	Total
Balances, 31 December 2022		37,389,745	39,237,200	8,360,801	70,000	(41,312,098)	6,355,903
Shares issued to acquire properties	6,9	200,000	70,000	-	(70,000)	-	-
Share-based payments	9	-	-	1,013,550	-	-	1,013,550
Net loss for the year		-	-	-	-	(1,673,487)	(1,673,487)
Balances, 31 December 2023		37,589,745	39,307,200	9,374,351	-	(42,985,585)	5,695,966
Net loss for the year		-	-	-	-	(4,766,464)	(4,766,464)
Balances, 31 December 2024		37,589,745	39,307,200	9,374,351	-	(47,752,049)	929,502

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

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Fuse Battery Metals Inc. (the “Company”) was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in exploration and evaluation properties in the province of Ontario, Canada and in the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange (“TSXV”) having the symbol FUSE, as a Tier 2 mining issuer and is in the process of exploring its exploration and evaluation properties.

The head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis (Note 9).

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company had cash of \$245,365 at 31 December 2024 (2023: \$1,097,000), but management cannot provide assurance that the Company will ultimately achieve profitable operations, or raise additional debt and/or equity capital.

The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company’s continuing operations and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its mineral property interests, and on future profitable production from or proceeds from the disposition of its mineral property interests. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

Fuse Battery Metals Inc.

Notes to the Consolidated Financial Statements For the years ended 31 December 2024 and 2023 (Expressed in Canadian dollars)

2. BASIS OF PREPARATION

2.1 Basis of consolidation

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

Subsidiary	Country of Incorporation	Equity interest at	2024	
			2023	
Ignition Battery Metals Inc.	Canada	Inactive	100%	100%
Fuse Cobalt USA Inc.	United States	Inactive	100%	100%

Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

On 14 July 2023, the Company formed Ignition Battery Metals Inc. and subscribed to 100% of its shares.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

2.2 Basis of presentation

The Company's consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 12.

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary, and all values are rounded to the nearest dollar.

2.3 Statement of compliance

The consolidated financial statements of the Company have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

2.4 Approval of the consolidated financial statements

The consolidated financial statements of the Company for the year ended 31 December 2024 were approved and authorized for issue by the Board of Directors on 22 April 2025.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 Accounting standards issued but not yet effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Fuse Battery Metals Inc.

Notes to the Consolidated Financial Statements **For the years ended 31 December 2024 and 2023** (Expressed in Canadian dollars)

3.2 Foreign currency transactions

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect on that date. At the year-end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the year-end date and the related translation differences are recognized in net income.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently remeasured.

3.3 Restricted cash

The Company, from time to time, issues flow-through shares and renounces qualified exploration expenditures to the subscribers of such shares. Amounts renounced but not yet expended form the basis for the restricted cash.

3.4 Exploration and evaluation properties

Following the acquisition of a legal right to explore a property, all direct costs related to the acquisition and exploration of the property are deferred until the property to which they relate is placed into production, sold, allowed to lapse or abandoned. Mineral property acquisition costs include cash consideration and the fair market value of common shares issued for mineral property interests based on the trading price of the shares. These costs will be amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned. Once commercial production has commenced, the net costs of the applicable property, will be charged to operations using the unit-of-production method based on reserves. Proceeds received from the sale of any interest in a property are first credited against the carrying value of the property, with any excess included in the consolidated statement of loss and comprehensive loss for the year. On an ongoing basis, the Company evaluates each property based on results to date to determine the nature of exploration work that is warranted in the future. Impairment may occur in the carrying value of mineral interests when one of the following conditions exists:

- i) The Company's work program on a property has significantly changed, so that previously identified resource targets or work programs are no longer being pursued;
- ii) Exploration results are not promising and no more work is being planned in the foreseeable future; or
- iii) The remaining lease terms are insufficient to conduct necessary studies or exploration work.

Once impairment has been determined, the carrying value will be written-down to net recoverable amount. When the carrying value of the property exceeds its recoverable amount, which is the higher of the asset's fair value less costs to sell and value in use, the asset is written down accordingly. As a result, the direct costs related to the acquisition of mineral property interests in excess of estimated recoveries are written off to impairment of exploration and evaluation properties in the statement of loss and comprehensive loss.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

The Company enters into property option agreements, whereby the Company will transfer part of a mineral interest, as consideration for the incurring of certain exploration and evaluation expenditures by the optionee which would otherwise have been undertaken by the Company. The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the property, with any excess cash accounted for as a gain on disposal.

3.5 Impairment of long-lived assets

The recoverability of long-lived assets is assessed when an event occurs that indicates impairment. Recoverability is based on factors such as future asset utilization and the future discounted cash flows expected to result from the use or sale of the related assets. An impairment loss is recognized in the period when it is determined that the carrying amount of the asset will not be recoverable. At that time, the carrying amount is written down to the recoverable amount, which equals the higher of fair value less costs to sell and value in use. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.6 Financial instruments

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive net loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the year in which they arise.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

3.7 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

3.8 Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that they relate to items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

3.9 Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares, share warrants and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

3.10 Flow-through shares

The Company, from time to time, issues flow-through common shares to finance a portion of its exploration programs. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through shares into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium reversal is recognized as a reduction in the deferred tax expense and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for qualifying Canadian resource property exploration expenditures, within the prescribed period. The portion of proceeds received but not yet expended at the end of the period is disclosed separately within restricted cash.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back rule, in accordance with Government of Canada income tax regulations. When applicable, this tax is accrued as a financial expense until paid.

3.11 Loss per share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period. Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

3.12 Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted.

Where the terms and conditions of options are modified before they vest, any increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of loss and comprehensive loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the consolidated statement of loss and comprehensive loss, unless they are related to the issuance of shares, in which case they are recorded as a reduction of share capital.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, the shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

3.13 Leases

IFRS 16, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This Company had no leases that qualified under IFRS 16 during the years ended 31 December 2024 and 2023.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern.

5. CASH

The Company's cash is denominated in the following currencies:

31 December	2024	2023
Denominated in Canadian dollars	\$ 225,749	\$ 1,041,017
Denominated in U.S. dollars	19,616	55,983
Total cash	245,365	1,097,000

Fuse Battery Metals Inc.

Notes to the Consolidated Financial Statements For the years ended 31 December 2024 and 2023 (Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION PROPERTIES

Exploration and evaluation properties include the following amounts for the year ended 31 December 2024:

	Glencore Bucke Cobalt	Teledyne Cobalt	Lithium Springs	Monitor Valley	Total
ACQUISITION COSTS	\$	\$	\$	\$	\$
Balance, 1 January 2024	380,000	2,010,000	81,170	75,870	2,547,040
Impairment of exploration and evaluation properties	(379,999)	(2,009,999)	-	-	(2,389,998)
Balance, 31 December 2024	1	1	81,170	75,870	157,042
EXPLORATION AND EVALUATION COSTS					
Balance, 1 January 2024	911,131	872,999	28,505	244,245	2,056,880
Consulting	-	-	145,353	-	145,353
Geological	-	-	38,258	-	38,258
Maintenance, claim fees	-	-	31,049	27,893	58,942
Impairment of exploration and evaluation properties	(911,131)	(872,999)	-	-	(1,784,130)
Balance, 31 December 2024	-	-	243,165	272,138	515,303
Total costs – 31 December 2024	1	1	324,335	348,008	672,345

Exploration and evaluation properties include the following amounts for the year ended 31 December 2023:

	Glencore Bucke Cobalt	Teledyne Cobalt	Lithium Springs	Monitor Valley	Total
ACQUISITION COSTS	\$	\$	\$	\$	\$
Balance, 1 January 2023	380,000	2,010,000	81,170	75,870	2,547,040
Balance, 31 December 2023	380,000	2,010,000	81,170	75,870	2,547,040
EXPLORATION AND EVALUATION COSTS					
Balance, 1 January 2023	890,398	870,704	-	-	1,761,102
Assaying	20,733	-	-	-	20,733
Field expenses	-	-	-	17,619	17,619
Geological	-	-	-	194,491	194,491
Maintenance, claim fees	-	2,295	28,505	32,135	62,935
Balance, 31 December 2023	911,131	872,999	28,505	244,245	2,056,880
Total costs – 31 December 2023	1,291,131	2,882,999	109,675	320,115	4,603,920

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

Canada:

Glencore Bucke Cobalt Project:

On 31 August 2017, the Company entered into a property purchase agreement to acquire a 100% interest from Glencore Canada Corporation in the Glencore Bucke Property, situated in Bucke Township of Cobalt, Ontario, subject to a back-in provision, production royalty and off-take agreement.

In order to earn the 100% interest in the mineral claims, the Company is required to issue shares and make payments as follows:

	Cash Payment	Expenditures
Upon signing (paid)	\$ 150,000	\$ -
On or before 28 February 2018 (paid and incurred)	350,000	250,000
	500,000	250,000

The agreement is subject to a 3.5% Net Smelter Royalty (“NSR”). One-half of the royalty can be purchased for \$1,000,000.

On 28 February 2018, the Company paid \$350,000 and completed its obligations under the property purchase agreement.

On 7 May 2018, the Company entered into a property option agreement with Surge Exploration Inc. (“Surge”) whereby Surge can acquire the right to earn an undivided and up to 60% interest in to the Glencore Bucke Claims and Teledyne Claims located in the Timiskaming District of the Province of Ontario. The option agreement is “non-arm’s length” and is a related party transaction due to an officer in common between Surge and the Company.

Pursuant to the terms of the Option Agreement, Surge has 24 months within which to exercise the option as follows:

	Cash Payment	Share issuances	Expenditures
Upon Exchange Approval (received)	\$ 240,000	# 20,000	\$ -
On or before two years anniversary (cancelled)	-	-	1,536,000
	240,000	20,000	1,536,000

The \$240,000 cash received was allocated \$120,000 to Glencore Bucke and \$120,000 to the Teledyne Cobalt Property.

On 24 February 2020, the Company negotiated the early termination of the Option Agreement originally announced on 7 May 2018 with Surge. The Company will retain 100% interest in the property by the early cancellation of the Option Agreement and all rights in regards to the property will revert back to the Company upon the Company issuing to Surge 1,000,000 common shares (issued with a fair value of \$225,000, allocated to the Teledyne Cobalt Property).

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

The Company does not have any further planned or budgeted activities on this project. As a result, an amount of \$1,291,130 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended December 31, 2024.

Teledyne Cobalt Project:

On 8 September 2016, the Company entered into an option agreement with New Found Gold Corp. (formerly Palisade Resources Corp.) to acquire a 100% interest, in and to certain mineral claims located in Timiskaming, Ontario subject to a 2% NSR upon commencement of commercial production.

On 2 April 2018, the Company and New Found Gold Corp. signed an amending agreement for the Teledyne Cobalt Project:

In order to earn the 100% interest in the mineral claims, the Company was required to issue 200,000 shares (issued with a fair value of \$1,070,000) and make payments of \$835,000 (paid).

The Company does not have any further planned or budgeted activities on this project. As a result, an amount of \$2,882,998 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended December 31, 2024.

United States:

Lithium Springs Property:

On 28 November 2022, the Company entered into a purchase agreement to purchase placer claims located at south end of the Black Rock Desert outside of the hamlet of Gerlach in Washoe County, Nevada.

Terms:

- (a) making a cash payment to the vendor in the amount of \$46,170 (US\$33,982) (paid) upon signing the agreement;
- (b) issuing to the vendor 100,000 fully paid and non-assessable common shares of the Company upon TSXV acceptance of the transaction (issued) (Note 9).

Monitor Valley North Property:

On 28 November 2022, the Company entered into a purchase agreement to purchase placer claims located northeast of Tonopah, Nevada. On 22 March 2023, the final Purchase Sale Agreement closed.

Terms:

- (a) making a cash payment to the vendor in the amount of \$40,870 (US\$30,081) (paid) upon signing the agreement;
- (b) issuing to the Vendor 100,000 fully paid and non-assessable common shares of the Company upon TSXV acceptance of the transaction (issued) (Note 9).

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

7. TRADE AND OTHER PAYABLES

The Company's trade payables and accrued liabilities are principally comprised of amounts for administrative activities. These are broken down as follows:

31 December	2024	2023
Trade payables	\$ 854	\$ 744
Accrued liabilities	20,000	20,000
Total trade and other payables	20,854	20,744

8. RELATED PARTY TRANSACTIONS

For the years ended 31 December 2024 and 2023, the Company had transactions with the following key management personnel and companies related by way of directors, officers or shareholders in common.

8.1 Key management personnel compensation

The remuneration of directors and other members of key management for the years ended 31 December 2024 and 2023 are as follows:

	2024	2023
Consulting fees to Director and former President	\$ 24,000	24,000
Consulting fees to Director, President and Chief Executive Officer ("CEO")	72,000	72,000
Consulting fees to Chief Financial Officer ("CFO")	60,000	57,500
Consulting fees to the Corporate Secretary	84,000	74,000
Share based payments	-	159,149
Total related party transactions	240,000	386,649

9. SHARE CAPITAL

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis (Note 1).

9.1 Authorized share capital

The Company has an authorized share capital of an unlimited number of common shares with no par value.

As at 31 December 2024, the Company had 37,589,745 common shares issued and outstanding (2023: 37,589,745).

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

9.2 Share issuance

a) Acquisition of properties

- During the year ended 31 December 2023, the Company issued 100,000 common shares at a fair value of \$35,000 to acquire Lithium Springs Property (Note 6).
- During the year ended 31 December 2023, the Company issued 100,000 common shares at a fair value of \$35,000 to acquire Monitor Valley Property (Note 6).

9.3 Stock option plan

The Company adopted a stock option plan whereby it is authorized to grant options to executive officers and directors, employees and/or consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. Effective 1 February 2024, the aggregate maximum number of common shares issuable under the plan is 6,187,922 common shares. The aggregate number of options granted to one optionee in a 12-month period is limited to 5% of the issued common shares of the Company or 2% for consultant or IR consultant.

The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but shall not be less than the last closing price of the Company's common shares on the day before the date on which the Directors grant such options.

Vesting of options is at the discretion of the Board is except for IR consultant, which is over a period of not less than 12-months.

The following is a summary of the changes in the Company's stock option activities for the years ended 31 December 2024 and 2023:

	31 December 2024		31 December 2023	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Outstanding, beginning of year	5,000,000	\$ 0.26	2,130,000	0.26
Granted	-	-	3,090,000	0.26
Cancelled/expired	-	-	(220,000)	0.25
Outstanding, end of year	5,000,000	0.26	5,000,000	0.26
Exercisable, end of year	5,000,000	0.26	5,000,000	0.26

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

The following table summarizes information regarding stock options outstanding and exercisable as at 31 December 2024:

Exercise price	Number of options outstanding	Number of options exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise price
Options				\$
\$0.35	200,000	200,000	0.58	0.35
\$0.26	3,050,000	3,050,000	3.09	0.26
\$0.25	1,630,000	1,630,000	2.03	0.25
\$0.25	80,000	80,000	2.59	0.25
\$0.25	40,000	40,000	3.30	0.25
Total	5,000,000	5,000,000	2.64	0.26

Total expenses arising from share-based payments recognized during the year ended 31 December 2024 was \$Nil (2023: \$1,013,550) using the Black-Scholes Option Pricing Model.

The weighted average fair value of the options granted during the year ended 31 December 2023 was estimated at \$0.35 per option at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

31 December	2023
Risk free interest rate	2.81-3.15%
Expected life	5 years
Expected volatility	159-161 %
Expected dividend per share	-

9.4 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 31 December 2024 and 2023:

	31 December 2024		31 December 2023	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Outstanding, beginning of year	12,310,769	\$ 0.324	12,310,769	0.324
Outstanding, end of year	12,310,769		12,310,769	0.324

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

The following table summarizes information regarding share purchase warrants outstanding and exercisable as at 31 December 2024:

Exercise price	Number of warrants outstanding	Weighted-average remaining contractual life (years)	Weighted-average exercise price
Share purchase warrants			\$
\$0.165	40,000	0.25	0.165
\$0.325	6,210,769	2.07	0.325
\$0.325	6,060,000	2.96	0.325
Total	12,310,769	2.50	0.324

10. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

31 December	2024	2023
Net loss for the year	\$ (4,766,464)	\$ (1,673,487)
Weighted average number of shares – basic and diluted	37,589,745	37,540,719
Loss per share, basic and diluted	\$ (0.127)	\$ (0.045)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, share purchase warrants and convertible debentures, in the weighted average number of common shares outstanding during the year, if dilutive. All of the stock options and warrants were anti-dilutive for the years ended 31 December 2024 and 2023.

11. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash investing and financing transactions:

During the year ended 31 December 2023, the Company issued 200,000 common shares valued at \$70,000 to acquire the Lithium Springs and Monitor Valley Properties (Note 6).

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

12. FINANCIAL INSTRUMENTS

12.1 Categories of financial instruments

	31 December 2024	31 December 2023
FINANCIAL ASSETS, at amortized cost	\$	\$
Cash	245,365	1,097,000
Total financial assets	245,365	1,097,000
FINANCIAL LIABILITIES, at amortized cost		
Trade payables	854	744
Total financial liabilities	854	744

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

12.2 General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Board of Directors receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board of Directors is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

12.3 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market price is comprised of interest rate risk.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decrease on the interest rate offered on cash held with chartered Canadian financial institutions. Interest rate risk is assessed as minimal.

12.4 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. Credit risk is assessed as minimal.

12.5 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash and restricted cash balances. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

As at 31 December 2024, the Company had a cash balance of \$245,365 (2023: \$1,097,000) and receivables of \$10,218 (2023: \$5,420) to settle current liabilities due in twelve months or less of \$20,854 (2023: \$20,744) and carry out its planned exploration program in the coming year. Management seeks additional financing through the issuance of equity instruments to continue its operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Liquidity risk is assessed as high.

12.6 Currency Risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations. Currency risk is assessed as minimal.

12.7 Determination of Fair Value

The carrying amounts for cash and trade payables approximate fair value due to their short-term nature.

13. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to maintain an appropriate capital base in order to:

1. advance the Company's corporate strategies to create long-term value for its stakeholders;
2. sustain the Company's operations and growth throughout metals and materials cycles; and
3. ensure compliance with the covenants of any applicable credit facility and other financing facilities used from time to time.

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

The Company monitors its capital and capital structure on an ongoing basis to ensure it is sufficient to achieve the Company's short-term and long-term strategic objectives. Management primarily funds the Company's exploration by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. Management closely monitors its cash balance. The balance of cash as at 31 December 2024 was \$245,365 (2023: \$1,097,000). The Company does not currently have significant debt outstanding and there are presently no formal capital requirements with which the Company has not complied.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the year ended 31 December 2024.

14. COMMITMENTS AND CONTINGENCIES

- a) The Company's exploration and evaluation activities are subject to various Canadian federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- b) As at 31 December 2024, the Company owns various exploration and evaluation properties (Note 6). Management does not consider that any amounts related to decommissioning liabilities are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these obligations in the future.

15. INCOME TAXES

The provision for income taxes for the years ended 31 December 2024 and 2023 consist of:

Year ended 31 December	2024	2023
Net loss for the year	\$ 4,766,464	\$ 1,673,487
Canadian federal and provincial income tax rates	27%	27%
Expected income tax recovery	1,286,945	451,841
Permanent differences	(669)	(275,876)
Change in unrecognized deferred tax assets	(1,286,276)	(175,965)
Total income tax recovery	-	-

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

The tax effect of temporary differences that give rise to the Company's net future income tax asset is as follows:

As at 31 December	2024	2023
Deferred tax assets	\$	\$
Non-capital loss	4,951,689	4,711,653
Net capital loss	34,324	34,324
Mineral properties, tax value in excess of carrying value	1,941,782	887,209
Share issue costs	8,986	17,319
	6,936,781	5,650,505
Less: deferred tax assets not recognized	(6,936,781)	(5,650,505)
Total deferred tax assets	-	-

As at 31 December 2024, the Company had capital losses in Canada totaling \$254,252 that may be carried forward indefinitely, cumulative exploration and development expenses of \$7,191,785, and a non-capital loss carry forward of \$18,339,587 available for tax purposes in Canada which expires as follows:

Year of Expiry	Tax Operating Losses
2026	\$ 1,078,204
2027	2,192,340
2028	1,115,553
2029	749,913
2030	807,608
2031	904,618
2032	525,041
2034	304,766
2035	435,883
2036	1,159,054
2037	2,423,043
2038	1,482,342
2039	412,647
2040	1,002,443
2041	502,652
2042	1,664,448
2043	958,298
2044	620,734
Total non-capital losses	18,339,587

Fuse Battery Metals Inc.
Notes to the Consolidated Financial Statements
For the years ended 31 December 2024 and 2023
(Expressed in Canadian dollars)

16. SEGMENTED INFORMATION

The Company's only business activity is exploration and development of exploration and evaluation properties carried out in Canada and USA.

The breakdown of geographic area for the year ended 31 December 2024 is as follows:

31 December 2024	Canada	USA	Total
Total expenses	\$ 588,305	\$ -	\$ 588,305
Current assets	278,011	-	278,011
Exploration and evaluation properties	2	672,343	672,345
Total assets	278,013	672,343	950,356

The breakdown of geographic area for the year ended 31 December 2023 is as follows:

31 December 2023	Canada	USA	Total
Total expenses	\$ 1,668,360	\$ -	\$ 1,668,360
Current assets	1,112,790	-	1,112,790
Exploration and evaluation properties	4,174,130	429,790	4,603,920
Total assets	5,286,920	429,790	5,716,710



Fuse Battery Metals Inc.

Management's Discussion and Analysis

For the year ended 31 December 2024

The following management discussion and analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2024. Results have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All monetary amounts are reported in Canadian dollars unless otherwise indicated. This MD&A is dated 22 April 2025.

This MD&A contains forward-looking information. See "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

For further information on the Company reference should be made to the Company's public filings which are available on sedarplus.ca

DESCRIPTION OF BUSINESS

Fuse Battery Metals Inc. (the “Company” or “Fuse”), was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in resource properties in the province of Ontario, Canada and the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange (“TSXV”) under the symbol FUSE, as a Tier 2 mining issuer and in the process of exploring its mineral properties.

On 31 January 2023, the Company changed its name to Fuse Battery Metals Inc. The Company’s shares commenced trading under the new name effective, 2 February 2023. The Company’s trading symbol FUSE remained the same.

On 14 July 2023, the Company formed Ignition Battery Metals Inc. and subscribed to 100% of its shares.

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis.

The head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

Unless the context suggests otherwise, references to “Fuse” or the “Company” or “we”, “us”, “our” or similar terms refer to Fuse Battery Metals Inc.

FORWARD-LOOKING STATEMENTS

This MD&A may contain forward-looking statements that involve a number of known and unknown risks and uncertainties including statements regarding the outlook of Fuse’s business and results of operations. By their nature, these risks and uncertainties could cause actual results, performance and achievements to differ materially from those indicated. Such factors include, without limitation, risks inherent in mineral exploration, the Company’s history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, and environmental risks. Readers should not place undue reliance on these forward-looking statements which speak only as of the date the statements were made, and are also advised to consider such forward looking statements while considering the risks set forth below.

Fuse disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as is required by applicable securities regulations.

PROJECT OVERVIEW

Ontario Properties:

Fuse currently is exploring two mineral properties in the Timiskaming District of Ontario known as the Glencore Bucke and Teledyne Cobalt Properties. The Properties are located in Bucke and Lorrain Townships, 6 km east-northeast of Cobalt, Ontario. The Properties are situated in the historical Cobalt mining camp, that dates back to 1903 when silver was first discovered there. This was one of the world’s largest silver camps, having produced an estimated 464,853,101 oz Ag (13,178,364 kg), 25,329,992 lb Co (11,489,491 kg) from 1904 to 1988 (Pressaco, Webster, and Zalnieriunas, 2008).

On 7 May 2018, the Company entered into an option agreement (the “Surge Option Agreement”) with Surge Exploration Inc. (“Surge”) whereby Surge could earn an undivided 60% interest in the Glencore Bucke and the Teledyne Cobalt Properties subject to cash payments of \$240,000 (received), share issuance of 1,000,000 shares of Surge and exploration expenditures of \$1,536,000 on or before two years from the date of the Surge Option Agreement. Upon Surge having exercised the Option, Surge will have earned an undivided 60% interest in the Cobalt Properties, and the parties will enter into a Commercially Reasonable and Definitive Joint Venture Agreement. The Surge Option Agreement is “non-arm’s length” and is a related party transaction due to an officer in common between Fuse and the Company. The Company received an independent third-party fairness opinion from Bruce Laird, P.Geo. concluding that the terms of the Surge Option Agreement between the Company and Surge is fair to the shareholders of the Company.

On 24 February 2020, the Company negotiated the termination of the Surge Option Agreement. Upon the issuance 500,000 common shares of Fuse to Surge. Fuse will retain 100% interest in the Glencore Bucke and Teledyne Claims, located near Cobalt, Ontario and Surge will have no further direct rights to the Properties.

Glencore Bucke Project

Fuse entered into a property purchase agreement dated 31 August 2017 with Glencore Canada Corporation (subsidiary of Glencore plc) (“Glencore”) of Baar Switzerland, LSE: GLEN to acquire a 100% interest in the Glencore Bucke Property situated in Bucke Township, 6 km east-northeast of Cobalt, Ontario. On 28 February 2018, the Company completed its obligations under the purchase agreement.

The Glencore Bucke property consists of two patented mining claims totaling approximately 16.2 ha in area and sits along the west boundary of Fuse’s Teledyne Cobalt Project. In 1981, Teledyne leased mining claim 585 (“Glencore Bucke Property”) from Falconbridge Nickel Mines Ltd., as the company recognized the significant exploration potential that the Property had due to the possible southern extensions of the Cobalt Contact veins on mining claim T43819 that projected southward onto the Property. In the same year, Teledyne completed 36 diamond drill holes totaling 10,903 ft (3323.3 m) on the Property. The drilling program outlined two separate vein systems hosting significant cobalt and silver values. The two zones are known as the Main Zone, measuring 152.4 m in length, and the Northwest Zone, measuring 70.0 m in length. The Main Zone had a north-south strike, which is hypothesized as the southern extension of the #3 vein from the Cobalt Contact Mine located immediately to the north of the Property. Additional work was recommended but never completed due to a downturn in cobalt prices at the time. Based on the surface drill program completed by Teledyne, historical reserves of 60,000 tons in the geologically inferred category, and 15,000 tons in the probable category, at an average grade of 0.45% Co, 3.0 oz/t Ag was estimated (Linn, 1983). The historical reserve estimate contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. The Company is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

In the fall of 2017, Fuse completed 21 diamond drill holes totalling 1,913.50 m on the Glencore Bucke Property. Fuse’s Phase 1 diamond drill program was designed to confirm and extend the existing known mineralized zones on the Property. The program tested the Main Zone for a strike length of approximately 55 m and the Northwest Zone for a strike length of approximately 45 m. Due to the nature of the mineralization, drill holes were closely spaced apart, generally at 10 m along sections, and 12.5 m between sections on average. The most significant results include:

- GB17-03 that intersected 0.76% Co, 1 ppm Ag over 1.0m from 21.15 to 22.15 m.

- GB17-04 that intersected 1.62% Co, 7 ppm Ag over 0.50 m from 16.25 to 16.75 m.
 - Including 3.11% Co, 13.8 ppm Ag over 0.25m from 16.5 to 16.75m
- GB17-06 that intersected 0.25% Co, 12 ppm Ag over 1.75 m from 22.50 to 24.25 m.
 - Including 1.15% Co and 50.8 ppm Ag over 0.25m from 23.5 to 23.75m.
- GB17-06 that intersected 4.45% Co, 34.2 ppm Ag over 0.30 m from 44.40 to 44.70 m.
- GB17-07 that intersected 1.11% Co, 16.6 ppm Ag over 2.00 m from 98.5 to 100.50 m.
 - Including 7.64% Co and 9.1 ppm Ag over 0.26m from 99.79 to 100.05m.
- GB17-10 that intersected 0.55% Co, 0.8 ppm Ag over 5.00 m from 28.00 to 33.00 m.
- GB17-13 that intersected 0.92% Co, 2.85 ppm Ag over 2.00 m from 34 to 36 m
 - Including 4.09% C and 6.6 ppm Ag o over 0.3 m from 35.1 to 35.4 m
- GB17-13 that intersected 0.46% Co, 132.5 ppm Ag over 0.90 m from 77.60 to 78.50 m.
- GB17-13 that intersected 0.55% Co, 16.9 ppm Ag over 0.60 m from 100.80 to 101.40 m.
- GB17-15 that intersected 0.55% Co, 2.1 ppm Ag over 0.90 m from 27.50 to 28.40 m.
- GB17-15 that intersected 8.42% Co, 136 ppm Ag over 0.30 m from 62.40 to 62.70 m.
- GB17-18 that intersected 0.43% Co, 86.8 ppm Ag over 0.90 m from 80.10 to 81.00 m.
- GB17-19 that intersected 0.75% Co, 111.1 ppm Ag over 0.60 m from 46.00 to 46.60 m.
- GB17-20 that intersected 0.44% Co, 19.4 ppm Ag over 4.05 m from 60.25 to 64.30 m.
 - Including 0.76% Co, 31.3 ppm Ag over 2.3m
 - Including 3.54% Co, 49.4 ppm Ag over 0.3m from 62.8 to 63.1m
- GB17-21 that intersected 0.73% Co, 50.0 ppm Ag over 0.60 m from 69.70 to 70.30 m.

Drill Intercept locations and QAQC procedures are disclosed in the Teledyne Technical Report: [Fuse Battery Technical Report Feb 4'21.pdf](#)

The aforementioned intervals represent core lengths, and not true widths.

During the fall of 2018, Fuse completed 24 diamond drill holes totaling 2,559.03 m on the Glencore Bucke Property. The Phase 2 program was planned with the intent of intersecting mineralized zones along strike and vertically above and below previous intersections reported by Fuse in 2017 on the Main and Northwest Zones. In addition, the Phase 2 program tested several outlying targets, drill hole GB18-41 was completed to test for mineralization at depth beneath a historical trench and intersected anomalous cobalt mineralization. To the south, drill holes GB18-42 to GB18-45 were completed in a fence 200 m south of recent drilling on the Main and North West Zones (2017 and 2018 Fuse) in an area where no known historical drilling had been completed. Selected significant results for drill holes GB18-22 through to GB18-45 include:

- GB18-26 that intersected 0.29 % Co over 0.25 m from 79.25 to 79.50 m.
- GB18-27 that intersected 0.47 % Co, 0.82% Cu over 2.33 m from 94.42 to 96.75 m
 - Including 1.3% Co, 0.97% Cu over 0.83 m from 94.42 to 95.25 m.
- GB18-29 that intersected 0.06% Co, 1.28% Cu over 3.75 m from 61.75 to 65.50 m
 - Including 0.24% Co, 0.43% Cu over 0.40 m from 63.00 to 63.40 m.
- GB18-30 that intersected 0.70 % Co over 0.50 m from 40.00 to 40.50 m.
- GB18-31 that intersected 0.13% Co over 1.85 m from 54.75 to 56.60 m,
 - Including 0.65% Co over 0.35 m from 56.25 to 56.60 m.
- GB18-33 that intersected 0.26% Co over 0.25 m from 31.70 to 31.95m, and 0.37% Co over 0.25 m from 32.15 to 32.40 m.
- GB18-34 that intersected 0.63% Co, 1.63% Cu over 2.00 m from 108.25 to 110.25 m,
 - Including 2.01% Co, 0.28% Cu over 0.45 m from 109.80 to 110.25 m.
- GB18-35 that intersected 0.87% Co, 1.02% Cu over 0.25 m from 80.10 to 80.35 m.

- GB18-36 that intersected 1.48% Co, 0.38% Cu over 0.50 m from 93.50 to 94.00 m.
- GB18-38 that intersected 0.26% Co, 0.44% Cu over 0.55m from 76.25 to 76.80 m.
- GB18-39 that intersected 0.62% Co over 0.50 m from 89.50 to 90.00 m, and 0.61% Co over 0.40 m from 93.35 to 93.75 m.
- GB18-40 that intersected 0.12% Co, 0.33% Cu over 0.75 m from 94.75 to 95.50 m.
- GB18-44 that intersected 0.26 % Co, 1.16% Cu over 3.15 m from 110.60 to 113.75 m,
 - Including 0.57% Co, 0.27% Cu over 0.65 m from 110.60 to 111.25 m.
- GB18-45 that intersected 0.43% Cu, 1.04% Zn over 7.90 m from 104.00 to 111.90 m,
 - Including 2.01% Cu, 0.55% Zn over 0.70 m from 109.00 to 109.70 m.

Drill Intercept locations and QA/QC procedures are disclosed in the Teledyne Technical Report: [Fuse Battery Technical Report Feb. 4'21.pdf](#)

The aforementioned intervals represent core lengths, and not true widths.

In Summer of 2022, the company directed Simcoe Geoscience to conduct an IP survey utilizing the Alpha IP Wireless Time Domain Distributed Technology System over the Glencore/Buck Project. The objective of the survey was to resolve narrow vein cobalt and silver mineralization and any cross-cutting structures to a depth of approximately 125m on 400m long grid lines with a 50m line spacing.

Following the IP survey, the company conducted a drill program on the Bucke Property in Autumn of 2022. The drill program completed 13 drill holes for a total of 1842 meters. Five holes in the north to follow up on T-18, GB17-21, GB18-36, and GB17-15 further down dip of the existing structure. Successfully the new holes had comparable results and prove the mineralization continues further at depth in the Main Zone. Four holes were planned east and southward to test IP anomalies interpreted to be structural features of interest, no significant values reported. Toward the south, four holes to follow up GB18-44, test geophysical targets and determine if structures or veins trend onto the Teledyne. These holes contained two excellent cobalt results suggesting the mineralization may continue further southward onto the Teledyne.

Key highlights from the 2022 drill campaign:

- GB22-46 intercepted 1.8% Cu over 5.58m from 101.39 to 106.97m, including 3.54% Cu over 1.00m from 105.00 to 106.00m. It also intercepted 0.39% Co and 0.58% Cu over 0.75m from 137.70m to 138.45m.
- GB22-47 intercepted 2.06% Cu and 0.18% Co over 6.85m from 103.15 to 110.00m, including 3.94% Cu and 0.84% Co over 0.54m from 104.91 to 105.45m.
- GB22-49 intercepted 1.46% Cu over 2.00m from 123.00 to 125.00m.
- GB22-50 intercepted 7.75% Co and 5.44% Ni over 0.42m from 55.38 to 55.80m, and 2.17% Cu over 3.93m from 66.88 to 70.81m, including 4.01% Cu over 0.93m from 67.87 to 68.80m.
- GB22-55 intercepted 5.71% Co and 3.14% Ni over 0.47m from 64.16 to 64.63m.
- GB22-56 intercepted 5.56 % Co and 2.66 % Ni over 0.52m from 99.00 to 99.52m.
- GB22-50 contained up to 11.9 grams per tonne Au from initial statistics the gold grade is strongly correlated with Nickel and Cobalt. Nickel and Cobalt also have a strong correlation.

This campaign had many successful intercepts, a more complete list can be found in the 5 September 2023 News Release.

The Company does not have any further planned or budgeted activities on this project. As a result, an amount of \$1,291,130 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended December 31, 2024.

Teledyne Cobalt Project

In 2016, Fuse entered into an option agreement to acquire up to a 100% interest, subject to a 2% net smelter royalty (“NSR”), on the Teledyne Cobalt Property. In the spring of 2018, Fuse announced that it had amended and accelerated the option agreement, and that it earned a 100% interest in the Property with the vendors retaining the 2% NSR.

The Property, located in Bucke and Lorrain Townships, consists of 5 patented mining claims totaling 79.1 ha, and 46 unpatented mining claim cells totaling approximately 700 ha. The Property is easily accessible by highway 567 and a well-maintained secondary road.

The Property adjoins the south and west boundaries of claims that hosted the Agaunico Mine. From 1905 through to 1961, the Agaunico Mine produced a total of 4,350,000 lbs. of cobalt (“Co”), and 980,000 oz. of silver (“Ag”) (Cunningham-Dunlop, 1979). A significant portion of the cobalt that was produced at the Agaunico Mine was located along structures that extended southward towards the northern boundary of patented mining claim PAT-49017, part of the Teledyne Cobalt Property. Cobalt mineralization consisted of cobaltite and smaltite hosted within steeply dipping veins and extensive disseminations within Huronian sedimentary rocks. From 1951 through to 1957, the average Co content of the ores mined at the Agaunico Mine was approximately 0.5%. In 1955, 526,000 lbs. of Co, 146,000 oz. of Ag, 117,000 lbs. of nickel (“Ni”), and 81,000 lbs. of copper (“Cu”) were extracted from 62,000 tons of ore (Cunningham-Dunlop, 1979).

In 1953, Big Agaunico Mines Ltd. carried out a drilling program on a portion of Fuse’s Teledyne Cobalt Property to locate the extension of the south-striking Agaunico cobalt-rich Vein 15. Drill holes No. 8 and No. 12 intersected 0.58% Co over 5 ft (1.5 m), and 0.46% Co over 3 ft (0.9 m) respectively. The aforementioned intervals represent core lengths, and not true widths. These intersections, located 350 ft (106.7 m) and 600 ft (182.9 m) south of the northern claim boundary of claim 372, confirmed the likely extension of the Agaunico cobalt zone (Vein #15) onto the Property (Cunningham-Dunlop, 1979).

In 1979, Teledyne Canada Ltd. (“Teledyne”) completed six surface diamond drill holes and encountered a zone of cobalt mineralization that extended 640 ft (195 m) south from the claim boundary. In 1980, Teledyne completed a 10 ft (3.0 m) by 13 ft (4.0 m) access decline at a decline of -15 degrees for length of approximately 2,300 ft (701.0 m) to facilitate underground exploration of the mineralization zone encountered in their surface diamond drilling program. A total of 6,167 ft (1,879.7 m) of underground diamond drilling was completed in 22 drill holes (Bresee, 1981). The drill program confirmed the extension of the Agaunico cobalt zone onto patented mining claim PAT-49017 for a strike length of approximately 500 ft (152.4 m). The drill program also encountered a second zone with a strike length of 450 ft (137.2 m). Based on the surface and underground diamond drill programs, historical reserves of 60,000 tons in the geologically inferred category, and 40,000 tons in the probable category, at an average grade of 0.45% Co, 0.6 oz/t Ag was estimated (Linn, 1983). The historical reserve contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. The Company is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

Over \$25 million (inflation-adjusted) of past work has already been completed on the Teledyne Property. This work has resulted in valuable infrastructure, which includes a 10 ft (3.0 m) by 13 ft (4.0 m) access ramp at a

decline of -15 degrees for a length of approximately 2,300 ft (701.0 m) constructed to facilitate underground exploration of the mineralized zone.

During the fall of 2017, Fuse completed 11 diamond drill holes totaling 2,204 m on the Teledyne Cobalt Property. Fuse's Phase 1 diamond drill program was designed to confirm and extend the existing known mineralization along strike, and up and down dip. The program tested the Teledyne Main Zone for a strike length of approximately 220 m. The most significant results include:

- TE17-01 that intersected 0.62% Co over 6.00 m from 136.00 to 142.00 m including 3.92% Co over 0.75 m from 140.25 to 141.00 m.
- TE17-02 that intersected 0.95% Co over 1.9 0m from 143.00 to 144.90 m,
 - Including 2.58% Co over 0.60 m from 144.30 to 144.90 m.
 - Including 4.80% Co over 0.30 m from 144.60 to 144.90 m.
- TE17-02 that intersected 0.59% Co over 3.90 m from 156.00 to 159.90 m, including 2.22% Co over 0.60 m from 156.60 to 157.20 m.
- TE17-04 that intersected 1.82% Co over 6.00 m from 138.00 to 144.00 m, including 5.06% Co over 1.75 m from 141.25 to 143.00 m.
 - Including 1.64% Co, 6.9 ppm Ag over 0.55m from 140.45 to 141.00 m
 - Including 4.31% Co, 15.2 ppm Ag over 0.39m from 141.25 to 141.64 m
 - Including 18.7% Co, 16 ppm Ag over 0.15m from 141.64 to 141.79 m
 - Including 7.25% Co, 8.7 ppm Ag over 0.45m from 142.05 to 142.5 m
 - Including 1.86% Co, 5.2 ppm Ag over 0.50m from 142.5 to 143.0 m
- TE17-05 that intersected 2.32% Co over 4.00 m from 126.50 to 130.50 m
 - Including 21.9% Co, 11.5ppm Ag over 0.36m from 127.64 to 128.0 m.
- TE17-05 that intersected 1.70% Co over 6.00 m from 136.00 to 142.00 m.
- TE17-07 that intersected 0.50% Co over 2.10 m from 127.60 to 129.70 m.
- TE17-08 that intersected 0.77% Co over 3.40 m from 169.50 to 172.90 m,
 - including 1.17% Co over 2.00 m from 169.50 to 171.50 m.
- TE17-08 that intersected 0.59% Co over 1.20 m from 174.00 to 175.20 m.
- TE17-08 that intersected 0.62% Co over 0.60 m from 178.60 to 179.20 m.
- TE17-11 that intersected 0.54% Co over 2.00 m from 130.00 to 132.00 m.

Drill Intercept locations and QAQC procedures are disclosed in the Teledyne Technical Report: [Fuse Battery Technical Report Feb. 4'21.pdf](#)

The aforementioned intervals represent core lengths, and not true widths.

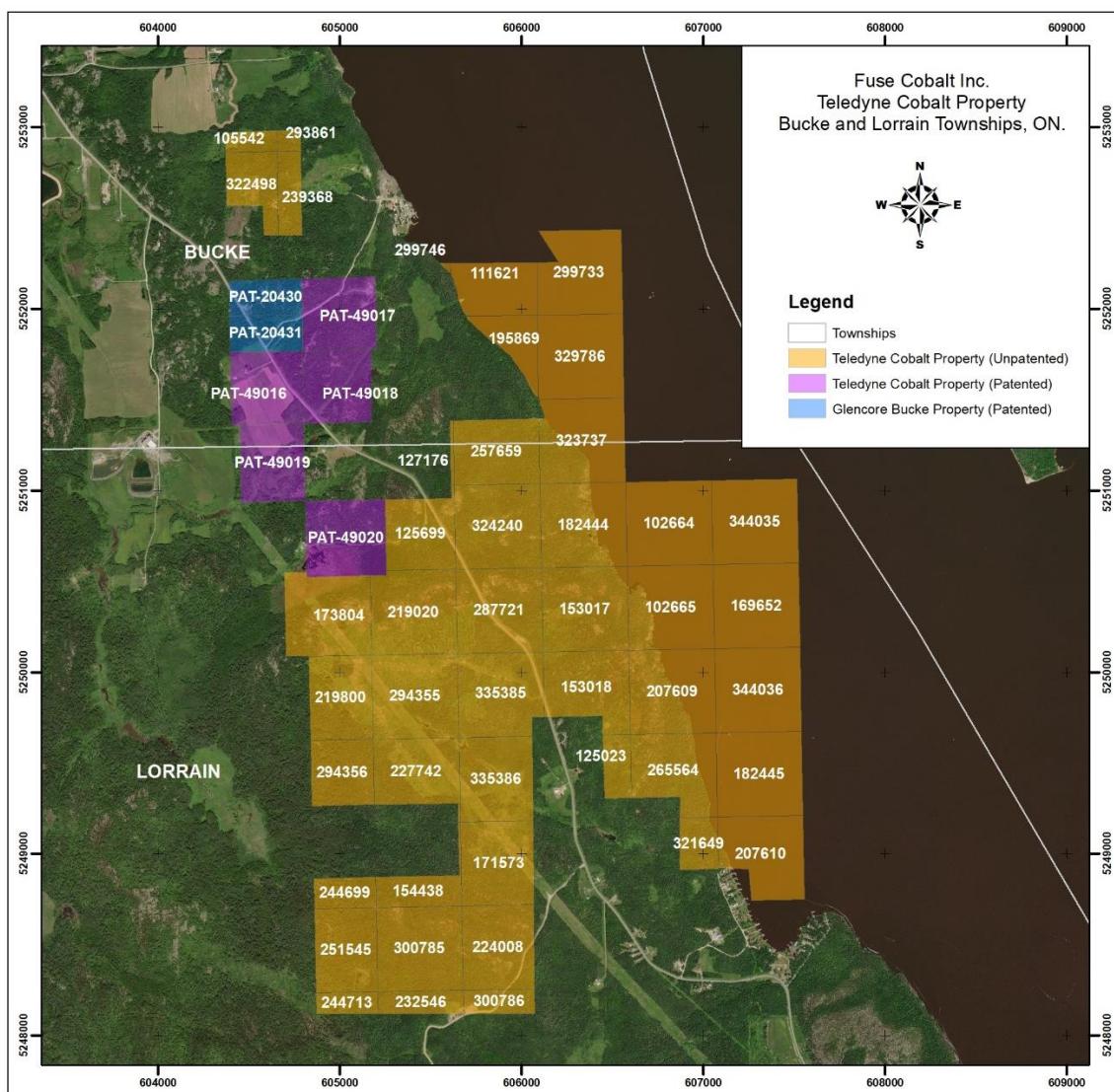
During the fall of 2018, Fuse completed 9 diamond drill holes totaling 1,689.15 m on the Teledyne Cobalt Property. As at Glencore Bucke, the Phase 2 program was planned with the intent of intersecting mineralized zones along strike and vertically above and below previous intersections reported by Fuse in 2017. In addition, the Phase 2 program tested several outlying targets, both beneath a historical trench with veining present at surface, and to intersect the East Zone. Selected significant results for drill holes TE18-12 through to TE18-20 include:

- TE18-12 that intersected 1.12% Co over 5.20 m from 136.80 to 142.00 m.
 - Including 4.68% Co, 2.5 ppm Ag over 0.45m from 136.8 to 137.25m
 - Including 1.74% Co, 1.5 ppm Ag over 0.71m from 137.75 to 138.46 m
 - Including 2.71% Co, 1.2 ppm Ag over 0.35m from 139.75 to 140.10m

- TE18-13 that intersected 0.63% Co over 3.00 m from 167.40 to 170.40 m including 2.98% Co over 0.50 m from 167.40 to 167.90 m.
- TE18-14 that intersected 0.10% Co over 2.00 m from 128.50 to 130.50 m.
- TE18-15 that intersected 1.15% Co over 2.31 m from 122.00 to 124.31 m,
 - Including 4.26% Co, 4.5 ppm Ag over 0.5m from 123.81 to 124.31 m
- TE18-17 that intersected 1.33% Co over 4.35 m from 116.90 to 121.25 m,
 - Including 2.54% Co over 0.25m from 116.9 to 117.15m,
 - Including 5.79% Co over 0.35m from 117.8 to 118.15m,
 - Including 6.89% Co over 0.25 m from 120.50 to 120.75 m.
- TE18-19 that intersected 0.26% Co over 0.30 m from 151.30 to 151.60 m.

Drill Intercept locations and QA/QC procedures are disclosed in the Teledyne Technical Report: [Fuse Battery Technical Report Feb. 4'21.pdf](#)

The aforementioned intervals represent core lengths, and not true widths.



The Company does not have any further planned or budgeted activities on this project. As a result, an amount of \$2,882,998 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended December 31, 2024.

Qualified Person Statement

“Project Overview” section of this MD&A have been reviewed and approved for technical content by Ali Alizadeh, P. Geo., an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

Nevada, USA Properties:

Lithium Springs Property

In November 2022, Fuse entered a Purchase and Sale agreement to acquire a 100% interest in 108 placer claims. The claims cover approximately 858 hectares of playa and alluvial fan located at the south end of the Black Rock Desert outside of the hamlet of Gerlach in Washoe County, Nevada.

The project is located at the southern end of Black Rock Desert, Nevada, about 132 air-line km north-northeast of Reno, Nevada. Black Rock Desert basin is about 110 km long and up to 25 km wide at the widest point. The central playa measures about 50 km northeast – southwest and 10 km southeast – northwest. The western arm of the Black Rock Desert covers an area of about 2,000 square kilometers and contains 5 of the 30 currently listed Known Geothermal Resource Areas in Nevada.

The property covers an area of playa underlain by a moderately deep basin interpreted from gravity and seismic surveys indicating a maximum thickness of valley-fill deposits of about 1,200 m/ 3,600 ft. A high salt content prevents any significant vegetation from growing on the playa surface. Locally, the basin is being fed in part by boiling springs and siliceous sinter containing strongly anomalous Lithium values (up to 3.5 ppm) that flank the property on the west side. (U.S. GEOLOGICAL SURVEY Open-File Report 81-918.) While these lithium values are well below those of producing lithium bines, they do represent a significant source of metal available for evaporative concentration within the playa basin.

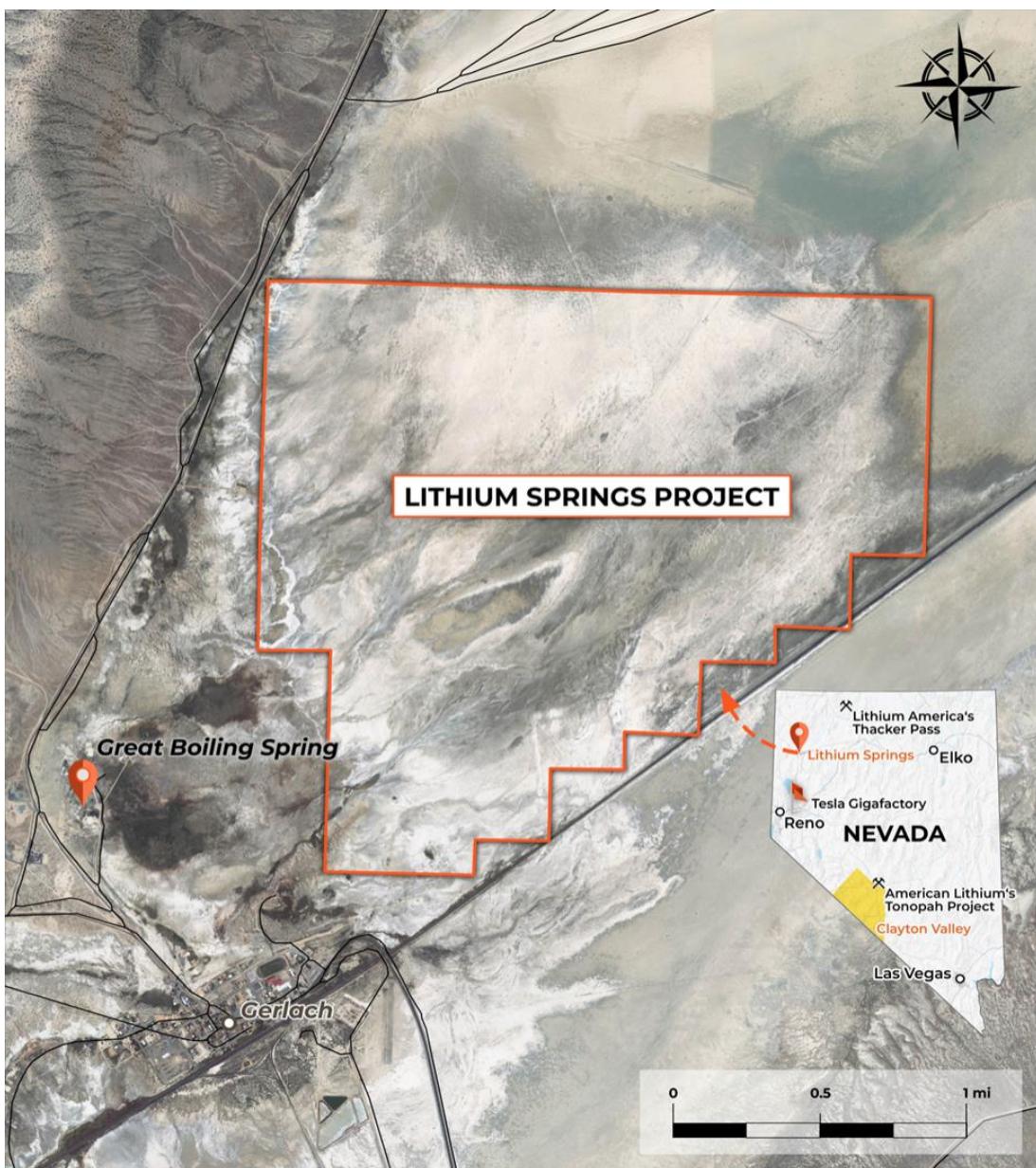
In 2016, a grid soil sampling program was conducted on the property, consisting of 170 sites where samples were collected at 200-meter intervals on lines spaced 400 meters apart. The results showed lithium values ranging from 82.8 to 520 ppm, with a median of 182 ppm, which were significantly higher than the background in the surrounding areas.

In May, KLM Geoscience conducted a magnetotelluric survey over the claims on seven profiles that total 10-line miles (16.2-line km). Lines were spaced at 500 m and stations were spaced at 250 m. Resultant depth slices show the strongest conductivity depths (lowest resistivity) at 50 and 250 m.

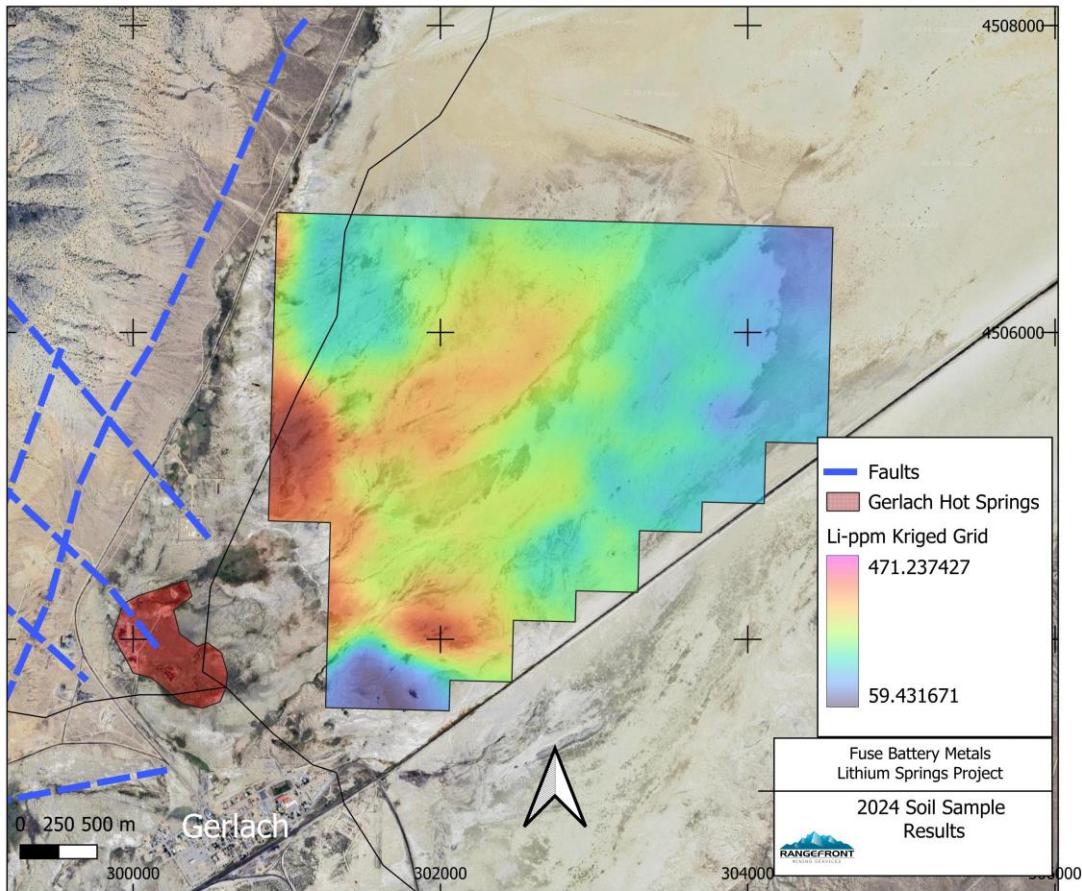
Also, in May and June, an infill sample program was conducted that consisted of 910 samples spaced 100-meters apart and on lines spaced 100-meters apart. Lithium assays have values that range from 60 to 930 ppm. The highest values are located on the southwest side of the property closest to the Gerlach Hot Springs and resultant outflows. Kriged contours of the results show the distribution of anomalous lithium that includes a northeast oriented plume approximately 800 m x 2000m that extends nearly to the northern property boundary. Geologic interpretation for targeting and further exploration work is pending.

The presence of lithium in the active geothermal fluids and surface salts of the Black Rock Desert property, along with the local geologic setting, suggests similarities to lithium brine deposits in Clayton Valley, Nevada, and South America. The geothermal fluids in the nearby area have lithium concentrations in the 3 to 5 mg per liter range, which likely contributed to the surface sampling values.

These preliminary results justify further exploration for a Clayton Valley type brine and/or clay-hosted mineralization. Reasonable follow up work to the Phase 1 soil and geophysical surveys would be 3d geologic modeling in Leapfrog and the location of drill targets. Phase 2 would consist of selection of an appropriate drill method (RC, core, auger) and the initiation of the reclamation bonding process.



Lithium Springs Location



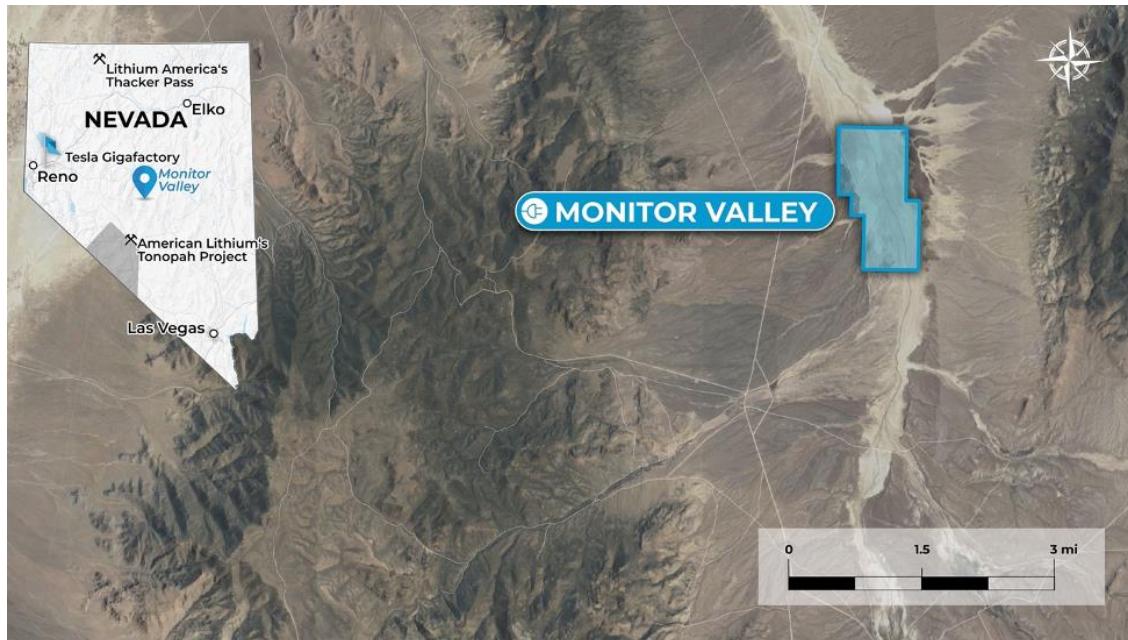
Lithium Springs 2024 Soil Sample Results

Monitor Valley North Property

In November 2022, Fuse entered into a Purchase and Sale Agreement whereby the Company became the legal and beneficial owner of 97 placer claims (MVN1 – MVN97) covering approximately 770 hectares of alluvial sediments and clays located 134 km northeast of Tonopah, Nevada.

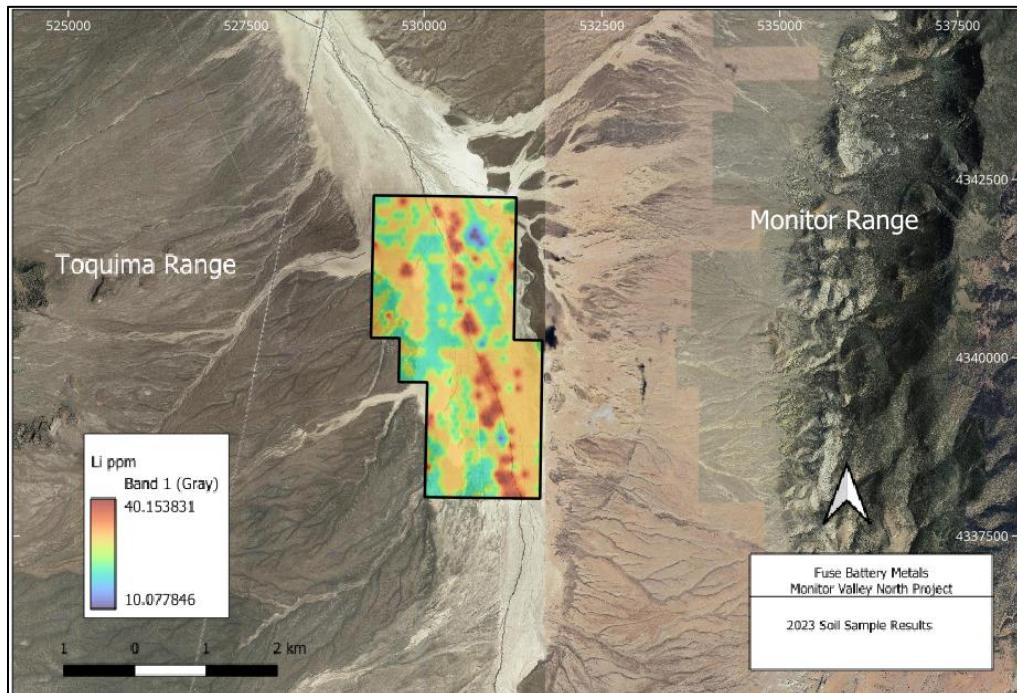
The property is located in Monitor Valley, Nevada, about 138 km north-northeast of Tonopah, Nevada. The center of the property is about 39.21° North Latitude, 116.65° West Longitude. The property is 55 km due west of the Little Smokey Valley, Nevada where exploration for lithium is ongoing.

The Monitor Valley North Project is a sediment-hosted lithium clay target. The property is easily accessible for exploration and exploitation to be carried out throughout the year. On September 11, 2023, KLM Geoscience was contracted for a controlled source audio-frequency magnetotelluric (CSAMT) geophysics program that comprised of 9 E-W trending lines for a total of 17-line kilometers.



Location of the Monitor Valley North project

On 17 September 2023, Rangefront Geological mobilized to the Monitor Valley North Project to collect soil samples on a 100m x 100m grid across the project site. A total of 799 samples were collected and lithium assays range from 10 to 70 ppm. The highest assays are focused along the north-south valley drainage, but there are sizeable anomalous patches on either side of the main drainage near drainage intersections. Volcanic ash-flow tuffs cap both the Toquima and Monitor ranges that may be the erosional source of lithium.



2023 Soil sample results

Qualified Person Statement

“Project Overview” and “Subsequent Event” sections of this MD&A have been reviewed and approved for technical content by Steven McMillin, PG (Principal Geologist), an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

SELECTED ANNUAL AND QUARTERLY FINANCIAL INFORMATION

Selected Annual Financial Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars. The following table summarizes selected financial data for Fuse for each of the three most recently completed financial years. This information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with IFRS, and related notes.

	Years Ended 31 December (audited)		
	2024	2023	2022
Total revenues	\$ -	\$ -	\$ -
General and administrative expenses	(588,305)	(1,668,360)	(2,641,323)
Loss before other items in total	(588,305)	(1,668,360)	(2,641,323)
Net loss	(4,766,464)	(1,673,487)	(2,643,349)
Net income (loss) per share – Basic & fully diluted	(0.127)	(0.045)	(0.090)
Totals assets	950,356	5,716,710	6,469,022
Cash dividends declared per share	Nil	Nil	Nil

Selected Quarterly Financial Information

The following table sets out Fuse's summarized quarterly results for each of the eight most recently completed quarters. This financial data has been prepared in accordance with IFRS. All amounts are shown in Canadian dollars.

	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
Loss from operations	\$(152,704)	\$(135,571)	\$(154,533)	\$(145,497)	\$(475,506)	\$(680,193)	\$(214,205)	\$(298,456)
Comprehensive Loss for the quarter	\$(4,325,320)	\$(140,792)	\$(155,419)	\$(144,933)	\$(477,798)	\$(682,314)	\$(214,964)	\$(298,411)
Diluted Income (Loss) per share	\$(0.115)	\$(0.004)	\$(0.004)	\$(0.004)	\$(0.013)	\$(0.018)	\$(0.006)	\$(0.008)

RESULTS OF OPERATIONS

For the year ended 31 December 2024 compared to the same period ended 31 December 2023.

Comprehensive loss for the year ended 31 December 2024 was \$4,766,464 as compared to \$1,673,487 for the same period in 2023. The Increase in comprehensive loss of \$3,092,977 was mainly attributable to the net effect of:

- Decrease of \$11,090 in Accounting and audit fees, from \$34,590 in 2023 to \$23,500 in 2024.
- Increase of \$51,044 in Consulting fees, from \$417,694 in 2023 to \$468,738 in 2024.
- Decrease of \$6,531 in Legal fees, from \$6,531 in 2023 to \$Nil in 2024.
- Decrease of \$34,147 in Marketing and Communications, from \$46,059 in 2023 to \$11,912 in 2024.
- Increase of \$11,822 in Office expenses, from \$7,650 in 2023 to \$19,472 in 2024.
- Decrease of \$2,000 in Rent, from \$2,000 in 2023 to \$Nil in 2024.
- Decrease of \$1,013,550 in Share-based payments, from \$1,013,550 in 2023 to \$Nil in 2024.
- Decrease of \$12,133 in Transfer agent and regulatory fees, from \$69,913 in 2023 to \$57,780 in 2024.
- Decrease of \$63,470 in Travel, lodging and food, from \$70,373 in 2023 to \$6,903 in 2024.
- Decrease of \$1,121 in Foreign exchange loss, from \$5,152 in 2023 to \$4,031 in 2024.
- Increase of \$4,174,128 in Impairment of exploration and evaluation properties, from \$Nil in 2023 to \$4,174,128 in 2024.
- Decrease of \$25 in Interest income, from \$25 in 2023 to \$Nil in 2024.

For the three months ended 31 December 2024 compared to the same period ended 31 December 2023.

Comprehensive loss for the three months ended 31 December 2024 was \$4,325,320 as compared to \$991,173 for the same period in 2023. The increase in comprehensive loss of \$3,334,147 was mainly attributable to the net effect of:

- Increase of \$3,500 in Accounting and audit fees, from \$20,000 in 2023 to \$23,500 in 2024.
- Increase of \$22,826 in Consulting fees, from \$95,908 in 2023 to \$118,734 in 2024.
- Decrease of \$5,278 in Marketing and Communications, from \$10,168 in 2023 to \$4,890 in 2024.
- Increase of \$14,920 in Office expenses, from \$19,828(recovery) in 2023 to \$4,908(recovery) in 2024.
- Decrease of \$854,215 in Share-based payments, from \$854,215 in 2023 to \$Nil in 2024.
- Increase of \$4,521 in Transfer agent and regulatory fees, from \$5,967 in 2023 to \$10,488 in 2024.
- Decrease of \$21,738 in Travel, lodging and food, from \$21,738 in 2023 to \$Nil in 2024.
- Increase of \$4,517 in Foreign exchange loss, from \$3,005 in 2023 to \$1,512(gain) in 2024.
- Increase of \$4,174,128 in Impairment of exploration and evaluation properties, from \$Nil in 2023 to \$4,174,128 in 2024.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2024 the Company had \$245,365 in cash (2023: \$1,097,000). Working capital as at 31 December 2024 was \$257,157 (2023: \$1,092,046).

During the year ended 31 December 2024, the Company had a net decrease in cash of \$851,635 compared to \$927,884 as at 31 December 2023. The decrease cash in was mainly due to the net effect of general and administrative expenses during period.

From time to time the Company works to raise additional capital through private placements and other forms of equity financing. Its ability to fund exploration projects is dependent upon its ability to obtain sufficient funding for operations and is ultimately dependent on the recoverability of the amounts capitalized to mineral exploration properties. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. Because the Company is not yet a producer, the primary source of future funds is through the sale of additional equity capital and optioning of resource properties. There is no assurance that the Company will be successful in raising sufficient capital to meet its obligations. If it is not successful in raising sufficient capital, it may have to curtail or otherwise limit operations. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

RELATED PARTY TRANSACTIONS

Except as set forth below and elsewhere within this MD&A, the Company has not entered into any related party transactions for the years ended 31 December 2024 and 2023.

The remuneration of directors and other members of key management for the years ended 31 December 2024 and 2023 are as follows:

31 December	2024	2023
	\$	\$
Short-term benefits – consulting and corporate development fees	240,000	227,500
Share-based payments	-	159,149
Total key management personnel compensation	240,000	386,649

Related party transactions are summarized as follows:

31 December	2024	2023
	\$	\$
Consulting fees to Director and former President	24,000	24,000
Consulting fees to Director, President and Chief Executive Officer ("CEO")	72,000	72,000
Consulting fees to Chief Financial Officer ("CFO")	60,000	57,500
Consulting fees to the Corporate Secretary	84,000	74,000
Share based payments	-	159,149
Total related party transactions	240,000	386,649

OUTSTANDING SHARE DATA

The number of common shares outstanding as at 31 December 2024 was 37,589,745 shares (2023: 37,589,745).

CONTROLS AND PROCEDURES

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), Fuse utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing a Venture Issuer Basic Certificate do not make any representations relating to establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP ("IFRS").

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of Fuse's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided securities legislation.

RISK FACTORS

The mineral industry involves significant risks. In addition to the risk factors described elsewhere in this MD&A, the risk factors that should be taken into account in considering Fuse's business include, but are not limited to, those set out below. Any one or more of these risks could have a material adverse effect on the future prospects of the Company and the value of its securities.

Current Global Financial Condition

Current global financial conditions have been subject to increased volatility and turmoil. These factors may affect Fuse's ability to obtain equity financing in the future or, if obtained, to do so on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations as well as the trading price of its common shares could be adversely affected.

Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, Fuse's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves or resources through drilling, to develop metallurgical processes, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves.

The Company may be subject to risks that could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. Fuse attempts to balance these risks through insurance programs where required and ongoing risk assessments conducted by its technical team.

Commodity Prices

Fuse is in the business of exploring for base and precious metals, the market prices of which can fluctuate widely. Metal prices ultimately depend on demand in the end markets for which metals are used. Demand is affected by numerous factors beyond the Company's control, including the overall state of the economy, general level of industrial production, interest rates, the rate of inflation, and the stability of exchange rates, any of which can cause significant fluctuations in metals prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of metals has fluctuated widely in recent years and there are no assurances as to what will be the future prices of base and precious metals. In the course of its current operations, the Company does not enter into price hedging programs.

Environmental

Exploration projects and operations are subject to the environmental laws and applicable regulations of the jurisdiction in which Fuse operates. Environmental standards continue to evolve and the trend is to a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. If and when appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability.

Reliance upon Key Personnel

The Company is dependent upon a number of key management and operational personnel, including the services of certain key employees. Its ability to manage activities, and hence its success, will depend in large part on the efforts of these individuals. During times when metals prices are strong, the Company faces intense competition for qualified personnel, and there can be no assurance that Fuse will be able to attract and retain such personnel at any time. Fuse does not maintain "key person" life insurance. Accordingly, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company.

Insurance

Fuse's insurance will not cover all the potential risks associated with its operations. In addition, although certain risks are insurable, it might be unable to maintain insurance to cover these risks at economically feasible premiums. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Fuse or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that it may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Requirements to Obtain Government Permits

Government approvals and permits are currently required in connection with Fuse's exploration activities, and further approvals and permits may be required in the future. The duration and success of the Company's efforts to obtain permits are contingent upon many variables outside of its control. Obtaining government permits may increase costs and cause delays depending on the nature of the activity to be permitted and the interpretation of applicable requirements implemented by the permitting authority. There can be no assurance that all necessary permits will be obtained and if obtained, that the costs involved will not exceed Fuse's estimates or that it will be able to maintain such permits. To the extent such approvals are required and not obtained or maintained, the Company may be prohibited from proceeding with planned exploration or development of mineral properties.

Joint Ventures

From time to time Fuse may enter into one or more joint ventures. Any failure of a joint venture partner to meet its obligations could have a material adverse effect on such joint ventures. In addition, the Company might be unable to exert influence over strategic decisions made in connection with properties that are involved in such joint ventures.

Exploration Risks

The exploration for and development of mineral deposits involves significant risks. Few properties that are explored are ultimately developed into producing mines. Whether a mineral deposit will be commercially viable depends on a number of factors, including: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulation, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Even if the Company identifies and acquires an economically viable ore body, several years may elapse from the initial stages of development until production. As a result, it cannot be

assured that Fuse's exploration or development efforts will yield new mineral reserves or will result in any new commercial mining operations.

Mineral Property Title Risk

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of the properties will not be challenged or impaired. Third parties may have valid claims underlying portions of Fuse's interests, including prior unregistered liens, agreements, transfers or claims, including aboriginal land claims, and title may be affected by, among other things, undetected defects or unforeseen changes to the boundaries of Fuse's properties by governmental authorities. As a result, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its properties. An impairment to or defect in the title to the Company's properties could have a material adverse effect on its business, financial condition or results of operations. In addition, such claims, whether or not valid, would involve additional cost and expense to defend or settle.

Potential for Conflicts of Interest

Certain of the Company's directors and officers may also serve as directors or officers of other companies involved in natural resource exploration and development or other businesses and consequently there exists the possibility for such directors and officers to be in a position of conflict. Fuse expects that any decision made by any of such directors and officers involving Fuse will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Fuse and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matters in which such director may have a conflict of interest or which are governed by the procedures set forth in applicable law.

APPENDIX "C"

Reviewed Financial Statements and MD&A for the Company as at September 30, 2025



Fuse Battery Metals Inc.

Interim Condensed Consolidated Financial Statements
For the nine months ended 30 September 2025 and 2024
(Unaudited)
(Expressed in Canadian dollar)

Fuse Battery Metals Inc.

Interim Condensed Consolidated Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars)

	Notes	30 September 2025	31 December 2024 (Audited)
ASSETS		\$	\$
Current assets			
Cash	5	66,968	245,365
Amounts receivable		25,807	10,218
Prepaid expenses		23,629	22,428
		116,404	278,011
Exploration and evaluation properties	6	672,345	672,345
Total assets		788,749	950,356
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	7	166,950	20,854
		166,950	20,854
Equity			
Share capital	9	39,307,200	39,307,200
Reserves	9	9,374,351	9,374,351
Deficit		(48,059,752)	(47,752,049)
Total equity		621,799	929,502
Total equity and liabilities		788,749	950,356

Nature of operations and going concern (Note 1)

Commitments and contingencies (Note 13)

Subsequent event (Note 15)

APPROVED BY THE BOARD:

“Tim Fernback”

Tim Fernback

“Robert Setter”

Robert Setter

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

Fuse Battery Metals Inc.

Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

For the nine months ended 30 September 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars)

	Notes	Three months ended 30 September 2025	Three months ended 30 September 2024	Nine months ended 30 September 2025	Nine months ended 30 September 2024
Administration expenses		\$	\$	\$	\$
Accounting and audit fees		-	-	4,500	-
Consulting fees	8	22,845	115,884	253,802	350,004
Marketing and communications		4,207	2,560	5,841	7,022
Office expenses		7,111	3,811	21,284	24,380
Transfer agent and regulatory fees		10,212	8,904	32,726	47,292
Travel, lodging and food		-	4,412	-	6,903
Loss before other items		(44,375)	(135,571)	(318,153)	(435,601)
Other income (expense)					
Foreign exchange gain (loss)		178	(5,221)	(1,345)	(5,543)
Other income		11,795	-	11,795	-
Net loss and comprehensive loss for the period		(32,402)	(140,792)	(307,703)	(414,144)
Loss per share					
Basic and diluted	10	(0.001)	(0.003)	(0.008)	(0.012)

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

Fuse Battery Metals Inc.

Interim Condensed Consolidated Statements of Cash Flows

For the nine months ended 30 September 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars)

	Notes	Nine months ended 30 September 2025	Nine months ended 30 September 2024
OPERATING ACTIVITIES		\$	\$
Loss for the period		(307,703)	(441,144)
Adjustment for:			
Share-based payments		-	-
Issuance of shares for mineral properties		-	-
Changes in operating working capital:			
Increase in amounts receivable		(15,589)	(8,393)
Increase in prepaid expenses		(1,201)	(12,991)
Increase (decrease) in trade and other payables		146,096	(20,744)
Cash used in operating activities		(178,397)	(483,272)
INVESTING ACTIVITIES			
Exploration and evaluation properties expenditures	6	-	(240,975)
Cash used in investing activities		-	(240,975)
Decrease in cash		(178,397)	(724,247)
Cash, beginning of period		245,365	1,097,000
Cash, end of period		66,968	372,753

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

Fuse Battery Metals Inc.

Interim Condensed Consolidated Statements of Changes in Equity

For the nine months ended 30 September 2025 and 2024

(Unaudited)

Expressed in Canadian dollars)

	Notes	Number of common shares	Share Capital	Reserves	Obligation to issue shares	Deficit	Total
Balances, 31 December 2023		37,589,745	39,307,200	9,374,351	-	(42,985,585)	5,695,966
Net loss for the period		-	-	-	-	(441,144)	(441,144)
Balances, 30 September 2024		37,589,745	39,307,200	9,374,351	-	(43,426,729)	5,254,822
Balances, 31 December 2024		37,589,745	39,307,200	9,374,351	-	(47,752,049)	929,502
Net loss for the period		-	-	-	-	(307,703)	(307,703)
Balances, 30 September 2025		37,589,745	39,307,200	9,374,351	-	(48,059,752)	621,799

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

Fuse Battery Metals Inc.

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended 30 September 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Fuse Battery Metals Inc. (the “Company”) was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in exploration and evaluation properties in the province of Ontario, Canada and in the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange (“TSXV”) having the symbol FUSE, as a Tier 2 mining issuer and is in the process of exploring its exploration and evaluation properties.

The head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis (Note 9).

On 17 July 2025, the Company entered into a binding letter of intent (“LOI”) with 1545726 B.C. Ltd. (dba “Pointor AI”) for the acquisition of 100% of its common and preferred shares, by way of a three-cornered amalgamation transaction with Fuse’s wholly-owned subsidiary. Subject to Section 4.1 of TSX Venture Exchange Policy 5.2, the Transaction is subject to shareholder approval. The LOI was entered into at arm’s length.

1.1 Going concern

These interim condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company had cash of \$66,968 at 30 September 2025 (31 December 2024: \$245,365), but management cannot provide assurance that the Company will ultimately achieve profitable operations, or raise additional debt and/or equity capital.

The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company’s continuing operations and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its mineral property interests, and on future profitable production from or proceeds from the disposition of its mineral property interests. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

These interim condensed consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

Fuse Battery Metals Inc.

Notes to the Interim Consolidated Financial Statements For the nine months ended 30 September 2025 and 2024 (Unaudited) (Expressed in Canadian dollars)

2. BASIS OF PREPARATION

2.1 Basis of consolidation

The interim condensed consolidated financial statements include the financial statements of the Company and its subsidiaries as follows:

Subsidiary	Country of Incorporation		Equity interest at	
			30 September 2025	31 December 2024
Ignition Battery Metals Inc.	Canada	Inactive	100%	100%
Fuse Cobalt USA Inc.	United States	Inactive	100%	100%

Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

2.2 Basis of presentation

The Company's interim condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 12.

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary, and all values are rounded to the nearest dollar.

2.3 Statement of compliance

The interim condensed consolidated financial statements of the Company have been prepared in accordance with International Accounting Standards ("IAS") 34, '*Interim Financial Reporting*' using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.4 Approval of the consolidated financial statements

The interim condensed consolidated financial statements of the Company for the period ended 30 September 2025 were approved and authorized for issue by the Board of Directors on 18th day of November, 2025.

Fuse Battery Metals Inc.

Notes to the Interim Consolidated Financial Statements **For the nine months ended 30 September 2025 and 2024** (Unaudited) (Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Accounting standards issued but not yet effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

3.2 These interim condensed consolidated financial statements are prepared using the same accounting policies as described in the Company's annual consolidated financial statements for the year ended 31 December 2024 and should be read in conjunction with those financial statements. The Company did not adopt any new accounting policies, or change any previously adopted accounting policies.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern.

5. CASH

The Company's cash is denominated in the following currencies:

	30 September 2025	31 December 2024
Denominated in Canadian dollars	\$ 64,022	\$ 225,749
Denominated in U.S. dollars	2,946	19,616
Total cash	66,968	245,365

Fuse Battery Metals Inc.

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended 30 September 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION PROPERTIES

Exploration and evaluation properties include the following amounts for the period ended 30 September 2025 and for the year ended 31 December 2024:

	Glencore Bucke Cobalt	Teledyne Cobalt	Lithium Springs	Monitor Valley	Total
ACQUISITION COSTS	\$	\$	\$	\$	\$
Balance, 1 January 2024	380,000	2,010,000	81,170	75,870	2,547,040
Impairment of exploration and evaluation properties	(379,999)	(2,009,999)	-	-	(2,389,998)
Balance, 31 December 2024 and 30 September 2025	1	1	81,170	75,870	157,042
EXPLORATION AND EVALUATION COSTS					
Balance, 1 January 2024	911,131	872,999	28,505	244,245	2,056,880
Consulting	-	-	145,353	-	145,353
Geological	-	-	38,258	-	38,258
Maintenance, claim fees	-	-	31,049	27,893	58,942
Impairment of exploration and evaluation properties	(911,131)	(872,999)	-	-	(1,784,130)
Balance, 31 December 2024 and 30 September 2025	-	-	243,165	272,138	515,303
Total costs – 31 December 2024 and 30 September 2025	1	1	324,335	348,008	672,345

Canada:

Glencore Bucke Cobalt Project:

On 31 August 2017, the Company entered into a property purchase agreement to acquire a 100% interest from Glencore Canada Corporation in the Glencore Bucke Property, situated in Bucke Township of Cobalt, Ontario, subject to a back-in provision, production royalty and off-take agreement.

In order to earn the 100% interest in the mineral claims, the Company is required to issue shares and make payments as follows:

	Cash Payment	Expenditures
Upon signing (paid)	\$ 150,000	\$ -
On or before 28 February 2018 (paid and incurred)	350,000	250,000
	500,000	250,000

Fuse Battery Metals Inc.

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended 30 September 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars)

The agreement is subject to a 3.5% Net Smelter Royalty (“NSR”). One-half of the royalty can be purchased for \$1,000,000.

On 28 February 2018, the Company paid \$350,000 and completed its obligations under the property purchase agreement.

The Company does not have any further planned or budgeted activities on this project. As a result, an amount of \$1,291,130 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended 31 December 2024.

Teledyne Cobalt Project:

On 8 September 2016, the Company entered into an option agreement with New Found Gold Corp. (formerly Palisade Resources Corp.) to acquire a 100% interest, in and to certain mineral claims located in Timiskaming, Ontario subject to a 2% NSR upon commencement of commercial production.

On 2 April 2018, the Company and New Found Gold Corp. signed an amending agreement for the Teledyne Cobalt Project:

In order to earn the 100% interest in the mineral claims, the Company was required to issue 200,000 shares (issued with a fair value of \$1,070,000) and make payments of \$835,000 (paid).

The Company does not have any further planned or budgeted activities on this project. As a result, an amount of \$2,882,998 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended 31 December 2024.

United States:

Lithium Springs Property:

On 28 November 2022, the Company entered into a purchase agreement to purchase placer claims located at south end of the Black Rock Desert outside of the hamlet of Gerlach in Washoe County, Nevada.

Terms:

- (a) making a cash payment to the vendor in the amount of \$46,170 (US\$33,982) (paid) upon signing the agreement;
- (b) issuing to the vendor 100,000 fully paid and non-assessable common shares of the Company upon TSXV acceptance of the transaction (issued). The Company does not have any further planned or budgeted activities on this project, as a result, claims were not renewed.

Fuse Battery Metals Inc.

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended 30 September 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars)

Monitor Valley North Property:

On 28 November 2022, the Company entered into a purchase agreement to purchase placer claims located northeast of Tonopah, Nevada. On 22 March 2023, the final Purchase Sale Agreement closed.

Terms:

- (a) making a cash payment to the vendor in the amount of \$40,870 (US\$30,081) (paid) upon signing the agreement;
- (b) issuing to the Vendor 100,000 fully paid and non-assessable common shares of the Company upon TSXV acceptance of the transaction (issued). The Company does not have any further planned or budgeted activities on this project, as a result, claims were not renewed.

7. TRADE AND OTHER PAYABLES

The Company's trade payables and accrued liabilities are principally comprised of amounts for administrative activities. These are broken down as follows:

	30 September 2025	31 December 2024
Trade payables	\$ 156,950	\$ 854
Accrued liabilities	10,000	20,000
Total trade and other payables	166,950	20,854

8. RELATED PARTY TRANSACTIONS

For the nine months periods ended 30 September 2025 and 2024, the Company had transactions with the following key management personnel and companies related by way of directors, officers or shareholders in common.

8.1 Key management personnel compensation

The remuneration of directors and other members of key management for the periods ended 30 September 2025 and 2024 are as follows:

30 September	2025	2024
Consulting fees to Director and Chairman	6,000	18,000
Consulting fees to Director, President and Chief Executive Officer (“CEO”)	54,000	54,000
Consulting fees to Chief Financial Officer (“CFO”)	45,000	45,000
Consulting fees to the Corporate Secretary	63,000	63,000
Total related party transactions	168,000	180,000

Fuse Battery Metals Inc.

Notes to the Interim Condensed Consolidated Financial Statements

For the nine months ended 30 September 2025 and 2024

(Unaudited)

(Expressed in Canadian dollars)

9. SHARE CAPITAL

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis (Note 1).

9.1 Authorized share capital

The Company has an authorized share capital of an unlimited number of common shares with no par value.

As at 30 September 2025, the Company had 37,589,745 common shares issued and outstanding (31 December 2024: 37,589,745).

9.2 Stock option plan

The Company adopted a stock option plan whereby it is authorized to grant options to executive officers and directors, employees and/or consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. Effective 1 February 2024, the aggregate maximum number of common shares issuable under the plan is 6,187,922 common shares. The aggregate number of options granted to one optionee in a 12-month period is limited to 5% of the issued common shares of the Company or 2% for consultant or IR consultant.

The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but shall not be less than the last closing price of the Company's common shares on the day before the date on which the Directors grant such options.

Vesting of options is at the discretion of the Board is except for IR consultant, which is over a period of not less than 12-months.

The following is a summary of the changes in the Company's stock option activities for the nine months period ended 30 September 2025 and the year ended 31 December 2024:

	30 September 2025		31 December 2024	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Outstanding, beginning of year	5,000,000	\$ 0.26	5,000,000	\$ 0.26
Expired	(200,000)	0.35	-	-
Cancelled	(3,110,000)	0.26	-	-
Outstanding, end of period	1,690,000	0.26	5,000,000	0.26
Exercisable, end of period	1,690,000	0.26	5,000,000	0.26

Fuse Battery Metals Inc.

Notes to the Interim Consolidated Financial Statements For the nine months ended 30 September 2025 and 2024 (Unaudited) (Expressed in Canadian dollars)

The following table summarizes information regarding stock options outstanding and exercisable as at 30 September 2025:

Exercise price	Number of options outstanding	Number of options exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise price
Options				\$
\$0.26	800,000	800,000	1.28	0.25
\$0.25	850,000	850,000	2.34	0.26
\$0.25	40,000	40,000	2.54	0.25
Total	1,690,000	1,690,000	1.84	0.26

9.3 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the period ended 30 September 2025 and year ended 31 December 2024:

	30 September 2025		31 December 2024	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Outstanding, beginning of year				
Expired	12,310,769 (40,000)	\$ 0.324 0.165	12,310,769	0.324 -
Outstanding, end of period	12,270,769	0.325	12,310,769	0.324

The following table summarizes information regarding share purchase warrants outstanding and exercisable as at 30 September 2025:

Exercise price	Number of warrants outstanding	Weighted-average remaining contractual life (years)	Weighted-average exercise price
Share purchase warrants			\$
\$0.325	6,210,769	1.32	0.325
\$0.325	6,060,000	2.21	0.325
Total	12,270,769	1.76	0.325

Fuse Battery Metals Inc.

Notes to the Interim Consolidated Financial Statements For the nine months ended 30 September 2025 and 2024 (Unaudited) (Expressed in Canadian dollars)

10. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	Three months ended 30 September 2025	Three months ended 30 September 2024	Nine months ended 30 September 2025	Nine months ended 30 September 2024
Net loss for the period	\$ (32,402)	\$ (140,792)	\$ (307,703)	\$ (441,144)
Weighted average number of shares – basic and diluted	37,589,745	37,589,745	37,589,745	37,589,745
Loss per share, basic and diluted	\$ (0.001)	\$ (0.003)	\$ (0.008)	\$ (0.012)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and warrants were anti-dilutive for the periods ended 30 September 2025 and 2024.

11. FINANCIAL INSTRUMENTS

11.1 Categories of financial instruments

	30 September 2025	31 December 2024
FINANCIAL ASSETS, at amortized cost	\$	\$
Cash	66,968	245,365
Total financial assets	66,968	245,365
FINANCIAL LIABILITIES, at amortized cost		
Trade payables	156,950	854
Total financial liabilities	156,950	854

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these interim condensed consolidated financial statements.

Fuse Battery Metals Inc.

Notes to the Interim Consolidated Financial Statements **For the nine months ended 30 September 2025 and 2024** (Unaudited) (Expressed in Canadian dollars)

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

11.2 General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Board of Directors receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board of Directors is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

11.3 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market price is comprised of interest rate risk.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decrease on the interest rate offered on cash held with chartered Canadian financial institutions. Interest rate risk is assessed as minimal.

11.4 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. Credit risk is assessed as minimal.

11.5 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash and restricted cash balances. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

As at 30 September 2025, the Company had a cash balance of \$66,968 (31 December 2024: \$245,365) and receivables of \$25,807 (31 December 2024: \$10,218) to settle current liabilities due in twelve months or less of \$166,950 (31 December 2024: \$20,854) and carry out its planned exploration program in the coming year. Management seeks additional financing through the issuance of equity instruments to continue its operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Liquidity risk is assessed as high.

Fuse Battery Metals Inc.

Notes to the Interim Consolidated Financial Statements **For the nine months ended 30 September 2025 and 2024** (Unaudited) (Expressed in Canadian dollars)

11.6 Currency Risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations. Currency risk is assessed as minimal.

11.7 Determination of Fair Value

The carrying amounts for cash and trade payables approximate fair value due to their short-term nature.

12. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to maintain an appropriate capital base in order to:

1. advance the Company's corporate strategies to create long-term value for its stakeholders;
2. sustain the Company's operations and growth throughout metals and materials cycles; and
3. ensure compliance with the covenants of any applicable credit facility and other financing facilities used from time to time.

The Company monitors its capital and capital structure on an ongoing basis to ensure it is sufficient to achieve the Company's short-term and long-term strategic objectives. Management primarily funds the Company's exploration by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. Management closely monitors its cash balance. The balance of cash as at 30 September 2025 was \$66,968 (31 December 2024: \$245,365). The Company does not currently have significant debt outstanding and there are presently no formal capital requirements with which the Company has not complied.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the period ended 30 September 2025.

13. COMMITMENTS AND CONTINGENCIES

- a) The Company's exploration and evaluation activities are subject to various Canadian federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- b) As at 30 September 2025, the Company owns various exploration and evaluation properties (Note 6). Management does not consider that any amounts related to decommissioning liabilities are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these obligations in the future.

Fuse Battery Metals Inc.

Notes to the Interim Consolidated Financial Statements **For the nine months ended 30 September 2025 and 2024** (Unaudited) (Expressed in Canadian dollars)

14. SEGMENTED INFORMATION

The Company's only business activity is exploration and development of exploration and evaluation properties carried out in Canada and USA.

The breakdown of geographic area for the period ended 30 September 2025 is as follows:

30 September 2025	Canada	USA	Total
Total expenses	318,153	-	318,153
Current assets	116,404	-	116,404
Exploration and evaluation properties	2	672,343	672,345
Total assets	116,406	672,343	788,749

The breakdown of geographic area for the year ended 31 December 2024 is as follows:

31 December 2024	Canada	USA	Total
Total expenses	588,305	-	588,305
Current assets	278,011	-	278,011
Exploration and evaluation properties	2	672,343	672,345
Total assets	278,013	672,343	950,356

15. SUBSEQUENT EVENT

40,000 stock options were exercised at \$0.25 per share for total proceeds of \$10,000.



Fuse Battery Metals Inc.

Management's Discussion and Analysis

For the nine months ended 30 September 2025

The following management discussion and analysis (“MD&A”) should be read in conjunction with the interim condensed consolidated financial statements for the period ended 30 September 2025. Results have been prepared using accounting policies in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”). All monetary amounts are reported in Canadian dollars unless otherwise indicated. This MD&A is dated 18 November, 2025.

This MD&A contains forward-looking information. See “Forward-Looking Information” and “Risks and Uncertainties” for a discussion of the risks, uncertainties and assumptions relating to such information.

For further information on the Company reference should be made to the Company’s public filings which are available on sedarplus.ca

DESCRIPTION OF BUSINESS

Fuse Battery Metals Inc. (the “Company” or “Fuse”), was incorporated in Manitoba on 11 February 1998 and continued into British Columbia on 31 May 2016. The Company currently holds interests in resource properties in the province of Ontario, Canada and the state of Nevada, USA. The Company is an exploration stage company which is engaged in the acquisition, exploration and development of energy metals projects. The Company is listed on the TSX Venture Exchange (“TSXV”) under the symbol FUSE, as a Tier 2 mining issuer and in the process of exploring its mineral properties.

On 31 January 2023, the Company changed its name to Fuse Battery Metals Inc. The Company’s shares commenced trading under the new name effective, 2 February 2023. The Company’s trading symbol FUSE remained the same.

On 14 July 2023, the Company formed Ignition Battery Metals Inc. and subscribed to 100% of its shares.

On 3 June 2024, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, warrants and per share amounts are stated on an adjusted basis.

The head office and principal address is located at Suite 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6.

Unless the context suggests otherwise, references to “Fuse” or the “Company” or “we”, “us”, “our” or similar terms refer to Fuse Battery Metals Inc.

On 17 July 2025, the Company entered into a binding letter of intent (“LOI”) with 1545726 B.C. Ltd. (dba “Pointor AI”) for the acquisition of 100% of its common and preferred shares, by way of a three-cornered amalgamation transaction with Fuse’s wholly-owned subsidiary. Subject to Section 4.1 of TSX Venture Exchange Policy 5.2, the Transaction is subject to shareholder approval. The LOI was entered into at arm’s length.

Pointor AI is a novel recruitment technology business that is developing an AI-driven platform that management believes reduces executive and specialist hiring time by 80% and costs by up to 90% compared to traditional executive search methods, which typically charge 30-35% of first-year salary.

The Pointor AI-driven recruitment platform leverages machine learning and natural language processing to analyze publicly available professional data, offering features including competitor research, automated org chart building, talent mapping, and salary benchmarking. The platform’s four-layer architecture (data collection, processing, intelligence, and interface) delivers an intuitive user experience for both recruiters and hiring managers.

1545726 B.C. Ltd., dba Pointor AI, is a newly incorporated private company dedicated to the commercialization of AI software for the Human Resources, Executive Search and Recruitment Industries. The principals of this company are Ms. Jessie (Fan) Johnson, CEO, Mr. Tarka L’Herpiniere, COO, and Oliver Willett, VP Business Development. Ms. Jessie (Fan) Johnson is a control person and currently owns 66.67% of the issued and outstanding shares of 1545726 B.C. Ltd.

Founded in 2025 and headquartered in London, United Kingdom, Pointor AI plans to complete the development and commercialization of its first AI-powered product in calendar 2025 which it plans to first deploy in the European financial services industry under a Software-As-A-Service (“SAAS”) model.

The global recruitment market, valued at US\$757 billion in 2024, is projected to reach US\$2.3 trillion by 2033 (CAGR 13.1%). Pointor AI targets large enterprises with 10,000+ employees, focusing initially on the UK and North America, with planned expansion to the EU in Year 2 and Asia in Year 3.

Pointor AI employs a dual revenue model: (1) Per-Placement Fee Model with a base fee of £500 per job plus 5% of first-year salary, averaging £5,500 per hire; and (2) Enterprise Subscription Model with an average monthly fee of £5,000 (£60,000 ARR), including unlimited searches and dedicated support. Our competitive advantages include proprietary data assets, specialized executive search focus, enterprise grade technology with rapid implementation (2-4 weeks vs. industry standard 3-6 months), and significant cost advantages (80-90% savings vs. traditional executive search).

Terms of the Transaction

Subject to the execution and delivery of a mutually acceptable definitive agreement, Fuse will acquire Pointor AI through the issuance of an aggregate of 50,000,000 of its common shares by way of a three-cornered amalgamation transaction. The Pointor AI shareholders will receive a price per Consideration Share that is anticipated to be equal to the price per share to be issued in the private placement financing that the Company intends to complete concurrently with the Transaction, as described further below in this News Release.

Sponsorship

Sponsorship of a change of business/reverse take-over transaction is required by the TSXV unless exempt in accordance with TSXV policies or the TSXV provides a waiver from sponsorship requirements. Fuse intends to apply for a waiver from the sponsorship requirements; however, there is no assurance that it will be able to obtain a waiver from sponsorship requirements if an exemption from sponsorship is not available.

In addition to the escrow requirements of the TSXV, Fuse common shares issued as part of the Transaction will be subject to the following performance escrow conditions, managed by the company's Transfer Agent or suitable authority, and released upon successfully demonstrating the following Milestones have transpired. If required by the TSXV, the performance escrow releases may be subject to timing constraints as a part of the terms of release. If this is the case, then the Parties will negotiate additional time-based escrow release criterion based on the Pointor Ai stated business plan and financial projections that will also apply to the escrow release schedule as a Term of Escrow Release.

	Shares subject to Escrow Release	Terms of Escrow Release
Initial Release	8,000,000	Upon TSXV Transaction Final Approval
Escrow Milestone 1	8,000,000	Upon the successful completion and announcement of the B2B (“Business to Business”) Minimum Viable Product as referenced in the Pointor AI business plan.
Escrow Milestone 2	8,000,000	Upon the successful recognition of the first \$1 of sales revenue from a third-party B2B customer sale and as stated in the Company's Quarterly Financial Statements (“FS”)
Escrow Milestone 3	8,000,000	After recognizing the first £175,000 in cumulative B2B sales revenue in the FS
Escrow Milestone 4	8,000,000	After recognizing the first £3,667,500 in cumulative B2B sales revenue in the FS

Escrow Milestone 5	10,000,000	After the successful development and launch of the Company's second product for sale (Business to Consumer or "B2C") and record revenue from the first 100 individual customers from third-party sales in the FS
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Each party shall be responsible for its own costs and expenses incurred with respect to the Transaction. Upon the successful execution of this LOI, Fuse will loan Pointor AI an amount equal to CAD\$25,000, within 3 business days, to be applied towards the Transaction costs incurred by Pointor AI. If the Transaction is successfully completed on the TSXV, no interest will accrue on this loan and the loan will be forgiven in its entirety as part of the Transaction. If the Transaction is not successfully concluded within twelve months of successful LOI execution, an interest rate of 10% per annum will accrue and the loan will become payable to Fuse on demand.

In connection with the Transaction, a finder's fee is payable in the amount of 1,500,000 shares to an arm's length party. The finder's fee is subject to a successful completion of the Transaction and is payable on the same terms as the milestone provisions above with 250,000 share increments, as per TSXV Policy 5.1 and is subject to TSXV approval.

Upon Completion of the Transaction the Company will be classified as a Tier 2 Technology Issuer on the TSXV.

Financing

In connection with the Transaction, and subject to TSXV approval, the Company intends to complete a private placement of subscription receipts for gross proceeds of \$2.0 million (the "Financing") at a price of \$0.05 per subscription receipt. Immediately upon completion of the Transaction, each subscription receipt will convert to a single common share of the Company. The Financing may be brokered or non-brokered and Agent's commissions and/or finder's fees in cash or securities may be payable in connection with the Financing subject to compliance with TSXV policies and the Financing and finder's fees are subject to the approval of the TSXV. Proceeds from the Financing are expected to be used as follows:

Product	Software Development Product #1	\$ 250,000.00
Product	Software Development Product #1 and #2	300,000.00
IR	Media Platforms, Rich Media Content Creation, Contract Service Providers, Social Media Platforms and Advertising	310,000.00
Marketing & Sales	Marketing Literature/PR/Tradeshows/Seminars/People	300,000.00
G&A	Salaries and Office Administration	550,000.00
G&A	Regulatory and Financing Cost	140,000.00
G&A	Unallocated Working Capital	150,000.00
		\$ 2,000,000.00

All securities issued pursuant to the Financing, Transaction and finder's fees will be subject to a hold period as required under applicable securities legislation.

Change of Business

Completion of the Transaction as contemplated would constitute a Change of Business/Reverse Take-Over in accordance with TSXV Policy 5.2 *Changes of Business and Reverse Takeovers* ("Policy 5.2") as the Company's current business is the exploration of minerals. As a result, the Transaction is subject to TSXV acceptance and approval of the shareholders of Fuse.

Conditions

The Transaction is subject to a number of conditions including, but not limited to, entry into a definitive agreement, closing of the Financing, completion of due diligence reviews by the Parties and approval by each of the Fuse and Pointor AI boards of directors.

Management Changes

Under the terms of the LOI, certain management changes are intended to occur concurrently with the closing of the Transaction pursuant to which three nominees of Pointor AI will be appointed to the Company's board of directors and the officers of Pointor AI will replace the Company's current officers, with the exception of Fuse's current Director Tim Fernback (proposed new Chairman), current Director Robert Setter and current Director Ryan Cheung, As well the current Corporate Secretary Tina Whyte, and current CFO Robert Guanzon, all of whom will remain in such position. James Hellwarth will also remain in his Investor Relations capacity post amalgamation.

FORWARD-LOOKING STATEMENTS

This MD&A may contain forward-looking statements that involve a number of known and unknown risks and uncertainties including statements regarding the outlook of Fuse's business and results of operations. By their nature, these risks and uncertainties could cause actual results, performance and achievements to differ materially from those indicated. Such factors include, without limitation, risks inherent in mineral exploration, the Company's history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, and environmental risks. Readers should not place undue reliance on these forward-looking statements which speak only as of the date the statements were made, and are also advised to consider such forward looking statements while considering the risks set forth below.

Fuse disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as is required by applicable securities regulations.

PROJECT OVERVIEW

Ontario Properties:

Glencore Bucke Project

Fuse entered into a property purchase agreement dated 31 August 2017 with Glencore Canada Corporation (subsidiary of Glencore plc) ("Glencore") of Baar Switzerland, LSE: GLEN to acquire a 100% interest in the Glencore Bucke Property situated in Bucke Township, 6 km east-northeast of Cobalt, Ontario. On 28 February 2018, the Company completed its obligations under the purchase agreement.

The Glencore Bucke property consists of two patented mining claims totaling approximately 16.2 ha in area and sits along the west boundary of Fuse's Teledyne Cobalt Project. In 1981, Teledyne leased mining claim 585 ("Glencore Bucke Property") from Falconbridge Nickel Mines Ltd., as the company recognized the significant exploration potential that the Property had due to the possible southern extensions of the Cobalt Contact veins on mining claim T43819 that projected southward onto the Property. In the same year, Teledyne completed 36 diamond drill holes totaling 10,903 ft (3323.3 m) on the Property. The drilling program outlined two separate vein systems hosting significant cobalt and silver values. The two zones are known as the Main Zone, measuring 152.4 m in length, and the Northwest Zone, measuring 70.0 m in length. The Main Zone had a north-south strike, which is hypothesized as the southern extension of the #3 vein from the Cobalt Contact Mine located immediately to the north of the Property. Additional work was recommended but never completed due to a downturn in cobalt prices at the time. Based on the surface drill program completed by Teledyne, historical reserves of 60,000 tons in the geologically inferred category, and 15,000 tons in the probable category, at an average grade of 0.45% Co, 3.0 oz/t Ag was estimated (Linn, 1983). The historical reserve estimate contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. The Company is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

The Company does not have any further planned or budgeted activities on this project, as a result, an amount of \$1,291,130 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended 31 December 2024.

Teledyne Cobalt Project

In 2016, Fuse entered into an option agreement to acquire up to a 100% interest, subject to a 2% net smelter royalty ("NSR"), on the Teledyne Cobalt Property. In the spring of 2018, Fuse announced that it had amended and accelerated the option agreement, and that it earned a 100% interest in the Property with the vendors retaining the 2% NSR.

The Property, located in Bucke and Lorrain Townships, consists of 5 patented mining claims totaling 79.1 ha, and 46 unpatented mining claim cells totaling approximately 700 ha. The Property is easily accessible by highway 567 and a well-maintained secondary road.

The Property adjoins the south and west boundaries of claims that hosted the Agaunico Mine. From 1905 through to 1961, the Agaunico Mine produced a total of 4,350,000 lbs. of cobalt ("Co"), and 980,000 oz. of silver ("Ag") (Cunningham-Dunlop, 1979). A significant portion of the cobalt that was produced at the Agaunico Mine was located along structures that extended southward towards the northern boundary of patented mining claim PAT-49017, part of the Teledyne Cobalt Property. Cobalt mineralization consisted of cobaltite and smaltite hosted within steeply dipping veins and extensive disseminations within Huronian sedimentary rocks. From 1951 through to 1957, the average Co content of the ores mined at the Agaunico Mine was approximately 0.5%. In 1955, 526,000 lbs. of Co, 146,000 oz. of Ag, 117,000 lbs. of nickel ("Ni"), and 81,000 lbs. of copper ("Cu") were extracted from 62,000 tons of ore (Cunningham-Dunlop, 1979).

The Company does not have any further planned or budgeted activities on this project, as a result, an amount of \$2,882,998 was recognized as an impairment loss of exploration and evaluation properties on this project for the year ended 31 December 2024.

Qualified Person Statement

“Project Overview” section of this MD&A have been reviewed and approved for technical content by Ali Alizadeh, P. Geo., an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

Nevada, USA Properties:

Lithium Springs Property

In November 2022, Fuse entered a Purchase and Sale agreement to acquire a 100% interest in 108 placer claims. The claims cover approximately 858 hectares of playa and alluvial fan located at the south end of the Black Rock Desert outside of the hamlet of Gerlach in Washoe County, Nevada.

The project is located at the southern end of Black Rock Desert, Nevada, about 132 air-line km north-northeast of Reno, Nevada. Black Rock Desert basin is about 110 km long and up to 25 km wide at the widest point. The central playa measures about 50 km northeast – southwest and 10 km southeast – northwest. The western arm of the Black Rock Desert covers an area of about 2,000 square kilometers and contains 5 of the 30 currently listed Known Geothermal Resource Areas in Nevada.

The property covers an area of playa underlain by a moderately deep basin interpreted from gravity and seismic surveys indicating a maximum thickness of valley-fill deposits of about 1,200 m/ 3,600 ft. A high salt content prevents any significant vegetation from growing on the playa surface. Locally, the basin is being fed in part by boiling springs and siliceous sinter containing strongly anomalous Lithium values (up to 3.5 ppm) that flank the property on the west side. (U.S. GEOLOGICAL SURVEY Open-File Report 81-918.) While these lithium values are well below those of producing lithium bines, they do represent a significant source of metal available for evaporative concentration within the playa basin. The Company does not have any further planned or budgeted activities on this project, as a result, claims were not renewed.

Monitor Valley North Property

In November 2022, Fuse entered into a Purchase and Sale Agreement whereby the Company became the legal and beneficial owner of 97 placer claims (MVN1 – MVN97) covering approximately 770 hectares of alluvial sediments and clays located 134 km northeast of Tonopah, Nevada.

The property is located in Monitor Valley, Nevada, about 138 km north-northeast of Tonopah, Nevada. The center of the property is about 39.21° North Latitude, 116.65° West Longitude. The property is 55 km due west of the Little Smokey Valley, Nevada where exploration for lithium is ongoing.

The Monitor Valley North Project is a sediment-hosted lithium clay target. The property is easily accessible for exploration and exploitation to be carried out throughout the year. On September 11, 2023, KLM Geoscience was contracted for a controlled source audio-frequency magnetotelluric (CSAMT) geophysics program that comprised of 9 E-W trending liens for a total of 17-line kilometers. The Company does not have any further planned or budgeted activities on this project, as a result, claims were renewed.

Qualified Person Statement

“Project Overview” sections of this MD&A have been reviewed and approved for technical content by Steven McMillin, PG (Principal Geologist), an independent consulting geologist and a Qualified Person under the provisions of NI 43-101.

Selected Quarterly Financial Information

The following table sets out Fuse’s summarized quarterly results for each of the eight most recently completed quarters. This financial data has been prepared in accordance with IFRS. All amounts are shown in Canadian dollars.

	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023
Loss from operations	\$(44,375)	\$(135,530)	\$(138,248)	\$(152,704)	\$(135,571)	\$(154,533)	\$(145,497)	\$(475,506)
Comprehensive loss for the quarter	\$(32,402)	\$(135,784)	\$(139,517)	\$(4,325,320)	\$(140,792)	\$(155,419)	\$(144,933)	\$(477,798)
Diluted Income (Loss) per share	\$(0.001)	\$(0.004)	\$(0.004)	\$(0.115)	\$(0.004)	\$(0.004)	\$(0.003)	\$(0.013)

RESULTS OF OPERATIONS

For the nine months ended 30 September 2025 compared to the same period ended 30 September 2024.

Comprehensive loss for the period ended 30 September 2025 was \$307,703 as compared to \$414,144 for the same period in 2024. The decrease in comprehensive loss of \$106,441 was mainly attributable to the net effect of:

- Increase of \$4,500 in Accounting and audit fees, from \$Nil in 2024 to \$4,500 in 2025.
- Decrease of \$96,202 in Consulting fees, from \$350,004 in 2024 to \$253,802 in 2025.
- Decrease of \$1,181 in Marketing and Communications, from \$7,022 in 2024 to \$5,841 in 2025.
- Decrease of \$3,096 in Office expenses, from \$24,380 in 2024 to \$21,284 in 2025.
- Decrease of \$14,566 in Transfer agent and regulatory fees, from \$47,292 in 2024 to \$32,726 in 2025.
- Decrease of \$6,903 in Travel, lodging and food, from \$6,903 in 2024 to \$Nil in 2025.
- Decrease of \$4,198 in Foreign exchange loss, from \$5,543 in 2024 to \$1,345 in 2025.
- Increase of \$11,795 in other income related to disposition of temporary investment, from \$Nil in 2024 to \$11,795 in 2025.

For the three months ended 30 September 2025 compared to the same period ended 30 September 2024.

Comprehensive loss for the three months ended 30 September 2025 was \$32,402 as compared to \$140,792 for the same period in 2024. The decrease in comprehensive loss of \$108,390 was mainly attributable to the net effect of:

- Decrease of \$93,039 in Consulting fees, from \$115,884 in 2024 to \$22,845 in 2025.
- Increase of \$1,647 in Marketing and Communications, from \$2,560 in 2024 to \$4,207 in 2025.

- Increase of \$3,300 in Office expenses, from \$3,811 in 2024 to \$7,111 in 2025.
- Increase of \$1,308 in Transfer agent and regulatory fees, from \$8,904 in 2024 to \$10,212 in 2025.
- Decrease of \$4,412 in Travel, lodging and food, from \$4,412 in 2024 to \$Nil in 2025.
- Increase of \$5,399 in Foreign exchange gain, from \$5,221 loss in 2024 to \$178 gain in 2025.
- Increase of \$11,795 in other income related to disposition of temporary investment, from \$Nil in 2024 to \$11,795 in 2025.

LIQUIDITY AND CAPITAL RESOURCES

As at 30 September 2025 the Company had \$66,968 in cash (31 December 2024: \$245,365). Working capital deficit as at 30 September 2025 was \$50,546 (31 December 2024: working capital of \$257,157).

During the period ended 30 September 2025, the Company had a net decrease in cash of \$178,397 compared to \$724,247 for the period ended 30 September 2024. The decrease cash in was mainly due to the net effect of general and administrative expenses during period.

From time to time the Company works to raise additional capital through private placements and other forms of equity financing. Its ability to fund exploration projects is dependent upon its ability to obtain sufficient funding for operations and is ultimately dependent on the recoverability of the amounts capitalized to mineral exploration properties. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. Because the Company is not yet a producer, the primary source of future funds is through the sale of additional equity capital and optioning of resource properties. There is no assurance that the Company will be successful in raising sufficient capital to meet its obligations. If it is not successful in raising sufficient capital, it may have to curtail or otherwise limit operations. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

RELATED PARTY TRANSACTIONS

Except as set forth below and elsewhere within this MD&A, the Company has not entered into any related party transactions for the periods ended 30 September 2025 and 2024.

The remuneration of directors and other members of key management for the periods ended 30 September 2025 and 2024 are as follows:

Related party transactions are summarized as follows:

30 September	2025	2024
Consulting fees to Director and Chairman	6,000	18,000
Consulting fees to Director, President and Chief Executive Officer (“CEO”)	54,000	54,000
Consulting fees to Chief Financial Officer (“CFO”)	45,000	45,000
Consulting fees to the Corporate Secretary	63,000	63,000
Total related party transactions	168,000	180,000

OUTSTANDING SHARE DATA

The number of common shares outstanding as at 30 September 2025 and as at the date of this MD&A was 37,589,745 shares and 37,629,745, respectively (31 December 2024: 37,589,745).

Total stock options outstanding as at 30 September 2025 and as at the date of this MD&A was 1,690,000 and 1,650,000, respectively (31 December 2024: 5,000,000).

Total share purchase warrants outstanding as at 30 September 2025 and as at the date of this MD&A was 12,270,769 (31 December 2024: 12,310,769).

CONTROLS AND PROCEDURES

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), Fuse utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing a Venture Issuer Basic Certificate do not make any representations relating to establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP ("IFRS").

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of Fuse's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided securities legislation.

RISK FACTORS

The mineral industry involves significant risks. In addition to the risk factors described elsewhere in this MD&A, the risk factors that should be taken into account in considering Fuse's business include, but are not limited to, those set out below. Any one or more of these risks could have a material adverse effect on the future prospects of the Company and the value of its securities.

Current Global Financial Condition

Current global financial conditions have been subject to increased volatility and turmoil. These factors may affect Fuse's ability to obtain equity financing in the future or, if obtained, to do so on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations as well as the trading price of its common shares could be adversely affected.

Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, Fuse's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves or resources through drilling, to develop metallurgical processes, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves.

The Company may be subject to risks that could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. Fuse attempts to balance these risks through insurance programs where required and ongoing risk assessments conducted by its technical team.

Commodity Prices

Fuse is in the business of exploring for base and precious metals, the market prices of which can fluctuate widely. Metal prices ultimately depend on demand in the end markets for which metals are used. Demand is affected by numerous factors beyond the Company's control, including the overall state of the economy, general level of industrial production, interest rates, the rate of inflation, and the stability of exchange rates, any of which can cause significant fluctuations in metals prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of metals has fluctuated widely in recent years and there are no assurances as to what will be the future prices of base and precious metals. In the course of its current operations, the Company does not enter into price hedging programs.

Environmental

Exploration projects and operations are subject to the environmental laws and applicable regulations of the jurisdiction in which Fuse operates. Environmental standards continue to evolve and the trend is to a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. If and when appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability.

Reliance upon Key Personnel

The Company is dependent upon a number of key management and operational personnel, including the services of certain key employees. Its ability to manage activities, and hence its success, will depend in large part on the efforts of these individuals. During times when metals prices are strong, the Company faces intense competition for qualified personnel, and there can be no assurance that Fuse will be able to attract and retain such personnel at any time. Fuse does not maintain "key person" life insurance. Accordingly, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company.

Insurance

Fuse's insurance will not cover all the potential risks associated with its operations. In addition, although certain risks are insurable, it might be unable to maintain insurance to cover these risks at economically feasible premiums. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Fuse or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that it may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Requirements to Obtain Government Permits

Government approvals and permits are currently required in connection with Fuse's exploration activities, and further approvals and permits may be required in the future. The duration and success of the Company's efforts to obtain permits are contingent upon many variables outside of its control. Obtaining government permits may increase costs and cause delays depending on the nature of the activity to be permitted and the interpretation of applicable requirements implemented by the permitting authority. There can be no assurance that all necessary permits will be obtained and if obtained, that the costs involved will not exceed Fuse's estimates or that it will be able to maintain such permits. To the extent such approvals are required and not obtained or maintained, the Company may be prohibited from proceeding with planned exploration or development of mineral properties.

Joint Ventures

From time to time Fuse may enter into one or more joint ventures. Any failure of a joint venture partner to meet its obligations could have a material adverse effect on such joint ventures. In addition, the Company might be unable to exert influence over strategic decisions made in connection with properties that are involved in such joint ventures.

Exploration Risks

The exploration for and development of mineral deposits involves significant risks. Few properties that are explored are ultimately developed into producing mines. Whether a mineral deposit will be commercially viable depends on a number of factors, including: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulation, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Even if the Company identifies and acquires an economically viable ore body, several years may elapse from the initial stages of development until production. As a result, it cannot be assured that Fuse's exploration or development efforts will yield new mineral reserves or will result in any new commercial mining operations.

Mineral Property Title Risk

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of the properties will not be challenged or impaired. Third parties may have valid claims underlying portions of Fuse's interests, including prior unregistered liens, agreements, transfers or claims, including aboriginal land claims, and title may be affected by, among other things, undetected defects or unforeseen changes to the boundaries of Fuse's properties by governmental authorities. As a result, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its properties. An impairment to or defect in the title to the Company's properties could have a material adverse effect on its business, financial condition or results of operations. In addition, such claims, whether or not valid, would involve additional cost and expense to defend or settle.

Potential for Conflicts of Interest

Certain of the Company's directors and officers may also serve as directors or officers of other companies involved in natural resource exploration and development or other businesses and consequently there exists the possibility for such directors and officers to be in a position of conflict. Fuse expects that any decision made by any of such directors and officers involving Fuse will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Fuse and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matters in which such director may have a conflict of interest or which are governed by the procedures set forth in applicable law.

APPENDIX "D"

Audited Financial Statements and MD&A for Pointor AI as at September 30, 2025

1545726 B.C. Ltd.
DBA Pointor AI

FINANCIAL STATEMENTS

AS AT 30 SEPTEMBER 2025
AND FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025

INDEPENDENT AUDITOR'S REPORT

To the Directors of 1545726 B.C. Ltd.

Opinion

We have audited the financial statements of 1545726 B.C. Ltd., doing business as "Pointor AI" (the "Company"), which comprise the statement of financial position as at 30 September 2025, the statement of loss and comprehensive loss, statement of cash flows and statement of changes in shareholder's deficiency for the period from the date of incorporation on 25 June 2025 to 30 September 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 September 2025 and its financial performance and its cash flows for the period from the date of incorporation on 25 June 2025 to 30 September 2025 in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Except as described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

SHIM & Associates LLP
Chartered Professional Accountants

The engagement partner on the audit resulting in this independent auditor's report is Dong H. Shim.

SHIM & Associates LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada

November 4, 2025

**1545726 B.C. LTD. DBA POINTOR AI
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025
(Expressed in Canadian dollars)**

ASSETS

Current		
Cash		\$ 7,626
Total current assets		7,626
Intangible assets (Note 4)		1
TOTAL ASSETS		\$ 7,627

LIABILITIES AND SHAREHOLDERS' DEFICIENCY

LIABILITIES

Current		
Accrued liabilities		\$ 7,600
Loan payable (Note 5)		25,000
TOTAL CURRENT LIABILITIES		32,600

SHAREHOLDERS' DEFICIENCY

Share capital (Note 3)	100
Deficit	(25,073)
TOTAL SHAREHOLDERS' DEFICIENCY	(24,973)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	\$ 7,627

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

Approved on behalf of the Board of Directors of Pointor AI

‘Oliver Willett’

‘Fan Johnson’

Director

Director

The accompanying notes are an integral part of these financial statements

1545726 B.C. LTD. DBA POINTOR AI
STATEMENT OF LOSS AND COMPREHENSIVE LOSS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025
(Expressed in Canadian dollars)

<u>OPERATING EXPENSES</u>	
Consulting fees	\$ 6,300
Office expenses	1,173
Professional fees	17,600
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	\$ (25,073)
LOSS PER SHARE – BASIC AND DILUTED	\$ (2.51)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES – BASIC AND DILUTED	10,000

The accompanying notes are an integral part of these financial statements

1545726 B.C. LTD. DBA POINTOR AI
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025
(Expressed in Canadian dollars)

<u>OPERATING ACTIVITIES</u>	
Net loss for the period	\$ (25,073)
Change in non-cash working capital:	
Increase in accrued liabilities	7,600
<u>Cash used in operating activities</u>	
	(17,473)
<u>INVESTING ACTIVITY</u>	
Acquisition of intangible assets	(1)
<u>Cash used in investing activity</u>	
	(1)
<u>FINANCING ACTIVITIES</u>	
Proceeds from issuance of common shares	100
Proceeds from loan payable	25,000
<u>Cash provided by financing activity</u>	
	25,100
Increase in cash	7,626
Cash, beginning of period	-
Cash, end of period	\$ 7,626

The accompanying notes are an integral part of these financial statements

1545726 B.C. LTD. DBA POINTOR AI

STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIENCY

FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER 2025

(Expressed in Canadian dollars)

	Share Capital				Total
	Number of Shares	Amount	Deficit		
As at 25 June 2025 (Date of Incorporation)	-	\$ -	\$ -	\$ -	-
Issuance of common shares (Note 3)	10,000	\$ 100	\$ -	\$ -	100
Net loss for the period	-	-	(25,073)	(25,073)	
As at 30 September 2025	10,000	\$ 100	\$ (25,073)	\$ (24,973)	

The accompanying notes are an integral part of these financial statements

1545726 B.C. LTD. DBA POINTOR AI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

1545726 B.C. Ltd., dba Pointor AI (the “Company” or “Pointor”), was incorporated on 25 June 2025 under the Business Corporations Act of British Columbia (“BCBCA”). The Company is a private company dedicated to the commercialization of AI software for the Human Resources, Executive Search and Recruitment Industries.

The Company’s corporate office and its principal place of business are located at Suite 501, 3292 Production Way, Burnaby, British Columbia, V5A 4R4.

On 17 July 2025, Fuse Battery Metals Inc. (“Fuse”) entered into a binding letter of intent with the Company for the acquisition of 100% of the Company’s common shares, by way of a three-cornered amalgamation transaction with Fuse’s wholly-owned subsidiary (the “Transaction”). Subject to the execution and delivery of a mutually acceptable definitive agreement, Fuse will acquire the Company through the issuance of an aggregate of 50,000,000 of Fuse’s common shares. Fuse also intends to complete a concurrent private placement.

Going concern

For the period from the date of incorporation on 25 June 2025 to 30 September 2025, the Company reported a loss of \$25,073, a working capital deficit of \$24,974, and net shareholders’ deficiency of \$24,973.

These financial statements have been prepared in accordance with accounting policies applicable to a going concern which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business as they come due for the foreseeable future. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at 30 September 2025, the Company had no operations. The Company expects to incur further losses in completing an arrangement and in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. BASIS OF PRESENTATION AND MATERIAL ACCOUNTING POLICY INFORMATION

a) Basis of Presentation

These financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss (“FVTPL”), which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These financial statements are presented in Canadian dollars, which is the Company’s functional and presentation currency, except where otherwise indicated.

The financial statements of the Company for the period from the date of incorporation on 25 June 2025 to 30 September 2025 were authorized for issue by the directors on 4 November 2025.

b) Statement of Compliance

The financial statements have been prepared in accordance with accounting policies in full compliance with IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), effective for the Company’s reporting for the period ended 30 September 2025.

1545726 B.C. LTD. DBA POINTOR AI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025
(Expressed in Canadian dollars)

c) Significant Accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. The estimates and associated assumptions are based on anticipations and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. Areas requiring judgments, estimates, and assumptions are going concern assumption and recognition of deferred taxes.

Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire, or when the financial asset and its related risks and rewards are transferred. Financial liabilities are derecognized when they expire, are discharged or cancelled. At present, the Company classifies its cash as financial assets measured at amortized costs, accounts payable and accrued liabilities, and promissory note as financial liabilities measured at amortized cost. These financial liabilities are classified as current liabilities as the payment is due within twelve months.

Financial assets classified at amortized costs are subsequently measured using the effective interest method and are subject to impairment. Interest income and foreign exchange gains and losses are recognized in profit or loss.

Financial liabilities are generally classified as at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: where the Company optionally designates financial liabilities at FVTPL the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in other comprehensive income; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL. Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized costs. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

1545726 B.C. LTD. DBA POINTOR AI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025
(Expressed in Canadian dollars)

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income (loss) in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Impairment of assets

The carrying amount of the Company's non-financial assets, which include equipment, is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life (which include goodwill) are not subject to amortization and are tested annually for impairment.

Loss per share

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of shares outstanding during the year. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the year. For the period ended 30 September 2025, the Company had no stock options and warrants.

Related parties

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

1545726 B.C. LTD. DBA POINTOR AI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025
(Expressed in Canadian dollars)

d) Adoption of new and revised standards and interpretations

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. SHARE CAPITAL

The Company has authorized unlimited number of common shares without par value. As at 30 September 2025, the Company had 10,000 common shares outstanding.

During the period from the date of incorporation on 25 June 2025 to 30 September 2025, the Company issued 10,000 common shares at a price of \$0.01 per share.

4. INTANGIBLE ASSETS

On the date of incorporation 25 June 2025, intangible assets were acquired from an entity controlled by the Chief Financial Officer ("CFO") of the Company for \$1 (Note 6). The intangible assets consist of all algorithms, training data, model architectures and associated copyrights or trade secrets related to the AI-driven platform. As at 30 September 2025, no indication of impairment exists for the intangible assets.

5. LOAN PAYABLE

On 11 July 2025, the Company executed a promissory note agreement (the "Promissory Note") with Fuse. The principal amount (the "Principal Sum") of the Promissory Note is \$25,000 and the due date of it is 27 June 2026 (the "Due Date"). All outstanding amounts of the Principal Sum shall bear interest at the prime rate of interest plus 1% from and after the Due Date. The Company has the right to repay all or any part of the Principal Sum at any time in whole or in part without notice, bonus or penalty. In the event that the Company and Fuse complete the Transaction on or before the Due Date, the Principal Sum or any accrued interest shall be forgiven.

6. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

During the period from the date of incorporation on 25 June 2025 to 30 September 2025, the Company acquired the intangible assets from the entity controlled by the Company's CFO (Note 4). There was no other compensation to key management personnel during the period from the date of incorporation on 25 June 2025 to 30 September 2025.

As at 30 September 2025, there were no payables to related parties.

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company includes share capital in the definition of capital. Although the Company has been successful in the past in obtain financing, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable. The Company is not subject to externally imposed capital requirements.

1545726 B.C. LTD. DBA POINTOR AI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025
(Expressed in Canadian dollars)

As at 30 September 2025 the Company had working capital deficit of \$24,974 and net shareholders' deficiency of \$24,973. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent selling their current product line, stabilize expenses, and raise additional financing from equity or debt markets.

Hierarchy of fair value measurements

The Company classifies its financial assets and liabilities measured at fair value into three levels according to the observability of the inputs used in their measurement.

- Level 1** Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2** Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3** Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the fair value measurement.

The Company's financial instruments as at 30 September 2025, consisting of cash, accrued liability and loan payable, approximate fair values due to the relatively short-term maturities of the instruments.

Risk Disclosures

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

a) Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company deposits cash with high credit quality financial institution. The Company believes that it has no significant credit risk.

b) Liquidity risk

Liquidity risk is the risk that Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point of time.

As at 30 September 2025, the Company had accrued liabilities of \$7,600 and a loan payable of \$25,000 due within 12 months and had cash of \$7,626 to meet its current obligations. Management seeks additional financing through the issuance of equity instruments to continue its operations. The Company's access to financing is always uncertain. There can be no assurance of continued access to funding. Liquidity risk is assessed as moderate.

The Company is not subject to any other market risks, including interest rate risk, currency risk and commodity price risk.

1545726 B.C. LTD. DBA POINTOR AI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025 TO 30 SEPTEMBER
2025
(Expressed in Canadian dollars)

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Period ended 30 September 2025	\$
Loss before income taxes	(25,073)	
Combined federal and provincial tax rate	27%	
Expected income tax recovery	(6,770)	
Change in unrecognized deferred income tax assets	6,770	
Total income tax recovery	-	

The significant components of the Company's deferred income tax assets that have not been included on the statement of financial position are as follows:

	30 September 2025	\$
Deferred income tax assets:		
Non-capital loss	(6,770)	
Unrecognized deferred income tax assets	6,770	
Total deferred income tax assets	-	

As at 30 September 2025, the Company had a non-capital loss carry forward of \$25,073 available for tax purposes in Canada which expires in 2045.

Management's Discussion and Analysis

1545726 BC Ltd. DBA: Pointor AI

AS AT 30 SEPTEMBER 2025

AND FOR THE PERIOD FROM THE DATE OF INCORPORATION ON 25 JUNE 2025
TO 30 SEPTEMBER 2025

1545726 BC Ltd. DBA: Pointor AI

Management's Discussion and Analysis of Financial Results

For the period from the date of Incorporation on 25 June 2025 to 30 September 2025

The following management discussion and analysis ("MD&A") are management's assessment of the results and financial condition of Pointor AI or 1545726 BC Ltd. (the "Company" or "Pointor") for the year ended 30 September 2025 and should be read in conjunction with the corresponding financial statements and related notes. All financial information has been prepared in accordance with IFRS Accounting Standards and all dollar amounts presented are Canadian dollars ("CAD") unless otherwise stated.

Additional information on the Company is available on SEDAR at www.sedar.com.

This MD&A contains forward-looking information. See "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

1545726 BC Ltd. DBA: Pointor AI

Management's Discussion and Analysis of Financial Results

For the period from the date of Incorporation on 25 June 2025 to 30 September 2025

Introduction

The following discussion of performance and financial condition should be read in conjunction with the financial statements of the 1545726 B.C. Ltd., dba Pointor AI (the "Company" or "Pointor") for the period from the date of incorporation on 25 June 2025 to 30 September 2025. The Company's financial statements are prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretation Committee. The Company's reporting currency is Canadian dollars unless otherwise stated. This Management's Discussion and Analysis ("MD&A") is dated 4 November 2025.

The address of the Company's corporate office and its principal place of business is Suite 501, 3292 Production Way, Burnaby, British Columbia, V5A 4R4.

Description of Business

The Company was formed on 25 June 2025 under the Business Corporations Act of British Columbia ("BCBCA"). is a private company dedicated to the commercialization of AI software for the Human Resources, Executive Search and Recruitment Industries.

Selected Annual Information and Quarterly Information

The Company was incorporated on 25 June 2025 and, as a result, there is no comparative information.

The balances as at and for the period ended 30 September 2025 are:

Total assets	\$	7,627
Total liabilities	\$	32,600
Total shareholder's equity	\$	100
Net loss for the period	\$	25,073

Financial Condition and Capital Resources

As at 30 September 2025, the Company had a net working capital deficit of \$24,974, cash of \$7,626, current liabilities of \$32,600 and had a deficit of \$25,073. During the period ended 30 September 2025, the Company issued 10,000 common shares at a price of \$0.01 per share. The Company is currently working towards closing an arrangement with Fuse Battery Metals Inc. ("Arrangement") and implement and develop new businesses involving Pointor's private placement financing.

Outstanding Share Data

- a) Authorized Share Capital: unlimited common shares without par value.
- b) Issued and Outstanding: 10,000 common shares as at 30 September 2025 and the date of this report.

1545726 BC Ltd. DBA: Pointor AI

Management's Discussion and Analysis of Financial Results

For the period from the date of Incorporation on 25 June 2025 to 30 September 2025

Financial and Other Instruments

The Company's financial assets and liabilities consist of cash, accrued liability and loan payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

As at 30 September 2025, the Company had accrued liabilities of \$7,600 and a loan payable of \$25,000 due within 12 months and had cash of \$7,626 to meet its current obligations. As a result, the Company had liquidity risk. The Company is working towards completing the Arrangement.

The fair value of these instruments approximates their carrying value due to the short-term nature of their maturity.

Related Parties Transaction

Related parties include the Board of Directors, close family members and enterprises controlled by these individuals or by others performing similar functions.

During the period from the date of incorporation on 25 June 2025 to 30 September 2025, the Company acquired the intangible assets for \$1 from the entity controlled by the Company's Chief Financial Officer ("CFO").

There was no other compensation to key management personnel during the period from the date of incorporation on 25 June 2025 to 30 September 2025.

As at 30 September 2025, there were no payables to related parties.

Off-Balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements during the period.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of Management. In the preparation of these financial statements estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been accurately reflected in the accompanying financial statements.

Risks

There is currently no market for the common shares of the Company. Investment in the common shares must be regarded as highly speculative due to the proposed nature of the Company's business and its present stage of development. There is no guarantee such a transaction will be completed.

The Company was only recently incorporated and has no active business or material assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the completion of the Arrangement.

1545726 BC Ltd. DBA: Pointor AI

Management's Discussion and Analysis of Financial Results

For the period from the date of Incorporation on 25 June 2025 to 30 September 2025

The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company.

An acquisition financed by the issuance of treasury shares could result in a change in the control of the Company and may cause the shareholders' interest in the Company to be further diluted.

There can be no assurance that an active and liquid market for the Company's common shares will develop, and an investor may find it difficult to resell the common shares.

Outlook

Although current management has demonstrated its ability to raise funds in the past, with the current financial market conditions and global economic uncertainty, there can be no assurance they will be able to do so in the future. The financial results and discussion do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Caution Regarding Forward Looking Statements

Except for historical information contained in this discussion and analysis, disclosure statements contained herein are forward-looking. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially, from those in such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

APPENDIX "E"

Pro Forma Financial Statements for the Resulting Issuer as at September 30, 2025

FUSE BATTERY METALS INC.

**UNAUDITED PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS
(CANADIAN DOLLARS)**

30 September 2025

FUSE BATTERY METALS INC.
PRO-FORMA CONSOLIDATED BALANCE SHEET
As at 30 September 2025
(expressed in Canadian dollars – unaudited)

	Fuse Battery Metals Inc.	Pointor AI	Note	Pro-forma adjustments	Pro-forma consolidated Fuse Battery Metals Inc.
	\$	\$		\$	\$
ASSETS					
Cash	66,968	7,626	3b	2,000,000	2,074,594
Amounts receivable	25,807	-			25,807
Prepaid expenses	23,629	-			23,629
Total current assets	116,404	7,626		2,000,000	2,124,030
Exploration and evaluation properties	672,345	-			672,345
Intangible assets	-	1	3a	999,999	1,000,000
Total assets	788,749	7,627		2,999,999	3,796,375
LIABILITIES					
Accounts payable and accrued liabilities	166,950	7,600			174,550
Loan payable	-	25,000			25,000
Total liabilities	166,950	32,600		-	199,550
SHAREHOLDERS' EQUITY					
Share capital	39,307,200	100	3a	2,500,000	43,807,200
			3a	(100)	
			3b	2,000,000	
Reserves	9,374,351	-			9,374,351
Deficit	(48,059,752)	(25,073)	3a	25,073	(49,584,726)
			3a	(1,524,974)	
Total equity	621,799	(24,973)		2,999,999	3,596,825
Total equity and liabilities	788,749	7,627		2,999,999	3,796,375

See accompanying notes to the unaudited pro-forma financial statements

FUSE BATTERY METALS INC.
PRO-FORMA CONSOLIDATED STATEMENT OF OPERATIONS
For the nine months ended 30 September 2025
(expressed in Canadian dollars – unaudited)

	Fuse Battery Metals Inc.	Pointor AI	Note	Pro-forma adjustments	Pro-forma consolidated Fuse Battery Metals Inc.
	\$	\$		\$	\$
Expenses					
Consulting fees	253,802	6,300		-	260,102
Marketing and communications	5,841	-		-	5,841
Office and miscellaneous	21,284	1,173		-	22,457
Professional fees	4,500	17,600		-	22,100
Transfer agent and regulatory fees	32,726	-		-	32,726
Total expenses	(318,153)	(25,073)		-	(343,226)
Other items:					
Foreign exchange loss	(1,345)	-		-	(1,345)
Other income	11,795	-		-	11,795
Listing expense	-	-	3a	(1,524,974)	(1,524,974)
Loss and comprehensive loss	(307,703)	(25,073)		(1,524,974)	(1,857,750)
Loss per share	(0.008)	(2.507)			(0.015)
Weighted average number of shares outstanding	37,589,745	10,000			127,589,745

See accompanying notes to the unaudited pro-forma financial statements

FUSE BATTERY METALS INC.
NOTES TO PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS
(expressed in Canadian dollars – unaudited)

1. BASIS OF PRESENTATION

The accompanying unaudited pro-forma consolidated financial statements has been compiled for purposes of inclusion in the Management Information Circular (“**Info Circular**”) of Fuse Battery Metals Inc. (“**Fuse**”) dated • 21 November 2025 which gives effect to an acquisition by Fuse Battery Metals Inc. (the “**Company**” or “**Fuse**”) of 1545726 B.C. Ltd. doing business as Pointor AI (“**Pointor AI**”), which upon closing of the acquisition, the Company will own the Pointor AI.

The unaudited pro-forma consolidated financial statements have been compiled from the following financial information:

- Unaudited interim condensed consolidated financial statements of the Company for the three and nine months ended 30 September 2025; and
- Audited financial statements of Pointor AI for the period from the date of incorporation on 25 June 2025 to 30 September 2025.

This pro-forma consolidated financial statements has been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) and the accounting principles as disclosed in the financial statements of Fuse for the year ended 31 December 2024 and the financial statements of Pointor AI for the period ended 30 September 2025. Management determined that no material changes are required to Pointor AI’s accounting policies to conform to the Company’s accounting policies in the preparation of these pro-forma consolidated financial statements.

In the opinion of management, the unaudited pro-forma consolidated financial statements include the adjustments necessary for the fair presentation of the proposed transaction in accordance with IFRS.

The unaudited pro-forma consolidated financial statements are not intended to reflect the results of operations or the financial position of the Company which would have actually resulted had the proposed transaction been effected on the dates indicated. Further, the unaudited pro-forma financial information is not necessarily indicative of the results of operations that may be obtained in the future. The actual pro-forma adjustments will depend on a number of factors, and could result in a change to the unaudited pro-forma consolidated financial statements.

2. DESCRIPTION OF THE TRANSACTION

On 17 July 2025, the Company entered into a binding letter of intent (“**LOI**”) with Pointor AI for the acquisition of 100% of its common shares. Subject to the execution and delivery of a mutually acceptable definitive agreement, the Company will Pointor AI through the issuance of an aggregate of 50,000,000 common shares by a way of a three-cornered amalgamation (the “**Transaction**”). The Company’s common shares issued as part of the transaction will be subject to the following performance escrow conditions:

	Shares subject to Escrow Release	Terms of Escrow Release
Initial Release	8,000,000	Upon TSXV approval of the Transaction.
Escrow Milestone 1	8,000,000	Upon the successful completion and announcement of the Business to Business (“ B2B ”) Minimum Viable Product as reference in the Pointor AI business plan.
Escrow Milestone 2	8,000,000	Upon the successful recognition of the first \$1 of sales revenue from a third-party B2B customer sale and as stated in the Company’s quarterly financial statements (“ FS ”)
Escrow Milestone 3	8,000,000	After recognizing the first £175,000 in cumulative B2B sales revenue in the FS.
Escrow Milestone 4	8,000,000	After recognizing the first £3,667,500 in cumulative B2B sales revenue in the FS.
Escrow Milestone 5	10,000,000	After the successful development and launch of the Company’s second product for sale (Business to Consumer or “ B2C ”) and record revenue from the first 100 individual customers from third-party sales in the FS.

FUSE BATTERY METALS INC.
NOTES TO PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS
(expressed in Canadian dollars – unaudited)

3. PRO-FORMA ASSUMPTIONS

a. The fair value of the 50,000,000 common shares issued estimated at \$2,500,000 using the quoted market price as of 30 September 2025. The Transaction will be accounted for as an asset acquisition with the initial preliminary value of \$1,000,000 allocated to the acquisition of intangible assets and the rest to listing expense, as follows:

	\$
Purchase price	2,500,000
Assets acquired and liabilities assumed – preliminary	
Cash	7,626
Intangible assets	1,000,000
Accounts payable and accrued liabilities	(7,600)
Loan payable	(25,000)
	<hr style="border: 0.5px solid black;"/>
Net asset acquired	975,026
Listing expense	1,524,974
Total	2,500,000

b. Concurrent financing to be completed by the Company for gross proceeds of \$2,000,000 at a price of \$0.05 per common share of the Company.

4. PRO-FORMA SHARE CAPITAL

Authorized: Unlimited number of common shares without par value

Issued:	Number of common shares	Amount	Reserves	Deficit	Total
Balance for the Fuse.....	37,589,745	\$ 39,307,200	\$ 9,374,351	\$ (48,059,752)	\$ 621,799
Balance for Pointor AI	10,000	100	-	(25,073)	(24,973)
Concurrent financing by Fuse	40,000,000	2,000,000	-	-	2,000,000
Shares issued for Pointor AI	50,000,000	2,500,000	-	-	2,500,000
Elimination upon consolidation.....	(10,000)	(100)	-	25,073	24,973
Listing expense upon acquisition	-	-	-	(1,524,974)	(1,524,974)
Pro-forma share capital – 30 September 2025.....	127,589,745	43,807,200	9,374,351	(49,584,726)	3,596,825

5. LOSS PER SHARE – BASIC AND DILUTED

The calculation of the pro-forma consolidated basic and diluted loss per share in the pro-forma consolidated statement of operations for the period ended 30 September 2025 are based upon the assumption that the Transaction occurred on 30 September 2025 and were based upon the weighted average number of shares of 127,589,745 for basic and diluted loss per share calculation.

6. PRO-FORMA STATUTORY INCOME TAX RATE

The pro-forma effective statutory income tax rate of the combined companies will be 27%.

APPENDIX "F"



(the "Company")

AMENDED STOCK OPTION PLAN

Dated November 17, 2025

ARTICLE 1
PURPOSE AND INTERPRETATION

Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies and any inconsistencies between this Plan and TSX Venture Policies will be resolved in favour of the latter.

Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Associate** has the meaning set out in the Securities Act;
- (c) **Black-out Period** means an interval of time during which the Company has determined that one or more Service Providers may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);
- (d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (e) **Change of Control** means the acquisition by any person or by any person and joint actor, whether directly or indirectly, of voting securities (as defined by the *Securities Act BC*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a person acting jointly or in concert with another person, as that phrase is interpreted by National Instrument 62-103, totals for the first time, not less than twenty (20%) percent of the outstanding voting securities of the Company or the votes attached to those securities are sufficient if exercised, to elect a majority of the Board;
- (f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture;
- (g) **Company** means Fuse Battery Metals Inc. (formerly Fuse Cobalt Inc.) and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;

(h) **Consultant** means an individual or Consultant Company, other than an Employee, Officer or Director that:

(i) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;

(ii) provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company;

(iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and

(i) **Consultant Company** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(j) **Directors** means the directors of the Company as may be elected from time to time;

(k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(l) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Affiliates and Associates to whom shares may be issued pursuant to this Plan and, as the case may be, votes attached to shares held by persons with an interest in the Plan, in accordance with TSX Venture Policies;

(m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;

(n) **Employee** means:

(i) an individual who is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);

(ii) an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or

(iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

(o) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(p) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;

(q) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;

(r) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;

(s) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

- (t) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;
- (u) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (v) **Officer** means a Board appointed officer of the Company;
- (w) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (x) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;
- (y) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;
- (z) **Optionee** means the recipient of an Option hereunder, which both the Company and the recipient confirm and represent that the recipient is a bona fide employee, consultant or management company employee entitled to receive stock options under this plan pursuant to policy 4.4 of the TSX Venture Exchange;
- (aa) **Outstanding Shares** means at the relevant time, the number of issued and outstanding shares of the Company from time to time;
- (bb) **Person** includes a company, any unincorporated entity, or an individual;
- (cc) **Plan** means this stock option plan, the terms of which are set out herein or as may be amended;
- (dd) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;
- (ee) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;
- (ff) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (gg) **Security-Based Compensation** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;
- (hh) **Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (ii) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;
- (jj) **Take Over Bid** means a takeover bid as defined in Multilateral Instrument 62-104 (Takeover Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;
- (kk) **TSX Venture** means the TSX Venture Exchange and any successor thereto; and
- (ll) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time.

Other Words and Phrases

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies, will have the meaning assigned to them in the TSX Venture Policies.

Gender

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2 **STOCK OPTION PLAN**

Establishment of Stock Option Plan

2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continued assistance to the Company and its Affiliates.

Eligibility and Participation

2.2 Options to purchase Common Shares may be granted hereunder to Service Providers of the Company, or its affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect a Service Provider's relationship, employment or appointment with the Company. Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Option pursuant to this Plan shall in no way be construed as a guarantee of employment, appointment or engagement by the Company.

The Company and the Service Provider represent that the Service Provider, is a bona fide Service Provider (as defined by the Plan), entitled to receive Options under TSX Venture Policies in the Service Provider's capacity

Maximum Plan Shares

2.3 Subject to adjustment pursuant to §3.13 hereof, the maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan, together with Shares issuable on the exercise of all Options granted under any previous Security-Based Compensation plan, shall not exceed 20% of the total issued and outstanding Shares as of the effective date, being **25,825,949**. Where applicable, shareholder approval referred to herein must be obtained in compliance with the requirements of the TSX Venture Policies.

(a) Subject to compliance with the requirements of the TSX Venture Policies, all existing options granted pursuant to a Security-Based Compensation plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

(b) All Shares issued pursuant to the exercise of an Option granted under this Plan shall be issued as fully paid and non-assessable Shares.

Options Granted Under the Plan

2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

Limitations on Issue

2.6 Subject to §2.10, the following restrictions on issuances of Options are applicable under the Plan:

- (a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all of the Company's other previously established or proposed Security-Based Compensation plan granted to such Service Provider in any 12 month period as of the date of grant or issuance, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;
- (b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities together with all of the Company's other previously established or proposed Security-Based Compensation plan in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture; and
- (c) the aggregate number of Options and together with all of the Company's other previously established or proposed Security-Based Compensation plan granted to any one Consultant in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

Options Not Exercised

2.7 In the event an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

Powers of the Board

2.8 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary Regulatory and Shareholder Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

Amendment of the Plan by the Board of Directors

2.9 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory and Shareholder Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;

- (c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;
- (d) it may make amendments necessary as a result in changes in securities laws applicable to the Company;
- (e) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (f) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

Amendments Requiring Disinterested Shareholder Approval

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Plan, together with all of the Company's other previously established or proposed Security-Based Compensation plan, could result at any time in:
 - (i) the aggregate number of Common Shares reserved for issuance under Options and all security based compensation granted to Insiders (as a group) exceeding 10% of the Outstanding Shares at any point in time calculated at the date an Option is granted or issued;
 - (ii) the grant to Insiders (as a group), in any 12-month period, of an aggregate number of Options and all security based compensation exceeding 10% of the Outstanding Shares at any point in time, calculated at the date an Option is granted or issued to any Insider;
 - (iii) the aggregate number of Options and all security based compensation granted to any one Optionee (including companies wholly owned by that Optionee), in any 12-month period as of the date of grant or issuance, exceeding 5% of the Outstanding Shares, calculated on the date an Option is granted to the Optionee;
- (b) any reduction in the Exercise Price or extension of the term of an Option previously granted to an Insider.
- (c) Any change to the maximum number of Shares issuable from treasury under this Plan, except in the case of an adjustment pursuant to §3.13.

Options Granted Under the Company's Previous Stock Option Plans

2.11 Any option granted pursuant to a Security-Based Compensation plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

ARTICLE 3

TERMS AND CONDITIONS OF OPTIONS

Exercise Price

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

Term of Option

3.2 An Option can be exercisable for a maximum of 10 years from the Date of Grant.

Option Amendment

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 Any proposed amendment to the terms of an Option or security-based compensation must be approved by the TSX Venture and by shareholder approval, where applicable prior to the exercise of such Option.

Vesting of Options

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

Vesting of Options Granted to Services Providers Conducting Investor Relations Activities

3.7 Notwithstanding §3.6, Options granted to Service Providers conducting Investor Relations Activities will vest:

- (a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
- (b) such longer vesting period as the Board may determine.

Change of Control

3.8 Notwithstanding any other provision of this Plan, in the event of a Change of Control, the surviving, successor or acquiring entity shall assume any Options or shall substitute similar Awards, for the outstanding Options, as applicable, subject to prior Regulatory and Shareholder Approvals, where applicable. If the surviving, successor or acquiring entity does not assume the outstanding Options or substitute similar Awards, for the outstanding Options, as applicable, or if the Board otherwise determines in its discretion, the Company shall give written notice to all Optionees advising that this Plan shall be terminated effective immediately prior to the Change of Control and all outstanding Options shall be deemed to be vested and, unless otherwise exercised, forfeited or cancelled prior to the termination of this Plan, shall expire immediately prior to the termination of this Plan.

In the event of a Change of Control, the Board has the power to: (i) make such other changes to the terms of the Options as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the Optionees; (ii) otherwise modify the terms of the Options to assist the Optionees to tender into a takeover bid or other arrangement leading to a Change of Control, and thereafter; and (iii) terminate, conditionally or otherwise, the Options not exercised, as applicable, following successful completion of such Change of Control. If the Change of Control is not completed within the time specified therein (as the same may be extended), the Options which vest

pursuant to this §3.8 shall be returned by the Company to the Optionee and, if exercised, as applicable, the Shares issued on such exercise shall be reinstated as authorized but unissued Shares and the original terms applicable to such Options shall be reinstated.

Acceleration of Vesting on Change of Control

3.9 In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, subject to approval of the TSX Venture for vesting requirements imposed by the TSX Venture Policies except for Options granted to Service Providers conducting Investor Relations Activities.

Extension of Options Expiring During Blackout Period

3.10 Should the Expiry Date for an Option fall within a Blackout Period, such Expiry Date shall, subject to approval of the TSX Venture, be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding §2.8, the tenth Business Day period referred to in this §3.10 may not be extended by the Board.

Optionee Ceasing to be Director, Employee or Service Provider

3.11 Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
- (c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Non Assignable

3.12 Subject to §3.11, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Adjustment of the Number of Optioned Shares

3.13 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;
- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.13;
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees; and
- (h) Notwithstanding the foregoing, any adjustment, other than in connection with a consolidation or share split, to Options granted or issued under the Plan, is subject to the prior acceptance of the TSX Venture, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

ARTICLE 4

COMMITMENT AND EXERCISE PROCEDURES

Option Commitment

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

Manner of Exercise

4.2 Subject to the provisions of this Plan, a Service Provider shall be entitled to exercise an Option subject to vesting limitations which may be imposed at the time the Option is granted. Each Option shall be exercisable as to all or such part or parts of the Optioned Shares and at such time or times. No fractional Shares shall be issued upon the exercise of Options granted under this Plan.

Method of Exercise

4.3 Subject to the provisions of this Plan, an Option granted under this Plan may be exercisable by the Service Provider as follows:

- (a) Traditional Exercise. By delivering an Exercise Notice to the Company in the form and manner determined by the Board from time to time to, together with a wire transfer, a bank draft or certified cheque in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Options and any applicable tax withholdings.
- (b) Cashless Exercise. Pursuant to the Exercise Notice and subject to the approval of the Board, a Service Provider may choose to undertake a “cashless exercise” with the assistance of a broker in order to facilitate the exercise of such Service Provider’s Options. The Cashless Exercise procedure may include a sale of such number of Shares as is necessary to raise an amount equal to the aggregate Exercise Price for all Options being exercised by the Service Provider under an Exercise Notice and any applicable tax withholdings. Pursuant to the Exercise Notice, the Service Provider may authorize the broker to sell Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Company to satisfy the Exercise Price and any applicable tax withholdings, promptly following which the Company shall issue Shares underlying the number of Options as provided for in the Exercise Notice.
- (c) Upon the exercise of an Option pursuant to §4.3(a) or §4.3(b), the Company shall as soon as practicable after such exercise but not later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to deliver to the Service Provider such number of Shares as the Service Provider shall have then paid for and as are specified in such Exercise Notice.

Tax Withholding and Procedures

4.4 Notwithstanding anything else contained in this Plan and subject to Policy 4.4 of the TSX Venture Exchange, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.3 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

Delivery of Optioned Shares and Hold Periods

4.5 As soon as practicable after receipt of the notice of exercise described in §4.3 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. If the Exercise Price is set below the then current market price of the Common Shares on the TSX Venture at the time of grant, or if, the Option is exercised by an Insider, Promoter or Consultant of the Company within four months of the grant of such Option, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are

subject to a four-month Exchange Hold Period commencing the date of the Option Commitment.

ARTICLE 5 **GENERAL**

Employment and Services

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Service Provider is the responsibility of each Service Provider and not the Company.

Reorganization of the Company

5.3 The existence of any Options shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Conflict

5.4 Subject to compliance with the policies of the Stock Exchange, in the event of any conflict between the provisions of this Plan and an Option Agreement or an Option Agreement and a Service Provider's employment / consulting agreement, the provisions of this Plan shall govern.

Governing Law

5.5 This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia.

Amendment of the Plan

5.6 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options and all security based compensation which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals and shareholder approval where applicable unless the effect of such amendment is intended to reduce (but not to increase) the benefits of this Plan to Service Providers.

Severability

5.7 The invalidity or unenforceability of any provision of this Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from this Plan.

Effective Date of the Plan

5.8 The Plan will become effective on the date final acceptance is received by the TSX Venture Exchange, and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval as required

by the TSX Venture Policies. Notwithstanding any other provision of this Plan, at all times when the Company is listed on the TSX Venture Exchange, this Plan shall be in compliance with the requirements of TSX Venture Exchange Policy 4.4.

Approved by the Shareholders on December 22, 2025

**SCHEDULE A
TO STOCK OPTION PLAN OPTION**

COMMITMENT

Notice is hereby given that, effective this _____ day of _____, 20_____(the "Effective Date"), **AC/DC Battery Metals Inc.** (the "Company") has granted to _____(the "Optionee"), an Option to acquire _____ Shares (the "Optioned Shares") up to 5:00 p.m. Vancouver Time on the _____ day of _____, 20_____(the "Expiry Date") at an Exercise Price of CDNS_____ per share.

At the date of grant of the Option, the Company is classified as a Tier 2 Issuer under TSX Venture Policies. Optioned Shares are to vest immediately.

OR

Optioned Shares will vest (if applicable) as follows:

Date of Release	Amount of Shares

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and forms part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate, or written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and may bear a minimum four month non-transferability legend from the date of this Option Commitment, pursuant to Section _____ of the Plan, the text of which is as follows. *[Note: A Company may grant stock options without a hold period, provided the exercise price of the options is set at or above the market price of the Company's shares and provided that the Optionee is not an insider, Promoter or Consultant at the time of grant. If a four month hold period is applicable, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]*

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL 12:00 A.M.

(MIDNIGHT) ON [insert date 4 months from the date of grant]."

In the event that the Optionee is a resident of the United States, a certificate, or in the case of uncertificated shares, for the Optioned Shares so acquired will bear the following legend:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 OR RULE 144A

THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE GOOD DELIVERY-IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Company and the TSX Venture as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture on the date of this Option Commitment.

Fuse Battery Metals Inc.

Per:

Authorized Signatory

Name of Optionee

SCHEDULE "A"
ELECTION TO EXERCISE STOCK OPTIONS

TO: FUSE BATTERY METALS INC. (the "Company")

The undersigned Optionee hereby elects to exercise Options granted by the Company to the undersigned pursuant to the Option Commitment dated ____ day of ____ , 20____ under the Company's stock option plan (the "Plan"), for the number of Shares set forth below. Capitalized terms contained herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Optioned Shares to Exercise: _____

Exercise Price (per Optioned Share): _____

Aggregate Purchase Price: _____

The undersigned Optionee hereby tenders a certified cheque, bank draft or other form of payment confirmed as acceptable by the Company for such aggregate purchase price, and, if applicable all source deductions.

OR

The undersigned Optionee hereby advises the Company that I am exercising the above Options on a cashless exercise basis in compliance with the procedures, established by the Board from time to time, for cashless exercise under §4.3 of the Plan. I agree to comply with the procedures and terms and conditions set out in the Plan.

Please register the Optioned Shares issuable in connection with this exercise as follows (please print clearly):

Name: _____

Address: _____

The undersigned hereby further directs that the Shares subscribed for be issued and delivered as follows (check one):

ed in DRS form and delivered to the address noted above:

The undersigned hereby further directs that the Shares subscribed for be issued and delivered as follows (check one box); **If no box is checked, the Shares will be issued in DRS form and delivered to the address noted above:**

issued via book entry through the Direct Registration System (DRS) and emailed to (please print clearly):

OR

issued in certificate form and delivered to the address noted above.

If the Optionee is in the United States, the certificate representing any Shares issuable upon exercise of the Options will bear a legend restricting transfer without registration under the U.S. Securities Act of 1933, as amended, and applicable state securities laws unless an exemption from registration is available.

«NAMF»

FUSE BATTERY METALS INC.

Signature of Optionee

Received by (please print)

Signature

Date _____

APPENDIX "G"

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS



(the "Company")

Charter of the Audit Committee of the Board of Directors

1. Overall Purpose / Objectives

The Audit Committee will assist the Board of Directors (the "Board") in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the committee will maintain effective working relationships with the Board of Directors, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company's business, operations and risks.

2. Authority

The Board authorizes the Audit Committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of Company officers at meetings as appropriate.

3. Organization

Membership

3.1 The Audit Committee will be comprised of at least three members, a majority of which are not officers or employees of the Company.

3.2 The chairman of the Audit Committee will be nominated by the committee from time to time.

3.3 A quorum for any meeting will be two members.

3.4 The secretary of the Audit Committee will be the Company secretary, or such person as nominated by the Chairman.

Attendance at Meetings

3.5 The Audit Committee may invite such other persons (e.g. the President or Chief Financial Officer) to its meetings, as it deems appropriate.

3.6 Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it isn't necessary.

3.7 The proceedings of all meetings will be minuted.

4. Roles and Responsibilities

The Audit Committee will:

4.1 Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

4.2 Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.

4.3 Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

4.4 Review any legal matters which could significantly impact the financial statements as reported on by the chief financial officer and meet with outside counsel whenever deemed appropriate.

4.5 Review the annual and quarterly financial statements including Management's Discussion and Analysis and annual and interim earnings press releases prior to public dissemination, including any certification, report, opinion, or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.

4.6 Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.

4.7 Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.

4.8 Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.

4.9 Meet with management and the external auditors to review the annual financial statements and the results of the audit.

4.10 Evaluate the fairness of the interim financial statements and related disclosures including the associated Management's Discussion and Analysis, and obtain explanations from management on whether:

- (a) actual financial results for the interim period varied significantly from budgeted or projected results;
- (b) generally accepted accounting principles have been consistently applied;
- (c) there are any actual or proposed changes in accounting or financial reporting practices;
- (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.

4.11 Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.

4.12 Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Board authorizes the Chairman of the Audit Committee to approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non audit or additional work.

4.13 Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.

4.14 Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

4.15 Review and approve the Company's hiring policies regarding partners, employers and former partners and employees of the present and former external auditors of the Company.

4.16 Establish a procedure for:

(a) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

(b) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

4.17 Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

4.18 Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.

4.19 Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

4.20 Perform other functions as requested by the full Board.

4.21 If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.

4.22 Review and recommend updates to the charter; receive approval of changes from the Board.

4.23 With regard to the Company's internal control procedures, the Audit Committee is responsible to:

(a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those related to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management; and

(b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Audit Committee may deem appropriate; and

(c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and

(d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110

APPENDIX "H"

RISK FACTORS

All defined terms used but otherwise not defined hereinto shall have the meanings ascribed to them in the management information circular dated December 17, 2025, 2025 (the “**Information Circular**”) which this Appendix “H” “Risk Factors” is attached.

Risk Factors

The Reverse Takeover exposes the Company to a number of additional risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. The following outlines certain risk factors associated with the Reverse Takeover and those risk factors specific to the Company.

No Assurance of Exchange Approval

As at the date of the Information Circular, the Company has not received conditional approval of the Reverse Takeover from the Exchange. There can be no assurance that the Company will be able to satisfy the requirements of the Exchange such that the Exchange will provide final approval of the Reverse Takeover and issue the Final Exchange Bulletin (as such term is defined in Exchange Policies).

Capitalization and Commercial Viability

The Company may not have sufficient funds to carry out the completion of all proposed activities, and may have to obtain other financing or raise additional funds. The Company has limited financial resources, and there is no assurance that additional funding will be available to the Company to carry out the completion of all proposed activities. There can be no assurance that the Company will be able to obtain adequate financings in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of its business plan.

No Operating operations as a Technology Issuer

The Company does not have any record of operating as a technology issuer or undertaking commercial operations. As such, the Company is subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that the Company will not achieve its financial objectives as estimated by management or at all. Furthermore, past successes of management or the Board does not guarantee future success.

Return on Investment

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 in light of its early stage of operations.

Volatility of Stock Price

The market price of the Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from expectations, changes in earnings estimates by stock market analysis, changes in the business prospects for the Company, general economic conditions, legislative changes, and other events and factors outside of the Company’s control. In addition, stock markets have, from time to time, experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Shares.

Limited Public Market for the Shares

There is a limited public market for the Shares. If an active public market for the Company does not develop, the trading price of the Shares may decline below the price at which they are issued.

Dilution

Issuance of additional securities pursuant to future financing will result in dilution of the equity interests of persons who become Shareholders.

Tax Issues

Income tax consequences in relation to the Shares will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisors prior to subscribing.

Dividends

The Company has not declared any dividends on the Shares since incorporation and does not anticipate paying any dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Board.

Issuance of Debt

From time to time, the Company may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed partially or wholly with debt, which may increase the Company's debt levels above industry standards. The Company's articles and by-laws do not limit the amount of indebtedness that they may incur. The level of the Company's indebtedness from time to time could impair its ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

Development Stage Business

The Company has no history upon which an evaluation of its prospects and future performance can be made. The Company has a limited operating history, has incurred a loss for the period ended December 31, 2024, and there can be no assurance of its ability to operate at a profit. The Company's proposed operations are subject to all business risks associated with Pointor AI, and AI products generally. The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry, and the performance of its customers. There is a possibility that the Company could continue to sustain losses in the future. If the Company is unable to generate revenues or profits, investors might not be able to realize returns on their investment or keep from losing their investment.

Dependence on Management and Directors

The Company's business is significantly dependent on the expertise and skills of Fuse's and Pointor AI's management team and advisors and consultants. The loss of the Company's directors or senior officers, any employees, advisors or consultants could have a material adverse effect on the Company.

Product Liability

Marketing any of the Company's current or potential future products may expose the Company to liability claims arising from the use of these products. The Company cannot ensure that its future liability insurance, together with indemnification rights under any potential future license agreements and other collaborative arrangements, will be adequate to protect it against any claims and resulting liabilities. As the Company's business expands, it may be unable to obtain additional insurance on commercially reasonable terms. The Company may be subject to product

liability lawsuits, and its insurance may be inadequate to cover potential damages. Therefore, the Company's financial condition and its reputation could be adversely affected if a product liability claim or recall exceeds insured amounts.

Inability to Manage the Potential Growth of the Business

The Company's potential growth may place significant demands upon its personnel, management, and financial resources. There is no assurance that its current or proposed personnel, systems, procedures, and controls will be adequate to support its future operations, that the Company will be able to train, retain, motivate, and manage necessary personnel, or that its management will be able to identify, manage and exploit existing and potential strategic relationships and market opportunities. If the Company is unable to effectively manage any future growth, its business and financial condition could be adversely affected.

Challenges in research, product identification and marketing objectives

The Company's research, product identification and marketing objectives for the coming years will require significant investment. Variations in market segments and product prices may affect the Company's ability to meet its future objectives on the short and long term.

Customer Base and Market Acceptance

Although the Company believes that Pointor AI offers high potential with regards to commercial applications and important advantages over competition, no assurance can be given that the future commercial products will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations.

Key Personnel

The Company's success depends, in part, on its ability to attract and retain key scientific, technical, management, and operating personnel, including consultants and members of its Board. The Company needs to develop sufficient expertise and add skilled employees or retain consultants in areas such as research and development and marketing in order to successfully execute its business plan. The Company may be unable to attract and retain qualified personnel or develop the expertise needed in these areas. If the Company fails to attract and retain key personnel it may be unable to execute its business plan, or its business could be adversely affected.

No Assurances of Protection for Patents, Proprietary Rights, or Trade Secrets

Currently, Fuse and Pointor AI hold no patents directly related to its various AI technologies; however, the Company has commenced certain processes in order to secure its IP for its Pointor AI co-pilot. As this process is ongoing, the Company relies upon confidentiality agreements and other like agreements to protect its trade secrets and other IP. Furthermore, Fuse and Pointor AI will seek rely on patents, which it has developed, licensed or acquired, or may develop in the future, to protect its proprietary technology and processes and maintain its competitive position. There can be no assurances that secrecy obligations will be honoured or that others will not independently develop similar or superior technology. The protection of proprietary technology through patents or claims of trade secret status has been the subject of increasing claims and litigation by various companies both in order to protect proprietary rights as well as for competitive reasons even where proprietary claims are unsubstantiated. The prosecution of proprietary claims or the defence of such claims is costly and uncertain given the uncertainty and rapid development of the principles of law pertaining to this area.

Unanticipated Obstacles to Execution of the Business Plan

The Company's business plans may change significantly. The Company believes that the possible commercial production of a product incorporating the Invention is achievable in light of current economic and legal conditions

with the skills, background, and knowledge of its principals, advisors, employees and consultants. The Company reserves the right to make significant modifications to any of Company's stated strategies depending on future events.

Future Litigation

The Company may be subject to litigation arising out of operations. Damages claimed under such litigation may be material or may be indeterminate, and the outcome of such litigation may materially impact the Company's business, results of operations, or financial condition. While the Company will assess the merits of any lawsuit and defend itself accordingly, it may be required to incur significant expense or devote significant financial resources to defending itself against such litigation. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the Company's business.

Conflict of Interest

There are potential conflicts of interest to which some of the directors, officers, insiders and promoters of the Company will be subject in connection with the operations of the Company. All of the directors, officers, insiders and promoters may be engaged in companies or businesses which may be in competition with the business of the Company from time to time. Accordingly, situations may arise where some or all of the directors, officers, insiders and promoters will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA. The Company is also subject to the "related party" transaction policies of the Exchange.

CERTIFICATE OF THE ISSUER

The foregoing constitutes full, true, and plain disclosure of all material facts relating to the securities of Fuse assuming approval and completion of the Reverse Takeover.

DATED as of November 17, 2025

FUSE BATTERY METALS INC.

“Tim Fernback”

Tim Fernback CEO
and Director

“Robert Guanzon”

Robert Guanzon
CFO

On Behalf of the Board of FUSE BATTERY METALS INC.

“Tim Fernback”

Tim Fernback
CEO and Director

“Robert Setter”

Robert Setter
Director

“William (Chip) Richardson”

William (Chip) Richardson
Director

“Ryan Cheung”

Ryan Cheung
Director

“Andrew Gertler”

Andrew Gertler
Director