



**FRONTIER LITHIUM INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED DECEMBER 31, 2022**

Table of Contents

INTRODUCTION	3
CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION	3
CAUTIONARY NOTE TO U.S. INVESTORS	3
I. OVERVIEW OF FRONTIER LITHIUM INC.	4
PROJECT OVERVIEW	4
BUSINESS OBJECTIVES	5
LEADERSHIP TEAM	5
II. HIGHLIGHTS FOR THE CURRENT QUARTER AND RECENT DEVELOPMENTS	6
EXPLORATION	6
LITHIUM CHEMICAL TEST WORK DEVELOPMENT	8
BOUGHT DEAL PROSPECTUS OFFERING	9
III. RESULTS OF OPERATIONS	10
SELECTED FINANCIAL INFORMATION	10
SELECTED QUARTERLY INFORMATION	12
IV. OUTLOOK	14
V. LIQUIDITY AND CAPITAL RESOURCES	14
VI. CONTRACTUAL OBLIGATIONS, COMMITMENTS AND CONTINGENCIES	15
CONTRACTUAL OBLIGATIONS	15
COMMITMENTS AND CONTINGENCIES	15
OFF-BALANCE SHEET ARRANGEMENTS	15
VII. FINANCIAL INSTRUMENTS	15
VIII. RELATED PARTY TRANSACTIONS	16
IX. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES	16
X. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS	16
XI. RISK FACTORS	16
XII. QUALIFIED PERSON	16
XIII. USE OF NON-GAAP FINANCIAL MEASURES AND RATIOS	17
XIV. INTERNAL CONTROLS OVER FINANCIAL REPORTING	17
XV. OUTSTANDING SHARE DATA	17
XVI. OTHER INFORMATION	18

INTRODUCTION

This management's discussion and analysis ("MD&A") has been prepared as of February 24, 2022, and should be read in conjunction with Frontier Lithium Inc.'s (the "Company") financial statements for the three months and nine months ended December 31, 2022 and 2021. Those financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The Company's presentation currency is Canadian dollars. Reference herein of \$ is to Canadian dollars and US\$ is to United States dollars.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

All statements, other than statements of historical fact, contained in this MD&A including, but not limited to, any information as to the future plans and outlook for the Company, constitute "forward-looking information" or "forward-looking statements" within the meaning of Canadian securities laws. Forward-looking statements are based on expectations, estimates and projections as of the time of this MD&A. The words "anticipates", "plans", "expects", "indicate", "intend", "scheduled", "estimates", "forecasts", "guidance", "initiative", "outlook", "potential", "projected", "pursue", "strategy", "study", "targets", or "believes", or variations of or similar such words and phrases or statements that certain actions, events or results "may", "could", "would", or "should", "might", or "way forward", "will be taken", "will occur" or "will be achieved" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, acting in good faith, as of the time of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates and assumptions may prove to be incorrect. Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, actual results to differ materially from those expressed or implied by any forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. Readers are cautioned not to place undue reliance on these forward-looking statements as a number of important risk factors, including but not limited to the risk factors contained under the heading "Risk Factors" in this MD&A and in the Company's Annual Information Form, and future events could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates, assumptions and intentions expressed in such forward-looking statements.

Readers are cautioned that the foregoing lists of risk factors included in this MD&A are not exhaustive. The forward-looking information contained in this MD&A is expressly qualified by these cautionary statements. All forward-looking information in this MD&A speaks as of the date of this MD&A. The Company does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. All forward-looking information contained in this MD&A is expressly qualified in its entirety by this cautionary statement.

CAUTIONARY NOTE TO U.S. INVESTORS

This MD&A has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ materially from the requirements of United States securities laws applicable to U.S. companies. For U.S. reporting purposes, the United States Securities and Exchange Commission (the "SEC") has adopted amendments to its disclosure rules in Regulation S-K (Subpart 1300) (the "SEC Modernization Rules") to modernize the mineral property disclosure requirements for issuers, referred to as "mining registrants," whose securities are registered with the SEC. These amendments became effective in February 2019 with compliance required for the first fiscal year beginning on or after January 1, 2021. While not applicable to the Company, the SEC Modernization Rules replace the historical property disclosure requirements for mining registrants that were included in SEC Industry Guide 7. Information concerning our mineral properties has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of the SEC set forth in Industry Guide 7. In accordance with NI 43-101, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM"). While the terms "mineral resource", "measured mineral resource",

“indicated mineral resource” and “inferred mineral resource” are recognized and required by NI 43-101, and now recognized under the SEC Modernization Rules, SEC Industry Guide 7 does not recognize them. You are cautioned that, except for that portion of mineral resources classified as mineral reserves, mineral resources do not have demonstrated economic viability. Inferred mineral resources have a high degree of uncertainty as to their existence and as to whether they can be economically or legally mined. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Therefore, you are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded to a higher category. Likewise, you are cautioned not to assume that all or any part of measured mineral resources or indicated mineral resources will ever be upgraded into mineral reserves.

I. OVERVIEW OF FRONTIER LITHIUM INC.

The Company is a Canadian junior mining company actively focused on the acquisition, exploration and development of mineral resource properties in North America. The Company is domiciled in Canada and incorporated under the *Alberta Business Corporations Act*. The Company’s head office address is 2736 Belisle Drive, Val Caron, Ontario, P3N 1B3 and its registered office address is 1250, 639-5th Avenue S.W., Calgary, Alberta, T2P 0M9. The Company’s shares are publicly traded on the TSX Venture Exchange (“TSX-V”) under the symbol “FL”, the U.S. based OTCQX Venture Market under the symbol “LITOF” and the Frankfurt Stock Exchange under the symbol “HL2”.

PROJECT OVERVIEW

The Company’s flagship asset is the 100% owned PAK Lithium Property (the “PAK Lithium Project”) located 175 km north of Red Lake, Ontario in the Red Lake Mining District and covers an area of 27,062 hectares comprising of three Mining Leases and 1,258 contiguous Mining Claims. The Company maintains the largest land position on the Electric Avenue, an emerging premium lithium-mineral district which is hosted in the Canadian Shield of northwestern Ontario. The Electric Avenue is a major structural corridor in northwestern Ontario that divides two geological domains for hundreds of kilometers and hosts multiple rare metal occurrences containing high levels of lithium in the mineral called spodumene. Chief among these known occurrences are the PAK and Spark pegmatite deposits, located at the southeastern end of the Electric Avenue on the Company’s PAK Lithium Project ([Figure 1](#)).



Figure 1: Project Location

The Company has been actively involved since February 2013 in the exploration and development of the PAK Lithium Project, which hosts at surface one of the highest quality spodumene lithium hard rock deposits in North America (Figure 2) at the PAK deposit. The PAK and Spark deposits combined are among the highest-grade resources with the lowest iron impurity levels in North America (e.g., iron levels less than 0.15% Fe₂O₃ in the lattice of the spodumene crystals).



Figure 2: Surficial Exposure of PAK deposit

The Company published a Preliminary Economic Assessment (“PEA”) in April 2021 that indicated an after-tax Net Present Value (“NPV”) at an 8% discount rate (“NPV8%”) of US \$974 million and a 21% after-tax Internal Rate of Return (“IRR”) through a fully-integrated lithium operation utilizing spodumene concentrate generated from the PAK Lithium Project to achieve downstream conversion for production of battery-quality lithium chemicals and concentrate for the glass and glass-ceramics market. Please refer to the NI 43-101 Technical report by BBA Engineering Ltd. (“BBA”) issued on April 9, 2021 and filed under the Company’s profile on SEDAR (the “Technical Report”). The Company is currently conducting in-fill drilling on the Spark deposit and also currently performing works necessary to support the ensuing Pre-Feasibility Study (“PFS”) assessing a fully-integrated lithium operation. The Company’s proposed lithium operation includes the production of technical grade lithium concentrates required by premium glass-makers and chemical grade lithium concentrates required as feedstock for the planned production of both lithium carbonate and lithium hydroxide at a downstream lithium conversion plant.

BUSINESS OBJECTIVES

The Company’s objective is to become a strategic domestic supplier of spodumene concentrates for industrial users as well as battery-grade lithium hydroxide and other chemicals to the growing electric vehicle and energy storage markets in North America. The Company maintains the largest land position and resource in a new premium lithium mineral district located in Ontario’s Great Lakes region.

LEADERSHIP TEAM

The Company’s leadership team’s successful mining ventures include a multi-decade track record in funding, partnering, constructing and operating mining and refining companies in North America.

II. HIGHLIGHTS FOR THE CURRENT QUARTER AND RECENT DEVELOPMENTS

EXPLORATION

PHASE XII DRILL PROGRAM

The Phase XII drill program on the Spark Pegmatite was initiated in May 2022 and completed in October 2022. The Company has completed 14,641.1 metres of drilling in 45 holes and has reported analysis from all drill holes as of February 8, 2023. The detailed results are available on SEDAR (www.sedar.com). The initial objective for the Phase XII drill program was conversion of inferred resources within the Spark deposit to indicated category in preparation for a pre-feasibility study on the PAK Lithium Project. The latter half of the program included geotechnical drilling for ground control and pit design purposes as well as step out drilling to define the eastern and western extents of the ore body.

The program was successful in that the in-fill drill hole intersections were as anticipated in both grades and width and the host rock appears relatively competent. Drilling also indicates that the Spark pegmatite remains open at depth and to the west. To the east, the pegmatite is beginning to pinch out but still remains open.

The Phase XII drill program was completed on October 15, 2022. During the three months ended December 31, 2022, a total of \$2.2 million (three months ended December 31, 2021 - \$1.1 million) in exploration expenditures have been incurred on the project. During the nine months ended December 31, 2022, a total of \$9.1 million (nine months ended December 31, 2021 - \$2.4 million) in exploration expenditures have been incurred on the project.

Figure 3 is a compilation map showing a plan map of the Spark pegmatite including the collar locations and geological trace of all holes drilled including Phase XI and Phase XII reported to date. The Phase XII holes are emphasized.

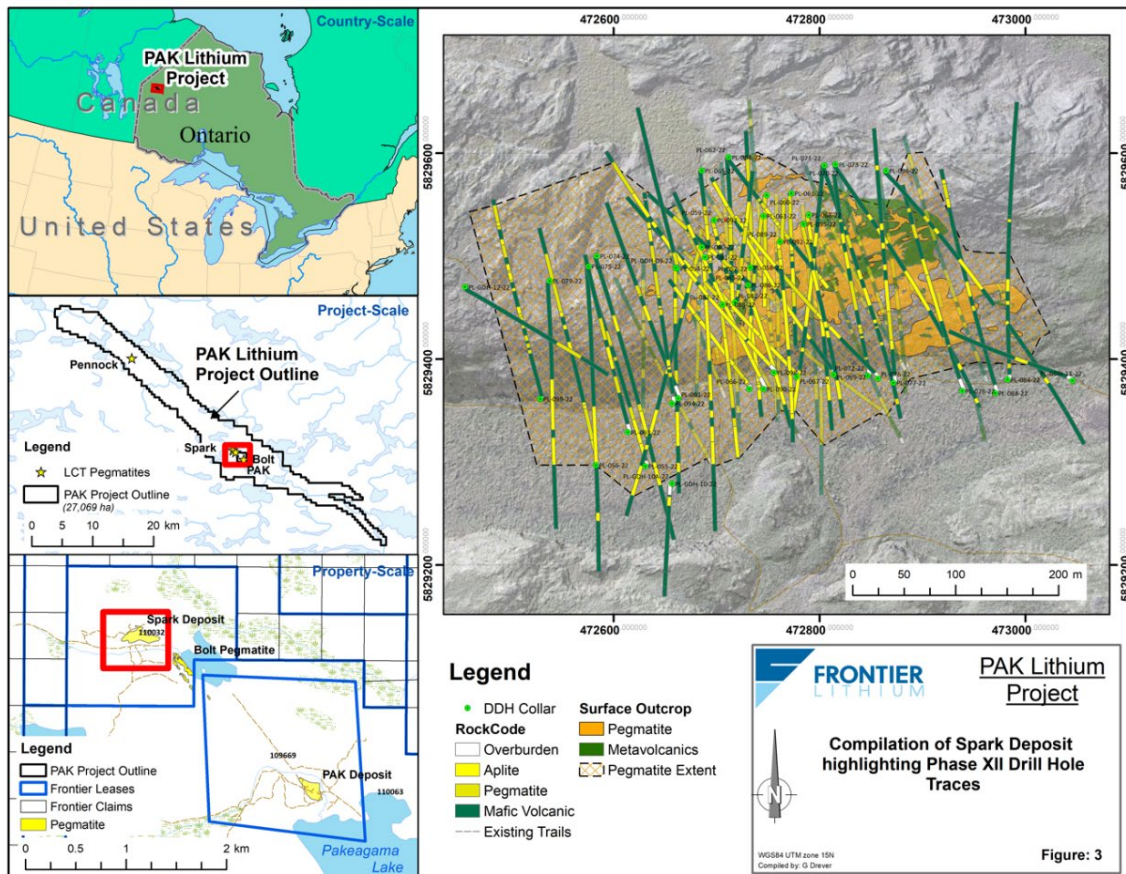


Figure 3: Compilation of the Spark Pegmatite showing traces of all Drill Holes

Below is a summary of the 45 drill holes from Phase XII I with complete analytical data received:

DDHNo	Date Drilled		UTM Zone 15N (NAD83)			Collar Orient		Metres Drilled		
	Start	End	Easting	Northing	(mASL)	Azim	Dip	Start	End	
Phase XII	PL-057-22 ¹	2022-05-15	2022-10-01	472,733	5,829,489	355.9	359	-55	0	225
	PL-058-22 ¹	2022-05-17	2022-10-03	472,733	5,829,489	355.9	177	-70	0	400
	PL-059-22 ²	2022-05-24	2022-05-28	472,698	5,829,535	356.0	165	-78	0	316
	PL-060-22 ²	2022-05-27	2022-06-04	472,749	5,829,559	360.0	180	-73	0	360
	PL-061-22 ²	2022-05-20	2022-05-27	472,773	5,829,561	360.2	178	-65	0	327
	PL-062-22 ³	2022-05-28	2022-06-05	472,712	5,829,596	356.2	176	-65	0	360
	PL-063-22 ¹	2022-06-05	2022-06-10	472,746	5,829,539	360.0	187	-70	0	348.5
	PL-064-22 ¹	2022-06-05	2022-06-10	472,712	5,829,596	356.2	141	-65	0	352.5
	PL-065-22 ⁴	2022-06-10	2022-06-22	472,686	5,829,583	354.0	173	-72	0	330.86
	PL-066-22 ³	2022-06-12	2022-06-27	472,732	5,829,371	325.0	323	-70	0	365.67
	PL-067-22 ⁴	2022-06-29	2022-07-04	472,778	5,829,383	327.0	315	-70	0	352.5
	PL-068-22 ²	2022-06-22	2022-06-27	472,790	5,829,540	360.0	171	-55	0	343.5
	PL-069-22 ⁴	2022-07-06	2022-07-15	472,814	5,829,385	326.0	324	-61	0	412.3
	PL-070-22 ³	2022-06-28	2022-07-04	472,805	5,829,588	360.0	184	-54	0	405
	PL-071-22 ³	2022-07-04	2022-07-15	472,805	5,829,588	360.0	160	-52	0	384.6
	PL-072-22 ⁴	2022-07-15	2022-07-21	472,847	5,829,384	326.0	349	-61	0	386.2
	PL-073-22 ³	2022-07-16	2022-07-23	472,816	5,829,589	360.0	146	-52	0	392
	PL-074-22 ⁵	2022-07-28	2022-08-02	472,584	5,829,497	354.0	162	-47	0	403.5
	PL-075-22 ⁵	2022-08-01	2022-08-06	472,571	5,829,490	354.0	177	-47	0	408
	PL-076-22 ⁵	2022-07-25	2022-08-05	472,846	5,829,384	326.0	314	-63	0	438
	PL-077-22 ⁶	2022-08-08	2022-08-24	472,864	5,829,390	326.0	354	-56	0	433.38
	PL-078-22 ⁶	2022-08-25	2022-09-01	472,939	5,829,369	326.0	341	-55	0	339.7
	PL-079-22 ⁵	2022-08-06	2022-08-15	472,538	5,829,480	357.0	177	-48	0	417
	PL-080-22 ⁶	2022-08-16	2022-08-23	472,687	5,829,511	354.0	193	-55	0	418.5
	PL-081-22 ⁶	2022-08-24	2022-08-30	472,689	5,829,499	354.0	177	-46	0	367.7
	PL-082-22 ⁶	2022-08-30	2022-09-02	472,718	5,829,455	355.0	6	-61	0	241.5
	PL-083-22 ⁶	2022-09-02	2022-09-06	472,971	5,829,367	326.0	343	-57	0	377.3
	PL-084-22 ⁶	2022-09-07	2022-09-11	472,983	5,829,380	325.0	358	-42	0	327
	PL-085-22 ⁷	2022-09-02	2022-09-05	472,731	5,829,472	354.0	309	-57	0	232
	PL-086-22 ⁷	2022-09-05	2022-09-08	472,731	5,829,472	354.0	162	-46	0	201
	PL-087-22 ⁷	2022-09-08	2022-09-11	472,701	5,829,451	354.0	318	-50	0	213.4
	PL-088-22 ⁷	2022-09-11	2022-09-16	472,706	5,829,453	354.0	173	-46	0	210.7
	PL-089-22 ⁷	2022-09-16	2022-09-17	472,762	5,829,514	360.0	360	-50	0	87
	PL-090-22 ⁷	2022-09-11	2022-09-15	472,746	5,829,371	326.0	334	-45	0	289.4
	PL-091-22 ⁷	2022-09-15	2022-09-18	472,663	5,829,362	327.0	338	-43	0	261.4
	PL-092-22 ⁸	2022-09-17	2022-10-20	472,762	5,829,514	360.0	174	-46	0	274.5
	PL-093-22 ⁸	2022-09-20	2022-09-23	472,614	5,829,329	328.0	345	-47	0	253.6
	PL-094-22 ⁸	2022-09-24	2022-10-01	472,657	5,829,357	326.0	351	-54	0	339
	PL-095-22 ⁸	2022-09-20	2022-09-23	472,785	5,829,531	362.0	165	-44	0	258.6
	PL-096-22 ⁸	2022-09-23	2022-09-30	472,865	5,829,583	359.0	136	-44	0	425.3
	PL-097-22 ⁸	2022-10-03	2022-10-04	472,698	5,829,535	354.0	6	-70	0	12.5
	PL-098-22 ⁸	2022-10-01	2022-10-09	472,756	5,829,387	327.0	317	-58	0	471
	PL-099-22 ⁸	2022-10-09	2022-10-15	472,529	5,829,361	330.0	345	-65	0	477
	PL-GDH-11-22	2022-07-22	2022-07-24	473,046	5,829,379	325.0	285	-47	0	173.5
	PL-GDH-12-22	2022-07-23	2022-07-25	472,456	5,829,470	358.0	119	-45	0	228
Total metres drilled									14,641.1	
Notes: 1: Reported on Release July 25, 2022 2: Reported on Release August 17, 2022 3: Reported on Release September 20, 2022 4: Reported on Release October 11, 2022 5: Reported on Release November 16, 2022 6: Reported on Release December 14, 2022 7: Reported on Release January 10, 2023 8: Reported on Release February 8, 2023										

REGIONAL MAPPING PROGRAM

Between May and August 2022, the Company conducted both detailed and regional mapping and prospecting in areas both proximal to known spodumene-bearing pegmatites and in under-explored areas within its approximately 27,000 hectare land tenure. Weather permitting, 1-2 teams consisting of 2-4 geologists set out each day to complete pre-planned helicopter-assisted traverse lines aimed at the following objectives:

- Geological mapping and prospecting at a reconnaissance scale for new lithium bearing pegmatites;
- Ground-truthing the regional work completed previously at 1:50k scale by the Ontario Geological Survey (OGS); and
- Building and expanding on the Company's existing mapping and prospecting coverage.

The mapping was completed using Panasonic Toughbook Tablets, running the GSC Field app. The field data was then compiled into ArcGIS. Assay samples were collected from potential lithium-bearing pegmatites.

The entire project area was covered at a regional scale. The winter road and the powerline right of way which traverse through much of the project area were extremely useful as a landing and pickup site. Initial results were release on January 31, 2023. A new spodumene-bearing pegmatite zone, 10 by 15m, was discovered approximately 1 km west-northwest of the Spark pegmatite. Grab samples averaged 3.1% Li₂O. Prospecting and mapping in the Pennock pegmatite area discovered additional pegmatite dykes up to 30m in length and 3 to 5 m in width. Grab samples averaged 1.7% Li₂O. Several other pegmatite veins and narrow dykes were located, however, spodumene was not confirmed and grab samples indicated background values.

OTHER UPDATES

During September 2022, a UAV (drone) aerial magnetic survey was flown over a 15 km² area encompassing the region (PAK, Bolt, Spark and the new discovery west-northwest of Spark). Highly magnetic horizons are known to occur in the metasediments (banded iron formation) at PAK as well as the flanking metavolcanics. The data collected from the survey will be used in conjunction with LiDAR data to assist with the identification of geology and structure and to assess its usefulness for regional exploration.

The Company continues to work on environmental baseline studies, a step that will enable it to advance project permitting.

In January 2023, the Company entered into an arm's length purchase agreement to purchase a camp, together with inventories, for total proceeds of \$2.0 million payable as follows 1) \$0.5 million in February 2023 and 2) the remaining \$1.5 million on possession of the camp which is anticipated in May 2023.

LITHIUM CHEMICAL TEST WORK DEVELOPMENT

For the purpose of the PFS, the Company is still exploring more conventional processes such as the sulphate process at the lithium chemicals conversion plant which is low-risk and used extensively in East Asia for manufacturing lithium carbonate and hydroxide from hard-rock spodumene sources. Following conversion of the α -spodumene concentrate to β -spodumene through calcining, lithium sulfate solution is obtained whereby it is purified through precipitation and an ion exchange process to remove the remaining trace impurities from the solution. The concentrated pure lithium sulfate solution is then used as a starting solution for the production of both lithium carbonate and lithium hydroxide monohydrate.

In the lithium carbonate circuit, the lithium sulfate solution is mixed with a sodium carbonate solution to form lithium carbonate and sodium sulfate. The lithium carbonate is precipitated under controlled conditions (i.e. temperature and time). The sodium sulfate is crystallized as a by-product in a crystallizer. In order to achieve battery grade, the lithium carbonate is produced with final purification.

In the lithium hydroxide circuit, the sodium hydroxide solution is added into the lithium sulfate solution to form lithium hydroxide and sodium sulfate. Sodium sulfate is then removed from the solution. The remaining lithium hydroxide solution is then evaporated to produce lithium hydroxide crystals. The crystallization process is designed to produce battery grade lithium hydroxide products.

BOUGHT DEAL PROSPECTUS OFFERING

On November 10, 2022, the Company closed a bought deal prospectus offering and issued 10,465,000 units of the Company, including 1,365,000 units issued to underwriters for over-allotment option at a price of \$2.20 per unit, representing total gross proceeds of \$23.0 million.

The Offering was completed through a syndicate of underwriters co-led by RBC Capital Markets and Goldman Sachs Canada Inc. (the "Joint Bookrunners"), and including BMO Nesbitt Burns Inc., Canaccord Genuity Corp., Cormark Securities Inc. and Stifel Nicolaus Canada Inc. (collectively with the Joint Bookrunners, the "Underwriters"). The Underwriters received a cash commission equal to 5.5% of the gross proceeds of the Offering.

Each Unit consists of one common share of the Company (a "Common Share") and one-half of one common share purchase warrant of the Company totaling to 10,465,000 common shares and 5,232,500 warrants. Each Warrant will entitle the holder thereof to purchase one common share of the Company (a "Warrant Share") at a price of \$2.75 for a period of 36 months following the closing of the Offering.

The net proceeds of the Offering will be used by the Company to fund exploration and development activities at the PAK Lithium Project, as well as general administration and corporate purposes.

CORPORATE LEADERSHIP TEAM CHANGES

In February 2023, the Company appointed Mr. Graeme Goodall as its Vice President of Operations. Mr. Goodall is a Professional Engineer with a designation in Metallurgical Engineering. He holds a doctorate degree, master's degree and bachelor's degree in Materials Engineering from McGill University in Montreal, Quebec. Mr. Goodall brings over twenty years of experience focused on metallurgy, pyrometallurgy and extractive operations for multi-national mining and metals producers, including Glencore, Vale, Rio Tinto and Noranda. His most recent position was Manager, Pyrometallurgy and Furnace Integrity at Glencore XPS in Sudbury and prior to that was Interim Technical Director and Superintendent, Furnace Integrity at Koniambo SAS in New Caledonia.

III. RESULTS OF OPERATIONS

SELECTED FINANCIAL INFORMATION

The following table represents select financial and operating results of our company for the three and nine months ended December 31, 2022, and 2021

(in thousands of Canadian dollars, except for shares and per share figures)

	Three months ended December 31,		Nine months ended December 31,	
	2022	2021 (Restated)	2022	2021 (Restated)
EXPENSES				
Exploration and evaluation expenditures	\$ 2,179	\$ 1,076	\$ 9,132	\$ 2,367
General and administrative expenses	4,874	1,140	7,964	4,930
Interest income	(256)	-	(309)	-
Accretion expense on lease liabilities	9	-	27	-
Fair value loss (gain) on marketable securities, net	-	2	9	(3)
Foreign exchange loss (gain)	3	(53)	(1)	(20)
Loss before tax	(6,809)	(2,165)	(16,822)	7,274
Deferred income tax recovery	-	(27)	-	(205)
Net loss and comprehensive loss	\$ (6,809)	\$ (2,139)	\$ (16,822)	\$ (7,070)
Net loss per share				
Basic and diluted	\$ (0.03)	\$ (0.01)	\$ (0.08)	\$ (0.04)
Total cash used in Operations activities	\$ (4,971)	\$ (2,142)	\$ (11,642)	\$ (4,763)
Total cash used in Investing activities	(3)	(2)	(91)	(4,023)
Total cash provided by Financing activities	21,810	12,386	24,206	16,640
Net change in cash and cash equivalents	\$ 16,836	\$ 10,243	\$ 12,473	\$ 7,854

Three months ended December 31, 2022 and 2021

The Company reported a net loss and comprehensive loss of \$6.8 million (\$0.03 per share) for the three months ended December 31, 2022, compared to a loss of \$2.1 million (\$0.01 per share) for the comparable period last fiscal year resulting in an increase of \$4.7 million. The increase is a net result of an increase of \$1.1 million in the exploration and evaluation expenditures which was mainly due to the Company's continued ramp up of its exploration activities and metallurgical test work for the PFS, and an increase of \$3.6 million in expenses mainly related to shares-based compensations.

The Company reported a net cash inflow of \$16.8 million for the current quarter, an increase of \$6.6 million net cash inflow when compared to the same period last fiscal year. The increase of cash inflow was mainly due to an increase of \$10.2 million from issuance of common shares, net of issuance cost, more than offset by a decrease of \$0.7 million proceeds from exercise of warrants, a decrease of \$1.7 million due to change in working capitals and an increase of \$1.1 million in the exploration and evaluation expenditures.

Nine months ended December 31, 2022 and 2021

On a year-to-date basis, the Company reported a net loss and comprehensive loss of \$16.8 million (\$0.08 per share) for the nine months ended December 31, 2022, compared to a loss of \$7.1 million (\$0.04 per share) for the comparable period last fiscal year resulting in an increase of \$9.7 million. The increase is a net result of an increase of \$6.8 million in the exploration and evaluation expenditures which was mainly

due to the Company's continued ramp up of its exploration activities and metallurgical test work for the PFS, and an increase of \$2.3 million in expenses related to shares-based compensations.

On a year-to-date basis, the Company reported a net cash inflow of \$12.5 million, an increase of \$4.6 million net cash inflow when compared to the same period last fiscal year. The increase of cash inflow was mainly due to an increase of \$7.8 million from issuance of common shares, net of issuance cost, a decrease of \$4.0 million in investing activities, more than offset by an increase of \$6.8 million in the exploration and evaluation expenditures.

Exploration and evaluation expenditures on the PAK Lithium Property

(in thousands of Canadian dollars)

	Three months ended December 31,		Nine months ended December 31,	
	2022	2021 (Restated)	2022	2021 (Restated)
Personnel cost	\$ 385	\$ 276	\$ 1,122	\$ 566
Consulting fees	829	235	2,007	611
Drilling	362	322	2,501	405
Assay and sampling	157	2	458	56
Research and development, net of government assistance ⁽¹⁾	178	12	593	282
Camp and equipment expenses	163	61	936	147
Travel and transportation cost	105	168	1,515	300
Total exploration and evaluation expenditures	\$ 2,179	\$ 1,076	\$ 9,132	\$ 2,367

¹ Government assistance for research and development is \$Nil for three months and nine months ended December 31, 2022 (\$96 and \$233 for three and nine months ended December 31, 2021).

The Company reported a total exploration and evaluation expenditures of \$2.2 million and \$9.1 million for the three and nine months ended December 31, 2022, respectively. There was an overall increase when compared to \$1.1 million and \$2.4 million for the three and nine months ended December 31, 2021, respectively. The increases from both comparable periods were mainly due to the Company's continued ramp up of its exploration activities and metallurgical test work for the PFS.

General and Administrative Expenses

(in thousands of Canadian dollars)

	Three months ended December 31,		Nine months ended December 31,	
	2022	2021 (Restated)	2022	2021 (Restated)
Salaries, benefits and consulting	\$ 1,049	\$ 412	\$ 1,741	\$ 1,094
Share-based payments	3,548	212	5,093	2,764
Professional fees	43	249	179	388
Office, administration and other	140	250	583	617
Shareholder related fees	34	-	80	18
Depreciation	60	17	288	49
Total general and administrative expenses	\$ 4,874	\$ 1,140	\$ 7,964	\$ 4,930

The Company reported a total general and administrative expenses of \$4.9 million for the three months ended December 31, 2022, an increase of \$3.7 million when compared to the comparative period last fiscal year. On a year-to-date basis, the Company reported a total general and administrative expenses of \$8.0 million for the nine months ended December 31, 2022, an increase of \$3.0 million when compared to the

comparative period last fiscal year. The increases in general and administrative expenses from both comparable periods were mainly attributable to an increase in share-based compensation.

SELECTED QUARTERLY INFORMATION

A summary of selected financial information for the eight recently completed quarters is presented below. During the year ended March 31, 2022, the Company changed its accounting policy for exploration and evaluation expenditures to expense them as incurred. Management considered that this change in accounting policy will result in clearer, more relevant and reliable financial information by reducing financial reporting complexity. Under the previous accounting policy, exploration and evaluation expenditures were capitalized. Please see the note 15 of the Company's audited financial statements for the year ended March 31, 2022 for details.

(in thousands of Canadian dollars, except for shares and per share figures)

For the quarter ended	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Revenue	\$Nil	\$Nil	\$Nil	\$Nil
Income from operations	\$Nil	\$Nil	\$Nil	\$Nil
Exploration and evaluation expenditures	\$(2,179)	\$(4,332)	\$(2,621)	\$(1,896)
General and administrative expenses	\$(4,874)	\$(692)	\$(2,396)	\$(2,150)
Interest income	\$256	\$53	-	-
Loss before tax	\$(6,809)	\$(4,982)	\$(5,030)	\$(4,057)
Deferred income tax recovery	-	-	-	\$293
Net loss and comprehensive loss	\$(6,809)	\$(4,982)	\$(5,030)	\$(3,764)
Weighted average number of shares outstanding	219,429,659	212,816,365	210,840,426	204,807,969
Net loss per share, basic and diluted	\$(0.03)	\$(0.02)	\$(0.02)	\$(0.02)

As at	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Cash and cash equivalents	\$30,156	\$13,320	\$16,743	\$17,683
Working capital ⁽¹⁾	\$30,215	\$11,633	\$16,108	\$17,559
Exploration and evaluation assets	\$5,426	\$5,426	\$5,426	\$5,426
Total assets	\$37,352	\$20,274	\$23,614	\$24,628
Total liabilities	\$1,401	\$2,921	\$1,770	\$1,310
Equity	\$35,951	\$17,353	\$21,844	\$23,318

⁽¹⁾ See Section XIII for details.

For the quarter ended	December 31, 2021 Restated	September 30, 2021 Restated	June 30, 2021 Restated	March 31, 2021 Restated
Revenue	\$Nil	\$Nil	\$Nil	\$Nil
Income from operations	\$Nil	\$Nil	\$Nil	\$Nil
Exploration and evaluation expenditures	\$(1,076)	\$(666)	\$(623)	\$(526)
General and administrative expenses	\$(1,140)	\$(1,567)	\$(2,222)	\$(5,172)
Loss before tax	\$(2,165)	\$(2,229)	\$(2,877)	\$(5,787)
Deferred income tax recovery	\$27	\$87	\$92	\$40
Net loss and comprehensive loss	\$(2,139)	\$(2,142)	\$(2,785)	\$(5,747)
Weighted average number of shares outstanding	198,956,929	195,609,687	191,193,214	176,947,977
Net loss per share, basic and diluted	\$(0.01)	\$(0.01)	\$(0.01)	\$(0.03)

As at	December 31, 2021 Restated	September 30, 2021 Restated	June 30, 2021 Restated	March 31, 2021 Restated
Cash and cash equivalents	\$18,199	\$7,956	\$8,968	\$10,345
Working capital ⁽¹⁾	\$17,768	\$7,307	\$8,216	\$9,621
Exploration and evaluation assets	\$5,426	\$5,426	\$5,426	\$426
Total assets	\$24,113	\$13,960	\$14,823	\$11,577
Total liabilities	\$788	\$1,084	\$1,035	\$1,381
Equity	\$23,323	\$12,876	\$13,788	\$10,196

⁽¹⁾ See Section XIII for details.

Over the last eight quarters, the Company raised funds several times other than exercises of stock options and warrants: (i) a private placement of 7,636,371 units at \$1.00 per unit for total gross proceeds of \$7.7 million in March 2021, whereby each unit consisted of one flow-through common share and one half of one share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of \$1.25 per share for a period of 24 months; (ii) a private placement of 1,822,708 units at \$1.30 per unit for total gross proceeds of \$2.4 million in April 2021, whereby each unit consisted of one common share and one half of one share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of \$1.50 per share for a period of 24 months; and (iii) a bought deal private placement of 6,453,000 flow-through common shares at a price of \$1.86 per share for total gross proceeds of \$12.0 million in December 2021. (iv) In November 2022, the Company issued 10,465,000 units (“the “Units”) in a bought deal prospectus offering, including 1,365,000 Units issued in connection with the exercise in full of the over-allotment option granted to the underwriters in connection with the Offering, at a price of \$2.20 per Unit for total proceeds of \$23,023. Each Unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company. Each warrant entitles the holder to purchase one common share of the Company at a price of \$2.75 for a period of 36 months following the closing of the offering. A total of 5,232,500 warrants were issued and they were valued at \$5,185. The Company also incurred an issuance cost of \$1,528, including 5.5% cash commission paid to the underwriters, which \$1,184 and \$344 were allocated to shares issuance cost and warrant issuance cost, respectively.

These successful financings strengthened the Company’s cash and working capital positions which enabled the Company to ramp up its exploration activities and metallurgical test work for the PEA completed

in April 2021 and advancement of the PFS. The Company has spent all the proceeds from the March and April 2021 financing as disclosed and intends to spend the remaining proceeds from the December 2021 financing as disclosed.

IV. OUTLOOK

The Company's objective is to become a strategic supplier of technical grade spodumene concentrates for premium glass and glass-ceramics producers and battery-grade lithium hydroxide and other chemicals to the growing electric vehicle and energy storage markets in North America.

The PAK Lithium Project is one of the highest quality known lithium mineral resource in North America due to its high-grade and low impurity properties in the pegmatite ore material and the spodumene mineral. The monetary value of low-iron (Fe) spodumene is greater than the more common, higher iron spodumene. Furthermore, a low Fe spodumene is also well suited to potentially produce high-yielding chemical-grade lithium concentrates used to produce battery quality lithium chemicals. Spodumene has a cost advantage over the alternative brine sources requiring extra chemical processing conversion steps when used to produce lithium hydroxide.

The Company is primarily in the exploration phase and is conducting work to assess the feasibility of a fully-integrated lithium operation, and as noted above, the Company is studying existing process technologies and reagents required. A decision is anticipated to be made by the Company by the end of March/April 2023 to finalize the process and technology the Company intends to use for the continued development of the PAK Lithium Project with the goal of realizing a fully-integrated commercial lithium operation.

On October 11, 2022, the Company announced that it has elected to introduce a phased approach in the PFS currently being prepared by the Company through the advancement of a mine and mill development to initially produce premium spodumene concentrates in Phase 1. The Phase 2 plan would increase mine and mill production to feed a downstream refinery to produce lithium chemicals for the energy storage and electric vehicle battery market. Due to the proposed phase approach and delays on receiving the assay results from the recent Phase XII drill program, the Company anticipates that the PFS will be completed in Spring of 2023.

V. LIQUIDITY AND CAPITAL RESOURCES

The primary objectives of the Company's capital management policy are to ensure that the Company raises sufficient funds in order to execute its business plan which is designed to maximize shareholder value.

Since inception, the Company has relied primarily on equity financings to fund its operations. The Company has had recurring operating losses since inception. See "Risk Factors" section and for further details on the risk factors affecting the Company, please see the Company's Amended Annual Information Form for the year ended March 31, 2022 filed on SEDAR on September 13, 2022.

The Company expects it will have sufficient capital to complete the PFS. The Company raised \$23.0 million on a gross basis (approximately \$21.5 million, net of issuance cost) through a bought deal prospectus offering in November 2022 in order to fund general administration and corporate expenditures and to advance Phase 1 of the DFS (technical grade concentrate production) and some key programs that support a Phase 2 DFS (battery grade lithium chemicals production), following delivery of a positive PFS.

The Company considers the following items as capital: Cash and cash equivalents, share capital and contributed surplus in the amount of \$139.7 million (March 31, 2022 - \$97.7 million).

When managing capital, which is a broader concept than the "equity" in the statement of financial position, the objectives of the Company are:

- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the exploration for and development of its mineral deposits.

There have been no changes in the Company's capital management when compared to the prior year except that management transferred approximately \$28.0 million cash to high interest rate Guaranteed Investment Certificate ("GIC") accounts during the nine months ended December 31, 2022 which would

generate higher interest income thereby offset operating costs. As at December 31, 2022, the balance was \$28.0 million in the GIC accounts. Management intends to optimize its cash management while continuing to fulfill its operating cash needs.

Liquidity risk is the risk that the Company will not be able to meet its payment obligations when they fall due under normal and stress circumstances. The Company monitors its liquidity risk by considering the maturity of its financial liabilities. The Company's ability to access debt and equity markets when required may be impacted by factors beyond its control, such as economic and political conditions that may affect the capital markets generally.

Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future. Should management be unable to raise sufficient capital to fund operations and growth there would be a material adverse effect on the Company's business, financial condition, results of operations and its ability to continue as a going concern.

VI. CONTRACTUAL OBLIGATIONS, COMMITMENTS AND CONTINGENCIES

CONTRACTUAL OBLIGATIONS

Our future undiscounted obligations as at December 31, 2022 are as follows:

At December 31, 2022	Due within 1 year (\$000)	Due between 1 and 5 years (\$000)	Total (\$000)
Accounts payable and accrued liabilities	1,205	-	1,205
Lease obligations	68	128	196
Total	1,273	128	1,401

COMMITMENTS AND CONTINGENCIES

From 2016 to 2019, the Company entered into four exploration agreements with First Nation communities situated near the PAK Lithium Project. The agreements contain obligations to pay a percentage of exploration expenses incurred. The Company currently has no capital expenditure commitments as at December 31, 2022.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements at the date of this MD&A.

VII. FINANCIAL INSTRUMENTS

The Company does not currently utilize complex financial instruments in hedging lithium price, foreign exchange or interest rate exposure. The Company will not hold or issue derivative instruments for speculation or trading purposes.

Where the fair value of financial assets and financial liabilities recorded in the financial statements cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

When measuring the fair value of an asset or liability, the Company uses observable market data to the greatest extent possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth our financial assets and liabilities that are measured at fair value on a recurring basis by level within the fair value hierarchy.

	Level	December 31, 2022		March 31, 2022	
		Carrying value (\$000)	Fair value (\$000)	Carrying value (\$000)	Fair value (\$000)
Financial asset fair valued through profit and loss					
<i>Marketable securities</i>	2	-	-	9	9

During current fiscal year, there were no transfers between Level 1 and Level 2 fair value measurements. We do not have any financial assets or liabilities that are fair valued based on unobservable inputs (Level 3).

VIII. RELATED PARTY TRANSACTIONS

Key management personnel include members of the Board of Directors and certain senior officers. Remuneration of our key management personnel was as follows:

	Three months ended December 31,		Nine months ended December 31,	
	2022 (\$000)	2021 (\$000)	2022 (\$000)	2021 (\$000)
Compensation – salaries, benefits and consulting	\$ 912	\$ 187	\$ 1,531	\$ 510
Share-based compensation	3,222	211	4,767	2,763
Total	\$ 4,134	\$ 398	\$ 6,298	\$ 3,273

Included in accounts payable is \$Nil (March 31, 2022 - \$57,000) owing to corporations controlled by a director of the Company.

IX. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES

Significant accounting policies as well as any changes in accounting policies are discussed in Note 2(d) “Significant accounting policies” and 13(a) “Change in accounting policy” of the Company’s three and nine months ended December 31, 2022 unaudited condensed interim financial statements.

X. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Significant accounting judgements, estimates and assumptions are discussed in Note 3 of the Company’s three and nine months ended December 31, 2022 unaudited condensed interim financial statements.

XI. RISK FACTORS

The Company’s business activities are subject to a variety and wide range of inherent risks and uncertainties. Any of these risks could have an adverse effect on the Company, its business and prospects, and could cause actual outcomes and results to differ materially from those described in forward-looking statements relating to the Company. For further details on the risk factors affecting the Company, please see the Company’s Amended Annual Information Form for year ended March 31, 2022 filed on SEDAR on September 13, 2022.

XII. QUALIFIED PERSON

Unless stated otherwise herein, all scientific and technical data contained in this MD&A has been reviewed, approved and verified by Garth Drever, P.GEO. who is the Company’s in-house “Qualified Person” within NI 43-101 and is a member in good standing of the Professional Geoscientists Ontario. Mr. Drever is also the Company’s Vice President, Exploration. Therefore, he is not considered to be independent under NI 43-101.

XIII. USE OF NON-GAAP FINANCIAL MEASURES AND RATIOS

The Company's financial results are prepared in accordance with IFRS. This document refers to a non-GAAP financial measure "working capital" which is not measures recognized under IFRS in Canada and that does not have a standardized meaning prescribed by IFRS or by Generally Accepted Accounting Principles ("GAAP") in the United States.

This non-GAAP financial measure does not have standardized meanings under IFRS, may differ from those used by other issuers, and may not be comparable to similar financial measure reported by other issuers. This financial measure has been derived from the Company's financial statements and applied on a consistent basis as appropriate. The Company discloses this financial measure because it believes they assist readers in understanding the result of the Company's operations and financial position and provide further information about the Company's financial results to investors.

This measure should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS.

Working capital: the difference between current assets and current liabilities.

XIV. INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence that: (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the corresponding certificate for venture issuers does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers of the Company do not make any representations relating to the 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 IFRS.

The Company's CEO and CFO are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the corresponding certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer 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 under securities legislation.

XV. OUTSTANDING SHARE DATA

As at February 24, 2023, the Company had 225,189,305 common shares issued and outstanding, and 20,090,718 stock options and 7,886,559 warrants outstanding.

XVI. OTHER INFORMATION

Additional information regarding the Company is available on the Company's website (www.frontierlithium.com) and on the Company's profile on SEDAR at www.sedar.com.

FRONTIER LITHIUM INC.

Trevor R. Walker, President & CEO
February 24, 2023