

LITHIUM AFRICA CORP.
(formerly Lombard Street Capital Corp.)
a capital pool corporation

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and six months ended December 31, 2025 and 2024

Management's Discussion and Analysis

For the three and six months ended December 31, 2025 and 2024

The following Management's Discussion and Analysis ("MD&A") relates to the financial condition and results of operations of Lithium Africa Corp. (formerly Lombard Street Capital Corp.) ("we", "our", "us", "the Corporation" or the "Company") for the three and six months ended December 31, 2025 and should be read in conjunction with the Company's condensed interim consolidated financial statements for the three and six months ended December 31, 2025 as well as the audited financial statements and MD&A for the year ended June 30, 2025. The financial statements and related notes of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

This MD&A reports our activities for the three and six months ended December 31, 2025 through to the date of this report unless otherwise indicated. Unless otherwise noted, all references to currency in this MD&A refer to Canadian dollars.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to the Company, certain information contained herein may constitute forward-looking information under Canadian securities legislation. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "continue", "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", "will", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements represent the Company's expectations, estimates and projections regarding future events and are made based upon certain assumptions and other important facts that, if untrue, could cause the actual results, performances or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements include, amongst others, currency fluctuations, the global economic climate, dilution, share price volatility and competition. Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with limited operating history, no history of earnings or payment of any dividends, unlikely to generate earnings or pay dividends in the immediate or foreseeable future, no current business operations, no current assets other than cash, ability to complete a qualifying transaction, ability to raise additional funds if required, potential dilution of shares as a result of a potential qualifying transaction, reliance on the management team, conflicts of interest among certain directors and officers of the Company, lack of liquidity for shareholders of the Company and market risk. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those

contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

Forward-looking information is provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. These factors are not intended to represent a complete list of the factors that could affect the Company. The Company disclaims any intention or obligation to update or revise any forward-looking information or to explain any material difference between subsequent events and such forward-looking information, except to the extent required by applicable law and regulations.

ABOUT THE COMPANY

The Company was incorporated under the laws of Ontario, Canada and continued to the Cayman Islands. As at December 31, 2025, the Company had not commenced operations and had no assets other than cash and other current assets. The Company completed an Initial Public Offering ("IPO") on November 28, 2024. The Company was classified as a Capital Pool Corporation as defined in Policy 2.4 of the TSX Venture Exchange ("TSXV"). The principal business of the Company was the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. On January 15, 2026, the Company changed its name from Lombard Street Capital Corp. to Lithium Africa Corp. On February 10, 2026, the Company completed its Qualifying Transaction.

During the six months ended December 31, 2025, the Company incorporated a 100% owned subsidiary, LSC Subco Limited, in the Cayman Islands to facilitate the qualifying transaction.

QUALIFYING TRANSACTION

On February 10, 2026, the Company completed the acquisition of Lithium Africa Resources Corp. ("LARC") which constitutes the Qualifying Transaction pursuant to TSXV Policy 2.4 – Capital Pool Companies. On July 23, 2025, the Company and LARC entered into an agreement pursuant to which the Company would acquire all of the issued and outstanding securities of LARC. The resulting company following the completion of the Qualifying Transaction is referred to herein as the "Resulting Issuer". The Transaction did not constitute a Non-Arm's Length Transaction (as such term is defined in the policies of the TSXV). It is anticipated that this transaction will constitute a reverse takeover for accounting purposes. As this transaction had not been completed as at December 31, 2025, it has not been reflected in these financial statements.

Prior to completing the Transaction, the Company continued from Ontario to the Cayman Islands, changed its name from "Lombard Street Capital Corp." to "Lithium Africa Corp." and consolidated its share capital on the basis of 24 (old) common shares for 1 (new) common share. LARC also completed a share split on the basis of 1 (old) common share for 10 (new) common shares.

Pursuant to the terms of the Transaction, the Company acquired all of the issued and outstanding shares of LARC through a merger under the laws of the Cayman Islands involving a wholly-owned subsidiary of the Company and LARC. All outstanding securities of LARC were exchanged for post-Consolidation securities of the Company on a 1:1 basis. In connection with the Transaction, the Company issued

18,387,927 common shares to former shareholders of LARC. Further details regarding the Transaction can be found in the Company's Filing Statement dated December 23, 2025 filed under the Company's profile on SEDAR+.

Subject to receipt of final approval of the Exchange, the common shares of the Company commenced trading on the Exchange under the ticker symbol "LAF" on February 19, 2026 as a Tier 2 issuer.

In connection with the Transaction, in accordance with the requirements of the Exchange, certain securityholders of the Company have entered into a Tier 2 Escrow Agreement in respect of 7,243,961 common shares, 1,048,500 stock options and 294,941 warrants of the Company. Under the terms of the Escrow Agreement, 10% of such escrowed securities will be released upon issuance of the final bulletin of the Exchange in respect of the Transaction, with subsequent 15% releases occurring 6, 12, 18, 24, 30 and 36 months from such date.

Going forward, the Company will be an exploration company engaged in the acquisition, development and operation of mineral properties in Africa.

Springbok Project

On February 25, 2026, the Company entered into a definitive agreement to acquire a large lithium project in South Africa, including a past-producing spodumene mine, a related ore stockpile and 1,675 km² land package. The Company intends to acquire 70% of Namli Exploration & Mining Proprietary Limited ("Namli") in a staged transaction whereby 30% will be acquired immediately upon receipt of authorisation under the South African Currency and Exchanges Act and the remaining 40% will be acquired upon receipt of consent to Lithium Africa acquiring a majority stake in Namli from the South African State Department of Mineral and Petroleum Resources for consideration of:

- i) US\$1.35 M in cash (paid in two installments of 30% upfront and 70% after receipt of s11 Consent);
- ii) US\$150,000 to settle a third-party claim relating to the Springbok Project; and
- iii) US\$2.5 M paid over 24 months (monthly payments of US\$106,000).

Namli holds a prospecting right (NC13301PR) and a mining permit (NC10950MP) comprising the Springbok Project.

In connection with the acquisition of Namli, the Company will pay a consultant, an arm's length party to the Company and Namli, US\$200,000 payable in common shares of the Company upon receipt of approval from the TSX Venture Exchange.

SUMMARY OF QUARTERLY RESULTS

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	January 31 March 31, 2024
	Q2-2026	Q1-2026	Q4-2025	Q3-2025	Q2-2025	Q1-2025	Q4-2024	Q3-2024
Other income	\$20,831	\$24,189	\$17,466	\$35,778	\$31,296	\$44	\$36,293	\$0
Net loss and comprehensive loss	(\$21,416)	(\$9,228)	(\$249,074)	\$13,552	(\$205,831)	(\$3,407)	(\$58,152)	(\$498)
Basic and diluted loss per share*	(\$0.03)	(\$0.01)	(\$0.21)	\$0.01	(\$0.47)	(\$0.00)	(\$0.17)	(\$0.00)
Total assets	\$3,797,021	\$3,771,230	\$3,702,858	\$3,637,354	\$3,620,925	\$1,169,863	\$1,059,210	\$0

*Loss per share amounts have been retrospectively adjusted to reflect the share consolidation effected subsequent to December 31, 2025.

The Company had been in the process of identifying a Qualifying Transaction and expenses have been minimal to date. Net loss during Q2-2025 and Q4-2024 include stock-based compensation. Income recognized during Q4-2024 relates to interest income earned on a short-term loan receivable. Income earned during the recent quarters relates to interest income earned on cash held in Guaranteed Investment Certificates (“GICs”).

Total assets increased during Q1-2025 as a result of a private placement from directors and officers. During Q2-2025, total assets increased upon the close of the IPO. Total assets continued to increase quarter over quarter as expenses related to the qualifying transaction are deferred to the statement of financial position.

RESULTS OF OPERATIONS

	Three months ended		Six months ended	
	December 31,		December 31,	
	2025	2024	2025	2024
Professional fees	\$ 13,602	\$ 7,626	\$ 26,514	\$ 10,682
General and administrative expenses	28,645	2,466	49,150	2,861
Stock-based compensation	-	226,890	-	226,890
Interest income	(20,831)	(31,296)	(45,020)	(31,340)
Net loss and comprehensive loss for the period	\$ 21,416	\$ 205,831	\$ 30,644	\$ 209,238

The Company incurred minimal legal and administrative expenditures and is accruing audit fees during the three and six months ended December 31, 2025. Costs related to the qualifying transaction have been deferred to the statement of Financial Position.

As the Qualifying Transaction was completed subsequent to the end of the period ending December 31, 2025, it is anticipated that activity will ramp up.

LIQUIDITY, CAPITAL RESOURCES AND OUTLOOK

As at December 31, 2025, the Company had a cash and cash equivalents balance of \$3,400,032 to settle current liabilities of \$188,480.

LARC completed a non-brokered subscription receipt financing for gross proceeds of approximately \$2,679,535. In connection with the completion of the Transaction, each subscription receipt converted into one common share and one warrant of LARC, which were immediately exchanged for post-Consolidation common shares and warrants of the Company pursuant to the Qualify Transaction. In connection with the conversion of the subscription receipts, the proceeds of this offering were released from escrow. In connection with this offering, LARC paid eligible finders a cash fee of \$169,820 and issued eligible finders an aggregate of 7,500 advisory warrants and 53,150 finder's warrants. Each advisory warrant and finder's warrants were exchanged for advisory warrants of the Company (the "Advisory Warrants"). Each Advisory Warrant entitles the holder to acquire one common share of the Company at an exercise price of \$2.80 per share at any time prior to August 29, 2028.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements as at December 31, 2025.

CASH FLOWS

Cash used by operating activities during the six months ended December 31, 2025 was \$153,390 (December 31, 2024: provision of \$5,116). This includes changes in working capital where previously paid advances or accrued amounts for legal costs and other fees related to the IPO transaction were applied against the proceeds of the initial public offering. The net change in non-cash working capital reported on the cash flow statement identifies the changes in current assets and current liabilities that occurred during the period. An increase in a liability (or a decrease in an asset) account is a source of funds, while a decrease in a liability (or an increase in an asset) account is a use of funds.

Cash provided by financing activities during the six months ended December 31, 2025 was \$nil compared to \$2,570,040 during the six months ended December 31, 2024 which included proceeds from a private placement with directors and officers of the Company as well as the Initial Public Offering.

Cash provided by investing activities during the six months ended December 31, 2025 was \$nil (six months ended December 31, 2024: \$nil).

SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies can be found in Note 3 of its audited financial statements for the year ended June 30, 2025. Disclosure on new and future accounting policies can be found in Note 3 of the Company's condensed interim consolidated financial statements for the three and six months ended December 31, 2025 and 2024.

CAPITAL RISK MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support the exploration and development of mineral properties. The capital of the Company consists of share capital, share-based payment reserve and deficit. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any Qualifying Transaction must be accepted by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, it is also subject to Majority of the Minority Approval in accordance with the CPC Policy. As of the date hereof, the Corporation has not conducted commercial operations.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

RELATED PARTY TRANSACTIONS

During the comparative three and six months ended December 31, 2024, directors and officers of the Company subscribed for a total of 421,053 shares valued at \$42,105 through the private placement financing that closed on September 5, 2024 as well as 1,300,000 shares valued at \$130,000 through the Initial Public Offering closing on November 28, 2024.

Compensation of key management personnel of the Company

Key management consists of the officers and directors who are responsible for planning, directing, and controlling the activities of the Company. All related party transactions are carried out in the normal course of operation. As at December 31, 2025, there were no balances owing to related parties. No compensation costs were incurred during the three and six months ended December 31, 2025.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities were classified as follows:

	Assets at amortized cost	Assets at fair value through profit or loss	Liabilities at amortized cost	Total
As at December 31, 2025				
Cash and cash equivalents	\$ 300,032	\$ 3,100,000	\$ -	\$ 3,400,032
Amounts receivable	48,547	-	-	48,547
Accounts payable and accrued liabilities	-	-	188,480	188,480

The carrying values of cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximate fair value due to the short-term nature of the financial instruments.

A fair value hierarchy prioritizes the methods and assumptions used to develop fair value measurements for those financial assets where fair value is recognized on the statement of financial position. These have been prioritized into three levels.

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 or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy as at December 31, 2025:

	Level 1	Level 2	Level 3	TOTAL
As at December 31, 2025				
Cash equivalents	\$ 3,100,000	\$ -	\$ -	\$ 3,100,000

Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the three and six months ended December 31, 2025 and 2024.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of bank deposits and guaranteed investment certificates, which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote. Management believes that the credit risk concentration with respect to these financial instruments is remote.

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at December 31, 2025, the Company had current assets of \$3,797,021 to settle current liabilities of \$188,480. Approximately \$68,000 of the Company's financial liabilities as at December 31, 2025 have contractual maturities of less than 30 days and are subject to normal trade terms.

OUTSTANDING SHARE DATA

Number of:	As at December 31, 2025 (pre- consolidation)	As at December 31, 2025 (post- consolidation)	As at March 2, 2026
Common Shares	50,421,053	2,100,877	20,488,804
Warrants	-	-	2,531,221
Stock options	7,564,985	422,082	2,186,333

RISKS AND UNCERTAINTIES

The Corporation was incorporated on January 31, 2024, has not commenced commercial operations and has no assets other than cash. It has no history of earnings and shall not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction.

There is no market through which the Common Shares may be sold. 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 its Common Shares.

Until completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

In the event that the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business, and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

The Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Company.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when exploration and development costs should be capitalized or expensed, and impact estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuations of stock-based compensation and the valuation of income tax accounts. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material.

March 2, 2026