ARGENTINA LITHIUM & ENERGY CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025

Introduction

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the condensed consolidated interim financial statements of Argentina Lithium & Energy Corp. ("Argentina Lithium" or "the Company") for the six months ended June 30, 2026 and 2025 and related notes thereto which have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and the accompanying notes for the six months ended June 30, 2026 and 2025 and the audited financial statements and accompanying notes for the years ended December 31, 2025 and 2024. All figures are in Canadian dollars unless otherwise noted (amounts in U.S. dollars are denoted as "US$" or "USD", amounts in Argentina Pesos are denoted as "ARS$"). This MD&A has been prepared as of August 25, 2026.

Company Overview

The Company was incorporated on April 11, 2000 and was transitioned under the Business Corporations Act (BC) on June 17, 2004. The address of the Company's registered office is Suite 411 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6. The Company remained without a business asset until March 2003, when the Company negotiated a number of agreements to option and acquire interests in various mineral concessions located in Argentina. In December 2003, the Company completed its initial public offering and commenced trading on the TSX Venture Exchange ("TSX-V" or the "Exchange") under the symbol "AMS". In December 2008, the Company consolidated its outstanding common shares on a 10 for 1 basis and changed its name to Panthera Exploration Inc. (formerly Amera Resources Corporation) trading on the TSX-V under the symbol "PNX". In January 2012, the Company changed its name to Iron South Mining Corp. (formerly Panthera Exploration Inc.) trading on the TSX-V under the symbol "IS". In September 2016, the Company changed its name to Argentina Lithium & Energy Corp. (formerly Iron South Mining Corp.) trading on the TSX-V under the symbol "LIT".

The Company is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. The Company's material mineral property interests are located in Argentina, and while the Company continually considers additional exploration projects to acquire, its focus is to explore and advance its current group of Argentinian lithium properties. In Argentina, the Company operates via its subsidiary Argentina Litio y Energia S.A. ("ALE"). As of the date of this MD&A, the Company has not earned any production revenue, nor established any reserves on any of its properties. The Company is a reporting issuer in British Columbia and Alberta.

The Company's technical disclosure in this MD&A has been reviewed by David Terry Ph.D., P.Geo, a Qualified Person under NI 43-101, and a director of the Company.

Stellantis Investment

On September 26, 2023, the Company entered into a definitive agreement (the "Investment Agreement") with Peugeot Citroen Argentina S.A., a subsidiary of Stellantis N.V. ("Stellantis") for an investment in Argentina in exchange (the "Transaction") for issuing shares equal to a 19.9% common share ownership interest (the "ALE shares") in the Company's subsidiary, ALE. On October 4, 2023, ALE received 31.5 billion Argentina Pesos in Argentina that was equivalent to US$90 million at the official exchange rate from Stellantis and recognised the investment as a non-controlling interest. Stellantis is one of the world's leading automakers and mobility providers with iconic brands including Abarth, Alfa Romeo, Chrysler, Citroën, Dodge, DS Automobiles, Fiat, Jeep®, Lancia, Maserati, Opel, Peugeot, RAM, Vauxhall, Free2Move and Leasys. As a result of the transaction, Stellantis owns 19.9% of the issued and outstanding ALE shares and Argentina Lithium owns 80.1%.

In connection with the transaction, the Company and Stellantis entered into an exchange agreement dated October 4, 2023 (the "Exchange Agreement"), whereby the Company granted Stellantis the right (the "Exchange Right") to exchange all of its ALE shares then held by Stellantis for such number of common shares of the Company ("Common Shares") equaling 24.844% of (i) the outstanding Common Shares (on an undiluted basis) as of the date of the Exchange Agreement and (ii) Common Shares issued by Argentina Lithium (between the date of the Exchange Agreement and the date Stellantis exercises the Exchange Right) upon the exercise of warrants, stock options or other securities convertible or exchangeable into Common Shares existing as of the date of the Exchange Agreement (together, the "Exchange Shares"), subject to conditions set out in the Exchange Agreement. Following the issuance of Exchange Shares, Stellantis will own at most 19.9% of the Common Shares (on an undiluted basis).

In addition, the Company granted Stellantis an irrevocable right (the "Top-Up Right") to subscribe for additional Common Shares (the "Additional Shares") if necessary for Stellantis to achieve a 19.9% interest in the Common Shares (on an undiluted basis). Any Additional Shares Stellantis elects to purchase pursuant to the Top-Up Right will be issued at the maximum discounted market price permitted under the rules and policies of the TSX-V, unless the Top-Up Right is exercised after an acquisition of the Company, in which case the subscription price under the Top-Up Right will be the pre-announcement market price of the shares of the Company. Any issuance of Additional Shares will be subject to the prior approval of the TSX-V. Stellantis will not have the right under the Exchange Right and the Top-Up Right to acquire more than 19.9% of the outstanding Common Shares following the issuance of Exchange Shares and Additional Shares, if any.

In addition, the parties entered into an offtake agreement (the "Offtake Agreement"), whereby Stellantis agreed to purchase from ALE up to 15,000 tonnes per annum of lithium produced by ALE over a seven-year period (the "Supply Obligation") subject to the terms and conditions set out in the Offtake Agreement. After the initial seven-year term, the Offtake Agreement may be extended by mutual agreement for an additional number of years. The price of lithium products sold by ALE under the Offtake Agreement will be based on an agreed market-based price formula at the time of each shipment. The commencement of the Supply Obligation is conditional on the successful start of commercial production at one or more of its projects. The Offtake Agreement also contains certain product qualification, certification and reporting requirements and provides Stellantis with a right to acquire any production prior to the commencement of the Supply Obligation and a right of first refusal on the sale to third parties of any lithium products (in excess of the Supply Obligation) after the commencement of commercial production.

The Company, ALE and Stellantis entered into a Shareholders' Agreement (the "Shareholders' Agreement") relating to ALE and Stellantis' ownership of ALE Shares and provides for the following principal terms:

- right of Stellantis to nominate one director to the board of directors of ALE ("Stellantis Director") for as long as Stellantis has an ownership position of not less than 10% of the issued and outstanding ALE shares;
- certain corporate decisions of ALE may not be undertaken without the affirmative vote of the Stellantis Director or the approval by shareholders holding more than 90% of the issued and outstanding ALE shares;
- right of each shareholder to maintain its ownership percentage in any equity offerings by ALE;
- transfer restrictions including, rights of first refusal, drag-along and tag-along rights;
- right of first offer for Stellantis to provide project financing and any other borrowing by ALE; and
- other terms and conditions consistent with a transaction of this nature.

In addition, upon exercise of the Exchange Right, the Company will enter into an Investor Rights Agreement with Stellantis (the "Stellantis IRA"). The Stellantis IRA provides for the following principal terms in favour of Stellantis:

- a right to nominate one director to the board of directors of the Company for as long as Stellantis has an ownership position of not less than 10% of the issued and outstanding Common Shares;
- pre-emptive right to maintain ownership percentage in certain follow-on issuances of Common Shares or securities convertible into Common Shares; and
- other terms and conditions consistent with a transaction of this nature.

Additional details of the investment transaction, including the Investment Agreement, Exchange Agreement, Offtake agreement, Shareholders' Agreement and the Stellantis IRA (together, the "Stellantis Transaction Documents") are available in the material change report of the Company dated October 6, 2023, in Note 8 of the Company's audited consolidated financial statements for the years ended December 31, 2025 and 2024 and the Stellantis Investment Reconciliation on page 17 of this MD&A. Furthermore, copies of the Stellantis Transaction Documents are available under the Company's profile on SEDAR+ at www.sedarplus.com.

<u>Lanshen Earn-In Agreement</u>

On December 22, 2025, the Company announced that it entered into a Memorandum of Understanding ("MOU") with Xi'an Lanshen New Material Technology Co., Ltd. ("Lanshen"), a globally recognized Direct Lithium Extraction technology leader with proprietary Direct Lithium Extraction ("DLE") systems, pilot plant technology, advanced engineering solutions, and project-development expertise. This was followed by the signing of a non-binding Heads of Terms and framework agreement (the "Framework Agreement"), as announced on April 21, 2026. The Framework Agreement provides for a structured, staged pathway for the technical advancement, financing, and potential commercial development of the Company's Rincon West Lithium Brine Project, anchored by Lanshen's DLE technology and engineering capabilities.

Under the Framework Agreement, it is proposed that Lanshen be granted the right to earn up to a 30% equity interest in Argentina Lithium's Argentine subsidiary, ALE, through staged contributions totaling up to approximately US$100 million. The collaboration is structured across three development stages designed to progressively de-risk the project and advance it toward commercial production. These stages include:

Stage 1 will focus on pilot-scale DLE brine testing, process validation, and engineering design to support a Pre-Feasibility Study.

Stage 2 will advance the project and integrate Lanshen's technical work into a Definitive Feasibility Study in accordance with NI 43-101, subject to the delivery of a corporate guarantee supporting Lanshen's obligations for the subsequent development phase. Subject to the successful completion of prior stages and the satisfaction of key conditions,

Stage 3 will see Lanshen contribute approximately US$95.9 million in the form of fully integrated engineering, procurement, and supply of a lithium production facility designed to produce 5,000 tonnes per year of battery-grade lithium carbonate.

The Framework Agreement contemplates the negotiation of a definitive agreement and an amended and restated shareholders' agreement for ALE involving the Company, Lanshen, and Stellantis N.V, subject to various conditions and regulatory approvals. Advancement to Stage 3 is conditional upon ALE achieving several key project milestones, including the reporting of reserve estimates in accordance with NI 43-101, the approval of a full Environmental Impact Assessment, completion of baseline and site condition studies, and receipt of all required permits and authorizations from Argentine federal and provincial authorities. In addition, ALE must secure project financing and obtain all necessary third-party consents, including those required under its existing agreements with Stellantis. The participation of Lanshen at the Stage 3 level is also subject to applicable regulatory approvals, including authorization for Lanshen's investment under Canadian regulatory frameworks and the receipt of export approvals from Chinese authorities for DLE-related equipment and technology. These conditions collectively ensure that the transition to full-scale construction is supported by technical validation, regulatory certainty, and financial readiness.

<u>Exploration Projects Overview</u>

<u>RINCON WEST PROJECT, SALTA</u>

Location and Ownership: The Rincon West Project includes mining concessions covering 3,707 hectares at the Rincon Salar in two groupings: West Block and Paso de Sico. The Rincon Salar is situated approximately 90 kilometres west of the town of San Antonio de los Cobres, the largest town in Argentina's high plain region, and approximately 250 kilometres west of the provincial capital city of Salta. It is close to the railway, and adjacent to Provincial Route 51, the international road that connects to Chile's Pacific ports. The InterAndes power corridor crosses the Paso de Sico property at the north end of the Rincon Salar. There are two significant lithium resource development projects on the salar, owned by Rio Tinto (https://www.riotinto.com/operations/projects/rincon) and Argosy Minerals (www.argosyminerals.com.au) both of which have executed demonstration-scale production of lithium carbonate. *[Argentina Lithium cautions that proximity to a discovery, mineral resource, or mining operation does not indicate that mineralization will occur on the Company's property, and if mineralization does occur, that it will occur in sufficient quantity or grade that would result in an economic extraction scenario.]*

West Block Property Ownership

Two concessions, ("Villanoveño II" and "Demasia Villanoveño II") covering an area of 2,390.5 hectares are located on the west side of the salar. These were acquired via the Rincon-Pocitos option agreement described below and are now 100% held. Argentina Lithium announced on July 21, 2022 it had obtained 100% ownership of an adjacent concession block, ("Rinconcita II") covering 460.5 hectares adjacent to and east of Villanoveño II, on the salar. Terms for acquiring the concession included:

- An initial payment to Recursos Energéticos y Mineros Salta S.A. ("REMSA") of USD $2.5M at the time of signing of the purchase agreement (paid)
- REMSA retains a 3% Net Smelter Return ("NSR")
- The Company proposed an exploration program that includes environmental permitting, ground geophysics and exploratory drilling, to be followed by reporting to REMSA the mineral resource contained within the Rinconcita II property, and a scoping study of the project. The Company has met its exploration commitment for US$2,560,558 that includes environmental permitting, ground geophysics, and exploratory drilling, within twelve months from the date of approval of the environmental impact report.

Paso de Sico Property Option

On October 6, 2022, the Company announced another property addition to the project. The Paso de Sico Agreement covers 791.3 hectares of concessions via an option that included cash payments totaling US$1,518,000 paid over three years, including obligatory payment commitments totaling US$300,000 in the first six months. The option grants a 3% NSR to the Vendor, which can be purchased by the Company for an additional US$1.5 million. The Paso de Sico option agreement also includes a total of US$2.3 million of exploration and development expenditures over a three-year period. On March 25, 2025, the Company entered into a second addendum to the Paso de Sico Agreement (the "Second Addendum") amending the due date of the fifth and final cash payment of US$418,000 from March 31, 2025 to September 30, 2025 in exchange for ALE agreeing to pay the Paso de Sico Optionors an additional US$41,800 extension fee (the "Extension Fee"). The Company paid the Extension Fee by issuing an aggregate of 995,954 shares of the Company to the Paso de Sico Optionors at a price of $0.06 per share using the Bank of Canada exchange rate of 1.4296 (USD/CAD) as at March 25, 2025, being the date of the Second Addendum. The due date of the final cash payment was subsequently extended to September 30, 2026.

Option Payments US$	Extension fee paid by the issuance of shares $	Year
100,000 (paid)	-	2022
600,000 (paid)	-	2023
400,000 (paid)	-	2024
-	59,757 (issued)	2025
418,000	-	2026
1,518,000	59,757	

Don Fermin Property Option

On November 8, 2023, the Company announced that it had entered into an option agreement for an additional property block: the "Don Fermin" concession. Don Fermin is a mining concession granted by the mining authority of Salta Province, located on the eastern flank of the Salar de Rincon, approximately 19 km east of the Rincon West property block. The property had not received significant exploration work previously. Terms of the option included cash payments totaling US$2,750,000 over 18 months, including an initial non-reimbursable payment of US$250,000. The vendor retained a 1.5% NSR which could be repurchased for US$4,000,000.

Option Payment US$	Year
750,000 (paid)	2023
750,000 (paid)	2024
1,000,000 (paid)	2024
250,000 (not paid)	2025
2,750,000	

On April 7, 2025, the Salta mining court issued a ruling to terminate the mining license for the Don Fermin properties on the grounds that the previous owners, who sold the rights to the Company, had not demonstrated that they carried out adequate exploration work as required by the permit. The Company disputes the arguments contained in the ruling and will appeal the decision. The Company has determined to impair $3,402,350 in acquisition costs for Don Fermin as of December 31, 2024 while it waits for the appeal process to reach a conclusion.

Mineral Resource Estimate

On October 22, 2025 the Company announced its first Mineral Resource Estimate ("MRE") for the West Block properties of the Rincon West project. The effective date of the Mineral Resource estimate is September 26, 2025. Supporting information for the Mineral Resource estimate is detailed in an independent technical report prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and filed on SEDAR+ under the Company's profile dated December 3, 2025.

Summary of Mineral Resources at the Rincon West Project
See News Release Dated October 22, 2025 for full details

	Measured (M)		**Indicated (Ind)**		**M + Ind**		**Inferred (Inf)**	
	Li	**K**	**Li**	**K**	**Li**	**K**	**Li**	**K**
Aquifer volume (km^3)	3.36		0.97		4.33		3.05	
Mean specific yield (Sy)	0.04		0.02		0.04		0.03	
Brine volume (km^3)	0.14		0.02		0.15		0.08	
Mean grade (g/m^3)	11.9	229.2	4.9	94.0	11.1	214.8	3.8	71.6
Concentration (mg/l Li or K)	297	5,776	295	5,686	296	5,756	216	4,085
Resource (tonnes)	40,000	770,000	5,000	92,000	45,000	862,000	12,000	219,000
	LCE	**KCl**	**LCE**	**KCl**	**LCE**	**KCl**	**LCE**	**KCl**
Resource (tonnes)	212,800	1,470,700	26,600	175,720	238,000	1,650,000	64,000	327,000

Notes to the resource estimate (Table 1):
1. CIM definitions were followed for Mineral Resources.
2. The Qualified Person for this Mineral Resource estimate is Frederik Reidel, CPG of Atacama Water Consultants
3. No cut-off values have been applied to the resource estimate.
4. Numbers may not sum exactly due to rounding.
5. Lithium is converted to lithium carbonate (Li2CO3) with a conversion factor of 5.32.
6. Potassium is converted to potassium chloride with a conversion factor of 1.91.

[The mineral resources disclosed herein conform to NI 43-101 standards and guidelines and were prepared by an independent qualified person. The above-mentioned mineral resources are not mineral reserves as they do not have demonstrated economic viability. The quantity and grade of the reported Inferred Mineral Resources are conceptual in nature and are estimated based on limited geological and hydrogeological evidence and sampling. Existing data are sufficient to imply but not verify mineral grade and/or quality of continuity. An Inferred Mineral Resource has a lower level of confidence relative to a Measured or Indicated Mineral Resource and constitutes an insufficient level of confidence to allow conversion to a Mineral Reserve. It is reasonably expected, but not guaranteed, that the majority of Inferred Mineral Resources could be upgraded to Measured or Indicated Mineral Resources with additional drilling and pump tests.]

Exploration Activities

Current Program

The MRE Report identified two exploration objectives for the project: additional pump testing to evaluate the hydraulic characteristics of brine host units in the western (Villanoveño II) mining concession, and infill drilling to upgrade resource categories. On February 20, 2026, the Company announced details of the resource advancement plan that includes addressing those objectives, subject to permitting and funding. The rotary wells required for pump testing have been permitted and work is expected to begin once operational funds are in place and a drill rig contracted. The infill drilling work is subject to various permit requirements that have been mapped out and will be systematically addressed during 2026. Additional field work is also planned to support future scoping and feasibility studies, to facilitate the creation of a hydrogeologic model for planning a production wellfield and help determine certain operational parameters essential for planning of a Direct Lithium Extraction production facility at site.

2025 Exploration

The first rotary well for the West Block properties (RW-ROT-01) was completed during Q4, 2024. A 30-day pump test was completed on the well during the first quarter of 2025, while employing the adjacent exploration well RW-DDH-11, and also the proximal exploration wells: RW-DDH-10,12, 13 and 14, to observe changes in the aquifer level. Monitoring of these observation wells continued at regular intervals for several weeks following the pump test, to determine the aquifer recovery rate.

Exploration during the first half of 2025 evolved to the evaluation of drilling and pump test data acquired during 2024 and preceding years. The Company retained Atacama Water Consultants to interpret and model the resource potential for the Rincon West project.

In third quarter, work transitioned to advancing the project beyond the initial resource estimate stage. This included: renewal of the Rincon West drilling permit for additional drilling to potentially upgrade or expand resources; securing freshwater access rights for our Paso de Sico concessions to support both near-term exploration and future operations; the evaluation of multiple DLE technologies; and, hydrogeological modelling, topographic surveys, and freshwater assessments in preparation for baseline environmental studies.

2024 Exploration

2024 exploration drilling was focused on the Rincon West project. The program included five diamond holes to test brines and sample formations, and one rotary drill well for pump testing, all located on the Rinconcita II mining concession. Results from the first two holes in the program were reported on January 22, 2024, with highlights including: 21 brine samples collected between 63.5 m depth and 359.0 m depth in RW-DDH-010 ranging from 245 to 366 mg/l lithium; and 33 brine samples collected between 24.5 m depth and 345.50 m depth RW-DDH-011 ranging from 246 to 344 mg/l lithium. Hole RW-DDH-012 was reported on April 24, 2024, and continued the trend of strong lithium results, with 23 brine samples ranging from 322 to 371 mg/L lithium collected between 48.5 and 213.5 m depth. The fourth hole of the program, RW-DDH-013 had a total of 24 representative 3 m brine samples collected over a 327-metre interval for which assays ranged from 269 to 340 mg/l lithium, as reported on October 1, 2024. Results for the final hole, RW-DDH-14, were reported on January 29, 2025, including a 225-metre interval with sixteen representative 2.5 or 3 m brine samples that ranged from 277 to 379 mg/l lithium. 25.5 line-km of Transient Electromagnetic soundings (TEM) were also executed on the Rinconcita II concession, to assist with the interpretation of the drill results.

In Q3, permits for rotary drilling at the Rinconcita II concession were received and drilling of the test well was executed. Pump testing was completed in the first quarter of 2025.

The Company incurred $9,878,735 in drilling expenses during the year ended December 31, 2024 that were deducted from its prepaid drilling balance. See "Prepaid Expenses" on page 13.

Brine sampling is mainly conducted using packer sampling during drilling, which allows the collection of brine samples at specific depths while sealing the hole at the bottom and at the top of the interval. Samples of brine were submitted for analysis to Alex Stewart International Argentina S.A., the local subsidiary of Alex Stewart International. an ISO 9001:2008 certified laboratory, with ISO 17025:2005 certification for the analysis of lithium, potassium and other elements. The quality of sample analytical results was controlled and assessed with a protocol of blank, duplicate and standard samples included within the sample sequence. Differences between original and duplicate samples and results for standards and blanks were considered within the acceptable range for lithium.

On October 31, 2024, the Company reported that it had received the exploration permit for the Paso de Sico mining concession. The Company has executed an exploration program at the property, including 20 line-km of Transient Electromagnetic soundings and two diamond drill holes. Drill hole PS-DDH-01, located at UTM Z19S 686421E, 7354364N, elevation 3776 masl, was drilled to 500.3 m depth, through interbedded sedimentary and volcanic units. Drill hole PS-DDH-02, located at UTM Z19S 688800E, 735685N, elevation 3781 masl, was drilled to 383 m depth, through interbedded sedimentary and volcanic units. The laboratory assays of a total of six packer samples extracted from PS-DDH-01 returned low lithium values between 16 and 30 mg/L. A total of six packer samples extracted from PS-DDH-02 indicated that all lithium values were below detectability limits. Based on the low lithium values extracted in the fresh and brackish water packer samples, and the lack of additional conductive targets in geophysics, no further drilling is planned to test brine potential. The Company maintains its interest in the concession, as fresh water is expected to be an important requirement for potential future lithium processing at the project.

2022-2023 Exploration

In March 2022, the Company initiated a 36 line-km Transient Electromagnetic (TEM) sounding survey to delineate areas of potential brines and map the bottom of the basin on the Villanoveño II property in the West Block. Results of the survey were announced May 2, 2022, when the Company reported that modeling of the TEM data suggested that the interpreted brine aquifers extend substantially further west and south than indicated by earlier electrical surveys.

Results from the TEM survey were used to target holes for an initial drill campaign that commenced at the end of May of that year. Results from the 9 hole program were reported in several tranches between July 13, 2022 and May 31, 2023. Overall, the program demonstrated that the concentrated brines from the neighboring salt flat extend through the western basin, and the prospect remains open to identifying additional lithium-rich brines in several directions.

In July 2023, following the receipt of new permits, the Company completed 12 line-km of Controlled Source Audio-frequency Magnetotelluric (CSAMT) geophysics surveys over the Rinconcita II property, demonstrating the presence of extremely conductive strata (low resistivity), beginning at less than 100 metres below surface and typically extending to greater than 300m depths, consistent with formations saturated with lithium-bearing brines. This work helped site holes for the new drill campaign, as announced on October 19, 2023. The Company incurred $3,869,653 in drilling expenses during the year that were deducted from its prepaid drilling balance.

<u>POCITOS PROJECT</u>

Location and Ownership: The Pocitos Salar is located approximately 100 kilometres west of the town of San Antonio de los Cobres and approximately 250 kilometres west of the provincial capital city of Salta. The Provincial Route 17 and the natural gas pipeline-fed industrial park at the settlement of Pocitos are located 17 km to the east. The rail line that crosses the middle of the Pocitos West property joins Salta with the port of Antofagasta on the Chilean Pacific coast. The present surface expression of the Pocitos Salar is approximately 57 kilometres north-south, and approximately 10 kilometres east-west. The salt pan is almost completely flat with portions of the older salar surface covered by talus and alluvial fan. The Pocitos Project currently includes over 17,600 hectares of properties, with 100%-held by the Company. The sequence of the property acquisitions is detailed below.

<u>Rincon-Pocitos Property</u>

On October 8, 2021, Argentina Lithium announced that it had signed a definitive agreement with a private vendor to acquire a 100% interest in the 2,370 hectare Rincon West (described above) and 15,857 hectare Pocitos projects in Salta Province, Argentina. Subsequently, a small block of 20.5 hectares (Demasia Villanoveño II) was awarded and added to the Rincon West project under the option.

On November 30, 2023, the Company announced that it had exercised the option agreement to obtain 100% in the properties. The option was conditional on cash payments of US$4,200,000 and payment of shares in the Company equivalent to $500,000 at the time of issuance, payable over 36 months. The Company made US$4,200,000 in payments towards the option and completed its share issuance requirements to obtain 100% ownership of the Villanoveño II property as originally announced (2,370 hectares) as well as the subsequently awarded Demasia Villanoveño II (20.5 hectares), both located at the Salar de Rincon, and the eleven properties designated as Pocitos 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 211, totaling 15,857 hectares located at the Salar de Pocitos.

Ramos Property Option

The Company owns a 100% interest in five properties totaling approximately 1,762 hectares located in the southern portion of the Pocitos Salar ("the Ramos Properties"). The option terms of the agreement dated January 6, 2022 included mandatory payments totaling US$150,000 in the first year, followed by US$550,000 2 years after signing. The Company has exercised the option in full; the vendor retains a 1% Net Smelter Royalty ("NSR") which can be purchased by the Company for US$500,000.

Exploration: The properties are believed to have had little prior exploration and no drilling with the exception of the group of concessions in the Rincon-Pocitos option which have had modest geophysics and surface sampling, with very limited drilling. In 2025, the Company completed a 170 line-km program of Transient Electromagnetic soundings to detect and delineate brines. Follow-up drill testing is planned, pending permits and financing.

Antofalla North Lithium Project, Salta and Catamarca

Location and Ownership: Argentina Lithium currently controls 16,910 hectares of mining concessions in the Salar de Antofalla, distributed between the adjacent provinces of Salta and Catamarca. The Company had previously held 9080 hectares of staked claims ("Staked Properties") for which it impaired exploration costs in 2019 but maintained ownership (see the year-end Management Discussion and Analysis for 2019, filed on SEDAR+). The Company subsequently reduced this area to 3996.1 ha, by relinquishing a less prospective property and also through administrative reductions in non-prospective areas.

With the resurgence in interest in the lithium markets, the Company re-evaluated its strategy and identified multiple opportunities in the Salar de Antofalla that complement the existing Staked Property position, and could potentially contain significant brine resource.

As such, on August 4, 2021, the Company announced that it had entered into an option agreement ("Pipo-Alcalina V Option") to earn a 100% interest in three granted mine concession properties in the Salta Province mining registry, totaling 5,380 hectares situated adjacent or proximal to the Staked Properties. On November 30th, 2023 Argentina Lithium announced that it had exercised the Pipo/Alcalina option, as described below. Two additional pending mining concessions were also included in the option agreement. These two concessions ("Matilda concessions") were granted by the Salta mining authority during Q4-2025, thereby adding 2977 ha to the aggregate property size.

On April 11, 2022, the Company announced that it had entered into a second option agreement ("Amelia Option") for a further 5,411 hectares in three mine concessions on the Antofalla Salar, in the mining registry of Catamarca Province, as described below.

On October 6, 2022, the Company announced a third option agreement ("Volcan Option") for an additional 843.5 hectares in a single mine concession on the Antofalla Salar, in the Catamarca mining registry, as described below.

On November 8, 2023, the Company announced a fourth option agreement ("Lexi-30 Option") for an additional 789 hectares in a single mining concession on the Antofalla Salar, wholly within the Catamarca mining registry, as described below.

The Salta mining registry and the Catamarca mining registry overlap along an east-west belt that is approximately 11. 5 km wide in the vicinity of Antofalla. This situation has existed since 1943. On May 11, 2022 the provinces of Salta and Catamarca signed an agreement to develop properties in the conflicted area jointly, essentially sharing the mineral interests and royalties in the affected region.

If a project in this conflicted zone is to advance, the Company's interpretation is that either the overlapping property concessions must both be controlled by a single operator, or there should be an agreement between the holders of the conflicting mining concessions. The Company has optioned mining concessions in both provincial registers in order to exercise outright control over the largest possible block of prospective ground. However, the Company believes that claimed property that is currently conflicted in a second mining register, could potentially have significant value also. To this end, based on reconnaissance of the area and on work on the company's bounding properties, the Company will seek to purchase or negotiate favorable terms to allow exploration and development of the conflicted properties.

Between the five property groups described above for Antofalla North, the Company exercises complete control over 10,839 hectares of mining concessions (i.e. holds mining rights in both provincial mining registries for areas within the conflicted zone). The Company holds an additional 6,071 hectares of concession ground that is currently, or may become, conflicted in an overlapping mining registry.

The Salar de Antofalla is approximately 150 kilometres long and 5-7 kilometres wide and is located at 3,400 metres elevation. The salar is accessed by Provincial highway 43 and unpaved roads, with the settlement of Antofalla approximately 50 kilometres to the south and the city of Salta approximately 500 kilometres away. The geological environment at the Salar de Antofalla is similar to other salars in the Puna region where lithium and potash are found. The southernmost part of the Antofalla North project is adjacent to the boundary of a property controlled by global lithium producer Albemarle Inc. Albemarle has stated that it believes the lithium resource on its property has potential to rank amongst the largest in Argentina[1]. [Investors are cautioned that this information is taken from the publicly available sources, has not been independently verified by the Company and it is not known if this resource conforms to the standards of NI 43-101. Furthermore, proximity to a discovery, mine, or mineral resource, does not indicate that mineralization will occur at the Company's Project, and if mineralization does occur, that it will occur in sufficient quantity or grade that would result in an economic extraction scenario.]

Pipo-Alcalina V Property

The Pipo/Alcalina option was announced on August 4, 2021, encompassing three mining concessions totaling 5,380 hectares and two pending mining concessions, conditional on US$4,000,000 in cash payments payable over 42 months and on US$7,000,000 in work expenditure commitments. The Company had previously completed US$800,000 in option payments and before the end of 2023 paid the remaining balance of US$3,200,000. The work commitment conditions were waived, and the cash exercise of the Pipo/Alcalina option has granted the Company 100% ownership of Alcalina V, Pipo I and Pipo II, which are considered core properties at the Company's Antofalla North Project. The option exercise was finalized by completing the outstanding cash payments specified in the option agreement. The prior property holders have accepted the full option exercise and have agreed to waive any outstanding work commitment specified in the original agreement.

The two additional property claims referenced with the Pipo/Alcalina option were awarded to the Company by the mining authority of the province of Salta at the end of 2024, representing 2977 hectares on non-conflicted mining concessions. These properties are located in the pediment area west of the salt flat and are believed to have low prospectivity for lithium brines but may contain freshwater aquifer and could have considerable utility for plant infrastructure if the project reaches development stage.

The original property holder group retains a 2% NSR on the properties, which the Company has the further option to purchase at any time for a cash payment of US$5,000,000.

[1] https://www.albemarle.com/news/albemarle-signs-agreement-for-exclusive-exploration-and-acquisition-rights-to-lithium-resource-in-argentina.

Amelia Option Terms

Terms of the option include cash payments totaling US$2,800,000, paid over five years and mandatory annual exploration expenditure commitments totaling $6,000,000 over two-year period. The vendors retain a 2% Net Smelter Royalty ("NSR") which Argentina Lithium has the ability to repurchase for US$3,000,000. On March 10, 2025, the Company entered into a third addendum to the Amelia Agreement (the "Third Addendum") amending the due date of the remaining cash payments of US$2,120,000 over three years. Subject to the approval of the TSX-V and pursuant to the terms of the Amendment, the Company issued shares of the Company having a value of US$100,000 at a price of $0.06 per share using the Bank of Canada exchange rate of 1.4376 (USD/CAD) as at March 31, 2025, being the date of the Third Addendum.

Option Payments US$	Extension fee paid by the issuance of shares valued at $	Year
80,000 (paid)	-	2022
300,000 (paid)	-	2023
300,000 (paid)	-	2024
-	143,760	2025
200,000 (paid)	-	2026
200,000 (mandatory)	-	2026
1,100,000	-	2026
620,000	-	2027
2,800,000	143,760	

Volcan Option Terms

Terms of the Volcan option include cash payments totaling US$590,000 paid over three years, including the obligatory payment of US$40,000 at the time of signing. The option grants a 1% NSR to the Vendor, which can be purchased by the Company for an additional US$1,300,000.

Option Payment US$	Year
40,000 (paid)	2022
100,000 (paid)	2023
200,000 (paid)	2024
250,000 (not paid)	2026
590,000	

Lexi-30 Property

Terms of the Lexi-30 option specified two cash payments totaling US$425,000, including a non-reimbursable initial payment of US$50,000, and an optional final payment of US$ 375,000, payable at up to 12 months. The option has been fully exercised and the Company owns 100% interest. The vendor retains a 2% NSR. In the instance that the vendor wishes to transfer or sell the NSR, the Company has the right to match the terms of NSR transference or sale.

Exploration:

Work by a previous operator on the Pipo-Alcalina V properties included surface sampling of brines at 14 locations in 2017. Brines were sampled at depths to 4 metres, over 7 days, and returned reported lithium anomalies up to 61.1mg/L.

On August 24, 2018, the Company reported that a CSAMT geophysical survey had been completed to map deeper stratigraphic units and provide additional information on the subsurface in order to delineate drill targets. The survey identified several potential targets with high conductivity in the first 100 metres and moderate conductivity at deeper levels. The consulting geophysicists recommended reconnaissance drill holes to determine the cause of the conductive anomalies and to test for lithium-bearing brines.

There has been no significant historical exploration work on the remaining optioned properties. These concessions provide the Company with coverage to protect its mineral rights in the area of the provincial boundary between Salta and Catamarca; a portion of the northern part of the optioned properties may overlap a third-party concession in the provincial boundary area.

In 2024, the Company completed 74 line-km of a planned program of 110 line-km of Transient Electromagnetic soundings, intended to detect and delineate potential brine aquifers. This will be followed by drilling of up to 6 diamond drill holes to log the basin geology and collect brine samples, subject to permitting and financing.

Incahuasi Lithium Project, Catamarca

Location and Ownership: The Incahuasi Project currently includes a 100% interest in over 25,000 hectares of granted mineral rights properties in the Incahuasi Salar and basin in Catamarca Province, Argentina. The Salar de Incahuasi is located in the northwest of Catamarca Province at approximately 3260 metres above sea level, in the southern half of the "Lithium Triangle". Access to the Incahuasi salar is by gravel road, approximately 34 kilometres southwest from the town of Antofagasta de la Sierra. The salar is approximately 17 kilometres long north to south, and 2.5 kilometres wide, and divided into a north and south section.

Exploration: Initial sampling of near-surface brines in the southern section in 52 pits returned an average of 62 mg/L of lithium, 4661 mg/L of potassium and 9800 mg/L magnesium, with a maximum value of 409 mg/l lithium and 1.56% potassium from a sample in the central portion of the salar. VES geophysical surveying indicates the potential for lithium-rich brines starting at surface and reaching up to 200 metres depth.

On January 31, 2018, the Company announced that it had received permits necessary for drilling at Incahuasi and on March 13th announced the start of a 4-hole drill program on the southern part of the salar. On August 24, 2018, the Company announced that the program was complete, with 878 metres drilled in total. Halite and deeper clastic sediments were cored in all holes, and each hole encountered lithium-bearing brines. Lithium concentrations were modest but fairly consistent, averaging 109 mg/L in all 54 samples collected and analyzed.

In 2024, the Company recompiled the VES geophysical data in 2D graphic interpretations that were employed, along with surface sampling, to complete an initial hydrological model for the basin.

The Company plans to restart exploration at the Incahuasi property, specifically by completing approximately 90 line-km of Transient Electromagnetic soundings to detect & delineate new areas of potential brines for follow-up drill testing, pending permitting and financing.

Fierro Option Terms

On August 7, 2024, the Company entered into an option agreement with Aridos Lomada Grande S.A. ("Aridos") to sell its 100% interest in the Fierro property. Aridos has purchased the Fierro property for US$210,000, including a mandatory signing payment of $27,254 (US$20,000) that was received during the year ended December 31, 2024. The Company retains a NSR with a maximum total royalty of US$450,000 receivable in annual instalments of $50,000. Option income was $262,113 for the year ended December 31, 2025.

Results of Operations – For the six months ended June 30, 2026 compared to the six months ended June 30, 2025

During the six months ended June 30, 2026, loss before other loss decreased by $1,139,397 to $1,583,224 compared to $2,722,621 in loss before other income for the six months ended June 30, 2025. The decrease in loss before other (loss) income is largely due to:

- A decrease of $1,464,629 in exploration expenditures. Exploration expenditures were $550,339 for the six months ended June 30, 2026, compared to $2,014,968 for the six months ended June 30, 2025. The Company undertook less exploration work during the six months ended June 30, 2026 compared to higher exploration work including the drilling program at Rincon West project during the six months ended June 30, 2025.

The decreases were partially offset by:

- An increase of $120,921 in legal and professional fees. Legal and professional fees were $166,944 for the six months ended June 30, 2026, compared to $46,023 for the six months ended June 30, 2025. The increase is due to the Company requiring greater professional advice during the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

- An increase of $225,664 in corporate development and investor relations. Corporate development and investor relations were $363,737 for the six months ended June 30, 2026, compared to $138,073 for the six months ended June 30, 2025. The increase is due to greater activities related to promotion of the Company's projects during the six months ended June 30, 2026 compared to lesser activities related to promotion of the Company's projects during the six months ended June 30, 2025.

Other Items

During the six months ended June 30, 2026, other loss increased by $2,071,615 to $1,100,161 compared to other income of $971,454 for the six months ended June 30, 2025. The increase in other items is largely due to:

- An increase of $1,398,368 in loss on non-settlement of loan. Loss on non-settlement of loan was $1,398,368 for the six months ended June 30, 2026 compared to $Nil for the six months ended June 30, 2025. The increase is due to discount of prepaid drilling meters for non-exercise of option to repurchase previously deducted drilling meters during the six months ended June 30, 2026.

The increases were partially offset by:

- A decrease of $374,730 in fair value gain on derivative liability. Fair value gain on derivative liability was $284,084 for the six months ended June 30, 2026 compared to $658,814 for the six months ended June 30, 2025. The decrease is due to revaluation of the fair value estimate of the derivative liability during the six months ended June 30, 2026.

- A decrease of $153,545 in foreign exchange gain. Foreign exchange gain was $3,859 for the six months ended June 30, 2026 compared to $157,404 for the six months ended June 30, 2025. The decrease is due to the fluctuation in foreign exchange rates, devaluation of Argentine Pesos, and differing amounts of foreign currencies held during the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

- A decrease of $173,735 in option income. Option income was $Nil for the six months ended June 30, 2026 compared to $173,735 for the six months ended June 30, 2025. The decrease is due to the Company receiving no option income during the six months ended June 30, 2026, compared to receipt of $173,735 in cash for the Fierro property option during the six months ended June 30, 2025.

The net loss and comprehensive loss for the six months ended June 30, 2026 was $2,683,385 compared to $1,751,167 for the six months ended June 30, 2025. Loss attributable to the shareholders of the Company was $2,293,058 or $0.01 per basic and diluted share for the six months ended June 30, 2026 compared to $1,416,812 or $0.01 per basic and diluted share for the six months ended June 30, 2025. Loss attributable to non-controlling interest was $390,327 for the six months ended June 30, 2026 compared to $334,355 for the six months ended June 30, 2025.

Cash Flow

Operating Activities

Cash outflow from operating activities was $3,263,413 for the six months ended June 30, 2026 compared to $2,011,912 for the six months ended June 30, 2025. The increase in cash outflows is primarily due to reductions in exploration expenditure, as well as changes in non-cash working capital balance due to timing of receipt and payment of cash during the six months ended June 30, 2026.

Investing Activities

Cash outflow from investing activities was $2,619 for the six months ended June 30, 2026, compared to cash outflow of $37,947 for the six months ended June 30, 2025. Expenditures on mineral property interests were $2,619 during the six months ended June 30, 2026 compared to $37,947 during the six months ended June 30, 2025.

Financing Activities

Cash inflow from financing activities was $3,866,235 for the six months ended June 30, 2026 compared to $2,293,473 for the six months ended June 30, 2025. Proceeds from issuance of shares and warrants net of share issue costs were $3,866,235 for the six months ended June 30, 2026 compared to $Nil for the six months ended June 30, 2025. Proceeds from loan receipts were $Nil for the six months ended June 30, 2026 compared to $2,293,473 for the six months ended June 30, 2025.

Statement of Financial Position

At June 30, 2026, the Company had total assets of $33,797,633, which is a decrease of $733,430 from $34,531,063 in total assets at December 31, 2025. This decrease is primarily due to decrease in prepaid expenses of $1,384,424, partially offset by cash of $604,062 during the six months ended June 30, 2026.

Prepaid Expenses

On October 9, 2023, the Company entered into an agreement with AGV Falcon Drilling SRL and prepaid ARS$13,279,849,068 equivalent to $51,791,411 for drilling services of up to 15,500 metres at its Antofalla and Rincon West properties, which is non-refundable and which has been accounted for as a non-monetary asset. As of June 30, 2026, the Company estimates that 3,601.4 metres of prepaid drilling services remained with a value of ARS$3,023,204,707 (December 31, 2025 – 4,019.9 metres of prepaid drilling services remained with a value of ARS$3,381,760,685) equivalent to $11,778,085 (December 31, 2025 – $13,188,869). The Company made the prepayment using the Argentina Pesos it had received from the Stellantis Investment (see page 1) to hedge against the devaluation of the Argentina Peso in Argentina's high inflationary environment and reduce the Company foreign exchange risk exposure. The value of the prepaid drilling expense was determined using the official foreign exchange rate between the Argentina Peso and Canadian dollar.

On December 23, 2024, the Company entered into a loan agreement with AGV Falcon Drilling SRL to receive funding secured against this prepaid drilling expense. See "Loans Payable" below. During the year ended December 31, 2025, the Company did not repay the loan in cash and instead settled the loan by using the prepaid drilling meters resulting in the recognition of a loss of $18,769,464.

During the six months ended June 30, 2026, 310.5 metres of diamond drilling and 108 metres of rotary drilling with a value of $1,398,368 was deducted for non-exercise of option to repurchase the deducted meters

Exploration and evaluation assets

During the year ended December 31, 2023, the Company made advance payments on the Pipo-Alcalina V Option of its Antofalla North Lithium Project and Rincon-Pocitos Option of its Pocitos Project. The Company made the advance payments using the Argentina Pesos it had received from the Stellantis Investment (see page 1) to hedge against the devaluation of the Argentina Peso in Argentina's high inflationary environment and reduce the Company foreign exchange risk exposure. During the six months ended June 30, 2026, the Company made option payments, staking costs, land payments and acquisition costs totalling $2,619 (June 30, 2025 - $37,947).

Loans Payable

On December 23, 2024, the Company entered into a loan agreement with AGV Falcon Drilling SRL, an arm's length lender. Terms of the agreement include six cash instalments of principal amount totalling US$3,000,000 over six months and is to be used for working capital purposes and bears interest of US$235,000. During the year ended December 31, 2025, the Company borrowed $3,812,510 and accrued an interest of $287,507 and had a foreign exchange gain of $39,448. The Company did not repay the loan in cash and instead settled the loan by using the prepaid drilling meters during the year ended December 31, 2025. For every US$100,000 of the principal balance, 172.5 meters of diamond drilling and 60 meters of rotary drilling were discounted from prepaid expenses, resulting in the recognition of a loss of $18,769,464. See also "Prepaid Expenses" above.

The schedule below summarizes the principal balance of the loan and interest that shall become due and payable in full.

Loan date	Loan Amount US$	Repayment date	Repayment amount US$
December 28, 2024	300,000 (received)	October 10, 2025	330,000
January 25, 2025	400,000 (received)	October 20, 2025	436,000
February 25, 2025	400,000 (received)	October 30, 2025	432,000
March 25, 2025	900,000 (received)	November 20, 2025	972,000
April 25, 2025	500,000 (received)	October 11, 2025	535,000
May 25, 2025	500,000 (received)	November 30, 2025	530,000
	3,000,000		3,235,000

On December 24, 2025, the Company entered into an amending agreement with AGV. Revised terms of the agreement granted the Company a right to an exclusive, irrevocable option to repurchase the deducted meters within 180 calendar days of each funded maturity through repayment of the amount previously owed, at a rate of 6% compounded semi-annually in US dollars. In the event of non-exercise a further pro-rata reduction of 310.5 meters of diamond drilling and 108 meters of rotary drilling will be discounted from the Company's prepaid drilling meters. During the six months ended June 30, 2026, 310.5 metres of diamond drilling and 108 metres of rotary drilling with a value of $1,398,368 was deducted for non-exercise of option to repurchase the deducted meters. See also “Prepaid Expenses” above.

On April 23, 2026, the Company entered into a second amending agreement with AGV. Revised terms of the agreement grant the Company a right to an exclusive, irrevocable option to repurchase the deducted meters within 180 calendar days of each funded maturity through repayment of the amount previously owed, at a rate of 6% compounded semi-annually in US dollars. It is at the Company’s option whether it pays the amount to exercise the option and repurchase the previously deducted meters. It is uncertain whether the Company will be able to repurchase the meters. In the event of non-exercise a pro-rata reduction of 329.10 meters of diamond drilling and 114.50 meters of rotary drilling will be discounted from the Company's prepaid drilling meters.

The schedule below summarizes the principal balance of the loan and the amended repayment amounts including interest.

Loan Amount US$	Repayment date	Repayment amount US$
300,000	October 10, 2026	370,788
400,000	October 20, 2026	489,890
1,000,000	November 12, 2026	1,213,488
300,000	November 20, 2026	364,046
500,000	November 10, 2026	601,126
500,000	November 30, 2026	595,508
3,000,000		3,634,846

Contractual Commitments

Exploration and Evaluation Assets

The Company has firm commitments in relation to certain of its option agreements and net smelter royalties for exploration and evaluation assets, see Note 4 of the Company’s condensed consolidated interim financial statements for the six months ended June 30, 2026.

Non-Controlling interest

The Company has commitments in relation to the Exchange Agreement and Offtake Agreement with its non-controlling interest, see Note 8 of the Company’s condensed consolidated interim financial statements for the six months ended June 30, 2026.

Management Services Agreement

	1 Year $	2 Years $	3 Years $	4-5 Years $	More than 5 Years $
Management Services Agreement	18,000	-	-	-	-

Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The current fee is $3,000 per month. This fee is reviewed and adjusted quarterly based on the level of services required.

The Company has a consulting agreement with its President and CEO (the "CEO Agreement"). The termination provisions of the CEO Agreement provide that a fee of 30 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CEO would receive an amount equal to 30 months' compensation. As of June 30, 2026, the Company would have to pay $522,066 to the CEO in the event of termination without cause or certain conditions being met resulting from a change of control.

The Company has a consulting agreement with its CFO (the "CFO Agreement"). The termination provisions of the CFO Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CFO would receive an amount equal to 24 months' compensation. As of June 30, 2026, the Company would have to pay $69,609 to the CFO in the event of termination without cause or certain conditions being met resulting from a change of control.

The Company has a consulting agreement with its former Executive Chairman, under which the Company agreed to pay $5,000 per month for advisory services for a period of three years effective from April 2026.

The Company has a consulting agreement with its Corporate Secretary (the "Corporate Secretary Agreement"). The termination provisions of the Corporate Secretary Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Corporate Secretary would receive an amount equal to 24 months' compensation. As of June 30, 2026, the Company would have to pay $83,530 to the Corporate Secretary in the event of termination without cause or certain conditions being met resulting from a change of control.

The Company has a consulting agreement with its Controller (the "Controller Agreement"). The termination provisions of the Controller Agreement provide that a fee of 12 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Controller would receive an amount equal to 12 months' compensation. As of June 30, 2026, the Company would have to pay $13,035 to the Controller in the event of termination without cause or certain conditions being met resulting from a change of control.

Contingencies

A former employee and a former consultant to the Company is claiming to be owed severance in Argentina. The former employee commenced legal action that has progressed from prejudicial to judicial status. The Company believes the amount of severance being claimed by the former employee and former consultant is excessive and is disputing the amount. The actual amount of severance is still being negotiated and may be material to the Company.

In February 2026, the Company became aware of a complaint filed in federal court in Texas, USA regarding investment solicitation and corporate administration (the "Complaint") that names as defendants the Company's CEO and former Chairman (retired), and Grosso Group (the "Defendants"). The Company is not named as a defendant and is not a party to the Complaint. The Complaint was filed by two shareholders of the Company. The Defendants have advised the Company that they consider the Complaint to be entirely without merit. Legal counsel for the Defendants has filed motions to dismiss the Complaint. Although the Company is not a party to proceedings, it is monitoring the matter and is taking appropriate steps to safeguard its interests as necessary, including indemnifying the Defendants.

Capital Stock

The Company`s authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Issues of Common Shares in 2026

On March 10, 2026, the Company completed the brokered LIFE private placement announced on January 26, 2026, consisting of 36,493,334 units at a price of $0.12 per unit for gross proceeds of $4,379,200. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at $0.16 per share for three years from the date of issue. Finders' fees paid were $289,044 cash and 2,408,700 non-transferable warrants exercisable into common shares at $0.12 for three years from the date of issue with a fair value of $130,662. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following weighted average variables: risk-free interest rate – 2.92%; expected stock price volatility – 97.26%; dividend yield – 0%; and expected warrant life – 3 years. The Company incurred $223,921 in other share issue costs related to the private placement.

Details of Issues of Common Shares in 2025

There were no shares issued for private placement during the year ended December 31, 2025.

Details of other Common Share Issuances

There were no shares issued for mineral property option payments during the six months ended June 30, 2026..

During the year ended December 31, 2025, the Company issued 3,391,954 shares with a fair value of $203,517 for mineral property option payments; and there were no warrant exercises during the year ended December 31, 2025.

Outstanding Share Data

As at June 30, 2026 an aggregate of 174,060,604 common shares were issued and outstanding. As at the date of this report, an aggregate of 174,060,604 common shares were issued and outstanding.

The following summarizes information about the Company's share options outstanding and exercisable as at the date of this report:

Number of Stock Options			
Outstanding	**Exercisable**	**Exercise Price (CAD$)**	**Expiry Date**
225,000	225,000	0.18	September 3, 2026
8,016,000	8,016,000	0.35	December 8, 2027
300,000	300,000	0.35	January 13, 2028
150,000	150,000	0.30	May 8, 2028
8,691,000	8,691,000		

The Company had the following warrants outstanding as at the date of this report:

Number of Warrants Outstanding	Exercise Price (CAD$)	Expiry Date
6,215,000	$0.38	August 11, 2027
10,415,000	$0.38	August 25, 2027
35,767,948	$0.40	November 21, 2027
36,493,334	$0.16	March 10, 2029
2,408,700	$0.12	March 10, 2029
91,299,982		

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Related Party Balances and Transactions

Grosso Group Management Ltd.

On October 1, 2016, the Company entered into a Management Services Agreement ("Agreement") with Grosso Group Management Ltd. (Grosso Group) to provide services and facilities to the Company. Grosso Group is equally owned by Argentina Lithium and Energy Corp., Golden Arrow Resources Corp., and Blue Sky Uranium Corp. Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The fee is reviewed and adjusted quarterly based on the level of services required. The Agreement expires on December 31, 2026 and will be automatically renewed for a period of two years pursuant to the terms of the Agreement.

The Agreement contains termination and early termination fees in the event the services are terminated by the Company. The termination fee includes three months of compensation and any contractual obligations that Grosso Group undertook for the Company, up to a maximum of $750,000. The early termination fees are the aggregate of the termination fee in addition to the lesser of the monthly fees calculated to the end of the term and the monthly fees calculated for eighteen months, up to a maximum of $1,000,000.

	Six months ended June 30,	
	2026	2025
Transactions	$	$
Services rendered:		
Grosso Group Management Ltd.		
Management fees	18,000	42,000
Office & sundry	3,000	6,000
Total for services rendered	21,000	48,000

Key management personnel compensation

Key management personnel of the company are members of the Board of Directors, as well as the Executive Chairman (retired), President and CEO, CFO and Vice President of Corporate Development.

		Six months ended June 30,	
		2026	2025
Transactions		$	$
Consulting fees paid to key management and directors or their consulting corporations:			
Niko Cacos	President/CEO and Director	104,413	102,266
Darren Urquhart	CFO	17,402	36,169
Martin Burian	Director	8,000	8,000
Joseph Grosso	Director (retired)	62,877	95,754
John Gammon	Director	-	6,000
David Terry	Director/Consultant	30,000	30,000
Miles Rideout(1)	VP Exploration	51,200	97,675
Pompeyo Gallardo	VP Corporate Development	42,000	42,000
Total for services rendered		315,892	417,864

(1) Fees are included in exploration expenditures as part of salaries and contractors. See Note 4 of the condensed consolidated interim financial statements for the six months ended June 30, 2026.

Balances	June 30, 2026 $	December 31, 2025 $
Amounts owed to related parties		
Payable to Golden Arrow Resources Corp.(1)	113,961	117,545
Payable to Grosso Group Management Ltd.(2)	232,324	220,193
Payable to Oxbow International Marketing Ltd.(2)	1,423	218,872
Payable to Miles Rideout	-	159,606
Payable to Martin Burian	-	16,000
Payable to Nikolaos Cacos	-	170,443
Payable to Darren Urquhart	-	50,719
Payable to David Terry	-	50,110
Payable to Pompeyo Gallardo	-	71,190
Total for amounts payable to related parties	347,708	1,074,678

(1) A company related through common directors, Joseph Grosso, Nikolaos Cacos, David Terry, and John Gammon, that receives reimbursement for shared office costs, management fees and overhead.
(2) A company equally owned by Argentina Lithium & Energy Corp., Golden Arrow Resources Corp., and Blue Sky Uranium Corp.

Balances are unsecured, non-interest bearing and has no specific terms of repayment.

As at June 30, 2026, there was $157,329 (December 31, 2025 - $152,799) in accounts receivable for costs owed from related corporations Golden Arrow Resources Corp., and Blue Sky Uranium Corp., for shared services paid by the Company. These entities have common directors, namely Nikolaos Cacos, David Terry, and Martin Burian.

During the six months ended June 30, 2026, the Company recovered $141,921 (June 30, 2025 - $Nil) in shared service fees received from Golden Arrow Resources Corp., and $175,308 (June 30, 2025 - $Nil) in shared services fees received from Blue Sky Uranium Corp., which has been recorded in exploration.

Events After the Reporting Period

Stock options expiry

2,650,000 stock options at an exercise price of $0.20 expired unexercised on July 9, 2026.

Critical Accounting Estimates and New Accounting Standards and Interpretations

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the period. Actual results may differ from these estimates.

Reference should be made to the Company's material accounting policies contained in Note 2 of the Company's condensed consolidated interim financial statements for the six months ended June 30, 2026. These accounting policies can have a significant impact on the financial performance and financial position of the Company.

New and amended IFRS standards that are effective for the current period:

On May 30, 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments focus on areas such as the recognition and derecognition of financial assets and liabilities, the assessment of the "sole payments of principal and interest" criterion, and disclosures for instruments with contractual terms that can change cash flows, including those linked to ESG targets. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. This amendment did not have any impact on the Company's consolidated financial statements.

New Accounting Standards and Interpretations not yet effective

The following new standards, amendments and interpretations have been issued but are not effective for the fiscal six months ended June 30, 2026 and accordingly, they have not been applied in preparing these consolidated financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

i. Three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.

ii. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.

iii. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027, the Company is evaluating the impact on the Company's consolidated financial statements.

Financial Risk Management

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivables. The Company has reduced its credit risk by depositing its cash and cash equivalents with financial institutions that operate globally.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares and warrants to fund exploration programs and anticipates doing so again in the future.

Market risk

(i) Currency risk

Financial instruments that impact the Company's net earnings due to currency fluctuations in cash and cash equivalents, accounts receivables, and accounts payable usually denominated in US Dollars and Argentinean Pesos. A 10% change in US dollar and the Argentinean peso exchange rates relative to Canadian dollar would have a significant impact on the Company's net loss:

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $84,000.

- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $69,500.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk to the extent that the cash and cash equivalents, and investments, maintained at financial institutions is subject to a floating rate of interest. The fair value of cash and cash equivalents, and restricted cash is its carrying value due to the immediate or short-term maturity of these financial instruments.

Other current financial assets and liabilities are not exposed to interest rate risk because they are non-interest bearing or have prescribed interest rates.

Risk Factors and Uncertainties

The Company's operations and results are subject to a number of different risks at any given time. These factors, include but are not limited to disclosure regarding exploration, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risks and limitations of insurance, management, foreign country and regulatory requirements, currency fluctuations and environmental regulations risks. Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. A number of the risks and uncertainties are discussed below:

History of losses: The Company has historically incurred losses as evidenced by its condensed consolidated interim financial statements for the six months ended June 30, 2026 and 2025. The Company has financed its operations principally through the sale of its equity securities. The Company does not anticipate that it will earn any revenue from its operations until its properties are placed into production, if ever. If the Company is unable to place its properties into production, the Company may never realize revenues from operations, will continue to incur losses and you may lose the value of your investment.

Joint ventures and other partnerships: The Company may seek joint venture partners to provide funding for further work on any or all of its other properties. Joint ventures may involve significant risks and the Company may lose any investment it makes in a joint venture. Any investments, strategic alliances or related efforts are accompanied by risks such as:

1. the difficulty of identifying appropriate joint venture partners or opportunities;
2. the time the Company's senior management must spend negotiating agreements, and monitoring joint venture activities;
3. the possibility that the Company may not be able to reach agreement on definitive agreements, with potential joint venture partners;
4. potential regulatory issues applicable to the mineral exploration business;
5. the investment of the Company's capital or properties and the loss of control over the return of the Company's capital or assets;
6. the inability of management to capitalize on the growth opportunities presented by joint ventures; and
7. the insolvency of any joint venture partner.

There are no assurances that the Company would be successful in overcoming these risks or any other problems encountered with joint ventures, strategic alliances or related efforts.

Unexpected delays: The Company's minerals business will be subject to the risk of unanticipated delays including permitting its contemplated projects. Such delays may be caused by fluctuations in commodity prices, mining risks, difficulty in arranging needed financing, unanticipated permitting requirements or legal obstruction in the permitting process by project opponents. In addition to adding to project capital costs (and possibly operating costs), such delays, if protracted, could result in a write-off of all or a portion of the carrying value of the delayed project.

Potential conflicts of interest: Several of the Company's directors are also directors, officers or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. Such a conflict poses the risk that the Company may enter into a transaction on terms which could place the Company in a worse position than if no conflict existed. The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interest which they many have in any project or opportunity of the Company. However, each director has a similar obligation to other companies for which such director serves as an officer or director. The Company has no specific internal policy governing conflicts of interest.

Competition with larger, better capitalized competitors: The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, base and precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

The Company does not intend to pay dividends: The Company has not paid out any cash dividends to date and has no plans to do so in the immediate future. As a result, an investor's return on investment will be solely determined by his or her ability to sell common shares in the secondary market.

Title Risk: Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Price Risk: The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly lithium. The prices of this metal greatly affect the value of the Company and the potential value of its property and investments.

Financial Markets: The Company is dependent on the equity markets as its sole source of operating working capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.

Political Risk: Exploration is presently carried out in Argentina and is currently being reviewed worldwide. This exposes the Company to risks that may not otherwise be experienced if all operations were domestic. Political risks may adversely affect the Company's potential projects and operations. Real and perceived political risk in some countries may also affect the Company's ability to finance exploration programs and attract joint venture partners, and future mine development opportunities.

Credit Risk: ***Credit*** risk is the risk of an unexpected loss of a third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on cash and cash equivalents, investments and marketable securities. The Company limits its exposure to credit loss by placing its cash and cash equivalents with major financial institutions.

Liquidity Risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash and cash equivalents. The Company raises capital through equity issues and its ability to do so is dependent on a number of factors including market acceptance, stock price and exploration results. The Company's cash is invested in bank accounts.

Interest Risk: The Company's bank accounts do not bear interest income. The fair value of cash and cash equivalents, and investments approximates its carrying value due to the immediate or short-term maturity of these financial instrument.

Currency Risk: Business is transacted by the Company in a number of currencies. Foreign currency exchange controls in Argentina and fluctuations in exchange rates may have a significant effect on the cash flows of the Company. Future changes in exchange rates could materially affect the Company's results in either a positive or negative direction. The Company is exposed to various funding and market risks which could curtail its access to funds. Cash and cash equivalents held in Argentina as at June 30, 2026 and 2025 were subject to local exchange control regulations providing restrictions on the amount of cash that can leave the country.

Community Risk: The Company has negotiated with the local communities on its mineral property concessions for access to facilitate the completion of geological studies and exploration work programs. The Company's operations could be significantly disrupted or suspended by activities such as protests or blockades that may be undertaken by such certain groups or individuals within the community.

Environmental Risk: The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the countries in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenses.

Additional Information

Additional information relating to the Company, including news releases, financial statements and prior MD&A filings, is available on SEDAR+ at www.sedarplus.ca.

The investor relations program is focused on shareholder communications, corporate development and building the Company an active following of investment professionals in Canada, US and Europe. The Company also maintains a website at www.argentinalithium.com.

Forward-Looking Statements

This MD&A contains certain statements and information that may be considered "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws. In some cases, but not necessarily in all cases, forward-looking statements and forward-looking information can be identified by the use of forward-looking terminology such as "plans", "goals", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "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", "will" or "will be taken", "occur" or "be achieved" and other similar expressions. In addition, statements in this MD&A that are not historical facts are forward looking statements, including, without limitation, statements or information concerning the Company's business strategy, plans and outlooks; the future financial or operating performance of the Company; and future exploration and operating plans.

These statements and other forward-looking information are based on assumptions and estimates that the Company believes are appropriate and reasonable in the circumstances, including, without limitation, assumptions about the future prices of lithium; the price of other commodities; currency exchange rates and interest rates; favourable operating conditions; political stability; timely receipt of governmental approvals, licences and permits (and renewals thereof); access to necessary financing; stability of labour markets and market conditions in general; availability of equipment; the accuracy of mineral resource estimates and preliminary economic assessments; estimates of costs and expenditures to complete the Company's programs and goals; and there being no significant disruptions affecting the development and operation of the project.

There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include: risks associated with the business of the Company; business and economic conditions in the mining industry generally; the supply and demand for labour and other project inputs; changes in commodity prices; changes in interest and currency exchange rates; risks relating to inaccurate geological and engineering assumptions; risks relating to unanticipated operational difficulties; failure of equipment or processes to operate in accordance with specifications or expectations; cost escalations; unavailability of materials and equipment; government action or delays in the receipt of government approvals; industrial disturbances or other job action; unanticipated events related to health, safety and environmental matters; risks relating to adverse weather conditions; political risk and social unrest; changes in general economic conditions or conditions in the financial markets; ongoing war in Ukraine, rising inflation, tariffs and interest rates and the impact they will have on the Company's operations, supply chains, ability to access mining projects or procure equipment, supplies, contractors and other personnel on a timely basis or at all and economic activity in general; and other risk factors as detailed from time to time in the Company's continuous disclosure documents filed with Canadian securities regulators.

The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.