REOCITO CAPITAL INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

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INTRODUCTION

The following interim management's discussion and analysis ("MD&A") of the consolidated financial position and results from operations of Reocito Capital Inc. (the "Company" or "Riocito"), is for the nine-month period ended September 30, 2024. This Interim MD&A has been prepared to provide material updates to the business operations, liquidity, and capital resources of the Company since its fiscal year ended December 31, 2023. This MD&A should be read in conjunction with the Company's interim consolidated financial statements for its fiscal period ended September 30, 2024 along with accompanying notes to the statements for the period then ended.

This Interim MD&A has been prepared in compliance with section 2.2 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual Management's Discussion and Analysis ("Annual MD&A"), and the audited annual financial statements of the Company for the period ended December 31, 2023, together with the notes thereto.

The Company's financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors ("Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This MD&A was prepared by management of the Company and was approved by the Board of Directors on August 29, 2024. Additional information related to the Company is available for view on SEDARPLUS at www.sedarplus.ca

FORWARD LOOKING INFORMATION

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. In particular, this MD&A contains forward-looking statements pertaining, without limitation, to the following: forward-looking statements regarding the Company's ability to meet its working capital needs at the current level for the next twelve-month period; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; the ability of the Company to obtain a full-revocation order with respect to the cease-trade orders levied against it; and its ability to fund its working capital requirements and forecasted capital expenditures.

Forward-looking information in this MD&A are based on certain assumptions and expected future events, namely: the Company's ability to continue as a going concern; the ability of the Company to obtain board and/or shareholder approval with respect to its planned application for a full revocation order with respect to the cease-trade orders levied against it; and the ability of the Company to fund said application for a full revocation order with respect to the cease-trade orders levied against it.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, the risk that the Company may not meet its working capital needs at the current level for the next twelve-month period; risks that management's outlook regarding future trends may prove inaccurate; sensitivity analysis on financial instruments, may vary greatly from amounts disclosed; the inability of the Company to obtain a full-revocation order with respect to the cease-trade orders levied against it; and the inability of the Company to fund its working capital requirements and forecasted capital

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise.

DESCRIPTION OF BUSINESS

The Company was incorporated pursuant to the provisions of the *Canada Business Corporations Act* on January 19, 2007 and is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange ("**Exchange**"), having the symbol "RCO.P". The Company's principal activity consists of identifying and evaluating assets or companies in order to carry out a total or partial acquisition pending on the conclusion of the purchase. Once completed, the acquisition will meet the conditions of acceptance by the Exchange regarding the Company's qualifying transaction. The Company's office and principal place of business is 1 Adelaide Street East, Suite 801, Toronto, Ontario M5C 2V9.

On June 21, 2021, three partial revocation orders (each, the "**Partial Revocation Order")** were issued by the British Columbia Securities Commission ("**BCSC**"), the Alberta Securities Commission ("**ASC**") and the Autorité des Marches Financiers (the "**AMF**").

The Partial Revocation Order issued by the BCSC partially revoked a cease trade order that was issued by the Executive Director of the BCSC against the Company on May 11, 2009, (the "**BC Cease Trade Order**"), the Partial Revocation Order issued by the ASC partially revoked a cease trade order that was issued by the ASC against the Company on August 20, 2009 (the "**AB Cease Trade Order**") and the Partial Revocation Order issued by the AMF revoked a cease trade order made by the Director of Investment Funds and Continuous Information of the AMF on May 22, 2009 (the "**QC Cease Trade Order**"; and together with the BC Cease Trade Order and AB Cease Trade Order, the "**Cease Trade Orders**"). The Cease Trade Orders were issued against the Company as a result of the Company's failure to file certain continuous disclosure documents.

On November 15, 2021, the Company announced that the Autorité des Marches Financiers, British Columbia Securities Commission, and Alberta Securities Commission (together, the "**Securities Regulators**") have issued orders revoking their cease trade orders, originally issued in respect of the securities of the Company on, respectively, May 22, 2009, May 11, 2009 and August 20, 2009.

The Company is investigating and evaluating business opportunities to either acquire or in which to participate. An opportunity has been identified and pursued as outlined in the Proposed Transactions section below.

OUTLOOK

All opportunities that will continue the Company's status in good standing, with a large and engaged shareholder base, are currently being examined by the Board of Directors.

The Company's business is managed by the directors and officers and augmented by independent professionals retained to advise the Company on its business. The Company will pursue potential opportunities to create value through a corporate transaction.

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SELECTED FINANCIAL INFORMATION

As at and for the years ended December 31	2023	2022	2021
Summary Operating Results Data	$	$	$
General and administrative expenses	37,448	90,631	165,227
Net loss for the year	(37,448)	(90,631)	(165,227)
Loss per share	(0.00)	(0.00)	(0.00)
Summary Balance Sheet Data			
Cash and restricted cash	100,170	42,855	185,057
Current liabilities	131,018	36,225	87,826
Total equity (deficiency)	(35,933)	6,600	97,231

The Company was inactive until June 2021. Increased expenses in the previous three years relate to efforts to rehabilitate the listing and pursue a corporate transaction.

SELECTED QUARTERLY INFORMATION

Three Months Ended	Total Assets	Total Liabilities	Net Loss and Comprehensive Loss	Net Loss and Comprehensive Loss Per Share	Weighted Average Shares Outstanding
September 30, 2024	$ 33,655	$ 12,647	$ 19,128	$ 0.00	107,833,331
June 30, 2024	99,079	97,199	(26,237)	(0.00)	107,833,331
March 31, 2024	100,170	172,053	(41,035)	(0.00)	87,833,333
December 31, 2023	100,170	131,018	(18,739)	(0.00)	87,833,333
September 30, 2023	2,528	14,437	(2,169)	(0.00)	87,833,333
June 30, 2023	3,527	13,467	(2,507)	(0.00)	87,833,333
March 31, 2023	9,198	16,631	(14,033)	(0.00)	87,833,333
December 31, 2022	42,855	36,225	(6,517)	(0.00)	87,833,333

The Company was inactive until June 2021. Increased expenses in 2022 and 2021 relate to efforts to rehabilitate the listing and pursue a corporate transaction. The December 2023 period expenses increased mostly due to activity related to a proposed corporate transaction. The March 31, 2024 loss was mostly created by legal fees related to a potential transaction. The September 30, 2024 gain was mostly created by a rebate of previous legal fees.

THREE MONTHS ENDED SEPTEMBER 30, 2024 COMPARED TO THE THREE MONTHS ENDED SEPTEMBER 30, 2023

For the three months ended September 30, 2023, the net gain was $19,128 (Q3 2023 – loss of $2,169). The gain for the quarter ended September 30, 2024 comprised of a recovery of legal expenses of $34,682, mostly related to previous invoices, professional fees of $6,270, filing fees of $1,758, and office costs of $7,526. The loss for Q3 2023 is comprised of professional fees of $1,250, legal fees of $663, and office costs of $256.

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NINE MONTHS ENDED SEPTEMBER 30, 2024 COMPARED TO THE NINE MONTHS ENDED SEPTEMBER 30, 2023

For the nine months ended September 30, 2024, the net loss was $48,144 (nine months 2023 – $18,709). The loss for the nine months ended September 30, 2024 is comprised of legal expenses of $20,998, professional fees of $16,770, filing fees of $2,724, and office costs of $7,652.

The loss for nine months 2023 is comprised of professional fees of $8,075, legal fees of $5,655, filing fees of $1,173, and office costs of $3,806.

Expenses in both periods were incurred to keep the public listing in good order and to source and review potential corporate transactions.

RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company defines its officers (CEO and CFO) and directors as Key Management Personnel ("KMP").

The Company has determined that key management personnel consist of executive and non-executive members of the Board and corporate officers as follows:

- Before August 17, 2022 – Harvey McKenzie, Balu Gopalakrishnan, Emily Lerner, and Michael Lerner,
- After August 17, 2022 – Greg Wilson, Kevin Fickle, Ian Wilson and John Ross.

During the nine-month periods ended September 30, 2024 and 2023, the Company did not incur any related party transactions, except CFO fees of $2,250 in each period. At September 30, 2024, $750 remained payable for CFO fees (December 31, 2023 - $3,750).

FINANCIAL CONDITION

Cash Flow

As at September 30, 2024, the Company held cash of $33,655 (December 31, 2023 - cash and restricted cash of $100,170). Operations in 2024 used $66,515 of cash, with $48,144 of operations and reductions in balances payable of $18,371. The Company raised $100,000 in subscription receipts in 2023, contingent on certain conditions being met. On May 30, 2024, this cash was be released from its restriction and available for use in the Company.

Critical Accounting Estimates and Changes in Accounting Policies

All materially critical accounting estimates are fully disclosed in Note 2 of the consolidated financial statements for the period ended September 30, 2024 and 2023.

Liquidity and Capital Resources

The Company had working capital as of September 30, 2024 of $21,008 (December 31, 2023 – working capital deficiency of $30,848). The working capital improved substantially in 2024, when the subscription receipts were converted into common shares. The Company's cash and restricted cash as at September 30, 2024 was $33,655 (December 31, 2023 - cash and restricted cash $100,170).

Management is currently reviewing alternative sources of capital to meet its obligations and short-term working capital requirements. While the Company plans to continue to monitor closely its spending, conditions in the capital markets continue to make it difficult for early stage companies to raise additional capital. The Company may require substantial additional capital to fund its operations or to advance a corporate transaction.

Historically, the Company has used the net proceeds from issuances of its securities to provide sufficient funds for it to meet its near-term spending and other contractual obligations when due. However, given the current market conditions affecting the junior mining sector, the current trading price of the Company's common shares and other uncertainties discussed herein, there can be no assurance that the Company will be able to obtain sufficient additional funds on favorable terms, or at all, in order to carry out its objectives. As mentioned elsewhere in this MD&A, the Company is evaluating various strategic alternatives and, if it decides to pursue any such alternative, it may also require additional funds to carry out its strategic plans in amounts that cannot be determined as of the date hereof, which funds may also be unavailable to the Company on favorable terms or at all.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT DISCLOSURES

Overview

The Company has exposure to the following risks from its use of financial instruments:

a. Credit risk;
b. Liquidity risk; and
c. Market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board fulfils its responsibility through the Audit Committee, which is responsible for overseeing the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management practices are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk and control framework is facilitated by the small-sized and hands-on executive team.

Credit Risk

Credit risk is the risk of an unexpected financial loss to the Company if a customer or third party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash. Management believes that the credit risk concentration with respect to these financial instruments is remote.

Cash and Cash Equivalents

The Company's cash is held through large Canadian financial institutions and in trust with its lawyers. The Company has a corporate policy of investing its available cash in Canadian government instruments and certificates of deposit or other direct obligations of major Canadian banks, unless otherwise specifically approved by the Board. The Company does not own asset-backed commercial paper. As at September 30, 2024 and December 31, 2023, the Company did not have any cash equivalents.

Receivables

When necessary, the Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures.

Further, when the Company engages in corporate transactions, it seeks to manage its exposure by ensuring that appropriate recourse is included in such agreements upon the counterparty's failure to meet contractual obligations.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking undue damage to the Company's reputation.

The Company's objective is to maintain sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. This is accomplished by budgets and forecasts which are updated on a periodic basis to understand future cash needs and sources. Spending plans are adjusted accordingly, when possible, to provide for liquidity.

The Company manages its liquidity risk through the mechanisms described above and as part of Capital Disclosures below. The Company has historically relied on issuances of shares to develop projects and to finance day-to-day operations and may do so again in the future.

As at September 30, 2024, the Company had cash in the amount of $33,655 (cash and restricted cash in the amount of $100,170 on December 31, 2023) to settle current liabilities of $12,647 ($131,018 on December 31, 2023). The current liability at December 31, 2023 included a $100,000 subscription receipt which was converted into common shares on May 30, 2024.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Capital Management Disclosures

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, and evaluation of its current and potential new projects. 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 considers its capital to be equity, which is comprised of share capital and deficit, which as at September 30, 2024 totalled to $21,008 (December 31, 2023 – deficit of $30,848).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the periods ended September 30, 2024 and December 31, 2023. The Company is not subject to externally imposed capital requirements.

COMMITMENTS AND CONTINGENCIES

The Company has no Commitments or Contingent liabilities.

PROPOSED TRANSACTIONS

On January 15, 2024, the Company announced that on January 9, 2024, it had entered into a binding letter of agreement with Trion Battery Technologies (Trion Battery), pursuant to which the Company will acquire all of the issued and outstanding equity securities of Trion Battery. On April 26, 2024, the Company announced that the proposed transaction would not proceed.

The Company will continue to search for new business opportunities and transactions.

RISK FACTORS

The Company is subject to a number of risks regarding its potential future operations when it has obtained a qualifying operation.

Reliability of Historical Information

The Company has relied upon historical data compiled by previous parties involved with the properties. To the extent that any of such historical data may be inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Current Global Financial Conditions

Recent events in global financial markets have had a profound impact on worldwide economies. Many industries have been impacted by the changes in market conditions to varying degrees. Some of the key impacts of the current financial market turmoil include contraction in credit markets and resulting widening of credit risk as well as enhanced volatility in commodity, equity and foreign exchange markets. A continued or worsened slowdown in financial markets or other economic conditions, including without limitation, constraints in credit or surety markets, a sustained slump in economic activity in the mining industry in general and in Canada in particular, the availability of private and public sector funding for mineral exploration projects, pressure on margins arising from an altered competitive landscape or an increased risk of corporate bankruptcy in the markets in which the Company operates, may adversely affect the Company in ways which are not possible to predict given the unprecedented nature of the current crisis.

Currency Fluctuations

Currency fluctuations may affect some of the Company's future operations, financial positions and results. The Company's financial results are reported in Canadian dollars and the majority of its funds are held in Canadian dollars at a major Canadian Bank. The majority of the Company's costs to date are in Canadian dollars. However, if the Company expands its activities outside Canada the Company will have increased exposure to fluctuations in the Canadian dollar against foreign currencies.

Source of Future Funds

The only source of future funds for which are presently available to the Company are the sale of equity capital. Management has been successful in accessing equity markets in the past, but there is no assurance that such sources will be available on acceptable terms in the future.

OUTSTANDING SHARE DATA

The Company had shares of common stock, outstanding as at the date of this MD&A, September 30, 2024, and December 31, 2023, as follows:

	November 22, 2024	September 30, 2024	December 31, 2023
Common Shares	107,833,331	107,833,331	87,833,333

The Company did not have warrants and stock options outstanding as at the date of this MD&A, September 30, 2024, and December 31, 2023.