LithiumAmericas
(Formerly 1397468 B.C. Ltd.)

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

BACKGROUND

On January 23, 2023, 1397468 B.C. Ltd ("**New LAC**," "**Lithium Americas**" or the "**Company**") was incorporated under the Business Corporations Act (British Columbia) for the sole purpose of acquiring ownership of the North American business assets and investments ("**LAC North America**") of Lithium Americas Corp. ("**Old LAC**"), which is now named Lithium Americas (Argentina) Corp. ("**Lithium Argentina**"), pursuant to a separation transaction (the "**Separation**") that was undertaken on October 3, 2023. Upon consummation of the Separation, New LAC was re- named Lithium Americas Corp., and its common shares were listed on the Toronto Stock Exchange ("**TSX**") and on the New York Stock Exchange ("**NYSE**") under the symbol "LAC."

The Separation was implemented by way of a plan of arrangement (the "**Arrangement**") under the laws of British Columbia pursuant to an arrangement agreement between the Company and Old LAC. Upon completion of the Separation, Old LAC contributed to the Company, among other assets and liabilities, its interest in the Thacker Pass project ("**Thacker Pass**"), its investments in Green Technology Metals Limited ("**GT1**") and Ascend Elements, Inc. ("**Ascend Elements**"), certain intellectual property rights, its loan to 1339480 B.C. Ltd., and cash of $275.5 million, including $75 million to establish sufficient working capital. The Company then distributed its common shares to shareholders of Old LAC in a series of share exchanges. The Separation was pro rata to the shareholders of Old LAC, so that the holders maintained the same proportionate interest in Old LAC and the Company both immediately before and immediately after the Separation.

This Management's Discussion and Analysis ("**MD&A**") of the Company, prepared as of November 7, 2024, should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and the notes thereto for the nine months ended September 30, 2024 ("**Q3 2024 financial statements**"), and the Company's audited consolidated financial statements for the year ended December 31, 2023 and the related notes thereto ("**2023 annual financial statements**"), which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS**"). For further information on the Company, including key risk factors, reference should be made to its public filings on SEDAR+ at www.sedarplus.ca and on EDGAR at www.sec.gov. These consolidated financial statements should also be read in conjunction with LAC North Americas' audited carve-out financial statements and notes thereto for the year ended December 31, 2022 which may be found in Lithium Argentina's Management Information Circular dated June 16, 2023 filed on SEDAR+ at www.sedarplus.ca. All amounts are expressed in US dollars, unless otherwise stated. References to CDN$ are to Canadian dollars. This MD&A contains "forward-looking statements," and readers should read the cautionary note contained in the section entitled "Forward-Looking Statements" of this MD&A regarding such forward-looking statements.

OUR BUSINESS

Lithium Americas is a resource and materials company focused on developing, building and operating significant lithium deposits and chemical processing facilities. The Company strives to adhere to the highest environmental, social, governance ("**ESG**") and safety ("**ESG-S**") standards and work to provide the critical minerals for the global transition to cleaner energy sources. The Company's flagship project is Thacker Pass, a sedimentary-based lithium deposit located in the McDermitt Caldera in Humboldt County, Nevada. The Company owns Thacker Pass through its wholly-owned subsidiary, Lithium Nevada Corp. ("**Lithium Nevada**"). The Company also holds investments in GT1 and Ascend Elements, and exploration properties in the United States and Canada. The Company's head office and principal address is Suite 3260, 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 2X8.

Additional information relating to the Company, including the Company's most recent Annual Report on Form 20-F and most recent MD&A for the most recently completed financial year, and interim financial period, are available on the Company's website at www.lithiumamericas.com, on SEDAR+ at www.sedarplus.ca and on EDGAR at www.sec.gov/edgar.

HIGHLIGHTS

Thacker Pass

- On October 28, 2024, the Company and the U.S. Department of Energy's ("**DOE**") Loan Programs Office ("**LPO**") closed a $2.26 billion loan under the Advanced Technology Vehicles Manufacturing ("**ATVM**") Loan Program (the "**DOE Loan**") for financing the construction of the processing facilities at Thacker Pass, to produce an initial 40,000 tonnes per annum of battery grade lithium carbonate ("**Phase 1**").
- The Company continues to focus on de-risking project execution by advancing project planning, detailed engineering (currently at approximately 40% design complete) and procurement packages for the top seven pieces of long-lead equipment have been awarded. Contracts for key construction materials have been awarded and field purchases of goods and services have commenced.
- Major earth works for the all-inclusive housing facility for construction workers (the Workforce Hub ("**WFH**")) have been completed. The current focus is on finalizing engineering and permitting for utilities and preparing to award contracts for the detailed earthworks, foundation installation and erection of the housing units.
- During the three months ended September 30, 2024, $34.4 million of construction capital costs and other project-related costs were capitalized.

Corporate

- As of September 30, 2024, the Company had approximately $341.2 million in cash and cash equivalents.
- On August 30, 2024, the Company and General Motors Holdings LLC ("**GM**") agreed to extend the outside date for the second tranche subscription agreement until the end of the year to provide time for the parties to explore alternative structures for GM's additional investment, of at least $330 million, in a mutually beneficial manner.
- On October 15, 2024, the Company and GM entered into a new investment agreement ("**Investment Agreement**") to establish a joint venture ("**JV**") for the purpose of funding, developing, constructing and operating Thacker Pass ("**JV Transaction**"). The JV Transaction will deliver $625 million of cash and letters of credit from GM to Thacker Pass. Under the terms of the Investment Agreement, GM will acquire a 38% asset-level ownership stake in Thacker Pass. The Company and GM terminated the Tranche 2 subscription agreement concurrent with the execution of the JV Investment Agreement.
- Pablo Mercado, Executive Vice President and Chief Financial Officer ("**CFO**") is leaving the Company on November 22, 2024, for another career opportunity outside the sector. April Hashimoto, Senior Vice President, Finance and Administration, will assume the additional role of Interim CFO until a new CFO is appointed.

THACKER PASS

Health and Safety

In Q3 2024, the Company continued to implement its formalized health and safety management system, a Safety Roadmap, to build a proactive safety culture and prepare for heavy construction at Thacker Pass. The Company finalized and adopted a Health and Safety Policy, with the overarching theme of "Doing the Right Thing" to safeguard its people, assets and communities where it operates.

Employee training on the SafeStart program, a behavior-based program that teaches employees safe working habits and corrects unsafe behaviors, continued during the quarter. The Company has partnered with its mine service contractor, Sawtooth Mining ("**Sawtooth**") to conduct SafeStart training and established an Industrial Hygiene monitoring program for respirable dust and silica analysis.

In early September 2024, the Mine Safety & Health Administration ("**MSHA**") conducted a site inspection at Thacker Pass. Three citations were issued against MSHA's 56.12028 – Testing grounding systems, which require that the continuity and resistance of electrical grounding systems be tested immediately after installation, repair, modification, and annually thereafter. The following day, a qualified electrical contractor completed an inspection of grounding tests and the citations were satisfied.

As of September 30, 2024, 234,245 work hours were completed at Thacker Pass without a lost time incident. Companywide, we have reached 1,074,299 total project workhours without a lost time incident. There was one recordable injury during Q3 2024.

Construction Workforce

Construction Labor

Thacker Pass Phase 1 is expected to create approximately 1,800 direct jobs during its three-year construction period and approximately 360 jobs in operations for its 40-year mine life.

In mid-2023, the Company and its engineering, procurement and construction management ("**EPCM**") contractor, Bechtel, entered into a National Construction Agreement (Project Labor Agreement) ("**PLA**") with North America's Building Trades Unions ("**NABTU**") for construction of Thacker Pass Phase 1. The parties agreed to utilize the form of a National Construction Agreement with a project specific addendum as the PLA for Thacker Pass construction.

Workforce Hub

The WFH is being developed as a temporary full-service housing facility for construction workers located in the nearby City of Winnemucca. The Company purchased the land and completed earthworks for the facility. The housing modules are currently stored in-place to allow for staged erection to align with the Thacker Pass Phase 1 construction timeline.

Major earth works for the WFH are complete. The current focus is on finalizing engineering and permitting for utilities and preparing to award contracts for the detailed earthworks, foundation installation and erection of the housing units.

Construction and Engineering Progress

The Company awarded the EPCM contract to Bechtel for the design, procurement and execution of Phase 1. Bechtel has provided significant expertise, based on its experience with global capital projects, to improve execution planning and to de-risk the construction phase.

Following the start of early works construction activities at Thacker Pass in early 2023, the following actions have been completed to prepare for major construction, expected to commence following the issuance of Full Notice To Proceed ("**FNTP**"):

- Completed the first phase of major earthworks including site clearing and plant pad excavation;

- Stockpiled all growth media for future reclamation;
- Commissioned a drinking-water quality water supply system consisting of a 6.6-mile pipeline, pumps and ponds;
- Improved State Route 293 with acceleration and deceleration lanes, conforming to Nevada Department of Transportation specifications to improve safety and traffic flow for vehicles entering and exiting Thacker Pass; and
- Completed site infrastructure including erection of temporary offices, fencing, security gates and systems.

The Company continues to focus on de-risking project execution by advancing detailed engineering, project planning and procurement packages.

- Detailed engineering continues to progress in advance of issuing FNTP, currently at approximately 40% design complete.
- Site preparation for major earthworks has been completed and the process plant area is currently being excavated (approximately 50% complete) to prepare for concrete placement, forecasted to begin by mid-2025.
- Procurement packages for the top seven pieces of long-lead equipment have been awarded. Contracts for key construction materials have been awarded and field purchases of goods and services have commenced.

Major Construction Contracts

In addition to the EPCM contract, other major construction contracts awarded include:

- Aquatech International LLC was awarded the contract for the magnesium sulfate and lithium carbonate chemical plants;
- EXP Global Inc. was awarded the contract for the engineering, procurement, construction support, commissioning and start-up services for the sulfuric acid plant; and
- MECS, Inc. was awarded the contract for the engineering and equipment for the sulfuric acid plant, including a technology license and system to harness waste heat to generate steam from the sulfuric acid plant, which will subsequently be used to produce carbon-free electricity for the processing plant.

Transloading Terminal

The Company has leased a parcel of land adjacent to the mainline railroad from the City of Winnemucca and purchased an adjacent property with access to State Route 796, approximately 60 miles from Thacker Pass, for the development of a transloading terminal ("**TLT**").

The TLT has been planned to provide direct access to the railroad for shipping of reagents during operations. Expected benefits of direct access to the mainline railroad during operations include reduced transportation costs for reagents, such as liquid sulfur and soda ash, and minimizing Scope 3 emissions by utilizing lower carbon intensity transportation methods.

On October 28, 2024, the Company awarded Iron Horse Terminals ("**IHT**") the contract to design, build, own and operate the TLT. IHT will provide multiple services at the TLT site including unloading rail cars, loading trucks, coordinating rail activities, truck transportation, railcar/truck repairs and facility maintenance. EPCM and operation of the TLT during Phase 1 is expected to generate approximately 100 jobs during construction and approximately 50 jobs during operations. The TLT is expected to be completed in 2027.

The TLT design has been advanced to approximately 20% design complete.

On August 5, 2024, the Company received approval for a $11.8 million grant from the U.S. Department of Defense to support an upgrade of local power infrastructure and to help build a transloading facility.

Capital Cost Estimate

In early 2024, together with Bechtel and other major mining and processing plant contractors, the Company further refined the Thacker Pass Phase 1 estimated total CAPEX, following the November 2022 Feasibility Study estimate. The revised CAPEX estimate of $2.93 billion reflects steps the Company has taken to de-risk construction, including:

- Achieving a higher degree of engineering, advancing estimates of key quantities and execution plans;
- Increasing project contingency to 15%;
- Updating labor costs due to an increase in estimated number of construction workers to approximately 1,800 and substantially de-risking skilled labor availability with the PLA;
- Securing land and temporary housing facility for the Workforce Hub in Winnemucca for construction workers;
- Updating pricing for over 70% of procurement packages to reflect current market conditions; and
- During the nine months ended September 30, 2024, $124.6 million of construction capital costs and other project-related costs were capitalized. The majority of capital expenditures are expected in 2025 as the project ramps up to peak construction.

Project Timeline

Mechanical completion of Thacker Pass Phase 1 is targeted for 2027 following a three-year construction period. Major construction is expected to commence following making Final Investment Decision ("**FID**"), expected by the end of the year. The Company anticipates a commissioning and ramp-up period of six to twelve months, targeting achieving full capacity production in 2028.

Regulatory and Permitting

All state and federal permits to begin construction are in place and the Company commenced construction on February 28, 2023, following receipt of a notice to proceed from the Bureau of Land Management ("**BLM**").

The Company's application with the State of Nevada Division of Water Resources for the transfer of certain water rights for Phase 1 of Thacker Pass was approved by the State Engineer in February 2023. The State Engineer's Office issued the final water rights permits on June 30 and July 3, 2023, authorizing the Company to use its water production wells. The State Engineer's decision was appealed in state court by a local ranching company in March 2023. The case is currently pending. The Company has commenced using the water rights for construction activities at Thacker Pass in accordance with the State Engineer's authorization.

The BLM approved a minor modification to the Plan of Operations in June 2024. The State approved Water Pollution Control Permit minor modifications in January 2024 and September 2024, and an Air Quality Operating Permit minor modification in June 2024. Additional permit modifications to reflect design updates are currently pending, and modifications to conform to any other design updates may be pursued as warranted.

Feasibility Study Reports

On October 3, 2023, following Separation, the Company re-issued the feasibility study titled "Feasibility Study: National Instrument 43-101 Technical Report for the Thacker Pass Project, Humboldt County, Nevada, USA" dated effective November 2, 2022 (the "**Nov 2022 Feasibility Study**"). The Company also issued the "Preliminary Feasibility Study S-K 1300 Technical Report Summary for the Thacker Pass Project Humboldt County, Nevada, USA" with an effective date of December 31, 2022 (the "**Thacker Pass S-K 1300 Report**" and collectively with the Nov 2022 Feasibility Study, the "**Reports**"). The Reports are available on SEDAR+ at www.sedarplus.ca and the Company's website.

Mineral Reserve and Mineral Resource Estimates

The Reports include a Mineral Reserve estimate for Thacker Pass of 3.7 million tonnes ("**Mt**") of LCE grading at 3,160 parts per million ("**ppm**") lithium ("**Li**") of Proven and Probable Mineral Reserves, comprised of 3.3 Mt LCE Proven Reserves at 192.9 Mt and 3,180 ppm Li and 0.4 Mt LCE of Probable Reserves at 24.4 Mt and 3,010 ppm Li.

The Thacker Pass S-K 1300 Report includes a Mineral Resource estimate, exclusive of reserves, of 12.1 Mt of LCE grading 1,860 ppm Li of M&I, comprised of 3.4 Mt LCE Measured Resources at 1,990 ppm Li and 8.7 Mt LCE Indicated Resources at 1,820 ppm Li. The Nov 2022 Feasibility Study includes a Mineral Resource estimate, inclusive of reserves, of 16.1 Mt of LCE grading 2,070 ppm Li of M&I, comprised of 7.0 Mt LCE Measured Resources at 534.7 Mt and 2,450 ppm Li, and 9.1 Mt LCE Indicated Resources at 922.5 Mt and 1,850 ppm Li. The Mineral Resource estimate in both Reports also included 3.0 Mt LCE of Inferred Resources grading 1,870 ppm. Mineral Reserves have been converted from Measured and Indicated Mineral Resources in the Reports and have demonstrated economic viability. The effective date of the estimates in the Nov 2022 Feasibility Study was November 2, 2022 and in the Thacker Pass S-K 1300 Report was December 31, 2022. See the Reports filed on SEDAR+ and EDGAR, as applicable, for further details. The Thacker Pass S-K 1300 Report is also discussed in more detail in the Company's Form 20-F registration statement which was originally filed with the SEC on August 22, 2023.

Exploration Program

The 2023 drilling program at Thacker Pass to further define and expand the resource estimate concluded successfully in December 2023. A total of 97 core holes totaling 50,099 feet were drilled and the process of sampling and analysis is currently underway. The exploration program continues to confirm that sedimentary deposits are common throughout Thacker Pass.

Lithium Technical Development Center

The Lithium Technical Development Center ("**Tech Center**") in Reno, Nevada has been awarded the ISO 9001:2015 Quality Management System certification, which is a globally recognized standard for quality management. Implementation of ISO 9001:2015 demonstrates the Company's commitment to quality in the development of lithium products.

Social Responsibility

The Company continues to work collaboratively with the Fort McDermitt Paiute and Shoshone Tribe (the "**Tribe**") and communities closest to Thacker Pass to advance our shared priorities.

Community Benefits Agreement with Fort McDermitt Tribe

A key commitment of the Community Benefits Agreement ("**CBA**") signed in October 2022 with the Tribe, located approximately 48 miles by road from Thacker Pass, is to build a new community center with on-site preschool, daycare, playground, cultural facility and communal greenhouse. Tribe leadership identified a building site location for the community center and finalized building designs. The CBA will also provide the Tribe with training and employment opportunities for members of the Tribe; funding to support cultural education and preservation work by the Tribe; and business and contracting opportunities between the parties.

Skills Training and Job Opportunities

The Company is committed to hiring locally where possible and has been working with Great Basin College to develop and offer a Workforce Development Training program to local communities and the Tribe.

In Q3 2024, the Company worked closely with Great Basin College to develop customized workforce development training specific to Thacker Pass. Curriculum for process operator, emergency response as well as leadership training are being finalized. In early 2024, a Fort McDermitt Tribe member and a McDermitt resident were among the first local people hired to help the geophysics team prepare for major construction.

In Q3 2024, the Company partnered with local tribes to provide full-time employment opportunities to members of the Fort McDermitt Tribe, Duck Valley Tribe and Yomba Tribe.

Community Engagement

The communities of Orovada and Kings Valley are the closest communities to Thacker Pass, located approximately 18 and 5 miles from the site, respectively. The Company has met regularly with local community members for the purpose of identifying community concerns and developing ways to address them. As construction activities began, the Company increased its community outreach through open houses, one-on-one meetings and tours of the Tech Center. The Company collaborated with the Humboldt County School District and the BLM to finalize the design and location of a new K-8 school in Orovada. Construction of the new school is expected to be 100% funded by the Company. Detailed engineering and construction planning work is currently underway.

CORPORATE

Project Financing

DOE ATVM Loan Program

On October 28, 2024, the Company closed the $2.26 billion DOE Loan from the U.S. DOE LPO under the ATVM Loan Program, for financing the construction of Phase 1 processing facilities at Thacker Pass. The $2.26 billion DOE Loan includes principal of $1.97 billion and capitalized interest during construction of $290 million, with interest rates fixed from the date of each monthly advance for the term of the loan at applicable U.S. Treasury rates, without any additional credit spread.

The key terms and conditions of the DOE Loan are summarized below:

- Loan Quantum: $2.26 billion, principal of $1.97 billion and capitalized interest during construction of $290 million.
- Interest Rate: U.S. Treasury Rate, fixed from the date of each monthly advance for the terms of the loan at the applicable long-dated U.S. Treasury rate with 0% spread.
- Tenor: 24 years from date of first draw of the DOE Loan.
- Other Key Terms: Customary covenants and events of default for a project finance loan facility and customary conditions precedent to loan effectiveness and advances for a project finance loan facility.

The closing of the DOE Loan follows receipt of a Conditional Commitment in March 2024. Over the past several months, the DOE confirmed the Company satisfied all technical, legal and financial conditions to close the DOE Loan.

The Company expects to make the first draw on the DOE Loan sometime in the middle of 2025. Conditions precedent to the first draw under the DOE Loan include closing the GM JV Transaction announced on October 16, 2024, funding DOE Loan reserve accounts through the GM $195 letter of credit facility, securing additional corporate working capital to fund pre-commissioning general and operating expenses, commissioning costs through production and financing-related fees and expenses and project finance model bring down. The Company is evaluating various financing alternatives to fund corporate working capital to facilitate prior to first drawdown on the DOE Loan.

General Motors Equity Investment, Joint Venture and Offtake

On January 30, 2023, Old LAC entered into a purchase agreement with GM, pursuant to which GM agreed to make a $650 million equity investment (the "**2023 Transaction**"), the proceeds of which are to be used for the construction and development of Thacker Pass. The 2023 Transaction was comprised of two tranches, a first tranche investment of $320 million ("**Tranche 1 Investment**") a second tranche investment of up to $330 million (the "**Tranche 2 Investment**"). Tranche 1 closed and the Phase 1 offtake agreement was executed on February 16, 2023, when GM subscribed for 15,002,000 subscription receipts of Old LAC, which were automatically converted into 15,002,000 units comprising 15,002,000 shares and 11,891,000 warrants of Old LAC which became 15,002,000 common shares of the Company post-Separation. The subscription proceeds were paid to Old LAC and the remaining unspent proceeds were distributed to the Company on October 3, 2023, pursuant to the Arrangement.

On October 3, 2023, pursuant to the Separation, the full amount of the remaining unspent proceeds of Tranche 1 Investment were included in the net assets distributed by Old LAC to the Company.

As the Separation was completed before the closing of the Tranche 2 Investment, on October 3, 2023, the agreement for the Tranche 2 Investment in Old LAC was terminated and replaced by a corresponding subscription agreement between GM and the Company whereby the proceeds of the Tranche 2 Investment will be received by the Company.

On August 30, 2024, the Company and GM agreed to extend the outside date for the Tranche 2 Investment subscription agreement until December 31, 2024, to provide time for the parties to explore alternative structures for GM's additional investment in a mutually beneficial manner.

On October 15, 2024, the Company and GM entered into a new Investment Agreement to establish a JV for the purpose of funding, developing, constructing and operating Thacker Pass. Under the terms of the Investment Agreement, GM will acquire a 38% asset-level ownership stake in Thacker Pass for $625 million in total cash and letters of credit ("**GM's JV Investment**"), including $430 million of direct cash funding to the JV to support the construction of Phase 1 and a $195 million LC Facility that can be used as collateral to support reserve account requirements under the DOE Loan. The JV Transaction replaces the $330 million Tranche 2 Investment common equity commitment from GM under its original investment agreement with the Company. The key terms of the JV Transaction are summarized below:

- Lithium Americas will have a 62% interest in Thacker Pass and will manage the Project (the "**Manager**") on behalf of Lithium Americas and GM (together the "**JV Partners**").
- GM will have a 38% interest in Thacker Pass and commit $625 million in cash and letters of credit to the JV:
  - $330 million cash to be contributed on the date of the JV closing;
  - $100 million cash to be contributed at FID for Phase 1; and
  - $195 million LC Facility prior to first draw on the $2.26 billion DOE Loan.
- Lithium Americas will contribute $387 million of funding to the JV for its 62% ownership in the Project:
  - $211 million (with expenditures on capex after August 2024 being credited against and reducing this amount, along with other adjustments) to be contributed on the date of the JV closing; and
  - The remainder to be contributed upon FID for Phase 1.
  - As of June 30, 2024, Lithium Americas had approximately $376 million in cash and cash equivalents.
- LC Facility provided by GM to the JV as part of its consideration for its equity interest will have no interest and a maturity consistent with DOE Loan requirement that will be withdrawn once replaced with cash that is generated by Thacker Pass.
- Board of Directors to be established at the JV level to oversee the JV and approve the Project's budgets and business plans, and implement policies to align with GM's vendor requirements, including GM's Human Rights Policy.
- Upon closing of the JV Transaction, GM will also enter into an additional 20-year offtake agreement for up to 38% of production volumes from Phase 2 of Thacker Pass and will retain its right of first offer on the remaining balance of Phase 2 volumes.

GM's JV Investment is subject to certain conditions precedent, including those related to the loan agreement for the DOE Loan. The Company and GM terminated the Tranche 2 subscription agreement concurrent with the execution of the JV Investment Agreement.

As part of the Arrangement, the agreement to supply GM with lithium carbonate production from Thacker Pass (the "**Offtake Agreement**") was assigned by Old LAC to the Company. GM has agreed to extend its existing Offtake Agreement for up to 100% of production volumes from Phase 1 of Thacker Pass to 20 years to support the expected maturity of the DOE Loan. Upon closing of the JV, GM will also enter into an additional 20-year offtake agreement for up to 38% of Phase 2 production volumes and will retain its existing right of first offer on the remaining Phase 2 production volumes.

Common Shares Offering

On April 22, 2024, the Company completed an underwritten public offering (the "**Offering**") of 55 million common shares ("**Common Shares**") at a price of $5.00 per Common Share (the "**Issue Price**") for aggregate gross proceeds to the Company of $275 million. The net proceeds from the Offering of approximately $262 million are intended to fund the advancement of construction and development of Thacker Pass.

Management Changes

Pablo Mercado, Executive Vice President and CFO is leaving the Company on November 22, 2024, for another career opportunity outside the sector. April Hashimoto, Senior Vice President, Finance and Administration, will assume the additional role of Interim CFO until a new CFO is appointed. Ms. Hashimoto has been the Company's Senior Vice President, Finance and Administration since May 2023. The Company has commenced a process to appoint the next CFO.

SELECTED FINANCIAL INFORMATION

Quarterly Information

The following table sets out selected financial information for each of the eight most recent quarters, the latest of which ended September 30, 2024. Financial information prior to Q4 2023 has been derived from the historical carve-out financial statements of the Company and was prepared as if the Company had operated as a stand-alone entity throughout those reporting periods. The information should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023 and the Company's unaudited interim carve-out financials statements for the relevant periods, the notes thereto and the related management's discussion and analysis for the relevant periods.

(in US$ millions)	2024			2023				2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	$	$	$	$	$	$	$	$
Total assets	693.0	692.2	436.5	439.5	363.5	358.7	351.8	27.8
Property, plant and equipment	330.6	296.6	268.3	206.1	132.0	83.4	29.4	3.9
Working capital	323.9	365.5	131.2	181.3	154.0	197.6	216.5	(52.3)
Total liabilities	34.3	27.7	30.0	32.0	69.8	71.1	99.7	62.3
Expenses	(5.7)	(6.1)	(5.5)	(13.7)	(3.2)	(5.1)	(5.6)	(23.1)
Net income/(loss) for the period	(8.1)	(6.3)	(6.0)	(12.9)	(0.2)	10.9	(1.7)	(23.5)
Basic income/(loss) per common share	(0.04)	(0.03)	(0.04)	(0.08)	(0.00)	0.07	(0.01)	(0.15)

Notes:
1. Quarterly amounts added together may not equal to the total reported for the period due to rounding or reclassifications.
2. Working capital is the difference between current assets and current liabilities (refer to section "Use of Non-GAAP Financial Measures and Ratios").

Over the eight most recent quarters, changes in the Company's total assets, working capital, liabilities and net income/(loss) were driven mainly by financings, capitalization of construction costs at Thacker Pass commencing on February 1, 2023 and changes in fair value of financial instruments. Financing activities include the Tranche 1 Investment that closed in Q1 2023, $75 million of cash distributed to the Company pursuant to the Arrangement in Q4 2023 and a $275 million underwritten public offering that closed in Q2 2024. Changes in fair value of financial instruments reflect fluctuations in the fair value of the Company's investments in Ascend Elements and GT1 as well as revaluation of the Tranche 2 Investment derivative relating to the issuance of a variable number of the Company's shares for the fixed subscription amount.

In Q3 2024, property, plant and equipment increased due to the capitalization of Thacker Pass construction costs, including detailed engineering, advancing procurement and execution planning and site preparation for the WFH. Working capital decreased due to cash spent on Thacker Pass construction.

In Q2 2024, total assets and working capital increased due to the closing of the Offering. Property, plant and equipment increased due to the capitalization of Thacker Pass construction costs, including detailed engineering, advancing procurement and execution planning and site preparation for the WFH.

In Q1 2024, property, plant and equipment increased due to the capitalization of Thacker Pass construction costs including engineering, earthworks and the delivery of the final WFH modules. The impact on total assets of this increase in capitalized Thacker Pass construction costs was offset by a reduction in cash and settlement of prepaids at December 31, 2023, that were capitalized as construction costs in Q1 2024.

In Q4 2023, property, plant and equipment increased due to the capitalization of Thacker Pass construction costs including engineering, earthworks and the acquisition of a portion of the WFH. The decrease in total liabilities is mainly attributable to the elimination of the $46.3 million loan when the receivable by Old LAC was contributed to the Company pursuant to the Arrangement. As a result of this contribution, this intercompany loan eliminates on consolidation at December 31, 2023.

In Q3 2023, property, plant and equipment increased due to capitalization of Thacker Pass construction costs, including engineering and earthworks.

In Q2 2023, property, plant and equipment increased due to capitalization of Thacker Pass construction costs including engineering. Total liabilities decreased primarily due to a decrease of $19.0 million in the fair value of the derivative liability embedded in the Tranche 2 Investment.

In Q1 2023, total assets and working capital increased primarily due to cash proceeds from the Tranche 1 Investment and property, plant and equipment increased due to commencement of construction of Thacker Pass and, as a result, capitalization of the related project construction costs. Total liabilities increased primarily due to the Tranche 2 Agreement derivative liability of $24.1 million and an increase of $15.0 million in accounts payable and accrued liabilities due to increased activities related to the commencement of construction on February 1, 2023.

RESULTS OF OPERATIONS – NET LOSS ANALYSIS

Nine Months Ended September 30, 2024 Compared with Nine Months Ended September 30, 2023

The following table summarizes the results of operations for the nine months ended September 30, 2024 ("**YTD Q3 2024**") compared with the nine months ended September 30, 2023 ("**YTD Q3 2023**"):

Financial results (in US$ million)	**Nine Months Ended September 30, 2024**	**2023**	**Change**
	$	**$**	**$**
Exploration and evaluation expenditures	-	3.7	3.7
General and administrative expenses	13.5	8.0	(5.5)
Equity compensation	3.9	2.1	(1.8)
Transaction costs	8.2	9.4	1.2
Loss/(gain) on financial instruments held at fair value	5.8	(32.5)	(38.3)
Finance costs	-	0.3	0.3
Finance and other income	(11.0)	-	11.0
NET (INCOME)/LOSS	20.4	(9.0)	(29.4)

Net loss of $20.4 million in YTD Q3 2024 compared with net income of $9.0 million in YTD Q3 2023 is primarily attributable to:

- Nominal change in fair value of the GM Tranche 2 Agreement derivative in YTD Q3 2024 compared with a gain of $32.8 million in YTD Q3 2023. The derivative is attributable to the variability in the number of shares to be issued pursuant to the Tranche 2 Investment Agreement. On October 15, 2024, the Company and GM terminated the Tranche 2 subscription agreement concurrently with the execution of the JV Investment Agreement. In YTD Q3 2023, the $32.8 million gain on change in fair value of the GM derivative liability reflected a decrease in the Company's share price and volatility and risk-free rate assumptions from December 31, 2022 to September 30, 2023.
- An increase in general and administrative and equity compensation reflecting full general and administrative expenses of the Company as a stand-alone entity post-Separation compared with the allocation of salaries and general and administrative expenses used for YTD Q3 2023, which was prepared on a carve-out basis.

- Loss on change in fair value of the investment in Ascend Elements of $4.1 million in YTD Q3 2024 compared with a gain in fair value of $3.6 million in YTD Q3 2023. The losses in YTD Q3 2024 reflect an estimate of the change in the fair value determined by management based on the overall downturn of the battery recycling market as measured by the average reduction in the fair value of publicly-traded peer companies during the period. The gain in YTD Q3 2023 reflected management's estimated increase in the fair value of the investment based on pricing of a financing round completed by Ascend Elements in Q3 2023 and other market factors.

The increase in net loss was partially offset by:

- Finance and other income during YTD Q3 2024 of $11.0 million compared with $nil in YTD Q3 2023, which is primarily due to interest earned on higher balances of cash and short-term deposits after the Separation and the receipt of proceeds pursuant to the Offering.
- Lower transaction costs of $8.2 million during YTD Q3 2024 compared with $9.4 million in YTD Q3 2023. Transaction costs primarily related to advancing the DOE Loan, negotiating the GM Investment Agreement and other financing activities in YTD Q3 2024 and related to the GM Transaction and the Separation in YTD Q3 2023.
- Loss on change in fair value of the investment in GT1 of $1.8 million in YTD Q3 2024 compared with a loss of $3.9 million in YTD Q3 2023. The losses reflect the reduction in the publicly-listed share price of GT1 at the respective dates.

Expenses

Exploration and evaluation expenditures were $nil in YTD Q3 2024 compared with $3.7 million in YTD Q3 2023 due to the commencement of construction at Thacker Pass that resulted in the capitalization of a majority of the project costs commencing on February 1, 2023.

General and administrative expenses during YTD Q3 2024 increased to $13.5 million from $8.0 million in YTD Q3 2023 reflecting higher expenses of the Company as a stand-alone entity post-Separation compared with the allocation of salaries and general and administrative expenses used for YTD Q3 2023, which was prepared on a carve-out basis.

Three Months Ended September 30, 2024 Compared with Three Months Ended September 30, 2023

The following table summarizes the results of operations for the three months ended September 30, 2024 ("**Q3 2024**") compared with the three months ended September 30, 2023 ("**Q3 2023**").

Financial results (in US$ million)	**Three Months Ended September 30, 2024**	**2023**	**Change**
	$	**$**	**$**
General and administrative expenses	4.4	2.7	(1.7)
Equity compensation	1.3	0.5	(0.8)
Transaction costs	6.1	2.5	(3.6)
Loss/(gain) on financial instruments held at fair value	1.3	(5.6)	(6.9)
Finance cost and (other income)	(5.0)	0.1	5.1
NET LOSS	8.1	0.2	(7.9)

Net loss of $8.1 million in Q3 2024 compared with net loss of $0.2 million in Q3 2023 is primarily attributable to:

- Gain on change in fair value of the GM Tranche 2 Agreement derivative of $0.1 million compared with a gain of $4.7 million in Q3 2023. The derivative is attributable to the variability in the number of shares to be issued pursuant to the Tranche 2 Investment Agreement. On October 15, 2024, the Company and GM terminated the Tranche 2 subscription agreement concurrently with the execution of the JV Investment Agreement. The $0.1 million gain in Q3 2024 is driven by a decrease in the market value of the Company's share price and an increase in the volatility assumption from June 30, 2024 to September 30, 2024. In Q3

2023, the $4.7 million gain on change in fair value of the derivative liability reflected a decrease in the Company's share price and volatility and risk-free rate assumptions from June 30, 2023 to September 30, 2023.

- An increase in general and administrative and equity compensation reflecting higher general and administrative expenses of the Company as a stand-alone entity post-Separation compared with the allocation of salaries and general and administrative expenses used for Q3 2023, which was prepared on a carve-out basis.
- Loss on change in fair value of the investment in Ascend Elements of $1.6 million in Q3 2024 compared with a gain in fair value of $3.6 million in Q3 2023. The losses reflect an estimate of the change in the fair value determined by management based on the overall downturn of the battery recycling market as measured by the average reduction in the fair value of publicly-traded peer companies during the period. The gains in Q3 2023 reflected management's estimated increase in the fair value of the investment based on pricing of a financing completed by Ascend Elements in Q3 2023 and other market factors.
- Higher transaction costs of $6.1 million compared with $2.5 million in Q3 2023. Transaction costs primarily related to negotiations related to the GM Investment Agreement and advancing the DOE Loan in Q3 2024 and the GM Transaction and the Separation in Q3 2023.

The increase in net loss was partially offset by:

- Higher finance and other income during Q3 2024 of $5.0 million compared with a nominal amount in Q3 2023, which is primarily due to interest earned on higher balances of cash on hand after the Separation and the Offering.
- Gain on change in fair value of the investment in GT1 of $0.1 million in Q3 2024 compared with a loss of $2.7 million in Q3 2023. The gains and losses reflect the fluctuations in the publicly-listed share price of GT1 at the respective dates.

Expenses

General and administrative expenses during Q3 2024 increased to $4.4 million from $2.7 million in Q3 2023 reflecting higher expenses of the Company as a stand-alone entity post-Separation compared with the allocation of salaries and general and administrative expenses used for Q3 2023, which was prepared on a carve-out basis.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow Highlights (in US$ million)	**Nine Months Ended September 30, 2024 $**	**2023 $**
Cash used in operating activities	(3.4)	(33.8)
Cash used in investing activities	(112.3)	(115.7)
Cash provided by financing activities	261.4	349.4
Change in cash and cash equivalents	145.7	199.9
Cash and cash equivalents - beginning of the period	195.5	0.6
Cash and cash equivalents - end of the period	341.2	200.5

As at September 30, 2024, the Company had cash and cash equivalents of $341.2 million (September 30, 2023 - $200.5 million).

Liquidity Outlook

The Company's working capital was $323.9 million at September 30, 2024 compared with $181.3 million at December 31, 2023. The increase in working capital reflects the net proceeds from the Offering, which is partially offset by the expenditure of $112.1 million on Thacker Pass construction activity in YTD Q3 2024.

On January 30, 2023, Old LAC entered into a purchase agreement with GM pursuant to which GM agreed to make a $650 million equity investment in Old LAC, the proceeds of which are to be used for the development and construction of Thacker Pass. The 2023 Transaction was comprised of two tranches, the $320 million Tranche 1 Investment and a Tranche 2 Investment of up to $330 million. The Tranche 1 Investment closed on February 16, 2023. In conjunction with the Separation on October 3, 2023, the Tranche 2 Investment agreement between GM and Old LAC was terminated and replaced by a corresponding subscription agreement between GM and the Company.

On October 15, 2024, the Company and GM entered into the Investment Agreement to establish a JV for the purpose of funding, developing, constructing and operating Thacker Pass. The JV Transaction will deliver $625 million of cash and letters of credit from GM to Thacker Pass. Under the terms of the Investment Agreement, GM will acquire a 38% asset-level ownership stake in Thacker Pass. GM's JV Investment is subject to certain conditions precedent, including those related to the DOE Loan. The Company and GM terminated the Tranche 2 subscription agreement concurrent with the execution of the Investment Agreement. GM has agreed to extend its existing Offtake Agreement for up to 100% of production volumes from Phase 1 of Thacker Pass to 20 years to support the expected maturity of the DOE Loan. Upon closing of the JV, GM will also enter into an additional 20-year offtake agreement for up to 38% of Phase 2 production volumes and will retain its existing right of first offer on the remaining Phase 2 production volumes.

Following a robust due diligence and term sheet negotiation process since March 12, 2024, on October 28, 2024, the Company closed the $2.26 billion DOE Loan under the ATVM Loan Program, for financing the construction of Phase 1 processing facilities at Thacker Pass. The $2.26 billion DOE Loan, with a 24-year maturity, includes principal of $1.97 billion and capitalized interest during construction of $290 million, with interest rates fixed from the date of each monthly advance for the term of the loan at applicable U.S. Treasury rates, without any additional credit spread.

The DOE Loan, GM's JV Investment and cash on hand are expected to substantially fund the construction of Thacker Pass Phase 1. The Company is evaluating various financing alternatives to fund corporate working capital prior to first drawdown on the DOE Loan.

The Company continues to develop Thacker Pass and does not generate revenues from operations. The Company's capital resources are driven by the status of its projects, and its ability to compete for investor support of its projects.

Over the long-term, the Company expects to meet its obligations and fund the development of Thacker Pass through its financing plans described above; however, due to the conditions associated with such financings, there can be no assurance that the Company will successfully complete all of its contemplated financing plans. The Company has the flexibility to manage its expenditure levels in accordance with the anticipated timing of receipt of funds from expected sources of financing. Except as disclosed, the Company does not know of any trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its liquidity and capital resources either materially increasing or decreasing at present or in the foreseeable future. The Company does not engage in currency hedging to offset any risk of currency fluctuations.

Operating Activities

Cash used in operating activities during the nine months ended September 30, 2024 was $3.4 million compared with cash used by operating activities during the nine months ended September 30, 2023 of $33.8 million. The significant components of operating activities are discussed in the Results of Operations section above.

Investing Activities

Cash used in investing activities for the nine months ended September 30, 2024 was $112.3 million compared with $115.7 million for the nine months ended September 30, 2023, which primarily reflects construction activity at Thacker Pass in YTD Q3 2024 relative to YTD Q3 2023.

Financing Activities

In Q1 2023, prior to the Separation, the Company was funded with $320.1 million in gross proceeds from the General Motors Tranche 1 Investment or capital contributions from Old LAC (recorded within Net former parent investment in equity). The Net former parent investment represents Old LAC's interest in the recorded net assets and the cumulative net equity

investment in LAC North America during the period prior to the Separation on October 3, 2023. As a result, the Net former parent investment during the nine months ended September 30, 2024 was $nil (2023 – $46.2 million).

On April 22, 2024, the Company completed the Offering for aggregate gross proceeds to the Company of $275 million or net proceeds of $262 million after deducting underwriters' discount of $12 million and other share issuance costs of $0.8 million.

CURRENT SHARE INFORMATION

Issued and outstanding securities of the Company as at the date of this MD&A were as follows:

Common Shares issued and outstanding	218,378,424
Restricted Share Units (RSUs)	2,306,593
Deferred Share Units (DSUs)	252,019
Performance Share Units (PSUs)	1,134,741
Common shares, fully diluted	222,071,777

All equity incentive units can be settled as common shares on a one-for-one basis, except for PSUs. The number of common shares issuable upon vesting of PSUs granted after the Separation depends on the performance of the Company's shares over predetermined performance periods as compared to a prescribed peer group of companies and can vary from zero to up to two times the number of PSUs granted.

RELATED PARTY TRANSACTIONS

Transition Service Agreement

Upon closing of the Arrangement, the Company entered into a Transition Services Agreement ("**TSA**") with Lithium Argentina whereby each company provided to the other company various accounting, payroll and other technical services. The TSA terminated on October 2, 2024.

The Company's key management includes the executive management team who supervise day-to-day operations and independent directors on the Company's Board of Directors who oversee management. Their compensation is as follows:

	Nine Months Ended September 30,	
(in US$ thousands)	**2024**	**2023**
	$	**$**
Salaries, bonuses, benefits and directors' fees included in the Consolidated Statement of Comprehensive loss	2,804	1,626
Equity compensation	2,757	1,590
	5,561	3,216

The above numbers represent (a) an allocation of the remuneration of those directors and key management personnel for services allocated by Old LAC to LAC North America for the nine months ended September 30, 2023; and (b) the actual costs incurred by the Company for directors and key management personnel of the Company for compensation earned at and incurred by the Company for the nine months ended September 30, 2024.

Amounts due to directors and key management personnel as at September 30, 2024 are as follows:

(in US$ thousands)	**September 30, 2024**	**December 31, 2023**
	$	**$**
Total due to directors and key management	230	2,376

CONTRACTUAL OBLIGATIONS

As at September 30, 2024, the Company had the following contractual obligations (undiscounted):

	Years ending December 31,				
(in US$ million)	**2024**	**2025**	**2026**	**2027 and later**	**Total**
	$	**$**	**$**	**$**	**$**
Accounts payable and accrued liabilities	23,703	-	-	-	23,703
Obligations under office leases[1]	321	1,217	829	152	2,519
Obligations under land leases[1]	17	70	73	4,940	5,100
Other obligations[1]	13	3,551	23	-	3,587
Total	24,054	4,838	925	5,092	34,909

[1]Includes principal and interest/finance charges.

The Company's commitments including royalties and option payments, most of which will be incurred in the future if the Company starts production from Thacker Pass, are disclosed in Notes 8, 11 and 21 of the Q3 2024 financial statements.

FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

All of the Company's financial instruments are classified into financial assets and liabilities measured at amortized cost, other than the shares acquired as part of the investment in GT1 and Ascend Elements, and the GM Tranche 2 derivative liability, which are carried at fair value. All financial instruments are initially measured at fair value plus, in the case of items measured at amortized cost, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets are measured at amortized cost if they are held for the collection of contractual cash flows where those cash flows solely represent payments of principal and interest. The Company's intent is to hold these financial assets in order to collect contractual cash flows. The contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For additional details about the Company's financial instruments please refer to the Note 21 of the Q3 2024 financial statements.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

DECOMMISSIONING PROVISION AND RECLAMATION BOND

The carrying value of the liability for decommissioning that arose to date as a result of exploration activities at Thacker Pass as at September 30, 2024 is $2.6 million. The Company has a $1.7 million reclamation bond payable to the BLM guaranteed by a third-party insurance company. In 2021, BLM approved a reclamation cost estimate for the Thacker Pass plan of operations of $47.6 million. Financial assurance of $13.7 million for the initial work plan was placed with the agency in February 2023 prior to initiating construction with the remaining amount to be placed as construction activities progress.

ESTIMATION UNCERTAINTY AND ACCOUNTING POLICY JUDGMENTS

Please refer to the Company's annual consolidated financial statements for the year ended December 31, 2023, for Critical Accounting Estimates and Judgments disclosure and Accounting Policies disclosure. The nature and amount of significant estimates and judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty as well as accounting policies applied during the nine months ended September 30, 2024, were substantially the same as those that management applied in the annual financial statements as at and for the year ended December 31, 2023.

Accounting for the Agreements with General Motors

The Company's accounting for the agreements with GM, involved judgment, specifically in the Company's assumption that in the Company's determination the Offtake Agreement represents an agreement with market selling prices; and that the Offtake Agreement is separate from the equity financing provided by GM.

The fair value of the Tranche 2 Investment Agreement with GM involved estimation which was determined using Monte Carlo simulation. The simulation of the fair value required significant assumptions, including expected volatility of the Company's share price and a risk- free rate. On October 15, 2024, the Company and GM terminated the Tranche 2 subscription agreement concurrent with the execution of the JV Investment Agreement .

Commencement of Construction of Thacker Pass

The Company determined that the technical feasibility and commercial viability of Thacker Pass had been demonstrated following the release of the Thacker Pass Feasibility Study on January 31, 2023, the receipt of the favorable ruling from the Federal Court for the issuance of the ROD, and the receipt of notice to proceed from BLM on February 7, 2023. The Company entered into an EPCM agreement and other construction-related contracts. Construction of Thacker Pass, including site preparation, geotechnical drilling, water pipeline development and associated infrastructure had commenced. Accordingly, the Company transferred the capitalized costs of Thacker Pass from exploration and evaluation assets to property, plant and equipment and began to capitalize development costs starting February 1, 2023.

Concurrent with the transfer of the Thacker Pass assets from exploration and evaluation to property, plant and equipment, management completed an impairment test of Thacker Pass which compared the carrying value to the recoverable amount. The recoverable amount is the greater of the value in use and the fair value less disposal costs. The fair value less disposal costs was calculated using a discounted cash flow model with feasibility study economics. The significant assumptions that impacted the fair value included future lithium prices, capital cost estimates, operating cost estimates, estimated mineral reserves and resources, and the discount rate. Based on the result of the impairment test, management concluded that there was no impairment.

Assessment of Impairment of Thacker Pass

Management conducts an impairment assessment of Thacker Pass if an impairment indicator as defined in accordance with International Accounting Standard 36 Impairment of Assets ("**IAS 36**") is identified. Management determined that there were no impairment indicators at September 30, 2024.

Fair Value Remeasurement of Investment in Ascend Elements

The Company conducted an estimation of the fair value of its investment in Ascend Elements at September 30, 2024. As Ascend Elements is a private company, there is no observable market data to use to determine fair value so management's assessment was based on a review of Ascend Elements' business developments, recent financings and trends in the share prices of other public companies operating in the same industry sector. As a result of this assessment, management determined that the fair value of the investment in Ascend Elements declined by 26% based on a number of factors, primarily the overall downturn of the lithium battery recycling market as measured by the decline in the fair value of a basket of peer companies during the third quarter of 2024. As a result, a loss on change in the fair value of the investment in Ascend Elements of $4.1 million was recognized in the Condensed Consolidated Interim Statement of Comprehensive Loss for the nine months ended September 30, 2024.

NEW IFRS PRONOUNCEMENTS

Amendments to IAS 1 – Presentation of Financial Statements

In October 2022, the International Accounting Standards Board ("**IASB**") issued amendments to International Accounting Standard ("**IAS**") 1, Presentation of Financial Statements titled Non-current Liabilities with Covenants. These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, Classification of Liabilities as Current or Non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. These amendments did not impact Q1 2024 financial statements.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements, which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces new requirements for all companies to present specific categories and defined subtotals in the statement of profit and loss, disclose explanations of management defined performance measure if used in the financial statements, and improve aggregation and disaggregation.

The standard is effective for periods beginning on or after January 1, 2027. Retrospective application is required and early adoption is permitted. The Company is currently evaluating the impact of this new standard on the Company's financial statements.

RISKS AND UNCERTAINTIES

For risks and uncertainties faced by the Company, please refer to the following disclosure documents filed on the Company's profile on SEDAR+ at www.sedarplus.ca and EDGAR profile at www.sec.gov: the Company's most recent Annual Report on Form 20-F and most recent Management's Discussion and Analysis for the most recently completed financial year, and interim financial period, in the section entitled "Risks and Uncertainties", and the April 17, 2024 Prospectus Supplement filed to the Prospectus dated November 21, 2023 in the section entitled "Risk Factors."

TECHNICAL INFORMATION AND QUALIFIED PERSON

The Thacker Pass 1300 Report was prepared by independent companies and not associates or affiliates of the Company or any associated company of the Company and are "qualified persons" within the meaning of Subpart 1300 of Regulation S-K.

Copies of the Reports are available on the Company's website at www.lithiumamericas.com and, as applicable, on the Company's SEDAR+ profile at www.sedarplus.ca and EDGAR profile at www.sec.gov.

The scientific and technical information in this MD&A has been reviewed and approved by Dr. Rene LeBlanc, a "Qualified Person" for purposes of NI 43-101 and Subpart 1300 of Regulation S-K by virtue of his experience, education, and professional association. Dr. LeBlanc is the Company's Vice-President of Growth and Product Strategy.

Further information about Thacker Pass, including a description of key assumptions, parameters, description of sampling methods, data verification and QA/QC programs, and methods relating to the results of the feasibility study, the resources and reserves, and factors that may affect those estimates is available in the above-mentioned Reports.

USE OF NON-GAAP FINANCIAL MEASURES AND RATIOS

The Company's Q3 2024 financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The Q3 2024 financial statements should be read in conjunction with the 2023 Annual Financials which have been prepared in accordance with IFRS. This MD&A refers to non-GAAP financial measures "working capital" and expected average annual "EBITDA" with respect to the results of the

feasibility study for Thacker Pass, which are not measures recognized under IFRS and do not have standardized meanings prescribed by IFRS or by Generally Accepted Accounting Principles ("**GAAP**") in the United States.

These non-GAAP financial measures may not be comparable to similar measures used by other issuers.

"Working capital" is the difference between current assets and current liabilities. It is a financial measure that has been derived from the Company's financial statements and applied on a consistent basis as appropriate. The Company discloses this financial measure because it believes it assists readers in understanding the results of the Company's operations and financial position and provides further information about the Company's financial results to investors.

"EBITDA" is an abbreviation for earnings before interest, taxes, depreciation and amortization. The Company believes this measure provides investors with an improved ability to evaluate the prospects of the Company and, in particular, Thacker Pass. As Thacker Pass is not in production, this prospective non-GAAP financial measure may not be reconciled to the nearest comparable measure under IFRS and the equivalent historical non-GAAP financial measure for the prospective non-GAAP measure or ratio discussed herein is $nil.

These measures should not be considered in isolation or used in substitution for other measures of performance prepared in accordance with IFRS.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed under securities legislation is recorded, processed, summarized and reported within the time periods specified by securities regulators and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed under securities legislation is accumulated and communicated to the issuer's management, including its certifying officers, as appropriate to allow timely decisions regarding required disclosure. The Company's management designed the disclosure controls and procedures to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to them on a timely basis. The Company's management believes that any disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met.

On June 28, 2024, the Company determined that it no longer qualifies as a Foreign Private Issuer as defined by the SEC. On the same date, the Company determined that it retains its SEC filing status as an Emerging Growth Company for the year ended December 31, 2024.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management, including the Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**"), is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well-designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. There have been no significant changes in our internal controls over financial reporting during the nine months ended September 30, 2024, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation, and "forward-looking statements" within the meaning of applicable United States securities legislation (collectively referred to as "forward-looking information" ("**FLI**")). All statements, other than statements of historical fact, are FLI and can be identified by the use of statements that include, but are not limited to, words, such as "anticipate," "plan," "continue," "estimate," "expect," "may," "will," "project," "predict," "propose," "potential," "target," "implement," "schedule," "forecast," "intend," "would," "could," "might," "should," "believe" and similar terminology, or statements that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved. FLI in this MD&A includes, but is not limited

to: statements relating to the JV Transaction with GM and the DOE Loan from the DOE, including statements regarding completion of the JV Transaction and satisfaction of draw-down conditions on the DOE Loan; the expectation that the Company and GM will enter into an additional offtake agreement upon closing the JV Transaction; the expected timetable for completing the JV Transaction and the DOE Loan; anticipated timing for a final investment decision and issuance of full notice to proceed in respect of Thacker Pass; expectation about the extent that the JV Transaction, DOE Loan and cash on hand have de-risked funding for the development and construction of Thacker Pass and the ability of LAC to complete all supplementary financing in order to draw-down on the DOE Loan and make a final investment decision; expectations and timing on the commencement of major construction; expectations and timing on the commencement of production; project de-risking initiatives and extent to which work to date has de-risked project execution; the expected operations, financial results and condition of the Company; the Company's future objectives and strategies to achieve those objectives, including the future prospects of the Company; the estimated cash flow, capitalization and adequacy thereof for the Company; the estimated costs of the development of Thacker Pass, including timing, progress, approach, continuity or change in plans, construction, commissioning, milestones, anticipated production and results thereof and expansion plans; cost and expected benefits of the TLT; anticipated timing to resolve, and the expected outcome of, any complaints or claims made or that could be made concerning the permitting process in the United States for Thacker Pass; estimates, and any change in estimates, of the mineral resources and mineral reserves at Thacker Pass; development of mineral resources and mineral reserves; the realization of mineral resources and mineral reserves estimates, including whether certain mineral resources will ever be developed into mineral reserves, and information and underlying assumptions related thereto; government regulation of mining operations and treatment under governmental and taxation regimes; the future price of commodities, including lithium; the creation of a battery supply chain in the United States to support the electric vehicle market; the timing and amount of future production; currency exchange and interest rates; the Company's ability to raise capital; expected expenditures to be made by the Company on Thacker Pass; ability to produce high purity battery grade lithium products; settlement of agreements related to the operation and sale of mineral production as well as contracts in respect of operations and inputs required in the course of production; the timing, cost, quantity, capacity and product quality of production at Thacker Pass; successful development of Thacker Pass, including successful results from the Company's testing facility and third-party tests related thereto; capital costs, operating costs, sustaining capital requirements, after tax net present value and internal rate of return, payback period, sensitivity analyses, and net cash flows of Thacker Pass; anticipated job creation and the completion of the WFH; the expectation that the PLA will minimize construction risk, ensure availability of skilled labor, address the challenges associated with Thacker Pass' remote location and be effective in prioritizing employment of local and regional skilled craft workers, including members of underrepresented communities; the expected workforce development training program being prepared with Great Basin College; the Company's commitment to sustainable development, minimizing the environmental impact at Thacker Pass and plans for phased reclamation during the life of mine including use benefits of growth media; ability to achieve capital cost efficiencies; as well as other statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts.

FLI involves known and unknown risks, assumptions and other factors that may cause actual results or performance to differ materially. FLI reflects the Company's current views about future events, and while considered reasonable by the Company as of the date of this MD&A, are inherently subject to significant uncertainties and contingencies. Accordingly, there can be no certainty that they will accurately reflect actual results. Assumptions upon which such FLI is based include, without limitation: the completion of the JV Transaction and DOE Loan prior to the end of 2024, or at all, and the absence of material adverse events affecting the Company during this time; the ability of the Company to satisfy all closing conditions for the JV Transaction and DOE Loan in a timely manner; the ability of the Company to enter into an additional offtake agreement with GM; a cordial business relationship between the Company and third party strategic and contractual partners; the risk of tax liabilities as a result of the Arrangement, and general business and economic uncertainties and adverse market conditions; unforeseen technological and engineering problems; political factors, including the impact of the 2024 U.S. presidential election on, among other things, the extractive resource industry, the green energy transition and the electric vehicle market; uncertainties inherent to feasibility studies and mineral resource and mineral reserve estimates; the ability of the Company to secure sufficient additional financing, advance and develop Thacker Pass, and to produce battery grade lithium; the respective benefits and impacts of Thacker Pass when production operations commence; settlement of agreements related to the operation and sale of mineral production as well as contracts in respect of operations and inputs

required in the course of production; the Company's ability to operate in a safe and effective manner, and without material adverse impact from the effects of climate change or severe weather conditions; uncertainties relating to receiving and maintaining mining, exploration, environmental and other permits or approvals in Nevada; demand for lithium, including that such demand is supported by growth in the electric vehicle market; current technological trends; the impact of increasing competition in the lithium business, and the Company's competitive position in the industry; continuing support of local communities and the Fort McDermitt Paiute and Shoshone Tribe for Thacker Pass; continuing constructive engagement with these and other stakeholders, and any expected benefits of such engagement; the stable and supportive legislative, regulatory and community environment in the jurisdictions where the Company operates; impacts of inflation, currency exchanges rates, interest rates and other general economic and stock market conditions; the impact of unknown financial contingencies, including litigation costs, environmental compliance costs and costs associated with the impacts of climate change, on the Company's operations; increased attention to environmental, social and governance ("**ESG**") and sustainability-related matters, risks related to the Company's public statements with respect to such matters that may be subject to heightened scrutiny from public and governmental authorities related to the risk of potential "greenwashing," (i.e., misleading information or false claims overstating potential sustainability-related benefits); risks that the Company may face regarding potentially conflicting anti-ESG initiatives from certain U.S. state or other governments; estimates of and unpredictable changes to the market prices for lithium products; development and construction costs for Thacker Pass, and costs for any additional exploration work at the project; estimates of mineral resources and mineral reserves, including whether mineral resources not included in mineral reserves will be further developed into mineral reserves; reliability of technical data; anticipated timing and results of exploration, development and construction activities, including the impact of ongoing supply chain disruptions and availability of equipment and supplies on such timing; timely responses from governmental agencies responsible for reviewing and considering the Company's permitting activities at Thacker Pass; availability of technology, including low carbon energy sources and water rights, on acceptable terms to advance Thacker Pass; government regulation of mining operations and mergers and acquisitions activity, and treatment under governmental, regulatory and taxation regimes; ability to realize expected benefits from investments in or partnerships with third parties; accuracy of development budgets and construction estimates; that the Company will meet its future objectives and priorities; that the Company will have access to adequate capital to fund its future projects and plans; that such future projects and plans will proceed as anticipated; as well as assumptions concerning general economic and industry growth rates, commodity prices, currency exchange and interest rates and competitive conditions. Although the Company believes that the assumptions and expectations reflected in such FLI are reasonable, the Company can give no assurance that these assumptions and expectations will prove to be correct.

Readers are cautioned that the foregoing lists of factors is not exhaustive. There can be no assurance that FLI will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. As such, readers are cautioned not to place undue reliance on this information, and that this information may not be appropriate for any other purpose, including investment purposes. The Company's actual results could differ materially from those anticipated in any FLI as a result of the risk factors set out herein, and in the Company's other continuous disclosure documents available on SEDAR+ at www.sedarplus.ca and EDGAR at www.sec.gov. Readers are further cautioned to review the full description of risks, uncertainties and management's assumptions in the aforementioned documents and other disclosure documents available on SEDAR+ and on EDGAR.

The Company expressly disclaims any obligation to update FLI as a result of new information, future events or otherwise, except as and to the extent required by applicable securities laws. Forward-looking financial information also constitutes FLI within the context of applicable securities laws and as such, is subject to the same risks, uncertainties and assumptions as are set out in the cautionary note above.

LithiumAmericas

(Formerly 1397468 B.C. Ltd.)

Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2024

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	September 30, 2024 $	December 31, 2023 $
CURRENT ASSETS			
Cash and cash equivalents	4	341,163	195,516
Receivables, prepaids and deposits	5	7,858	10,367
		349,021	205,883
NON-CURRENT ASSETS			
Investment in Green Technology Metals	6	829	2,580
Investment in Ascend Elements	7	4,445	8,582
Restricted cash		288	288
Property, plant and equipment	8	330,552	206,082
Other assets	8	6,860	15,315
Exploration and evaluation assets	9	972	770
		343,946	233,617
TOTAL ASSETS		692,967	439,500
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		23,703	23,361
Current portion of leases	11	1,241	854
GM transaction derivative liability	10	210	348
		25,154	24,563
LONG-TERM LIABILITIES			
Leases and other liabilities	11	6,566	6,613
Decommissioning provision		2,567	862
		9,133	7,475
TOTAL LIABILITIES		34,287	32,038
SHAREHOLDERS' EQUITY			
Share capital	1	927,650	656,802
Contributed surplus and net former parent investment		15,738	15,020
Deficit		(284,708)	(264,360)
TOTAL SHAREHOLDERS' EQUITY		658,680	407,462
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		692,967	439,500

Subsequent event (Note 22)

Approved for issuance on November 7, 2024

On behalf of the Board of Directors:

"Fabiana Chubbs"
Director

"Kelvin Dushnisky"
Director

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2024	2023	2024	2023
	Note	$	$	$	$
Exploration and evaluation expenditures	16	-	-	-	(3,764)
General and administrative expenses	15	(4,392)	(2,667)	(13,486)	(8,025)
Equity compensation	12	(1,289)	(520)	(3,884)	(2,077)
		(5,681)	(3,187)	(17,370)	(13,866)
OTHER ITEMS					
Transaction costs	17	(6,061)	(2,529)	(8,242)	(9,359)
Gain/(loss) on financial instruments measured at fair value	6,7,10	(1,266)	5,586	(5,750)	32,545
Finance costs		(10)	-	(17)	(335)
Finance and other income	18	4,955	(70)	11,031	(18)
		(2,382)	2,987	(2,978)	22,833
NET INCOME/(LOSS)		(8,063)	(200)	(20,348)	8,967
TOTAL COMPREHENSIVE INCOME/(LOSS)		(8,063)	(200)	(20,348)	8,967
BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE	13	$ (0.04)	$ (0.00)	$ (0.10)	$ 0.06
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED		218,039	160,048	194,898	160,048

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF EQUITY

	Share capital		Contributed surplus and net former parent investment	Deficit	Total Shareholders' equity
	# of shares	Amount			
		$	$	$	$
Balance, December 31, 2022	-	-	**226,009**	**(260,426)**	**(34,417)**
Net former parent investment	-	-	319,130	-	319,130
Net income	-	-	-	8,967	8,967
Balance, September 30, 2023	-	-	**545,139**	**(251,459)**	**293,680**
Balance, December 31, 2023	**161,778**	**656,802**	**15,020**	**(264,360)**	**407,462**
Shares issued on conversion of share-based awards (Note 12)	1,516	8,702	(8,702)	-	-
Shares issued from public offering (Note 12)	55,000	275,000	-	-	275,000
Share issuance cost related to public offering	-	(12,854)	-	-	(12,854)
Equity compensation amortization	-	-	9,420	-	9,420
Net loss	-	-	-	(20,348)	(20,348)
Balance, September 30, 2024	**218,294**	**927,650**	**15,738**	**(284,708)**	**658,680**

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

		Nine Months Ended September 30,	
	Note	2024 $	2023 $
OPERATING ACTIVITIES			
Net income/(loss)		(20,348)	8,967
Items not affecting cash and other items:			
Equity compensation	12	3,884	97
Depreciation		165	196
Loss/(gain) on financial instruments measured at fair value	6,7,10	5,750	(32,545)
Other items		-	513
Changes in working capital items:			
Decrease in receivables, prepaids and deposits		3,915	1,301
Increase/(decrease) in accounts payable, accrued liabilities and other liabilities		3,194	(12,290)
Net cash used in operating activities		(3,440)	(33,761)
INVESTING ACTIVITIES			
Additions to property, plant and equipment		(112,097)	(115,398)
Additions to exploration and evaluation assets		(202)	(347)
Net cash used in investing activities		(112,299)	(115,745)
FINANCING ACTIVITIES			
Proceeds from public offering	12	275,000	-
Share issuance costs related to public offering		(12,854)	-
Net former parent investment - capital contributions		-	46,189
Gross proceeds from GM transaction	10	-	320,148
Payment of expenses related to the GM transaction		-	(15,217)
Lease payments		(760)	(560)
Deferred financing costs		-	(1,191)
Net cash provided by financing activities		261,386	349,369
CHANGE IN CASH AND CASH EQUIVALENTS		145,647	199,863
CASH AND CASH EQUIVALENTS - BEGINNING OF THE PERIOD		195,516	636
CASH AND CASH EQUIVALENTS - END OF THE PERIOD		341,163	200,499

Supplemental cash flow information (Note 20)

1. BACKGROUND AND NATURE OF OPERATIONS

1397468 B.C. Ltd. was incorporated under the Business Corporations Act (British Columbia) on January 23, 2023 for the sole purpose of acquiring ownership of the North American business assets and investments of an entity then named Lithium Americas Corp. ("**Old LAC**") and, which is now named Lithium Americas (Argentina) Corp. ("**Lithium Argentina**"), pursuant to a separation transaction (the "**Separation**") as described in Note 2. The assets, liabilities and activities of Old LAC's North American business prior to the Separation are referred to as LAC North America. Upon consummation of the Separation on October 3, 2023, 1397468 B.C. Ltd. was re-named Lithium Americas Corp. ("**New LAC**" or the "**Company**") and its common shares were listed on the Toronto Stock Exchange ("**TSX**") and on the New York Stock Exchange ("**NYSE**") under the symbol "LAC."

The Separation was completed pursuant to a statutory plan of arrangement (the "**Arrangement**"). Under the terms of the Arrangement, Old LAC contributed to New LAC the assets of LAC North America, including Thacker Pass, investments in shares of certain companies, its receivable of $43.6 million plus accrued interest to October 3, 2023 and cash of $275.5 million (which included the remaining unspent proceeds of the Tranche 1 Investment and $75 million to establish sufficient working capital). Each shareholder of Old LAC was granted one common share in Lithium Argentina and one common share of New LAC in exchange for each Old LAC share, resulting in two independent publicly traded companies. The Separation was pro rata to the shareholders of Old LAC, so that the holders maintained the same proportionate interest in Old LAC (and, upon the Separation, Lithium Argentina) and New LAC both immediately before and after the Separation.

These condensed consolidated interim financial statements present the financial position, results of operations, changes in shareholders' equity and cash flows of the Company as if it had operated on a stand-alone basis. Namely, the comparative results of LAC North America as at and for the period ended September 30, 2023, were prepared on a carve-out basis. The operating results for the current period ended September 30, 2024 represent actual financial results for the period. The financial position of the Company as at December 31, 2023 was derived from the assets and liabilities assumed as part of the Separation on a continuity of interests basis and reflects the actual activities of the Company from October 3, 2023 to December 31, 2023.

The Company is focused on advancing the Thacker Pass project ("**Thacker Pass**"), a sedimentary-based lithium project located in the McDermitt Caldera in Humboldt County in north-western Nevada, USA. Thacker Pass is 100%-owned by Lithium Nevada Corp., which is wholly owned by 1339840 B.C. Ltd., a wholly-owned subsidiary of the Company. The head office and principal address of the Company is Suite 3260, 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 2X8.

On January 30, 2023, LAC North America entered into a purchase agreement with General Motors Holdings LLC ("**GM**") pursuant to which GM agreed to make a $650 million investment (the "**Transaction**"), the proceeds of which are to be used for the construction and development of Thacker Pass. The Transaction is comprised of two tranches, with the $320.1 million first tranche investment (the "**Tranche 1 Investment**") and a second tranche investment of up to $329.9 million (the "**Tranche 2 Investment**"). The Tranche 1 Investment was completed on February 16, 2023 resulting in GM owning 15,002 common shares of Old LAC which became an equivalent number of shares of the Company post - Separation.

1. BACKGROUND AND NATURE OF OPERATIONS *(continued)*

As the Separation was completed before the closing of the Tranche 2 Investment, the Tranche 2 agreement between GM and Old LAC was terminated on October 3, 2023 and replaced by a corresponding subscription agreement between GM and New LAC (the "**Tranche 2 Investment Agreement**") (see Note 10) such that the Tranche 2 Investment proceeds would be received by the Company. On October 15, 2024, the Company and GM entered into a new investment agreement ("**GM Investment Agreement**") to establish a joint venture ("**JV**") for the purpose of funding, developing, constructing and operating Thacker Pass ("**JV Transaction**"). The JV Transaction will deliver $625 million of cash and letters of credit from GM to Thacker Pass. Under the terms of the GM Investment Agreement, GM will acquire a 38% asset-level ownership stake in Thacker Pass. The Company and GM terminated the Tranche 2 Investment Agreement concurrently with the execution of the GM Investment Agreement.

As part of the Separation, an investors rights agreement and an agreement to supply GM with lithium carbonate production from Thacker Pass Phase 1 and a right of first offer ("**ROFO**") on Phase 2 production (the "**Offtake Agreement**") were assigned by Old LAC to the Company. GM has agreed to extend its existing Offtake Agreement for up to 100% of production volumes from Phase 1 of Thacker Pass to 20 years to support the expected maturity of the DOE Loan. Upon closing of the JV Transaction, GM will also enter into an additional 20 year offtake agreement for up to 38% of Thacker Pass Phase 2 production and will retain its existing ROFO on the remaining Phase 2 production volumes.

On March 12, 2024, the Company received a conditional commitment ("**Conditional Commitment**") from the U.S. Department of Energy ("**DOE**") for a $2.26 billion loan under the Advanced Technology Vehicles Manufacturing ("**ATVM**") Loan Program (the "**DOE Loan**"), for financing the construction of the processing facilities at Thacker Pass. On October 28, 2024, the Company and the DOE closed the $2.26 billion DOE Loan. The Company is required to meet certain conditions precedent in advance of first draw under the DOE Loan.

On August 5, 2024, the Company received approval for a $11.8 million grant from the U.S. Department of Defense to support an upgrade of local power infrastructure and to help build a transloading facility.

To date, the Company has not generated significant revenues from operations and has relied on equity financing to fund operations. The underlying values of exploration and evaluation assets, property, plant and equipment and the investment in Thacker Pass are dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, and the ability of the Company to obtain the necessary financing to complete development, and to attain future profitable operations.

2. BASIS OF PREPARATION AND PRESENTATION

These condensed consolidated interim financial statements of the Company ("**Interim Financials**") have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS**") applicable to the preparation of interim financial statements, including International Accounting Standards ("**IAS**") 34, Interim Financial Reporting. The Interim Financials should be read in conjunction with the Company's last annual consolidated financial statements as at and for the year ended December 31, 2023 (the "**2023 Annual Financials**"), which have been prepared in accordance with IFRS.

2. BASIS OF PREPARATION AND PRESENTATION *(continued)*

Prior to October 3, 2023, LAC North America did not operate as a separate legal entity. The assets, liabilities, results of operations and cash flows prior to October 3, 2023 were those specifically identifiable to LAC North America including assets, liabilities and expenses relating to Thacker Pass, specified investments, transactions and balances arising from the GM investment, as well as an allocation of certain costs relating to the management of those relevant assets, liabilities and results of operations. Such costs were allocated from the shared corporate expenses of Old LAC based on the estimated level of involvement of Old LAC management and employees with LAC North America.

During the comparative period ended September 30, 2023, Old LAC costs were allocated to LAC North America for corporate administrative expenses and employment costs of Old LAC employees primarily relating to Old LAC employees who provided services including accounting and finance, legal, information technology, human resources, marketing, investor relations, contract support, treasury, administrative and other corporate head office services.

The expenses and cost allocations have been determined on a basis considered by Old LAC to be a reasonable reflection of the utilization of services provided to or the benefit received by LAC North America during the comparative period ended September 30, 2023 presented relative to the total costs incurred by Old LAC.

The Interim Financials are expressed in US dollars ("**USD**"), the Company's presentation and functional currency. The accounting policies are the same as those applied in the Company's 2023 Annual Financials.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Principles of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its corporate group of companies, consisting of (i) wholly-owned US subsidiaries Lithium Nevada and KV Project LLC; and (ii) Canadian wholly-owned subsidiary 1339480 B.C. Ltd. All intercompany transactions and balances have been eliminated.

Estimation Uncertainty and Significant Accounting Policy Judgments

The preparation of these Interim Financials in conformity with IFRS applicable to the preparation of interim financial statements requires management to make assumptions, estimates, and judgments that affect the amounts reported in these interim financial statements and accompanying notes. The Company bases its estimates on historical experience and various assumptions that are believed to be reasonable at the time the estimate was made. Accordingly, actual results may differ from amounts estimated in these condensed consolidated interim financial statements and such differences could be material.

Significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were substantially the same as those applied in the 2023 Annual Financials of the Company as well as additional items as follows:

Fair Value Remeasurement of Investment in Ascend Elements

The Company applied judgment in estimating the fair value of its investment in Ascend Elements. As Ascend Elements is a private company, there is no observable market data to use, so the Company carried out an assessment based on publicly-available information on the business activities of Ascend Elements and the market trends impacting its peer companies trading publicly in the lithium battery recycling market.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

Assessment of Impairment of Thacker Pass

Management conducts an impairment assessment of Thacker Pass if an impairment indicator as defined in accordance with International Accounting Standard 36 Impairment of Assets ("IAS 36") is identified. Management determined that there were no impairment indicators at September 30, 2024.

New IFRS Pronouncements

Amendments to IAS 1 – Presentation of Financial Statements

In October 2022, the IASB issued amendments to IAS 1, Presentation of Financial Statements titled Non- current Liabilities with Covenants.

These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, Classification of liabilities as current or non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. These amendments do not impact the Interim Financials.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements, which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces new requirements for all companies to present specific categories and defined subtotals in the statement of profit and loss, disclose explanations of management defined performance measure if used in the financial statements, and improve aggregation and disaggregation.

The standard is effective for periods beginning on or after January 1, 2027. Retrospective application is required and early adoption is permitted. The Company is currently evaluating the impact of this new standard on the Company's financial statements.

4. CASH AND CASH EQUIVALENTS

	September 30, 2024 $	December 31, 2023 $
Cash	3,212	12,050
Cash equivalents	337,951	183,466
	341,163	195,516

As at September 30, 2024, $0.6 million of cash and cash equivalents were held in Canadian dollars (December 31, 2023 - $8.5 million), and $340.6 million in US dollars (December 31, 2023 - $187.0 million). Cash equivalents include investments in US treasury bills, short-term savings and deposit accounts with two Canadian Schedule I chartered banks that mature within 90 days of the date of acquisition and earn interest between 4.6-5.5% per annum.

5. PREPAIDS, DEPOSITS AND RECEIVABLES

	September 30, 2024 $	December 31, 2023 $
Prepaids and deposits	5,711	5,872
Receivables	151	2,922
Interest receivable	1,996	1,573
	7,858	10,367

6. INVESTMENT IN GREEN TECHNOLOGY METALS

On April 28, 2022, LAC North America entered into an agreement to acquire shares of Green Technology Metals Limited (ASX: GT1) ("**GT1**"), a North American focused lithium exploration and development public company with hard rock spodumene assets in north-western Ontario, Canada, in a private placement for total consideration of $10,000.

As at September 30, 2024, the Company holds 13,301 common shares, representing approximately 3% of the issued and outstanding shares of GT1 with a fair value of $829 (December 31, 2023 - $2,580) determined based on the market price of GT1 shares as of such date. A gain on change in fair value of GT1 shares of $146 (2023 - loss of $2,724) and a loss on change in fair value of $1,751 (2023 - $3,861) respectively were recognized in the Condensed Consolidated Interim Statements of Comprehensive Loss for the three and nine month periods ended September 30, 2024.

The Company's investment in GT1 is classified as a Level 1 financial instrument (Note 21).

7. INVESTMENT IN ASCEND ELEMENTS

On July 18, 2022, LAC North America made a $5,000 investment in Ascend Elements, Inc. ("**Ascend Elements**"), a private US based lithium-ion battery recycling and engineered material company, by way of a subscription for Series C-1 preferred shares.

As at September 30, 2024, the Company holds 806 series C-1 preferred shares of Ascend Elements with an estimated fair value of $4,445 (December 31, 2023 - $8,582). As Ascend Elements is a private company, there is no observable market data to use as a measurement of fair value, so the Company's assessment was determined based on a review of Ascend Elements' business developments, financings and trends in the share prices of other companies in the same industry sector.

At September 30, 2024, the Company estimated the fair value of the investment in Ascend Elements and determined the value had decreased by 26% based on a number of factors, primarily the overall downturn of the lithium battery recycling market as measured by the reduction in the fair value of a basket of publicly-traded peer companies during the third quarter of 2024. As a result, a loss on change in fair value of the investment in Ascend Elements of $1,562 (2023 - gain of $3,582) and loss on change in fair value of $4,137 (2023 - gain of $3,582) respectively was recognized in the Condensed Consolidated Interim Statement of Comprehensive Loss for the three and nine month periods ended September 30, 2024.

The Company's investment in Ascend Elements is classified as a Level 3 financial instrument (Note 21).

8. PROPERTY, PLANT AND EQUIPMENT

	Thacker Pass[1] $	Equipment and machinery $	Right of Use assets $	Other $	Total $
Cost					
As at December 31, 2022	-	2,740	3,378	701	6,819
Transfers from E&E (Note 9)	9,091	-	-	-	9,091
Additions	193,728	210	549	134	194,621
Disposals	-	-	(275)	(90)	(365)
As at December 31, 2023	202,819	2,950	3,652	745	210,166
Additions	124,613	52	1,096	224	125,985
Disposals	-	(36)	(14)	-	(50)
As at September 30, 2024	327,432	2,966	4,734	969	336,101

	Thacker Pass[1] $	Equipment and machinery $	Right of Use assets $	Other $	Total $
Accumulated depreciation					
As at December 31, 2022	-	1,644	1,024	215	2,883
Depreciation for the year	-	587	807	85	1,479
Disposals	-	-	(188)	(90)	(278)
As at December 31, 2023	-	2,231	1,643	210	4,084
Depreciation for the period	-	453	949	82	1,484
Disposals	-	(5)	(14)	-	(19)
As at September 30, 2024	-	2,679	2,578	292	5,549

	Thacker Pass[1] $	Equipment and machinery $	Right of Use assets $	Other $	Total $
Net book value					
As at December 31, 2023	202,819	719	2,009	535	206,082
As at September 30, 2024	327,432	287	2,156	677	330,552

1. The "Thacker Pass" category also includes right of use assets with a cost of $1,848 as at September 30, 2024.

The Company has certain commitments for royalty and other payments to be made on Thacker Pass as set out below. These amounts will only be payable if the Company continues to hold the subject claims in the future and the royalties will only be incurred if the Company starts production from Thacker Pass.

- 20% royalty on revenue solely in respect of uranium;
- 8% gross revenue royalty on all claims up to a cumulative payment of $22,000. The royalty will then be reduced to 4% for the life of the project. The Company has the option at any time to reduce the royalty to 1.75% upon payment of $22,000.

8. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Prepayments of $6,860 at September 30, 2024 related to the non-current portion of project insurance for Thacker Pass and deposits on equipment, are included in Other assets. Prepayments of $15,315 at December 31, 2023 related to housing units and related transportation costs, as well as the non-current portion of project insurance for Thacker Pass, were included in Other assets.

9. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets relating to Thacker Pass and other projects were as follows:

	Total $
Exploration and evaluation assets, as at December 31, 2022	9,514
Additions	347
Transfers to PP&E (Note 8)	(9,091)
Exploration and evaluation assets, as at December 31, 2023	770
Additions	202
Exploration and evaluation assets, as at September 30, 2024	972

Upon commencement of development of Thacker Pass on February 1, 2023, the capitalized costs of Thacker Pass were transferred from exploration and evaluation assets to property, plant and equipment and Old LAC commenced capitalizing development costs.

Concurrent with the transfer of the Thacker Pass assets from exploration and evaluation to property, plant and equipment, the Company completed an impairment test of Thacker Pass which compared the carrying value to the recoverable amount. The recoverable amount is the greater of the value in use and the fair value less disposal costs. The fair value less disposal costs was calculated using a discounted cash flow model with feasibility study economics. The significant assumptions that impacted the fair value included future lithium prices, capital cost estimates, operating cost estimates, estimated mineral reserves and resources, and the discount rate. Based on the result of the impairment test, management concluded that there was no impairment.

10. AGREEMENTS WITH GENERAL MOTORS

On January 30, 2023, LAC North America entered into an agreement with GM, pursuant to which GM agreed to make a $650,000 equity investment in two tranches, to be used for the construction and development of Thacker Pass. On February 16, 2023, the Tranche 1 Investment of $320,148 closed, resulting in GM's purchase of 15,002 common shares of Old LAC which became an equivalent number of shares of the Company post-Separation. In connection with the Tranche 1 Investment, the Company and GM also entered into (a) a warrant certificate and a subscription agreement (the "**GM Tranche 2 Agreements**"), each in relation to a second tranche investment of up to $329,852; (b) the Offtake Agreement and (c) an investor rights agreement.

GM Tranche 2 Agreements

Pursuant to the GM Tranche 2 Agreements, as the Separation was completed before the closing of the Tranche 2 Investment by GM, the GM Tranche 2 Agreements with Old LAC were made ineffective in consideration for the purchase of two common shares of Old LAC and, a new subscription agreement was executed by New LAC and GM. The terms of the New LAC subscription agreement substantially mirrors the subscription agreement previously executed by Old LAC, subject to the shares and price being adjusted by the New LAC relative value ratio, such that GM's second tranche investment of up to $329,852 would be made in New LAC.

10. AGREEMENTS WITH GENERAL MOTORS *(continued)*

Pursuant the Tranche 2 Investment agreement, GM would purchase common shares of New LAC subject to the satisfaction of certain conditions precedent, including the condition that the Company secured, subject to certain conditions, sufficient funding to complete the development of Phase 1 for Thacker Pass (the "**Funding Condition**"). The subscription agreement called for an aggregate purchase price of up to $329,852, with the number of shares to be determined using a price equal to the lower of (a) the 5-day volume weighted average share price (which is determined as of the date the notice that the certain conditions have been met) and (b) $17.36 per share.The GM Tranche 2 Agreements were treated as a derivative because the GM Tranche 2 Agreements could result in the issuance of a variable number of shares for the fixed subscription price. The derivative was initially measured at fair value and subsequently carried at fair value through profit and loss.

The Company recorded the GM Tranche 2 Agreements derivative on January 30, 2023, at an initial fair value of $33,194 and the net proceeds of Tranche 1 investment were recorded in Net former parent investment. Financial advisory fees of $16,803 and other transaction costs of $174 were paid in connection with the closing of the first tranche. The $1,760 portion of the transaction costs related to the GM Tranche 2 Agreements derivative were expensed. Transactions costs of $15,217 attributable to the GM Tranche 1 proceeds were recorded in the Net former parent investment.

Changes in the value of the GM Tranche 2 Agreements are summarized below:

	$
GM derivative liability	
On initial recognition as at January 30, 2023	(33,194)
Gain on change in fair value	32,846
As at December 31, 2023	(348)
Gain on change in fair value	138
As at September 30, 2024	(210)

The fair value of the derivative as of January 30, 2023, was determined using a Monte Carlo simulation with the following Old LAC's inputs: volatility of 58.34%, share price of $21.99, a risk-free rate of 4.77%, and an expected dividend of 0%. The fair value of the derivative as of December 31, 2023, was estimated with the following inputs: volatility of 71.26%, share price of $6.40, a risk-free rate of 5.54%, and an expected dividend of 0%. The fair value of the derivative as of September 30, 2024, was estimated with the following inputs: volatility of 81.16%, share price of $2.70, a risk-free rate of 4.63%, and an expected dividend of 0%. A gain on change in the fair value of the derivative for the period from December 31, 2023, to September 30, 2024 of $138 (2023 - gain of $32,824) was recognized in the Condensed Consolidated Interim Statement of Comprehensive Loss for the nine months ended September 30, 2024.

Valuation of the derivative is sensitive to changes in the Company's share price and the assumed volatility of common shares. The change in fair value of the GM derivative liability for the nine months ended September 30, 2024, and year ended December 31, 2023, were driven by underlying valuation assumptions. A reduction/increase of the Company's share price by 10% at September 30, 2024, would result in a corresponding reduction/increase of the derivative value by 20% and 24% respectively.

As a result of the signing of the GM Investment Agreement on October 15, 2024, the Company and GM agreed to terminate the Tranche 2 Investment Agreement concurrently with the execution of the GM Investment Agreement.

10. AGREEMENTS WITH GENERAL MOTORS *(continued)*

Offtake Agreement

As part of the Arrangement, the Offtake Agreement was assigned to New LAC.

Pursuant to the Offtake Agreement, GM may purchase up to 100% of Thacker Pass Phase 1 production at a price based on prevailing market rates. The term of the arrangement for Phase 1 production was ten years, subject to a five-year extension at GM's option, which will be extended to 20 years to support the expected maturity of the DOE Loan. The Company has also granted GM a ROFO on Thacker Pass Phase 2 production.

Upon closing of the JV Transaction, GM will also enter into an additional 20-year offtake agreement for up to 38% of production volumes from Phase 2 and will retain its existing ROFO on the remaining balance of Phase 2 production volumes.

11. LEASES AND OTHER LIABILITIES

Leases

	September 30, 2024 $	December 31, 2023 $
Current portion of leases	1,241	854
Long term portion of leases		
Office leases	1,182	1,199
Vehicles and equipment leases	36	69
Land lease	1,848	1,845
	3,066	3,113
Other liabilities		
Mining contractor liability	3,500	3,500
	6,566	6,613

Leases for office space, vehicles and equipment have terms ranging from 2 to 5 years. The land lease for land near the city of Winnemucca has a term of 40 years from signing in November 2023.

Other Liabilities

During Q2 2019, LAC North America entered into a mining design, consulting and mining operations agreement with a mining contractor for Thacker Pass which included a financing component. In accordance with the agreement, LAC North America received $3,500 from the mining contractor in seven consecutive equal quarterly installments, with $1,500 received in 2019 and $2,000 received in 2020. These amounts are included in the mining contractor liability balance.

The Company will pay a success fee to the mining contractor of $4,675 upon achieving certain commercial mining milestones or repay the $3,500 advance without interest if such commercial mining milestones are not met.

12. SHARE CAPITAL AND EQUITY COMPENSATION

Share Capital

Equity Financing

On April 22, 2024, the Company completed an underwritten public offering (the "**Offering**") of 55 million common shares (the "**Common Shares**") at a price of $5.00 per Common Share (the "Issue Price") for aggregate gross proceeds to the Company of $275 million or net proceeds of approximately $262 million. The Company intends to use the net proceeds from the Offering to advance construction and development of Thacker Pass.

Authorized and Issued

The Company's authorized share capital is comprised of an unlimited number of common shares without par value.

At September 30, 2024, 218,294 (December 31, 2023 - 161,778) common shares were issued and outstanding.

Equity Incentive Plan

In connection with the completion of the Separation, the Company adopted an equity incentive plan (the "**Equity Incentive Plan**"). The Equity Incentive Plan provides for the grant to eligible directors and employees of incentive stock options exercisable to purchase common shares, Company RSUs that convert automatically into common shares and Company PSUs that are subject to performance conditions and/or multipliers and designated as such in accordance with the Equity Incentive Plan that are settled for common shares. The Equity Incentive Plan also provides for the grant to eligible directors of Company DSUs which the directors are entitled to redeem for common shares following retirement or termination from the Board. The Company RSUs may vest immediately or one-third per year on each of the grant anniversary dates over a period of up to three years and Company PSUs generally vest after three years.

In connection with the Arrangement, holders of all awarded DSUs, RSUs and PSUs of Old LAC previously held (collectively, the "**Old LAC Units**") received, in lieu of such outstanding Old LAC Units, equivalent incentive securities of the Company and of Lithium Argentina. On October 3, 2023, the Company had 160,048 common shares issued and outstanding, and 225 DSUs, 2,171 RSUs and 1,037 PSUs were issued in connection with the Arrangement.

Restricted Share Units

Pursuant to the Arrangement, the holders of the Old LAC RSUs exchanged each Old LAC RSU for one New LAC RSU and 0.87 of a new Lithium Argentina RSU. New LAC RSUs issued to holders of Old LAC RSU who serve as a director, employee or consultant of Lithium Argentina rather than New LAC upon the Separation vested immediately on closing of the Separation, while RSUs issued to those who serve New LAC are subject to the vesting conditions of the original Old LAC awards.

During the nine months ended September 30, 2024, the Company granted 1,936 RSUs to its employees and consultants. The total estimated fair value of the RSUs was $9,337 (2023 - $3,204) based on the market value of the Company's shares on the grant date. As at September 30, 2024, there was $6,009 (2023 - $2,346) of total unamortized compensation cost relating to unvested RSUs.

12. SHARE CAPITAL AND EQUITY COMPENSATION *(continued)*

During the nine months ended September 30, 2024, stock-based compensation expense related to RSUs of $2,819 was charged to operating expenses (2023 - $70) and $1,851 was capitalized to Thacker Pass project (2023 - $951). In Q1 2024, 642 RSUs were issued for settlement of the 2023 annual bonuses which were accrued at December 31, 2023.

A summary of changes to the number of outstanding RSUs is as follows:

	Number of RSUs
RSUs issued on Separation	2,171
Converted into shares	(1,191)
Granted	670
Balance, RSUs outstanding as at December 31, 2023	1,650
Converted into common shares	(1,138)
Granted	1,936
Cancelled	(39)
Balance, RSUs outstanding as at September 30, 2024	2,409

Deferred Share Units

During the nine months ended September 30, 2024, the Company granted 99 DSUs to its directors. The total estimated fair value of the DSUs was $435.

A summary of changes to the number of outstanding DSUs is as follows:

	Number of DSUs
DSUs issued on Separation	225
Converted into common shares	(130)
Balance, DSUs outstanding as at December 31, 2023	95
Granted	99
Balance, DSUs outstanding as at September 30, 2024	194

Performance Share Units

During the nine months ended September 30, 2024, the Company granted 442 PSUs to its employees. The total estimated fair value of the PSUs was $2,793 (2023 - $621) based on the fair value of the Company's shares on the grant date. As at September 30, 2024, there was $3,723 (2023 – $558) of unamortized compensation costs relating to unvested PSUs. During the nine months ended September 30, 2024, stock- based compensation expense related to PSUs of $1,065 was charged to operating expenses (2023 - $27) and $179 was capitalized to Thacker Pass project (2023 - $156).

A summary of changes to the number of outstanding PSUs is as follows:

	Number of PSUs
PSUs issued on Separation	1,037
Converted into common shares	(409)
Balance, PSUs outstanding as at December 31, 2023	628
Granted	442
Converted into common shares	(377)
Balance, PSUs outstanding as at September 30, 2024	693

13. EARNINGS (LOSS) PER SHARE

The weighted average number of common shares outstanding used in the calculation of both basic and diluted earnings per share for periods prior to the Separation was derived from common shares issued as of the Separation date of October 3, 2023.

Loss per share for the three and nine months ended September 30, 2023, which is presented on a “carve-out” basis has been calculated using the number of shares of New LAC that were issued and outstanding upon Separation on October 3, 2023.

14. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

Transition Services Agreement

Pursuant to the Separation, the Company and Lithium Argentina entered into a Transition Services Agreement whereby each company provides to the other company, various accounting, technical and other services, including managing settlement of employee equity awards. The TSA terminated on October 2, 2024.

Compensation of Directors and Key Management

The following presentation of the remuneration of directors and key management personnel of the Company. Directors and key management differ for the periods before and after Separation. The amounts for the comparative period ended September 30, 2023, represent an allocation of the remuneration of those directors and key management personnel allocated to LAC North America prior to the Separation date of October 3, 2023. The amounts for the current period ended September 30, 2024 are the actual costs incurred by the Company for those directors and key management personnel for compensation earned at and incurred by the Company.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	$	$	$	$
Salaries, bonuses, benefits and directors' fees included in the Consolidated Statement of Comprehensive loss	925	292	2,804	1,392
Salaries, bonuses, benefits included in PP&E	-	234	-	234
Equity compensation	930	331	2,757	1,590
	1,855	857	5,561	3,216

Amounts due to directors and key management are as follows:

	September 30, 2024	December 31, 2023
	$	$
Total due to directors and key management	230	2,376

15. GENERAL AND ADMINISTRATIVE EXPENSES

The following table summarizes the Company's general and administrative expenses, which represent the activity of LAC North America for the comparative period ended September 30, 2023 and actual expenses for the current period ended September 30, 2024:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	$	$	$	$
Salaries, benefits and directors' fees	2,061	1,077	6,638	3,028
Office and professional fees	1,771	1,310	4,837	4,018
Regulatory and filing fees	142	161	600	622
Investor and government relations	340	61	1,246	199
Depreciation	78	58	165	158
	4,392	2,667	13,486	8,025

16. EXPLORATION AND EVALUATION EXPENDITURES

The following table summarizes the Company's exploration and evaluation expenditures:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	$	$	$	$
Consulting and salaries	-	-	-	2,406
Engineering	-	-	-	782
Permitting and environmental	-	-	-	268
Field supplies and other	-	-	-	14
Depreciation	-	-	-	196
Drilling and geological expenses	-	-	-	98
	-	-	-	3,764

17. TRANSACTIONS COSTS

The following table summarizes the Company's transactions costs:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	$	$	$	$
DOE Loan due diligence costs	1,254	1,454	2,964	1,942
Other financing activities	4,807	-	5,278	-
Separation cost allocation	-	1,012	-	4,652
General Motors investment	-	63	-	2,765
	6,061	2,529	8,242	9,359

DOE Loan costs relate to due diligence costs to advance the loan. Other financing costs include legal and advisory fees related to financing activities, including negotiations to close the GM Investment Agreement. Separation costs are allocations of legal and professional fees from the former parent relating to the planning for, execution and completion of the Separation. General Motors investment includes transaction costs related to the Tranche 2 Investment component of the Transaction (Note 1).

18. FINANCE AND OTHER INCOME

The following table summarizes the Company's finance and other income:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	$	$	$	$
Interest earned on cash deposits	4,955	-	11,230	-
Other	-	(70)	(199)	(18)
	4,955	(70)	11,031	(18)

19. SEGMENTED INFORMATION

The Company operates in one operating segment. Thacker Pass was in the exploration and evaluation phase and was transferred to the development stage effective February 1, 2023. Substantially all the assets and the liabilities of the Company relate to Thacker Pass.

20. SUPPLEMENTAL CASH FLOW INFORMATION

	Nine months ended September 30,	
	2024	2023
	$	$
Interest received on cash deposits	10,806	-
Interest paid	149	136

21. FINANCIAL INSTRUMENTS

Financial instruments recorded at fair value on the Statements of Financial Position and presented in fair value disclosures are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
- Level 3 – Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified in the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. Common shares and preferred shares acquired as part of the GT1 and Ascend Elements investments respectively, and the GM Tranche 2 Agreements derivative are measured at fair value on the Condensed Consolidated Statements of Financial Position on a recurring basis.

Cash and cash equivalents, and receivables, are measured at amortized cost on the Condensed Consolidated Statements of Financial Position. As at September 30, 2024, the fair value of financial instruments measured at amortized cost approximates their carrying value. GT1 shares are classified at level 1 of the fair value hierarchy (see Note 6), the GM Tranche 2 Agreements derivative (Note 10) is classified at level 2 of the fair value hierarchy and Ascend Elements preferred shares are classified at level 3 of the fair value hierarchy (Note 7).

21. FINANCIAL INSTRUMENTS *(continued)*

The Company manages risks to minimize potential losses. The main objective of the Company's risk management process is to ensure that the risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks which the Company's financial instruments are described below.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents and receivables. The Company's maximum exposure to credit risk for cash and receivables is the amount disclosed in the Statements of Financial Position. Exposure to credit loss is limited by placing cash and cash equivalents (including the Tranche 1 Investment proceeds) with two major Canadian banks, invested in US treasury bills and other short-term investments issued by the Canadian government or Canadian chartered banks. Expected credit losses estimated to be de minimis.

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's approach to managing liquidity is to evaluate current and expected liquidity requirements under both normal and stressed conditions to estimate and maintain sufficient reserves of cash and cash equivalents to meet its liquidity requirements in the short and long term. The Company prepares annual budgets, which are regularly monitored and updated as considered necessary. As at September 30, 2024, the Company had cash and cash equivalents of $341,163 to settle current liabilities of $25,154. Current liabilities include the GM Tranche 2 Agreements derivative which were assumed to be settled in shares at September 30, 2024, prior to the closing of the GM Investment Agreement on October 15, 2024, pursuant to which the Tranche 2 Investment was terminated.

The following table summarizes the contractual maturities of the Company's financial liabilities on an undiscounted basis:

	Years ended December 31,				
	2024	**2025**	**2026**	**2027 onwards**	**Total**
	$	**$**	**$**	**$**	**$**
Accounts payable and accrued liabilities	23,703	-	-	-	23,703
Obligations under office leases[1]	321	1,217	829	152	2,519
Obligations under land leases[1]	17	70	73	4,940	5,100
Other obligations[1]	13	3,551	23	-	3,587
Total	24,054	4,838	925	5,092	34,909

1. *Include principal and interest/finance charges.*

Foreign Currency Risk

The Company's functional currency is the USD. The Company is exposed to foreign currency risk on expenditures incurred in Canadian dollars ("CAD") which are primarily for corporate expenditures at the head office in Canada. As at September 30, 2024, the Company held $581 in cash and cash equivalents denominated in CAD. Strengthening/(weakening) of a USD/CAD exchange rate by 10% would have resulted in a foreign exchange (loss)/gain for the Company of $58 at September 30, 2024.

22. SUBSEQUENT EVENTS

On October 15, 2024, the Company and GM entered into the GM Investment Agreement to establish a JV for the purpose of funding, developing, constructing and operating Thacker Pass. The JV Transaction will deliver $625 million of cash and letters of credit from GM to Thacker Pass. Under the terms of the Investment Agreement, GM will acquire a 38% asset-level ownership stake in Thacker Pass. GM's JV Investment is subject to certain conditions precedent, including those related to the DOE Loan. The Company and GM terminated the Tranche 2 Investment Agreement concurrently with the execution of the GM Investment Agreement. GM has agreed to extend its existing Offtake Agreement for up to 100% of production volumes from Phase 1 of Thacker Pass to 20 years to support the expected maturity of the DOE Loan. Upon closing of the JV, GM will also enter into an additional 20-year offtake agreement for up to 38% of Phase 2 production volumes and will retain its existing ROFO on the remaining Phase 2 production volumes.

On October 28, 2024, the Company and the DOE closed the $2.26 billion DOE Loan for financing the construction of processing facilities at Thacker Pass. The Company is required to meet certain conditions precedent in advance of first drawdown of the DOE Loan, including closing the JV Transaction, funding DOE Loan reserve accounts through the GM $195 letter of credit facility, securing additional corporate working capital to fund pre-commissioning general and operating expenses, commissioning costs through production and financing-related fees and expenses and project finance model bring down. The Company is evaluating various financing alternatives to fund corporate working capital prior to first drawdown on the DOE Loan. Financial advisory fees of approximately $7.5 million became payable upon closing of the DOE Loan with an additional amount up to $5 million payable upon the first drawdown of the DOE Loan.