TISDALE CLEAN ENERGY CORP.
(Formerly Tisdale Resources Corp.)

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
For the Six months ended June 30, 2023

The following Management's Discussion and Analysis ("MD&A") for Tisdale Clean Energy Corp. (formerly Tisdale Resources Corp.) ("Tisdale" or the "Company"), prepared as of August 8, 2023, for the six months ended June 30, 2023 should be read in conjunction with the unaudited consolidated interim financial statements and related notes of the Company for the six months ended June 30, 2023 and the audited consolidated financial statements and related notes of the Company for the year ended December 31, 2022. The financial statements have been prepared using accounting principles consistent with International Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). All monetary amounts in this MD&A and in the financial statements are expressed in Canadian dollars unless otherwise stated. Additional information on the Company can be found on SEDAR at **www.sedar.com**. The reader should be aware that historical results are not necessarily indicative of future performance. The consolidated financial statements together with the following MD&A are intended to provide readers with a reasonable basis for assessing the financial performance of the Company.

Forward-Looking Information

Information set forth in this MD&A may involve forward-looking information under applicable securities laws. Forward-looking information is information that relates to future, not past, events. In this context, forward looking information often addresses expected future business and financial performance, and often contains words such as "anticipate", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the future expenditures and capital needs of the Company and the future exploration on, and the development of, the Company's projects are forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors and promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of the Company's common share price and volume and the additional risks identified in the "Risk Factors" section of this MD&A, and other reports and filings with applicable Canadian securities regulations.

Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of commodities; that the Company can access financing, appropriate equipment and sufficient labor and that the political environment will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Forward-looking information is made based on management's beliefs, estimates and opinions on the date that information is given and the Company does not intend to update forward-looking statements or information, except as may be required by applicable law.

Description of Business and Overview

Tisdale is a corporation continued under the laws of the Province of British Columbia with its principal, registered and records office is located at 2200 – 885 West Georgia Street, Vancouver, BC V6C 3E8.

On June 8, 2022, the Company changed its name to Tisdale Clean Energy Corp. After the close of trading on June 1, 2023, the Company's common shares were delisted from the TSX Venture Exchange and, effective at the open of markets on June 2, 2023, the common shares were listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "TCEC". The Company is also listed on the OTCPINK under the symbol "SNRAF", and on the Frankfurt Exchange under the symbol "T1KC".

The Company is in the business of acquiring, exploring and evaluating mineral resource properties, and either joint venturing or exploring and evaluating these properties further or disposing of them when the evaluation is completed. The Company is a development stage company and has produced no revenues to date and is reliant on the issuance of shares to finance continued exploration activities and operations.

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. ("Keefe Lake"). Subject to existing royalty rights, Keefe Lake Projects holds a 100% interest in the Keefe Lake Uranium Project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca Basin, in Northeastern Saskatchewan, Canada. Pursuant to a purchase agreement entered into by the Company, Keefe Lake and its shareholders, Urania Resource Corp. and Doctors Investment Group Ltd., whereby the Company acquired all of the issued and outstanding share capital of Keefe Lake for 152,500 common shares of the Company valued at $2,867,000 or $18.80 per common share issued.

On February 8, 2022, the Company undertook a forward share split in which two additional common shares were issued for every one common share outstanding on that date. Following completion of the forward share split, the Company had approximately 12,249,195 common shares outstanding. The basic and diluted loss per share and weighted average number of common shares in this document have been adjusted to reflect this event.

On March 7, 2022, the Company granted 1,200,000 incentive stock options to certain directors and consultants of the Company. These options are exercisable at a price of $0.20 until March 7, 2027 and vest immediately. On March 18, 2022, the Company issued 200,000 common shares pursuant to the exercise of these share options for gross proceeds of $40,000.

On March 14, 2022, the Company closed its non-brokered private placement of convertible debentures ("Debentures") for gross proceeds of $1,000,000. The Debentures mature on March 14, 2025 and bear interest at a rate of 12% per annum payable on maturity. Each debenture is convertible into units ("Conversion units") of the Company at the option of the holder at a rate of one Conversion unit for every $0.25 of outstanding indebtedness. Each Conversion unit consists of one common share of the Company and one common share purchase warrant exercisable at a price of $0.25 until March 14, 2025.

On March 23, 2022, the Company announced changes to the Board of Directors. In connection with these changes, the Company granted 200,000 incentive stock options to incoming directors of the Company. These options are exercisable at a price of $0.335 until March 23, 2027, with one half of the options vesting immediately and the balance vesting on September 23, 2022.

On January 3, 2023, the TSXV gave conditional acceptance for an option agreement entered into on October 19, 2022 in which the Company was granted the right to acquire up to a 75% interest in the South Falcon East uranium property ("the Property"). Initially, the Company can acquire a 51% interest in the Property by completing a series of payments and incurring exploration expenditures over a period of three years. On January 23, 2023, the Company made a cash payment of $350,000 and issued 1,111,111 common shares.

On March 13, 2023, the Company completed a private placement of 2,507,500 equity units at $0.40 per unit for gross proceeds of $1,003,000. Each unit consists of one common share and one half of one share purchase warrant. Each whole share purchase warrant will be exercisable at a price of $0.75 until March 13, 2026, subject to accelerated expiry in the event the closing price of the common shares of the Company exceeds $1.25 for five consecutive trading days. In connection with the offering, the Company paid finders fees of $24,360 and issued 60,900 finders warrants.

Exploration and Evaluation Projects

Ownership of mineral property interests may involve certain risks due to difficulties in determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyancing history characteristic of some mineral properties. The Company has investigated ownership of the mineral properties in which it has an interest and, to the best of its knowledge, all properties are in good standing.

Keefe Lake and South Falcon East Projects, Northern Saskatchewan

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. Subject to existing royalty rights, Keefe Lake Projects holds a 100% interest in the Keefe Lake Uranium Project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca Basin, in Northeastern Saskatchewan, Canada. The project is on trend with the McArthur River, Cigar Lake and Key Lake mines, three of the largest and richest uranium mines in the world. The Keefe Lake exploration model is a shallow basement or sandstone-hosted uranium deposit, with average basement depths of only 170 meters. Since 2012, the project has been subject to over $4,000,000 in exploration expenditures, including airborne geophysics, 2-D seismic and diamond drilling.

The South Falcon East Project is a uranium exploration project that consists of a series of mineral claims totaling 12,770 hectares, located 18 kilometers outside the Athabasca Basin in Northern Saskatchewan.

The Company intends to use proceeds from the financing completed in 2023 to continue its exploration at the Keefe Lake Project and to commence exploration at South Falcon East.

Selected Annual Information

The following financial data are selected information for the Company for the three most recently completed financial years:

	December 31, 2022	December 31, 2021	December 31, 2020
	$	$	$
Current assets	1,335,145	739,108	1,731
Total assets	1,436,956	839,219	1,731
Current liabilities	23,283	39,760	375,230
Total non-current financial liabilities	900,362	Nil	Nil
Total revenue	Nil	Nil	Nil
Net loss	(879,595)	(146,568)	(171,478)
Net loss per share, basic and diluted	(0.07)	(0.02)	(0.05)
Weighted average number of common shares outstanding	12,407,003	8,055,607	3,334,497

Summary of Quarterly Results

The following selected financial data is derived from the financial statements of the Company prepared within acceptable limits of materiality and is in accordance with International Financial Reporting Standards.

	3 Months ended Jun 30, 2023 $	3 Months ended Mar 31, 2023 $	3 Months ended Dec 31, 2022 $	3 Months ended Sep 30, 2022 $	3 Months ended Jun 30, 2022 $	3 Months ended Mar 31, 2022 $	3 Months ended Dec 31, 2021 $	3 Months ended Sep 30, 2021 $
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	243,156	217,575	41,492	218,678	166,738	452,687	37,202	36,639
Net loss per share, basic and diluted	0.015	0.015	0.00	0.02	0.01	0.04	0.00	0.00
Total assets	2,644,592	2,786,564	1,436,956	1,513,209	1,700,445	1,755,346	839,219	843,513
Total liabilities	1,090,817	989,632	923,645	1,106,586	1,110,773	1,042,632	39,760	6,851
Total shareholders' equity	1,553,775	1,796,932	513,311	406,623	589,672	712,714	799,459	836,662

Results of Operations

Three months ended June 30, 2023

During the three months ended June 30, 2023, the Company recorded a net and comprehensive loss of $243,156 ($0.01 per share) compared with a loss of $166,737 ($0.01 per share) in the same period of 2022.

Significant items in the three months ended June 30, 2023 include:

- Consulting fees of $Nil (2022 - $30,000);
- Corporate communication fees of $123,716 (2022 - $Nil);
- Professional fees related to ongoing operations and financing activities of $35,757 (2022 - $33,033);
- Interest and accretion on the convertible debentures of $50,498 (2022 - $62,816);
- Management fees paid to directors and officers $19,200 (2022 - $19,200);
- Filing and transfer agent fees related to ongoing operations of $26,799 (2022 - $20,447); and
- Interest income on the short term investment of $14,466 (2022 - $Nil).

Six months ended June 30, 2023

During the six months ended June 30, 2023, the Company recorded a net and comprehensive loss of $460,732 ($0.03 per share) compared with a loss of $619,425 ($0.05 per share) in the same period of 2022.

Significant items in the six months ended June 30, 2023 include:

- Consulting fees of $50,000 (2022 - $56,117);
- Corporate communication fees of $145,962 (2022 - $Nil);
- Filing and transfer agent fees of $75,923 (2022 - $71,471).
- Professional fees related to ongoing operations and financing activities of $64,241 (2022 - $67,147);
- Interest and accretion on the convertible debentures of $97,432 (2022 - $62,816);
- Management fees paid to directors and officers $38,400 (2022 - $33,400);
- Share-based compensation expense of $Nil (2022 - $325,942) related to the value of share options granted in March 2022; and
- Interest income on the short term investment of $14,466 (2022 - $Nil).

Liquidity and Capital Resources

As of June 30, 2023, the Company had current assets of $1,695,172, including cash of $166,087and short term investment of $1,500,000, and had current liabilities of $93,023 resulting in working capital of $1,602,149.

During the six months ended June 30, 2023, operating activities used cash of $279,832 (2022 - $238,771).

In the six months ended June 30, 2023, the Company spent $392,053 cash on acquisition and exploration activities including the acquisition of the South Falcon East property (2022 – recovery of $1,300) and invested excess cash in a GIC of $1,500,000 (2022 - $Nil).

The Company's financing activities in the six months ended June 30, 2023 included the exercise of share purchase warrants and a private placement, as described above in Overview, which raised $1,045,640 in cash (2022 - $1,040,000 from convertible debentures and stock options).

The Company is a development stage company with no revenue producing properties and, consequently, does not generate operating income or cash flow. The Company has incurred losses since its inception. The Company has relied upon the issuance of equity capital to provide working capital to fund the Company's operations.

Off Balance Sheet Transactions

The Company has no off-balance sheet transactions.

Share Capital

The Company's issued and outstanding share capital as at the date of this report is as follows:

	Authorized	Outstanding
Voting or equity securities issue and outstanding	Unlimited common shares	16,467,806 common shares
Securities convertible or exercisable into voting or equity securities: - warrants exercisable at $0.18 - warrants exercisable at $0.20 - warrants exercisable at $0.75		 6,223,181 2,220,000 1,314,650
Securities convertible or exercisable into voting or equity securities: - stock options exercisable at $0.20 - stock options exercisable at $0.34		 1,000,000 200,000
Securities convertible or exercisable into voting or equity securities: - debentures convertible into units at 1 unit for every $0.25 of indebtedness. Each unit consists of 1 common share and 1 share purchase warrant exercisable at $0.25		$1,000,000

Related Party Transactions

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

Key management personnel comprise the Company's Board of Directors and executive officers.

During the six months ended June 30, 2023 and 2022, no remuneration was paid to key management personnel other than as noted below:

	2023	2022
Management fees	$ 38,400	$ 33,400
Geological consulting fees	2,400	2,400
Share-based compensation	-	153,350
Total	**$ 40,800**	**$ 189,150**

Convertible Debentures

On March 14, 2022, the Company closed its non-brokered private placement of convertible debentures ("Debentures") for gross proceeds of $1,000,000. The Debentures mature on March 14, 2025 and bear interest at a rate of 12% per annum payable on maturity. Each debenture is convertible into units ("Conversion units") of the Company at the option of the holder at a rate of one Conversion unit for every $0.25 of outstanding indebtedness. Each Conversion unit consists of one common share of the Company and one common share purchase warrant exercisable at a price of $0.25 until March 14, 2025.

Using a risk adjusted discount rate of 25%, the equity portion was determined to include an effective interest rate of 21% for a total of $229,105. The deferred income tax liability on initial recognition was determined to be $61,858 and the net amount of $167,247 was recognized as the equity portion of convertible debentures.

A summary of the convertible debentures for the six months ended June 30, 2023 and the year ended December 31, 2022 is as follows:

	Liability Component	Equity Component
Balance, December 31, 2021	$ -	$ -
Proceeds received	770,895	229,105
Deferred income tax liability	-	(61,858)
Accretion and interest	129,467	-
Balance, December 31, 2022	900,362	167,247
Accretion and interest	97,432	-
Balance at June 30, 2023	$ 997,794	$ 167,247

Financial Instruments

As at June 30, 2023, the Company's financial instruments consist of cash, short term investment, convertible debentures and trade and other payables.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As at June 30, 2023, cash is assessed to be a Level 1 instrument.

In management's opinion, the Company's carrying values of cash, short term investment and trade and other payables approximate their fair values due to the immediate or short-term maturity of these instruments. The convertible debentures are classified as other financial liabilities, which are measured at amortized cost.

The Company's financial instruments are exposed to the following risks:

Credit Risk

Currently the Company does not have any material exposure to credit risk. As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet trade and other payables requirements. The ability to do this relies on the Company maintaining sufficient cash on hand through debt or equity financing. Liquidity risk is assessed as low.

Price Risk

The Company is not exposed to price risk.

Currency Risk

As at June 30, 2023, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As a result, the Company does not believe it is exposed to any significant currency risk.

Interest Rate Risk

The Company is exposed to interest rate risk arising from the cash maintained at Canadian financial institutions and lawyers' trust accounts. The interest rate risk on cash is not considered significant due to its short-term nature and maturity.

Capital Management

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its capital to be the accounts within shareholders' deficiency. The Company's policy is to maintain sufficient cash balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements. There have been no changes in the Company's approach to capital management during the six months ended June 30, 2023.

Critical Accounting Estimates

The preparation of audited consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the consolidated financial statements. The Company constantly evaluates these estimates and assumptions.

The Company bases its estimates and assumptions on past experience and other factors that are deemed reasonable under the circumstances. This involves varying degrees of judgment and uncertainty, thus the amounts currently reported in the consolidated interim financial statements could prove to be inaccurate in the future.

New Accounting Standards

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any new standards that have been issued would have no or very minimal impact on the Company's consolidated interim financial statements.

Risk Factors

The exploration of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not overcome. Certain of the more immediate factors are discussed as follows:

Exploration, evaluation and development

Mineral exploration, evaluation and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and evaluation activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that presently identified mineralization can be mined at a profit. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved.

The commercial viability of mineral deposits is also dependent upon a number of factors, some of which are beyond the Company's control such as commodity prices, exchange rates, government policies and regulations and environmental protection.

Financing

The Company does not currently have any operations generating cash to fund projected levels of exploration and evaluation activity and associated overhead costs. The Company is therefore dependent upon debt and equity financing to carry out its exploration and evaluation plans. There can be no assurance that such financing will be available to the Company. In the future, the Company will require additional funding to maintain its mineral properties in good standing. The lack of additional financing could result in delay or indefinite postponement of further exploration and possible partial or total loss of the Company's interest in its exploration and evaluation assets.

Commodity price volatility

The market prices for commodities are volatile. The Company does not have any control over such prices or volatility. There is no assurance that if commercial quantities of mineralization are discovered, a profitable market will exist for a production decision to be made or for the ultimate sale of production at a profit. As the Company is currently not in production, no sensitivity analysis for price changes has been provided.

Changes in Internal Controls over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the six months ended June 30, 2023, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Approval

The Board of Directors of Tisdale Resources Corp. has approved the disclosure contained in this MD&A as of August 8, 2023.