



**METALO MANUFACTURING INC.
INTERIM MD&A - QUARTERLY HIGHLIGHTS
FOR THE THIRD QUARTER ENDED MARCH 31, 2022**

METALO MANUFACTURING INC. is a publicly listed corporation, trading on the Canadian Securities Exchange (the “CSE”), with a ticker symbol “**MMI**”, headquartered in Toronto, Ontario, Canada.

The following is a discussion of the unaudited interim consolidated financial condition and results of operations of Metalo Manufacturing Inc. (the “**Corporation**”) for the third quarter ended March 31, 2022. This interim discussion and analysis should be read in conjunction with the Corporation’s quarterly unaudited consolidated interim financial statements for the quarter ended March 31, 2022, and the annual audited consolidated financial statements and the annual MD&A for the year ended June 30, 2021.

The Corporation’s principal asset is a 43.92% shareholding in Grand River Ironsands Incorporated (“**GRI**”), a private company incorporated in Nova Scotia. GRI owns 90% of Labrador Sands Inc. (previously North Atlantic Iron Corporation) (“**LSI**”), a private corporation incorporated in Newfoundland and Labrador that is involved in the exploration and development of a mineral sands project near Happy Valley-Goose Bay, NL, Canada. GRI also owns 100% of Pure Fonte Ltée (“**PFL**”), a Federal corporation based in Québec established to construct an iron smelting plant to produce a green pig iron.

The unaudited interim consolidated financial statements are presented in Canadian dollars and have been prepared in compliance with International Financial Reporting Standards (“**IFRS**”), as issued by the IASB, and the Interpretations of the International Financial Reporting Interpretations Committee (“**IFRIC**”). These accounting policies are based on the IFRS standards and IFRIC interpretations that are applicable at March 31, 2022.

Additional information about the Corporation can be found on SEDAR at www.sedar.com and on the Canadian Securities Exchange at www.cse.ca

This MD&A is dated as of May 18, 2022, and contains discussion of material events up to and including that date.

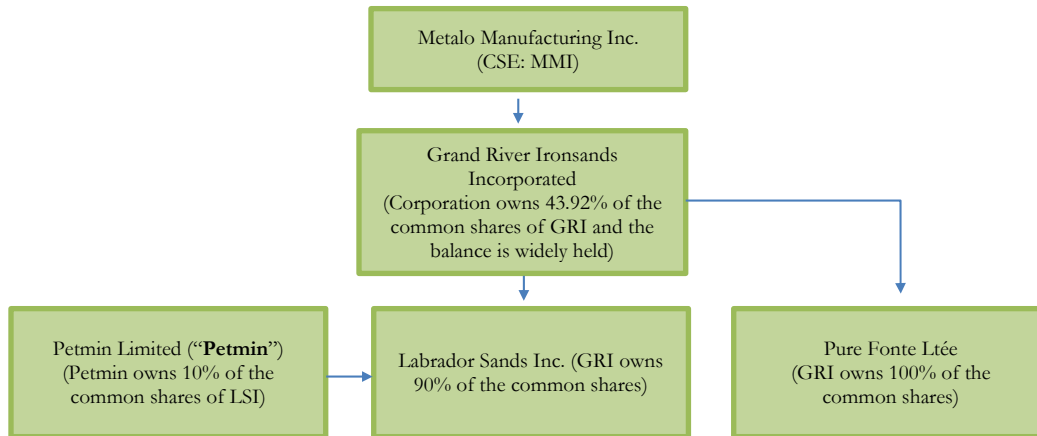
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The following discussion and analysis contain forward-looking statements which reflect management’s expectations regarding the Corporation’s future growth, results of operations, performance, and business prospects and opportunities. Although the forward-looking statements reflect management’s current assumptions based upon information currently available to management and based upon what management believes to be reasonable assumptions, the Corporation cannot be certain that actual results will be consistent with these forward-looking statements. Forward-looking statements involve significant known and unknown risks, assumptions and uncertainties that may cause the Corporation’s actual results, performance, prospects, and opportunities in future periods to differ materially from those expressed or implied by such forward looking statements. These risks and uncertainties include, among other things, market demand, commodity pricing, regulatory matters, currency risks, liability claims, integration of new operations, financing risks, and interest rate risks. Although the Corporation has attempted to identify important risks and factors that could cause actual results to differ materially from those described in the forward-looking statements, there may be other factors and risks that may cause results not to be as anticipated, estimated or intended.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results may differ materially from those anticipated in such statements. Certain factors that may impact operations are also discussed. Such comments will be affected by, and may involve, known and unknown risks and uncertainties that may cause the actual results of the Corporation to be materially different from those expressed or implied. Accordingly, readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date of this MD&A and, except as required by law, the Corporation assumes no obligation to update or revise them to reflect new events or circumstances.

CORPORATE OVERVIEW

The following chart displays the corporate structure and ownership structure post restructuring.



The two advanced projects controlled by GRI have a consistent corporate focus remaining on maximizing the reduction of CO₂ emissions and being a leader in climate change solutions.

1. PFL – the cast iron/steel plant for Québec:
 - The focus of the technology remains being they lowest emitter of CO₂ per tonne of pig iron globally. The plant design allows expansion to increase in size from 425,000 tonnes per annum to 800,000 tpa. Additionally, the plant is hydrogen-ready, allowing the plant to be converted to making a green pig iron or a green steel while keeping the same basic layout intact. “Green” is defined as eliminating approximately 95% of CO₂ emissions.
 - Off-take interest remains strong.
2. LSI – the mineral sands in Labrador:
 - Using the mineral sands of Labrador to produce products that Canada imports nearly 100% annually (\$4B). The value for the sands is not simply exporting minerals, however, using the proven grades of the minerals to make defined products. LSI will mine and sell the sands to joint ventures with established/known operators in the targeted areas of interest.
 - These products will be made with near zero CO₂ emissions and will be globally significant. Producing glass and ceramic products with near-zero CO₂ will deliver a significant cost savings by avoiding paying CO₂ taxes. A globally unique production scenario to achieve a low-cost solution is being presented to potential JV partners. Currently three “sperate product” JV discussions are underway including one in later stages to make a ceramic product in a \$90M plant employing over 200 people. LSI will sell the sands to the JV, while its parent firm will be a stakeholder in the plant.
 - LSI will mine precisely the volume of sands to feed two production plants that LSI will supply/sell the raw materials. The estimated 100,000-200,000 tonnes of minerals will be mined and processed at a site near the port in Happy Valley-Goose Bay, NL prior to being shipped to a market in a nearby Canadian Province. It is expected the resource extraction will come be from a 2–3-acre parcel of land in size annually.
 - The goal for a glassmaking and ceramic production plant will be based on using all-electric melters/kilns/furnaces to make products with near zero CO₂ emissions.
 - Glassmaking – Discussions have initiated with potential joint ventures for uses of the silica quartz including glass containers and silicon carbide. LSI has secured an all-electric solution with an established European glass melting technology provider.
 - Canada imports almost all its glass and ceramic products from USA, China, Mexico, etc.

Positive discussions for the capital required for both projects continue. By eliminating or significantly reducing CO₂, the range of financing interest has broadened considerably. Additionally, off-take dialogue with traders remains encouraging.

OVERVIEW OF LSI

Mineral claim deposits are licenses held by LSI with the Province of Newfoundland and Labrador with renewals for a five-year time frame completed. LSI's mineral claims are in central Labrador immediately to the west and to the north side of the Churchill River. The claims extend west of Muskrat Falls along the lower Churchill River to the Hamilton Inlet. At the date of the MD&A, the property comprises 181 claims in 3 claim blocks with a total area of approximately 23 square kilometres. LSI is also revisiting areas where previous work was completed for economic viability.

LSI has undertaken a major review of all claims with a view to only maintain those claims that are critical to the mining operation and to reduce carrying costs and future work commitments. As at the date of the MD&A, the Corporation has injected the prescribed amount of exploration expenditures into the remaining mineral claims. Discussions with the Province and its related entities continue regarding areas in each claim that will be removed due to a transmission line and other structures established after LSI opened its mineral claims. LSI maintains more than \$20 million has been invested directly and indirectly for the development efforts related to the lands and the related uses for the minerals.

LSI Mineral Claims

Claim Number	# of claims	Issued	Status	Renewal Date	Report Date	NTS Map
017907M	23	2010-08-23	Active	2025-08-25	2021-10-22	13F07
017911M	44	2010-08-23	Active	2025-08-25	2021-10-22	13F02,13F07
018325M	114	2011-01-06	Active	2026-01-06	2021-03-08	13F02,13F03

Historical

On June 17, 2014, the Corporation filed on SEDAR NI 43-101 highlighting resource estimates from three major mineral blocks contained within the Corporation's Labrador mineral claims, together with extensive mineral analysis, processing tests, smelting, and melt tests conducted over the last 12-24 months. The NI 43-101 was prepared by SRK Consulting (Canada) Inc. Please refer to the NI 43-101 document for detailed resource estimates, detailed mineral analysis, and detailed results from the smelting and melt tests conducted by the Corporation.

In 2015, LSI began pursuing the evaluation of accessory minerals associated with the Labrador mineral sands properties. These minerals primarily include garnet, zircon, feldspars, and silica sands. In 2017, LSI made the decision to abandon further evaluation of the iron interests with the objective to pursue the accessory minerals only. The primary minerals of interest are feldspars 45-50% of head feed and silica quartz at 18-22% of head feed. The minerals have value for many requirements including ceramics, glass making, fiberglass, silicon carbide, foundry product, etc. LSI expects to commission a market feasibility study in the near term to further understand the development potential associated with the accessory minerals in the properties.

In determining the recoverable amount of the resource properties, LSI has made estimates regarding the quantity of accessory minerals to be extracted, the accessory mineral prices expected to be in place at the time of extraction, the direct costs associated with mining these minerals and total project capital expenditures. Based on this analysis, LSI believes the carrying amount to be recoverable. Given the uncertainty associated with each of the above assumptions, it is reasonably possible that outcomes which differ from these assumptions could require material adjustment to the carrying amount of the resource properties in the future.

LSI plans to revisit the viability of the mineral sands from an economic, market, permitting and economic development opportunity for the community and Province of Newfoundland and Labrador. Other considerations will include access to required electricity and labour as well as the future direction for the port in the local area to accommodate increased traffic. Equally important will be the support of the Innu First Nations and other aboriginal communities and residents.

OVERVIEW OF PFL

GRI has invested substantial funds (more than an estimated C\$30 million for the iron making solution) in measures to solve and prove the economic viability and to develop a bankable feasibility study (the "BFS") related to the planned construction of the iron/steel smelter. This included site selection, preliminary environmental assessment and permitting, process design and engineering and logistics. Approximately \$2.9 million was capitalized through PFL as project development costs with an additional \$3 million in other development expenditures related to a Québec location.

PFL continues to advance its efforts to develop the iron making smelter. This plant will be a specialized producer in North America of pig iron product with the lowest CO₂ emissions globally and has been designed to provide a new standard for environmental emissions and stewardship. As well, it will be strategically located to provide competitive advantage in both access to raw materials as well as access to markets in North America and Europe.

The BFS was independently completed for the US\$408 million (US\$475M Covid adjusted pricing) pig iron manufacturing plant for a Québec site, subject to cost adjustments since 2018. The environmental assessment work in Québec, at PFL's choice, was placed on hold in 2019 until greater visibility on precise product mix for the market. PFL is currently working to update its models (financial and technical) for its assessment to replacing natural gas with hydrogen to make a green final product.

The key goals for the initial iron smelting initiative for the next several months will be to; (i) complete the permitting process; (ii) update the BFS for the chosen site; (iii) review the project economics and complete and publish an economic assessment; (iv) assess the interest of strategic partners for partnering, off-take and other possible business arrangements; and (v) initiate a capital raise campaign and other corporate related requirements with all partners to the project.

As with LSI and PFL, the Corporation will provide pertinent information through media releases and/or "Form 7A" filed monthly with the Canadian Securities Exchange (CSE) – www.cse.com entering the stock symbol the Corporation.

FINANCIAL SUMMARY

The condensed consolidated financial statements for the six-month period ended March 31, 2022, include all the accounts of the Corporation, GRI, LSI, PFL and Forks Specialty Metals Inc. ("FSM") (refer to legal proceedings below as regards FSM).

The following discussion addresses the operating results and financial condition of the Corporation for the quarter ended March 31, 2022. This management discussion and analysis is qualified in its entirety by reference to and should be read in conjunction with the Corporation's audited consolidated financial statements for the year ended June 30, 2021, and the related notes thereto, as well as reference to the forward-looking statements within this report. All results in this report are presented in Canadian dollars, unless otherwise indicated.

HIGHLIGHTS

The following is a summary of the major financial highlights for the three-month period ended March 31, 2022 (including subsequent events).

- On August 2, 2021, the Corporation issued 163,342 common shares to a related party, Forest Land Holdings Limited ("FLH"). This represents interest due on August 1, 2021 in the aggregate amount of \$25,000 on a convertible debenture and was made at a deemed price of \$0.1531 per share, which is the volume-weighted trading price for 20 trading days ended July 12, 2021. The securities are subject to a four-month hold period following the date of issuance.
- On October 1, 2021, LSI received from a related party a one-year term loan of \$30,000 bearing interest at 10% per annum, with interest accruing monthly.
- On October 28, 2021, GRI received from an unrelated party a one-year term loan of \$100,000 bearing interest at 8% per annum, with interest payable monthly. In addition, warrants to purchase 50,000 common shares of GRI were granted at an exercise price of \$2.00 per share with an expiry date of October 28, 2023.
- On November 2, 2021, the Corporation issued 57,508 common shares to FLH. This represents interest due November 1, 2021, in the aggregate amount of \$25,000 on a convertible debenture and was made at a deemed price of \$0.437 per share, which is the volume-weighted trading price for the 20 trading days ended October 8, 2021. The securities are subject to a four-month hold period following the date of issuance.
- On November 2, 2021, the Corporation completed a non-brokered private placement of a convertible debenture for proceeds of up to \$400,000, \$300,000 of which was advanced with an unrelated party. The convertible debenture bears interest at a rate of 12% per annum and matures on November 1, 2022. In addition, warrants to purchase 40,000 common shares of the Issuer were granted at an exercise price of \$0.55 per share with an expiry date of November 2, 2023.
- On February 2, 2022, the Corporation issued 120,316 common shares to FLH. This represents interest due February 1, 2022 in the aggregate amount of \$25,000 on the Amended Debenture and was made at a deemed price of \$0.2078 per share, which is the volume-weighted trading price for 20 trading days ended January 8, 2022. The securities are subject to a four-month hold period following the date of issuance.

Financial and operational results

NON-GAAP Financial Measures

There are measures included in this MD&A that do not have a standardized meaning under GAAP and therefore may not be comparable to similarly titled measures presented by other publicly traded companies. The Corporation includes these measures because it believes certain investors use these measures as a means of assessing financial performance. Management believes that the measure 'Loss before the undernoted' is an important indicator of the Corporation's ability to generate liquidity through operating cash flow to fund future working capital requirements, service outstanding debt, and fund future capital expenditures and uses this measure for that purpose. In addition, the Corporation's management reporting system evaluates performance based on several factors; however, the primary profitability measure is the earnings from operations before depreciation, amortization, net financing income or expense and income taxes ("EBITDA").

Management adjusts measures to provide investors and analysts with a more comparable year-over-year performance measure than the basic measure, by excluding certain items. These items could impact the analysis of trends in performance and affect the comparability of our financial results. By excluding these items, management is not implying they are non-recurring.

Selected Consolidated Operating Results				
	Three Months		Nine Months	
	March 31-22	March 31-21	March 31-22	March 31-21
	\$'s	\$'s	\$'s	\$'s
Revenue	-	-	-	-
Expenses				
Utilities	1,050	946,411	4,063	6,316
Dues and fees	2,829	4,641	23,641	25,985
Feasibility study	-	-	-	6,270
Foreign exchange losses	(1,398)	(2,359)	1,853	(11,304)
General and administrative	881	1,793	8,123	6,334
Management and consulting fees	53,400	52,350	165,400	201,050
Professional fees	17,250	48,356	42,098	90,111
Rental	960	976	2,880	2,836
Travel	1,992	1,165	4,318	21,266
Salaries and wages	30,202	27,166	85,238	90,592
Consolidated operating loss before under noted	(107,166)	(134,679)	(337,614)	(439,456)
Amortization	(955)	(955)	(2,864)	(2,864)
Interest including accretion	(234,313)	(220,547)	(724,999)	(657,094)
Government assistance benefit (Note 7)	-	14,631	-	47,799
Gain (loss) on investments	-	(400)	(161)	(1,120)
Gain on modification of debt	-	-	27,500	-
Net Income	(342,434)	(384,102)	(1,038,138)	(1,052,735)
Non-controlling interest	(92,785)	(182,563)	(313,439)	(517,980)
Comprehensive income (loss) attributable to MMI	(249,650)	(201,539)	(724,700)	(534,755)
Income (Loss) per share	(0.013)	(0.011)	(0.037)	(0.028)
Avg. Weighted Shares O/S	19,603,262	18,898,001	19,603,262	18,898,001

For the three-month period ended March 31, 2022, the consolidated operating loss before interest, amortization, and other unusual items was (\$107,166) compared to a loss of (\$134,679) for the prior year. For the three-month period ended March 31, 2022, the comprehensive loss attributed to the Corporation's shareholders was (\$249,650) and (\$0.013 per share) compared to a loss of (\$201,539) and (\$0.011 per share) for the prior year.

Additional explanations

Revenue

The Corporation does not expect any revenues in the immediate future from its principal line of business, its indirect interests in the production of cast iron or sales of mineral sands.

Interest and accretion expense

For the three-month period ended March 31, 2022, the Corporation had an interest and accretion expense of \$234,313 compared to an interest and accretion expenses of \$220,547 in 2021.

Selected Quarterly Financial Data

The following table reports the operating results for the last eight quarters.

Selected Quarterly Financial Data								
	31-Mar 2022	31-Dec 2021	30-Sep 2021	30-Jun 2021	31-Mar 2021	31-Dec 2020	30-Sep 2020	30-Jun 2020
Expenses								
Utilities	1,050	1,996	1,017	360	91	4,008	2,217	2,947
Dues and fees	2,829	17,228	3,584	3,650	4,641	14,483	6,861	8,236
Feasibility study	-	-	-	-	-	-	6,270	-
Foreign exchange losses	(1,398)	80	3,171	(2,005)	(2,359)	(5,345)	(3,600)	(6,742)
General and administrative	881	6,502	739	1,578	1,793	2,966	1,575	(4,169)
Management fees	53,400	59,250	52,750	34,400	52,350	106,200	42,500	(116,043)
Professional fees	17,250	6,461	18,387	24,451	48,356	18,784	22,971	28,575
Rental	960	960	960	960	976	936	924	982
Travel	1,992	1,041	1,285	1,133	1,665	6,993	12,608	(2,358)
Salaries and wages	30,202	27,880	27,156	24,683	27,166	27,807	35,619	16,033
Operating (loss) income before under noted	(107,166)	(121,399)	(109,049)	(89,210)	(134,679)	(176,832)	(127,945)	72,539
Amortization	(955)	(954)	(955)	(955)	(955)	(954)	(955)	(955)
Interest expense including accretion	(234,313)	(240,973)	(249,713)	(276,204)	(224,758)	(220,547)	(211,797)	(319,576)
Government assistance benefit	-	-	-	(263)	33,168	14,631	-	12,122
Gain on modification of debt instruments	-	27,500	-	60,464	-	-	-	-
Gain (loss) on investments	-	-	(161)	(1,668)	80	(400)	(800)	320
Consolidated Income (Loss)	(342,434)	(355,826)	(359,878)	(307,836)	(327,144)	(384,102)	(341,497)	(235,550)
Non-controlling interest	(92,785)	(109,894)	(110,850)	(159,428)	(162,443)	(185,534)	(173,071)	(143,489)
Comprehensive Income (Loss)	(249,649)	(226,022)	(249,028)	(148,408)	(164,701)	(198,568)	(168,426)	(92,061)
Income (Loss) per share	(\$0.013)	(\$0.012)	(\$0.013)	(\$0.008)	(\$0.009)	(\$0.011)	(\$0.009)	(\$0.003)
Avg. Weighted Shares O/S	19,603,262	19,513,396	19,416,561	19,043,155	18,898,001	18,884,457	18,705,226	1,834,944

Segmented Information

The Corporation's Board of Directors monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. However, the Corporation's income taxes are monitored on a consolidated level and are not allocated to operating segments. The segments are managed on a worldwide basis, but operate in one principal geographical area, namely, Canada. Segment assets are based on the geographical location of the assets.

	Corporate		Labrador Sands		Pure Fonte		Total	
	31/Mar/22	31/Mar/21	31/Mar/22	31/Mar/21	31/Mar/22	31/Mar/21	31/Mar/22	31/Mar/21
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue - intersegment	-	-	-	-	-	-	-	-
Operating expenses	(253,493)	(329,476)	(62,021)	(57,318)	(22,100)	(52,662)	(337,614)	(439,456)
Depreciation and Amortization	(798)	(798)	(2,066)	(2,066)	-	-	(2,864)	(2,864)
Interest and bank charges	(582,618)	(534,455)	(15,886)	(8,036)	(28,459)	(19,158)	(626,963)	(561,649)
Interest accretion	(64,960)	(39,403)	(27,003)	(15,437)	(6,073)	(40,605)	(98,036)	(95,445)
Government assistance benefit	-	-	-	-	-	-	-	47,799
Gain on modification of debt	27,500	-	-	-	-	-	27,500	-
Realized gain (loss) on investments	(161)	-	-	-	-	-	(161)	-
Unrealized gain on investments	-	(1,120)	-	-	-	-	-	(1,120)
	(874,530)	(865,849)	(106,977)	(82,857)	(56,632)	(112,425)	(1,038,138)	(1,052,735)
Segment income (loss) before taxes	(874,530)	(865,849)	(106,977)	(82,857)	(56,632)	(112,425)	(1,038,138)	(1,052,735)
Total assets	54,510	55,852	7,716	45,226	1,463,494	1,524,983	1,525,720	1,626,061
Total liabilities	10,960,924	9,865,785	577,622	615,743	870,156	791,946	12,408,702	11,273,474

	31/Mar/22	31/Mar/21
	\$	\$
Canada	1,525,720	1,626,061
United States of America	-	-
Total assets	1,525,720	1,626,061

Selected Consolidated Financial Information

Selected items from the Consolidated Balance Sheet the prior three fiscal years.

Selected Consolidated Balance Sheet Items			
	Year to Date March 31, 2022	Year End June 30, 2021	Year End June 30, 2020 Adjusted
	\$'s	\$'s	\$'s
Cash	50,837	47,705	325,513
Other receivables	5,058	4,842	9,297
Investment and loan receivable	-	806	2,800
Resource Properties	-	-	-
Project development costs	1,462,322	1,462,322	1,462,322
Property and equipment	7,504	10,368	14,187
Accounts Payable	(919,677)	(961,822)	(860,835)
Short Term Loans	(7,062,348)	(6,812,819)	(8,692,604)
Long term debt	(4,426,677)	(3,671,246)	(1,001,993)
Shareholders' deficiency	(4,468,333)	(3,818,634)	(3,313,700)
Shareholders' deficiency associated with Non controlling interests	(6,414,649)	(6,101,210)	(5,427,613)

Account and Other Receivables

During the year ended June 30, 2021, the Corporation voluntarily changed its accounting policy regarding exploration and evaluation expenditures. The new accounting policy indicates that all such expenditures will be recognized as incurred in the consolidated statement of loss and comprehensive loss. The Corporation has determined that this voluntary change in accounting policy will provide more relevant consolidated financial statements while bringing the Company in line with its peers with a similar accounting approach. The change in accounting policy was applied retrospectively and the comparable information was adjusted for all periods presented, as if the policy had always been in place.

This principally consists of HST receivable.

Resource Properties

LSI's exploration properties are in the Happy Valley-Goose Bay region of Newfoundland and Labrador. At the date of the MD&A the property comprises 181 claims in 3 claim blocks with a total area of approximately 23 square kilometres.

Project development costs

This represents engineering and consulting costs associated with the preparation of the BFS, site selection and permitting for the proposed pig iron facility.

	31/Mar/22	31/Mar/21
	\$	\$
Balance, beginning and end of year	1,462,322	1,462,322

Property and Equipment

Description	Cost			Accumulated Depreciation			Net Book	Net Book
	Balance	Balance	Balance	Balance	Balance	Value	Value	
	30-Jun-21	Additions	31-Mar-22	30-Jun-21	Depreciation	31-Mar-22	30-Jun-21	31-Mar-22
Computer hardware	3,250	-	3,250	2,018	580	2,598	1,232	652
Industrial Equipment	18,751	-	18,751	9,752	2,249	12,001	8,999	6,750
Office furniture and equipment	282	-	282	145	35	180	137	102
	22,283	-	22,283	11,915	2,865	14,780	10,368	7,504

Accounts Payable

The accounts payable balance at March 31, 2022 was \$919,677 (2021- \$961,822)

Short Term Loans (refer to Note 6 of the consolidated financial statements)

On July 5, 2018, an unsecured loan in the amount of \$621,000 was provided to PFL by a non-related party. The loan bears interest at a rate of 5% per annum and matures four years from the date of receipt. The interest shall accrue and will be capitalized to the end of term. The principal and accumulated interest can be converted into shares at the option of the holder discounted by 25%. The loan can be paid in advance, however, is subject to a 20% penalty. Including accrued interest, the balance outstanding at March 31, 2022 totalled \$748,046.

On September 29, 2016, GRI borrowed \$250,000 from a related party with interest at 6% per annum, accruing monthly. GRI also issued 50,000 common share purchase warrants at an exercise price of \$0.01 per share. The loan extended a line of credit facility bearing interest at 6% per annum, accruing monthly, to GRI in the amount of \$2,105,000. The loan and line of credit have been combined into a demand note,

with no fixed terms of repayment, for \$2,355,000 with interest at 6% per annum accruing monthly. The original loan amount was increased by an additional \$14,000 on March 14, 2019, bringing the total loan amount to \$2,369,000. The warrant expiry date was December 31, 2022. Including accrued interest, the balance outstanding at March 31, 2022 totaled \$3,208,636.

On May 1, 2015, the Corporation completed a non-brokered private placement of an unsecured convertible debenture for proceeds of \$2,000,000 with FLH. The maturity date of the debenture was August 1, 2021 and bears interest at a rate of 5% per annum payable quarterly. A new amendment agreement is in negotiations. In previous years it was reflected in long-term debt. The debenture is convertible, at the option of the holder, into common shares of the Corporation on or prior to the maturity date. The conversion price will be \$1.00 per common share.

On October 28, 2020, LSI received a loan from a related party of \$25,000. The loan bears an interest rate of 10% per annum and matures on October 28, 2021. On December 22, 2020, LSI received another loan from a related party of \$25,000. The loan bears an interest rate of 10% per annum and matured December 22, 2021. Including accrued interest, the balances outstanding at March 31, 2022 totaled \$57,578.

On April 16, 2020, the Corporation received from a third party, a loan of \$1,000,000 bearing interest at 10% per annum payable monthly with interest payments of \$8,333. The loan agreement includes the issuance of 100,000 warrants with each warrant entitling the lender to acquire one common share of the Corporation at an exercise price of \$0.15 per share for a period of two years. The loan matured on April 16, 2021 (the "Maturity Date"). On December 22, 2021, the loan agreement was amended. In consideration of extending the Maturity Date of the loan to April 16, 2022, the Corporation issued 50,000 warrants with each warrant entitling the lender one common share of the Corporation at an exercise price of \$0.15 per share for a period of two years, and increased the interest rate from 10% to 12%, effective January 1, 2022. The Maturity Date of the loan was again extended to October 16, 2022 and an additional 50,000 warrant to purchase common stock of the Corporation at an exercise price of \$0.** were issued for a period of two years.

On August 5, 2021, LSI received from a related party, a one-year term loan of \$20,000 bearing interest at 10% per annum. Including accrued interest, the balance outstanding at March 31, 2022 totaled \$22,373.

On August 30, 2021, LSI received from a related party, a one-year term loan of \$25,000 bearing interest at 10% per annum. Including accrued interest, the balance outstanding at March 31, 2022 totaled \$26,715.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation has no revenue generating operations from which it can internally generate funds. To date, the Corporation's ongoing operations have been predominantly financed through the sale of its equity securities by way of private placements and/or shareholder loans and advances. There can be no assurances that equity financing or other sources of capital will be available or available on terms acceptable to the Corporation when required.

At May 18, 2022, the Corporation has cash on hand of approximately \$110,000 and has a working capital deficiency of approximately \$8,200,000. The Corporation has had recurring negative cash flows from operations and will require additional financing to fund its continuing business efforts. These uncertainties cast significant doubt upon the Corporation's ability to continue as a going concern. Management plans to raise additional debt and/or equity financing to continue operations. Although the Corporation has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Corporation. The consolidated financial statements do not reflect adjustments in the carrying values of the assets and liabilities, the reported expenses, and the balance sheet classifications used, that would be necessary if the Corporation was unable to realize its assets and settle its liabilities as a going concern in the normal course of operations, and such adjustments could be material.

Long-Term Debt

On August 31, 2017, GRI received from a related party, a loan of \$2,000,000 bearing interest at 12% per annum payable monthly. This loan was previously reflected in short-term debt. A loan extension was signed extending the payment of principal, without penalty, on or before August 31, 2022, and the holder has the option to convert the principal of the loan and the interest accrued on the loan to common shares at a conversion rate of \$2.10 per share. This loan was reclassified to current liabilities as at December 31, 2019. Including accrued interest, the balance outstanding at March 31, 2022 totaled \$3,066,966.

On August 25, 2016, GRI borrowed \$250,000 from an unrelated party with interest at 6% per annum, accruing monthly. GRI also issued 50,000 common share purchase warrants at an exercise price of \$0.01 per share. On January 1, 2021, the repayment date in the original loan

agreement was extended to December 31, 2022, along with the warrant expiry date to December 31, 2022. Including accrued interest, the balance outstanding at March 31, 2022 totaled \$349,393.

LSI has an interest-free repayable loan from ACOA, a government agency, in the amount of \$500,000. The loan is repayable in five annual equal and consecutive installments commencing nine months after the end of the fiscal year in which project success is achieved. It is unknown if success will be achieved with the process undertaking with the terms of this loan and therefore repayment remains uncertain and unlikely.

On October 1, 2021, LSI received from a related party, a one-year term loan of \$30,000 bearing interest at 10% per annum and matures October 1, 2022. Including accrued interest, the balance outstanding at March 31, 2022 totaled \$31,532

On October 28, 2021, GRI borrowed \$100,000 term loan from an unrelated party with interest at 8% per annum, with interest accruing monthly. The expiry date is October 28, 2022.

On November 2, 2021, the Corporation completed a non-brokered private placement of a convertible debenture for \$400,000 with an unrelated party. The maturity date of the debenture is November 1, 2022 and bears interest at a rate of 12% per annum payable monthly. To date, the Corporation received proceeds of \$300,000, with the remainder to be released subsequent to March 31, 2022. The debenture is convertible, at the option of the holder, into common shares of the Corporation on or prior to the maturity date. The conversion price will be \$ 0.55 per common share. In addition, warrants to purchase 40,000 shares of the Issuer were granted at an exercise price of \$0.55 per share with an expiry date of November 2, 2023

CEBA Loans

On May 5, 2020, GRI received an interest-free loan of \$40,000 pursuant to the terms of the Canada Emergency Business Account. This loan was created by the Federal Government to assist businesses during the COVID-19 pandemic. 25% of the loan is forgivable (up to \$10,000) if GRI repays the loan on or before December 31, 2023. If the loan is not repaid by that date, the loan can be converted to a two-year term loan bearing interest of 5% per annum

On December 22, 2020, GRI received a second interest-free loan of \$20,000 pursuant to CEBA. This loan is on top of the initial \$40,000 loan received. 50% of the loan is forgivable (up to \$ 10,000) if GRI repays the loan on or before December 31, 2023. If the loan is not repaid by that date, the loan can be converted to a two-year term loan bearing interest of 5% per annum.

On December 22, 2020, MMI received an interest-free loan of \$40,000 pursuant to CEBA. 25% of the loan is forgivable (up to \$10,000) if MMI repays the loan on or before December 31, 2023. If the loan is not repaid by that date, the loan can be converted to a two-year term loan bearing interest of 5% per annum.

On January 26, 2021, MMI received a second interest-free loan of \$20,000 pursuant to CEBA. 50% of the loan is forgivable (up to \$10,000) if MMI repays the loan on or before December 31, 2023. If the loan is not repaid by that date, the loan can be converted to a two-year term loan bearing interest of 5% per annum.

On January 8, 2021, LSI received an interest-free loan of \$40,000 pursuant to CEBA. Also, on January 26, 2021, LSI received a second interest-free loan of \$20,000 pursuant to CEBA. A third of the loans are forgivable (up to \$20,000) if LSI repays the loans on or before December 31, 2023. If the loans are not repaid by that date, the loans can be converted to a two-year term loan bearing interest of 5% per annum.

On January 22, 2021, PFL received a combined interest-free loan of \$60,000 pursuant to CEBA. The loan is forgivable (up to \$20,000) if PFL repays the loan on or before December 31, 2023. If the loan is not repaid by that date, the combined loan can be converted to a two-year term loan bearing interest of 5% per annum.

Please refer to Note 7 of the consolidated financial statement for further details.

Share Capital

A summary of the Corporation's common shares outstanding as of March 31, 2022.

COMMON STOCK OUTSTANDING

	Number of Shares	Amount
	#	\$
Authorized: Unlimited number of common shares without par value		
Issued and outstanding June 30, 2020	18,830,815	9,387,978
Issued in payment of interest	693,211	100,000
Issued and outstanding June 30, 2021	19,524,026	9,487,978
Issued in payment of interest	341,166	75,000
Issued and outstanding March 31, 2022	19,865,192	9,562,978

Stock Options

Under the Corporation's employee stock option program, the Board of Directors may, at its discretion, grant options to purchase common shares to directors, officers, employees, or consultants of the Corporation. Shareholders approved the number of shares reserved for issuance under the Plan be a maximum of 20% of the issued and outstanding shares, as of the record date, in accordance with the Stock Option Plan approved by Shareholders. However, only 10% can be issued to insiders of the Corporation. Vesting periods are determined by the Board of Directors at the time of the grant and can range up to 5 years from the date of the grant. The Corporation has reserved 3,504,614 common shares pursuant to the stock option plan. Any unexercised options that expire or are forfeited become available again for issuance under the plan. Compensation costs of options granted under the stock option plan are measured at the granting date based upon a fair value of the award and is recognized over the related service period.

Note: There were no Corporation stock options issued during the period.

Options Outstanding and Exercisable			
Number of options outstanding	Expiry Date	Exercise Price \$	Number of options exercisable
112,000	28/May/2022	0.65	112,000
350,000	30/Nov/2022	0.65	350,000
815,000	6/Dec/2023	0.85	815,000
405,000	8/Dec/2024	0.75	405,000
1,682,000		0.77	1,682,000

Grand River Ironsands Incorporated Stock Options and Warrants

The Board of Directors of GRI has established a 10% rolling stock option plan under which options to purchase common shares are granted to directors, officers, consultants, and key employees of GRI. Options to acquire common shares are granted at prices as determined by the Board of Directors. Options expire five years from the date of the grant.

On March 31, 2022, there were 2,376,933 common shares eligible for issuance pursuant to the stock option plan.

There are NIL (2021-150,000) options to acquire common shares outstanding under the plan as at March 31, 2022. Any unexercised options that expire or are forfeited become available again for issuance under the plan. There were no GRI stock options issued during the period.

As at March 31, 2022, the Corporation has 100,000 warrants outstanding and exercisable at \$0.15 per common share with an expiry date of April 16, 2022, and 50,000 warrants outstanding and exercisable at \$0.15 per common share with an expiry date of April 16, 2023. The Corporation has 40,000 warrants outstanding and exercisable at \$0.55 per common share with an expiry date of November 2, 2023 and 50,000 warrants outstanding and exercisable at \$0.55 per common share with an expiry date of December 22, 2023.

As at March 31, 2022, GRI has 100,000 warrants outstanding and exercisable at \$0.01 per common share with an expiry date of December 31, 2022 and 50,000 warrants outstanding and exercisable at \$2.00 per common share with an expiry date of October 28, 2023.

CRITICAL ACCOUNTING POLICIES

General

The accounting policies have been reviewed with the Corporation's Audit Committee and are as described in Note 2 to the unaudited interim consolidated financial statements.

Basis of Presentation and Going Concern

The unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") as set out in the Chartered Professional Accountants of Canada Handbook – Accounting – Part 1 ("**CPA Canada Handbook**"), which incorporates International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**").

The unaudited interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Corporation and its subsidiaries have not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related deferred expenditures is dependent upon the discovery of economically recoverable reserves, confirmation of the subsidiary's interest in the underlying mining claims, the ability of the Corporation and its subsidiaries to obtain necessary financing from shareholders, investors, and lenders to complete the development, and upon future profitable production or proceeds from the disposition thereof.

The Corporation has had recurring negative cash flows from operations and will require additional financing to fund its continuing exploration efforts. These matters and conditions indicate a material uncertainty upon the Corporation's ability to continue as a going concern. Management plans to raise additional debt and/or equity financing to continue operations. Although the Corporation has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Corporation. These consolidated financial statements do not reflect adjustments to the carrying values of the assets and liabilities, the reported expenses, and the balance sheet classifications used, that would be necessary if the Corporation was unable to realize its assets and settle its liabilities as a going concern in the normal course of operations, and such adjustments could be material.

Critical Accounting Estimates

The preparation of consolidated financial statements under IFRS requires the Corporation to make estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of expenses during the period. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Actual results may differ materially from these estimates. Refer to note 2(q) of the unaudited interim consolidated financial statements for details on accounting estimates and assumptions that may impact its reported financial position, results of operations and cash flows.

RISK FACTORS

Limited Business History

The likelihood of success of the Corporation must be considered considering the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the establishment of any business. The Corporation has limited financial resources and there is no assurance that additional funding shall be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Corporation can generate revenues, operate profitably, or provide a return on investment, or that it shall successfully implement its plans.

Property Commitments

The property of LSI in which the Corporation has an indirect interest is subject to work commitments and may be subject to other land payments, royalties and/or work commitments to the land claim holder, the Innu First Nation. Failure by GRI and LSI to meet their payment obligations or otherwise fulfill its commitments under these agreements could result in the loss of related property interests and dilution.

Potential Joint Ventures

Due to the cost of establishing and operating mining operations, the Corporation may enter into joint ventures in respect of certain mineral exploration properties that may be acquired by the Corporation. Any failure of such joint venture partners to meet their obligations to the Corporation or to third parties could have a material adverse effect on the joint ventures and the Corporation as a result. In addition, the Corporation may be unable to exert influence over strategic decisions made in respect.

Resources and Reserves

On June 17, 2014, the corporation filed on SEDAR “NI 43-101” highlighting resource estimates from three major mineral blocks contained within the Corporation’s Labrador mineral claims, together with extensive mineral analysis, processing tests, smelting, and melt tests conducted over the last 12-24 months. The “NI 43-101” was prepared by SRK Consulting (Canada) Inc. supplemented by technical assistance and review for processes and mineral testing by Hatch Engineering of Mississauga, ON. Please refer to the “NI 43-101” document for detailed resources estimates, detailed mineral analysis, and detailed results from the smelting and melt tests conducted by the Corporation. Ultimately, even if the Corporation has success in identifying mineral resources on any properties it may acquire, the economics of potential projects may be affected by many factors beyond the capacity of it to anticipate and control, such as the marketability of the mineral products under profitable conditions, government regulations relating to health, safety and the environment, the scale and scope of royalties and taxes on production. One or more of these risk elements could have an adverse impact on costs of an operation which, if significant enough, could reduce or eliminate the profitability of a particular project.

Properties Remote

The property of LSI is in a remote area with limited infrastructure. Exploration activities on such projects are particularly vulnerable to delays and additional costs due to weather conditions, labour shortages, and other unforeseeable issues.

Operational Risks

The Corporation shall be subject to a number of operational risks and may not be adequately insured for certain risks, including: environmental pollution, accidents or spills, industrial and transportation accidents, which may involve hazardous materials, labour disputes, catastrophic accidents, fires, blockades or other acts of social activism, changes in the regulatory environment, impact of non-compliance with laws and regulations, natural phenomena, such as inclement weather conditions, floods, earthquakes, ground movements, cave-ins and encountering unusual or unexpected geological conditions and technological failure of exploration methods. This lack of insurance coverage could have an adverse impact on the Corporation’s future cash flows, earnings, results of operations and financial condition.

Competition for Mineral Acquisition Opportunities

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with larger, better established mining companies with substantial capabilities and greater financial and technical resources, the Corporation may be unable to acquire rights to exploit additional attractive mining properties on terms that the Corporation considers acceptable. If the Corporation is not able to acquire such interests, this could have an adverse impact on the Corporation’s future cash flows, earnings, results of operations and financial condition.

Exploration and Development Activities May Not be Successful

Exploration for and development of mineral properties involves significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. The Corporation cannot ensure that its future exploration and development programs shall result in profitable commercial mining operations.

Properties May be Subject to Defects in Title

Although the Corporation is not aware of any existing title uncertainties with respect to the property, there is no assurance that such uncertainties shall not result in future losses or additional expenditures, which could have an adverse impact on the Corporation's future cash flows, earnings, results of operations and financial condition.

Environmental, Health and Safety Risks

Mining and exploration companies such as the Corporation must comply with a complex set of environmental, health and safety laws, regulations, guidelines and permitting requirements (for the purpose of this paragraph, "laws") drawn from a number of jurisdictions.

Decommissioning and Reclamation

Environmental regulators are increasingly requiring financial assurances to ensure that the cost of decommissioning and reclaiming sites is borne by the parties involved, and not by government. It is not possible to predict what level of decommissioning and reclamation (and financial assurances relating thereto) may be required in the future by regulators.

Governmental Regulation and Policy Risks

Mining operations and exploration activities, refining, conversion, and transport in Canada are subject to extensive laws and regulations. Such regulations relate to production, development, exploration, exports, imports, taxes and royalties, labour standards, occupational health, waste disposal, protection, and remediation of the environment, mine decommissioning and reclamation, mine safety, toxic substances, transportation safety and emergency response, and other matters. Since legal requirements change, are subject to interpretation and may be enforced in varying degrees in practice, the Corporation is unable to predict the ultimate cost of compliance with these requirements or their effect on operations.

Commodity Price Fluctuations

The price of commodities varies daily, but long-term averages are the best method of estimating future prices. However, price volatility could have dramatic effects on the Corporation's results of operations and the ability of the Corporation to execute its business plan.

Currency Fluctuations

The Corporation presently maintains its accounts in Canadian dollars. The Corporation's future operations may make it subject to foreign currency fluctuations and such fluctuations may materially affect its financial position and results.

Key Personnel

The senior officers of the Corporation are critical to its success. In the event of the departure of a senior officer, the Corporation believes that it shall be successful in attracting and retaining qualified successors but there can be no assurance of such success. Recruiting qualified personnel as the Corporation grows is critical to its success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Corporation's business activity grows, it shall require additional key financial, administrative, and mining personnel as well as additional operations staff. If the Corporation is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have an adverse impact on the Corporation's future cash flows, earnings, results of operations and financial condition.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continuing fluctuations in price shall not occur. It may be anticipated that any quoted market for the shares of the Corporation shall be subject to market trends generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings. The value of the Corporation's shares shall be affected by such volatility. An active public market for the Corporation's shares might not develop or be sustained after completion of the Proposed Transactions.

Legal Proceedings

On December 28, 2017, FSM, a wholly owned subsidiary of GRI, filed for bankruptcy under Chapter 7 of the United States Bankruptcy Code in the United States Bankruptcy Court, Eastern District of Pennsylvania. The bankruptcy proceedings are on hold pending the result of an adversary complaint filed on February 8, 2019, in the United States Bankruptcy Court for the Eastern District of Pennsylvania by the trustee for the estate of Forks against the Corporation, GRI, LSI and Francis MacKenzie (collectively, the “Defendants”). The trustee is alleging that the Defendants are responsible for the debts of FMS. The Defendants maintain that the suit has no merit and have retained local counsel to defend its position. Several motions have been filed and the matter is ongoing.

On November 12, 2020, the Court issued an order requiring the Plaintiff to submit an amended complaint within 30 days that complies with the requirements imposed by Federal Rules of Civil Procedure 8 and 10(b), including setting forth separate counts against the separate Defendants, with any count asserted against all Defendants so stating. The Court also ordered it has personal jurisdiction over Defendant Francis MacKenzie. The matter is ongoing.

Market for Securities

The common shares of the Corporation are listed and posted for trading on the Canadian Securities Exchange (CSE) under the trading symbol “the Corporation”. The stock is thinly traded, and investors should be aware that there may be no market for their shares.

12 Months Trading Data				
Month	High	Low	Close	Volume
4/30/2021	0.240	0.120	0.120	87,512
5/31/2021	0.240	0.160	0.200	134,950
6/30/2021	0.200	0.130	0.150	31,497
7/31/2021	0.175	0.150	0.175	1,401
8/31/2021	0.490	0.175	0.490	11,000
9/30/2021	0.550	0.400	0.550	62,000
10/31/2021	0.690	0.550	0.580	36,000
11/30/2021	0.580	0.550	0.550	2,500
12/31/2021	0.550	0.155	0.550	6,000
1/31/2022	0.550	0.175	0.175	154,250
2/28/2022	0.190	0.125	0.150	31,100
3/31/2022	0.150	0.110	0.110	32,825
	0.690	0.110	0.110	591,035

Cash Flow Requirements

Refer to Notes 6 and 7 of the audited consolidated financial statements at June 30, 2021 for detailed terms and repayments requirements for the Atlantic Canada Opportunity Agency (ACOA), Investissement Quebec, and Convertible Debenture and other short-term loans. The long-term contractual obligations for the next five years are as follows:

Contractual Obligations in CDN \$ - March 31, 2022					
Description	Total	Less than one			
		year	2-3 years	4-5 years	After 5 years
Loan- ACOA	500,000	-	125,000	250,000	125,000
Short term loans	7,062,348	7,062,348	-	-	-
Term Loans	3,551,312	-	3,551,312		
CEBA loans	240,000	-	240,000		
Convertible debenture -Long-term	300,000	-	300,000		
	\$ 11,653,660	\$ 7,062,348	\$ 4,216,312	\$ 250,000	\$ 125,000

Transactions with Related Parties

The Corporation incurred the following related party expenditures for the period ended March 31, 2022.

	Three months ended		Nine months ended	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
	\$	\$	\$	\$
Management fees	50,250	50,250	158,750	168,950
Directors' fees	3,150	2,100	6,650	7,700
Salaries and benefits	30,202	27,166	85,238	90,592
Operating expenses	83,602	79,516	250,638	267,242

The Corporation has issued shares in lieu of payment of interest on a related party loan as described in Note 7 of the consolidated financial statements.

The compensation expense associated with key management and directors for services is as follows:

Key management include the President of MMI and the President and Corporate Affairs Director of GRI.

These transactions with related parties have been valued in the unaudited interim consolidated financial statements at the estimated fair value, which is the amount of consideration established and agreed to by the related parties.

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Proposed Transactions

As at the date of this MD&A, there are no transactions that the Board of Directors or senior management who believe that confirmation of the decision by the board is probable, have decided to proceed with and that have not been publicly disclosed.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

As required by National Instrument 52-109 issued by the Canadian Securities Administrators ("NI52-109"), the Corporation's Chief Executive Officer (CEO) and the Corporation's interim Chief Financial Officer (CFO) will be filing interim certificates "Certification of Disclosure of Issuers' Annual and Interim Filings" concurrent with the completion of filing its interim filings. The certifying officers have concluded that disclosure controls and procedures are effective at March 31, 2022. Upon completion of its filings, the signed certificates will be available on SEDAR.

The CEO and interim CFO are reasonably certain that all information is made known to them and those procedures have been implemented to provide reasonable assurance of the reliability of the financial reporting and preparation of the financial statements for external reporting.

The Board of Directors together with an independent and highly qualified audit committee provide direct oversight responsibilities for the review of the quarterly and annual financial statements.

Changes Internal Control over Financial Reporting

The certifying officers have indicated that there were no significant changes in the Corporation's internal controls or other factors that could significantly affect such controls subsequent to the date of their evaluation, and there were no corrective actions with regard to significant deficiencies and material weaknesses.

ADDITIONAL INFORMATION

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities, options to purchase securities and interest of insiders in material transactions, if applicable, is contained in the Corporation's information circular for its most recent annual meeting of shareholders, and in the Corporation's comparative financial statements for its most recently completed financial year.

This document may contain forward-looking statements, which may include sales, earnings, and profitability comments. These statements may contain words such as "anticipated", "expected", "could", "should", "may", "plans", "will", or similar expressions that are based on and arise out of our experience, our perception of trends, current conditions and expected future developments as well as other factors. These statements are not a guarantee of future performance. By their very nature, forward-looking statements involve uncertainties and risks that the forecasts and targets will not be achieved.

Readers are cautioned not to place undue reliance on forward looking statements as a number of important factors, as disclosed herein and in the Corporation's other continuous disclosure documents, could cause actual results to differ materially from those expressed in such forward-looking statements. The Corporation includes in publicly available documents filed from time to time with securities commissions, and the Canadian Securities Exchange, a thorough discussion of the risk factors that can cause the Corporation's anticipated outcomes to differ from actual outcomes. The Corporation disclaims any intention or obligation to update or revise forward-looking statements.

Public Securities Filings

Other information about the Corporation, including the annual information form and other disclosure documents, reports, statements or other information that is filed with Canadian securities regulatory authorities can be downloaded in portable document format (PDF) from the SEDAR web site for Canadian regulatory filings at www.sedar.com additional information is also available on the Canadian Securities Exchange at www.cse.com

CORPORATE PROFILE

<p>Board of Directors J. Paul Allingham Joseph Flabbi David J. Hennigar Francis H. MacKenzie Jean-Marc MacKenzie Paul R. Snelgrove K. Barry Sparks E. Christopher Stait-Gardner</p>	<p>Corporate Officers David J. Hennigar, Chair K. Barry Sparks, Vice-Chair Francis H. MacKenzie, President & CEO Kevin Kemper, Vice President Business Development Jean-Marc MacKenzie, Interim CFO Lina Tannous, Corporate Secretary</p>
<p>Corporate Head Office Metalo Manufacturing Inc. Suite 2002, 145 Richmond St. W., Toronto, ON, M5H 2L2 Tel: (902) 233-7255</p>	<p>Mailing Address Metalo Manufacturing Inc. Attn: Francis MacKenzie PO Box 14, 535 Larry Uteck Blvd Halifax, Nova Scotia B3M 0E3</p>

Bankers:

Auditors:

Transfer Agent & Registrar:

Stock Exchange:

Shareholder Information: Contact Person:

Contact Telephone Number and email:

Website:

Bank of Montreal, Main Branch, Halifax, Nova Scotia

PricewaterhouseCoopers LLP

TSX Trust Company, Toronto, Ontario

*Canadian Securities Exchange, **Trading Symbol: MMI***

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