ST-GEORGES ECO-MINING CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION

AND RESULTS OF OPERATIONS

For the Three Months Ended March 31, 2021

INTRODUCTION

The following Management's Discussion and Analysis of the financial condition and results of operations ("MD&A") for St-Georges Eco-Mining Corp. ("Company") should be read in conjunction with the Company's condensed consolidated interim financial statements for the three months ended March 31, 2021, and the audited financial statements for the year ended December 31, 2020. These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All currency amounts are in Canadian dollars, unless otherwise stated.

Additional information relating to the Company can be found on SEDAR (www.sedar.com) under St-Georges Eco-Mining Corp. or on the Company's website (www. http://st-georgescorp.com/).

This MD&A is dated July 19, 2021.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements with respect to the Company. These forward-looking statements, by their very nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated. The Company considers the assumptions upon which these forward-looking statements are based to be reasonable, but cautions the reader that these assumptions regarding future events, many of which are beyond the Company's control, may ultimately prove to be incorrect.

COMPANY DESCRIPTION

St-Georges Eco-Mining Corp. was incorporated under the Canada Business Corporations Act on June 21, 2002. The Company is listed on the Canadian Securities Exchange, having the symbol SX, on US OTCMarkets, having the symbol SXOOF, and on the Deutsche Börse in Frankfurt (FSE) under the symbol 85G1. The address of the Company's corporate office and principal place of business is 2700-1000 Rue Sherbrooke West, Montreal, QC H3A 3G4, Canada. The principal activities of the Company are the development of eco-mining metallurgical processes and the exploration and evaluation of mineral properties in Canada and Iceland. The Company, which is in the process of exploring its mineral properties, has two reportable segments and all of the assets are located in Canada and Iceland.

The Company has mandated its American securities attorney to begin work on the required documentation to list its shares on the OTCQX market in the United States. The Company is also studying different scenarios allowing its shares to be properly listed for trading on certain European Exchanges.

OVERVIEW

The Company is engaged in the exploration of certain properties in Canada and Iceland summarized as follows.

JULIE NICKEL PROJECT

The Julie Project is located via a 90-minute drive from the deep seaport city of Baie-Comeau on the Quebec North shore. It is contained on NTS sheets 22F13 and 22F14. The project is prospective for Nickel, Copper, Cobalt, Palladium, Platinum, Silver & Magnesium. There is a camp near the project and the claims are accessible by gravel road and logging roads 9 months a year and by winter road 3 months a year.

In **July 2020**, around six metric tons of material from the Julie surface DTH drilling campaign was shipped to the metallurgical partnering laboratories. The material is used as feed for the current nickel green-processing technology development conducted by the Company's subsidiary St-Georges Metallurgy Inc.

In **February 2021**, the Company completed a surface geophysics campaign. A contracted independent third party has received the preliminary geophysical report. The initial interpretation of the results coupled with the recent results from bulk sampling from a destructive percussive drilling campaign, alongside the reinterpretation of historical work program results has led the Company to add 65 new mining claims through electronic map staking to the existing 54 mining claims.

Significant nickel assay results of 1.56% nickel over 1.5 metres and 0.47% nickel over 1.5 metres were obtained from assayed hammer drill cutting samples from Julie Ni-Cu showing.

In **June 2021,** the company further increased the size of the Julie Project by acquiring 147 new claims through electronic map staking. The project now comprises 266 claims for an area of 14,676 hectares.

MANICOUAGAN PROJECT

In **January 2020**, the company entered into an agreement to acquire 100% of the Manicouagan project, comprised of 77 mining claims on NTS sheets 22C03 and 22C04 and located 165km north of its 100% owned Julie Nickel-PGE project on the Quebec North Shore. This project was co-owned by Exploration J. F. Inc and Frank Dumas, director of the Company.

On **February 6, 2020,** pursuant to the agreement, the Company issued 5,000,000 shares to the vendors, including 2,000,000 shares to Exploration JF Inc. subject to a 2-year escrow period; and 3,000,000 shares to Frank Dumas subject to a 60 months escrow period. The Company also paid Exploration JF Inc. cash of $25,000 upon signing the agreement, and cash of $25,000 at the anniversary date of the agreement. A 2% NSR will be granted to the vendors as well as a zone of influence covering the 2 NTS sheets where the project is located. The board of directors chose to acquire this project as it is in line with the commodities sought by the Company and provides synergies with Julie Project.

In **August 2020**, the Company secured 2 additional mining claims strategically located within the boundaries of the Manicouagan Project from two arms-length vendors. The Company issued 600,000 common shares and made a payment of $10,000 at signature of the agreement. Additional payment of $35,000 was subscribed into units of the Company at a price of $0.10 per unit in a private placement closed on November 25, 2020.

In **April 2021**, the company added 37 new mining claims to the project through electronic map staking.

The project now comprises 116 claims for an area of 6069 hectares.

The Company operates a forward base along the 389 National Road, accessible year long and located 5 hours north of Baie-Comeau; material and personnel can be brought on the project via float plane (or ski in the winter) and helicopter under an hour. The project has a camp and a float plane base.

The historic work program identified significant intercepts of nickel, copper and platinum group elements mineralization, and also identified many additional conductors (geophysical targets). The Company will conduct new geophysical surveys, detailed geological mapping and geochemical sampling to explore for a larger potential source.

VILLEBON PROJECT

The project is comprised of 27 mining claims (1182 hectares) which includes the Céré-Villebon showing. It is located within the Abitibi Greenstone Belt of northwestern Quebec on NTS sheet 31N14. Access is possible through a 30-minute drive year-long via national road 117 from the city of Val D'Or.

In a prior year, the Company concluded that there were indications that certain of the claims comprising the asset may be impaired and as a result, the Company recorded an impairment charge and wrote the property down to a nominal value in 2018.

In summer 2021, the Company plans a two-hole program on the Villebon Project to test open ended mineralization at depth within the Céré-Villebon showing.

LE ROYAL LITHIUM PROJECT

The project, comprised of 5 mining claims, is located in the lithium mining camp of LaCorne, in the Abittibi region of Quebec. The acquisition was done jointly with Lepidico Ltd. (ASX: LPD) (formerly known as Platypus Minerals Ltd.) ("Lepidco"). St-Georges currently owns 90% of the project and Lepidico owns 10%. Lepidico obligations have all been met. The only on-going obligation of Lepidico moving forward is to provide access to its lepidolite-lithium extraction technology (L-Max®) for the Le Royal Lithium project.

ICELAND RESOURCES EHF / ST-GEORGES ICELAND LTD.

In March 2019, the Company via its wholly owned subsidiary, St-Georges Iceland Ltd completed the acquisition of 100% of Iceland Resources EHF, an Icelandic corporation with gold/silver/copper/cobalt/zinc projects. Its flagship project is Thormodsdalur (Thor) Gold Project located approximately 10km from the city limits of Reykjavik.

THORMODSDALUR (THOR) GOLD PROJECT

Studies between 1996 and 2013 identified the project mineralization as a low sulphidation system. Historically, 32 drill holes totaling 2,439 meters were drilled within the area.

In **August 2020**, the Company released the initial fire assays results from the preliminary surface exploration campaign conducted on Thor. All grab samples showed the presence of gold with results ranging from 0.001 g/t to 37.4 g/t.

In **September 2020**, the Company completed a 124m reverse circulation drill hole at the Thor project. The hole was positioned to test a previous surface sample that assayed 37.4 g/t gold and 69.3 g/t silver. At depth of 41.5m the team intersected and confirmed with preliminary assays the existence of a thick interval that contained gold mineralization averaging 0.24 g/t over 80 meters with gold grades ranging from 0.01g/t up to 6.21 g/t.

In **May 2021**, a first batch of samples from the historical drill hole resampling effort was sent to Ireland to be assayed at ALS Laboratories' facilities. It is expected that by the end of the 2021 field season, more than 5,000 samples will have been collected and processed to be assayed.

In **June 2021**, the Company completed the configuration of its new research facilities in Reykjavik, which will allow a streamlined sampling process for ongoing and future campaigns in Iceland.

During the **Summer 2021**, the Company plans to drill up to 4,000 meters at the Thor Gold Project. This will include the twin-drilling of certain historical drill holes and will add infill holes in the identified gold trend. The objective will be to gather enough data to allow the establishment of a maiden NI 43-101 resource estimate.

TRÖLLASKAGI (TROLL) GOLD PROJECT

Troll license covers an area of 1,018 km^2 in northern Iceland near the town of Akureyri. The project is located in an underexplored area mapped with a felsic central volcano. In 2006, the previous holder of the mineral exploration right, Melmi, undertook a program of stream sediment sampling in most of the major valleys. Rock samples were also collected where alteration was encountered.

VOPNAFJORÐUR (VOPNA) GOLD PROJECT

Vopna license covers 598.5 km^2 and is located in the northeastern corner of Iceland and is accessible by highway. Vein sampling carried out previously has highlighted a number of veins with gold enrichment. The surface vein mineralization found at the Haugsá showing produced sample analyses with grades up to 447ppb of Gold (0.447 g/t) with 90% of the samples returning Gold values above 10ppb (0.01 g/t).

In **May 2020**, the Company received the permits for seasonal work programs for the Vopnafjörður and Tröllaskagi gold and polymetallic licenses. In **October 2020** mineralization bearing outcrops were identified and sampled and brought to the Company's secure facilities in Reykjavik for petrographic analysis. Over 415 samples were sent for assays to ALS Laboratories in Dublin, Ireland.

ICELAND HYDRO POWER PLANT

In October 2018, the Company executed a share purchase and subscription agreement with Spá EHF and Íslensk Vatnsorka EHF to acquire the 15% interest in the 10-20 MW hydro power plant located just south of Langjokull in Iceland. The environmental impact assessment and permitting process is advancing positively.

MELMI EHF

In **June 2020**, the Company signed a binding letter of intent to acquire all of the issued and outstanding shares of Melmi ehf ("Melmi"), which owned a 100% interest in the Thor Gold Property. Until then, the Company only had a 41% farm-in option. In **October 2020**, Iceland Resources entered into a Securities Purchase Agreement with Melmi ehf to acquire 100% of the issued share capital of Melmi ehf, whereby Melmi ehf becomes a wholly owned subsidiary of Iceland Resources.

The terms of the acquisition are as follows:

- Pay $65,000 upon the execution of the definitive share purchase agreement; (paid)

- Pay $60,000 on the earlier of: (a) 90 days of execution of the Definitive Agreement; and (b) the start of drilling on the Thor Property; (accrued)
- Issued $400,000 of non-transferable debentures of the Company bearing a 6% annual interest, maturing 3 years for issuance, of $100,000 will be convertible into common shares of the Company at a deemed price of $0.10 per share, $150,000 at a deemed price of $0.15 per share, and $150,000 at a deemed price of $0.20per share; (issued on October 23, 2020)
- As additional consideration, subject to and upon all the licenses application having been granted, issue $250,000 non-transferable debentures of the Company bearing a 6% annual interest, maturing 3 years form issuance, and convertible into shares of the Company at a deemed price of $0.20 per share (This requirement has not yet been fulfilled).

LITHIUM EXTRACTION TECHNOLOGIES

ICONIC MINERALS LTD.

On December 7, 2017, St-Georges and Iconic Minerals Ltd.("Iconic") entered into a definitive exclusive technology licensing agreement for all sites to be operated by Iconic and/or its affiliates in the state of Nevada.

In return for a perpetual license for the technologies and its future improvements, Iconic will provide the following to St-Georges:

- Invest $100,000 by way of private placement in St-Georges (Done on January 14, 2019, $0.10 per units)
- 2,000,000 shares at Stage 1 Benchmark defined by the delivery of an independent laboratory report (Done on August 29, 2019, Fair value $118,293 and escrowed for 36 months)
- 1,500,000 shares at Stage 2 Benchmark defined by independent report describing results of initial pilot mining operations and the processing of one metric ton (minimum) in a simulated industrial environment
- 1,500,000 shares at Stage 3 Benchmark defined by the reception of a Preliminary Economical Assessment Report (PEA) or at commercialization decision or the third-year anniversary mark of this agreement assuming other issuance have all been done.

A perpetual Net Revenue Interest Royalty (NRI) of 5% on all minerals produced on sites licensed with the Company's technologies.

In September 2018, the Company received bulk material from Iconic Bonnie Claire lithium project. In October 2018, the Company successfully separated all particles under 5 microns where most of the lithium resides. In December 2018, successful selective leaching to remove Magnesium Oxide (MgO) and Calcium Oxide (CaO) was achieved. The Company found 100% of the initial lithium in solution post-leaching. In January 2019, the Company filed a provisional patent under the title "Method of Mineral Recovery" in regard to the lithium-from-clay extraction technology.

On March 31, 2019, the Company achieved complete and total recovery in leach of lithium from the bulk material provided by its partner Iconic originating from their Bonnie Claire Lithium project in Nevada.

On **April 27, 2021**, the Company received the latest shipment of bulk material from Iconic's Bonnie Claire Lithium project in Nevada. Work on the Bonnie Claire Lithium project material will now resume.

ALTAIR INTERNATIONAL CORP.

On **December 1, 2020**, the Company signed a Binding Letter of Intent with Altair International Corp. ("Altair") (US-OTC: ATAO) pursuant to which the Company has agreed to provide access to its patent pending lithium processing technology for lithium-in-clay mineral deposits, and also agreed to jointly develop a patentable electric vehicle battery recycling industrial process.

In January 2021, the Company received 2,000,000 common shares of Altair at a fair value of $557,920.

On **February 12, 2021**, the Company and its subsidiary St-Georges Metallurgy Corp. ("St-Georges Metallurgy"), and Altair entered into a License and Royalty Agreement for Altair to license St-Georges Metallurgy's patent-pending extraction methods and technology in separation, recovery, and purification of lithium and to act as an agent of the Company's developing technology in battery recycling. Pursuant to the License and Royalty Agreement, St-Georges Metallurgy will grant Altair a non-exclusive license to use the lithium extraction technology for any of Altair's lithium-bearing prospects in the United States. In exchange for the license, Altair has agreed to grant the Company a 5% net revenue royalty on all metals and minerals extracted and processed using any of the Company's methods or technologies. This royalty will apply to all current and future properties in the Untied States in which Altair has claims.

In addition, the Company will provide Altair with full access to the EV Battery Recycling Technology for the purpose of Altair acting as exclusive master agent to promote the licensing and deployment of the EV Battery Recycling Technology. Pursuant to this Agreement, St-Georges Eco-Mining and its wholly owned subsidiary St-Georges Metallurgy, retain all ownership rights to the EV Battery Technology and the Lithium Extraction Technology, respectively. In addition, the Company retains the right to market, promote, license, and sell directly the EV Battery Recycling Technology to third parties.

SUBSIDIARIES

ST-GEORGES METALLURGY CORP.

On **February 27, 2020**, the Company incorporated a new wholly owned subsidiary, St-Georges Metallurgy Corp. to handle all metallurgical research and development, laboratory partnerships, metallurgical joint ventures, and related intellectual property.

On **July 9, 2020**, St-Georges Metallurgy entered a pilot-plant service agreement with Carrefour innovation sur les matériaux de la MRC des Sources ("CIMMS"), a Quebec based, publicly funded laboratory. This agreement covers bench testing of different facets of the process development. The agreement has an 18-month duration which can be extended. St-Georges Metallurgy committed to spend minimum $120,000, half of which was expensed as of June 2021.

CIMMS contracted infrastructure and resources allow St-Georges Metallurgy to scale up quickly without the lag time usually experienced when research teams integrate new members and train on new equipment.

EVSX CORP.

On **January 20, 2021,** EVSX Corp. ("EVSX") was incorporated as a wholly owned subsidiary of the Company, with Mr. Paul Pelosi, Jr. as director and president.

On **February 22, 2021**, the Company's initial test conducted on an array of lithium-ion batteries were successful in confirming that the selective leach, conducted with its proprietary blend of acids, allows for the recovery of the lithium, nickel, and cobalt that are found as a coating on aluminium foil in the core of the batteries.

On **April 12, 2021**, the Company disclosed the results of its initial electric vehicle cathode material battery recycling tests aimed at specific car makers and OEM battery specifications. 100% of the targeted metals were recycled in situ or selectively leached in solution.

Feasibility Study

On **February 16, 2021**, the Company received a formal offer to enter into a partnership to complete a feasibility study on a proposed site and plant in Baie-Comeau where the Company could start its EV battery recycling operations. On **March 12, 2021**, the Company executed a definitive agreement with its new partner ID Manic. The agreement defines the mutual obligations and contributions of the partners related to the Electric Vehicle & domestic batteries recycling feasibility study with a total estimated and projected allocation of $600,000, of which $300,000 is expected to be contributed from the Company's funds on hand.

The Company retained WSP Canada Inc. services to develop a work program that will define its involvement in the areas of the environmental assessment of the proposed installations, the environmental permitting, independent engineering, and the chemical review of the Company's patent-pending proprietary process it expects to use in the proposed EV batteries recycling plant.

On **June 23, 2021**, the Company announced that it received a preliminary report from Globerpro International. The preliminary report allowed the Company to accelerate permitting and grants requests, and also convinced management to design the plant as a scalable operation with the aim to deliver the lowest possible CAPEX costs.

The Company is negotiating the acquisition of all the industrial equipment required for the first circuit and expects delivery of these units during the third quarter of this year. Construction costs and equipment acquisitions and financing are being kept confidential for now. The Company's management is comfortable to disclose that no large equity financing is being planned to finance the operations and that cash on hands, grants, and debt, as well as equipment vendor lease-to-buy programs should finance the totality of the proposed operations.

Battery Recycling Plant

On **April 16, 2021**, the Company entered a binding term sheet to secure the site and building for its proposed battery recycling plant in the deep seaport of Baie-Comeau on the Quebec North Shore.

On **June 28, 2021** the Company announced that it executed a final option agreement that allows the Company to secure the land and building for its proposed battery recycling plant. Early design and engineering reviews of the industrial plant being secured have not identified the need for a major overhaul. The Company will have 45 days following the reception of its final feasibility study report to decide to enter into a lease agreement for the building. St-Georges will issue to Roberge Industries Inc. a total of 250,000 common share warrants with an execution price of $0.75 for two years. A clause allows the Company to accelerate the expiration of these warrants if the share price of St-Georges exceeds $1.05 at any time after the 4-month regulatory hold period.

KINGS OF THE NORTH CORP. ("KOTN")

Sale of Kings of the North Corp.

On May 29, 2019, the Company and the minority shareholders of KOTN entered into a share purchase agreement with BWA Group PLC. Pursuant to the agreement, BWA acquired of all the issued and outstanding shares of KOTN for an aggregate consideration of $7,500,000 or approximately £4,400,000 unsecured, convertible interest-free loan notes ("Notes") with an initial repayment date three years after issue at a minimum price of £0.005 per share at the time of conversion.

On September 30, 2019, BWA's shareholders approved the acquisition of KOTN, the Company received £2,451,409 of convertible loan notes with a fair value of $2,698,575 on the completion of the sale and recognized a gain on the disposal of $1,445,974.

On October 31, 2019, the Company converted £300,000 of the convertible debenture investment into 60,000,000 ordinary shares of BWA. On initial recognition, the Company determined the fair value of the shares to be $459,443. As a result of the conversion, the Company obtained significant influence over BWA due to its percentage ownership of 22%, and accordingly, equity method accounting was applied from October 31, 2019 forward. From October 31, 2019 to December 31, 2019, the Company recognized its share of BWA's net loss of $56,992 in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2019. As at December 31, 2019, the carrying value of the Company's equity accounted investment in BWA is $402,451. During the year ended December 31, 2019, the Company recognized a loss on the change in fair value of the convertible debenture investment of $25,568. As at December 31, 2019, the remaining principal amount of the convertible debenture investment is £2,151,409 and the fair value is $2,213,564.

As at **December 31, 2020**, the Company holds 60,000,000 shares representing 19.55% of the outstanding BWA shares. The Company remains a significant shareholder of BWA, but it has no representation as either an officer or a director. As such, it has some influence over BWA, but can't appoint a member to the board of BWA. Management has concluded that it is extremely unlikely that any reasonable value can be established for the shares as at December 31, 2020, and impaired them to a $nil value. The Company recognized its shares of BWA's net loss of $402,451 (2019 - $56,992) in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2020.

During the year ended December 31, 2020, the remaining principal amount of the convertible loan of £2,151,409 with a fair value of $2,238,797 (2019 - $2,213,564) has been written off. The Company recognized a loss on the change in fair value of the convertible loan of $nil (2019 - $25,568 loss). There is no guarantee that BWA will exist as a going concern long enough to generate any value to the Company.

BOREALIS DERIVATIVES DEX EHF

The Company's wholly owned subsidiary Borealis Derivatives DEX ehf. ("Borealis"), is developing a Decentralized, Distributed, Digital Derivative marketplace. Platform core development is completed. Government(s) license(s) to operate the exchange are now required to move forward.

ZEU TECHNOLOGIES INC.

ZeU Technologies Inc. ("ZeU") began in January 2018 as a wholly-owned subsidiary of St-Georges Eco-Mining Corp and was spun off in December 2019. As of March 31, 2021, St-Georges owne 10,136,191 (December 31, 2020 - 8,750,175) common shares of ZeU.

ZeU Technologies Inc. is a forward-thinking Canadian technology company that provides the foundation for the next generation of encrypted and distributed networks while maximizing transparency, security, and scalability as well as big data management. ZeU returns to the roots of blockchain, developing a state-of-the-art blockchain protocol and creating decentralized, peer-to-peer products that are native to blockchain. ZeU's strategy is to monetize blockchain transactions in diverse sectors such as payment, gaming, data, and healthcare and cooperates with other already-deployed ecosystems to make them more profitable by using its cutting-edge, peer-to-peer, distributed ledger technologies.

MANAGEMENT CHANGES

On **March 30, 2021**, the board of directors received the resignation of Mr. Vilhjalmur Thor Vilhjalmsson from his position as President and CEO of the Company, and from his directorships in Iceland and EVSX. Mr. Vilhjalmsson stays with the Company in a consulting capacity. Herb Duerr has taken over the positions of interim CEO and President. Kristín Ólafsdóttir, previous CEO of Iceland Resources, joined the Company's board of directors.

QUALIFIED PERSON

The technical information disclosed in this MD&A has been reviewed and approved by Herb Duerr, P.Geo., St-Georges' President and a Qualified Person, as defined by National Instrument 43-101 for the *Standards of Disclosure for Mineral Projects*.

EQUITY TRANSACTIONS

On December 8, 2020, the Company granted stock options to certain eligible directors, officers and consultants to purchase a total of 7,150,000 common shares. The stock options vest immediately and exercisable at a price of $0.20 per share on or before December 7, 2025.

In **December 2020**, the Company extended the expiry date of the following previously issued warrants:

Number of Warrants	Original Expiry Date	New Expiry Date
4,400,500	August 29, 2020	November 29, 2021
2,780,000	September 18, 2020	December 18, 2021
324,800	September 18, 2020	December 18, 2021
3,025,000	September 23, 2020	December 23, 2021
1,000,000	October 3, 2020	January 3, 2022
650,000	October 17, 2020	January 17, 2022

On January 21, 2021, the Company issued 500,000 stock options to a manager at an execution price of $0.20 until January 22, 2026, and 300,000 stock options to certain consultants at an execution price of $0.20 until January 22, 2024.

On February 5, 2021, the Company closed a private placement of 1,428,571 units at a price of $0.14 per unit, for an aggregate gross proceed of $200,000. Each unit is comprised of one common share and one share purchase warrant, entitling the holder to purchase one share an exercise price of $0.21 per share until February 5, 2023.

On February 10, 2021, the Company issued 1,137,589 shares for the conversion of convertible debentures issued in 2018 of the principal amount of $200,000 plus interest accrued of $27,518 at a price of $0.20 per share. The carrying value of the debt component and the derivative liability of the debentures converted at the conversion date was $352,653.

On February 26, 2021, the Company issued 2,805,000 shares for the conversion of convertible debentures issued in 2020 of the principal amount of $100,000 plus accrued interest of $2,000 at a price of $0.10 per share, principal amount of $150,000 plus accrued interest of $3,000 at a price of $0.15 per share, and principal amount of $150,000 plus accrued interest of $3,000 at a price of $0.20 per share.

On March 3, 2021, the Company closed its first tranche non-brokered private placement of 10,000,000 units at a price of $0.50 and 8,831,632 flow-through units at a price of $0.60 for total gross proceeds of $9,698,979. Each unit is comprised of one common share and one share purchase warrant, entitling the holder to purchase one share at an exercise price of $0.65 until first 18 months from the issuance, and $1.05 for the 18 months thereafter, together 36 months expiry period. Each flow-through unit is comprised of one common share of the Company on a flow-through basis, and one flow-through share purchase warrant. Each flow-through warrant entitles the holder to purchase one share at an exercise price of $0.75 until first 18 months from the issuance, and $1.25 for the 18 months thereafter, together 36 months expiry period. The Company paid cash finder fee of $201,034, issued 140,000 non-transferable Finders warrants at an exercise price of $0.65 until March 3, 2024, and 169,890 non-transferable finders warrants at an exercise price of $0.75 until March 3, 2024.

On March 3, 2021, the Company elected to exercise its right to accelerate the expiry date of all outstanding warrants of the Company issued on or before November 1, 2020:

Number of Warrants	Current Expiry Date	Revised Expiry Date
3,700,000	November 29, 2021	April 5, 2021
413,000	November 29, 2021	April 5, 2021
250,000	December 18, 2021	April 5, 2021
204,800	December 18, 2021	April 5, 2021
600,000	January 17, 2022	April 5, 2021
50,000	January 17, 2022	April 5, 2021

On March 11, 2021, the Company closed a second tranche of 1,083,333 flow-through units at a price of $0.60 for gross proceeds of $650,000. Each flow- through unit is comprised of one common share of the Company on a flow-through basis, and one flow-through share purchase warrant. Each flow-through warrant entitles the holder thereof to purchase one share at an exercise price of $0.75 until first 18 months from the issuance, and $1.25 for the 18 months thereafter, together 36 months expiry period. The Company paid cash finder fee of $39,000 and issued 65,000 non-transferable finders warrants at an exercise price of $0.75 until March 12, 2024.

During the three months ended March 31, 2021, the Company received $50,000 of the subscription receivable from a prior year private placement, recorded $26,000 from current year private placements, and $231,250 in advance for warrant exercised. The balance of subscription receivable as at March 31, 2021 is $551,000 (December 31, 2020 - $575,000).

SUBSEQUENT EQUITY TRANSACTIONS

On April 19, 2021, the Company issued 375,000 common shares to settle $60,000 of accounts payable for its subsidiary EVSX.

On May 10, 2021, the Company issued 17,669 common shares for the conversion of convertible debentures issued in 2018 of the principal amount of $5,656 plus accrued interest of $864 at a price of $0.369 per share.

On May 18, 2021, the Company granted stock options to certain consultants to purchase a total of 1,025,000 common shares. The stock options vest immediately and exercisable at a price of $0.45 per share on or before May 18, 2023.

On June 14, 2021**,** the Company issued 2,620 common shares for the conversion of convertible debentures issued in 2018 of the principal amount of $870 plus accrued interest of $139 at a price of $0.385 per share.

Subsequent to the period ended March 31, 2021, the Company received $90,000 of the subscription receivable from prior year private placement, and $26,000 of the subscription receivable from current year private placement. The balance of subscription receivable as at the report date is $435,000.

Subsequent to the period ended March 31, 2021, 650,000 stock options were exercised for proceeds of $48,750, and 2,050,000 warrants were exercised for proceeds of $380,000, of which $231,250 was included in subscriptions received in advance as at March 31, 2021.

RESULTS OF OPERATIONS

For the period ended March 31, 2021, the Company recorded a net loss of $952,931 (2020 - $1,506,944), had a cumulative deficit of $28,316,265 (2020 – $21,558,820), and deficit non-controlling interest of $2,830,889 (2020 - $8,594,890). The Company had no source of operating revenues or any related operating expenditures.

SELECTED ANNUAL INFORMATION

For the years ended December 31	2020	2019
	$	$
Revenues	-	-
Operating expenses	(4,243,923)	(4,346,553)
Net loss and comprehensive loss for the year	(14,096,033)	(2,892,869)
Basic and diluted loss per share	(0.10)	(0.02)
As at December 31	**2020**	**2019**
	$	**$**
Cash and cash equivalents	325,619	377,449
Digital assets	-	6,884,765
Working capital deficiency	(5,016,989)	(920,070)
Exploration and evaluation assets	3,300,938	2,341,747
Total assets	4,621,822	12,750,732
Shareholders' equity (deficiency)	(6,170,114)	3,950,104

For the year ended December 31, 2020, the Company had no revenues.

The Company incurred a net loss and comprehensive loss for the year of $14,096,033 for the year ended December 31, 2020 compared to $2,892,869 for the year ended December 31, 2019. The increase in the loss is primarily due to increases in stock-based compensation payments of $1,187,352 (2019 - $nil), unrealized loss on digital assets of $6,881,396 (2019 - $392,865 gain), impaired equity accounted investment of $402,451 (2019 - $nil), and write-off $2,238,797 (2019 - $nil) on receivable loan. Further details are available in the analysis below.

For the year ended December 31, 2019, the Company had no revenues.

The Company incurred a net loss and comprehensive loss for the year of $2,892,869 for the year ended **December 31, 2019**, compared to a net loss of $7,883,553 for the year ended December 31, 2018. The decrease in the loss is primarily due to an unrealized gain of digital assets to $392,865 (2018 - $3,003,302 loss), and the Company recorded a gain on extinguishment of debt of $14,900 (2018 - $nil), a gain on disposal of properties of $1,445,974 (2018 - $nil). Further details are available in the analysis below.

SUMMARY OF QUARTERLY RESULTS

The following table outlines selected unaudited financial information of the Company for the last eight quarters.

	Mar.31, 2021	*Dec.30, 2020*	*Sept.30, 2020*	*Jun.30, 2020*
Total assets	32,597,114	4,621,822	12,212,235	12,087,874
Working capital (deficiency)	10,332,023	(5,016,989)	(481,076)	(938,794)
Shareholders' equity (deficiency)	18,543,583	(6,170,114)	3,946,984	3,981,105
Revenue	-	-	-	-
Net income (loss)	(952,931)	3,817,969	(569,452)	(15,837,606)
Net income (loss) per share	(0.01)	0.02	(0.00)	(0.11)

	Mar.31, 2020	*Dec.31, 2019*	*Sept.30, 2019*	*Jun.30, 2019*
Total assets	27,550,700	12,750,732	8,649,697	5,428,639
Working capital (deficiency)	6,720,081	(920,070)	(692,925)	556,075
Shareholders' equity (deficiency)	9,725,200	3,950,104	1,213,799	(1,570,052)
Revenue	-	-	-	-
Net income (loss)	(1,506,944)	(4,799,746)	2,751,745	(108,691)
Net income (loss) per share	(0.01)	(0.04)	0.03	(0.00)

EXPENSES

For the period ended **March 31, 2021 and 2020**.

	2021 $	**2020 $**
Accretion and interest expenses	258,085	287,469
Consulting fees	137,969	46,730
Foreign exchange expenses	(1,474)	(45,986)
Management fees	334,292	230,307
Office expenses	208,603	45,126
Professional fees	99,952	33,380
Publicity and promotions	52,477	18,317
Research and development fees	97,519	236,294
Stock-based compensation	107,425	-
Transfer agent and listing fees	17,930	22,361
Travel expenses	1,445	1,027
Gain on sale and payments of digital assets	-	(332)
Unrealized loss on marketable digital assets	-	487,241
Unrealized loss (gain) on marketable securities	(532,106)	221,297
Gain on change in fair value of convertible loan investment	-	(132,241)
Equity loss on investments	-	85,602
Gain on debt settlement	(1,099,818)	(6,324)
Loss (gain) on fair market value change in convertible debentures	1,828,552	(23,722)
Impairment loss on property		398
Gain on lithium recovery technology	(557,920)	-
Loss and comprehensive loss	952,931	1,506,944

THREE MONTHS ENDED MARCH 31, 2021 AND 2020

For the three months ended March 31, 2021 and 2020, the Company had no revenues.

The Company incurred net loss for the period of $952,931 (2020 - $1,506,944). Operating expenses for the three months ended March 31, 2021 were $1,314,223 (2020 - $875,025). The increase in operating expense is primarily due to increase in office expenses of $208,603 (2020 - $45,126) as the Company increased fees to maintain the on-going operations in the current period. The increases in stock-based compensations to $107,425 (2020 – $nil) as the Company granted stock options to officers and consultants in the current period. The increases in consulting fees to $137,969 (2020 - $46,730), and management fees to $334,292 (2020 - $230,307) as the Company increased corporate structures and acquisitions. The increase in professional fees to $99,952 (2020 - $33,380) as the Company completed private placement and acquisition in the current period.

During the three months ended March 31, 2021, the Company recognized a gain of $nil (2020 - $332) on payments with Ether coins, and the Company recorded an unrealized loss on digital assets of $nil (2020 - $487,241) as a result of Kamari tokens not having an active market and recording a $nil value in the Kamari tokens held in the current period. The Company recognized an unrealized gain of $532,106 (2020 - $221,297 loss) on marketable securities. The Company recognized a gain of $1,099,818 on the repayment of $500,000 Kamari convertible debentures plus accrued interest by transferring 3,366,564 Kamari tokens to the debenture holder.

LIQUIDITY AND CASH FLOW

At **March 31, 2021**, the Company had cash of $12,704,826 (December 31, 2020 - $325,619) and working capital of $10,332,023 (December 31, 2020 – $5,016,989 deficiency).

For the period ended March 31, 2021, significant cash flows were as follows:

Net cash used in operating activities for the period was $3,447,676. Net loss for the period of $952,931 included non-cash accretion and interest expenses of $258,085 on convertible debentures; stock-based compensation of $107,425; gain on unrealized marketable securities of $532,106; gain on lithium recovery technology of $557,920; and gain on debt settlement of $1,099,818. Net changes in working capital items were $670,411, primarily including decrease in prepaid expenses of $10,781, increase in accounts receivable of $60,630, and decrease in accounts payable and accrued liabilities of $620,562.

Net cash used in investing activities for the period was $432,053. During the period ended March 31, 2021, the Company exercised 1,386,016 warrants of ZeU of $415,805.

Net cash provided by financing activities for the period was $16,258,936. The Company received net funds of $15,238,758, subscription receipts of $24,000 and subscription received in advance of $231,250 from share issuances for the completed private placement, warrants exercise and stock options exercise, and debentures converted into shares during the period ended March 31, 2021.

FINANCIAL RISK MANAGEMENT AND FINANCIAL ESTIMATES

FINANCIAL RISK

The primary goals of the Company's financial risk management are to ensure that the outcomes of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, and to maintain an appropriate risk/reward balance while protecting the Company's balance sheet from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through aligning risk appetite with business strategy, diversifying risk, pricing appropriately for risk, mitigating risks through preventive controls and transferring risk to third parties.

The Company's exposure to potential loss from financial instruments is primarily due to various market risks, including interest rate, liquidity and credit risk. There has been no change in the financial risk of the Company during the period.

MARKET RISK

Market risk is the risk of loss arising from adverse changes to market rates and prices, such as interest rates, equity market fluctuations, foreign currency exchanges rates, and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. Below is a discussion of the Company's primary market risk exposures and how those exposures are currently managed.

LIQUIDITY RISK

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. The purpose of liquidity management is to ensure that there is sufficient cash to meet all financial commitments and obligations as they fall due. To manage cash flow requirements, the Company may have to issue additional common shares or conclude private investments.

As at **March 31, 2021**, the Company has current liabilities and accrued liabilities of $6,790,795 (December 31, 2020 - $6,142,515) due within 12 months and has cash of $12,704,826 (December 31, 2020 - $325,619) to meet its current obligations. As a result, the Company faces liquidity risk as it expends funds towards its projects.

CREDIT RISK

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments that potentially subject the Company to credit risk consist primarily of cash. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada. This amount best represents the Company's maximum exposure to any potential credit risk. The risk is assessed as low.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market-interest rates. The Company's convertible debentures have fixed interest rates and accordingly is not subject to cash flow interest rate risk due to changes in the market rate of interest. The Company does not use financial derivatives to reduce its exposure to risk. The management of the Company considers its interest rate risk to be minimal.

FOREIGN EXCHANGE RISK

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

FAIR VALUE MEASUREMENT

Fair value is the amount at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on present value and other valuation techniques using rates that reflect those that the Company could currently obtain, on the market, for financial instruments with similar terms, conditions and maturities.

The carrying amount and fair value of financial instruments, with the exception of the secured debenture, are considered to be a reasonable approximation of fair value because of their short-term maturities.

The carrying values of the convertible debentures approximate its fair value at the reporting date because the convertible debentures were calculated by discounting future cash flows using rates that the Company would otherwise use for such debt with similar terms, conditions and maturity dates, adjusted for the Company's credit risk. Management believes that no significant change occurred in the risk of these instruments.

CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at March 31, 2021, the Company's shareholders' equity was $18,543,583 (December 31, 2020 – $6,170,114 deficiency). The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. To meet these objectives, management monitors the Company's capital requirements against unrestricted net working capital and assesses additional capital requirements on specific business opportunities on a case-by-case basis.

Capital for expansion comes mostly from proceeds from the issuance of common shares. The net proceeds raised will only be sufficient for a certain amount of exploration and development work on its properties, and for working capital purposes. Additional funds are required to finance the Company's corporate objectives. There was no change in the Company's capital management policy for the period ended March 31, 2021.

The Company is not currently exposed to any externally imposed capital requirements.

RELATED PARTY TRANSACTIONS

a) Related party transactions

During the period, the Company incurred the following transactions with related parties not disclosed elsewhere in the financial statements:

	Mar.31, 2021 $	Mar.31, 2020 $
Management or Administration fees paid or accrued to directors or companies controlled by directors or officers [1, 2,3,4,5,6,7,8,10]	334,292	230,307

[1] Herb Duerr, President, CEO and Director
[2] Mark Billings, Chairman and Director
[3] Frank Dumas, COO and Director
[4] Enrico Di Cesare, Director and VP Research & Development
[5] Richard Barnett, CFO
[6] Neha Tally, Corporate Secretary
[7] Kristín Ólafsdóttir, Director (appointed in March 2021)
[8] Gary Johnson, Director
[9] Vilhjalmur Vilhjalmsson, Director (resigned in March 2021)
[10] Joel Scodnick, Qualified Person
[11] Wei-Tek Tsai, Director (resigned in July 2019)

These amounts will be settled by either cash payments or issuing securities.

In addition, the Company incurred consulting fees of $79,483 (2020 - $120,088) which were expensed as research and development costs, and other consulting fees of $6,300 (2020 - $nil) during the period. 50% of the CEO's time was devoted to research and development.

b) Due to Related Parties

As at March 31, 2021, included in accounts payable and accrued liabilities is $526,503 (December 31, 2020 - $1,180,274) owing to related parties.

These amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

On January 7, 2021, ZeU issued 1,354,000 common shares at a deemed price of $0.25 per share to settle an aggregate of $338,500 of indebtedness owed to certain core management and directors.

c) Stock Options Granted

During the year ended December 31, 2020, a total of 5,200,000 stock options were granted to the key management to purchase common shares of the Company at an exercise price of $0.20 per share on or before December 7, 2025. The Company also incurred stock-based compensation of $480,015 with related parties during the year ended December 31, 2020.

OUTSTANDING SHARE DATA

As at March 31, 2021, the Company has 205,020,361 common shares outstanding of which 4,000,000 of the issued shares are held in escrow. Subsequent to the period ended March 31, 2021, the Company issued 2,050,000 shares for warrants exercised, issued 650,000 shares for stock options exercised, 20,289 shares issued for convertible debenture conversions, and 375,000 shares issued for debt settlement.

As of the current date, the Company has 208,115,650 common shares outstanding.

STOCK OPTIONS

As at March 31, 2021, the Company has 12,825,000 stock options outstanding. Subsequent to the period ended March 31, 2021, 650,000 stock options were exercised and the Company granted 1,025,000 stock options to consultants.

As of the current date, the Company has 13,200,000 stock options outstanding.

WARRANTS

As at March 31, 2021, the Company has 27,968,426 warrants outstanding. Subsequent to the period ended March 31, 2021, 200,000 warrants expired, 2,050,000 warrants were exercised, and the Company issued 250,000 warrants for an option agreement.

As of the current date, the Company has 25,968,426 warrants outstanding.

RISK FACTORS

EXPLORATION

Exploration and mining involve a high degree of risk. Few exploration properties end up going into production. Other risks related to exploration and mining activities include unusual or unforeseen formations, fire, power failures, labour disputes, flooding, explosions, cave-ins, landslides and shortages of adequate or appropriate manpower, machinery or equipment.

The development of a resource property is subject to many factors, including the cost of mining, variations in the quality of the material mined, fluctuations in the commodity and currency markets, the cost of processing equipment and others, such as aboriginal claims and government regulations, including regulations regarding royalties, authorized production, import and export of natural resources and environmental protection. Depending on the price of the natural resource produced, the Company may decide not to undertake or continue commercial production.

There can be no assurance that the expenses incurred by the Company to explore its properties will result in the discovery of a commercial quantity of ore. Most exploration projects do not result in the discovery of commercially viable mineral deposits.

ENVIRONMENTAL AND OTHER REGULATIONS

Current and future environmental laws, regulations and measures could entail unforeseeable additional costs, capital expenditures, restrictions or delays in the Company's activities. Environmental regulations and standards are subject to constant revision and could be substantially tightened, which could have a serious impact on the Company and its ability to develop its properties economically. Before it commences mining a property, the Company must obtain environmental permits and the approval of the regulatory authorities. There is no assurance that these permits and approvals will be obtained, or that they will be obtained in a timely manner. The cost of complying with government regulations may also impact the viability of an operation or altogether prevent the economic development of a property.

FINANCING AND DEVELOPMENT

The Company does not presently have sufficient financial resources to undertake its planned exploration and development programs. Development of the Company's properties therefore depends on its ability to raise the additional funds required. There can be no assurance that the Company will succeed in obtaining the funding required. The Company also has limited experience in developing resource properties, and its ability to do so depends on the use of appropriately skilled personnel or signature of agreements with other large resource companies that can provide the required expertise.

COMMODITY PRICES

The factors that influence the market value of platinum, palladium, rhodium, copper, cobalt, nickel, carbon graphite and any other mineral discovered are outside the Company's control. The impact of these factors cannot be accurately predicted. Resource prices can fluctuate widely and have done so in recent years.

RISKS NOT COVERED BY INSURANCE

The Company may become subject to claims arising from cave-ins, pollution or other risks against which it cannot insure itself due to the high cost of premiums or other reasons. Payment of such claims would decrease and could eliminate the funds available for exploration and mining activities.

COVID-19 DISCLOSURE

Since **December 31, 2019**, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods

signed "Herb Duerr"	*signed "Richard Barnett"*
President and Chief Executive Officer	Chief Financial Officer