ST-GEORGES ECO-MINING CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Nine Months Ended December 31, 2022

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 nine months ended December 31, 2022, and the audited financial statements for the fifteen months ended March 31, 2022. 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 (https://www.stgeorgesecomining.com/)

This MD&A is dated March 1, 2023.

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 OTCQB, 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 Company maintains a diversified portfolio of complementary businesses focused on Critical and Strategic Minerals (CSMs) and covering key activities from mining exploration to minerals recovery and valorization. This portfolio is defined as the Company is a junior exploration mining company focused on projects in Quebec, and its subsidiaries as:

- Iceland Resources is a junior exploration mining company focused on projects in Iceland.
- St-Georges Metallurgy is focused on metallurgical research and development and the related intellectual property for St-Georges Eco-Mining Corp.
- EVSX is focused on full-circle battery recycling solutions.
- H2SX is focused on transforming waste into clean hydrogen and other value-added by-products.

OVERVIEW

The Company discovers new resources through exploration and innovation in Quebec, Canada. It focuses on responsible mining practices with a smaller footprint than traditional mining methods. The Company has three active mining projects: the Manicouagan Project, the Julie Project, and the Notre Dame Project. The Company disclosed its intentions to recenter most of its exploration efforts in Québec for 2022-2023 on the Manicouagan Project. Based on this decision, no major additional exploration expenses are expected for the Julie Project or the Notre Dame Project for the period.

MANICOUAGAN PROJECT

Project Description

The Manicouagan Project is located approximately 70 km north of the Manicouagan Crater and 350 km northwest of Baie-Comeau, QC. The Project comprises 388 claims, or 20,474 hectares (204.7km^2). It is contained on NTS sheets 22C03,22C04 and 23C05. The Project is prospective for nickel, copper, cobalt, platinum, palladium, rhodium, ruthenium, osmium, and iridium. The Company operates a forward base along 389 National Road, accessible year-round and located 5 hours north of Baie-Comeau; material and personnel can be brought to the Project via floatplane (or ski in the winter) and helicopter under an hour. The Project has a camp and a floatplane base. Upgrades to the camp to allow its operation in winter have begun.

Project Highlights

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 Project on the Quebec North Shore. This Project was co-owned by Exploration J. F. Inc and Frank Dumas, director of the Company. Pursuant to the agreement, the Company issued 5,000,000 shares to the vendors, and the Company also paid 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 two NTS sheets where the project is located.

In **February 2020**, the Company added 36 new mining claims to the Project through electronic map staking.

In **August 2020**, the Company secured two 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. An 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.

In **July 2021**, the Company repatriated the historical drill cores stored at the Hélène camp to its warehousing facilities in southern Québec. The cores were split or re-split and systematically sampled and tested for PGEs.

On **November 17, 2021**, the Company entered into a 1% royalty buy-back agreement to acquire the production royalty from one of the two royalty holders on its fully owned Manicouagan Project. Pursuant to the agreement, the Company issued 1,000,000 common shares to the vendor with a deemed value of $500,000.

In **2021**, 2,639 meters were drilled on the Project, over 19 holes.

On **March 1, 2022**, the Company added 106 new claims to the Project through electronic map staking.

Between **February** and **April 2022**, the Company released partial results of its 2021 drilling campaign and the historical core resampling results.

Between **October** and **November 2022**, the Company disclosed the entire results for the 2021 drill program.

In **November 2022**, the Company added 54 new claims to the Project through electronic map staking.

In **December 2022**, the Company added 74 new claims to the Project through electronic map staking.

In **December 2022**, 1804 meters were drilled on the Project, over 11 holes.

In **January 2023**, a high-resolution magnetic (MAG) survey of the Manicouagan-Central Project and a magnetic and time-domain electromagnetic (MAG-TDEM) survey of the Manicouagan Project were completed.

In **February 2023**, 2 claims were transferred from a holder, at no cost to the Company.

JULIE PROJECT

Project Description

The Julie Project is located via a 90-minute drive from the deep seaport city of Baie-Comeau on the Quebec North Shore. The Project comprises 294 claims for an area of 16,226.99 hectares (162.27 km^2). It is contained on NTS sheets 22K03, 22F13 and 22F14. The Project is prospective for nickel, copper, cobalt, palladium, platinum, silver, and magnesium. There is a camp near the Project, and the claims are accessible by gravel road and logging roads nine months a year and by winter road three months a year. Some material extracted from the Project is used as feed for nickel green-processing technology development conducted by St-Georges Metallurgy.

Project Highlights

In **February 2021**, the Company added 65 new mining claims through electronic map staking to the existing claims.

In **June 2021,** the Company acquired 147 new claims through electronic map staking.

In **July 2021**, the Company reconditioned and repaired approximately 30 km of logging roads on the Julie Project.

On **August 11, 2021**, the Company entered into a purchase agreement for 28 mineral claims adjacent to the Julie Project. Pursuant to the agreement, the Company issued 100,000 common shares at a fair value of $27,000 to the vendor and a cash payment of $50,000.

In **September 2021**, the Company completed phase 1 of its drilling campaign on the Julie Project for a total of 2,710 meters.

In **November 2021**, the drilling and exploration team returned to Julie to start Phase 2 of its drilling campaign based on results from a borehole geophysics analysis. A total of 4,200 meters over 11 holes were completed.

NOTRE DAME PROJECT

Project Description

The Notre Dame Project is located near the municipality of Notre-Dame de Lorette on the northern flank of the Lac St-Jean in Québec. The Project comprises 35 mining claims. The project is prospective for niobium, cesium, lanthanum, neodymium, praseodymium, samarium, and yttrium. Lab analysis results for chosen surface samples have returned noticeable grades of niobium from a previously untested carbonatite showing.

Project Highlights

On **December 20, 2021**, the Company acquired 35 mining claims through electronic map staking.

In **May 2022**, the Company's contracted geologists and exploration contractors initiated an extensive surface exploration campaign. Surface sampling, geophysics, mapping, and channel cuts were done on all the outcrops identified. Additional work that includes the removal of overburden on the most promising zones was done in parallel.

In **June 2022**, the Company's geological team completed the first phase of the surface exploration campaign at the niobium project. Over 210 samples collected were sent to ALS laboratories.

In **November 2022**, the Company communicated the results of the first phase of the surface exploration campaign.

LITHIUM EXTRACTION TECHNOLOGIES

ICONIC MINERALS LTD.

In December 2017, the Company 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 the Company:

- Invest $100,000 by way of private placement in the Company (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 issuances 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 the Iconic Bonnie Claire lithium project. 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 **April 27, 2021**, the Company received the latest shipment of bulk material from Iconic’s Bonnie Claire Lithium project in Nevada.

In **August 2022**, the Company disclosed it had received partial results of a first pilot-plant operation with the Bonnie Claire material. The Company metallurgists expect to grow lithium hydroxide crystal from the material provided that was concentrated and processed.

Subsequent Event

In **February 2023**, the Company disclosed that it received a preliminary version of an independent review report on the work done with the lithium-bearing material obtained from Iconic Minerals. The final review of the results is underway, and the Company expects to share the final second-stage independent report with the management of Iconic Minerals in Q1 2023.

LITHIUM HYDROXIDE

In **October 2022**, the Company announced that lithium hydroxide crystals were produced in small quantities using the material provided by Iconic.

In **October 2022**, the Company received confirmation that the manufacturing of the industrial electrolysis unit built to the Company specifications had been completed.

In **November 2022**, the Company received the hydrolysis equipment for lithium hydroxide pilot production.

SUBSIDIARIES

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 mineral exploration projects. Its flagship project is the Thormodsdalur (Thor) Gold Project. Additionally, Iceland Resources pursues interests in geothermal effluent urban mining, holds a stake in an Icelandic hydropower plant, and maintains a wholly-owned subsidiary, Melmi ehf.

THORMODSDALUR (THOR) GOLD PROJECT

PROJECT DESCRIPTION

Thormodsdalur is located about 20km east of the city center of Reykjavík, southeast of lake Hafravatn. The project has a long history dating from 1908, when a gold deposit was found; it was subsequently investigated between 1908-1925. 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.

PROJECT HIGHLIGHTS

In **August 2020**, the Company released the initial fire assay 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 to test the previous surface sample that assayed 37.4 g/t gold. At a 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 **2021**, 1,542 meters of the proposed 4,060 meters drilling program were completed.

In **April 2022**, results from the 2021 drilling campaign were communicated by press release.

The 2022 summer drilling program at Thor was postponed. The Icelandic team was tasked with half a dozen geological surface work programs on other active licenses alongside spearheading the new initiatives in battery recycling and metallurgical processing of geothermal wells.

ICELAND GEOTHERMAL EFFLUENTS PROJECT

In **October 2022**, the Company disclosed that agreements are now in place with different geothermal energy producers from Iceland that allow for the collection of mineral material from their well operations for research purposes. Approximately 200 kg of this material was received by the Company's contracted metallurgical laboratories research facility in Québec.

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 hydropower plant located just south of Langjokull in Iceland.

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.

ST-GEORGES METALLURGY CORP.

In February 2020, the Company incorporated a new wholly-owned subsidiary, St-Georges Metallurgy Corp.("SXM"), to handle all metallurgical research and development, laboratory partnerships, metallurgical joint ventures, and related intellectual property. SXM technologies include lithium recovery in clay, requiring less energy, less water, fewer chemicals, and less space than currently available solutions.

On **October 6, 2021**, the Company produced its first batch of lithium carbonate from spodumene in its contracted laboratories as part of the preparation and configuration process for the incoming industrial pilot production.

On **November 9, 2021**, the Company successfully advanced its metallurgical process allowing the production of lithium carbonate and hydroxide alongside the production of fertilizer by-products and now high-grade alumina by-production. Alumina or AI2O3 was present in most hard rock and clay resources reviewed by the Company.

In **January 2022,** the Company disclosed that it processed 20 tons of batteries supplied by a potential partner under a non-disclosure agreement at its pilot plant.

In **the second quarter of 2022**, an additional tonnage exceeding 30 tons of spent batteries was obtained.

EVSX CORP.

In January 2021, the Company incorporated a new wholly-owned subsidiary, EVSX Corp. EVSX focuses on full-circle, next-generation battery recycling to optimize metal recovery from all types of used batteries using less heat and less acidic fluids while working toward 100% recycling of batteries.

On **March 12, 2021**, the Company executed a definitive agreement with ID Manic which defines the mutual obligations and contributions of the partners related to the Electric Vehicle & domestic batteries recycling feasibility study. The Company subsequently retained WSP Canada Inc. to develop a work program that will define its involvement in the environmental assessment of the proposed installations, environmental permitting, independent engineering, and the chemical review of the Company's patent-pending proprietary process.

On **July 26, 2021**, the Company received a grant from the Natural Sciences and Engineering Research Council of Canada ("NSERC") to initiate a partnership between the Company academic institutions within a new initiative called "A circular economy initiative to develop a Quebec-based production of fertilizer from the recycled products of lithium-ion batteries".

In **the first quarter of 2022**, the Company received the results of the Feasibility Study. The preliminary report, received in June 2021, allowed the Company to accelerate permitting and grant requests and convinced management to design the plant as a scalable operation with the aim of delivering the lowest possible CAPEX costs.

On **April 13, 2022**, the Company announced that its board of directors voted unanimously to authorize its subsidiary EVSX to move forward with its plan to recycle batteries and produce nickel ingots in Baie-Comeau, Québec. The Company made an offer to acquire three (3) contiguous lots totaling approximately 50,000 square meters in Baie-Comeau. The Company will pay a total of $400,000 ($100,001 was paid at closing in May 2022, with the balance of $300,000 to be paid within 730 days) and will have to start construction of the installations which will host Phase II of the industrial battery operations deployment within 24 months. The facility is in a zone allowing the Company to qualify for a complete suite of governmental advantages and incentives.

In **June 2022**, EVSX also made a formal offer to buy a building to host its Phase I deployment. EVSX closed the acquisition with $258,694 in July 2022, and started generating revenues in July 2022 from the commercial rental in the building. During the period ended December 31, 2022, the Company recorded $24,006 in rental income from the commercial rental in the building.

In **July 2022**, EVSX commissioned and disbursed the initial payment of $319,916 for manufacturing three identical battery-processing industrial units for the total cost of $762,628.

In **September 2022**, EVSX signed a binding Memorandum of Understanding with AraBat S.R.L., a battery recycling technology company in Italy. It gives the partners four months to complete a detailed partnership agreement, wherein EVSX will initiate the planification to deploy its front-end solution to manufacture critical metals black mass from the used batteries sourced by Arabat in Italy and adjacent European countries.

In **January 2023**, the parties mutually agreed to extend their agreement to the end of the month of June 2023. This extension should allow EVSX to conduct a first series of tests using the novel technological claims of Arabat in a hybrid pilot environment. Decision to pursue and nature of a potential joint-venture agreement will be consequence of the results of these tests.

On **November 2, 2022**, the main manufacturer of the three circuits delivered all blueprints and specifications for local manufacturing of replacement parts and the spendable portion of the three plants.

In **November 2022**, a letter of intent was executed by the Company for a site identified as suitable for all stages of its battery recycling operations in Ontario.

On **December 5, 2022**, EVSX had secured the location for its Ontario battery recycling and battery mineral processing operations within the Bioveld Complex under the umbrella of the Thorold Multimodal Hub and the Hopa Port Authority in Niagara, Ontario.

On **December 5, 2022**, EVSX had completed the Canadian Standard Association standard independent review for its battery recycling modular industrial plants, allowing operations in Canada.

On **December 12, 2022**, the Company and Call2Recycle Canada Inc. entered into a Memorandum of Understanding to sort and process battery volume with EVSX at the Bioveld Complex.

H2SX CORP.

On January 14, 2022**,** the Company incorporated a new subsidiary, H2SX Corp. ("H2SX"). H2SX focuses on transforming organic waste into green hydrogen, fertilizers and other value-added by-products. It aims to provide dark green hydrogen at the price of grey hydrogen while conserving resources, such as drinking water and energy, to produce hydrogen in a responsible, sustainable manner.

On **April 25, 2022**, H2SX executed a final agreement with the South Korean company Wintech Energy Corp. ("Wintech Energy"). The agreement allows H2SX to access Wintech Energy's green hydrogen technology. Through this agreement, Wintech Energy becomes a shareholder of H2SX.

H2SX is acquiring a global non-exclusive license as well as an exclusive license for the territories of Iceland, the State of Nevada in the United States of America, and the Provinces of Quebec and Ontario in Canada. The exclusive license also covers all-natural resource-based operations in Canada. Additional intellectual property developed by the partners will be co-owned, half by H2SX and half by the licensors.

H2SX will issue a total of 990,000 common shares representing 9.9% of its common shares, in favor of Wintech (4.95%) and ZeeOne (4.95%). The parties will also receive preferred shares with a conversion rate potentially representing 10% of the outstanding shares of H2SX. No cash will be disbursed. A series of 5-year Special Milestone Warrants exercisable at CA $1.00 will also be issued based on the milestones.

Since then, H2SX Management has been in discussions with various entities, including potential partners, institutional financial backers, and representatives of provincial and federal governments, to structure the project's two phases financially.

Subsequent Event

On **February 14, 2023**, H2SX and Altima Resources Limited (TSX-V: ARH) entered into an agreement via a binding term sheet to move forward with the production of cheap and clean hydrogen (ccH2™) in Canada.

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 ("BWA"). Pursuant to the agreement, BWA acquired all of the issued and outstanding shares of KOTN. 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.

As at December 31, 2020, the Company held 60,000,000 shares, representing 15.21% of the outstanding BWA shares. The Company remained a significant shareholder of BWA but has no representation as either an officer or a director. As such, it had some influence over BWA but could not appoint a member to the board of BWA. Management had concluded that it was extremely unlikely that any reasonable value could be established for the shares as at December 31, 2020, and impaired them to a $nil value. This did not change for the year ended December 31, 2021. The Company recognized its shares of BWA's net loss of $402,451 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 had been written off.

The Company served a statement of claims to BWA, and its subsidiary, Kings of the North Corp. The claims seek damages of $277,640 for breach of contract and various other causes of action.

BWA has commenced a civil action against the Corporation in relation to the KOTN transactions. The BWA claim seeks, among other things, damages of $1,500,000 against the Corporation and its former CEO, alleging breach of contract, conspiracy and various other causes of action (the "BWA Claims"). The Corporation believes the BWA claims are entirely without merit and frivolous. The Corporation will vigorously defend the BWA Claims and will prosecute its own claims against BWA and KOTN.

On **July 25, 2022**, the Company sold 57,000,000 shares of BWA, representing the majority of its holding of BWA, to G&O Energy Investments Ltd. for $57,000, which remains receivable.

On **July 29, 2022**, the Company also sent a conversion notice to BWA to convert part of its convertible debentures into 116,412,500 ordinary shares of BWA. BWA declined the conversion. The Company's solicitors in the UK sent BWA a demand letter in response to their refusal to honor their obligation.

On **November 28, 2022**, the Company initiated legal proceedings against BWA in front of the High Court of Justice, Business and Property Court of England & Wales.

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 advanced. 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 the Company and was spun off in December 2019. As of December 31, 2022, the Company owned 10,136,191 (March 31, 2022 - 10,136,191) common shares of ZeU, which are covered by a resell escrow agreement.

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 **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 at 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 amounts 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 amounts 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 7,831,632 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 the 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 the first 18 months from the issuance, and $1.25 for the 18 months thereafter, together 36 months expiry period. The Company paid a 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 the first 18 months from the issuance, and $1.25 for the 18 months thereafter, together 36 months expiry period. The Company paid a 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.

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 amounts 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 are 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 amounts of $870 plus accrued interest of $139 at a price of $0.385 per share.

On **July 23, 2021**, the Company granted a total of 300,000 stock options to certain consultants at an execution price of $0.45 until July 23, 2023.

On **August 12, 2021**, the Company issued 100,000 common shares at a fair value of $27,000 to the vendor for the purchase agreement of 28 mineral claims adjacent to the Julie project.

On **October 26, 2021**, the Company granted a total of 700,000 stock options to certain consultants at an execution price of $0.60 per share until October 26, 2023, and granted a total of 5,500,000 stock options to management and directors at an execution price of $0.60 per share until October 26, 2026.

On **November 22, 2021**, the Company issued 1,000,000 shares to Exploration J. F. Inc. with a deemed value of $500,000 for the acquisition of the production royalty in the Manicouagan Project.

On **November 30, 2021**, the Company closed its non-brokered private placement of 10,127,273 flow-through units at a price of $0.55 for gross proceeds of $5,570,000. Each flow-through unit is comprised of one common share of the Company on a flow-through basis, and one-half flow-through share purchase warrant. Each flow-through warrant entitles the holder thereof to purchase one share at an exercise price of $0.65 until November 30, 2023. The Company paid a finder fee of $302,700 in cash and issued 557,273 non-transferable finders warrants at an exercise price of $0.65 until November 30, 2023. The Company used the flow-through proceeds to further advance the exploration effort on the Manicouagan Project.

On **December 21, 2021**, the Company closed its non-brokered private placement of 4,185,714 units at a price of $0.35 for gross proceeds of $1,465,000. Each unit is comprised of one common share of the Company and one share purchase warrant. Each warrant entitles the holder thereof to purchase one share at an exercise price of $0.40 until June 21, 2023. The Company paid a finder fee of $98,000 in cash and issued 280,000 non-transferable finders warrants at an exercise price of $0.40 until June 21, 2023. The Company will use the proceeds to advance its subsidiary H2SX for the green hydrogen initiative.

On **March 1, 2022**, the Company granted 250,000 stock options to a consultant at an execution price of $0.45 per share until March 1, 2027.

During the fifteen months ended **March 31, 2022**, the Company issued 3,670,000 common shares for stock options exercised for proceeds of $396,500, and issued 14,270,300 common shares for warrants exercised for proceeds of $2,698,810.

On **September 2, 2022**, the Company extended the expiry dates of certain warrants issued during its private placement financings as follows:

Number of Warrants	Current Expiry Date	Revised Expiry Date
1,428,571	February 5, 2023	February 5, 2024
10,000,000	Exercise price of $0.65 for a period of 18 months following the closing date, and $1.05 for the 18 months thereafter.	Exercise price of $0.65 for a period of 30 months following the closing date, and $1.05 for the 6 months thereafter.
7,831,632	Exercise price of $0.75 for a period of 18 months following the closing date, and $1.25 for the 18 months thereafter.	Exercise price of $0.75 for a period of 30 months following the closing date, and $1.25 for the 6 months thereafter.
1,083,333	Exercise price of $0.75 for a period of 18 months following the closing date, and $1.25 for the 18 months thereafter.	Exercise price of $0.75 for a period of 30 months following the closing date, and $1.25 for the 6 months thereafter.
5,063,636	November 30, 2023	November 30, 2024
4,185,714	June 21, 2023	June 21, 2024

On **November 1, 2022**, the Company closed the first tranche of a non-brokered private placement offering of flow-through units at a price of $0.25 for total gross proceeds of $1,425,000. Each flow-through unit is comprised of one common share in the capital of the Company on a flow-through basis, and half a flow-through share purchase warrant. Each half flow-through warrant entitles the holder thereof to purchase half a share at an exercise price of $0.29 per share until November 1, 2025. The Company paid a finder fee of $75,000 in cash and issued 300,000 finders warrants at an exercise price of $0.29 until November 1, 2025. The Company used the proceeds of the offering to further advance the exploration effort on the Manicouagan project in Québec.

On **November 18, 2022**, the Company closed the second tranche of a non-brokered private placement offering of flow-through units at a price of $0.25 for total gross proceeds of $1,800,000. Each flow-through unit is comprised of one common share in the capital of the Company on a flow-through basis, and half a flow-through share purchase warrant. Each half flow-through warrant entitles the holder thereof to purchase half a share at an exercise price of $0.29 per share until November 18, 2025. The Company paid a finder fee of $108,000 in cash and issued 432,000 finders warrants at an exercise price of $0.29 until November 18, 2025. The Company used the proceeds of the offering to further advance the exploration effort on the Manicouagan project in Québec.

On **December 30, 2022**, the Company closed a non-brokered private placement offering of flow-through units at a price of $0.41 for total gross proceeds of $2,050,000. Each flow-through unit is comprised of one common share in the capital of the Company on a flow-through basis, and one share purchase warrant. Each warrant entitles the holder thereof to purchase a share at an exercise price of $0.50 per share until December 30, 2025. The Company paid a finder fee of $123,000 in cash. All of the funds raised are earmarked for the advancement of mineral exploration at the Manicouagan critical and strategic minerals project.

During the period ended December 31, 2022, the Company issued 904,455 common shares for warrants exercised for proceeds of $167,324, and issued 495,545 common shares to settle $91,676 of accounts payable.

During the period ended **December 31, 2022**, the Company received $95,000 of the subscription receivable from stock options exercise, and the private placement closed during the period ended March 31, 2022. The balance of subscription receivable as at the report date is $5,324.

SELECTED ANNUAL INFORMATION

	Fifteen months ended March 31, 2022 $	Year ended December 31, 2020 $
Revenues	-	-
Operating expenses	(12,657,689)	(4,243,923)
Net loss and comprehensive loss for the period	(23,277,671)	(14,096,033)
Basic and diluted loss per share	(0.11)	(0.10)
	Fifteen months ended March 31, 2022 $	**Year ended December 31, 2020 $**
Cash and cash equivalents	3,937,083	325,619
Digital assets	-	-
Working capital deficiency	(1,483,012)	(5,016,989)
Exploration and evaluation assets	15,655,582	3,300,938
Total assets	21,418,348	4,621,822
Shareholders' equity (deficiency)	8,586,837	(6,170,114)

For the fifteen months ended March 31, 2022, the Company had no revenues.

The Company incurred a net loss and comprehensive loss for the period of $23,277,671 for the period ended March 31, 2022, compared to $14,096,033 for the year ended December 31, 2020. The increase in the loss is primarily due to an impairment of goodwill of $13,320,813 (December 31, 2020 - $nil), and operating expenses increased to $12,657,689 (December 31, 2020 - $4,243,923). Further details are available in the analysis below.

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.

RESULTS OF OPERATIONS

For the period ended **December 31, 2022**, the Company recorded a net loss of $4,827,965 (2021 - $10,494,609), had a cumulative deficit of $42,484,465 (2021 – $35,247,347), and deficit non-controlling interest of $15,011,053 (2021 - $5,475,151). The Company had no source of operating revenues or any related operating expenditures.

EXPENSES

For the period ended December 31, 2022 and 2021.

	2022	2021
	$	$
Accretion and interest expenses	1,186,524	1,690,912
Consulting fees	345,666	731,275
Foreign exchange loss (gain)	(269,604)	4,773
Management fees	1,109,343	1,293,375
Office expenses	413,781	509,952
Professional fees	345,321	394,823
Property Tax	11,037	-
Publicity and promotions	278,668	177,220
Research and development fees	839,388	1,041,409
Salary	101,012	-
Stock-based compensation	-	3,568,757
Transfer agent and listing fees	103,416	134,426
Travel expenses	178,714	120,442
Unrealized loss on marketable securities	45,903	706,987
Loss on sale of marketable securities	-	23,755
Gain on disposal of BWA shares	(57,000)	-
Gain on fair market value change in convertible debentures	(14,667)	(259,528)
Loss on write-off receivable	-	359,500
Gain on write-off accounts payable	(35)	(3,469)
Impairment loss on property	234,504	-
Rental income	(24,006)	-
Loss and comprehensive loss	4,827,965	10,494,609

SUMMARY OF QUARTERLY RESULTS

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

	Dec.31, 2022	*Sept.30, 2022*	*Jun.30, 2022*	*Mar.31, 2022*
Total assets	24,824,702	19,465,934	20,128,451	21,418,348
Working capital (deficiency)	(3,825,757)	(4,361,325)	(3,148,486)	(1,483,012)
Shareholders’ equity (deficiency)	9,047,799	5,673,971	6,991,205	8,586,837
Revenue	-	-	-	-
Net income (loss)	(1,825,052)	(1,312,281)	(1,690,632)	(11,830,131)
Net income (loss) per share	(0.01)	(0.01)	(0.01)	(0.05)
	Dec.31, 2021	*Sept.30, 2021*	*Jun.30, 2021*	*Mar.31, 2021*
Total assets	35,867,510	31,696,856	32,454,999	32,597,114
Working capital (deficiency)	(668,073)	540,624	6,316,222	10,332,023
Shareholders’ equity (deficiency)	20,225,331	14,418,804	16,607,385	18,543,583
Revenue	-	-	-	-
Net income (loss)	(4,788,683)	(2,180,060)	(3,525,866)	(952,931)
Net income (loss) per share	(0.02)	(0.01)	(0.02)	(0.01)

THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021

For the three months ended December 31, 2022 and 2021, the Company had no revenues.

The Company incurred a net loss for the period of $1,825,052 (2021 - $4,788,683). Operating expenses for the three months ended December 31, 2022, were $1,717,290 (2021 - $4,468,445). The decrease in operating expense is primarily due to a decrease in accretion and interest expenses of $396,218 (2021 - $537,031) on debentures as part of the convertible debentures were converted into shares of the Company after the prior period. The stock-based compensations were $nil (2021 – $2,558,934) as the Company granted stock options to officers and consultants in the prior period. The decrease in research and development fees to $192,839 (2021 - $365,881) as the development in ZeU was paused during the current period. The increases in office expenses to $287,776 (2021 - $43,147) as the Company increased fees to maintain the ongoing operations in the current period. The increase in professional fees to $159,175 (2021 - $69,432) and transfer agent and listing fees to $44,676 (2021 - $10,034) as the Company completed private placements in the current period.

During the three months ended December 31, 2022, the Company recognized an unrealized loss of $119,766 (2021 - $39,262 gain) on marketable securities, and the Company recorded rental income of $12,004 (2021 - $nil) from its subsidiary's commercial rental during the three months ended December 31, 2022.

NINE MONTHS ENDED DECEMBER 31, 2022 AND 2021

For the nine months ended December 31, 2022 and 2021, the Company had no revenues.

The Company incurred a net loss for the period of $4,827,965 (2021 - $10,494,609). Operating expenses for the nine months ended December 31, 2022, were $4,643,266 (2021 - $9,667,364). The decrease in operating expenses is primarily due to a decrease in accretion and interest expenses of $1,186,524 (2021 - $1,690,912) on debentures as part of the convertible debentures were converted into the shares of the Company after the prior period. The decrease in office expenses to $413,781 (2021 - $509,952) as the Company decreased fees to maintain the ongoing operations in the current period. The decrease in stock-based compensations to $nil (2021 – $3,568,757) as the Company granted stock options to officers and consultants in the prior period. The decrease in consulting fees to $345,666 (2021 - $731,275) and management fees to $1,109,343 (2021 - $1,293,375) as the Company decreased corporate structures and subsidiaries in the current period.

During the nine months ended December 31, 2022, the Company recognized a loss of $nil (2021 - $23,755) upon the sale of certain marketable securities, an unrealized loss of $45,903 (2021 - $706,987) on marketable securities, and the Company recorded a gain of $57,000 (2021 - $nil) upon disposal of 57,000,000 BWA shares. During the nine months ended December 31, 2022, the Company recorded an impairment loss of $234,504 (2021 - $nil) on property, and rental income of $24,006 (2021 - $nil) from its subsidiary's commercial rental.

LIQUIDITY AND CASH FLOW

At **December 31, 2022**, the Company had cash of $3,574,394 (March 31, 2022 - $3,937,083) and a working capital deficiency of $3,825,757 (March 31, 2022 – $1,483,012).

For the period ended December 31, 2022, significant cash flows were as follows:

Net cash used in operating activities for the period was $2,526,308. Net loss for the period of $4,827,965 included non-cash accretion and interest expenses of $1,186,524 on convertible debentures; an unrealized loss on marketable securities of $45,903; foreign exchange loss of $18,635; a gain on disposal of BWA shares of $57,000; a gain of $14,667 on the fair market value change in the debentures. Net changes in working capital items were $1,116,647, primarily including an increase in prepaid expenses of $310,887, a decrease in accounts receivable of $284,283, and an increase in accounts payable and accrued liabilities of $1,143,251.

Net cash used in investing activities for the period was $3,033,633. During the period ended December 31, 2022, the Company impaired property of $234,504. The Company expensed 2,623,180 in exploration and evaluation costs, the purchase of a building for $258,694 and the purchase of equipment for $386,263.

Net cash provided by financing activities for the period was $5,197,252. The Company received subscription of $95,000 from the prior year's private placement and stock options exercise, and the Company received net funds of $5,102,252 from the share issuances for the private placement and warrants exercise during the period ended December 31, 2022.

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 exchange rates, and other relevant market rates 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 **December 31, 2022**, the Company has current liabilities and accrued liabilities of $9,172,432 (March 31, 2022 - $7,154,675) due within 12 months and has cash of $3,574,394 (March 31, 2022 - $3,937,083) 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, are 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 December 31, 2022, the Company's shareholders' equity was $9,047,799 (March 31, 2022 - $8,586,837). The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing 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 December 31, 2022.

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:

	Dec 31, 2022 **$**	Dec 31, 2021 $
Management or Administration fees paid or accrued to directors or companies controlled by directors or officers [1, 2,3,4,5,6,7,8,9.10]	959,343	948,125
Bonus paid or accrued to directors or companies controlled by directors or officers [1, 2,3,4,5,6,8]	150,000	345,250

[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 (resigned in September 2021)
[9] Keturah Nathe, Director (appointed in August 2021)
[10] Vilhjalmur Vilhjalmsson, Director (resigned in March 2021)

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

In addition, the Company incurred consulting fees of $202,485 (2021 - $356,613), which were expensed as research and development costs, and other consulting fees of $45,000(2021 - $53,891) during the period. 50% of the CEO's time was devoted to research and development.

The related parties of the Company subscribed for a total of 2,100,000 units for proceeds of $1,050,000 and subscribed for a total of 2,500,000 flow-through units for proceeds of $1,500,000 in the private placement closed on March 3, 2021.

The related parties of the Company subscribed for a total of 554,545 flow-through units for proceeds of $305,000 in the private placement closed on November 30, 2021.

The related parties of the Company subscribed for a total of 700,000 flow-through units for proceeds of $175,000 in the private placement closed on November 1, 2022.

b) Due to Related Parties

As at December 31, 2022, included in accounts payable and accrued liabilities is $1,051,129 (March 31, 2022 - $686,993) owing to related parties. These amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

As at December 31, 2022, the balance of $20,000 (March 31, 2022 - $20,000) is due to a director of the Company and is included as a loan from a related party. This amount is unsecured, non-interest bearing and has no fixed terms for 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 period ended December 31, 2021, a total of 5,500,000 stock options were granted to the key management to purchase common shares of the Company at an exercise price of $0.60 per share on or before October 26, 2026. The Company also incurred stock-based compensation of $2,121,335 with related parties during the period ended December 31, 2021.

OUTSTANDING SHARE DATA

As at December 31, 2022, and at the current date, the Company has 244,820,928 common shares outstanding, of which 4,000,000 of the issued shares are held in escrow.

STOCK OPTIONS

As at December 31, 2022, and at the current date, the Company has 18,355,000 stock options outstanding.

WARRANTS

As at December 31, 2022, and at the current date, the Company has 43,237,049 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 are 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