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, 2023

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, 2023, and the audited financial statements for the year ended March 31, 2023. 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.sedarplus.ca) under St-Georges Eco-Mining Corp. or on the Company's website (https://www.stgeorgesecomining.com).

This MD&A is dated February 28, 2024.

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 mineral recovery and valorization.

It's operational segments and their activities are:

- Iceland Resources EHF: Exploration of mineral resources in Iceland
- St-Georges Metallurgy Corp.: Research and Development of metallurgical processes
- EVSX Corp.: Full battery-recycling solutions
- H2SX Corp.: Green hydrogen production technology (The Company retains 90.10% of H2SX Corp.)
- ZeU Technologies Inc.: Distributed, decentralized, peer-to-peer technologies*

* Started trading on the CSE in December 2019. As of the date of this report, the Company retains 26.67% of ZeU Technologies Inc. ("ZeU") shares outstanding, and ZeU operates as a standalone entity. On October 17, 2023 the Company filed a Form 45-102F1 (Notice of Intention to Distribute Securities under Section 2.8 of NI 45-102 Resale of Securities) on SEDAR to signify its intention to sell in the public market or privately, up to 8,888,000 common shares of ZeU in multiple transactions.

OVERVIEW

The Company has three active mining projects in Quebec, Canada: 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, limited exploration expenses were incurred for the Julie Project or the Notre Dame Project for the year.

In July 2023, the mandate to compile technical knowledge on the Manicouagan, Thor (Iceland) and Julie Projects were given to independent geological firms.

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. It comprises 388 claims for an area of 20,474 hectares (204.7km²) contained on NTS sheets 22C03, 22C04 and 23C05. The Project is prospective for Critical and Strategic Minerals including 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 in under an hour. The Project has a camp and a floatplane base.

Project Highlights

In **January 2020**, the Company acquired 100% of the Manicouagan Project then comprised of 77 mining claims from Exploration J. F. Inc and Frank Dumas, a director of the Company at the time. The Company issued 5,000,000 shares to the vendors and paid $25,000 cash upon signing the agreement, and $25,000 cash at the anniversary date of the agreement. A 2% NSR was granted to the vendors, as well as a zone of influence covering the two NTS sheets where the initial project area is located.

During the period **January 2020 - March 2022** the Company expanded the Manicouagan Project size by acquiring 179 mining claims through electronic map staking. The Company also 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 $25,000 was subscribed into units of the Company at a price of $0.10 per unit in a private placement closed in November 2020. The Company also entered into a 1% royalty buy-back agreement to acquire the production royalty from one of the two royalty holders pursuant to which the Company issued 1,000,000 common shares to the vendor with a deemed value of $500,000.

During the same period, the Company repatriated the historical drill cores stored at the Hélène camp to its contracted facilities where they were systematically sampled and tested for PGEs. The Company added 2,639 meters of drilling over 19 holes and partial results of this campaign, as well as the historic core resampling, were disclosed between February and April 2022.

Between October and December 2022, the Company disclosed the entire results for the 2021 drilling program and added 128 new claims to the Project through electronic map staking. 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.

In **April 2023**, the exploration team drilled 1,424 meters over six holes on the Manicouagan Project. The samples were sent for lab analysis in December 2023.

The Company also completed 2 ground EM surveys and a downhole EM survey.

Subsequent Event

On **February 20, 2024,** the Company announced the results of the 2023 drilling program in the Manicouagan project for the discovery of thick low-grade mineralization at Manicouagan extends know mineralized zone to a length of 7 kilometers.

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 its subsidiary St-Georges Metallurgy Corp.

Project Highlights

In **2021**, the Company acquired 212 additional mining claims through electronic map staking. It also entered into a purchase agreement for 28 mineral claims adjacent to the Julie Project pursuant to which the Company issued 100,000 common shares at a fair value of $27,000 and a cash payment of $50,000 to the vendor. In 2021, the Company also drilled a total of 4,187 meters over 11 holes, and performed borehole geophysics analysis of 5 drillholes.

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. 35 mining claims were acquired through electronic map staking in December 2021, and 81 mining claims were transferred from three vendors in exchange for a royalty in October 2023. It 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

In 2022, the Company's contracted geologists and exploration contractors conducted 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. Over 210 samples collected were sent to ALS laboratories. In November 2022, the Company communicated the results of its surface exploration campaign.

On **October 24, 2023**, the Company entered into a binding term sheet with Slam Exploration Ltd. ("Slam") (TSX: SXL) to option its Notre-Dame project. Slam will earn 51% of the Notre-Dame project by making $50,000 cash payments, issuing 2,000,000 shares of Slam, and engaging $300,000 in qualified exploration work.

Subsequent Event

On **February 5, 2024**, Slam Exploration Ltd. terminated the Binding Term Sheet for the acquisition of the Notre-Dame claims.

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 its discovery in 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 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. It also 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 and results were communicated by press release in 2022.

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.

ELBOW CREEK PROJECT

On **November 25, 2023**, Iceland Resources acquired surface and minerals rights from private landowners on the Elbow Creek Project. Pursuant to the terms of the Agreement, the Subsidiary has granted the landowners a 2.5% NSR royalties, of which 1.3% can be bought back for US$1.3M within 90 days of completing a final feasibility study on the Project. Any additional payments to landowners prior to production will be applied against future royalty payments, except for the partial buyback option. Additional requirements related to access to the Project required the Subsidiary to expense US$50,000 within 60 days (paid in January 2024).

ICELAND GEOTHERMAL EFFLUENTS PROJECT

In 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.

In **April 2023**, the Company disclosed the initial assay results from samples derived from its metallurgical sampling initiative with an Icelandic geothermal power plant located on the Company's Reykjanes license. Highlights include up to 12.65% copper, in excess of 30% zinc (Threshold limits), up to 353 g/t gold and up to 5,960 g/t silver.

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 Project. 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.

Between October and November 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.

The Company also 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.

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.

In August 2022, the Company disclosed it had received partial results of a first pilot-plant operation with the Bonnie Claire material.

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 report is completed and the Company is preparing an accompanying report that covers concentration work which could improve the global results of the report.

In August 2023, the Company received 816,515 shares of Nevada Lithium Resources Inc. ("Nevada Lithium") at a fair value of $244,955 pursuant to the plan of arrangement between Iconic and Nevada Lithium and as a shareholder of Iconic.

LITHIUM HYDROXIDE

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

The Company also received the industrial electrolysis unit built to the Company specifications. In **March 2023**, the Company filed a provisional patent covering a new breakthrough achieved in the spodumene processing and lithium hydroxide production technologies.

On **May 4, 2023**, the Company announced that WSP Engineering completed the metallurgical modeling and mass balances for the lithium process. The study covers in detail all the reactions, endothermic and exothermic, allowing for optimum equipment and plant design.

On **May 18, 2023**, the Company announced that it made a significant improvement to its process to manufacture lithium hydroxide from spodumene concentrates. The nitric acid used in the process was, until now, recirculated at 92% while 8% was recuperated by amalgamating it with fertilizers by-products. The Company improved the method to recover the alumina content (AI2O3) of the spodumene concentrate, allowing the production of aluminum nitrate nonahydrate) (Al(no3)3・9h2o) at grades exceeding 99.9%.

EVSX CORP.

In January 2021, the Company incorporated a new wholly-owned subsidiary, EVSX Corp. EVSX focuses on full-circle 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.

The Company retained WSP Canada Inc. to develop a work program to 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.

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.

Battery Recycling Plant Locations

Baie Comeau: In April 2022, the Company made an offer to acquire three contiguous lots totaling approximately 50,000 m^2 for 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.

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 from the existing commercial rental in the building.

During the period ended December 31, 2023, the Company recorded rental income of $36,011 (2022 - $24,006).

Thorold: In November 2022, a letter of intent was executed by EVSX for a site identified as suitable for all stages of its battery recycling operations in Ontario. On December 5, 2022, EVSX secured the location within the Bioveld Complex under the umbrella of the Thorold Multimodal Hub and the Hopa Port Authority in Niagara, Ontario.

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

Battery Processing Industrial Units

In July 2022, EVSX commissioned and disbursed the initial deposit payment for manufacturing three battery-processing industrial units for the total cost of $1,501,624.

In **June and July 2023,** the Company received the first and second modular circuit shipment in Thorold, as well as equipment allowing the upgrade of its alkaline circuit.

AraBat S.R.L

In September 2022, EVSX signed a binding Memorandum of Understanding with AraBat S.R.L.(“AraBat”), 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.

The parties mutually agreed to extend their agreement to December 2023 to allow EVSX to conduct a first series of tests using the technological claims of AraBat in a pilot environment.

On **October 6, 2023,** following a visit of the Thorold battery recycling location by AraBat representatives, EVSX and AraBat entered into a binding agreement to establish a joint venture to build an industrial battery processing plant in the Italian region of Puglia. The future partners agreed to work on a final agreement to be executed in the first quarter of 2024 to establish an Italian jointly owned corporation. The entity would quality for Italian permitting and be eligible for Italian and European governmental subsidies and financial support for recycling operations. The partners expect the joint venture to be majority owned by AraBat (51%) with EVSX owning 49%.

H2SX CORP.

On January 14, 2022**,** the Company incorporated a new subsidiary, H2SX Corp. (“H2SX”). H2SX focuses on transforming synth gas 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.

Pursuant to the agreement, H2SX issued 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 received 5-year preferred warrants with a conversion rate potentially representing 10% of the outstanding shares of H2SX at a price of $0.0001 per share. The parties also received a series of 5-year Special Milestone Warrants exercisable at $0.0001 per share.

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.

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.

In 2019, the Company and the minority shareholders of KOTN entered into a share purchase agreement with BWA Group PLC (“BWA”) pursuant to which BWA acquired all of the issued and outstanding shares of KOTN. In

2021, the Company served a statement of claims to BWA, and its subsidiary, KOTN. The claims seek damages of $277,640 for breach of contract and various other causes of action.

BWA 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.

On July 29, 2022, the Company also sent a conversion notice to BWA to convert part of its convertible loan notes 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.

In **March 2023**, the Company met BWA’s representatives to investigate possible settlement scenarios. A scenario was proposed.

Subsequent Event

In **February 2024**, a satisfactory out-of-court settlement was reached with BWA. The Company converted an amount of £731,124 of its loan notes into 146,224,800 common shares of BWA. The converted shares will be restricted from voting for three years on matters pertaining to the election of directors of BWA or matters of management composition. The remainder of the loan notes of £1,420,285 owned by Company will be returned to BWA without additional compensation in order to be canceled. Some minority loan note holders have also agreed to return their notes to BWA for cancellation. These include some management and directors of the Company, who agreed to do so without compensation.

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.

In October 2023, the Company filed a Form 45-102F1 (Notice of Intention to Distribute Securities under Section 2.8 of NI 45-102 Resale of Securities) on SEDAR to signify its intention to sell in the public market or privately, up to 8,888,000 common shares of ZeU in multiple transactions. As of December 31, 2023, the Company owned 11,384,519 (March 31, 2023 - 10,136,191) common shares of ZeU.

As of the report date, the Company retained 11,384,519 shares of ZeU.

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*.

MANAGEMENT CHANGES

On **June 1, 2023**, Mr. Frank Dumas resigned from his position as a director and Chief Operating Officer of the Company. Effective June 1, 2023, Frank assumed the duties of the newly created position of Vice-President of Business Development of the Company. Mr. James C Passin joined the Company's board of directors to fill the vacancy.

EQUITY TRANSACTIONS

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
557,273	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 valued at $40,692 at an exercise price of $0.29 per share until November 1, 2025. The proceeds of the offering are intended to further advance the exploration effort on the Manicouagan project.

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 valued at $60,379 at an exercise price of $0.29 per share until November 18, 2025. The proceeds of the offering are intended to further advance the exploration effort on the Manicouagan project.

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 exploration at the Manicouagan project. The Company appointed an escrow agent to hold and release the funds.

During the year ended March 31, 2023, the Company issued 896,733 common shares for warrants exercised for proceeds of $165,896, of which $3,895 remains receivable, and issued 503,267 common shares to settle accounts payable of $93,104.

On **June 26, 2023,** the company closed the first tranche of a non-brokered private placement offering of flow-through units at a price of $0.18 for total gross proceeds of $396,000. Each flow-through unit is comprised of one common share of the Corporation issued on a “flow-through” basis and one common share purchase warrant. Each Warrant entitles the holder thereof to purchase one common share at an exercise price of $0.30 per share until June 26, 2026. The Company paid a finder fee of $23,760 in cash and issued 132,000 finders warrants valued at $10,713 at an exercise price of $0.30 per share until June 26, 2026.

On **September 14, 2023**, the Company closed the first tranche non-brokered private placement offering of units at a price of $0.10 for total gross proceeds of $625,500. Each unit is comprised of one common share in the capital of the Company and a share purchase warrant. Each warrant entitles the holder thereof to purchase a share at an exercise price of $0.15 per share until September 14, 2025. The Company paid finder fees of $3,000 in cash and issued 30,000 finders warrants valued at $721 at an exercise price of $0.15 per share until September 14, 2025. The Company used the proceeds of the offering to the Thorold battery recycling plant and general and administrative expenses.

On **September 15, 2023**, the Company granted stock options to certain consultants to purchase a total of 2,150,000 common shares. The stock options vest immediately and are exercisable at a price of $0.15 per share on or before September 15, 2025.

On **September 15, 2023**, the Company granted stock options to certain management, directors and officers to purchase a total of 5,750,000 common shares. The stock options vest immediately and are exercisable at a price of $0.15 per share on or before September 15, 2028.

On **October 31, 2023**, the Company closed the second tranche non-brokered private placement offering of units at a price of $0.10 for total gross proceeds of $350,000. Each unit is comprised of one common share in the capital of the Company and a share purchase warrant. Each warrant entitles the holder thereof to purchase a share at an exercise price of $0.15 per share until October 31, 2025. The Company paid finder fees of $7,200 in cash and issued 90,000 finders warrants valued at $4,770 at an exercise price of $0.15 per share until October 31, 2025. The Company used the proceeds of the offering to the Thorold battery recycling plant and general and administrative expenses.

On **November 23, 2023**, the Company closed a non-brokered private placement of 14,259,260 flow-through units at a price of $0.135 per unit for total gross proceeds of $1,925,000. Each flow-through unit consists of one common share in the capital 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 $0.175 per share until November 23, 2025. In the event the trading price on the CSE reaches $0.25 on any single day, the Company may accelerate the expiry date by issuing a notice to the holder. The Company paid finder fees of $115,500 in cash and issued 855,556 finders warrants at a fair value of $27,675 at an exercise price of

$0.175 per share until November 23, 2025. The Company will use the proceeds of the offering to further advance the exploration effort on the Manicouagan project.

On **December 20, 2023**, the Company closed a non-brokered private placement of 7,703,700 flow-through units at a price of $0.135 per unit for total gross proceeds of $1,040,000. Each flow-through unit consists of one common share in the capital 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 $0.175 per share until December 20, 2025. In the event the trading price on the CSE reaches $0.25 on any single day, the Company may accelerate the expiry date by issuing a notice to the holder. The Company paid finder fees of $62,400 in cash and issued 462,222 finders warrants at a fair value of $19,623 at an exercise price of $0.175 per share until December 20, 2025. The Company will use the proceeds of the offering to incur exploration expenditures on the critical and strategic minerals exploration projects.

During the period ended December 31, 2023, the Company received subscription receivable of $3,895 from prior year warrants exercise. The balance of subscription receivable as at December 31, 2023 is $10,000 (March 31, 2023 - $3,895).

RESULTS OF OPERATIONS

For the period ended December 31, 2023, the Company recorded a net loss of $2,558,790 (2022 - $4,827,965), had a cumulative deficit of $43,442,465 (2022 – $42,484,465), and deficit non-controlling interest of $12,235,656 (2022 - $15,011,053). The Company had no source of operating revenues or any related operating expenditures.

SELECTED ANNUAL INFORMATION

	Year ended March 31, 2023 $	**Fifteen months ended March 31, 2022 $**	**Year ended December 31, 2020 $**
Revenues	-	-	
Operating expenses	(5,630,991)	(12,751,818)	(4,243,923)
Net income (loss) and comprehensive income (loss) for the period	1,669,392	(23,277,671)	(14,096,033)
Basic and diluted loss per share	0.01	(0.11)	(0.10)

	Year ended March 31, 2023 $	**Fifteen months ended March 31, 2022 $**	**Year ended December 31, 2020 $**
Cash and cash equivalents	1,527,292	3,937,083	207,005
Lawyers in trust	100,442	150,000	118,614
Working capital deficiency	(6,222,621)	(1,463,012)	(5,016,989)
Exploration and evaluation assets	19,666,202	15,655,582	3,300,938
Total assets	26,444,363	21,418,348	4,621,822
Shareholders' equity (deficiency)	15,771,118	8,586,837	(6,170,114)

For the year ended March 31, 2023, the Company had no revenues.

The Company incurred a net income and comprehensive income for the year of $1,669,392 for the year ended March 31, 2023, compared to a net loss of $23,277,671 for the fifteen months ended March 31, 2022. The increase in the income is primarily due to decreases in stock-based compensation payments of $nil (2022 - $3,755,245), accretion and interest expenses of $1,574,129 (2022 - $2,370,806), research and development fees of $601,083 (2022 - $1,657,450), and operating expenses decreased to $5,630,991 (2022 - $12,751,818) Further details are available in the analysis below.

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

The Company incurred a net loss and comprehensive loss 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.

EXPENSES

For the period ended December 31, 2023 and 2022

	2023	**2022**
	$	**$**
Accretion and interest expenses	211,867	1,186,524
Consulting fees	295,288	345,666
Management fees	405,750	1,109,343
Office expenses	546,015	413,781
Professional fees	344,322	345,321
Property Tax	14,292	11,037
Publicity and promotions	111,001	278,668
Research and development fees	101,409	839,388
Salary	9,054	101,012
Stock-based compensation	533,954	-
Transfer agent and listing fees	41,921	103,416
Travel expenses	52,336	178,714
Unrealized loss on marketable securities	115,212	45,903
Loss on sale of marketable securities	124,543	-
Foreign exchange gain	(63,760)	(269,604)
Impairment loss on property	-	234,504
Loss (gain) on write-off accounts payable	15	(35)
Gain on debt settlement	(3,463)	-
Gain on disposal of BWA shares	-	(57,000)
Gain on fair market value change in debentures	-	(14,667)
Gain on investments	(244,955)	-
Rental income	(36,011)	(24,006)
Loss and comprehensive loss	2,558,790	4,827,965

SUMMARY OF QUARTERLY RESULTS

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

	Dec.31, 2023	*Sept.30, 2023*	*Jun.30, 2023*	*Mar.31, 2023*
Total assets	27,485,531	25,794,324	25,541,181	26,444,363
Working capital (deficiency)	(5,828,613)	(7,617,209)	(7,398,089)	(6,222,621)
Shareholders’ equity (deficiency)	17,824,024	15,441,990	15,564,589	15,771,118
Revenue	-	-	-	-
Net income (loss)	(730,985)	(1,248,390)	(579,415)	6,497,357
Net income (loss) per share	(0.00)	(0.01)	(0.00)	0.03

	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)	(1,463,012)
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)

THREE MONTHS ENDED DECEMBER 31, 2023 AND 2022

For the three months ended December 31, 2023 and 2022, the Company had no revenues.

The Company incurred a net loss for the period of $730,985 (2022 - $1,825,052). Operating expenses for the three months ended December 31, 2023, were $764,764 (2022 - $1,753,342). The decrease in operating expense is primarily due to a decrease in accretion and interest expenses of $70,879 (2022 - $396,218) on debentures as part of the convertible debentures were settled after the prior period. The decrease in research and development fees to $56,885 (2022 - $192,839) as the development in ZeU was paused and EVSX capitalized the related development to battery recycling process in the current period. The decrease in management fees to $121,500 (2022 - $412,828), publicity and promotions fee to $39,540 (2022 - $90,920) and travel expenses to $9,088 (2022 - $67,563) as the Company decreased fees to maintain the on-going operation in the current period.

During the three months ended December 31, 2023, the Company recognized a loss of $40,225 (2022 - $nil) upon the sale of certain marketable securities, an unrealized gain of $23,697 (2022 - $119,766 loss) on marketable securities, foreign exchange gain of $34,840 (2022 – $36,052), a gain of $3,463 (2022 - $nil) on debt settlement, and rental income of $12,004 (2022 - $12,004) from its subsidiary's commercial rental.

NINE MONTHS ENDED DECEMBER 31, 2023 AND 2022

For the nine months ended December 31, 2023 and 2022, the Company had no revenues.

The Company incurred a net loss for the period of $2,558,790 (2022 - $4,827,965). Operating expenses for the nine months ended December 31, 2023, were $2,667,209 (2022 - $4,912,870). The decrease in operating expense is primarily due to decrease in accretion and interest expenses of $211,867 (2022 - $1,186,524) on debentures as part of the convertible debentures were settled after the prior period. The decreases in consulting fees to $295,288 (2022 - $345,666), management fees to $405,750 (2022 - $1,109,343), and travel expenses to $52,336 (2022 - $178,714) as the Company decreased corporate structures and subsidiaries, and decreased fees to maintain the ongoing operations in the current period. The decrease in research and development fees to $101,409 (2022 - $839,388) as the development in ZeU was paused and EVSX capitalized the related development to battery recycling process in the current period. Stock-based compensations to $533,954 (2022 – $nil) as the Company granted stock options to officers and consultants in the current period.

During the nine months ended December 31, 2023, the Company recognized a loss of $124,543 (2022 - $nil) upon the sale of certain marketable securities, an unrealized loss of $115,212 (2022 - $45,903) on marketable securities, a gain of $nil (2022 - $57,000) upon disposal of 57,000,000 shares of BWA, foreign exchange gain of $63,760 (2022 - $269,604), and impairment loss of $nil (2022 - $234,504) on property. During the nine months ended December 31, 2023, the Company recorded rental income of $36,011 (2022 - $24,006) from its subsidiary's commercial rental, a gain of $244,955 (2022 - $nil) on investments, and a gain of $3,463 (2022 - $nil) on debt settlement.

LIQUIDITY AND CASH FLOW

At December 31, 2023, the Company had cash of $1,601,746 (March 31, 2023 - $1,527,292), lawyers in trust of $193,532 (March 31, 2023 - $100,442) and a working capital deficiency of $5,828,613 (March 31, 2023 – $6,222,621).

For the period ended December 31, 2023, significant cash flows were as follows:

Net cash used in operating activities for the period was $2,206,855. Net loss for the period of $2,558,790 included non-cash accretion and interest expenses of $211,867 on convertible debentures; a loss on sale of marketable securities of $124,543; an unrealized loss on marketable securities of $115,212, and stock-based compensation of $533,954; which were offset by foreign exchange gain of $63,760, a gain of $244,955 on investments, and a gain of $3,463 on debt settlement. Net changes in working capital items were $329,034, primarily including $20,000 payment to the promissory notes, an increase in prepaid expenses of $107,194, a decrease in accounts receivable of $511,210, and a decrease in accounts payable and accrued liabilities of $713,050.

Net cash used in investing activities for the period was $1,565,598. During the period ended December 31, 2023, the Company expensed $1,112,564 in exploration and evaluation costs, purchase of equipment for $119,041 and other assets and plant of $555,650. The Company sold marketable securities for proceeds of $221,657 during the period ended December 31, 2023.

Net cash provided by financing activities for the period was $3,846,907. The Company received net funds of $3,763,858 from the share issuances for the private placements, and the Company recorded subscription receivable of $10,000 from the private placements closed during the period ended December 31, 2023. The Company received $73,049 from funds advanced from related parties during the period ended December 31, 2023.

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 year.

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 will have to issue additional common shares, conclude private investments, and complete debt arrangements.

As at December 31, 2023, the Company has current liabilities and accrued liabilities of $8,400,559 (March 31, 2023 - $9,340,586) due within 12 months and has cash of $1,601,746 (March 31, 2023 - $1,527,292) and lawyer's trust account of $193,532 (March 31, 2023 - $100,442) to meet its current obligations. At December 31, 2023, the Company has long term lease liabilities of $1,167,899 (March 31, 2023 - $1,312,659). 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 and promissory note receivable. 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.

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.

As at December 31, 2023, the Company had foreign exchange risk with respect to US accounts payable of CAD $300,521 (March 31, 2023 – CAD $14,021), US related party loans of CAD$73,049 (March 31, 2023 - CAD$ nil), Great British Pound accounts payable of CAD$73,525 (March 31, 2023 - CAD$30,509), and Iceland Krona accounts payable of CAD$616,817 (March 31, 2023 – CAD$549,636). If the Canadian dollar changes by ten percent against all foreign currencies, with all other variables held constant, the impact of the foreign currency change on the Company's foreign denominated financial instruments would result in a reduction or increase of after-tax net loss of approximately $106,391 (March 31, 2023 - $59,417) for the period ended December 31, 2023.

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 long-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, 2023, the Company's shareholders' equity was $17,824,024 (March 31, 2023 - $15,771,118) and it carried long term lease liabilities of $1,167,899 (March 31, 2023 - $1,312,659). 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, 2023.

The Company is subject to regulatory requirements related to the use of funds obtained by flow-through share financing. These funds have to be incurred for eligible exploration expense.

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, 2023 **$**	Dec. 31, 2022 $
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]	405,750	959,343
Bonus paid or accrued to directors or companies controlled by directors or officers [3,4]	-	150,000

[1] Herb Duerr, President, CEO and Director
[2] Mark Billings, Chairman and Director
[3] Frank Dumas, COO and Director (resigned in June 1, 2023)
[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] Keturah Nathe, Director (appointed in August 2021)
[9] James C Passin, Director (appointed in June 2023)

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

In addition, the Company incurred research fees of $18,000 (2022 - $202,485), which were expensed as research and development costs, capitalized $54,000 (2022 - $nil) research fees related to the development of the battery recycling process, and other consulting fees of $37,500 (2022 - $45,000) during the period.

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.

The related parties of the Company subscribed for a total of 2,230,000 units for proceeds of $223,000 in the private placement closed on September 14, 2023.

The related parties of the Company subscribed for a total of 750,000 units for proceeds of $75,000 in the private placement closed on October 31, 2023.

b) Due to Related Parties

As at December 31, 2023, included in accounts payable and accrued liabilities is $1,008,674 (March 31, 2023 - $763,572) owing to related parties. These amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

As at December 31, 2023, the balance of $93,049 (March 31, 2023 - $20,000) is due to a director and a related party of the Company, and is included as loans from related parties. This amount is unsecured, non-interest bearing and has no fixed terms for repayment.

c) Stock Options Granted

During the period ended December 31, 2023, a total of 5,750,000 stock options were granted to key management to purchase common shares of the Company at an exercise price of $0.15 per share on or before September 15, 2028. The Company recorded stock-based compensation of $469,482 for options granted to related parties during the period ended December 31, 2023.

OUTSTANDING SHARE DATA

As at December 31, 2023, and at the current date, the Company has 278,738,888 common shares outstanding, of which 4,000,000 of the issued shares are held in escrow.

STOCK OPTIONS

As at December 31, 2023, the Company has 18,930,000 stock options outstanding. Subsequent to the period ended December 31, 2023, 300,000 stock options expired unexercised.

As of the current date, the Company has 18,630,000 stock options outstanding.

WARRANTS

As at December 31, 2023, the Company has 78,194,787 warrants outstanding. Subsequent to the period ended December 31, 2023, 1,428,571 warrants expired unexercised.

As of the current date, the Company has 76,766,216 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.

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