

Global Uranium Corp.
(formerly KR Investment Ltd.)

Amended and Restated Management's Discussion and Analysis

For the six months ended July 31, 2024
In Canadian Dollars, unless noted – unaudited

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the financial statements and notes thereto for the six months ended July 31, 2024 of Global Uranium Corp. (formerly, KR Investment Ltd.) (the "Company"). Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

DATE

This amended and restated MD&A is prepared as of October 3, 2024.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this MD&A. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

DESCRIPTION OF BUSINESS

Global Uranium Corp. (formerly, KR Investment Ltd.) (the "Company" or "Global Uranium") was incorporated on August 3, 2010 under the Business Corporations Act (British Columbia) as a Capital Pool Company ("CPC") as defined in TSX Venture Exchange ("TSX-V") Policy 2.4. The Company completed its initial public offering on March 24, 2011 and its common shares commenced trading on the TSX-V on March 29, 2011. On February 2, 2018, the Company was transferred to the NEX board of the TSX-V due to the Company no longer satisfying the Exchange's tier maintenance requirements for Tier 2 issuers.

On May 6, 2024, Global Uranium completed a reverse takeover transaction (the "Acquisition") with Rare Earth Element Corp. ("REEC"), a company incorporated on June 29, 2021 under the Business Corporations Act. On closing of the Acquisition, REEC became a wholly-owned legal subsidiary of Global Uranium, and the Company changed its name to from KR Investment Ltd. to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of its uranium assets and the targeting of other uranium opportunities or otherwise in the mining sector (see Note 4). On completion of the Acquisition, the Company delisted its common shares from the TSX Venture Exchange (the "TSXV") and the NEX Board and listed its common shares on the Canadian Securities Exchange (the "CSE") under the ticker symbol, GURN.

Pursuant to the terms of the Acquisition, Global Uranium acquired all of the issued and outstanding securities of REEC in exchange for the issuance of 18,550,500 common shares to the security holders of REEC. All previously issued warrants of REEC converted to warrants of the Company, with the same terms and conditions.

For accounting purposes, the transaction was accounted for as a reverse takeover, as the security holders of REEC acquired control of the consolidated entity upon the completion of the Acquisition. The reverse takeover did not constitute a business combination under IFRS 3, and instead was accounted for under IFRS 2 Share-Based Payments, as Global Uranium did not meet the definition of a business. On closing of the Acquisition, REEC is now treated as the accounting parent (legal subsidiary), and Global Uranium will be treated as the accounting subsidiary (legal parent).

The Company's registered office and principal place of business is 1930 - 1177 West Hastings Street, Vancouver, BC, V6E 4T5.

HIGHLIGHTS

- a) On January 2, 2024 (the "Effective Date"), the Company entered into a Property Option Agreement with Geomap Exploration Inc. ("Geomap") whereby the Company has the option to acquire a 100% interest in two continuous mining claims known as the Wing Lake Property ("Wing Lake"), located in northern Saskatchewan.

The Property Option Agreement provides the Company the option to acquire a 100% interest in the mining claims once the following has been completed:

Acquisition payments

- i) Cash payment of \$100,000 within 5 days of the Effective Date (completed);
- ii) Cash payment of \$100,000 and the issuance of 150,000 common shares within 10 days following delivery of a technical report for the mining claims which complies with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, (completed);
- iii) Cash payment of \$50,000 and the issuance of 150,000 common shares on or before the date that is one (1) calendar year after the Effective Date;
- iv) Completing exploration work on the Wing Lake Property of at least \$110,000 on or before the date that is one (1) calendar year after the Effective Date;
- v) Cash payment of \$50,000 and the issuance of 200,000 common shares on or before the date that is two (2) calendar years after the Effective Date; and
- vi) Completing exploration work on the Wing Lake Property in the aggregate of at least \$250,000 on or before the date that is two (2) calendar years after the Effective Date.

Upon earning a 100% interest in the mining claims, the Company will grant to Geomap a 1.5% net smelter returns royalty (the "NSR"). The Company retains the right, at any time, to repurchase 1.0% of the NSR in exchange for \$1,000,000, thereby reducing the NSR held by Geomap to 0.5%.

- b) On March 7, 2024, the Company completed a private placement by issuing 18,400,000 units for total proceeds of \$920,000. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at a price of \$0.10 and expiring on March 7, 2026.
- c) On May 6, 2024, the Company completed a reverse takeover transaction (the "Acquisition") with KR Investment Ltd. ("KR" or the "Issuer"). On closing of the Acquisition, REEC became a wholly-owned legal subsidiary of KR, and KR changed its name to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of its uranium assets;
- d) On May 30, 2024, the Company entered into an option agreement ("Option Agreement") with Forum Energy Metals Corp. ("Forum") pursuant to which the Company has the right to acquire up to 75% of Forum's interest ("JV Interest") in a joint venture ("Forum / NexGen JV") between Forum and NexGen Energy Ltd. ("NexGen").

The Forum / NexGen JV, existing by way of a joint venture agreement between Forum and NexGen ("Forum / NexGen JV Agreement"), was formed for purpose of carrying out the obligations, and enjoying the rights under, a joint venture ("Northwest Athabasca Joint Venture") among Forum, Cameco Corporation and Orano Canada Inc.

to explore and develop certain mineral claims in the Northwest Athabasca region of Saskatchewan (“NWA Project”). Forum currently holds a 62.2% beneficial interest in the Forum / NexGen JV, which in turn holds a 69.95% beneficial interest in the Northwest Athabasca Joint Venture. Accordingly, Forum holds a 43.32% beneficial interest in the Northwest Athabasca Joint Venture. These percentage interests are subject to adjustment from time to time in accordance with the terms of the Forum / NexGen JV and the Northwest Athabasca Joint Venture, as applicable.

Under the Option Agreement the Company has the initial right (“Initial Option”) to acquire 51% of the Forum’s Interest by:

- i) Making staged payments to Forum totalling \$225,000 by December 31, 2027;
- ii) Making staged issuances to Forum of a total of 1,000,000 shares of the Company by December 31, 2027; and
- iii) Making staged payments to Forum equal to the amounts Forum would be entitled to contribute for exploration under the Northwest Athabasca Joint Venture on account of the 2025-2028 operating years, totalling a minimum of \$3,000,000 and up to a maximum of \$9,000,000 to be applied to the corresponding cash calls, depending on the participation of the minority partners in the Northwest Athabasca Joint Venture in any approved exploration program. The funding of \$3,000,000 of such amount by December 31, 2025 is a firm commitment on the part of the Company.

Upon exercise of the Initial Option, the Company shall become a party to the Forum / NexGen JV Agreement. The Company shall also have the right (“Second Option”) to acquire a further 24% interest in Forum’s Interest (for a total of 75%) by making payments to Forum equal to the amounts Forum would be entitled to contribute on account of the 2029-2031 operating years, totalling a minimum of \$4,760,000 and up to a maximum of \$11,000,000, depending on the participation of the minority partners in the Northwest Athabasca Joint Venture in any approved exploration program.

In circumstance where the Company has exercised the Initial Option, it shall make certain milestone payments to Forum. In this regard, if a preliminary economic assessment is prepared in respect of the NWA Project in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”), the Company shall pay Forum \$500,000. Further, if a feasibility study is prepared in respect of the NWA Project in accordance with NI 43- 101, the Company shall pay Forum a further \$1,000,000 and issue to it 1,000,000 common shares.

- e) On June 24, 2024, the Company appointed Tasheel Jeerh as President of the Company. Mr. Jeerh, CPA, CA is a finance and accounting professional bringing over 10 years of accounting expertise and management experience to the Company’s team. Mr. Jeerh has experience in both public and private sectors, over a broad range of industries, including energy, mining, exploration and technology. In a former role, Mr. Jeerh was pivotal in the growth of a private upstream oil and gas company, dealing with over \$2.0 billion in M&A activity and \$1.0 billion of financing activities. In addition to serving as the Company’s President, Mr. Jeerh also currently serves as the Chief Financial Officer of Traction Uranium Corp. and Reflex Advanced Materials Corp.
- f) On August 21, 2024, the Company appointed Ungad Chadda as new CEO, effective immediately. Mr. John Kim has stepped down as Chief Executive Officer of the Company. Mr. Chadda is an experienced capital markets regulator and financial services executive having previously worked at TMX Group, the parent company of Toronto Stock Exchange. At TMX Group, Mr. Chadda was responsible for building and maintaining the investor base as well as supporting its public interest mandate and strategies to grow as a company. During his tenure at TMX Group, Mr. Chadda held progressively senior roles, including Director of Listings, TSX Venture Exchange; Chief Operating Officer, TSX Venture Exchange; Vice President, Business Development, Toronto Stock Exchange and TSX Venture Exchange; President, Toronto Stock Exchange; CFO of TSX Trust; and SVP, Head of Enterprise Corporate Strategy and External Affairs, TMX Group. Mr. Chadda attended McMaster University, where he received an Honours Bachelor of Commerce in 1994, and received his Chartered Accountancy designation while working with Ernst and Young LLP in 1996. In 2019, Mr. Chadda completed the Director Education Course at the Rotman School of Management and was named valedictorian of the graduating class. In addition to his role with the Company, Mr. Chadda is currently the CEO and Director of Urban Infrastructure Group Inc. which is a TSX Venture Exchange listed company trading under the symbol “UIG”.

- g) On September 17, 2024, the Company executed an asset purchase agreement (“Purchase Agreement”) with a Director of the Company, Foster Wilson, pursuant to which the Company acquired a 100% interest in certain Federal unpatented lode mineral claims and Wyoming State mineral leases (the “Properties”) located in Wyoming, USA.

The Purchase Agreement provided the Company the option to acquire a 100% interest in the Properties in exchange for the following:

- i) USD\$70,000 in cash (subsequently paid); and
 - ii) the issuance of 400,000 common shares (subsequently paid) with 50% vesting in four months and 50% in eight months.
- h) On September 27, 2024, the Company announced that Mr. Eli Dusenbury has stepped down as Chief Financial Officer of the Company. To fill the vacancy created by Mr. Dusenbury’s resignation, the Company appointed Mr. Nico Mah to serve as the Company’s Chief Financial Officer. Mr. Mah is a Chartered Professional Accountant and has over eight years of experience in auditing and public accountancy, articling and working up to manager at PricewaterhouseCoopers LLP from September 2015 to January 2023. Mr. Mah is the managing director of GKM Consulting Inc., a private accounting consulting firm. He holds a Bachelor of Commerce degree, majoring in Accounting, from the University of Calgary and a CPA designation in Alberta, Canada. Eli will continue to serve the board and provide strategic direction to the Company.

EXPLORATION ACTIVITIES

Recent Project Work

On September 26, 2024, the Company announced that planning is underway by Forum’s team for the logistics of conducting a drill program in 2025 over the Company’s NWA Project. Further, Forum has successfully completed remediation efforts at the NWA Project site, including the removal of old exploration equipment and localized soil testing by Geosyntec Consultants Inc. in accordance with Saskatchewan Environment’s recommendations. The NWA Project is now poised for the next phase of exploration.

Exploration Permit and Duty to Consult

The NWA Project’s exploration permit has entered the Duty to Consult phase as of September 16th, 2024. This consultation period, expected to last two to three months, will involve engagement with local communities and stakeholders to ensure that exploration activities are conducted with community support and in an environmentally responsible manner.

Upcoming Exploration Activities

During the Duty to Consult period, Forum, as the operator of the NWA joint venture, will be advancing exploration plans. The exploration team is currently evaluating a range of geophysical methods, including ground resistivity and some infill gravity. These geophysical methods can image areas of strong clay alteration in the subsurface and increased clay is always associated with unconformity-type uranium mineralization. These surveys are expected to commence in early 2025, pending favorable conditions. In addition, Forum is planning a 4,000 m drill program, which could begin as early as winter 2025 or be deferred to summer 2025, based on logistical constraints and permitting timelines. The drilling will focus on high-priority targets identified from both historical data and upcoming geophysical surveys. Jared Suchan, PH.D., P.Geol VP of Exploration for the Company, and a Qualified Person (as such term is defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects, has reviewed and approved the scientific and technical disclosure contained in this news release.

OVERALL PERFORMANCE

The Company has not generated revenues to date as it is in the start up phase and continues to focus on the acquisition and exploration of strategic exploration assets.

At July 31, 2024 the Company had net assets of \$109,977 and working capital deficit of \$137,523. Payables of \$328,295 consisting of exploration and evaluation, consulting, management and professional fees fall due within 30 days.

DISCUSSION OF OPERATIONS

The Company generated an operating loss of \$1,028,848 for the three months ended July 31, 2024 consisting of office and miscellaneous of \$2,559, consulting and professional fees of \$136,821, management fees of \$52,000, marketing and promotional activities of \$15,000, filing fees of \$87,075, share base-payments of \$184,877 and a listing expense of \$550,516 relating to completion of the RTO.

The Company generated an operating loss of \$1,119,356 for the six months ended July 31, 2024 consisting of office and miscellaneous of \$3,735, consulting and professional fees of \$201,337, management fees of \$52,000, marketing and promotional activities of \$15,000, exploration and evaluation work of \$24,816 pursuant to geophysical surveys, filing fees of \$87,075, share base-payments of \$184,877 and a listing expense of \$550,516 relating to completion of the RTO.

There has been no historical activities until January 2, 2024 when the Company entered into the Wing Lake Option Agreement. Since then, the Company completed a 43-101 technical report, performed exploration work over that property, closed a financing, completed an RTO, acquired Uranium claims and leases in Wyoming and entered into a Uranium joint venture in the Athabasca basin. All operating expenses are pursuant to these activities.

LIQUIDITY

During the six months ended July 31, 2024, the Company closed a private placement for total proceeds of \$920,000. The Company issued 18,400,000 units at \$0.05 per unit, consisting of a common share and a warrant, with the warrant having an exercise price of \$0.10 and expiring March 7, 2026.

The Company is also in the process of closing a private placement for proceeds up to C\$2,250,000 (the "Offering"). The Offering is expected to consist of: (i) units of the Company at a price of \$0.35 per unit (the "\$0.35 Unit") for aggregate gross proceeds of up to C\$1,500,000, with each \$0.35 Unit comprised of one non-flow-through common share of the Company (each, a "Share") and one Share purchase warrant of the Company entitling the holder to acquire one Share (each, a "Warrant Share") at a price of C\$0.45 per Warrant Share for a period of twenty-four months from the date of issuance (the "Non-Flow Through Offering"); and (ii) units of the Company at a price of \$0.40 per unit (the "\$0.40 Unit") for aggregate gross proceeds of up to C\$750,000, with each \$0.40 Unit comprised of one flow-through common share (each, a "FT Share") and one Share purchase warrant of the Company entitling the holder to acquire one Warrant Share at a price of C\$0.45 per Warrant Share for a period of twenty-four months from the date of issuance (the "FT Offering"). The FT Shares issued under the FT Offering are intended to qualify as "flow through shares" within the meaning of the Income Tax Act (Canada) (the "Tax Act").

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at July 31, 2024, the Company had a working capital deficit of \$137,523.

Operating Activities

The Company used \$481,826 of cash during the six months ended July 31, 2024.

Investing Activities

The Company paid acquisition costs of \$100,000 in accordance with the terms of the Wing Mineral Property Option and received cash of \$35,412 through the RTO transaction with KR Investment Ltd.

Financing Activities

The Company received cash of \$800,000 from a private placement and repaid \$10,000 of a promissory note during the six months ended July 31, 2024.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

During the six months ended July 31, 2024 and 2023, the Company incurred the following related party transactions:

	Six Months Ended July 31, 2024	Six Months Ended July 31, 2023
Key management compensation		
Management fees	\$ 52,000	\$ -
Share-based payments (Note 5)	49,687	-
TOTAL EXPENSES	\$ 101,687	\$ -

John Kim, the Company's former CEO, earned \$15,000 (2023 - \$nil) for CEO services provided.

Eli Dusenbury, the Company's former CFO, earned \$22,500 (2023 - \$nil) for CFO and Corporate Secretary services provided.

Tasheel Jeerh, the Company's President, earned \$10,000 (2023 - \$nil) for President services provided.

Jared Suchan, the Company's VP Geology, earned \$4,500 (2023 - \$nil) for VP Geo services provided.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

As at July 31, 2024, there was \$39,329 owing to related parties and included in accounts payable and accrued liabilities (January 31, 2024 - \$nil). These amounts are non-interest bearing, unsecured and payable on demand.

PROPOSED TRANSACTIONS

As of the date of this MD&A there were no proposed transactions not already disclosed.

CHANGES IN ACCOUNTING POLICIES

There were no changes in accounting policies.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Promissory notes	Amortized cost

Measurement – amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Amortized cost is calculated using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability.

Measurement – fair value through profit or loss

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Measurement – fair value through other comprehensive income

Financial assets and liabilities carried at FVOCI are initially recorded at fair value plus or minus transaction costs. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVOCI are included in other comprehensive income or loss in the period in which they arise.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Financial liabilities are removed from the statement of financial position when the contract is extinguished, or, when the obligation specified in the contract is either discharged or cancelled or expires. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss is recorded in profit or loss.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company's expenses is disclosed in the "Overall Performance" section above.

DISCLOSURE OF OUTSTANDING SHARE DATA

a) Authorized share capital

Unlimited number of common shares without par value.

As of the Date of this MD&A, Company has 23,764,678 shares issued and outstanding.

b) Warrants

As of the date of this MD&A, the Company has 20,083,267 warrants outstanding as follows:

Expiry date	Warrants	Exercise Price
January 18, 2025	1,683,267	\$0.16
March 7, 2026	18,400,000	\$0.10
Balance, October 3, 2024	20,083,267	

c) Options

As of the date of this MD&A, the Company has 2,325,000 options outstanding as follows:

Expiry date	Options	Exercise price
May 6, 2027	1,050,000	\$0.30
June 24, 2027	1,025,000	\$0.50
August 19, 2027	250,000	\$0.50
Balance, October 3, 2024	2,325,000	
Balance, October 3, 2024 – exercisable	362,500	

d) Restricted share units

As of the date of this MD&A, the Company has 600,000 RSU's outstanding as follows:

Grant date	RSUs
June 24, 2024	600,000
Balance, October 3, 2024	600,000
Balance, October 3, 2024 – exercisable	-

RISK FACTORS

Much of the information included in this MD&A includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

Risks Related to the Company's Business

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

The Company has no operating history

The Company has no operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

History of losses

The Company has incurred losses since inception. The Company may not be able to achieve or maintain profitability and will continue to incur significant losses in the future.

Dependence on suppliers and skilled labour

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, and properties. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, and properties. This could have an adverse effect on the financial results of the Company.

Management of growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its human capital base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Internal controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's shares.

Liquidity

The Company cannot predict at what prices the Company's securities will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Company's shares

and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Company resources.

Privacy

The Company and its employees and consultants have access, in the course of their duties, to personal information of stakeholders of the Company. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future stakeholders whether or not such a breach of privacy were to have occurred as a result of the Company's employees or arm's length third parties. If a stakeholder's privacy is violated, or if the Company is found to have violated any law or regulation, it could be liable for damages or for criminal fines and/or penalties.

BOARD APPROVAL

The Board of Directors of the Company have approved this MD&A.