ENVIROMETAL TECHNOLOGIES INC.

Management Discussion and Analysis

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of EnviroMetal Technologies Inc. ("EnviroMetal" or the "Company") supplements, but does not form part of, the condensed interim financial statements and the notes thereto for the three months ended March 31, 2024 and 2023 (collectively referred to hereafter as the ("Financial Statements"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee including International Accounting Standards 34 *Interim Financial Reporting*. All amounts are expressed in Canadian dollars, the Company's presentation and functional currency, unless otherwise stated. References to US$ are to United States dollars. Other information contained in this document has been prepared by management and is consistent with the information contained in the Financial Statements.

The Company's certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the Financial Statements together with the other financial information included in the filings fairly present in all material respects the financial condition, financial performance, and cash flows of the Company as of the date of and for the periods presented in the filings.

In this MD&A, the words "we", "us", or "our", collectively refer to EnviroMetal. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively.

The Company's Board of Directors provides an oversight role with respect to all public financial disclosures by the Company.

Management is responsible for the preparation and integrity of the Company's financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is responsible for ensuring that information disclosed externally, including the information contained within the Company's financial statements and MD&A, is complete and reliable.

For a complete understanding of the Company's business environment, risks and uncertainties and the effect of accounting estimates on its results of operations and financial condition, this MD&A should be read together with the Company's Financial Statements. In addition, the MD&A should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2023 and 2022 (the "Annual Financial Statements"), as some disclosures from the Annual Financial Statements have been condensed or omitted. Additional information relating to the Company is available on the Company's website at https://envirometal.com/ and on SEDAR+ at www.sedarplus.ca under EnviroMetal Technologies Inc.

This MD&A takes into account information available up to the approval of the financial statements and MD&A by the Board of Directors on May 30, 2024 (the "MD&A Date").

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and forward-looking information (collectively referred to herein as ("forward looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward looking statements. Forward looking information is often, but not always, identified by the use of words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well positioned" or similar words suggesting future outcomes. These forward-looking statements include, without limitation, statements about our market opportunity, our strategies, ability to improve and expand our capabilities, competition, expected activities and expenditures as we pursue our business plan, the adequacy of our available cash resources, regulatory compliance, plans for future growth and future operations, the size of our addressable market, market trends, and the effectiveness of the Company's internal control over financial reporting. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements.

By their very nature, forward looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward-looking statements will not be achieved. Undue reliance should not be placed on forward looking statements, as a number of important factors could cause the actual results to differ materially from the Company's beliefs, plans, objectives and expectations, including, among other things: general economic and market factors, including business competition, changes in government regulations or in tax laws; the early stage development of the Company and its projects; general political and social uncertainties; commodity prices; the actual results of current research and development or operational activities; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the technology and resource industries; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals; commercialization of our technology and products, our status of relationship with partners; development and protection of our intellectual property and products; industry competition; our ability to sell our products and services in order to generate revenues; our proposed business model and our ability to execute thereon; adverse effects on the Company's business and operations as a result of increased regulatory, media or financial reporting issues and practices; rumors or otherwise; disease epidemics and health related concerns; and market or other changes that could result in noncash impairments of our property, plant and equipment. These factors should not be considered exhaustive. Many of these risk factors are beyond the Company's control and each contributes to the possibility that the forward-looking statements will not occur or that actual results, performance, or achievements may differ materially from those expressed or implied by such statements. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these risks, uncertainties and factors are interdependent and management's future course of action depends upon the Company's assessment of all information available at that time.

Management has included projections and estimates in this MD&A which are based primarily on management's experience in the industry, assessments of our results of operations, discussions, and negotiations with third parties and a review of information filed by our competitors with securities regulators or otherwise publicly available.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as at the date of this MD&A, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely upon these statements.

We caution readers not to place undue reliance on any such forward-looking statements, which speak only as at the date made. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this MD&A are made as of the date of this MD&A and the Company does not undertake and is not obligated to publicly update such forward looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

NATURE OF BUSINESS

The Company was incorporated under the laws of the province of Alberta on October 16, 2016 and on December 4, 2020, the Company enacted a continuance from the province of Alberta to the province of British Columbia. The Company's registered office is located at #1500 - 1055 West Georgia St., Vancouver, BC V6E 0B6 and its corporate offices are located at #208 - 6741 Cariboo Rd, Burnaby, BC V3N 4A3. The Company is listed on the Canadian Securities Exchange (the "CSE") under the symbol ETI and began trading on March 30, 2017. In addition to the listing on the CSE, the Company trades on the OTCQX and Frankfurt Stock Exchange under the symbols EVLL and 7N2, respectively.

The Company's principal business activity is to develop and market technologies for the extraction of precious and other metals from ores and concentrates in an operationally and environmentally safe and sustainable manner. The Company has developed a process to recover gold from gold ores and concentrates for use in the mining and other industries.

EnviroMetal's patented metal recovery technology (the "EnviroMetal Process") is similar to other hydrometallurgical processes which leach gold, but the Company's proprietary lixiviant and unique process eliminate the use of toxic leaching agents such as sodium cyanide or strong acids and significantly reduces water consumption. EnviroMetal's technology targets industry participants seeking an on-site processing solution with strong economics and reduced environmental impact.

The Company's novel metal recovery technology creates strong differentiation in the marketplace and pending and awarded patents combined with the knowledge required for process use and site optimization create significant barriers for competitors to overcome. The EnviroMetal Process is cost competitive, safe, sustainable, and holds potential for multiple revenue streams. The Company is seeking opportunities to license its technology to companies primarily in the mining industry.

OVERALL PERFORMANCE

The Company closed its EnviroCircuit E-waste processing facility in 2022 to focus on consulting and licensing opportunities in the mining industry. During the three months ended March 31, 2024, the Company continued to pursue commercial relationships with production and development stage gold mining companies.

Gold Mining

The EnviroMetal Process is the foundation of the Company's technology licensing business model. It provides miners a simple, on-site gold recovery solution which eliminates the need for sodium cyanide or smelting. The EnviroMetal Process incorporates proven technologies in a novel manner to address real challenges facing miners seeking to maximize return on investment while meeting environmental, social, and corporate governance obligations and goals.

Although the EnviroMetal Process addresses financial, operational, permitting, regulatory, risk, and social issues facing gold miners, the industry has historically been resistant to new processes and technologies. Recognizing the size and diverse nature of the gold mining industry, and the challenge of gaining acceptance for a new technology in a conservative industry, the Company's focus is on developing relationships with potential clients most likely to benefit from the Company's innovative technology. The Company believes gaining technical validation will lead to wide acceptance within the gold mining industry.

For miners, the selection of a metal recovery technology is dependent on many factors including total metal recovery, capital costs, operating costs, permitting, site suitability, reliability, ease of use, industry standards and sustainability. As is the case with any metallurgical process, prior to adoption the processing technology must go through a series of progressive tests from lab through pilot scale in order to ensure the compatibility of the technology with the feed material. During the three months ended March 31, 2024, EnviroMetal conducted amenability and recovery test work on client samples received from numerous clients and submitted proposals for initial or additional test work to clients.

E-waste

In response to the ongoing challenges in the E-waste industry the Company elected to close the EnviroCircuit E-waste processing facility to focus on mining opportunities.

During the year ended December 31, 2023, the Company completed the closure of EnviroCircuit and all surplus processing equipment, and related assets were sold through direct sales and auction. Any equipment applicable for the continued development of the EnviroMetal Process or for processing gold ores and concentrates were retained and relocated to the Company's primary facility located in Burnaby, BC.

Revenue

During the three months ended March 31, 2024, EnviroMetal recognized consulting revenue of $660 (2023 - $nil).

(Expressed in Canadian dollars)

RESULTS OF OPERATIONS

Operations

A summary of the Company's results of operations are as follows:

	Q1 2024	Q1 2023
	$	$
Revenue		
Consulting revenue	**660**	-
Operating expenses		
Operating costs	**22,329**	23,100
Management and employee costs	**160,333**	240,779
General and administration	**153,183**	279,001
Share-based payments	**-**	1,230
	335,845	544,110
Loss from operations	**(335,185)**	(544,110)
Other income (expenses)		
Depreciation	**(58,009)**	(84,452)
Foreign exchange	**2,398**	271
Interest income	**1,829**	1,021
Interest expense	**(5,906)**	(8,238)
	(59,688)	(91,398)
Loss from continuing operations	**(394,873)**	(635,508)
Loss from discontinued operations	**-**	(104,251)
Loss and comprehensive loss	**(394,873)**	(739,759)

Q1 2024 compared to Q1 2023

Loss and comprehensive loss from continuing operations decreased to $394,873 compared to $635,508 in the prior year comparable period. The primary drivers of this decrease were as follows:

- Management and employee costs decreased to $160,333 from $240,779 in the prior year comparable period which was primarily due to a reduction in staffing levels.
- General and administrative decreased to $153,183 compared to $279,001 in the prior year comparable period due to lower rent, maintenance and utilities following the full closure of EnviroCircuit, and a reduction in legal and consultant costs in the current period.
- Depreciation decreased to $58,009 compared to $84,452 in the prior year comparable period due to a higher balance of right-of-use assets and vehicles which were in use during the prior year comparable period.

(Expressed in Canadian dollars)

Discontinued operations

A summary of the Company's result of discontinued operations is as follows:

	Q1 2024	Q1 2023
	$	$
Revenue	**-**	17,172
Management and employee costs	**-**	(53,243)
General and administrative expenses	**-**	(30,130)
Depreciation	**-**	(61,460)
Gain from disposal of assets held for sale	**-**	43,010
Write down of inventory	**-**	(19,600)
Net loss from discontinued operations	**-**	(104,251)

The decrease in the net loss from discontinued operations to $nil from $104,251 in the prior year comparable period is due to the full closure of the EnviroCircuit facility in Q3 2023.

SUMMARY OF QUARTERLY RESULTS

A summary of the Company's quarterly results for the past eight quarters are as follows:

	Q1 2024	Q4 2023	Q3 2023	Q2 2023
	$	$	$	$
Revenue	**660**	-	-	-
Net income (loss) and comprehensive income (loss)	**(394,873)**	912,343	(471,134)	(543,840)
Net income (loss) per share, basic and diluted	**(0.00)**	0.01	(0.00)	(0.01)

	Q1 2023	Q4 2022	Q3 2022	Q2 2022
	$	$	$	$
Revenue (refund)	-	(39,665)	40,068	10,500
Net loss and comprehensive loss	(739,759)	(1,542,623)	(815,954)	(1,925,165)
Net loss per share, basic and diluted	(0.01)	(0.02)	(0.01)	(0.02)

The Company has yet to achieve consistent revenues from consulting and licensing activities or material processing, and therefore has un-predictable cashflows from these activities. EnviroMetal's focus is on securing licensing agreements with miners for the EnviroMetal Process. The Company believes it will achieve consistent and increasing revenue over time by providing technical solutions which allows clients to unlock additional value in their operations. The negative revenue in Q4 2022 reflected the impact of changing metal prices and exchange rates between sales estimates and final sales.

The Company's generally lower net losses in 2023 quarters compared to 2022 reflect reduced activity levels following the initiation of the closure of EnviroCircuit at the end of 2022. The Company's net income in Q4 2023 was a result of the reversal of provision related to a legal dispute with Regenx Technologies Corp. (formerly "Mineworx Technologies Ltd.") and related parties (jointly, the "Mineworx Defendants") due to the unlikelihood of Mineworx Defendants being successful; and funding from the Centre for Excellence in Mining Innovation for eligible costs incurred related to the gold recovery circuit pilot project. Net loss in Q1 2024 was lower than in previous quarters as a result of reduced staffing levels and cost-saving measures implemented to conserve cash.

(Expressed in Canadian dollars)

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2024, the Company had $128,668 in cash (December 31, 2023 - $201,281) and working capital deficit of $976,653 (December 31, 2023 - $615,212). The decrease in working capital is primarily attributable to general operating costs.

A summary of the Company's contractual undiscounted cash flow requirements as at March 31, 2024, is as follows:

	< 1 year	**1 - 3 years**	**Total**
	$	$	$
Accounts payable and accrued liabilities	258,723	-	258,723
Due to related parties	854,841	-	854,841
Lease liabilities	100,723	8,419	109,142
Promissory notes	50,000	-	50,000
	1,264,287	**8,419**	**1,272,706**

Liquidity Outlook

The Company is reliant on raising equity to fund working capital, research and development. The Company raises money through the sale of equity and from the exercise of convertible securities. Many factors influence the Company's ability to raise funds, including the health of the capital markets, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to several factors, including technology development costs, government and other external funding, business opportunities, and revenues from consulting and licensing activities.

Management currently follows a policy of raising only enough capital to carry out its near-term plans. This policy is intended to minimize share dilution by raising capital when the stock price is at higher levels. Management is encouraged by improving equity markets for innovative and green mining technologies and anticipates seeking additional sources of funding prior to the end of the fiscal year. Given volatility in equity markets, global economic uncertainty, and cost pressures there can be no certainty equity funding will be available to the Company or if available funding will be on acceptable terms. Management believes it will be able to raise equity capital as required but recognizes that there will be risks which may be beyond its control.

Capital Commitments

As at March 31, 2024, the Company did not have contractual obligations other than those disclosed in its Financial Statements. The Company expects that any property and equipment expenditures incurred, based on future needs, will be funded from working capital and/or from operating or capital leases.

Capital Resources

The Company may not have sufficient capital to cover its anticipated administrative overhead expenses for the next 12 months. To continue developing its technology and pursue licensing opportunities, EnviroMetal may be required to raise additional capital, and if capital is not available the Company will have to delay some planned activities and expenditures.

During the year ended December 31, 2023, the Company issued convertible notes for total proceeds of $215,200 and closed a non-brokered private placement of 2,100,000 units at $0.05 per unit for gross proceeds of $105,000, of which $25,000 was outstanding for collection and included in trade and other receivables as at March 31, 2024.

On December 15, 2023, the Company settled $165,200 of the convertible notes' principal and $13,741 of accrued interest with 3,578,822 units at a price of $0.05 per unit for a total fair value of $178,941.

On December 15, 2023, the Company entered into agreements with the convertible note holders, pursuant to which the remaining balance of the convertible notes of $50,000 were reissued as promissory notes.

(Expressed in Canadian dollars)

RELATED PARTY TRANSACTIONS

Related parties include directors and key management of the Company and entities controlled by these individuals. Key management personnel consist of senior management including the Chief Executive Officer.

A summary of the Company's related party transactions is as follows:

	Q1 2024	Q1 2023
	$	$
Consulting fees included in general and administration expense	**-**	75,000
Directors' fees included under public company costs in general and administration	**69,105**	69,018
Salaries and benefits included in management and employee costs	**56,250**	102,500
	125,355	246,518

As at March 31, 2024, the Company had balance due from related parties of $29,988 (December 31, 2023 - $29,988) included in trade and other receivables.

As at March 31, 2024, the Company had a balance due to related parties of $854,841 (December 31, 2023 - $769,431). These amounts are unsecured, non-interest bearing, without specific repayment terms, are due on demand and have been incurred in the normal course of business.

PROPOSED TRANSACTIONS

The Company continually reviews potential merger, acquisition, investment, and other joint agreement and strategic transactions that could enhance shareholder value. However, as of the MD&A date, there are no proposed transactions currently under examination.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the reporting period. Actual results could differ from these estimates.

All significant accounting judgements and sources of estimation uncertainty are fully disclosed in the Annual Financial Statements.

FINANCIAL INSTURMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, trade and other receivables (excluding government subsidies and taxes receivable), deposits, due to related parties, accounts payable and accrued liabilities and promissory notes are classified and measured at amortized cost. As at March 31, 2024 and December 31, 2023, the carrying values of these financial instruments approximate their fair values because of their short-term nature.

The Company's current business involves consulting for clients, licensing its proprietary technology for the extraction of precious metals for the mining and E-waste industries and select processing of gold bearing materials such as ores and concentrates, which exposes the Company to a variety of financial instrument related risks. These risks include credit risk, liquidity risk and market risk. The Company's board of directors provides oversight for the Company's risk management processes.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk is primarily attributable to cash, deposits as well as trade and other receivables. The Company has no significant concentration of credit risk arising from operations. Cash and guaranteed investment certificates consists of accounts at reputable financial institution, from which management believes the risk of loss to be remote. In Canada, federal deposit insurance covers balances up to $100,000. As at March 31, 2024, management considers the Company's exposure to credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash.

As at March 31, 2024, the Company had a cash balance of $128,668 (December 31, 2023 - $201,281) to settle current liabilities of $1,257,678 (December 31, 2023 - $1,166,306). The Company is exposed to liquidity risk.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As at March 31, 2024, the Company is not exposed to significant market risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has no financial instruments that are subject to variable interest rates. As at March 31, 2024, the Company is not exposed to interest rate risk.

Foreign currency risk

The Company is exposed to currency risk due to business transactions in foreign countries or currencies. The Company primary transactions are in Canadian dollars and United States dollars. Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is subject to normal risks including fluctuations in foreign exchange rates. While the Company manages its operations in order to minimize exposure to these risks, it has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

A summary of the Company's financial assets and liabilities that are denominated in US$ is as follows:

	March 31, 2024	December 31, 2023
	$	$
Cash	**49,385**	55,740
Accounts payable and accrued liabilities	**(32,499)**	(26,255)
	16,886	29,485

A 5% change in the foreign exchange rates would result in an impact of approximately $844 to the Company's net loss and comprehensive loss.

RISKS AND UNCERTAINTIES

For a detailed listing of the risks and uncertainties faced by the Company, please refer to the Company's MD&A for the years ended December 31, 2023 and 2022.

NATURE OF SECURITIES

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

(Expressed in Canadian dollars)

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at March 31, 2024 or at the MD&A date.

SUBSEQUENT EVENT

The Company had no disclosable subsequent events as of the date of this MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

A summary of the Company's issued and outstanding securities is as follows:

	March 31, 2024	Date of the MD&A
	#	#
Common shares issued and outstanding	113,607,280	113,607,280
Stock options	5,800,000	5,800,000
Warrants	5,678,822	5,678,822

COMMITMENT AND CONTINGENCIES

As at March 31, 2024 and December 31, 2023, the Company did not have any contractual obligations.

EnviroMetal commenced a civil action against Mineworx Defendants in the Supreme Court of British Columbia in June 2021.

The Mineworx Defendants are purporting to be competing with EnviroMetal in the recovery of platinum group metals from spent catalysts using a chemical formula and process based on EnviroMetal's intellectual property ("IP") without a license from EnviroMetal to do so. These actions by the Mineworx Defendants are in breach of the access agreements, confidentiality agreements, as well as the asset purchase agreement between Mineworx and EnviroMetal dated December 19, 2016. These actions constitute a breach of confidence.

EnviroMetal is seeking, among other relief from the court, general, aggravated, and punitive damages against the Mineworx Defendants, an injunction prohibiting the Mineworx Defendants from using any confidential information or intellectual property belonging to EnviroMetal, and disgorgement of profit arising from such unauthorized use.

In January 2022, the court granted EnviroMetal's application for an injunction that, amongst other things, prohibits the Mineworx Defendants from disclosing any confidential information or intellectual property belonging to EnviroMetal until further court order.

Mineworx disputes EnviroMetal's claims and has commenced a counterclaim against EnviroMetal for, amongst other things, alleged breaches of various agreements between the parties. Some of Mineworx's claims are subject to arbitration clauses. As a result, Mineworx has served EnviroMetal with a notice to arbitrate those claims.

Prior to commencing the legal action against Mineworx, the Company provided the Mineworx Defendants with notices of breach and provided the required amount of time to remedy.

During Fiscal 2022, the Company recognized a provision of $1,089,685. During Fiscal 2023, the Company recognized a recovery on the provision of $1,089,685 due to the unlikelihood of Mineworx Defendant being successful with the ongoing dispute.

ADDITIONAL INFORMATION

Additional disclosure concerning Midnight Sun's general and administrative expenses and exploration and evaluation assets expenditures is provided in the Company's Financial Statements. The Financial Statements are available on SEDAR+ at www.sedarplus.ca.