REFINED METALS CORP.
(FORMERLY, CHEMESIS INTERNATIONAL INC.)
(the "Company")

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

This Management Discussion and Analysis ("MD&A") has been prepared by management in accordance with the requirements of National Instrument 51-102 and should be read in conjunction with the consolidated financial statements and accompanying notes for the year ended June 30, 2023, and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars, the reporting and functional currency of the Company, unless otherwise indicated.

DATE

This MD&A is prepared as of October 30, 2023.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the Company's operations. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or our achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. This MD&A should be read in conjunction with the risk factors described in the *Risk Factors* section of this MD&A. Although the Company has attempted to identify important factors that could cause actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause actions, events, or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as at the date of the MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements. The Company does not undertake to update any forward-looking statements except as required by applicable securities laws.

DESCRIPTION OF BUSINESS

The Company previously operated in the cannabis industry. On November 25, 2022, the CSE approved the Company's Change of Business to mineral exploration and development with a focus on identifying, evaluating and acquiring interests in mineral properties in North America. The Company has entered into three mineral property option agreements with the first one in British Columbia, Canada, the Rose Property, the second in Quebec, Canada, the Simard Property and the third in Nevada, USA, the Horizon South property. The Company continues to review other mineral properties in North America for possible future acquisitions in the future.

The Company's change in focus to mineral exploration and development constitutes a Change of Business under Policy 8 of the CSE. Under CSE Policy 8, a proposed Change of Business is subject to a complete review by the CSE, and CSE Approval is subject to a number of conditions, including shareholder approval (which was received by the Company on June 21, 2022) and delivery of documentation required by the CSE, which the Company is in the process of completing. The Company has received its final CSE Approval of its Change of Business, and is now listed on the CSE as a Mining Issuer. The Company's Common Shares began trading under the symbol "RMC" on November 28, 2022.

During the year ended June 30, 2023, the Company completed a 2:1 share consolidation, whereby two of the pre-consolidation shares is consolidated in to one post-consolidation share. All disclosures in these consolidated financial statements reflect the shares post-consolidation.

A summary of the Company's property option agreements are as follows:

<u>Rose Property</u>

During the year ended June 30, 2022, and with an effective date of October 23, 2023 (the "Effective Date"), the Company entered into a property option agreement with Geomap Explorations Inc, a privately-owned B.C. company to acquire up to 100% interest in the Rose property ("Rose"), located in Kamloops Mining Division, B.C for consideration as follows (and amended October 30, 2023):

- Cash payments of $170,000 to be made on the following dates:
  - $90,000 10 days after the Effective Date of the agreement (paid);
  - $30,000 due on or before December 31, 2023; and
  - $50,000 due on or before December 31, 2024
- Issuing 800,000 common shares on the following dates:
  - 250,000 common shares 10 days after the effective date of the agreement (issued);
  - 250,000 common shares due on or before December 31, 2023;
  - 300,000 common shares two years after the Effective Date of the agreement; and
- Incurring exploration expenditures as follows:
  - $110,000 on or before July 1, 2024; and
  - $250,000 on or before July 1, 2025.

Shares issued pursuant to this agreement are subject to escrow terms, whereby one quarter of the shares issued will vest every three months.

Once the title to the property is granted to the Company, the Company will grant a 3% Net Smelter Royalty("NSR") on commercial production on the property to Geomap. Refined has an irrevocable option to acquire one third of the NSR for $1,000,000.

<u>Simard property</u>

On December 20, 2022 (and amended October 30, 2023), the Company entered into a property option agreement with Geomap Explorations Inc, a privately-owned B.C. company to acquire up to 100% interest in 96 mining claims covering approximately 5,571 hectares of land, located in the Lac Simard region of Quebec ("Simard") with the intent to explore the property to determine the extent of any lithium mineralization. The Company has the option to acquire 100% interest in the property for consideration as follows:

- Cash payments of $190,000 to be made on the following dates:
  - $30,000 upon signing the agreement (subsequently paid)
  - $60,000 due on or before December 31, 2023;
  - $50,000 due on or before March 31, 2024; and
  - $50,000 two years after signing the agreement;
- Issuing 850,000 common shares on the following dates:
  - 250,000 common shares upon signing the agreement (issued);
  - 300,000 common shares one year after signing the agreement;
  - 300,000 common shares two years after signing the agreement; and
- Incurring exploration expenditures as follows:
  - $50,000 on or before the date that is one year after signing the agreement;
  - $70,000 on or before March 31, 2024; and
  - $250,000 on or before the date that is two years after signing the agreement.

Once the title to the property is granted to the Company, the Company will grant a 2% Net Smelter Royalty ("NSR") on commercial production on the property to Geomap. Refined has an irrevocable option to acquire 1% of the NSR for $1,000,000.

Horizon South property

On February 9, 2023 (and amended October 30, 2023), the Company entered into a property option agreement with an entity controlled by a Director and officer of the Company. The property option agreement is to acquire a 100% interest in 381 unpatented lode mining claims covering approximately 7,900 acres of land, located in the Big Smoky and Monte Cristo Basins of Esmeralda County, Nevada ("Horizon South") with the intent to determine the extent of any claystone-hosted lithium mineralization. The Company has the option to acquire 100% interest in the property for consideration as follows:

- Cash payments totalling $750,000 to be made on the following dates:
  - $250,000 sixty days from signing the agreement (paid);
  - $250,000 on the first anniversary of receipt of drill permits necessary to undertake exploration drilling ("Drill Permits"); and
  - $250,000 on the second anniversary of receipt of Drill Permits;

- Issuing common shares with a fair market value of $2,000,000 issued as follows:
  - $250,000 worth of common shares five days after signing the agreement;
  - $250,000 worth of common shares due on or before December 31, 2023;
  - $750,000 worth of common shares on the first anniversary of receipt of drill permits necessary to undertake exploration drilling ("Drill Permits");
  - $750,000 worth of common shares on the second anniversary of receipt of Drill Permits;

The Common Shares issuable pursuant to the property option agreement will be released from the escrow arrangement in four equal tranches each quarter with the first tranche four months following the effective date of the agreement.

The Company has begun its exploration program (the "Program") over its Simard property. The Program will consist of ground sampling of known pegmatites, prospecting and trenching, and ground geophysical surveying that can be performed in winter conditions.

COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business.

KEY BUSINESS ACTIVITIES

See above for business activities during the year ended June 30, 2023.

Subsidiaries and their activities

The Company has no material subsidiaries.

Business acquisitions

None to report during the year ended June 30, 2023.

TRANSACTIONS IN PROGRESS

None to report as of the date of this MD&A apart from the property option agreements described above.

OVERALL PERFORMANCE

The net (liabilities) assets of the Company increased from ($1,578,667) at June 30, 2022 to $125,694 at June 30, 2023. The most significant asset at June 30, 2023 is amounts receivable of $147,107 (June 30, 2022 - $233,938) and exploration and evaluation assets of $592,157 (June 30, 2022 - $50,000). The accounts receivable consists of GST receivables from the Canadian Revenue Agency, which the Company expects to collect, and exploration and evaluation assets consists of acquisition costs over its Rose, Simard, and Horizon mining properties summarized as follows:

		Rose		Simard		Horizon		Total
Balance, June 30, 2022	**$**	**50,000**	**$**	**-**	**$**	**-**	**$**	**50,000**
Acquisition payments – cash		40,000		-		250,000		290,000
Acquisition payment - shares		25,000		50,000		177,157		252,157
Balance, June 30, 2023	**$**	**115,000**	**$**	**50,000**	**$**	**427,157**	**$**	**592,157**

The Company's liabilities at June 30, 2023, consist primarily of accounts payable and accrued liabilities of $598,671 (June 30, 2022 - $1,727,924) and convertible debt of $137,750 (June 30, 2022 - $132,720).

Cash increased by $123,370 primarily due to the $1.4 million private placement closed on September 2, 2022.

HIGHLIGHTS

Please also see Description of Business, Transactions in Progress and Activities of the Company's Subsidiaries, above.

On July 21, 2022, the Company announced the resignation of Edgar Montero as Chief Executive Officer of the Company and the appointment of Aman Parmar as Interim Chief Executive Officer to fill the vacancy.

On September 2, 2022, the Company completed the following:

- Issued 250,000 Common Shares pursuant to the Rose property option agreement;

- Settled outstanding accounts payable and debt with certain officers, directors and consultants of the Company totalling $839,568 through the issuance of 8,395,683 Common Shares at a valuation of $0.10 per Share. $599,284 of the outstanding accounts payable and debt was held by directors and officers of the Company.

- Issued 14,000,000 units at a price of $0.10 per unit for total gross proceeds of $1,400,000. Each unit consists of one Common Share and one Warrant entitling the holder thereof to purchase one additional Common Share at a price of $0.12 until September 1, 2024.

On September 26, 2022, the Company's auditor Manning Elliot resigned on its own initiative and concurrently the Company appointed GreenGrowth CPAs as its successor auditor.

On November 29, 2022, the Company's change of business to a mining issuer was accepted by the CSE and changed its name to Refined Metals Corp. (formerly "Chemesis International Inc.").

On December 23, 2022, the Company granted 1,300,000 stock options at an exercise price of $0.22 per stock option for a period of 3 years, vesting quarterly over the first year. The options were granted to directors, officers and consultants of the Company.

On January 17, 2023, the Company engaged Orange Unicorn to perform marketing services for a total value of €150,000 and granted 1,000,000 Restricted Share Rights to consultants of the Company vesting in four months from the date of grant.

On January 30, 2023, the Company announced its plan for a 2023 Exploration Program ("Program") on its 100% Lac Simard Lithium property. The Lac Simard Property covers 5,571 hectares land in western Quebec and is 85 kms from the city of Val d'Or. The Program will be conducted to verify previously reported areas of mineralization and to explore pegmatites and other areas of interest. The Company intends to use the data collected from this program to plan additional exploration work later in 2023.

The Program will consist of ground sampling of known pegmatites, prospecting and trenching, and ground geophysical surveying. The known pegmatites have been documented on various islands around Simard Lake, around the lake shores, and on the southeastern part of the property. The southeastern area of the property has favourable geology for the discovery of lithium pegmatites which will be further explored during the prospecting and trenching. A geophysical survey that was previously conducted in 2022 identified high magnetic targets. The survey will be expanded further to identify additional target areas.

On February 23, 2023, the Company announces that it has executed a Master Services Agreement (the "Agreement") with RESPEC Consulting Inc. ("RESPEC"), a leader in geoscience, engineering, data, and integrated technology solutions for industry. RESPEC will work with Refined as a strategic operational partner that will support the Company in geological and engineering design of all exploration and drilling programs for the Horizon South Lithium Property. As the project advances, RESPEC will work with Refined to develop a technical report as they are highly experienced in the region. RESPEC will leverage in-depth knowledge of the region as they have worked with peers in the area developing large scale drilling operations for the likes of Pan American Energy Corp as well as third party resource calculations for American Battery Technology Corp.

On April 27, 2023, the Company filed an independent Technical Report for the Simard NE Lithium Property (the "Property"). The Technical Report recommends a two-phase exploration program on the Property, the first phase of which was announced by the Company on January 30, 2023. The Company holds its interest in the Property pursuant to a property option agreement which grants the Company the right to acquire an undivided 100% interest in and to the Property in consideration for completing a series of cash payments, issuances of common shares of the Company and exploration expenditures on the Property. For further details, please see the Company's news release dated December 21, 2022.

July 26, 2023, the Company provides an update on its two-stage work program, with stage one work having been completed during the first half of 2023. The intention of the stage one work was to access the areas of pegmatites located in islands within the western and northern part of the Property. As part of the stage one work, several pegmatites were identified in the field and were sampled. The stage one work program consisted of mapping, ground sampling of pegmatites and prospecting. In addition, a part of the work program was conducted to verify previously reported areas of mineralization (discussed below) and to explore pegmatites and other areas of interest. Several field traverses were conducted by using snowmobiles, ATV or walking on foot. The Company intends to use the data collected from this program to plan additional exploration work in the first half of 2024 during the stage two work program. The results of the prior prospecting and sampling work undertaken on the Property in 2022 identified a few pegmatites with assays highlighted below (please see the NI 43-101 technical report for the Property entitled "Technical Report on the Simard NE Lithium Property, Temiscamingue Area, NTS 31M10 Quebec, Canada, with an effective date of January 3, 2023, filed on SEDAR for additional details regarding these samples, including details regarding sampling methodology and quality assurance and quality control details), which the Company completed through the phase one work program by Geomap Exploration Inc.

During the year ended June 30, 2023, the following warrants expired unexercised:
- 1,271,400 warrants at an exercise price of $2.00;
- 346,208 common share purchase warrants with an exercise price of $1.70
- 1,843,709 share purchase warrants with an exercise price of USD$0.68

DISCUSSION OF OPERATIONS

The following highlights the key operating expenditures during the year ended June 30, 2023, compared to June 30, 2022:

For the year ended June 30, 2023

During the year ended June 30, 2023, the Company incurred a net loss from continuing operations of $905,720 (2022 - $7,919,460). The net loss from continuing operations for the year ended June 30, 2023 consists primarily of the following:

- Revenues were $nil (2022 - $29,321) and previously derived from CBD vending machine sales. The Company terminated these operations in Q3 of fiscal 2022 and does not earn revenues as an exploration stage junior mining Company;

- Advertising and promotion of $213,000 (2022 - $nil) consists of focused marketing efforts with the Company engaging Orange Unicorn for a total of €150,000. There was no such programs in the prior year.

- Consulting of $130,931 (2022 - $210,182) consists primarily of services used in operational and corporate activities. This expense has decreased due to the level of activities in the Company this period;

- Management fees of $78,000 (2022 - $365,612) consists primarily of services used in corporate activities and reflects the changing needs of the Company. Management fees decreased following the Company's shift in operations and related management. Much of management have amended their fees during the change of business to a mineral property exploration business and relative workload;

- Professional fees of $57,183 (2022 - $798,522) consist of fees incurred to complete the change of business and listing form and wrap up of cannabis operations. The net credit in the current year is a result of $379,121 in discounts and settlements reached with outstanding legal fees.

- Share-based payments $168,356 (2022 - $nil) consists of the fair value of options granted in the current year. In the prior year, there were no such grants.

- Transfer agent and filing fees of $42,933 (2022 - $144,792) consist of the Company's filing and transfer agent fees which were higher in the prior year related to materials prepared pursuant to the change of business.

- Increase in fair value of derivative of $1,615 (2021 – decrease of $987,614) consists primarily of the fair value adjustment on the Company's embedded derivative liability which was written off this year when the underlining derivative instrument (warrants) expired unexercised.

Net loss and comprehensive loss from continuing operations for the year ended June 30, 2023 is $905,720 (2022 – income of $489,854). The Company's foreign subsidiaries did not give rise to any cumulative translation adjustment, of which there were no activities at or during the year ended June 30, 2023.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed interim quarters from continuing operations:

	Quarter Ended June 30, 2023 $	**Quarter Ended March 31, 2023 $**	**Quarter Ended December 31, 2022 $**	**Quarter Ended September 30, 2022 $**
Revenue	-	-	-	-
Operating Expense	(266,227)	(180,125)	(65,710)	(363,602)
Net income (loss)	(269,582)	(178,743)	(69,178)	(388,217)
Comprehensive income (loss)*	(269,582)	(178,743)	(69,178)	(388,217)
Basic and diluted loss per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.01)

	Quarter Ended June 30, 2022 $	Quarter Ended March 31, 2022 $	Quarter Ended December 31, 2021 $	Quarter Ended September 30, 2021 $
Revenue	7,180	8,222	6,959	6,960
Operating Expense	(75,987)	(510,568)	(650,887)	(294,489)
Net Income (loss)	237,811	(487,410)	(697,964)	695,520
Comprehensive loss	237,811	(487,410)	(697,964)	695,520
Basic and diluted loss per share, basic and diluted	0.00	(0.02)	(0.07)	0.06

*Income during the quarter ended September 30, 2021 and June 30, 2022 were due to the large gain on derivative liability.

Activities for the three months ended September 30, 2023 were focused on the change of business and wind up of cannabis operations. Activities for the three months ended December 31, 2022, March 31, 2023 and June 30, 2023, were primarily focused on the Change of Business and closing of Simard and Horizon property option agreements and stage one exploration work performed over the Simard property.

Activities for the fourth quarter ended June 30, 2022, were minimal with operating expenses totalling $75,987 and expenses pertained largely to professional fees for the Change of Business. There was also an offsetting gain relating to the fair value of the liability reducing as the related financial instrument neared expiry.

Activities for the quarter ended March 31, 2022, the Company's main expenditures related to professional and consulting fees relating to the wind-up of the Company's subsidiaries. The quarter ended March 31, 2022 included share-based payments related to the RSU grant in January with the remaining professional and consulting fees relating to the pursuit of the Regulation A Financing.

Activities for the quarters ended December 31 and September 30 2022 consisted of professional and consulting fees relating primarily to the wind-up of the Company's subsidiaries and settling legal claims.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2023, the Company had cash of $122,851 and $147,107 in GST receivable. The Company had working capital deficit of $466,463 (June 30, 2022 – deficit of $1,628,667).

During the year ended June 30, 2023, the Company received cash of $1,350,000 pursuant to the completion of a private placement.

On September 1, 2022, the Company settled $839,568 in accounts payable through the issuance of 8,395,683 common shares of the Company with a fair value of $839,568. Of this, 2,751,589 common shares with a fair value of $275,159 was issued to a director of the Company, 2,753,750 common shares with a fair value of $275,375 were issued to the CFO of the Company, and 487,500 common shares with a fair value of $48,750 issued to the President and Director of the Company.

If additional funds are required, the Company plans to raise capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements.

Operating Activities

The Company used cash of $933,162 in operating activities from continuing operations during the year ended June 30, 2023.

Investing Activities

The Company paid cash of $290,000 pursuant to property acquisition costs during the year ended June 30, 2023.

Financing Activities

The Company received cash of $1,350,000 from financing activities and paid $3,486 in interest on its convertible debt during the year ended June 30, 2023.

CHANGES IN ACCOUNTING POLICIES

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning on or after January 1, 2023 or later periods. The new and amended standards are not expected to have a material impact on the Company's financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements other than those disclosed under Transactions in Progress.

RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the directors and officers of the Company. Management compensation transactions for the year ended June 30, 2023 and 2022 is summarized as follows:

		2023		**2022**
Management fees	$	78,000	$	365,612
Consulting fees		-		49,506
Share-based payments		142,455		-
Total	**$**	**220,455**	**$**	415,118

As at June 30, 2023, $95,081 (2022 - $1,198,568) is owed to directors and officers of the Company for unpaid fees and expenses paid on behalf of the Company.

During the year ended June 30, 2023, the Company was charged $36,000 (2022 - $140,000) included in management fees to the CFO of the Company pursuant to CFO services provided.

During the year ended June 30, 2023, the Company was charged $42,000 (2022 - $34,000) included in management fees to a director and interim CEO of the Company pursuant to director services provided.

During the year ended June 30, 2022, the Company was charged $nil (2022 - $144,000) included in management fees to a director of the Company pursuant to President and Director services provided.

During the year ended June 30, 2021, the Company accrued $nil (2022 - $47,612) included in management fees to a director of the Company pursuant to President and Director services provided. $nil (2022 - $40,506) was included in consulting fees relating to consulting work performed on Vendco.

During the year ended June 30, 2023, the Company paid $nil (2022 - $9,000) included in consulting fees to the Corporate Secretary and Director and of the Company pursuant to corporate secretary and director services provided.

During the year ended June 30, 2022, the Company issued 1,500,000 RSUs to directors and officers of the Company with a fair value of $1,035,000.

On September 1, 2022, the Company settled $599,284 through the issuance of 5,992,839 common shares of the Company with a fair value of $599,284. Of this, 2,751,589 common shares with a fair value of $275,159 was issued to a director and interim CEO of the Company, 2,753,750 common shares with a fair value of $275,375 were issued to the CFO of the Company, and 487,500 common shares with a fair value of $48,750 issued to the President and Director of the Company.

During the year ended June 30, 2023, 1,100,000 stock options were issued to directors and officers and vested. Share-based payments of $142,455 was recognized.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks which are discussed in detail in Note 11 of the Company's consolidated financial statements for the year ended June 30, 2023.

SUBSEQUENT EVENTS

There are no subsequent events.

DISCLOSURE OF OUTSTANDING SHARE DATA

Common Shares

On July 5, 2022, the Company completed a 2:1 share consolidation. All shares are stated post-consolidation in this MD&A.

Common shares issued and outstanding as at June 30, 2023 and the date of this MD&A are 57,288,955. As at June 30, 2023 the Company held no common shares in escrow.

Share Purchase Warrants

As of the date of this MD&A, 19,337,601 warrants were outstanding (June 30, 2023 – 19,337,601), with a weighted average remaining life of the outstanding warrants being 1.12 years:

Expiry date	Warrants		Exercise Price
December 21, 2023	15,625	$	30.00
January 21, 2024	19,230		49.00
March 1, 2024	75,000		50.00
May 30, 2024	9,459		50.00
May 30, 2024	18,918		50.00
June 13, 2024	2,702		50.00
November 29, 2023	5,196,667		0.30
September 1, 2024	14,000,000		0.12
Balance	**19,337,601**	**$**	**0.51**

Stock Options

As at the date of this MD&A, the Company had 2,670,000 (June 30, 2023 – 2,670,000) options outstanding with expiry dates as follows:

		Outstanding and exercisable		
Expiry date	Options		Exercise price	Remaining contractual life (years)
January 12, 2025	1,147,500	$	1.80	2.04
January 12, 2026	750,000		1.78	3.04
December 23, 2025	1,300,000		0.22	2.98
Balance	**2,670,000**	**$**		**2.73**

Restricted Share Rights

As at the date of this MD&A, the Company had 2,787,500 (June 30, 2023 – 2,787,500) restricted share rights outstanding and exercisable.

An investment in the Common Shares should be considered highly speculative due to the nature of the Company's business and the present stage of development. An investment in the Common Shares should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment and who are able to understand the unique nature and risks of the Company and mining. Potential investors should consult with their professional advisors to assess an investment in the Company. In evaluating the Company and its business, investors should carefully consider, in addition to other information contained in this Listing Statement, the risk factors below. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with its operations.

The following are certain factors relating to the Company's business, which prospective investors should carefully consider before deciding whether to purchase Common Shares. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information set out elsewhere in this Listing Statement. These risks and uncertainties are not the only ones the Company is facing. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also impair operations. If any such risks actually occur, the business, financial condition, liquidity and results of operations could be materially adversely affected.

Risks Related to the Company

There is substantial doubt about whether the Company can continue as a going concern

The Company's ability to continue as a going concern is dependent on raising capital to fund its business plans and ultimately to attain profitable operations. However, there is no assurance that the Company will be successful in raising such capital. Accordingly, there is substantial doubt as to whether the Company's existing cash resources and working capital are sufficient to enable the Company to continue its operations as a going concern. Ultimately, in the event that the Company cannot obtain additional financial resources, or achieve profitable operations, the Company may have to liquidate its business interests and investors may lose their investment. The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Continued operations are dependent on the Company's ability to obtain additional financial resources or generate profitable operations. Such additional financial resources may not be available or may not be available on reasonable terms. The Company's financial statements do not include any adjustments that may result from the outcome of this uncertainty. Such adjustments could be material.

Negative cash flow from operating activities

The Company incurs negative cash flow from operating activities and there is no assurance that the Company will operate profitably or will generate positive cash flow. Upon completion of the Change of Business, the Company will focus its operations on the exploration of the Rose Property, which is in the exploration stage and there are no known mineral resources or mineral reserves and the proposed exploration programs on the Rose Property are exploratory in nature. Significant capital investment will be required to achieve commercial production from the Rose Property. There is no assurance that the Rose Property will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing in order to meet its future cash commitments.

The Company's operations may be disrupted, and its financial results may be adversely affected, by global outbreaks of contagious diseases, including the novel coronavirus (COVID-19) pandemic

Global outbreaks of contagious diseases, including the December 2019 outbreak of COVID-19 have the potential to significantly and adversely impact the Company's operations and business. On March 11, 2020, the World Health Organization recognized COVID-19 as a global pandemic. Pandemics or disease outbreaks such as the currently ongoing COVID-19 outbreak may have a variety of adverse effects on the Company's business, including by depressing commodity prices and the market value of the Company's securities and limiting the ability of the Company's management to meet with potential financing sources. The spread of COVID-19 has had, and continues to have, a negative impact on the financial markets, which may impact the Company's ability to obtain additional financing in the near term.

The Company may have difficulty meeting its current and future capital requirements

Pursuant to the Transaction, the Company is required to incur cumulative exploration expenditures on the Property of \$360,000 over the two year option period in order to maintain the Option. As of the date hereof, the Company has incurred nil of these expenditures. If the Company elects to exercise the Option, the Company is required to pay an aggregate of \$170,000 (of which \$90,000 has been paid as of the date hereof). In addition, the Company must have sufficient funds to pay general and administrative expenses and conduct other exploration activities. If the Company is unable to fund these amounts by way of financings, including public or private offerings of equity or debt securities, the Company will need to reorganize or significantly reduce the Company's operations, which may result in an adverse impact on the Company's business, financial condition and exploration activities. If the Company is unable to fund the amounts specified under the Option, the Company may lose its ability to acquire the Rose Property. The Company does not have a credit, off-take or other commercial financing arrangement in place that would finance continued evaluation or development of the Rose Property, and the Company believes that securing credit for this project may be difficult. Moreover, equity or debt financing may not be available on attractive terms and, if available, will likely result in significant dilution to existing Shareholders.

The Company is an exploration stage mining company with no history of operations in the mineral exploration industry

The Company is an exploration stage enterprise engaged in mineral exploration. The Company does not currently have any operations in the mineral exploration and development industry and, therefore, the Company has very limited operating history and is subject to all the risks inherent in a new business enterprise. As an exploration stage company, the Company may never enter the development and production stages. The Company has not generated any revenues from operating activities in the mineral exploration and development industry and will rely upon equity financing to fund its operations. The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with an exploration stage business, and the competitive and regulatory environment in which the Company will operate, such as under-capitalization, personnel limitations, and limited financing sources.

No known mineral reserves or mineral resources

There are no known bodies of commercial minerals on the Rose Property. The exploration programs proposed for the Rose Property constitute an exploratory search for mineral resources and mineral reserves. There is no assurance that the Company will be successful in its search for mineral resources and mineral reserves. Further, there is no assurance that any mineral deposits the Company may identify on the Rose Property will qualify as an ore body that can be legally and economically exploited or that any particular level of recovery of minerals from discovered mineralization will in fact be realized. Most exploration projects do not result in the discovery of commercially mineable ore deposits. Even if the presence of reserves is established at a project, the legal and economic viability of the project may not justify exploitation.

The Company's business plan is highly speculative, and its success largely depends on the successful exploration of the mineral claims comprising the Rose Property

Upon completion of the Change of Business, the Company's business plan will be focused on exploring the Rose Property to identify mineral resources and mineral reserves and, if appropriate, to ultimately develop the Rose Property. There are no known mineral resources on the Rose Property, and thus, the Company has not established any reserves and remains in the exploration stage. The Company may never enter the development or production stage. Exploration of mineralization and determination of whether the mineralization might be extracted profitably is highly speculative, and it may take a number of years until production is possible, during which time the economic viability of the project may change. Substantial expenditures are required to establish reserves, extract metals from ore and construct mining and processing facilities.

The Rose Property is subject to all of the risks inherent in mineral exploration and development. The economic feasibility of any mineral exploration and/or development project is based upon, among other things, estimates of the size and grade of mineral resources and mineral reserves, proximity to infrastructures and other resources (such as water and power), anticipated production rates, capital and operating costs, and metals prices. To advance from an exploration project to a development project, the Company will need to overcome various hurdles, including completing favorable feasibility studies, securing necessary permits, and raising significant additional capital to fund activities. There can be no assurance that the Company will be successful in overcoming these hurdles.

The Company is uncertain that it will be able to maintain sufficient cash to accomplish its business objectives

The Company is not engaged in any revenue producing activities, and the Company does not expect to be in the near future. Currently, the Company's potential sources of funding consist of the sale of additional equity or debt securities, entering into joint venture agreements or selling a portion of the Company's interests in its assets. There is no assurance that any additional capital that the Company will require will be obtainable on terms acceptable to it, if at all. Failure to obtain such additional financing could result in delays or indefinite postponement of exploration of the Rose Property. Additional financing, if available, will likely result in substantial dilution to existing Shareholders.

The Company's exploration activities, upon completion of the Change of Business, will require significant amounts of capital that may not be recovered

Mineral exploration activities are subject to many risks, including the risk that no commercially productive or extractable resources will be encountered. There can be no assurance that the Company's activities, upon completion of the Change of Business, will ultimately lead to an economically feasible project or that the Company will recover all or any portion of is investment. Mineral exploration often involves unprofitable efforts, including drilling operations that ultimately do not further exploration efforts. The cost of mineral exploration is often uncertain, and cost overruns are common. The Company's drilling and exploration operations, upon completion of the Change of Business, may be curtailed, delayed or canceled as a result of numerous factors, many of which are beyond the Company's control, including title problems, weather conditions, protests, compliance with governmental requirements, including permitting issues, and shortages or delays in the delivery of equipment and services.

The Company's success will depend on developing and maintaining relationships with local communities and other stakeholders

Upon completion of the Change of Business, the Company's success will depend on developing and maintaining productive relationships with the communities surrounding the Company's operations and other stakeholders in the Company's operating locations. Local communities and stakeholders can become dissatisfied with the Company's activities, which may result in legal or administrative proceedings, civil unrest, protests, direct action or campaigns against the Company. Any such occurrences could materially and adversely affect the Company's financial condition, results of operations and cash flows.

Compliance with laws is costly and may result in unexpected liabilities

The Company is subject to various laws and regulations in Canada. Upon completion of the Change of Business, these laws will include compliance with the *Extractive Sector Transparency Measures Act* (Canada), which requires companies to report annually on payments made to all levels of governments both in Canada and abroad. The Company is also required to comply with anti-corruption and anti-bribery laws, including the *Corruption of Foreign Public Officials Act* (Canada).

In addition, as a reporting issuer, the Company is subject to additional laws and regulations, compliance with which is both time consuming and costly. If the Company and/or its business are subject to an enforcement action or are found to be in violation of any such laws, this may result in significant penalties, fines and/or sanctions which could have a material adverse effect on the Company, which could cause a significant decline in the value of the Common Shares.

The directors and officers may have conflicts of interest with the Company

Certain directors and officers of the Company are or may become associated with other mining and/or mineral exploration and development companies which may give rise to conflicts of interest, upon completion of the Change of Business. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner or to allocate opportunities that they become aware of to the Company could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company may be subject to costly and unpredictable legal proceedings

The Company may be subject to numerous regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurance that these matters will not have a material adverse effect on the Company's business.

The Company is exposed to information systems and cyber security risks

The Company's information systems (including those of any of its counterparties) may be vulnerable to the increasing threat of continually evolving cybersecurity risks. Unauthorized parties may attempt to gain access to these systems or the Company's information through fraud or other means of deception. The Company's operations depend, in part, on how well the Company and its counterparties protect networks, equipment, information technology systems and software against damage from threats. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations. There can be no assurance that the Company or its counterparties will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cybersecurity and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain an area of attention.

Reliance upon key personnel

Presently, the Company utilizes outside consultants, and in large part rely on the efforts of its officers and directors. The Company's success will depend, in part, upon the ability to attract and retain qualified personnel.

The Company faces general risks in respect of its option and joint venture agreements

The Company has and may continue to enter into option agreements and/or joint ventures as a means of acquiring property interests. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations could have a material adverse effect on the Company's rights under such agreements. Furthermore, the Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying mineral claims.

The Company may, upon completion of the Change of Business, expand into other geographic areas, which could increase the Company's operational, regulatory and other risks

Upon completion of the Change of Business, the Company's exploration activities will be in Canada, however, the Company may in the future expand into other geographic areas, which could increase the Company's operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of the Company's operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require the Company to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. The Company may not be able to successfully identify suitable acquisition and expansion opportunities, or integrate such operations successfully with the Company's existing operations.

Risks Relating to the Mineral Exploration Industry

There are inherent risks in the mineral exploration industry

Upon completion of the Change of Business, the Company will be subject to all of the risks inherent in the minerals exploration industry, including, without limitation, the following:

- the Company will be subject to competition from a large number of companies, most of which are significantly larger than the Company are, in the acquisition, exploration, and development of mining properties;
- the Company might not be able raise enough money to pay the fees and taxes and perform the labour necessary to maintain its concessions in good status;
- exploration for minerals is highly speculative, involves substantial risks and is frequently unproductive, even when conducted on properties known to contain significant quantities of mineralization, and the Company's exploration at the Rose Property may not result in the discovery of commercially mineable deposits of ore;
- the Company's operations will be subject to a variety of existing laws and regulations relating to exploration and development, permitting procedures, safety precautions, property reclamation, employee health and safety, air quality standards, pollution and other environmental protection controls, and the Company may not be able to comply with these regulations and controls; and
- a large number of factors beyond the Company's control, including fluctuations in metal prices, inflation, and other economic conditions, will affect the economic feasibility of mining.

Metals prices are subject to extreme fluctuation

Upon completion of the Change of Business, the Company's activities will be influenced by the prices of commodities, including, without limitation, precious and base metals. These prices fluctuate widely and are affected by numerous factors beyond the Company's control, including interest rates, expectations for inflation, speculation, currency values, global and regional demand, political and economic conditions and production costs in major metal-producing regions of the world.

The Company's ability to establish mineral resources and mineral reserves through its exploration activities, the Company's future profitability and its long-term viability will depend, in large part, on the market prices of precious and base metals.

The market prices for these metals are volatile and are affected by numerous factors beyond the Company's control, including:

- global or regional consumption patterns;
- supply of, and demand for these metals;
- speculative activities and producer hedging activities;
- expectations for inflation;
- political and economic conditions; and
- supply of, and demand for, consumables required for production.

Future weakness in the global economy could increase volatility in metals prices or depress metals prices, which could in turn reduce the value of the Rose Property, make it more difficult to raise additional capital, and make it uneconomical for the Company to continue its exploration activities.

The Company's operations, upon completion of the Change of Business, will require additional permits from various governmental authorities

Upon completion of the Change of Business, the Company's operations will be governed by laws and regulations governing prospecting, mineral exploration, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, mining royalties and other matters. There can be no assurance that the Company will be able to acquire all required licenses, permits or property rights on reasonable terms or in a timely manner, or at all, that such terms will not be adversely changed, that required extensions will be granted, or that the issuance of such licenses, permits or property rights will not be challenged by third parties.

Title to the Company's properties may be challenged or defective

The Company attempts to confirm the validity of its rights of title to, or contract rights with respect to, the Rose Property and future acquired properties. However, the Company cannot guarantee that title to its properties will not be challenged. The Rose Property may be subject to prior unregistered agreements, interests or native land claims, and title may be affected by undetected defects. There may be valid challenges to the title of any of the claims comprising the Rose Property that, if successful, could impair possible development and/or operations with respect to the Rose Property in the future. Challenges to permits or property rights (whether successful or unsuccessful), changes to the terms of permits or property rights, or a failure to comply with the terms of any permits or property rights that have been obtained could have a material adverse effect on the Company's business by delaying or preventing or making continued operations economically unfeasible.

A title defect could result in the Company losing all or a portion of its right, title, and interest to and in the Rose Property or any future acquired property to which the title defect relates. Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure title to the Rose Property or any future acquired property or mining concessions comprising such properties may be severely constrained. In addition, the Company may be unable to operate the Rose Property as permitted or to enforce its rights with respect to the Rose Property.

The Company, upon completion of the Change of Business, will be subject to complex environmental and other regulatory risks, which could expose it to significant liability and delay and potentially the suspension or termination of its exploration efforts

Upon completion of the Change of Business, the Company's mineral exploration activities will be subject to federal, provincial and local environmental regulations in Canada. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. No assurance can be given that environmental standards imposed by the government of Canada will not be changed, thereby possibly materially adversely affecting the Company's proposed activities. Compliance with these environmental requirements may also necessitate significant capital outlays or may materially affect the Company's earning power.

Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees.

Future changes in environmental regulations in Canada may adversely affect the Company's exploration activities, make them prohibitively expensive, or prohibit them altogether. Environmental hazards may exist on the properties in which the Company currently hold interests, or may hold interests in the future, that are unknown to the Company at present and that have been caused by the Company or previous owners or operators, or that may have occurred naturally. The Company may be liable for remediating any damage that the Company may have caused. The liability could include costs for removing or remediating the release and damage to natural resources, including ground water, as well as the payment of fines and penalties.

The mineral exploration and development industry is highly competitive, attractive mineral properties and property concessions are scarce, and the Company may not be able to obtain quality properties or concessions

Upon completion of the Change of Business, the Company will compete with other mining and exploration companies in the acquisition of mineral properties and property concessions. There is competition for a limited number of attractive mineral property acquisition opportunities, some of which is with other companies having substantially greater financial resources, staff and facilities than the Company does. As a result, the Company may have difficulty acquiring quality mineral properties or property concessions.

The Company's operations, upon completion of the Change of Business, will be subject to various hazards

Upon completion of the Change of Business, the Company will be subject to risks and hazards, including environmental hazards, possible encounters with unusual or unexpected geological formations, cave-ins, flooding and earthquakes, and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in damage to, or the destruction of, mineral properties or future production facilities, personal injury or death, environmental damage, delays in the Company's exploration activities, asset write-downs, monetary losses and possible legal liability. The Company may not be insured against all losses or liabilities, either because such insurance is unavailable or because the Company has elected not to purchase such insurance due to high premium costs or other reasons. The realization of any significant liabilities in connection with the Company's activities as described above could negatively affect the Company's activities.

Social and environmental activism can negatively impact exploration, development and mining activities

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations (**"NGOs"**) who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While, upon completion of the Change of Business, the Company will aim to operate in a socially responsible manner and develop relationships with local communities in the regions in which it will operate, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of the Rose Property or any future acquired property, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company will operate specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it will operate, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Risks Relating to the Common Shares

Investors may lose their entire investment

An investment in the Common Shares is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company. The Company has no history of profits, limited cash reserves, a limited operating history in the mineral exploration and development industry, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business.

An active and liquid market for the Common Shares may not develop upon completion of the Change of Business

Currently, the Company's Common Shares are listed on the CSE, and upon completion of the Change of Business it is anticipated that the Common Shares will continue to be listed on the CSE under the trading symbol "REC"; however, there can be no assurance that an active and liquid market for the Common Shares will develop or be maintained and an investor may find it difficult to resell any securities of the Company. If a market does not develop or is not sustained, it may be difficult for investors to sell the Common Shares at an attractive price or at all. The Company cannot predict the prices at which the Common Shares will trade.

Further equity financings may lead to the dilution of the Company's common stock

In order to finance future operations, the Company may raise funds through the issuance of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares. The Company cannot predict the size of future issuances of Common Shares or the size and terms of future issuances of debt instruments or other securities convertible into Common Shares or the effect, if any, that future issuances and sales of the Company's securities will have on the market price of the Common Shares. Any transaction involving the issuance of previously authorized but unissued shares, or securities convertible into Common Shares, would result in dilution, possibly substantial, to present and prospective security holders. Demand for equity securities in the mining industry has been weak; therefore, equity financing may not be available on attractive terms and, if available, will likely result in significant dilution to existing shareholders.

CSE Listing

In the future, the Company's Common Shares may fail to meet the continued listing requirements to be listed on the CSE. If the CSE delists the Common Shares from trading on its exchange, the Company could face material adverse consequences, including: a limited availability of market quotations for the Common Shares; a determination the Common Shares are a "penny stock" which will require brokers trading in the Common Shares to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary market for the Common Shares; a limited amount of news and analysts coverage for the Company; and a decreased ability to issue additional securities or obtain additional financing in the future.

Risks associated with evolving corporate governance and public disclosure regulations

The Company is subject to changing rules and regulations promulgated by the Canadian governmental and self-regulated organizations, including the Canadian Securities Administrators, the CSE or such other exchange or marketplace on which the Company's securities are listed or trade, and the Financial Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity making compliance more difficult and uncertain. The Company's efforts to comply with these and other new and existing rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

No dividends are anticipated

At the present time, the Company does not anticipate paying dividends, cash or otherwise, on its Common Shares in the foreseeable future. Future dividends will depend on the Company's earnings, if any, the Company's financial requirements and other factors. There can be no assurance that the Company will pay dividends.

Equity securities are subject to trading and volatility risks

The trading price of the Common Shares may be subject to wide fluctuations in response to announcements of the Company's business developments, results and progress of the Company's exploration activities at the Rose Property, progress reports on the Company's exploration activities, and other events or factors. In addition, stock markets have experienced significant price volatility in recent months and years. This volatility has had a substantial effect on the share prices of companies, at times for reasons unrelated to their operating performance. These fluctuations could be in response to: (i) volatility in metal prices; (ii) political developments; and (iii) news reports relating to trends in the Company industry or general economic conditions. These broad market and industry fluctuations may adversely affect the price of the Common Shares, regardless of the Company's operating performance.

The Company cannot make any predictions or projections as to what the prevailing market price for the Common Shares will be at any time, including as to whether the Company's common stock will achieve or remain at levels at or near its offering price, or as to what effect the sale of shares or the availability of Common Shares for sale at any time will have on the prevailing market price.

ADDITIONAL INFORMATION

Additional information about the Company is available on SEDAR at http://www.sedar.com.

BOARD APPROVAL

The board of directors of the Company has approved this MD&A.