**EMP Metals Corp.**
**Management's Discussion and Analysis**
**For the nine months ended January 31, 2024**

## INTRODUCTION

The following management's discussion and analysis of financial condition and results of operations ("MD&A") for the nine months ended January 31, 2024 prepared as of April 2, 2024, should be read in conjunction with the unaudited condensed interim consolidated financial statements for the nine months ended January 31, 2024 and the related notes thereto of EMP Metals Corp. ("the Company" or "EMP") and together with the audited consolidated financial statements of the Company for the year ended April 30, 2023. The MD&A is the responsibility of management and has been reviewed and approved by the Board of Directors of the Company.

The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and as applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The forward-looking statements and information contained in this MD&A are subject to current risks, uncertainties and assumptions related to certain factors including, without limitations, obtaining all necessary approvals, feasibility of mine and plant development, exploration and development risks, expenditure and financing requirements, title matters, operating hazards, commodity prices, political and economic factors, competitive factors, general economic conditions, relationships with vendors and strategic partners, governmental regulation and supervision, seasonality, technological change, industry practices, and one-time events as well as risks, uncertainties and other factors discussed in our quarterly and annual and interim management's discussion and analysis..

Forward-looking statements are also based on a number of material factors and assumptions, including the determination of mineral reserves or resources, if any, the results of drilling activities, the availability and final receipt of required approvals, licenses and permits, that sufficient working capital is available to complete proposed drilling and development activities, that contracted parties provide goods and/or services on the agreed time frames, the equipment necessary for drilling and development activities is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred and that no unusual geological or technical problems occur. While the Company considers these assumptions may be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this MD&A.

Although forward-looking statements and information contained in this MD&A are based on the beliefs of the Company's management, which we consider to be reasonable, as well as assumptions made by and information currently available to the Company's management, there is no assurance that the forward-looking statement or information will prove to be accurate. Should any one or more of these risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements and information may vary materially from those described herein. Accordingly, readers should not place undue reliance on forward-looking statements and information contained in this MD&A. We undertake no obligation to update forward-looking statements or information except as required by law.

## COMPANY OVERVIEW

The Company was incorporated under the Business Corporations Act of British Columbia on August 3, 2018. The Company's head office is located at 208A - 980 West 1st Street, North Vancouver, BC V7P 3N4. The Company's common shares are listed for trading on the Canadian Securities Exchange (the "Exchange") under the trading symbol "EMPS" and on the OTCQB under the symbol "EMPPF".

The Company is focused on the exploration and development of its highly prospective lithium brine properties (the "Li-Brine Properties") that consist of 37 permits totaling 212,633 acres (86,050 hectares) of Subsurface Crown Mineral Dispositions in Southern Saskatchewan. The Li-Brine Properties are held indirectly through Hub City Lithium Corp. ("HCL"). The Company's wholly owned subsidiary, Hub City Minerals Corp. ("HCM"), owns 75% of the outstanding common shares of HCL.

## CORPORATE

On November 29, 2023, the Company announced the appointment of Mr. Craig Foggo and Mr. Karl Kottmeier to its board of directors. The Company also announced the resignation of board member Mr. Peter Pollard.

Mr. Foggo has over 20 years of diverse experience in the mining industry, spanning both operations and investment. Mr. Foggo's site experience dates back to the early 2000's and includes roles in the commissioning, optimising, and operating of mineral plants in Western Australia. In 2008, Mr. Foggo transitioned to the finance sector where he joined London based private equity firm CD Capital, being promoted to the role of Managing Director prior to his departure. In 2012, he joined the mining equity capital markets team at natural resources advisory firm RFC Ambrian. In 2014, Mr. Foggo assumed the role of Investment Director at Tembo Capital, a private equity firm focused on natural resources and clean energy metals. Engaged for over 13 years in natural resource-related private equity funds at both Tembo Capital and CD Capital, Mr. Foggo has actively worked on numerous investments in the mining sector globally. Mr. Foggo holds a B.Sc. in Extractive Metallurgy and a B.Com in Accounting & Finance from Murdoch University, in Western Australia.

Mr. Kottmeier has over 25 years of practical experience in listing, financing and administering resource exploration and development companies listed on the TSX, TSX Venture and CSE Exchanges where he has raised in excess of $250,000,000. Mr. Kottmeier is the founder and former CEO of several publicly listed companies including Rockgate Capital and Rockridge Capital and was formerly CEO of American Lithium. Prior to his career in the public markets, Mr. Kottmeier was an investment advisor and member of the corporate finance team at a private Canadian brokerage firm. He holds a B.A. from the University of British Columbia.

On November 20, 2023, the Company announced the appointment of Mr. Paul Schubach, P. Eng as Chief Operating Officer ("COO"). Mr. Schubach is a Professional Engineer with over 12 years of diversified engineering experience. He has spent over ten years working onsite at Mosaic Potash Belle Plaine, the world's largest potash solution mine. Mr. Schubach has held senior-level leadership positions within various departments leading major capital projects, process engineering improvements, and executing the sites equipment condition-based monitoring programs. Mr. Schubach holds a Bachelor of Applied Science in Industrial Systems Engineering from the University of Regina. He is a registered Professional Engineer with the Association of Professional Engineers and Geoscientists of Saskatchewan (APEGS).

## ACQUISITION OF HUB CITY MINERALS CORP.

On August 27, 2021, the Company entered into a share purchase agreement (the "Acquisition Agreement") with HCM, whereby the Company acquired 67% of the issued and outstanding shares and share purchase warrants of HCM (the "Transaction").

Under the terms of the Acquisition Agreement, the Company acquired 14,070,000 Hub City Units (the "Hub City Units") in exchange for the issuance of 14,070,000 EMP units (each, "EMP Unit") to the shareholders of the Hub City Units. Each EMP Unit consisted of one common share of EMP and one share purchase warrant, with each share purchase warrant entitling the holder to acquire one additional common share of EMP at an exercise price of $0.06667 and under the existing terms of the outstanding share purchase warrants of HCM. The Company also settled a pre-existing advance to HCM of $150,000, which was non-interest bearing, and was included as part of the purchase consideration.

The Transaction closed on September 2, 2021, at which time EMP became the ultimate parent company of HCM.

The Transaction did not meet the definition of a business combination and therefore, has been accounted for as an asset purchase of exploration and evaluation assets with the Company acquiring 67% of HCM on September 2, 2021.

During the year ended April 30, 2023, the remaining 33% equity of HCM was acquired by the Company (refer to discussion of Acquisition of Hub City Royalty Corp. below).

## ACQUISITION OF HUB CITY ROYALTY CORP.

On July 28, 2022, the Company incorporated a new subsidiary, Hub City Royalty Corp. ("Royalty Corp."). In August 2022, the Company entered into a share exchange agreement with the other shareholders of HCM who in aggregate owned 33% of the issued and outstanding shares of HCM, whereby the Company transferred its shares of Royalty Corp. to those shareholders in exchange for their 33% ownership of HCM. As a result, HCM became a 100% wholly-owned subsidiary of the Company. In addition, HCM signed a royalty agreement with Royalty Corp., pursuant to which HCM granted to Royalty Corp. a 25% net profit royalty on amounts received by HCM from HCL.

On February 17, 2023, the Company announced that it had entered into a securities exchange agreement with the shareholders of Royalty Corp. whereby the Company acquired all of the shares of Royalty Corp. In consideration for all of the shares of Royalty Corp., the Company issued 6,930,000 share purchase warrants to the vendors. Each warrant entitles the holder to purchase one common share of the Company at a price of $1.25 for a period of three years from the date of issuance. The warrants are subject to the Company's right to accelerate the expiry date if the average closing price has been equal to or greater than $1.75 for 10 consecutive trading days and the Company must issue a news release announcing its intention to exercise the acceleration right.

The transaction has been accounted for as the acquisition of the remaining 33% of HCM. The result of the transaction was the 100% ownership of HCM by EMP and elimination of the non-controlling interest of HCM. This change in the proportion of equity held by the non-controlling interest has been recognized directly in equity and attributed to the shareholders of EMP.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

| **Purchase price** | **$** |
|---|---|
| Fair value of 6,930,000 warrants | 2,126,353 |
| | 2,126,353 |

| **Net assets acquired** | **$** |
|---|---|
| Remaining 33% of HCM | 2,126,353 |
| | 2,126,353 |

The fair value of the 6,930,000 warrants ($2,126,353) was estimated using the Black-Scholes option-pricing model. Weighted average assumptions used in the pricing model were as follows: spot price – $0.62 per share; risk-free rate – 3.66%; expected life – 3 years; expected volatility – 100%; expected forfeitures – nil%; and expected dividends – $nil.

Royalty Corp. was dissolved on August 21, 2023.

## EXPLORATION PROGRAMS AND EXPENDITURES

During the year ended April 30, 2023 and the nine months ended January 31, 2024, the Company incurred the following acquisition and exploration expenditures:

| | Li-Brine Properties |
|---|---|
| | $ |
| **April 30, 2022** | **16,192,835** |
| Acquisition costs – cash | 127,593 |
| Camp Costs | 5,446 |
| Consulting | 681,483 |
| Drilling | 663,518 |
| Equipment | 497,668 |
| Geologists | 113,971 |
| Geochemical | 8,914 |
| Land Lease Payment | 299,994 |
| Linecutting | 86,846 |
| Logging | 142,660 |
| Permits | 8,317 |
| Piping | 873,562 |
| Miscellaneous | 12,739 |
| Vehicle Costs | 240,238 |
| Travel & Accommodation | 21,412 |
| Waste Removal | 19,741 |
| Well Servicing | 709,843 |
| Sale of claims to Grounded Lithium | (55,320) |
| **April 30, 2023** | **20,651,460** |
| Acquisition costs – cash | 1,158,715 |
| Analysis | 1,923 |
| Camp Costs | 668 |
| Communications | 444 |
| Consulting | 939,515 |
| Drilling | (191,814) |
| Environmental | 8,572 |
| Equipment | 173,131 |
| Geologists | 119,771 |
| Geochemical | 11,312 |
| Land Lease Payment | 343,006 |
| Logging | 82,568 |
| Permits | 6,107 |
| Pilot Testing | 351,412 |
| Property Tax | 240 |
| Miscellaneous | 8,885 |
| Vehicle Costs | 341,422 |
| Travel & Accommodation | 11,283 |
| Waste Removal | 16,964 |
| Well Servicing | 374,373 |
| **January 31, 2024** | **24,409,957** |

**Li-Brine Properties**

On September 2, 2021, the Company acquired an interest in the Li-Brine Properties as a result of the acquisition of HCM.

HCM, through HCL, held 48,457 hectares (119,739 acres) of Subsurface Crown Mineral Dispositions in Saskatchewan, with the focus on potential lithium resource prospects, including:

- 21 lithium brine focused permits in four main distinct geographical locations in Saskatchewan representing 48,457 hectares
  - Greater Mansur Permit Area consisting of five main blocks totaling 13,093 hectares, located between 10 to 50 km east of Weyburn, Saskatchewan.
  - Greater Tyvan Permit Area consisting of four permit blocks totaling 5,683 hectares, located 85 km south of Regina, Saskatchewan.
  - Greater Huntoon East Permit area consisting of seven permit blocks totaling 20,923 hectares.
  - Coleville Permit consisting of four permit blocks totaling 8,496 hectares, located 30km northwest of Kindersley, Saskatchewan.

On January 24, 2022, HCL acquired an additional 37,593 hectares (92,894 acres) of Subsurface Crown Mineral Dispositions located in Saskatchewan, which was acquired at a cost of $222,190. The bulk of the acquired Subsurface Crown Mineral Dispositions complement the existing acreage in the Tyvan Permit Area which is located approximately 50 miles south of Regina, Saskatchewan. The Tyvan Permit Area is approximately 20 miles north of the Mansur Permit Area.

On May 24, 2022, the Company announced that HCL and Epping Energy Inc. have entered into a Wellbore Takeover Agreement (the "Agreement") over 131/08-07-014-11W2 (the "Well') whereby HCM will test the Well for lithium concentrations. Within the Agreement HCL assumes the abandonment liability of the Well, estimated at $70,000. Such liabilities have been paid to the government of Saskatchewan and satisfied in full. The Well is located in the Tyvan area of Southeast Saskatchewan which is within a half mile of HCM's lands.

The Tyvan Permit Area, Mansur Permit Area, and Viewfield Permit Area now collectively cover an area extending 40 miles north and 40 miles east of the City of Weyburn. The existing oil and gas infrastructure within the area includes over a hundred oil wells drilled through the target formation. This allows for potential cost savings on future development and allows the Company to map and target certain lands with lithium potential. In addition, many of the existing wellbores are nearing the end of their economic life and can be repurposed initially for use as lithium brine test wells. In the future, additional wells may be purchased for use as lithium brine production and disposal wells. This existing infrastructure is expected to lower the ultimate cost of early-stage development of the resource.

On September 27, 2022, the Company announced that HCL has acquired an additional wellbore in its Mansur Permit Area. The new well, 101/14-36-008-13 W2M ("Second Test Well"), is located at the Mansur Permit Area and is approximately half a mile from the Company's first test well in the Mansur. The Second Test Well has been acquired for no consideration and the assumption of future abandonment and reclamation costs, which aligns with the Company's highly cost-effective strategy of testing for lithium in existing infrastructure. All estimated future abandonment and reclamation costs have been paid to the government of Saskatchewan.

On November 30, 2022, the Company announced that HCL has acquired an additional wellbore in its Mansur Permit Area. The new well, 141/08-03-009-13 W2M ("Third Test Well"), is located at the Mansur Permit Area and is approximately half a mile from the Company's first test well in the Mansur and approximately one and a half miles from the Second Test Well. The Third Test Well has been acquired for no consideration and the assumption of future abandonment and reclamation costs.

On March 15, 2023, the Company closed the sale of 33 sections (8,498 hectares) of undeveloped land in the Kindersley area to Grounded Lithium Corp. ("GLC"). As consideration for the sale, the Company received $195,326 in cash and 779,557 GLC common shares. The GLC common shares are subject to a contractual escrow, to be released in equal 1/3 tranches on the 4, 8, and 12-month anniversaries from closing.

On May 2, 2023, the Company announced the results of HCL's National Instrument 43-101 Technical Report on the lithium brine potential and inferred mineral resource assessment ("MRE") for the Mansur and Viewfield project areas.

The MRE confirms an inferred lithium resource of 1.15 million tonnes of lithium carbonate equivalent ("LCE") at a weighted average grade greater than 143 mg/l within HCL's Mansur and Viewfield project areas. The MRE evaluates more than 300 wells within the region and evaluates 8 stacked zones of high lithium concentrations within the Duperow formation. Importantly, the Preliminary Assessment also identifies an inferred resource of greater than 500,000 tonnes with concentrations above 198 mg/l with a cutoff grade of 140 mg/l applied. HCL remains focused on areas of highest economic potential which combine high reservoir capacity and high lithium concentrations to create a value density that is expected to optimize development economics. Clearly, the HCL projects are showing excellent value density, which combined with the relatively shallow 1,800 m drill depths and no contamination from H2S or oil residue, is expected to improve project economics over the initial stages of development and during critical payout periods. The details of the resource estimate are set forth in the news release dated May 2, 2023.

On December 6, 2023, the Company reported significant advancements and milestones of its lithium project: (i) successful results from a direct lithium extraction ("DLE") pilot project, (ii) successful production of pure battery grade lithium carbonate, (iii) expected timing of direct lithium extraction field pilot, (iv) increased acreage in core operating area, and (v) update on the delivery of a Preliminary Economic Assessment ("PEA").

HCL has successfully completed a large-scale pilot using the ILiAD DLE Platform developed by Energy Source Minerals ("ESM"), a privately held process technology company focusing on Direct Lithium Extraction in North America. The pilot, which processed 87,000 litres of brine from the Viewfield project area, successfully recovered 8,300 litres of concentrated eluent with an average lithium concentration of 1,430 mg/L (representing a 7.5x concentration from the feed brine provided). An average lithium recovery of >90% and an impurity rejection rate of 99.62% were also verified by ESM. HCL plans to ship the highly concentrated eluent to a 3rd party for refinement into battery grade Lithium Carbonate.

HCL has also confirmed successful production of 99.95% pure battery grade lithium carbonate (Li2CO3), the Company's first brine-to-battery-grade lithium carbonate production. The Viewfield lithium-containing brine represents the highest concentrations of lithium discovered in Canada to date with minimal pretreatment requirements.

HCL is currently undergoing a Treatability Study ("Study") with Koch Technology Solutions ("KTS") to test 1,000 litres of feed brine from the Viewfield project area. The Study is in preparation for a DLE field pilot (one of the first in Saskatchewan) on the HCL well that previously tested 258 mg/L of lithium. The pilot, which began in Q1 2024, will treat Viewfield brine and convert it into a highly concentrated lithium chloride eluent. It is expected to run for 3 to 4 months and will operate 24/7, processing approximately 6,500 - 9,000 litres of feed brine per day.

At the November 2023 Crown Public Offering HCL increased its land holdings in its Viewfield project area by 4,065 net acres to 59,000 net acres (23,900 hectares), for total consideration of $1.17 million. HCL now holds greater than 196,000 net acres (79,300 net hectares) of Subsurface Dispositions and numerous strategic wellbores in Southern Saskatchewan.

On January 9, 2024, the Company announced the results of the PEA on the Lithium Brine project. The PEA outlines the estimated production of battery-quality lithium carbonate equivalent ("lithium carbonate" or "LCE") over a 23-year period, which represents an estimated a pre-tax internal rate of return ("IRR") of 55% and a pre-tax net present value ("NPV") of USD$1.49 billion, at an 8% discount rate. The PEA encompasses 11,000 net hectares of land at Viewfield project area, representing 46% of HCL's Viewfield land holdings and only 14% of HCL's total land holdings in Southern Saskatchewan.

Based on production testing and fluid analysis conducted by HCL in 2023 in the Viewfield project area, in addition to publicly available lithium testing throughout the area, it is expected to see lithium grades of 84 mg/L to 259 mg/L in the seven target members of the Duperow within the PEA lands. Over the life of the project, an average weighted concentration of 128 mg/L has been estimated. The details of the PEA are set forth in the news release dated January 9, 2024.

Exploitation of the resource will occur in two production stages via multi-leg, horizontal wellbores. All project capital (minus end-of life capex) is allocated at the beginning of the project, with production estimated to commence in Q1 2027.

***Preliminary Economic Assessment Highlights***

- Pre-tax $1.49 billion USD NPV, at an 8% discount rate;
- Pre-tax IRR of 55% which represents a payout duration of 2.1 years;
- Total capital expenditures ("CAPEX") of $571 million USD inclusive of both direct and indirect capital costs, including $52 million USD in contingency;
- All-in operating costs ("OPEX") of $3,319 USD per tonne LCE, $40 million USD annually, including all direct and indirect costs;
- 23-year project-life producing a total of 282,090 tonnes of battery-grade lithium carbonate, an average of 12,175 tonnes LCE per year;
- Weighted average lithium concentrations of 128 mg/L from 7 target zones over the project life (range of 84 mg/L to 259 mg/L);
- PEA encompasses approximately 11,000 net hectares, or 14% of Hub City Lithium's lands in Southern Saskatchewan

***Preliminary Economic Assessment Results***

| | **Values** |
|---|---|
| Production (LCE) | 12,175 tonnes/year |
| Project Life | 23.2 years |
| Total Capital Cost | $571 million USD |
| Average Annual Operating Costs | $40 million USD |
| Average Selling Price (LCE) | $20,000/tonne USD |
| Pre-Tax Net Present Value (8% discount) | $1.493 billion USD |
| After-Tax Net Present Value (8% discount) | $1.066 billion USD |
| Cash Operating Costs | $3,319 / tonne USD |
| Pre-Tax Internal Rate of Return | 55 % |
| After-Tax Internal Rate of Return | 45 % |
| Payback Period (Pre-Tax) | 2.1 years |
| Payback Period (After-Tax) | 2.4 years |
| Profitability Index (PI8% Before-Tax) | 3.2 |
| Profitability Index (PI8% After-Tax) | 2.3 |

On February 15, 2024, the Company announced the filing of a National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") technical report to support the PEA for the Lithium Brine project.

## RESULTS OF OPERATIONS

*Nine months ended January 31, 2024*
The Company recorded a net loss of $2,357,393 ($0.03 per share) for the nine months ended January 31, 2024 (2023 - $1,206,924 and $0.02 per share). The Company had no revenue, paid no dividends and had no long-term liabilities during the nine months ended January 31, 2024. Variances of note in the operational expenses are:

Consulting fees of $558,998 (2023 - $429,173) consist of fees paid to consultants for advisory and capital markets consulting services. The consulting fees during the nine months ended January 31, 2024 were higher due to increased business activities of the Company.

Marketing of $627,721 (2023 - $481,176) consist of promotional expenses incurred to increase investor awareness. The Company has incurred more promotional expenses in the current period due to the success it has experienced in its drilling programs to date and is therefore focusing on efforts to increase awareness of its activities.

Salaries and benefits of $35,146 (2023 - $nil) increased as a result of the appointment of Mr. Paul Schubach, P. Eng as COO.

Share based payment of $744,546 (2023 - $58,832) was recorded during the nine months ended January 31, 2024 which relates to the options granted during the previous fiscal year and current fiscal period.

*Three months ended January 31, 2024*
The Company recorded a net loss of $782,468 ($0.01 per share) for the three months ended January 31, 2024 (2023 - $356,670 and $0.01 per share). The Company had no revenue, paid no dividends and had no long-term liabilities during the three months ended January 31, 2024. Variances of note in the operational expenses are:

Consulting fees of $187,055 (2023 - $117,429) consist of fees paid to consultants for advisory and capital markets consulting services. The consulting fees during the three months ended January 31, 2024 were higher due to increased business activities of the Company.

Marketing of $274,049 (2023 - $168,563) consist of promotional expenses incurred to increase investor awareness. The Company has incurred more promotional expenses in the current period due to the success it has experienced in its drilling programs to date and is therefore focusing on efforts to increase awareness of its activities.

Salaries and benefits of $35,146 (2023 - $nil) increased as a result of the appointment of Mr. Paul Schubach, P. Eng as COO.

Share based payment of $279,545 (2023 - $4,209) was recorded during the three months ended January 31, 2024 which relates to the options granted during the previous fiscal year and current fiscal period.

## SUMMARY OF SELECTED QUARTERLY RESULTS (UNAUDITED)

The following table sets forth selected financial information from the Company's unaudited quarterly consolidated financial statements for the eight most recently completed quarters.

| | THREE MONTHS ENDED | | | |
|---|---|---|---|---|
| | **January 31, 2024 $** | **October 31, 2023 $** | **July 31, 2023 $** | **April 30, 2023 $** |
| Total assets | 33,748,842 | 33,874,833 | 25,511,988 | 25,327,266 |
| Working capital | 8,907,788 | 10,828,642 | 1,476,748 | 3,536,233 |
| Net loss | (781,446) | (751,811) | (823,114) | (347,863) |
| Net loss per share(1) | (0.01) | (0.01) | (0.01) | (0.01) |

| | THREE MONTHS ENDED | | | |
|---|---|---|---|---|
| | **January 31, 2023 $** | **October 31, 2022 $** | **July 31, 2022 $** | **April 30, 2022 $** |
| Total assets | 19,952,356 | 19,703,883 | 20,052,735 | 17,823,231 |
| Working capital | 74,882 | 2,659,917 | 3,589,530 | 1,306,330 |
| Net loss | (356,670) | (451,641) | (398,613) | (560,167) |
| Net loss per share(1) | (0.01) | (0.00) | (0.01) | (0.01) |

(1)The basic and fully diluted calculations result in the same value due to the anti-dilutive effect of outstanding stock options and warrants.

Total assets and working capital decreased during the quarter ended January 31, 2024 as a result of the cash spent on project exploration expenditures, consulting fees, marketing expenses and professional fees incurred during the quarter.

Total assets increased during the quarter ended October 31, 2023 as a result of net proceeds received form financings completed during the quarter.

Total assets increased during the quarter ended July 31, 2023 as a result of cash spent on project exploration expenditures.

Total assets and working capital increased during the quarter ended April 30, 2023 as a result of net proceeds received from financings completed during the quarter, and cash spent on project exploration expenditures.

Total assets and working capital decreased during the quarter ended January 31, 2023 as a result of the cash spent on project exploration expenditures, consulting fees, marketing expenses and professional fees incurred during the quarter.

Total assets and working capital decreased during the quarter ended October 31, 2022 as a result of the cash spent on project exploration expenditures, consulting fees, marketing expenses and professional fees incurred during the quarter.

Total assets and working capital increased during the quarter ended July 31, 2022 as a result of net proceeds received from warrant exercises during the quarter.

Total assets and working capital increased during the quarter ended April 30, 2022 as a result of net proceeds received from financings completed during the quarter.

The net losses for the quarters ended January 31, 2024, October 31, 2023 and July 31, 2023 increased as a result of the share-based compensation pursuant to stock options granted during the previous year and current fiscal period.

The net losses for the quarters ended April 30, 2023, January 31, 2023, October 31, 2022 and July 31, 2022 were consistent with the other quarters.

The net loss for the quarter ended April 30, 2022 increased as a result of the write-down of the capitalized costs of the Australian Gold and Silver Projects. The Company decided to drop these claims as they were no longer a good fit in the Company's portfolio of properties.

**FINANCING ACTIVITIES**

On May 3, 2022, the Company accelerated the expiry date of common share purchase warrants issued on August 4, 2021 (the "Warrants") in accordance with the terms of the Warrants. Under the terms of the Warrants, the Company was permitted to accelerate the expiry date if the average closing price of the Company's common shares for any 10 consecutive trading days is equal to or greater than $0.50.

On March 17, 2023, the Company closed a non-brokered private placement financing by issuing 8,333,333 units at a price of $0.60 per unit for proceeds of $5,000,000. Each unit comprises one common share of the Company and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.90 per share until September 16, 2024. The Company assigned $83,333 value to the warrants using the residual value method. The Company has the right to accelerate the expiry date of the warrants if, at any time, the average closing price of the Company's common shares is equal to or greater than $1.25 for 10 consecutive trading days ("10-Day Period"). In the event of acceleration, the expiry date will be accelerated to a date that is 30 business days after the Company issues a news release announcing that it has elected to exercise this acceleration right.

The Company incurred cash share issue costs of $22,481, paid finders fees totaling $259,536 related to the private placement and issued an aggregate of 432,560 finders warrants, with each finders warrant entitling the holder to purchase one common share at a price of $0.60 per share until September 16, 2024.

During the year ended April 30, 2023, the Company issued 12,960,724 common shares pursuant to the exercise of warrants for total gross proceeds of $2,560,716. $866,519 was transferred from reserves to share capital as a result. The weighted average share price at dates the warrants were exercised was $0.35.

During the year ended April 30, 2023, the Company issued 388,041 common shares pursuant to the exercise of agent's options for total gross proceeds of $89,249. $76,365 was transferred from reserves to share capital as a result. The weighted average share price at dates the agent's options were exercised was $0.33.

On October 31, 2023, the Company closed a non-brokered private placement financing by issuing 13,519,000 hard dollar units (HD units) at a price of $0.40 per HD unit for proceeds of $5,407,600 and 7,500,000 Saskatchewan "flow-through" units (FT Units) at a price of $0.58 per FT unit for proceeds of $4,350,000.

Each HD unit consists of one common share of the Company and three-quarters of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.60 per share until October 31, 2025. The Company allocated $5,407,600 to the shares and $nil to the warrants using the residual value method. The Company paid finders fees totalling $455,390 related to the HD units and issued an aggregate of 965,950 finders warrants, with each finder's warrant entitling the holder to purchase one common share at a price of $0.60 per share until October 31, 2025.

Each FT unit consists of one "flow-through" common share and three-quarters of one share purchase warrant to be issued on a non-"flow-through" basis. Each whole warrant entitles the holder to purchase one common share at a price of $0.60 per share until October 31, 2025. The Company allocated $3,562,500 to the shares and $787,500 to the warrants using the residual value method. No flow-through share premium liability was allocated to the units.

## LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2024, the Company had cash and cash equivalents of $8,427,597 and working capital of $8,907,788. During the nine months ended January 31, 2024, net cash used in operating activities was $2,762,718, net cash used in investing activities consisted of exploration costs on exploration and evaluation assets of $2,025,333, and financing activities consisted of proceeds from private placement of $9,303,720.

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and to maintain a flexible capital structure that optimizes the costs of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity attributable to shareholders of the Company as well as cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company is dependent on the capital markets as its primary source of operating working capital and the Company's capital resources are largely determined by its ability to compete for investor support of its projects.

The Company's financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. At January 31, 2024, the Company had accumulated losses of $7,417,699 since its inception and expects to incur further losses in the development of its business. The continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of exploration and corporate overhead. There is a material uncertainty related to these conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Additional funds will be required to enable the Company to continue its operations and there can be no assurance that financing will be available on terms which are acceptable to the Company. The Company's financial statements do not give effect to any adjustments to the amounts and classifications of assets and liabilities which might be necessary should the Company be unable to continue its operations as a going concern.

## CAPITAL EXPENDITURES

The Company incurred cash exploration and evaluation expenditures of $2,025,333 during the nine months ended January 31, 2024 (2023 - $2,807,227).

## RELATED PARTY TRANSACTIONS

Key management personnel are those persons responsible for planning, directing and controlling the activities of the entity, and include executives and non-executive directors. The Company incurred charges from directors and officers, or to companies controlled by these individuals during the three and nine months ended January 31, 2024 and 2023 as follows:

| | Three months ended January 31, | | Nine months ended January 31, | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **$** | **$** | **$** | **$** |
| Accounting fees[1] | 24,108 | 17,917 | 72,603 | 57,747 |
| Consulting fees[2] | 35,000 | 30,000 | 95,000 | 90,000 |
| Share-based payment | 219,743 | 225 | 334,102 | 11,509 |
| | 278,851 | 48,142 | 501,705 | 159,256 |

(1) Accounting fees include fees paid to Malaspina Consultants Inc., a company in which, Natasha Tsai, CFO, is an owner.

(2) Consulting fees include fees paid to Rob Gamley, CEO

Accounts payable and accrued liabilities at January 31, 2024 includes $24,949 (April 30, 2023 – $16,895) due to a company controlled by the CEO and a company in which the CFO is an owner.

Key management of the Company includes the CEO, the CFO and the Directors. During the three and nine months ended January 31, 2024, compensation paid or accrued to key management consisted of accounting fees of $24,108 and $72,603 (2023 – $17,917 and $57,747) paid or accrued to a company in which the CFO is an owner, and consulting fees of $35,000 and $95,000 (2023 – $30,000 and $90,000) paid or accrued to the CEO.

## CRITICAL JUDGMENTS AND ESTIMATES

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments and estimates with respect to future events. These judgments and estimates are based on past experience and other factors. The actual results may differ from the judgments and estimates made by management.

The following paragraphs describe the most critical management judgments and estimates in the recognition and measurement of assets, liabilities and expenses, and the application of accounting policies.

*Judgments:*

*Impairment of exploration and evaluation assets*

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project and whether a given exploration and evaluation asset has any indicators of impairment. In determining if indicators of impairment exist, management considers the legal title to properties, expectations for future exploration programs and funds available for such, intentions to abandon exploration and evaluation assets, and whether information is available to assess the overall economic viability of the exploration property, including the latest resource prices and forecasts for mineral extraction (if any).

*Asset acquisitions*

The assessment of whether an acquisition meets the definition of a business or an asset is an area of key judgment. In the acquisitions of HCM and Royalty Corp., judgment was required to determine if the acquisitions represented business combinations, asset acquisitions or acquisition of equity. More specifically, management concluded that HCM and Royalty Corp. did not represent a business as the assets acquired were not an integrated set of activities with inputs, processes and outputs. Further, management determined that the disposal of and subsequent re-acquisition of Royalty Corp. lacked economic substance and were considered as the part of the same transaction in which the remaining equity (33%) of HCM was acquired during the year ended April 30, 2023 by EMP. Since it was concluded that the transactions represented the acquisitions of assets or equity, there was no goodwill recognized and the transaction costs were capitalized to the assets acquired rather than expensed.

*Estimates:*

*Shares and warrants issued for asset acquisitions*

Management makes estimates in determining the fair value attributed to equity instruments paid as consideration for asset acquisitions, based on the contracted terms for the acquisition. Where common shares are issued for asset acquisitions, management determines the acquisition date and applies the closing market price of the Company's common shares on that date. When warrants are issued as part of asset acquisitions, management must determine the most appropriate valuation model to apply in calculating the grant date fair value of the warrants, and then make estimates of the expected volatility of the stock, the expected life of the warrants, the expected forfeiture rate and an estimated risk-free interest rate for input to the calculation. Inputs and resulting estimates differ depending on the valuation model. Further, should management's estimates as to an appropriate grant date share price or inputs be incorrect, the value of consideration for an asset acquisition could be materially different.

*Share-based payments*
The Company uses the fair-value method of accounting for share-based payments. Under this method, compensation cost attributable to options granted is measured at fair value, using the Black-Scholes option pricing model, at the grant date and expensed over the vesting period. In determining the fair value, the Company makes estimates of the expected volatility of the stock, the expected life of the options, the expected forfeiture rate, and an estimated risk-free interest rate.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

## CURRENT SHARE DATA

As at the date of this MD&A, the Company has 91,673,571 common shares issued and outstanding and the following options and warrants outstanding:

| Type of security | Number | Exercise Price | Expiry date |
|---|---|---|---|
| Stock options | 74,999 | $ 0.30 | January 14, 2025 |
| Stock options | 100,000 | $ 0.84 | August 21, 2025 |
| Stock options | 83,333 | $ 2.01 | October 1, 2025 |
| Stock options | 1,800,000 | $ 0.37 | August 13, 2025 |
| Stock options | 500,000 | $ 0.35 | September 28, 2025 |
| Stock options | 1,050,000 | $ 0.40 | January 24, 2027 |
| Stock options | 700,000 | $ 0.40 | April 5, 2027 |
| Stock options | 1,800,000 | $ 0.65 | March 24, 2028 |
| Stock options | 1,150,000 | $ 0.45 | November 29, 2028 |
| Warrants | 6,930,000 | $ 1.25 | February 17, 2026 |
| Warrants | 4,166,667 | $ 0.90 | September 16, 2024 |
| Warrants | 432,560 | $ 0.60 | September 16, 2024 |
| Warrants | 16,730,200 | $ 0.60 | October 31, 2025 |

## DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements for the nine months ended January 31, 2024 and this accompanying MD&A.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR+ at www.sedarplus.ca.

## RISKS AND UNCERTAINTIES

The Company is currently subject to financial and regulatory risks. The financial risk is derived from the uncertainty pertaining to the Company's ability to raise capital to continue operations. Regulatory risks include the possible delays in getting regulatory approval for the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings and the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

There is no assurance that the exploration of the Company's properties will be successful in its quest to find a commercially viable quantity of mineral resources. The Company's exploration and development activities may be affected by changes in government, political instability and the nature of various government regulations relating to the mining industry. The Company cannot predict the government's positions on mining concessions, land tenure, environmental regulation or taxation. A change in government positions on these issues could adversely affect the Company's business and/or its holdings, assets and operations. Any changes in regulations or shifts in political conditions are beyond the control of the Company.

**OTHER INFORMATION**

Additional information relating to the Company can be found on SEDAR+ at www.sedarplus.ca.

**QUALIFIED PERSON**

The technical content of this MD&A has been reviewed and approved by Greg Bronson, P. Geo., a qualified person for the purpose of National Instrument 43-101. Mr. Bronson is not independent as he is a director of the Company.