SCOPE OF THIS MANAGEMENT'S DISCUSSION AND ANALYSIS AND NOTICE TO INVESTORS

This management's discussion and analysis of financial position and results of operations («MD&A») is prepared as of April 29, 2024, and complements the audited consolidated financial statements of Prime Drink Group Corp., formerly Dominion Water Reserves Corp., ("**Prime**" or the "**Company**"), for the year ended December 31, 2023 and 2022 (the "**Consolidated Financial Statements**").

All financial information has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and all amounts are in Canadian dollars unless otherwise indicated. Additional information is provided in the Consolidated Financial Statements.

The audited financial statements and the MD&A have been reviewed and approved by the Company's Board of Directors on April 29, 2024.

Unless otherwise indicated, the reporting currency for figures in this document is the Canadian dollar.

Forward-Looking Statements and Use of Estimates

Any statement contained in this report that does not constitute a historical fact may be deemed a forward-looking statement. Verbs such as "believe," "expect," "estimate" and other similar expressions, in addition to the negative forms of these terms or any variations thereof, appearing in this report generally indicate forward-looking statements. These forward-looking statements do not provide guarantees as to the future performance of Prime Drink Group Corp. and are subject to risks, both known and unknown, as well as uncertainties that may cause the outlook, profitability and actual results of Prime Drink Group Corp. to differ significantly from the profitability or future results stated or implied by these statements. Detailed information on risks and uncertainties is provided in the "Uncertainties and Principal Risk Factors" section of this MD&A.

In preparing Consolidated Financial Statements in accordance with IFRS, management must exercise judgment when applying accounting policies and use assumptions and estimates that have an impact on the amounts of assets, liabilities, revenues and expenses reported and on the contingent liabilities and contingent assets information provided.

The main accounting judgments and estimates used by management and are described in Note 4 of the December 31, 2023 audited financial statements are as follows:

- Going concern
- Impairment of Water Rights
- Share-Based Compensation
- Warrants
- Recovery of deferred tax assets
- Classification of financial instruments

Because the use of assumptions and estimates is inherent to the financial reporting process, the actual results of items subject to assumptions and estimates may differ from these assumptions and estimates.

CORPORATE PROFILE

PRIME STORY

Prime Drink Group Corp., formerly Dominion Water Reserves Corp. until its name changed on November 23, 2022, was formed in October 2015 under the laws of Canada, by environment conscious entrepreneurs aiming at consolidating the natural spring water market in the Province of Quebec, while preserving and respecting this resource by taking a leadership role in this industry.

The initial primary objective of Prime was to establish contact with well owners and permit developers to secure initial water rights that would serve as a cornerstone to the overall value proposition of Prime.

Over the past years, Prime has developed a unique business model that allows the group to develop and take a leading stand in consolidating the spring water market in Quebec and beyond. The Prime team is working to develop innovative solutions, products and partnerships to promote and create value for this resource today and mainly for the future.

Prime has is the parent company of Dominion Water Reserves Corp., 6305768 Canada Inc., Centre Piscicole Duhamel Inc.,11973002 Canada Inc., Source Sainte-Cécile Inc., 3932095 Canada Inc. and Société Alto 2000 Inc.

CORE BUSINESS

Prime's core business is the acquisition and management of natural spring water sources in the Province of Quebec. By combining, an acquisition program targeting long-term asset play with a recurring cash flow to reach a critical mass in terms of capacity and geography, and developing, with a focus on prioritizing sustainability and environmental consciousness, groundwater collection, water withdrawal and water pumping for the purpose of selling or distributing spring water, the Company goal is planning to secure a leadership role in Quebec spring water market. Prime's water rights represent access to over 3 billion litres of spring water per year.

VISION

Prime will acquire more freshwater assets at a critical mass in terms of capacity and geography securing a leadership role in North America's spring water market. By consolidating the spring water market in Quebec, the company eventually seeks to provide solutions to problems arising from the considerable imbalance between supply and demand of fresh water. Through acquisitions in operations, Prime will ensure the profitability of its operations.

Prime will prioritize sustainability and environmental consciousness.

PROPERTIES

Prime water rights comprise six primary water sources: (i) Duhamel; (ii) Notre-Dame-du- Laus; (iii) Coloraine; (iv) Sainte-Cécile-de-Whitton; (v) Saint-Élie-de-Caxton; and (vi) St-Siméon.

The following table contains certain technical information pertaining to each source:

Water Rights	**Volume (in litres/ year)**	**Production Capacity (litres) (m3*1000*36 5)**	**Land Acres**	**Ownership**
Duhamel	2,007,500,000	5500*1000*365	45	100%
Notre-Dame-du-Laus	993,530,000	2722*1000*365	204	100%
St-Joseph de Coloraine	71,481,000	195*1000*365	5	100%
Sainte-Cécile-de-Whitton	76,285,000	209*1000*365	7	100%
Saint-Élie-de-Caxton	71,481,000	195*1000*365	5	100%
Source St-Siméon	131,400,000	360*1000*365	25	100%
TOTAL:	**3,351,677,000**		**291**	

Duhamel

Duhamel constitutes the largest volume spring in in Province of Quebec with over 2B litres per year of overflow. The Company is pursuing its development pursuant to the authorization from the Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs ("MDDELCC") under the Environment Quality Act (CQLR c Q-2), dated December 15, 2006 (renewed January 9, 2017), authorizing Centre Piscicole Duhamel Inc. to withdraw groundwater intended for sale or distribution as bottled water, subject to compliance with the following obligations:

- withdrawing a maximum daily volume of water of 5,500 m^3; and
- bottling water in containers of 20 litres or less.

Notre-Dame-du-Laus

Notre-Dame-du-Laus is a rare esker (1 of only 2 in Province of Quebec), a glacial formation that provides a unique water quality. The Company is pursuing its development pursuant to the authorization from the MDDELCC under the *Environment Quality Act* (CQLR c Q-2), dated July 25, 2018, authorizing 6305768 Canada Inc. to:

- withdraw groundwater intended for sale or distribution as spring water, for use as such in the manufacture, preservation or treatment of products within the meaning of the Food Products Act (CQLR c P-29);
- withdraw groundwater daily volume of water of 2,722 m^3 ; and
- withdraw groundwater from the withdrawal site PP-01-03 on lot 38 of Range II in the township of Bigelow, Municipality of Notre-Dame-du-Laus, Regional County Municipality of Antoine-Labelle.

St-Joseph-de-Coloraine

St-Joseph-de-Coloraine holds a spring in Province of Quebec with over 71 M litres per year of overflow. The Company is pursuing its development pursuant to the authorization from the MDDELCC under the Environment Quality Act (CQLR c Q-2), dated March 5, 2014, authorizing Ivan Bouffard to withdraw groundwater intended for sale or distribution as bottled water, subject to compliance with the following obligations:

- withdrawing a maximum daily volume of water of 195,8 m3; and
- bottling water in containers of 20 litres or less.

The authorization initially granted to Ivan Bouffard was transferred to 11973002 Canada Inc on April 20, 2020.

Sainte-Cécile

Authorization was granted from the Ministère de l'Environnement (now the MDDELCC) under the Environment Quality Act (CQLR c Q-2), dated November 29, 2001, authorizing Sainte-Cécile Inc. to establish a well for intake of untreated water prior to its commercial distribution for human consumption and to connect such well to a bottled water plant or plant for the preparation of other beverage products by way of an aqueduct; and the daily maximum to pump is 209 m^3 ;

The Sainte-Cécile-de-Witton Spring is located on five acres in the south eastern part of the Province of Quebec. The Saint-Cecille Spring has a permitted volume of 76,285,000 litres per year and the Spring does not currently have any bottling facilities.

Saint-Élie-de-Caxton

Authorization was granted of the Ministère du Développement Durable, de l'Environnement et des Parcs dated (now the MDDELCC) under the Groundwater Catchment Regulations (CQLR c Q-2, r 6) (replaced by the Water Withdrawal and Protection Regulation (CQLR c Q-2, r 35.2) in 2014), and the Environment Quality Act (CQLR c Q-2), dated October 7, 2008, authorizing 3932095 Canada Inc. to:

Les Sources St-Élie Inc., subject to an obligation to pump a maximum volume of 195 m^3 of water per day from these wells.

Source St-Siméon

On April 8, 2021 the Company has acquired a 100% interest in the Saint-Siméon Water Rights, through acquisition of a volume of 131,400,000 litres to withdraw a maximum daily volume of water of 360 m^3.

OVERALL PERFORMANCE

- Acquisition of sources

All the sources are strategically located for efficiency and low transportation costs. Our portfolio shows acquisitions at a very low cost per litre. However, additional CapEx will be required to put these assets into production.

- Management of the Property Portfolio

The objective for 2024 continues to be to advance and enhance the quality and quantity of the Company's portfolio properties. The Company will require significant capital in order to fund its operating commitments as the Company has no revenues and is reliant upon equity financing to fund all of its requirements. However, given the current cash position and foreseen cash inflows and outflows in the next twelve months, management believes that sufficient cash will be available to fund the Company's operating expenses and pursue development of its business.

- Corporate Developments

In February 2020, due diligence was performed on the portfolio of assets of Prime. The company continues discussions with owners of water rights and wells taking into consideration their geography, volume under license and their potential for generating income.

In April 2020, the Company completed a consolidation of its share capital on the basis of three existing common shares of Prime for one new common share, thereby reducing the number of outstanding shares from 150,293,832 to 50,097,944.

On July 31, 2020, the Company completed an amalgamation with Tucker Acquisitions Inc. ("Tucker"), pursuant to an agreement signed on March 27, 2020. The Company and Tucker carried out a business combination by way of an amalgamation where the companies, both existing under the laws of Canada, amalgamated and formed one corporation under the provisions of the Canada Business Corporations Act and, upon the amalgamation taking effect, Company's shareholders and the Tucker's shareholders have received shares of the corporation continuing from the amalgamation. Immediately following the transaction, 84% of shares were owned by former shareholders of Prime and 16% were owned by the shareholders of Tucker. Under the terms of the Agreement, the shareholders of Prime Shares (the "Prime Shareholders") will receive one (1) Tucker common share (each whole share, a "Tucker Share") for every one (1) Prime Share (the "Exchange Ratio").

On October 16, 2020 the Company completed a non-brokered private placement offering of units of Prime for gross proceeds of $650,000, and (iii) settled an aggregate of $104,455 in trade payables to two arm's length parties through the issuance of common shares of Prime.

On December 14, 2020, the Company acquired 100% of the shares of 11973002 Canada Inc. pursuant to an arm's length acquisition offer dated October 26, 2020. Pursuant to this acquisition the Company agreed to a fair value consideration of $446,429, comprising of cash of $400,000 and the balance paid by the issuance of 714,286 shares at a fair value of $0.065 per share. The fair value of the shares was determined by the stock market price per share at the date of the transaction.

On February 26, 2021 the Company completed a non-brokered private placement offering of units of Prime for gross proceeds of $1,175,000.

On March 1st, 2021, Mr. Michael Pesner has been appointed as a Director of the Corporation.

On April 1, 2021 the Company has exercised its option to acquire a 100% interest in the Sources Sainte-Cécile and Saint-Élie de Caxton Water Rights, through the acquisition of all the issued and outstanding shares of 3932095 Canada Inc. and Source Sainte- Cécile Inc. in consideration of the issuance of 4,720,000 common shares.

On April 8, 2021 the Company acquired 100% of the shares of a 100% interest in the Source Saint-Siméon water rights located in the Province of Québec, through the acquisition (the “Acquisition”) of all the issued and outstanding shares of Société Alto 2000 Inc. in consideration of the issuance of 3,000,000 common shares (each a “Share”) of the Corporation at a deemed price of $0.105 per share.

On July 5, 2022 and September 19, 2022, the Company completed a non-brokered private placement offering of units of Prime for gross proceeds of $3,335,000.

On September 20, 2022, Mr. Olivier Primeau was elected as President, CEO and Chairman of the Board and Mr. Germain Turpin has stepped down from his role of CEO, CFO and Chairman of the Board.

On November 23, 2022, the Company changed its name from Dominion Water Reserves Corp. to Prime Drink Group Corp.

On June 12, 2023, Mr. Alexandre Côté was nominated as Interim President and CEO and Mr. Germain Turpin as Chairman of the Board and Mr. Olivier Primeau has resigned from his role of President, CEO, Director, and Chairman of the Board.

On August 15, 2023, Mr. Alexandre Côté was elected as President and CEO and Mr. Dominique Primeau as a new Director of the Company and Mr. Raimondo Messina as Chairman of the Board.

On January 21, 2024, the Company (“Prime”) has entered into a binding letter of intent dated January 21, 2024 (the “Letter of Intent”) with 9296-0186 Québec Inc. (“9296”) whereby the Company will acquire all of the issued and outstanding common shares of Triani Canada Inc. (“Triani”, and together with 9296, the “Vendor”) from 9296 by way of business combination (the “Proposed Transaction”).

The Letter of Intent contemplates that Prime and 9296 will negotiate and enter into a definitive agreement (the “Definitive Agreement”), whereby the parties will complete the Proposed Transaction by way of share exchange, merger, amalgamation, arrangement, takeover bid, share purchase or other similar form of transaction or a series of transactions that have similar effect, whereby Prime will acquire from 9296 all of the issued and outstanding common shares of Triani (the “Triani Shares”) in exchange for the Consideration (as defined below), which will result in Triani (as the same exists at the relevant time), or such other entity that may be created for the purposes of completing the Proposed Transaction, becoming a wholly-owned subsidiary of Prime.

Pursuant to the Proposed Transaction, Prime will acquire the Triani Shares in exchange for (i) $2,000,000 in cash; and (ii) that number of common shares in the capital of Prime (“Prime Shares”) having an aggregate value of $17,500,000, with each Prime Share to be issued at a deemed price to be determined by the parties, subject to adjustment (the “Consideration”). In addition to the Consideration, Prime intends pay an additional amount up to $18,500,000 (the “Bonus Consideration”) to 9296 payable in Prime Shares if Triani reaches certain EBITDA targets in the financial years ended 2024, 2025 and 2026. The Prime Shares payable pursuant to the Bonus Consideration shall be issued at a deemed price equal to the 10-day volume-weighted average price of the Prime Shares as traded on the CSE, or such other stock exchange as the Prime Shares are then listed.

Prior to Closing, the Company intends to consolidate its outstanding Prime Shares on a 5:1 basis (the “Consolidation”) resulting in 1 Prime Share outstanding following the Consolidation for every 5 Prime Shares outstanding prior to the Consolidation. Following the Consolidation, the Company expects it will have approximately 28,835,294 Prime Shares issued and outstanding on a non-diluted basis (and 3 excluding the Prime Shares issued as the Consideration and pursuant to a Concurrent Financing.

SELECTED FINANCIAL INFORMATION

- Financial Condition Review

	As at December 31, 2023 **$**	As at December 31, 2022 $
Cash	2,678,137	2,420,857
Property and equipment	528,678	529,314
Water rights	5,657,862	5,657,862
Total liabilities	109,516	110,057
Total Equity	8,774,835	8,517,393

- Assets

The Company ended fiscal year 2023 with a cash balance of $2,678,137 compared to a cash balance of $2,420,857 as at December 31, 2022, an increase of $257,280 principally because of the exercise of options and warrants during this period for gross proceeds of $921,604, offset by cash used in operations for the period of $661,544.

- Water rights

As at December 31, 2023, the Company owned the following Water rights:

	Water rights **2023**	***Water rights*** **2022**
Water source	**$**	**$**
Duhamel	684,250	684,250
Notre-Dame-du-Laus	3,833,150	3,833,150
St-Joseph de Coloraine	392,629	392,629
Sainte-Cécile-de-Witton	262,560	262,560
Saint-Élie-de-Caxton	246,025	246,025
Source Alto 2000 Inc.	239,248	239,248
Balance at December 31	**5,657,862**	**5,657,862**

Impairment testing

For the purpose of impairment testing, each water right represents the lowest level within the Company at which the water right is monitored for internal management purposes, which is not higher than the Company's operating segment. Impairment testing was performed on December 31, 2023. The recoverable amounts were based on their fair value less cost of disposal and were determined to be higher than their carrying amounts.

Fair value was determined by discounting the future cash flows generated from the continuing use of each water right. The calculation of the fair value was based on the following key assumptions which are all level 3 of fair value hierarchy:

Cash flows were projected based on a combination of management experience as well a review of industry benchmarks, whenever relevant information was available, taking into consideration that the Company has yet to start generating revenue. The Company establishes a 11-year business plan from the date the Company expects to start generating revenue and this plan was approved by management. Cash flows were established for each water right with the following assumptions estimated:

Year 1 Production capacity	0%-20%
Sales price	\$0.005 - \$0.010 per litre
Sales growth	0% to 20% per year
Terminal production capacity	8% - 87% of total capacity

An after-tax discount rates between 17.72% and 19.72% were applied in determining the recoverable amount of the cash generating units. The discount rates were estimated based on past experience, the risk-free rate and estimated cost of debt in addition to estimates of the specific cash generating unit's equity risk premium, small capitalization premium, projection and other specific risks, beta, tax rate and industry targeted debt to equity ratios.

There were no impairment losses recognized on water rights during the years ended December 31, 2023 and 2022.

Sensitivity analysis

Decrease in the estimated future production or sales price by 10%, with other assumptions remaining constant, would not result in the recognition of impairment losses on the water rights.

For water rights where production is estimated to begin in 2025, if the start of the production was delayed by one year and set to begin in 2026 in the forecasted cash flows, two of the water rights would result in break-even cash flows.

- Total liabilities and Equity

Total Equity as at December 31, 2023 was \$8,774,835 compared to \$8,517,393, an increase of \$257,442 principally because of the exercise of options and warrants for gross proceeds of \$921,604 during this period, stock options issuance of \$340,629 offset by the loss of \$1,004,791 for the period.

- Discussion and Results of Operations

	As at December 31, 2023	As at December 31, 2022
	$	$
Operating loss	(1,027,346)	(805,244)
Interest charges on lease liability	-	(2,500)
Interest revenue	22,555	-
Net loss	(1,004,791)	(807,744)
Loss per share		
Basic and diluted loss per share	(0.0070)	(0.0074)
Weighted average number of common shares outstanding	143,066,259	108,588,536

The net loss for the year ended December 31, 2023 was $1,004,791 or $0.0070 loss per share compared to $807,744 or $0.0074 loss per share for the same period in 2022.

Operating expenses for the for the year ended December 31, 2023 are higher compared to the year ended December 31, 2022, primarily based on share-based payments of $340,629 in 2023 compared to nil for the same period in 2022. The Company has no revenues and is reliant upon equity financing to fund all of its requirements.

- Summary of quarterly results

	December 31, 2023	**Sept-ember 30, 2023**	**June 30, 2023**	**March 31, 2023**	**Dec-ember 31, 2022**	**Sept-ember 30, 2022**	**June 30, 2022**	**March 31, 2022**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Operating expenses	**424,076**	**294,133**	**217,193**	**91,944**	**335,439**	**280,638**	**27,569**	**161,598**
Net loss and compreh ensive loss	**(401,521)**	**(294,133)**	**(217,193)**	**(91,944)**	**(336,372)**	**(281,395)**	**(27,974)**	**(162,003)**
Basic and diluted loss per share	**(0.0029)**	**(0.0020)**	**(0.0015)**	**(0.0006)**	**(0.0027)**	**(0.0027)**	**(0.0003)**	**(0.0017)**

- Cash Flow review

	As at December 31, 2023	As at December 31, 2022
Operating activities		
Net loss and comprehensive loss for the year	(1,004,791)	(807,744)
Share-based payments	340,629	-
Depreciation of property and equipment	636	692
Depreciation of Right-to-Use asset	3,736	25,440
Interest charge on lease liability	-	2,500
Cancellation of shares against services	-	(66,213)
	(659,790)	(845,325)
Changes in working capital account		
Sales tax receivables	1,804	33,396
Prepaid expenses and deposits	(5,797)	4,565
Accounts payables and accrued liabilities	2,239	21,629
	(661,544)	(785,735)

- Financing Activities

	As at December 31, 2023	As at December 31, 2022
Proceeds from issuance of share capital	-	3,335,000
Payment of share issuance cost	-	(206,326)
Proceeds on exercise of warrants	418,800	58,500
Proceeds on exercise of stock options	502,804	-
Repayment of lease liability	(2,780)	(29,860)
	918,824	3,157,314

- Investing Activities	**As at December 31, 2023**	As at December 31, 2022
Purchase of property and equipment	**-**	(147,800)
	-	(147,800)

- Liquidity, Capital Resources and Sources of Financing

At December 31, 2023, Prime Drink Group Corp. has not yet achieved profitable operations, has significant losses from operations over the years and an accumulated deficit of $10,017,675 since inception and expects to incur further losses in the development of its business. Additionally, the Company incurred a net loss and comprehensive loss of $1,004,791 during the year.

However, given the current cash position and foreseen cash inflows and outflows in the next twelve months, management believes that sufficient cash will be available to fund the Company's operating expenses and pursue development of its business at least for the next 12 months. While management has been successful in securing financing in the past, there can be no assurance that they will continue to do so in the future or the sources of funds or initiatives will be available to the Corporation.

- Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements as at December 31, 2023 or as at the date of this MD&A.

- Subsequent events

The subsequent events are disclosed in Note 17 of Company's annual consolidated financial statements for the year ended December 31, 2023.

- Commitments

On November 20, 2020, the company entered into a 25 year water sales contract with Acquanor Inc. with an obligation to supply water at a price of $0.005 per litre of water for the first five years, $0.010 from year 6 to 10, $0.015 from year 11 to 15 and $0.02 from year 16 to 25, not exceeding 71 million litres for each year with no significant consequences in the event of breach.

- Critical Accounting estimates

The critical accounting estimates are disclosed in Note 4 of Company's annual consolidated financial statements for the year ended December 31, 2023.

- Changes in accounting policies including Initial adoption.

The changes in accounting policies are disclosed in Note 3 of Company's annual audited financial statements for the year ended December 31, 2023.

The following table sets out the number of common shares as of the date hereof:

	As at April 29, 2024
Common shares outstanding	144,177,462
Stock option exercisable	5,500,000
Warrants outstanding	4,168,750

i. On April 14, 2022, a total of 575,762 common shares were cancelled by the Company following a settlement with a service provider. These shares were initially issued on October 16, 2020 at a deemed price of $0.115. The Company recognized a credit $66,213 against the consulting fees.

ii. On July 5, 2022 and September 19, 2022, the Company issued a total of 33,350 units which comprise one thousand two hundred and fifty (1,250) common share (totaling 41,687,500 common shares) and one hundred and twenty-five (125) warrants (totaling 4,168,750 warrants) at an agreed price of $100 per unit for gross proceeds of $3,335,000. These units were acquired by directors of the Company.

iii. On September 26, 2022 and November 7, 2022, 390,000 common shares were issued by the Company upon warrants exercised at an exercise price of $0.15, for a gross amount of $58,500.

iv. On February 24, 2023, 386,000 common shares were issued by the Company upon options exercised at an exercise price of $0.11, for a gross amount of $42,460.

v. On February 26, 2023, 2,792,000 common shares were issued by the Company upon warrants exercised at an exercise price of $0.15, for a gross amount of $418,800.

vi. On March 3, 2023, 2,649,066 common shares were issued by the Company upon options exercised at an exercise price of $0.145, for a gross amount of $384,114.

vii. On April 6, 2023, 500,000 common shares were issued by the Company upon options exercised at an exercise price of $0.11, for a gross amount of $55,000.

viii. On April 11, 2023, 193,000 common shares were issued by the Company upon options exercised at an exercise price of $0.11, for a gross amount of $21,230.

- Related Party Transactions

	December 31, 2023	December 31, 2022
	$	$
Consulting fees paid to a Director (former CEO – Germain Turpin)	**65,000**	120,000
Consulting fees paid to the former CEO (Olivier Primeau)	**37,500**	-
Consulting fees paid to the current CEO (Alexandre Côté)	**13,332**	-
Consulting fees paid to the CFO (Jean Gosselin)	**84,000**	84,000
Professional fees paid to a director (Raimondo Messina)	**15,000**	-
Directors' and audit committee members' fees paid	**70,000**	31,199
Share-based compensation to directors and officers	**340,629**	-

On April 5, 2023, 2,500,000 options were granted to the five directors, 750,000 options were granted to the CEO and 250,000 were granted to the CFO, for a total of 3,500,000 stock options granted. Each option vest and is exercisable one year from grant date and allows the holder to purchase one common share of the Company at an exercise price of $0.165 per common share for a period of 3 years.

On August 15, 2023, 500,000 options were granted to one director. Each option vest and is exercisable one year from grant date and allows the holder to purchase one common share of the Company at an exercise price of $0.13 per common share for a period of 2.7 years.

In September 2023, each director of the Company received $10,000 as directors' fees (total of $60,000) and Michael Pesner, member of the audit committee, received an additional $10,000.

- Risks and Uncertainties

An investment in the common shares of the Company involves a high degree of risk and must be considered highly speculative due to the financial and operational risks inherent to the nature of the Company's business and the present stage of development of its properties. These risks may affect the Company's eventual profitability and level of operating cash flow. Prospective buyers of the common shares of the Company should consider the following risk factors:

CLIMATE CHANGE

The Company has its properties in various regions of Quebec where environmental laws are evolving and where several government authorities have introduced or are considering regulatory changes in response to the potential impact of climate change, such as regulations relating to emission levels and the Company remain attentive to the changes to come.

ADDITIONAL FINANCING

Future development activities will require additional equity and debt financing. Failure to obtain such additional financing could result in delay or indefinite postponement of acquisition and development of the property interests of the Company.

DEPENDENCE ON KEY INDIVIDUALS

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company.

POLITICAL REGULATORY RISKS

Any changes in government policy may result in changes to laws affecting the Company's ability to undertake development activities in respect of present and future properties.

CONFLICTS OF INTEREST

Some of the directors and officers of the Company are also directors and officers of other companies, some of which are in the same business as the Company. This situation may result in conflicting legal obligations which may expose the Company to liability to others and impair its ability to achieve its business objectives.

INSURANCE

The Company will remain at risk and will be potentially subject to liability for hazards associated with commodity exploitation which it cannot insure against or which it has elected not to insure against because of premium costs, market uncertainty and inability to raise capital.

BUSINESS COMBINATIONS

The company is actively looking for business combinations to enable it to derive revenues from the water rights. There is a risk that the business combinations are not successfully completed. In addition delays in operational production might result in impairment of the water rights.