VORTEX ENERGY CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED MARCH 31, 2023

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the condensed interim financial statements and notes thereto for the nine months ended March 31, 2023 of Vortex Energy Corp. (the "Company"). Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

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

DATE

This MD&A is prepared as of May 26, 2023.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

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

DESCRIPTION OF BUSINESS

Vortex Energy Corp. (formerly, Sustainable Green Mining Corp.) (the "Company") was incorporated under the laws of British Columbia on July 13, 2021.

The Company's registered office and principal place of business is 1930 – 1177 West Hastings Street, British Columbia V6C 4T5.

The Company was incorporated with the intention of pursuing a strategic acquisition in the green energy and/or mineral exploration sector. On December 28, 2022, the Company's common shares were approved for listing and trading on the Canadian Securities Exchange, under the symbol "VRTX".

HIGHLIGHTS

Subsequent to March 31, 2023

- On April 4, 2023, the Company completed the acquisition of 100% of the issued and outstanding share capital of Blue Ocean Salt Corp. ("BOSC") in consideration for an aggregate of 20,600,004 common shares in the capital of the Company. BOSC owns 100% interest in and to the Robinsons River Salt Property located in the Bay St. George region of southwestern Newfoundland consisting of four contiguous mineral licenses and is comprised of 687 claims covering 17,139 hectares.

- On April 27, 2023, the Company granted an aggregate of 600,000 stock options with and exercise price of $0.65 for three years to certain of its newly appointed strategic advisors. The options will vest in four equal installments from the date of issuance and will entitle the holder to receive one common share of the Company upon exercise.

- On May 24, 2023, the Company announced the appointment of Dave Bowen to the Board of Directors, replacing former Director, Aman Parmar.

Three Months Ended March 31, 2023

- On January 20, 2023, the Company granted 2,225,000 restricted share units ("RSUs") to certain consultants and directors vesting in equal quarterly installments. Each RSU entitles the holder to receive one common share of the Company.

- On March 7, 2023, the Company announced it had entered into a binding letter agreement to acquire all of the issued and outstanding common shares of Blue Ocean Salt Corp. ("BOSC"), which owns a 100% interest in and to the Robinsons River Salt Property ("Property") located in the Bay St. George region of southwestern Newfoundland. The Property consists of four contiguous mineral licenses and is comprised of 687 claims covering 17,139 hectares.

- On March 20, 2023, the Company announced the appointment of Paul Sparkes as Chief Executive Officer and Director, replacing former Chief Executive Officer and Director, Kirk Hollohan. In addition, the Company granted 1,000,000 options to Paul Sparkes with an exercise price of $0.255 for three years. The options will vest in three installments with the holder to receive one common share of the Company upon exercise.

Three Months Ended December 31, 2022

- On December 28, 2022, the Company's common shares were approved for listing and trading on the Canadian Securities Exchange, under the symbol "VRTX".

Three Months Ended September 30, 2022

- There were no highlights to report for the three months ended September 30, 2022; other than, the Company is in the process of completing a non-offering prospectus, with the intent of listing its common shares on the Canadian Securities Exchange.

Period from Incorporation on July 13, 2021 to June 30, 2022

- On July 13, 2021, the Company issued 500 common shares at $0.01 per common share for total proceeds of $5, pursuant to incorporation.

- On July 27, 2021, the Company issued 21,000,000 common shares at $0.02 per common share for total proceeds of $420,000, pursuant to a private placement.

- On December 15, 2021, the Company issued 10,315,000 common shares at $0.10 per common share for total proceeds of $1,031,500 and 200,000 common shares valued at $20,000 for services provided in connection with the financing. Net cash proceeds were $1,019,343 after cash and non-cash share issuance costs of $32,157.

- On January 4, 2022, the Company entered into an asset purchase agreement with a third party for the purchase of the mineral property referred to as the Alliance Uranium Project located in Quebec, Canada.

- On May 10, 2022, the Company entered into a property option agreement with a third party for the option to purchase the mineral property referred to as the Fire Eye Property located in Saskatchewan, Canada.

- On May 25, 2022, the Company closed a non-brokered private placement, pursuant to which the Company issued 1,412,500 units at a price of $0.40 per unit for gross proceeds of $565,000. Each unit is comprised of one common share and one non-transferable share purchase warrant, exercisable for a period of 24 months at a price of $0.75 per share. Using the residual method, 100% of the proceeds were allocated to the value of the shares, as they were issued at the fair value at the time of issuance. As a result, the fair value of the warrants is nil.

OVERALL PERFORMANCE

The Company has not generated revenues to date from operations as it is in the exploration phase and continues to focus on the acquisition of strategic green energy and/or exploration assets.

At March 31, 2023 the Company had net assets of $1,034,655 and working capital of $874,655 .

The assets consisted of the following:

As at	March 31, 2023	June 30, 2022
	$	$
Cash	662,026	1,670,855
Accounts receivable	30,346	-
Marketable securities	270,000	-
Prepaid expenses	12,833	21,375
Evaluation and exploration asset	160,000	75,000
TOTAL ASSETS	**1,135,205**	**1,767,230**

The liabilities consisted of the following:

As at	March 31, 2023	June 30, 2022
	$	$
Accounts payable and accrued liabilities	100,550	123,016
TOTAL LIABILITIES	**100,550**	**123,016**

RESULTS OF OPERATIONS

The Company generated net and comprehensive loss of $1,651,771 for the nine months ended March 31, 2023. The following is the results of the Company's operations:

	Three Months March 31, 2023	Three Months March 31, 2022	Nine Months March 31, 2023	July 13, 2021 to March 31, 2022
	$	$	$	$
REVENUE	-	-	-	-
EXPENSES				
Advertising and marketing	114,910	15,750	114,910	36,750
Consulting fees	65,625	44,625	197,375	91,875
Filing fees	43,700	-	86,766	200
Management fees	62,500	15,750	133,900	47,250
Office and miscellaneous	3,302	790	8,799	3,777
Pre-exploration and evaluation	-	-	-	26,250
Professional fees	12,755	15,999	147,809	39,824
Share-based compensation	162,211	-	1,032,211	-
OPERATING LOSS	**(465,003)**	**(92,914)**	**(1,721,770)**	**(245,926)**
Unrealized gain (loss) on marketable securities	70,000	-	70,000	-
NET AND COMPREHENSIVE LOSS	**(395,003)**	**(92,914)**	**(1,651,770)**	**(245,926)**

Loss per share, basic and diluted	**(0.01)**	**(0.00)**	**(0.05)**	**(0.01)**
Weighted average shares– Basic and diluted	**33,012,893**	**31,515,000**	**32,955,339**	**24,144,590**
Cash flow used in operating activities	**(229,878)**	**(117,140)**	**(733,829)**	**(161,777)**
Cash flow used in investing activities	**(275,000)**	**-**	**(275,000)**	**(75,000)**
Cash flow received from financing activities	**-**	**776,000**	**-**	**2,227,506**

Three Months Ended March 31, 2023 and 2022

- Advertising and marketing consisted primarily of costs incurred related to corporate marketing, investor presentations, and website development. During the period, the Company incurred $114,910 of these costs compared to $15,750 in the comparable period.

- Consulting fees consists primarily of services used in corporate and operating activities. During the period, the Company engaged consultants to aid in carrying out business development services. During the period, the Company incurred $65,625 of these costs compared to $44,625 in the comparable period. The increase was related to the costs incurred related to increased activity as the Company looks to further its business objectives.

- Filing fees consists of costs incurred costs incurred for the non-offering prospectus and successfully listing its common shares on the Canadian Securities Exchange. During the period, the Company incurred $43,700 of these costs compared to $nil in the comparable period. The increase was related to the fact that the Company was not publicly listed during the quarter ended March 31, 2022.

- Management fees consists of costs incurred related to the oversight and management of the Company. During the period, the Company incurred $62,500 of these costs compared to $15,750 in the comparable period. The costs are higher than the previous comparable period as the current period included a full period of costs for the CEO and CFO.

- Professional fees consist primarily of costs incurred for general corporate matters (i.e. legal, accounting and auditor fees). During the period, the Company incurred $12,755 of these costs compared to $15,999 in the comparable period. The costs are comparable to the comparable period.

- Share-based compensation relates to the vesting of restricted share units (“RSUs”) and options that were issued to certain directors and consultants of the Company as part of the adoption of the Company’s new share award program. During the three months ended March 31, 2023, 1,000,000 options and 2,225,000 RSUs were granted. During the period, the Company incurred $162,611 of these costs compared to $nil in the comparable period. The increase was related to the fact that the Company adopted its equity plan during the current year.

Nine Months Ended March 31, 2023 and Period Ended March 31, 2022

- Advertising and marketing consisted primarily of costs incurred related to corporate marketing, investor presentations, and website development. During the period, the Company incurred $114,910 of these costs compared to $36,750 in the comparable period.

- Consulting fees consists primarily of services used in corporate and operating activities. During the period, the Company engaged consultants to aid in carrying out business development services, completing the non-offering prospectus and successfully listing its common shares on the Canadian Securities Exchange. During the period, the Company incurred $197,375 of these costs compared to $91,875 in the comparable period. The increase was related to the costs incurred primarily for the completion of the non-offering prospectus.

- Filing fees consists of costs incurred by the Company related to the non-offering prospectus and successfully listing its common shares on the Canadian Securities Exchange. During the period, the Company incurred $86,766 of these costs compared to $200 in the comparable period. The increase was related to the fact that the Company was not publicly listed during the nine months ended March 31, 2022.

- Management fees consists of costs incurred related to the oversight and management of the Company, During the period, the Company incurred $133,900 of these costs compared to $47,250 in the comparable period. The costs are higher than the previous comparable period, as the current period included a full period of costs for the CEO and CFO.

- Professional fees consist primarily of costs incurred for general corporate matters (i.e. legal, accounting and auditor fees). During the period, the Company incurred $147,809 of these costs compared to $39,824 in the comparable period. The costs are higher than comparable period as a result the completion of the non-offering prospectus.

- Share-based compensation relates to the vesting of restricted share units ("RSUs") and options that were issued to certain directors and consultants of the Company as part of the adoption of the Company's new share award program. During the three months ended March 31, 2023, 2,250,000 options and 3,925,000 RSUs were granted. During the period, the Company incurred $1,032,211 of these costs compared to $nil in the comparable period. The increase was related to the grant and vesting of options and RSU's granted during the period. There were no such grants in the prior period.

SUMMARY OF QUARTERLY RESULTS

	July 13, 2021 to September 30, 2021	Quarter Ended December 31, 2021	Quarter Ended March 31, 2022	Quarter Ended June 30, 2022	Quarter Ended September 30, 2022	Quarter Ended December 31, 2022	Quarter Ended March 31, 2023
	$	$	$	$	$	$	$
REVENUE	-	-	-	-	-	-	-
NET LOSS AND COMPREHENSIVE LOSS	**(62,857)**	**(90,154)**	**(92,914)**	**(114,209)**	**(145,332)**	**(1,111,435)**	**(395,003)**
BASIC AND DILUTED LOSS PER SHARE	**(0.00)**	**(0.01)**	**(0.00)**	**(0.00)**	**(0.01)**	**(0.03)**	**(0.01)**

The results of operations in each quarter reflect the overhead costs incurred by the Company to pursue registration with various regulatory authorities and to provide an administrative infrastructure to manage the acquisition, and financing activities of the Company. General and administrative costs can be expected to fluctuate in relation to the changes in activity levels required as property acquisition continues. The Company has not recorded, since the date of its incorporation, any revenues from its mineral exploration and development activities, nor does it expect to record any revenue over the course of the next 12 months.

An analysis of the results shows that the Company has incurred mostly advertising and marketing, consulting fees, management fees, and professional fees that primarily relate to activities of those of an exploration entity. The pre-exploration and evaluation costs incurred were directly related to the administrative costs of the acquisitions that took place during the period. Refer to the "Exploration and Evaluation Asset Acquisitions" below for further information. The quarter ended March 31, 2023 saw the introduction of share-based compensation of $870,000, as a result of the new share award program adopted by the Company on August 8, 2022.

LIQUIDITY

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2023, the Company had cash of $662,026 and total liabilities of $100,550.

Operating Activities

The Company used net cash of $733,829 in operating activities during the nine months ended March 31, 2023, compared to $161,777 used in the comparable period in the previous year.

Investing Activities

The Company used net cash of $275,000 in investing activities during the nine months ended March 31, 2023, compared to $75,000 used in the comparable period in the previous year. The difference is primarily attributable to the purchase of common shares of a publicly traded company (Traction Uranium Corp.) as marketable securities. In addition, both periods include costs related to property option agreement payments.

Financing Activities

The Company did not have any financing activities during the nine months ended March 31, 2023. During the period ended March 31, 2022, the Company received cash from financing activities totalling $1,451,506 from share issuances and $776,000 of share subscriptions received.

OFF-BALANCE SHEET ARRANGEMENTS

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

TRANSACTIONS WITH RELATED PARTIES

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

Related party transactions are conducted in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

The aggregate value of transactions relating to key management personnel during the nine months ended March 31, 2023 were as follows:

Equity incentives granted and fees paid to the following for the services rendered	Equity Incentive	Equity Incentive Amount	Equity Incentive Fair Value	Fees Paid
			$	$
The CEO and Director of the Company, Paul Sparkes, pursuant to officer services provided	Options	1,000,000	72,504	5,000
The CFO of the Company, Paul More, pursuant to officer services provided	Options, RSUs	750,000	125,000	93,250
The former CEO and Director of the Company, Kirk Hollohan, pursuant to officer services provided	Options, RSUs	400,000	115,000	35,650
A former Director of the Company, Aman Parmar, pursuant to director services provided	Options, RSUs	1,250,000	455,000	-
A Director of the Company, Eli Dusenbury, pursuant to director services provided	Options, RSUs	350,000	66,532	-
A company owned by a former Director, Aman Parmar, providing advisory services to the Company	-	-	-	133,250
Total		**3,750,000**	**834,036**	**267,150**

For the period ended March 31, 2022, the Company incurred $47,250 in management fees for CEO and CFO services provided included in consulting and salaries and 1,000,000 equity incentives.

At March 31, 2023, $67,048 due to companies controlled by the corporate officers and directors of the Company is included in accounts payable and accrued liabilities. The amount payable is non-interest bearing, is unsecured, and has no specific terms of repayment.

PROPOSED TRANSACTIONS AND SUBSEQUENT EVENTS

On April 4, 2023, the Company announced it had completed the acquisition of 100% of the issued and outstanding share capital of Blue Ocean Salt Corp. in consideration for an aggregate of 20,600,004 common shares in the capital of the Company (see “Highlights” above)

On April 27, 2023, the Company announced the grant of 600,000 stock options with an exercise price of $0.65 to certain advisors of the Company. The options shall vest in four equal installments on October 26, 2023, April 26, 2023, October 26, 2024 and April 26, 2024. Each vested option, upon payment of exercise price, entitles the holder thereof to receive one common share of the Company.

There are no other proposed transactions noted as of the date of this MD&A.

CHANGES IN ACCOUNTING POLICIES

The MD&A has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited financial statements for the period ended June 30, 2022.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

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

The Company has the following projects underway:

a) Alliance Uranium Project

On January 4, 2022, the Company entered into an asset purchase agreement for the purchase of the mineral property referred to as the Alliance Uranium Project located in Quebec, Canada. Pursuant to the terms of the asset purchase agreement, the Company will need to issue 600,000 common shares, which will be subject to certain escrow provisions, and $10,000 cash.

b) Fire Eye Property

On March 10, 2022 (the "effective date"), the Company entered into a property option agreement for the option to purchase the mineral property referred to as the Fire Eye Property located in Saskatchewan, Canada, upon satisfaction of each of the following obligations:

i. Total cash consideration of $230,000 to be paid as follows:
   a. $75,000 within five calendar days of the effective date (paid*)*;
   b. $75,000 on or before 10 calendar days after the seller (or "Optionor") has delivered a technical report for the property which complies with the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (Paid)*;*
   c. $30,000 on or before March 10, 2023;
   d. $50,000 on or before March 10, 2024.

ii. Issuing the Optionor an aggregate of 400,000 common shares, as follows:
   a. 100,000 common shares on or before 10 calendar days after the Optionor has delivered a technical report for the property which complies with the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (issued)*;*
   b. 150,000 common shares on or before March 10, 2023; and
   c. 150,000 common shares on or before March 10, 2024.

iii. Incurring an aggregate expenditure amount of $360,000 on the property, as follows:
   a. $110,000 of expenditures on or before March 10, 2023; and
   b. $250,000 of expenditures on or before March 10, 2024.

The Company is in discussion with the optionor to amend and defer the March 10, 2023 option agreement milestones.

OUTSTANDING SHARE DATA

a) Authorized share capital

Unlimited number of common shares without par value.

The Company has established an omnibus equity incentive plan (the "Plan") dated August 8, 2022, contemplating the grant of equity-based incentive awards, in the form of options, restricted share units, and deferred share units, to employees, officers, directors and consultants of the Company.

b) Issued Share Capital

On July 13, 2021, the Company issued 500 common shares at $0.01 per common share for total proceeds of $5, pursuant to incorporation.

On July 27, 2021, the Company issued 21,000,000 common shares at $0.02 per common share for total proceeds of $420,000, pursuant to a private placement.

On December 15, 2021, the Company issued 10,315,000 common shares at $0.10 per common share for total proceeds of $1,031,500 and 200,000 common shares valued at $20,000 for services provided in connection with the financing. Net cash proceeds were $1,019,343 after cash and non-cash share issuance costs of $32,157.

On May 25, 2022, the Company closed a non-brokered private placement, pursuant to which the Company issued 1,412,500 units at a price of $0.40 per unit for gross proceeds of $565,000. Each unit is comprised of one common share and one non-transferable share purchase warrant, exercisable for a period of 24 months at a price of $0.75 per share. Using the residual method, 100% of the proceeds were allocated to the value of the shares, as they were issued at the fair value at the time of issuance. As a result, the fair value of the warrants is nil.

On January 10, 2023, the Company issued 100,000 common shares in accordance with the Fire Eye property option agreement measured at eh grant date fair value of $0.10 per share.

On March 27, 2023, 150,000 RSUs were exercised for common shares of the Company.

As of the date of this MD&A, the Company had 55,059,254 common shares outstanding (March 31, 2023 – 33,178,000).

c) Options

A summary of the Company's options is as follows:

	Number of Options	Exercisable	Weighted Average Exercise Price	Expiry Date	Weighted Average Remaining Life
Balance, June 30, 2022	-	-	-		
Granted - October 5, 2021	500,000	500,000	$0.10	October 5, 2024	1.52
Granted - December 28, 2022	750,000	750,000	$0.40	December 28, 2024	1.75
Granted - March 20, 2023	1,000,000	500,000	$0.23	March 20, 2026	2.97
Balance, March 31, 2023	**2,250,000**	**1,250,000**	**$0.16**		**2.24**

During the nine months ended March 31, 2023, the Company recognized $262,504 in share-based payment expense in connection with the granting and vesting of options (2021 – $nil).

As of the date of this MD&A, the Company has 2,850,000 options outstanding.

d) Restricted Share Units

A summary of the Company's restricted share units ("RSUs") is as follows:

	Number of RSUs	Exercisable	Weighted Average Fair Value	Expiry Date	Weighted Average Remaining Life
Balance, June 30, 2022	-	-	-		
Granted – December 28, 2022	1,700,000	1,700,000	$0.40	December 28, 2024	**1.52**
Granted – January 20, 2023	2,225,000	-	$0.10	January 20, 2025	1.75
Exercised	(150,000)	(150,000)	$0.40	December 28, 2024	2.97
Balance, March 31, 2023	**3,775,000**	**1,550,000**	$0.16		**2.24**

On December 28, 2022, the Company granted 1,700,000 RSUs, vesting immediately, with a four-month trading hold on the underlying share. Upon vesting, each RSU will be redeemable for one common share of the Company The fair value of the RSUs was determined based on the Company's most recent private placement before the Company's share price was listed at $0.40/share and at $0.10/share.

On January 20, 2023, the Company granted certain directors and consultants of the Company, 2,225,000 RSUs, which vest quarterly commencing April 30, 2023.

During the nine months ended March 31, 2023, the Company recognized $769,707 in stock-based compensation expense related to the granting and vesting of RSUs (2021 – $nil). As the Company intends to settle the RSUs through equity settlement, a corresponding amount was credited to stock-based payment reserve

As of the date of this MD&A, the Company has 3,493,750 RSUs outstanding.

e) Warrants

A summary of the Company's common share purchase warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price	Expiry Date	Remaining Life
Issued, May 25, 2022	1,412,500	$0.75	25-May-24	1.15
Balance, March 31, 2023	**1,412,500**	**$0.75**		**1.15**

As of the date of this MD&A, the Company had 1,412,500 warrants outstanding.

RISK FACTORS

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

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

Risks Related to the Company's Business

The Company is a mining exploration stage company. The ability of the Company to acquire additional strategic mining assets is dependent upon (but not limited to) market conditions, the ability of the Company's management team to obtain necessary financing to successfully complete an attractive acquisition on acceptable terms and funding necessary to execute development programs.

In conducting its business, the Company is subject to a number of other risks and uncertainties that could have a material adverse effect on the Company's business prospects or financial condition that could result in a delay or indefinite postponement in the development of the Company's future mineral interests.

Risks associated with exploration stage companies

Exploring for mineral resources involves a variety of operational, financial, and regulatory risks that are typical in the natural resource industry. The Company has not commenced commercial operations and has no proven history of performance, earnings, or success. There is no guarantee that the Company will ever be able to achieve profitable results or successfully execute its business plan. The Company's Common Shares must be considered speculative primarily due to the nature of the Company's business. The Company has no revenue or income from operations. The Company has limited capital resources and will rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions, and to fund the administration of the Company. Since the

Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of it equity or debt securities or joint venture agreements to raise capital. There can be no assurance that financing, whether equity or debt, will be available to the Company in the amount required by the Company at any particular time or for any period, and that such financing can be obtained on terms satisfactory to the Company.

Licenses and permits

The Company will require licenses and permits from various governmental authorities regarding any mineral interests acquired. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, and mining operations for its mineral interests. Failure to obtain and maintain such licenses and permits may adversely affect the Company's business as the Company would be unable to legally conduct its intended exploration and development work which may result in its losing its interest in the subject property.

Operating hazards and risks

Fires, power outages, labour disputes, flooding explosions, cave-ins, landslides, and the inability to obtain suitable or adequate machinery, equipment, or labour are some of the risks involved in exploration programs. Unknowns with respect to geological structures and other conditions are involved. Existing and future environmental laws may cause additional expense and delays in the activities of the Company, and may render the Company's properties uneconomic. The Company has no liability insurance and the Company may become subject to liability for pollution, cave-ins, or hazards against which it cannot insure, or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect of the Company's financial position.

Competition

The mining industry is intensely competitive and the Company must compete in all aspects of its operations with a substantial number of other corporations which have greater technical and financial resources. The Company may be unable to acquire attractive mining properties on terms it considers acceptable.

Profitability of operations

The Company does not have profitable operations at this time and it should be anticipated that it will operate at a loss until such time as production is achieved from any acquired mining assets, if production is in fact ever achieved. Investors also cannot expect to receive any dividends on their investment in the foreseeable future.

Market risks

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any mineral products discovered. Mineral prices have fluctuated widely in recent years. The marketability and price of minerals which may be produced or acquired by the Company will be affected by numerous factors beyond the control of the Company. These factors include delivery uncertainties related to the proximity of its reserves to processing facilities, and extensive government regulation relating to price, taxes, royalties, allowable production land tenure, the import and export of minerals, and many other aspects of the mining business. Declines in mineral prices may have a negative effect of the Company.

Future financings

As the Company continues to acquire mining assets and starts to develop them, the Company may require additional funds to execute exploration and development programs and additional funds if the Company wishes to pursue commercial production. The Company's available sources of funds are: sale of equity capital. There is no assurance such sources will continue to be available on favorable terms or at all. If available, future equity financings may result in dilution to current shareholders.

Going concern

The Company's condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its on-going commitments, further its mineral exploration program, and to commence profitable operations in the future.

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

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

The Company has no operating history

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

History of losses

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

Dependence on suppliers and skilled labour

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

Management of growth

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

Internal controls

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

Liquidity

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

Litigation

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

Privacy

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

BOARD APPROVAL

The Board of the Company has approved this MD&A.