VORTEX ENERGY CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three Months Ended September 30, 2023

This Management's Discussion and Analysis ("MD&A") has been prepared by management in accordance with the requirements of National Instrument 51-102 and should be read in conjunction with the condensed consolidated interim financial statements and notes thereto for the three months ended September 30, 2023 and 2022 (the "financial statements") 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 November 29, 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, 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

Three Months Ended September 30, 2023

- On July 6, 2023, the Company closed the final tranche (the "Final Tranche") of the non-brokered private placement for gross proceeds of $2,854,799.80. Pursuant to the Final Tranche, the Company issued (i) 4,310,000 units at a price of $0.50 per unit for aggregate gross proceeds of $2,155,000, with each $0.50 unit comprised of one non-flow-through common share and one share purchase warrant entitling the holder to acquire one share at a price of $0.75 until July 6, 2025 and (ii) 1,166,333 units at a price of $0.60 per unit for aggregate gross proceeds of $699,799.80, with each $0.60 unit comprised of one flowthrough common share and one share purchase warrant entitling the holder to acquire one share at a price of $0.75 until July 6, 2025. In connection with the closing of the Final Tranche, the Company paid finder's fees totalling $70,174.99 and issued 137,083 finder's warrants entitling the holder thereof to acquire one share at an exercise price of $0.75 until July 6, 2025.

- On August 1, 2023, the Company acquired an additional mineral license contiguous to the northern border of its Robinsons River Salt Property in Newfoundland and Labrador (the "Mineral License"). Under the terms of the agreement, the Company paid $162,800 and issued 750,000 common shares to the seller, Galloper Gold Corp. In addition the Company has agreed to (i) issue an additional 1,000,000 common shares to Galloper in the event that the Company completes a drill hole on the mineral license which intersects a core length of at least 300 meters with an average grade of at least 90% Sodium Chloride and (ii) issue an additional 3,000,000 common shares and pay an additional $1,000,000 to Galloper if the Company utilizes, on a commercial basis, any salt caverns on the mineral license for underground energy storage. All common shares issued pursuant to the transaction are subject to an eighteen-month contractual escrow arrangement, during which time, subject to customary exceptions, such common shares may not be traded without the prior approval of the Company. The common shares issued will be released from the escrow arrangement in three equal tranches: one-third will be released after six months, a further one-third after twelve-months and the remaining one-third after eighteen-months.

- On September 1, 2023, the Company issued 1,675,000 RSUs to certain directors, officers, and consultants of the Company pursuant to the Company's equity incentive plan. 200,000 RSUs vested immediately upon grant and 400,000 RSUs will vest upon the achievement of certain corporate and operational milestones by the Company. The remaining 1,075,000 RSUs will vest in equal quarterly installments on December 1, 2023, March 1, 2024, June 1, 2024 and September 1, 2024. Each vested RSU, upon settlement, will entitle the holder to receive one common share in the capital of the Company.

Three Months Ended June 30, 2023

- On April 3, 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 26, 2023, the Company granted an aggregate of 600,000 stock options with an 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.

- On June 13, 2023, the Company granted an aggregate of 350,000 stock options with an exercise price of $0.98 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 June 19, 2023, the Company completed the first tranche of a non-brokered private placement of 5,690,000 units of the Company at $0.50 per unit for aggregate gross proceeds of $2,845,000. Each unit is composed of one common share and one common share purchase warrant. Each warrant is exercisable at a price of $0.75 per share for two years from the date of issuance. There was no residual value allocated to the warrants as the market price of the share on the date of completion was $1.13 per common share.

- On June 19, 2023, the Company completed the first tranche of a non-brokered private placement of 1,670,000 flow-through units (each, a “FT Unit”) of the Company at $0.60 per FT Unit for aggregate gross proceeds of $1,002,000. Each FT Unit is composed of one common share, issued on a flow-through basis pursuant the Income Tax Act (Canada), and one common share purchase warrant. Each warrant is exercisable at $0.75 per share for two years from the date of issuance. There was residual value allocated to the flow-through obligation, based on a $0.10 premium between the $0.60 FT Unit issued and the $0.50 Unit issued (see above). As a result, $167,000 in flow-through premium liability was recorded as an “Flow-through liability” on the Statement of Financial Position. No residual value was allocated to the warrants as the market price of the share on the date of completion was $1.13 per common share.

- In connection with the closing of the first tranches above, finder’s fees of $103,740 were paid and 177,100 finder’s warrants fair valued at $152,190 were issued in connection with the private placement. Each finder’s warrant is exercisable at $0.75 for two years from the date of issuance.

- As of June 30, 2023, the Company had received $982,500 in share subscriptions related to the close of the final tranche of the non-brokered private placement, which closed on July 6, 2023

Three Months Ended March 31, 2023

- On January 20, 2023, the Company issued 100,000 common shares in accordance with the Fire Eye property option agreement measured at the issuance date fair value of $0.10 per share.

- 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 6 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 as follows: 500,000 will vest immediately and the remaining 500,000 will vest in two 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 was 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 September 30, 2023 the Company had net assets of $10,100,379 and working capital of $4,307,446 .

The assets consisted of the following:

As at	**September 30, 2023**	**June 30, 2023**
	$	**$**
Cash	4,284,397	3,994,470
Accounts receivable	241,791	144,464
Marketable securities	136,458	271,711
Prepaid expenses	247,993	404,228
Evaluation and exploration asset	5,682,673	4,184,423
Intangible assets	110,260	143,940
TOTAL ASSETS	**10,703,572**	**9,143,236**

The liabilities consisted of the following:

As at	**September 30, 2023**	**June 30, 2022**
	$	**$**
Accounts payable and accrued liabilities	338,318	621,328
Flow-through liability	264,875	167,000
TOTAL LIABILITIES	**603,193**	**788,328**

RESULTS OF OPERATIONS

The Company generated a net and comprehensive loss of $2,799,556 for the three months ended September 30, 2023. The following is the results of the Company's operations:

For the Three Months Ended	September 30, 2023	September 30, 2022
	$	**$**
REVENUE	**-**	-
EXPENSES		
Advertising and marketing	**1,518,962**	-
Amortization	**33,680**	-
Consulting fees	**235,000**	44,250
Filing fees	**21,258**	13,190
Management fees	**90,000**	33,750
Office and miscellaneous	**25,851**	831
Professional fees	**86,777**	53,311
Share-based compensation	**763,359**	-
OPERATING LOSS	**(2,774,887)**	(145,332)
Realized gain (loss) on marketable securities	**14,425**	-
Unrealized gain (loss) on marketable securities	**(57,853)**	-
Flow-through recovery	**18,759**	-
NET AND COMPREHENSIVE LOSS	**(2,799,556)**	(145,332)
Loss per share, basic and diluted	**(0.04)**	(0.00)
Weighted average number of common shares outstanding – Basic and diluted	**69,339,903**	32,928,000
Cash flow used in operations activities	**(2,187,524)**	(148,136)
Cash flow used in investing activities	**(213,350)**	-
Cash flow received from financing activities	**2,690,801**	-

Three Months Ended September 30, 2023 and 2022

- Advertising and marketing consisted primarily of costs incurred related to corporate and investor marketing, investor presentations, and website development. During the period, the Company incurred $1,518,962 of these costs compared to $nil in the comparable period as the Company was not publicly listed during the comparable period.

- Amortization is related to the license acquired through the Blue Ocean Salt Corp. During the period, the Company incurred $33,680 of amortization compared to $nil in the comparable period as the Company had not acquired the license 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 $235,000 of these costs compared to $44,250 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 consist primarily of costs incurred for the listing and maintenance of its common shares on the Canadian Securities Exchange. During the period, the Company incurred $21,258 of these costs compared to $13,190 in the comparable period. The increase was related to the fact that the Company was not publicly listed during the quarter ended September 30, 2022.

- Management fees consists of costs incurred related to the oversight and management of the Company. During the period, the Company incurred $90,000 of these costs compared to $33,750 in the comparable period. The costs are higher than the previous comparable period as the previous period was that of a start up nature company and the current period includes increased fees of 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 $86,777 of these costs compared to $53,311 in the comparable period. The costs increased in the current period primary due to increased legal and accounting costs associated with the non-brokered financing.

- 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 September 30, 2023, 1,675,000 RSUs were granted. During the period, the Company incurred $763,359 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.

SUMMARY OF QUARTERLY RESULTS

	Quarter Ended September 30, 2023	Quarter Ended June 30, 2023	Quarter Ended March 31, 2023	Quarter Ended December 31, 2022	Quarter Ended September 30, 2022	Quarter Ended June 30, 2022	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021
	$	$	$	$	$	$	$	$
REVENUE	-	-	-	-	-	-	-	-
NET LOSS AND COMPREHENSIVE LOSS	(2,799,556)	(1,595,877)	(395,003)	(1,111,435)	(145,332)	(114,209)	(92,914)	(90,154)
BASIC AND DILUTED LOSS PER SHARE	(0.04)	(0.04)	(0.01)	(0.03)	(0.01)	-	-	(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. Commencing with the quarter ended December 31, 2022, the Company saw the introduction of share-based compensation as a result of the new share award program adopted by the Company on August 8, 2022. During the three months ended June 30, 2023, the Company commenced advertising and marketing campaigns.

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 September 30, 2023, the Company had cash of $4,284,397 and total liabilities of $603,193 .

Operating Activities

The Company used net cash of $2,187,524 in operating activities during the three months ended September 30, 2023, compared to $148,136 used in the comparable period in the previous year. The cash used primarily related to management of the Company, which includes advertising and marketing, consulting and professional fees paid, filings fees incurred, and prepayment on other working capital items.

Investing Activities

The Company used net cash of $213,350 in investing activities during the three months ended September 30, 2023, compared to $nil used in the comparable period in the previous year. The difference is primarily attributable to exploration expenditures at the Robinsons River Salt property. This was partially offset by the sale of units of a publicly traded company (Traction Uranium Corp.) held as marketable securities.

Financing Activities

The Company received net cash of $2,690,801 from financing activities during the three months ended September 30, 2023. The cash received was primarily from the completion of the second tranche of a non-brokered private placement of units and flow-through units for aggregate proceeds of $1,872,300 (see "Disclosure of Outstanding Share Data" below). The Company incurred share issuance costs of $70,174 related to the private placement. In addition, the Company received proceeds from warrant exercises totalling $888,675. This compares to $nil in financing activities for the comparable period in 2022.

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.

The aggregate value of transactions relating to key management personnel during the three months September 30, 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, Paul Sparkes, pursuant to officer services provided	RSUs	300,000	122,000	45,000
The CFO, Paul More, pursuant to officer services provided	RSUs	200,000	40,449	30,000
A Director, David Bowen, of the Company pursuant to director services provided	RSUs	25,000	5,056	7,500
A Director, Eli Dusenbury, of the Company pursuant to director services provided	RSUs	50,000	10,112	7,500
Total		**575,000**	**177,617**	**90,000**

For the three months ended September 30, 2022, the Company incurred $33,750 in management fees for CEO and CFO services provided included in "Management Fees".

At September 30, 2023, $63,000 (2022 - $18,638) 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

Subsequent to September 30, 2023, the following share awards were exercised into common shares of the Company:

- October 3, 2023 – 24,500 warrants were exercised for proceeds of $18,375.

There are no proposed transactions noted as of the date of this MD&A, other than those disclosed in this MD&A.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are no new standards issued, but not yet effective, that are anticipated to have a material impact on the Company's financial statements.

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.

As at September 30, 2023 and June 30, 2023, the Company's exploration and evaluation assets were as follows:

	Robinsons	Fire Eye	Total
	$	$	$
Balance, June 30, 2022	-	75,000	**75,000**
Option agreement - cash	-	75,000	75,000
Option agreement - share issuance	-	10,000	10,000
Acquisition - BOSC	3,872,745	-	3,872,745
Expenditures	151,678	-	151,678
Balance, June 30, 2023	**4,024,423**	**160,000**	**4,184,423**
Option agreement - cash	-	30,000	**30,000**
Acquisition - Galloper - cash	162,800	-	**162,800**
Acquisition - Galloper - share issuance	1,207,500	-	**1,207,500**
Expenditures	97,950	-	**97,950**
Balance, September 30, 2023	**5,492,673**	**190,000**	**5,682,673**

a) Robinsons River Salt Property

On April 3 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 (the "Acquisition"). BOSC owns a 100% interest in and to the Robinsons River Salt Property ("Robinson 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 August 1, 2023, the Company completed the acquisition of additional mineral licenses contiguous to the northern border of its Robinson Property, in Newfoundland and Labrador from Galloper Gold Corp.("Galloper").

The Company paid $162,800 in cash and issued 750,000 common shares of the Company to Galloper in connection with the closing of the acquisition.

In addition, subject to the terms of the property purchase agreement with respect to the acquisition, the Company has agreed to

(i) issue an additional 1,000,000 common shares to Galloper in the event that the Company completes a drill hole on the acquired mineral license which intersects a core length of at least 300 meters with an average grade of at least 90% Sodium Chloride and;

(ii) issue an additional 3,000,000 common shares of the Company and pay an additional $1,000,000 to Galloper if the Company utilizes, on a commercial basis, any salt caverns on the acquired mineral license for underground energy storage.

For the three months ended September 30, 2023, the Company has capitalized $97,950 in costs related to the exploration and evaluation of the Robinson Property, which entirely relate to geophysics and geological work performed on the property.

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; (paid August 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 one calendar year after the Listing Date (December 28, 2023); and
   c. 150,000 common shares on or before two calendar years after the Listing Date (December 28, 2024).

iii. Incurring an aggregate expenditure amount of $360,000 on the property, as follows:
   a. $110,000 of expenditures on or before one calendar year after the Listing Date (December 28, 2023); and
   b. $250,000 of expenditures on or before one calendar year after the Listing Date (December 28, 2024).

For the three months ended September 30, 2023, the Company has capitalized $30,000 in cash payments to fulfill the related to the option agreement requirements.

INTANGIBLE ASSETS

As a result of the Acquisition, the Company acquired a licensing agreement with AmmPower Corp. (“AmmPower”). The license is for North America, the United Kingdom and the European Union to buy, use, sell, modify, create derivative works of, distribute and sublicense membrane separator technology for the efficient purification of hydrogen from ammonia.

The license is for an initial term of two years and can be extended for another eighteen years (for a total of 20 years).

The licencing fees are as follows:
- US$200,000 in cash upon close of the licensing agreement (CAD$256,260 paid);
- the Company will deliver, or cause the delivery, to AmmPower on or before the expiration of the initial term of August 10, 2024, 690,000 common shares in the capital of the Company, such common shares being subject to a two (2) year voluntary resale restriction period, such that the common shares shall be released as follows: (i) one-fourth (1/4) of the common shares shall be released from voluntary restriction on the date that is six (6) months following delivery; (ii) one-fourth (1/4) of the common shares shall be released from voluntary restriction on the date that is twelve (12) months following delivery; (iii) one-fourth (1/4) of the common shares shall be released from voluntary restriction on the date that is eighteen (18) months following delivery; and (iv) the remaining one-fourth (1/4) of the common shares shall be released from voluntary restriction on the date that is twenty-four (24) months following delivery.

The term of this agreement may be extended as follows:

a) Additional three years for a total of five years for cash payment of US$500,000 and issue additional common shares of the Company as represents 9.99% of the then issued and outstanding common shares of the Company;
b) Additional five years for a total of ten years for cash payment of US$5,000,000;
c) Additional five years for a total of fifteen years for cash payment of US$7,500,000;
d) Additional five years for a total of twenty years for cash payment of US$10,000,000; and
e) The term of the agreement may be extended for perpetuity by the Company for cash payment of US$25,000,000.

During the three months ended September 30, 2023, the Company recognized $30,680 related to the amortization of the licensing agreement (2022 – $nil). The net book value at September 30, 2023 was $110,260 (June 30, 2023 – $143,940).

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company had following securities outstanding, as of September 30, 2023 and as of the date of this MD&A:

	September 30, 2023	Date of this MD&A
Common shares	70,899,237	70,923,737
Share purchase warrants	13,378,116	13,353,616
Share purchase options	3,162,500	3,162,500
Restricted share rights	3,137,500	3,137,500
Total	**90,577,353**	**90,577,353**

RISK FACTORS

The Company's securities should be considered a highly speculative investment and investors are directed to carefully consider all of the information disclosed in the Company's regulatory filings prior to making an investment in the Company, including the risk factors discussed under the heading "Risk Factors" in the Company's most recent Annual Information Form dated October 6, 2023 available on SEDAR+ at www.sedarplus.ca and incorporated by reference herein.

In addition, the Company is exposed to a variety of financial instrument-related risks in the normal course of operations. The Company's financial instruments include cash, accounts receivable, marketable securities, and accounts payables. A discussion with respect to the fair value of such instruments is included in Note 12 of the condensed consolidated financial statements of the Company as at September 30, 2023. The Company examines the various financial instrument related risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include market risk, credit risk, liquidity risk, currency risk, interest rate risk, and other price risk. Management's objectives, policies and procedures for managing these risks are disclosed in Note 12 of the condensed consolidated financial statements of the Company as at September 30, 2023.

BOARD APPROVAL

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