

This management discussion and analysis ("MD&A") of Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.) (the "Company") has been prepared by management using information available as of October 1, 2024, and it presents an analysis of the consolidated financial position of the Company for the period ended July 31, 2024. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations and should be read in conjunction with the Company's interim condensed consolidated financial statements for the three months ended July 31, 2024 and 2023, the audited financial statements as at April 30, 2024 and 2023, and the related notes thereto. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS"). The results for the periods presented are not necessarily indicative of the results that may be expected for any future period. Please review the cautionary note regarding forward looking statements at the end of this MD&A. All amounts are expressed in Canadian dollars, unless otherwise indicated.

### **Forward-looking Statements**

This MD&A may contain certain forward-looking statements that involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and factors may include, but are not limited to: unavailability of financing, changes in government regulation, general economic conditions, general business conditions, limited time being devoted to business by directors, escalating professional fees, and escalating transaction costs. Readers are cautioned not to place undue reliance on forward-looking statements, which are effective only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

Actual results may differ materially and adversely from those expressed in any forward-looking statements. The Company undertakes no obligation to revise or update any forward-looking statements for any reason.

### **Company History and Business Overview**

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.) (the "Company") was incorporated under the Business Corporations Act of British Columbia on July 30, 2021 and listed on the Canadian Securities Exchange. The Company is engaged in the acquisition, evaluation and development of mineral properties, principally in the Americas and south African. The Company is listed on the Canadian Securities Exchange under the symbol "MML". Effective on September 12, 2024, the Company changed its name to Cape Lithium Corp. from Moonbound Mining Ltd. Concurrently with the name change, the Company also changed its stock symbol to "CLI". The Company's head office address is 2250 – 1055 West Hastings Street, Vancouver, British Columbia V6E 2E9. The registered and records office address is 2501 - 550 Burrard Street, Vancouver, BC, V6C 2B5. The Company's principal business activities include the acquisition and exploration of mineral resources properties.

#### Yak Property

On October 13, 2021, the Company entered into an option agreement (the "Option Agreement") with Cloudbreak Discovery PLC and Cloudbreak Discovery (Canada) Ltd. (collectively, "Cloudbreak") whereby the Company was granted an option to acquire a 100% legal and beneficial interest in the Yak Property (the "Property") located in the Northwest Mining District of British Columbia by satisfying the following requirements: (a) the Company making an aggregate \$145,000 in cash payments; (b) the Company incurring an aggregate \$700,000 in expenditures on the Property; and (c) the Company issuing 2,700,000 common shares to Cloudbreak. At the exercise of the option, the Company will grant a 2% net smelter return royalty (the "NSR") to Cloudbreak. The Company will have the right to purchase one-half (or 1%) of the NSR for \$1,500,000. As of the date of this MD&A, the Company has issued 700,000 shares with a fair value of \$35,000 and made \$70,000 cash payments to Cloudbreak.

With respect to the Yak Property, the Company presently has one current NI 43-101 *Standards of Disclosure for Mineral Projects* report entitled "Technical Report on the Yak Property, Northwestern British Columbia, Canada" dated January 15, 2022. This report was prepared by James Hutter, P.Geo, who is independent of the Company.

During the year ended April 30, 2024, the Company terminated its Option Agreement with Cloudbreak, and impaired the property costs.

#### Strathmore Property

On September 7, 2023, the Company has closed the assignment agreement (the "Assignment Agreement") with Continental Lithium Africa Development Corporation ("Continental Lithium"), a private arm's length British Columbia company, dated July 31, 2023, whereby the Company has taken assignment (the "Assignment") of all of the benefits and obligations of Continental Lithium contained in the amended Memorandum of Understanding (the "MOU") dated June 23, 2023 among Continental Lithium, Alfeus Tomas and Paulus Nghifikepunye (the "Transaction").

The MOU contemplates a joint venture to be formed in connection with seven mining licenses located in Namibia, referred to as the Strathmore mining claims, which are located in the Cape Cross - Uis area Pegmatite Belt. On December 19, 2023, pursuant to the MOU, the Company entered into a joint venture and shareholder agreement (the "JV Agreement") with Alfeus Tomas and Paulus Nghifikepunye, whereby the parties have agreed to establish a joint venture in respect of certain mining claims, on the terms and conditions set out in the JV Agreement.

Pursuant to the Transaction, the Company issued 12,000,000 shares, at a deemed price of \$0.23 per share, and 12,000,000 common share purchase warrants in the capital of the Company, in consideration of the Assignment. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.20 for a period of two years from the date of the closing of the Transaction. The Company paid a finders' fee equal to 1,250,000 shares, at a deemed price of \$0.23 per share, and 1,250,000 finder's warrants in the capital of the Company. Each finder's warrant entitles the holder to acquire one share at an exercise price of \$0.20 for a period of two years from the date of the closing of the Transaction. The total value of shares and warrants issued were \$5,191,337 as at April 30, 2024.

#### Subsidiary and Investment in associate

On January 29, 2024, the Company closed the acquisition of all of the issued and outstanding common shares of 1442160 B.C. Ltd. from the shareholders of 1442160 B.C. Ltd. pursuant to a share exchange agreement. The Company acquired all of the issued and outstanding 1442160 B.C. Ltd. shares and as consideration issued 38,000,000 common shares in the capital of the Company, at a deemed price of \$0.30 per share, and 19,000,000 common share purchase warrants to 1442160 B.C. Ltd.'s shareholders on a pro rata basis. Each warrant entitles the holder to purchase one common share in the capital of the Company at an exercise price of \$0.40 for a period of three years after the date of issuance of the warrants. Pursuant to the terms of a finder's fee agreement, an arm's length finder was issued an aggregate of 2,000,000 shares (collectively, the "Finder's Shares") at a deemed price of \$0.30 per Finder's Share in connection with the Transaction. The Finder's Shares are subject to a statutory hold period of four months and a day pursuant to relevant Canadian securities law. 1442160 B.C. Ltd. is a private British Columbia corporation whose wholly-owned subsidiary, Norrabees Lithium (SA) Limited ("Norrabees"), is a company incorporated under the company laws of the Republic of Mauritius.

On December 13, 2023, 1442160 B.C. Ltd.'s wholly owned subsidiary, Norrabees, signed a Sale of Shares Agreement (the "Sale of Shares Agreement") among Norrabees, Dune Resources Proprietary Limited ("Dune"), and SPH Kundalila Proprietary Limited ("SPH"). Pursuant to Sale of Shares Agreement, Norrabees has the right to acquire all of the issued and outstanding share of Dune from SPH (the "Dune Transaction").

As of the date of Sale of Share Agreement, Dune holds 65% of the issued and outstanding shares of Namli Exploration & Mining Proprietary Limited ("Namli"), a private limited liability company under the laws of the Republic of South Africa, which company holds a mining permit and a prospecting right. In connection with the Dune Transaction, Dune will increase its ownership of Namli from 65% to 100% within 30 days of the part A sale close. As at April 30, 2024, Namli is a wholly-owned subsidiary of Dune.

The Company classifies its investment in Dune as an investment in associate, as the Company owns 40% of Dune as of July 31, 2024.

Exploration Expenditures and Activities

The following table summarizes the continuity of expenditures by the Company’s on its various mineral property projects during the periods ended July 31, 2024 and 2023:

<b>Exploration and evaluation expenditures</b>	Yak Property*	Strathmore Property
Balance, April 30, 2023	3,700	
Analytical and sample related	4,296	
Geological consultants	317,450	364,120
Mapping and modelling	2,500	-
Project supervision	7,539	-
Supplies & other	10,705	
Transport, travel and related	25,543	
Cost recovery: BC METC	(5,771)	
Balance, April 30, 2024	362,262	364,120
Geological consultants	-	6,862
Balance, July 31, 2024	362,262	370,982

\*The Yak Property exploration and evaluation expenditures were capitalized and impaired as per the table above.

**Investment in Associate**

On January 29, 2024, the Company has closed the acquisition of all of the issued and outstanding common shares of 1442160 B.C. Ltd. from the shareholders of 1442160 B.C. Ltd. pursuant to a share exchange agreement dated January 3, 2024. Upon Closing, 1442160 B.C. Ltd. became a wholly-owned subsidiary of the Company. 1442160 B.C. Ltd. holds 100% of Norrabees Lithium (SA) Limited and Norrabees holds 40% of Dune Resources Proprietary Limited which holds mining permits.

1442160 B.C. Ltd. is a private British Columbia corporation whose wholly-owned subsidiary, Norrabees Lithium (SA) Limited (“Norrabees”), a company incorporated under the company laws of the Republic of Mauritius, is party to a Sale of Shares Agreement (the “Sale of Shares Agreement”) dated December 13, 2023 among Norrabees, Dune Resources Proprietary Limited (“Dune”), and SPH Kundalila Proprietary Limited (“SPH”), pursuant to which Norrabees has the right to acquire all of the issued and outstanding share of Dune from SPH (the “Dune Transaction”). In accordance with the Sale of Shares Agreement, the Dune Transaction is to be completed in three parts: part A to be comprised of the sale of 3,124 shares (each, a “Dune Share”) in the capital of Dune, constituting approximately 40% of the total issued and outstanding Dune Shares; part B to be comprised of the sale of 3,124 Dune Shares, constituting approximately 40% of the total issued and outstanding Dune Shares; and part C to be comprised of the sale of 1,562 Dune Shares, constituting approximately 20% of the total issued and outstanding Dune Shares. Dune holds 65% of the issued and outstanding shares of Namli Exploration & Mining Proprietary Limited (“Namli”), a private limited liability company under the laws of the Republic of South Africa (the “RSA”), which company holds a mining permit (the “Mining Permit”) bearing State Department of Mineral Resources and Energy (“DMRE”) reference number NC30/5/3/10950MP, for the minerals lithium ore, nickel, manganese, lead, copper, iron, cobalt, gold, zinc, silver, tungsten, uranium, beryllium, rare earths and tantalum and a prospecting right (the “Prospecting Right”), bearing DMRE reference number: NC30/5/1/1/2/11823PR, for the minerals beryllium ore, copper ore, lead, lithium ore, nickel ore, rare earths, silver ore, tantalum/niobium ore, tungsten ore, uranium ore and zinc ore, both in respect of that portion of the remainder of Farm Steinkopf No. 22, situated in the Magisterial District of Namaqualand, RSA (the “Norrabees Lithium Project”). In connection with the Dune Transaction, Dune will increase its ownership of Namli from 65% to 100% such that it will become a wholly-owned subsidiary of Dune. As at April 30, 2024, Namli is a wholly-owned subsidiary of Dune.



### Strathmore Property

On June 23, 2023, the Company entered into the LOI with Continental Lithium, a private arm's length British Columbia company, whereby the Company agreed to take an assignment (the "Assignment") of all of the benefits and obligations of Continental Lithium contained in an amended Memorandum of Understanding (the "MOU") dated June 23, 2023, among Continental Lithium, Alfeus Tomas and Paulus Nghifikepunye (the "Transaction"). On September 7, 2023, the Company completed the Assignment and issued 12,000,000 shares in the capital of the Company, at a deemed price of \$0.23 per share, and 12,000,000 common share purchase warrants in the capital of the Company, in consideration of the Assignment. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.20 for a period of two years from the date of the closing of the Transaction. The Company paid a finders' fee equal to 1,250,000 shares, at a deemed price of \$0.23 per share, and 1,250,000 finder's warrants in the capital of the Company. Each finder's warrant entitles the holder to acquire one share at an exercise price of \$0.20

for a period of two years from the date of the closing of the Transaction. The total value of shares and warrants issued were \$5,191,337 as at April 30, 2024.

The MOU contemplates a joint venture to be formed and referred to the Strathmore mining claims, which are located in the Cape Cross - Uis area Pegmatite Belt (CUPB). The CUPB stretches 115km from Cape Cross in the West to Uis in the East and can be as wide as 24km. On December 19, 2023, pursuant to the MOU, the Company entered into a joint venture and shareholder agreement (the “JV Agreement”) with Alfeus Tomas and Paulus Nghifikepunye, whereby the parties have agreed to establish a joint venture in respect of certain mining claims, on the terms and conditions set out in the JV Agreement.

The Strathmore area has been well defined over the years with historic exploration activities consisting of; trenching 4km in length 32 trenches, geotechnical survey with sample analysis, drilling campaign 9000m RC/ 5260 DD completed. The company is working towards producing its maiden 43-101 report for Strathmore.

The Strathmore project benefits from well established infrastructure links from pit to port exporting through Walvis Bay to global markets.

### **Selected Annual Financial Information**

The following is selected data derived from the audited consolidated financial statements of the Company at April 30, 2024, 2023 and 2022.

<b>Years Ended April 30,</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Comprehensive loss for the year	1,321,320	125,964	63,077
Net loss per share-basic and diluted	(0.03)	(0.01)	(0.01)
Total assets	29,535,239	625,137	288,173

During the year ended April 30, 2024, the Company held total assets of \$29,535,239 (April 30, 2023 – \$625,137), current liabilities of \$2,670,866 (April 30, 2023 – \$56,024), and incurred a net and comprehensive loss of \$1,321,320 (April 30, 2023 – \$125,964). The overall increase comprehensive loss is due to the Company incurred more exploration activities and operation expenses in current year.

During the year ended April 30, 2023, the Company held total assets of \$625,137 (April 30, 2022– \$288,173), current liabilities of \$56,024 (April 30, 2022– \$12,500), and incurred a net and comprehensive loss of \$125,964 (April 30, 2022– \$63,077). The overall increase comprehensive loss is related to the Company achieved a public listing in year 2023.

### **Overall Performance**

The following discussion of the Company’s financial performance is based on the interim condensed consolidated financial statements for the period ended July 31, 2024.

The interim condensed consolidated statements of financial position as of July 31, 2024 indicates a cash balance of \$505,101 (April 30, 2024- \$734,926), receivables of \$51,606 (April 30, 2024- \$33,073), note receivable of \$500,000 (April 30, 2024- \$500,000) and total current assets of \$1,058,706 (April 30, 2024- \$1,267,999). The decrease in total current assets was due mainly to the decrease of cash.

Current liabilities at July 31, 2024 is comprised of account payable and accrued liabilities of \$296,522 (April 30, 2024 - \$790,866), short-term loan of \$1,380,000 (April 30, 2024- \$1,880,000). Shareholders’ equity is comprised of share capital of \$23,922,028 (April 30, 2023 - \$22,359,968), subscription receipts of \$nil (April 30, 2024 - \$7,503), reserves of \$9,025,307 (April 30, 2024- \$6,007,263) and deficit of \$4,822,588 (April 30, 2024 - \$1,510,361).

Working capital deficit is \$1,118,830 (April 30, 2024 - 1,402,867).

During the period ended July 31, 2024, the Company reported a comprehensive loss of \$3,312,227 (July 31, 2023 - \$168,855). The overall increase comprehensive loss is related to the Company incurred more consulting fees, legal expenses, office and administration, share-based compensation and travelling expenses in the current period.

## Results of Operations

### Year to date and current quarter

The Company recorded a net loss of \$3,307,407 for the period ended July 31, 2024 (July 31, 2023 - \$168,855). The net loss for the period ended July 31, 2024 was \$3,143,372 higher than the last year same period. The primary factors contributing to these increased losses include higher audit fees, consulting fees, interest expenses, legal expenses, office and administration expense, travelling expenses and stock-based compensation. However, decreased exploration and evaluation expenses and filling fees partially offset these increased losses.

As the Company does not yet generate revenue from its operations, changes in the financial performance of the Company are driven solely by changes in the Company's expenses. Significant items affecting expenses are as follows:

- During the period ended July 31, 2024, the Company had \$21,500 (July 31, 2023 - \$9,263) in audit related expenses etc. The increase in these expenses was due to the Company incurred more operation activities during the period ended July 31, 2024.
- During the period ended July 31, 2024, the Company had \$109,429 (July 31, 2023 - \$50,000) in consulting expenses related to an increase in business activity and management time related to exploration and general business development.
- During the period ended July 31, 2024, the Company had \$5,095 (July 31, 2023 - \$nil) in interest expenses related to its convertible debentures. During the period, the Company has more debt financing activities than the same period in 2023, as result, the more interest expenses incurred in the current period.
- During the period ended July 31, 2024, the Company had \$6,862 (July 31, 2023 - \$68,868) in exploration and evaluation expenses related to its exploration program. The decrease was due to the Company terminated the option agreement for Yak Property as at April 30, 2024. As result, the less exploration activities incurred in the current period.
- During the period ended July 31, 2024, the Company had \$48,683 (July 31, 2023 - \$21,722) in legal expenses. A significant portion of the legal fees incurred are related to the acquisition transaction.
- During the period ended July 31, 2024, the Company had \$32,997 (July 31, 2023 - \$7,535) in office and administration related expenses etc. The increase in these expenses was due to the Company incurred more operation activities during the period ended July 31, 2024.
- During the period ended July 31, 2024, the Company had \$109,530 (July 31, 2023 - \$nil) in travelling expenses. The increase in these expenses was due to the Company incurred more business travel trips during the period ended July 31, 2024.
- Stock based compensation. Stock based compensation increased to \$2,963,962 from \$nil for the period ended July 31, 2024, compared to the same period in 2023, which was due to the Company granted the stock options to the directors, officers and consultants during the current period.

During the period ended July 31, 2024, the Company recorded Fair value loss on long term investment of \$868 (July 31, 2023 - \$Nil).

### Summary of Quarterly Financial Results

The following is a summary of selected financial information compiled from the available quarterly interim unaudited financial statements:

	31-Jul-24	30-Apr-24	31-Jan-24	31-Oct-23	31-Jul-23	30-Apr-23	31-Jan-23	31-Oct-22
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	-	-	-	-	-	-	-	-
Net loss	3,312,227	476,803	231,211	261,162	168,855	36,220	58,228	28,016
Loss per share, basic and diluted	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01

### Liquidity

As at July 31, 2024, the Company had cash on hand of \$505,101 (April 30, 2024 - \$734,926) to meet its current liabilities of \$2,177,536 (April 30, 2024 - \$2,670,866). The Company's obligations are comprised of accounts payable and accrued liabilities, short-term loans and convertible debentures.

During the period ended July 31, 2024, the Company's operating activities used \$857,177 of cash (July 31, 2023 - \$248,826). The increase in cash used in operating activities is mainly due to a growth in expenses related increased audit fees, consulting and legal fees, office and administration expenses and travelling expenses related to business development during the quarter.

During the period ended July 31, 2024, the Company received cash proceeds of \$1,604,557 (July 31, 2023 - \$nil) comprised of a private placement of \$1,497,501 (July 31, 2023 - \$nil), proceeds from convertible debenture of \$550,000 (July 31, 2023 - \$nil), and received cash from exercise warrant of \$57,056 (July 31, 2023 - \$nil). During the period, The Company also repayment short-term loans of \$500,000 (July 31, 2023 - \$nil).

During the period ended July 31, 2024, the Company invested \$977,205 (July 31, 2023 - \$nil) in associate.

As at July 31, 2024, the Company had working capital deficit of \$1,118,830 (April 30, 2024 - \$1,402,867). The Company has no revenue from operations and its long-term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The exploration and evaluation expenditures are expensed off as incurred.

### Capital Resources

The Company has financed its operations to date through the issuance of common shares and debt. The Company expects to seek future capital through various means, including the issuance of equity and/or debt.

On May 17, 2024, the Company closed a private placement and issued 2,410,006 common shares in the capital of the Company at a price of \$0.30 per common share for gross proceeds of \$723,001. In connection with the closing of the private placement, the Company also paid a cash finder's fees totaling \$2,355 to an eligible finder.

On June 27, 2024, the Company closed a private placement and issued 2,622,167 common shares in the capital of the Company at a price of \$0.30 per common share for gross proceeds of \$786,650. In connection with the private placement, the Company also paid a cash finder's fees totaling \$2,292 to an eligible finder.

The net proceeds from the above financings continue to be used for working capital purposes and to fund exploration activities.

The Company expects its current capital resources to be sufficient to carry out its planned exploration expenditures and cover operating costs through the next twelve months. Actual funding requirements may vary from those planned due to a number of factors, including expanded exploration activity and property acquisition opportunities. The Company believes it will be able to raise additional equity capital as required, but recognizes the uncertainty attached thereto.

The Company's condensed consolidated 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 Company's continuing operations rely on the ability of the Company to continue to raise capital as and when needed.

### Outstanding Share Data

The outstanding securities have been summarized in the following table:

	As at the Date of this MD&A	As at July 31, 2024
Common shares issued and outstanding	96,297,522	96,297,522
Common share purchase warrants	46,388,575	46,388,575
Stock options	7,850,000	7,850,000

### Related Party Transactions

The Company's related parties include key management personnel and companies controlled and/or owned by officers and directors of the Company. Key management consists of the officers and directors who are responsible for planning, directing and controlling the activities of the Company. Remuneration of key management personnel is the following:

	July 31, 2024	July 31, 2023
	\$	\$
Consulting Fees - Directors & Officers	109,429	30,000
Accounting and Management Services	-	7,536
Share-based Compensation	1,094,967	
	1,204,396	37,536

As at July 31, 2024, \$27,938 (July 31, 2024 - \$41,785) is owed to Fehr & Associates, it's a company related to former CEO of the Company, and is included in accounts payable and accrued liabilities. The amount owing is unsecured, non-interest bearing and have no specific terms of repayments.

These transactions are in the normal course of operations and have been valued in these interim condensed consolidated financial statements at their estimated fair value amounts.



### Use of Proceeds from Past Financing Activity

On December 14, 2022, the Company filed the Prospectus which described a proposed use of proceeds for funds on hand at that time. The following table sets out a comparison of management's current estimate of how the Company used the net proceeds following the acceptance of the Prospectus by the BC Securities Commission.

<b>Funds Available</b>	<b>Reported on Prospectus</b>	<b>Actual expenditures to April 30, 2023</b>	<b>Actual expenditures to April 30, 2024</b>
Estimated working capital as of November 30, 2022	\$ 299,989	\$ 299,989	\$ 299,989
Estimated expense for listing on the CSE	(50,000)	(19,229)	(19,229)
<b>Total funds available</b>	<b>249,989</b>	<b>280,760</b>	<b>280,760</b>
<b>Principal Purposes</b>			
Exploration program expenditures on the Yak property	\$ 124,850	\$ 3,700	\$ 87,262
Option Agreement payment – due January 9, 2024	35,000	-	35,000
Exploration travel and permits	20,000	-	-
Audit fees	11,000	8,400	109,845
Accounting and management fees	25,000	18,000	30,000
General and administrative costs	29,805	5,771	18,653
<b>Unallocated funds</b>	<b>4,334</b>	<b>-</b>	<b>-</b>
<b>Use of available funds</b>	<b>249,989</b>	<b>35,871</b>	<b>280,760</b>

On March 3, 2023 and March 13, 2023, the Company closed two non-brokered private placements issuing 7,145,903 units at a price of \$0.0525 per unit for gross proceeds of \$375,160. Each Unit consists of one common share of the Company and one transferable common share purchase warrant. Each warrant will entitle the holder to acquire one common share of the Company at an exercise price of \$0.10 for a period of 24 months. As of April 30, 2024, \$200,160 of these funds were used as general working capital, including re-payment of the outstanding loan and related interest, and business development activity. In addition, \$175,000 of these funds were used for geological consulting expenses for mining claims located in South Africa.

On January 25, 2024, the Company completed the first tranche of its private placement offering, which included an aggregate of 7,000,000 subscription receipts (Each a "Subscription Receipt") at a price of \$0.30 per Subscription Receipt for gross proceeds of \$2,100,000. Each Subscription Receipt was converted into one common share of the Company, at no additional cost, upon completion of the acquisition of 1442160 B.C. Ltd. on January 29, 2024. The Company paid cash of \$6,836 to the escrow agent in connection with the private placement. On January 29, 2024, the Company completed a private placement offering and issued 7,000,000 common shares at a price of \$0.30 per common share for gross proceeds of \$2,100,000. As of April 30, 2024, the funds were raised for the acquisition of 1442160 B.C. Ltd. which completed January 29, 2024, and to repay short-term loans.

On March 15, 2024, the Company closed a private placement offering and issued 4,493,334 common shares at a price of \$0.30 per common share for gross proceeds of \$1,348,000. In connection with the closing, the Company also issued 196,700 share purchase warrants to finders fair valued at \$48,166 and paid a cash finder's fees totaling \$59,010 to certain finders. Each Finders' Warrant will entitle the holder to purchase one common share at a price of \$0.30 and has an expiry of two years after the Closing. As of April 30, 2024, the funds were raised for advancing its projects and general working capital and to repay short-term loan.

On April 19, 2024, the Company closed a private placement offering and issued 1,781,334 common shares at a price of \$0.30 per common share for gross proceeds of \$534,400. In connection with the closing, the Company also issued 8,750 share purchase warrants to finders fair valued at \$1,950 and paid a cash finder's fees totaling \$2,625 to certain finders. Each Finders' Warrant will entitle the holder to purchase one common share at a price of \$0.30 and has an expiry of two years after the Closing. As of April 30, 2024, the funds were raised for advancing its projects and general working capital.

On April 30, 2024, the Company closed a private placement offering and issued 1,870,000 common shares at a price of \$0.30 per common share for gross proceeds of \$561,000. As of July 31, 2024, the funds were used for advancing its projects and general working capital.

On May 17, 2024, the Company closed a private placement and issued 2,410,006 common shares in the capital of the Company at a price of \$0.30 per common share for gross proceeds of \$723,001. In connection with the closing of the private placement, the Company also paid a cash finder's fees totaling \$2,355 to an eligible finder. As of July 31, 2024, the funds were used for advancing its projects and general working capital.

On June 27, 2024, the Company closed a private placement and issued 2,622,167 common shares in the capital of the Company at a price of \$0.30 per common share for gross proceeds of \$786,650. In connection with the private placement, the Company also paid a cash finder's fees totaling \$2,292 to an eligible finder. As of July 31, 2024, the funds were used for advancing its projects and general working capital.

### **Off-Balance Sheet Arrangements**

The Company has not had any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

### Critical Accounting Estimates and Changes in Accounting Policies

All material critical accounting estimates and accounting policies are fully disclosed in Note 3 of the consolidated financial statements for the year ended April 30, 2024.

### Financial Instruments and financial risk

The Company's activities expose it to a variety of financial risks. The Company's overall business strategies, tolerance of risk and general risk management philosophy are determined by the directors in accordance with prevailing economic and operating conditions.

The Company has the following financial instruments as of July 31, 2024 and April 30, 2024:

	Categories	July 31, 2024	April 30, 2024
<b>Financial assets</b>		\$	\$
Cash	Amortized cost	505,101	734,926
Receivables	Amortized cost	12,937	-
Note receivable	Amortized cost	500,000	500,000
<b>Financial liabilities</b>			
Accounts payable and accrued liabilities	Amortized cost	296,522	790,866
Short-term loans	Amortized cost	1,380,000.00	1,880,000.00
Convertible debentures	Amortized cost	501,014.00	-

IFRS 13 Fair Value Measurement establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The carrying value of cash, receivables, note receivable, accounts payable and accrued liabilities, short-term loans and convertible debentures has an approximate fair value due to the short-term nature of the financial instruments.

### Financial risk management objectives and policies

The Company is exposed to varying degrees to a variety of financial instrument-related risks:

Financial instruments that potentially subject the Company to a significant concentration of credit risk consists primarily of cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company has minimal credit risk.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The

Company intends to settle these with funds from its positive working capital position. As at July 31, 2024, the Company had a working capital deficit of \$ 1,118,832 (April 30, 2024: \$1,402,867).

The following table summarizes the significant remaining contracted payments of the Company's financial liabilities and capital expenditures as at July 31, 2024:

	Total	Due by period				
		< 1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 5 years
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	296,522	296,522	-	-	-	-
Short-term loans	1,380,000	1,380,000	-	-	-	-
Convertible debentures	550,000	550,000	-	-	-	-
	2,226,522	2,226,522	-	-	-	-

#### *Interest rate risk*

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. As at July 31, 2024, the Company is not exposed to significant interest rate risk.

#### *Foreign currency risk*

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency, and that of all its subsidiaries, is the Canadian dollar. Some of the operational and other expenses incurred outside of Canada are paid in US dollars, South African Rand or Mauritius Rupee. All assets and liabilities of the Company are recorded in Canadian dollars and as a result, fluctuations in the US dollar, South African Rand or Mauritius Rupee vis-à-vis the Canadian dollar result in foreign exchange gains/losses. The Company currently has no plans for hedging its foreign currency transactions.

The Company has net financial liability of approximately \$2,756 (2024 - nil) that are denominated in Mauritius Rupee. A 10% change in the Mauritius Rupee to the Canadian dollar exchange rate would impact the Company's profit or loss by \$275 (2024 - \$Nil).

#### *Commodity and equity price risk*

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to base and precious metals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken by the Company.

#### **Subsequent event**

Effective on September 12, 2024, the Company changed its name to Cape Lithium Corp. from Moonbound Mining Ltd. Concurrently with the name change, the Company also changed its stock symbol to "CLI".

On September 24, 2024, the Company entered into a promissory note with an arm's length party pursuant to which the lender agreed to advance the Company a loan in the principal amount of \$70,000. The loan will mature on October 15, 2024, with an interest rate of 8% per annum from and including the advance date to the date that the loan is paid in full.

## **Proposed Transactions**

On July 25, 2024, the Company signed the securities exchange agreement (the "Securities Exchange Agreement") with Continental Lithium Africa Development Corporation ("Continental"), a private arm's length British Columbia company, pursuant to which the Company will acquire all of the issued and outstanding securities of Continental (collectively, the "Continental Securities") from the Continental securityholders (the "Transaction"). Pursuant to the terms of the Securities Exchange Agreement, the Company will acquire all of the issued and outstanding Continental Securities in exchange for the issuance of 40,300,000 common shares (each, a "Share") in the capital of the Company, at a deemed price of \$0.37 per Share, and 20,000,000 warrants (each, a "Warrant"), with each Warrant entitling the holder thereof to acquire one additional Share for a period of three years at an exercise price of \$0.50 per Share. The Shares to be issued to the Continental securityholders as consideration in the Transaction are subject to a voluntary restriction on resale for a period of four months and one day. Upon Closing, Continental will become a wholly-owned subsidiary of the Company and the Company's business focus will be directed to its consolidated strategic lithium position, which will consist of 52,000 ha in the Cape Cross - Uis area pegmatite belt ("CUPB"). The CUPB stretches 115km from Cape Cross in the West to Uis which can be as wide as 24km. The Company will a finder's fee of 2,000,000 Shares on the Closing of the Transaction to an arm's-length third-party who assisted in introducing and facilitating the Transaction.

## **Risks and Uncertainties**

The Company is in the business of exploring and developing mineral properties, which is a highly speculative endeavour and subject to significant risks. Risk factors include, but are not limited to, the following:

### *Limited Operating History*

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned by the Company. There is no guarantee that economic quantities of mineral reserves will be discovered on the Property by the Company in the near future or at all. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

### *Uncertain Liquidity and Capital Resources*

The Company may need to raise additional capital by way of an offering of equity securities, an offering of debt securities, or by obtaining financing through a bank or other entity. In particular, the Company may not have sufficient funds to complete the recommended exploration program on the Property. The Company has not established a limit as to the amount of debt it may incur nor has it adopted a ratio of its equity to debt allowance. If the Company needs to obtain additional financing, there is no assurance that financing will be available from any source, that it will be available on terms acceptable to the Company, or that any future offering of securities will be successful. If additional funds are raised through the issuance of equity securities, there may be a significant dilution in the value of the Company's common shares. The Company could suffer adverse consequences if it is unable to obtain additional capital which would cast substantial doubt on its ability to continue its operations and growth.

### *Dilution*

Common shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, or to convert into or to exchange into common shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company will issue additional common shares from time to time pursuant to the options to purchase common shares issued from time to time by the Board. The issuance of these common shares will result in dilution to holders of common shares.

### *Speculative Nature of Mineral Exploration*

Resource exploration is a speculative business, characterized by several significant risks, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by several factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

### *Acquisition of Additional Mineral Properties*

If the Company abandons the exploration and development of the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the securities exchange. There is also no guarantee that the securities exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

### *Mineral Deposits*

The Property is in the exploration stage only and is without known mineral resources or reserves that could constitute deposits. Development of this Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

### *Uninsurable Risks*

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions, including rock bursts, cave-ins, fires, flooding and earthquakes, may occur. It is not always possible to fully insure against such risks. The Company may decide not to take out insurance against such risks, as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

### *Environmental and Safety Regulations and Risks*

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure

compliance with environmental, health and safety laws and regulations, and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

#### *Key Person Insurance*

The Company does not maintain key person insurance on any of its directors or officers, and as result the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

#### *Mineral Titles*

The Company is satisfied that evidence of title to the Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Property. The Company may face challenges to the title of the Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

#### *Loss of Interest in Properties*

The Company's ability to maintain an interest in the properties owned by the Company will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep the Property in good standing and could result in the delay or postponement of further exploration and/or the partial or total loss of the Company's interest in the properties transferred to or optioned by the Company.

Failure to obtain additional financing may result in the Company being unable to complete the required work required to keep the Property interests in good standing and could result in the delay or postponement of further exploration and/or the partial or total loss of the Company's interest in the Property.

#### *Option Agreement Obligations*

The Option Agreement provides that the Company must fulfil certain option obligations over specified time periods in order to earn an interest in the properties that are the subject of the agreement. If the Company fails to fulfil these obligations in a timely fashion, the Company could lose its interest in the Property.

#### *First Nations Title*

The Property or other properties owned or optioned by the Company may in the future be the subject of First Nations' land claims. The legal nature of First Nations' land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the properties optioned or owned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations' rights in the area in which the properties optioned or purchased by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with First Nations in order to facilitate exploration and development work on the properties optioned or owned by the Company. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v British Columbia* marked the first time in Canadian history that a court has declared First Nations' title to lands outside of a reserve. The Company is not aware of any First Nations' land claims having been asserted or any legal actions relating to First Nation issues having been instituted with respect to any of the land that is covered by the Property.

### *Fluctuating Mineral Prices*

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of minerals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of the commodities discovered, if any. Commodity prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

### *Competition*

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests, as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

### *Management*

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

### *Financing Risks*

The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct further exploration that may be necessary to determine whether a commercially mineable deposit exists on the properties owned by the Company. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the Property, there is no assurance that any such funds will be available. At present, it is impossible to determine what amounts of additional funds, if any, may be required.

### *Going Concern and Requirement to Generate Cash Flow for Financial Obligations*

While the information in this MD&A has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time. The Company's ability to generate sufficient cash flow from operations to make scheduled payments to its contractors, service providers and merchants will depend on future financial performance, which will be affected by a range of economic, competitive, regulatory, legislative and business factors, many of which are outside of its control. If the Company does not generate sufficient cash flow from operations to satisfy its contractual obligations, it may have to undertake alternative financing plans. The Company's inability to generate sufficient cash flow from operations or undertake alternative financing plans would have an adverse effect on its business, financial condition and results or operations, as well as its ability to satisfy its contractual obligations. Any failure to meet its financial obligations could result in termination of key contracts, which could harm the Company's ability to provide its products and services.



### *Negative Cash Flows from Operations*

For the period ended July 31, 2024, the Company sustained net losses of \$3,312,227. The Company continues to have negative operating cash flow. It is highly likely the Company may have negative cash flow in any future period, and as a result, the Company will need to use available cash, including proceeds to fund any such negative cash flow.

### *Resale of Common Shares*

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the common shares purchased would be diminished.

### *Price Volatility of Publicly Traded Securities*

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the common shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. If an active public market for the common shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial purchase price.

### *Conflict in Ukraine*

The Company's business financial condition and results of operations may be negatively affected by economic and other consequences from the conflict in Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts of the conflict in Ukraine to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for the Company to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

### *Government Laws, Regulation & Permitting*

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Company believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company. The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

### *Risks associated with foreign operations*

The Company currently has active projects in Africa. Accordingly, the Company is subject to all of the risks normally associated with the exploration, development and production of mineral properties in these jurisdictions. The Company's operations could be adversely impacted by political instability, foreign policies, differing business environments and changes in government regulations relating to foreign investment, corporate organization and governance, commerce, taxation, trade and the mining industry. The economies in foreign jurisdictions may differ in many respects, including the level of government intervention, level of development, maturity of the legal system and control of foreign exchange. Any changes in foreign regulations or shifts in political conditions are beyond the Company's control and there is no assurance that current and future mineral operations will not be adversely impacted by foreign political, social or economic changes.

### *Other Risks*

The level of demand for the Company's exploration is increasingly affected by regional and global demographic and macroeconomic conditions, including population growth rates and changes in standards of living. A significant downturn in global economic growth or recessionary conditions in major geographic regions may lead to reduced demand for commodities, which could adversely affect the Company's business and results of operations.

Additionally, weak global economic conditions and turmoil in global financial markets, including constraints on the availability of credit, have in the past adversely affected, and may in the future continue to adversely affect, the financial condition and creditworthiness of some of the Company's customers, suppliers and other counterparties, which in turn may negatively impact the Company's business. Any deterioration in economic conditions due to the current coronavirus concerns could negatively impact the Company's exploration.

### **Forward-looking Statements**

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates of the business and management. Certain statements included in this MD&A constitute forward-looking statements, including those identified by the expressions "anticipate", "believe", "plan", "suggest", "estimate", "anticipate", "project", "indicate", "expect", "intend", "may", "should expect", "target", "will", "unlock upside potential" and other similar words or statements that certain events or conditions "may" or "will" occur. The forward-looking statements are not historical facts, but reflect current expectations regarding future results or events. This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions, and involve known and unknown risks, uncertainties and other factors. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect, including with respect to the Company's business plans respecting the exploration and development of the mineral properties, the proposed work program on the Company's mineral properties and the potential and economic viability of the any of the Company's mineral properties.

Information concerning the interpretation of drill results also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present if a project is actually developed. The estimates, risks and uncertainties described in this MD&A are not necessarily all the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; fluctuations in metal prices; there may be other factors that

cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether because of new information, future events or results, or otherwise. Forward-looking statements are not a guarantee of future performance, and accordingly, undue reliance should not be put on such statements due to the inherent uncertainty therein.

#### **Conflicts of Interest**

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the BCBCA in dealing with conflicts of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interest of the Company.

#### **Additional Information**

For further detail, see the Company's condensed interim financial statements as at July 31, 2024 and audited financial statements as at April 30, 2024 and 2023 and for the year then ended. Additional information about the Company can also be found on SEDARPLUS at [www.sedarplus.ca](http://www.sedarplus.ca)