

EAST WEST PETROLEUM CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED MARCH 31, 2024

This discussion and analysis of financial position and results of operation is prepared as at July 29, 2024 and should be read in conjunction with the audited consolidated financial statements for the years ended March 31, 2024 and 2023 of East West Petroleum Corp. ("East West" or the "Company"). The following disclosure and associated consolidated financial statements are presented in accordance with IFRS Accounting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities, can be found on SEDAR at www.sedarplus.ca.

Forward-Looking Statements

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: the ability to raise sufficient capital to fund exploration and development; the quantity of and future net revenues from the Company's reserves; oil and natural gas production levels; commodity prices, foreign currency exchange rates and interest rates; capital expenditure programs and other expenditures; supply and demand for oil and natural gas; schedules and timing of certain projects and the Company's strategy for growth; competitive conditions; the Company's future operating and financial results; and treatment under governmental and other regulatory regimes and tax, environmental and other laws.

Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be subclassified based on project maturity. Best estimate resources are considered to be the best estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term is a measure of central tendency of the uncertainty distribution (most likely/mode, P50/median, or arithmetic average/mean). As estimates, there is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources that the estimated reserves or resources will be recovered or produced.

This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedarplus.ca and readers are urged to review these materials, including the reserve reports filed with respect to the Company's petroleum and natural gas properties.

Company Overview

The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange ("TSXV") under the symbol "EW" as a Tier 2 issuer. The Company is currently listed as a junior oil and gas company engaged in the exploration for and production from petroleum and natural gas properties though it no longer is engaged in oil and gas activities. In fiscal 2024 the Company entered into an agreement to dispose of its 30% interest in its producing New Zealand property, PMP 60291. The sale was subsequently completed in May 2024. See "Projects Update - New Zealand". The proposed sale of PMP 60291 meets the criteria of a discontinued operations under IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations* and the operations of PMP 60291 have been

classified as “held-for-sale” in the Consolidated Statements of Financial Position and as discontinued operations in the Consolidated Statements of Comprehensive Income and Cash Flows.

As of the date of this MD&A the Company is an owner of record of a 15% carried interest in two exploration blocks located in Romania. There is no carrying value recognized by the Company for these blocks and funding of all ongoing costs are made by the operator. See also “Projects Update - Romania”.

The Company’s principal office is located at #1305 - 1090 West Georgia Street, Vancouver, BC, V6E 3V7.

Directors and Officers

As of the date of this MD&A the Company’s Board of Directors and Officers are as follows:

Nick DeMare - Interim Chief Executive Officer (“CEO”), Corporate Secretary and Director
Harvey Lim - Interim Chief Financial Officer (“CFO”)
Mark Brown - Director
Kevin Haney - Director

Proposed Capital Reduction and Distribution

The Board of Directors has determined that its in the best interest of the Company to return capital to its shareholders by way of a reduction in stated capital of the Company.

The Company has provided notice of a special meeting of its shareholders, to be held on August 16, 2024 (the “Meeting”), where shareholders will be asked to consider and, if advisable, approve, among other things, a reduction in the stated capital of the Company (the “Capital Reduction”) by up to \$3,000,000, pursuant to the *Business Corporations Act* (British Columbia), for the purposes of distributing to the holders of common shares of the Company a portion of the Company’s cash in the amount of \$0.03 per common share (the “Distribution”). The Capital Reduction and the Distribution are subject to, among other things, the receipt of shareholder and regulatory approvals. There can be no assurances that the Capital Reduction and the Distribution will receive the required approvals, or that the Company will proceed with the Capital Reduction or the Distribution.

Projects Update

New Zealand

The Company held a 30% working interest in the Petroleum Mining Permit (“PMP”) 60291 (“Cheal East”) located in the Taranaki Basin of New Zealand. Cheal Petroleum Limited (“Cheal”) held the remaining 70% interest and is the operator of Cheal East (the “Operator”).

On October 31, 2023 the Company entered into an interim agreement (the “Interim Agreement”) with Cheal, the owner of a 70% interest in PMP 60291 and operator, whereby Cheal would purchase the Company’s 30% interest in PMP 60291. The key terms of the Interim Agreement are as follows:

- (i) purchase price of US \$1,000,000, adjusted for operations after July 31, 2023 to closing of the sale;
- (ii) Cheal assumes all reclamation obligations;
- (iii) contingent consideration of US \$350,000 should an additional well be drilled and completed; and
- (iv) refundable deposit of \$334,563 (US \$250,000) (the “Deposit”) on signing of a definitive agreement.

The terms described under the Interim Agreement were subject to the negotiation and execution of a definitive agreement. Closing of the sale (the “Closing”) is subject to receipt of all necessary New Zealand Government approvals (“Ministerial Consent”), regulatory and TSXV approval as well as approval of the Company’s shareholders.

An annual and special meeting of the shareholders of the Company was held on December 15, 2023 and shareholder approval was obtained. On January 10, 2024 the Company and Cheal entered into a definitive agreement (the “Asset Sale and Purchase Agreement”) which formalized the terms under the Interim Agreement and the Company received the Deposit.

On May 29, 2024 the Company received Ministerial Consent and closing occurred thereafter with the Company receiving net proceeds of US \$290,510.

Romania

Since 2011 the Company has held an ownership interest in exploration blocks in Romania in joint venture with Naftna Industrija Srbije j.s.c. Novi Sad (“NIS”). The concessions were granted by the National Agency for Mineral Resources (“NAMR”), the government agency in Romania which regulates the oil and gas industry. The Company’s interest is a 15% carried interest.

NIS is responsible to fund all exploration and development costs related to the exploration blocks. Initially there were four blocks, EX-2, EX-3, EX-7 and EX-8, but EX-2 expired in December 2022 and EX-3 in December 2023.

NIS has focused its exploration and development efforts on EX-7 and EX-8 and, in February 2021, at a joint operating meeting NIS voted that there was a commercial discovery whereas the Company voted against. The Company remains a 15% owner of record of EX-7 and EX-8 and, since February 2021, the Company and NIS have been working to achieve a monetization event. The Company has received no revenues from hydrocarbon production or participated in any exploration or development activities as the assumption, held by both NIS and the Company, is that the Company is effectively no longer acting as a working interest holder in the concessions. Both parties have agreed that either a sale or conversion to a gross overriding royalty will take place and have acted accordingly.

As of the date of the MD&A the Company is moving forward with NIS to achieve a monetization event. There is no guarantee this goal can be achieved and the Company is unable to provide exact timelines when this goal will be realized.

Selected Financial Data

Discontinued Operations

Effective October 31, 2023 the Company entered into an interim agreement with Cheal Petroleum Limited (“Cheal”), whereby Cheal would acquire the Company’s 30% interest in PMP 60291. The segment of PMP 60291 meets the criteria of a discontinued operation under IFRS 5 - *Non-current Assets Held-for-Sale and Discontinued Operations*. This operating segment was not previously classified as held-for-sale or as discontinued operations. The comparative Consolidated Statements of Comprehensive Income and Cash Flows have been restated to show the discontinued operations separately from continuing operations.

The following selected financial information is derived from the audited annual consolidated financial statements prepared in accordance with IFRS.

	Year Ended March 31,		
	2024 \$	2023 \$	2022 \$
Operations:			
Expenses	(342,628)	(250,697)	(413,313)
Other items	160,553	502,910	(36,039)
(Loss) income from continuing operations	(182,075)	252,213	(449,352)
Income (loss) from discontinued operations	249,953	621,920	(1,591,238)
Other comprehensive income (loss)	-	(490,244)	304,802
Comprehensive income (loss)	67,878	383,889	(1,735,738)
Basic and diluted income (loss) per share from continuing operations	(0.00)	0.00	(0.02)
Basic and diluted income (loss) per share from discontinued operations	0.00	0.01	-
Balance Sheet:			
Working capital	5,306,886	5,146,245	5,138,429
Total assets	7,388,649	5,968,568	5,729,891
Decommissioning liabilities	-	(952,301)	(1,185,985)

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company prepared in accordance with IFRS.

	Fiscal 2024				Fiscal 2023			
	Mar. 31 2024 \$	Dec. 31 2023 \$	Sep. 30 2023 \$	Jun. 30 2023 \$	Mar. 31 2023 \$	Dec. 31 2022 \$	Sep. 30 2022 \$	Jun. 30 2022 \$
Operations:								
Expenses	(74,894)	(67,443)	(96,780)	(103,511)	(52,681)	(43,744)	(109,606)	(44,666)
Other items	210,581	(92,673)	102,413	(59,768)	357,792	(179,680)	164,508	160,290
Income (loss) from continuing operations	135,687	(160,116)	5,633	(163,279)	305,111	(223,424)	54,902	115,624
(Loss) income from discontinued operations	(298,044)	115,208	193,741	239,048	220,347	58,599	140,974	202,000
Other comprehensive (loss) income	-	-	-	-	(322,804)	28,240	(128,067)	(67,613)
Comprehensive (loss) income	(162,357)	(44,908)	199,374	75,769	202,654	(136,585)	67,809	250,011
Basic and diluted (loss) income per share from continuing operations	0.00	(0.00)	0.00	(0.00)	0.01	(0.00)	0.00	0.00
Basic and diluted (loss) income per share from discontinued operations	(0.00)	0.00	0.00	0.00	0.01	0.00	0.00	0.00
Balance Sheet:								
Working capital	5,306,886	5,544,420	5,470,352	5,232,315	5,146,245	5,086,610	5,273,818	5,272,006
Total assets	7,388,649	6,486,035	6,106,012	5,811,494	5,968,568	5,691,408	5,793,111	6,081,417
Decommissioning liabilities	-	-	(916,370)	(926,260)	(952,301)	(1,037,779)	(997,138)	(1,102,282)

Results of Operations for Continuing Operations

Three Months Ended March 31, 2024 Compared to Three Months Ended December 31, 2023

During the three months ended March 31, 2024 (“Q4/2024”) the Company incurred net income of \$135,687 from continuing operations compared to a net loss of \$160,116 for Q3/2024. The \$295,803 fluctuation is primarily attributed to a \$295,984 fluctuation in foreign exchange, from a foreign exchange loss of \$167,596 in Q3/2024 compared to a foreign exchange gain of \$128,388 in Q4/2024.

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

During the three months ended March 31, 2024 (“Q4/2024”) the Company reported net income of \$135,687 from continuing operations, compared to net income of \$305,111 for the three months ended March 31, 2023 (“Q4/2023”) The fluctuation of \$169,424 is primarily attributed to recognition of a foreign exchange gain of \$128,388 in Q4/2024 compared to foreign exchange gain of \$303,211 in Q4/2023.

Fiscal 2024 Compared to Fiscal 2023

During fiscal 2024 the Company reported net loss of \$182,075 compared to net income of \$252,213 for fiscal 2023. The \$434,288 fluctuation is primarily attributed to:

- (a) recognition of a foreign exchange loss of \$125,629 in fiscal 2024 compared to foreign exchange gain of \$352,356 in fiscal 2023; and
- (b) general and administrative expenses had a \$91,931 increase from \$250,697 in fiscal 2023 to \$342,628 in fiscal 2024. Significant variances in expenses are as follows:
 - (i) during fiscal 2024 the Company incurred general exploration expenses of \$17,047 for ongoing review of exploration and evaluation assets. During fiscal 2023 the Company did not incur general exploration expenses;
 - (ii) a \$56,414 increase in legal fees from \$36,237 in fiscal 2023 to \$92,651 in fiscal 2024 for ongoing negotiating proceedings regarding the sale of the Company’s oil and gas properties;

- (iii) during fiscal 2024 the Company incurred shareholder costs of \$5,859 compared to \$1,181 during fiscal 2023. During fiscal 2024 the Company incurred additional costs for mail-out of proxy materials; and
- (iv) a \$8,236 increase in transfer agent fees from \$4,270 in fiscal 2023 to \$12,506 in fiscal 2024.

The above were partially offset by a \$145,231 increase in interest income from \$140,951 in fiscal 2023 to \$286,182 in fiscal 2024 due to higher interest rates received on the Company's cash.

Results from Discontinued Operations

In fiscal 2024 the Company entered into agreements to dispose of its 30% interest in PMP 60291 (see "Projects Update - New Zealand") which closed in May 2024. In accordance with IFRS 5 - *Non-current Assets Held For Sale and Discontinued Operations*, the operating segment of PMP 60291 has been classified in the Company's consolidated financial statements as:

Assets and Liabilities of Disposal Group Held-for-Sale

As at March 31, 2024 the disposal group was stated at its carrying value and comprised the following assets and liabilities:

	\$
Assets	
Cash	2,030
Restricted cash	120,627
Amounts receivable	418,218
Oil inventory	70,648
Prepaid expenses	51,891
Property, plant and equipment	<u>305,037</u>
Assets held-for-sale	<u>968,451</u>
Liabilities	
Accounts payable and accrued liabilities	785,793
Decommissioning liabilities	<u>833,038</u>
Liabilities held-for-sale	<u>1,618,831</u>

Net Income from Discontinued Operations

	Year Ended March 31,	
	2024	2023
	\$	\$
Revenues		
Petroleum and natural gas sales	<u>2,926,472</u>	<u>2,773,633</u>
Direct Costs		
Depletion	89,131	149,622
Finance cost of decommissioning liabilities	3,698	4,907
Production costs	1,347,158	1,372,844
Royalties	236,992	174,936
Transportation and storage costs	<u>731,919</u>	<u>383,428</u>
	<u>2,408,898</u>	<u>2,085,737</u>
Gross profit	<u>517,574</u>	<u>687,896</u>
Expenses		
Audit and related	29,633	27,852
General exploration	2,744	-
Legal	26,163	36,748
Office	3,255	1,795
Professional fees	<u>5,573</u>	<u>722</u>
	<u>67,368</u>	<u>67,117</u>

	<u>Year Ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
	\$	\$
Income before other items	<u>450,206</u>	<u>620,779</u>
Other items		
Interest income	865	907
Other income	-	234
Foreign exchange	<u>(201,118)</u>	<u>-</u>
	<u>(200,253)</u>	<u>1,141</u>
Net income from discontinued operations	<u>249,953</u>	<u>621,920</u>

Financial Condition / Capital Resources

As at March 31, 2024 the Company had working capital of \$5,306,886 and believes that it has sufficient financial resources to maintain ongoing levels of overhead for the upcoming twelve month period. The Company monitors its cash and adjusts its expenditure plans to conform to available funding.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

See “Proposed Capital Reduction and Distribution”.

Critical Accounting Estimates

The preparation of financial statements in conformity IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include the determination of mineralized reserves, plant and equipment lives, estimating the fair values of financial instruments, impairment of long-lived assets, reclamation and rehabilitation provisions, valuation allowances for future income tax assets, classification of investments and assumptions used for share-based compensation. Actual results may differ from those estimates. A detailed summary of the Company’s critical accounting estimates and sources of estimation is included in Note 3 to the March 31, 2024 audited annual consolidated financial statements.

Changes in Accounting Policies

A detailed summary of the Company’s material accounting policy information is included in Note 3 to the March 31, 2024 audited annual consolidated financial statements.

Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. Key management personnel includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company’s Board of Directors and its executive officers.

(a) During fiscal 2024 and 2023 the following amounts were incurred:

	<u>2024</u>	<u>2023</u>
	\$	\$
Professional fees - Nick DeMare, Interim CEO and Director ⁽¹⁾	18,000	18,000
Professional fees - Harvey Lim, Interim CFO ⁽¹⁾	7,200	1,200
Professional fees - Mark Brown, Director	12,000	9,000

	2024 \$	2023 \$
Professional fees - Kevin Haney, Director	12,000	9,000
	<u>49,200</u>	<u>43,200</u>

(1) Effective February 2, 2023 Mr. DeMare resigned as CFO and Mr. Harvey Lim was appointed as Interim CFO.

As at March 31, 2024 \$nil (2023 - \$6,000) remained unpaid.

- (b) During fiscal 2024 the Company incurred a total of \$38,100 (2023 - \$34,200) to Chase Management Ltd. (“Chase”), a private corporation owned by Nick DeMare, for accounting and administration services provided by Chase personnel excluding Nick DeMare. As at March 31, 2024 \$7,250 (2023 - \$1,000) remained outstanding.

Financial Instruments and Risk Management

The nature of the Company’s operations expose the Company to credit risk, liquidity risk and market risk, and changes in commodity prices, foreign exchange rates and interest rates may have a material effect on cash flows, net income and comprehensive income.

This note provides information about the Company’s exposure to each of the above risks as well as the Company’s objectives, policies and processes for measuring and managing these risks.

The Company’s risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and to monitor market conditions and the Company’s activities. The Board of Directors has overall responsibility for the establishment and oversight of the Company’s risk management framework and policies.

Credit Risk

Credit risk is the risk of financial loss to the Company if counterparties do not fulfill their contractual obligations. The most significant exposure to this risk is relative to the sale of oil production. All of the Company’s production is sold directly to a major oil company. The Company is paid for its oil sales within 30 days of shipment. The Company has assessed the risk of non-collection from the buyer as low due to the buyer’s financial condition.

Cash is held with a Canadian chartered bank and is monitored to ensure a stable return.

The carrying amount of cash and amounts receivable represents the maximum credit exposure. The Company does not have an allowance for doubtful accounts on its amounts receivable as at March 31, 2024 and 2023 and did not provide for any doubtful accounts.

Commodity Price Risk

Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices, affecting results of operations and cash generated from operating activities. Such prices may also affect the value of exploration and development properties and the level of spending for future activities. Prices received by the Company for its production are largely beyond the Company’s control as petroleum prices are impacted by world economic events that dictate the levels of supply and demand. All of the Company’s oil production is sold at spot rates exposing the Company to the risk of price movements. As at March 31, 2024, assuming all other variables remain constant, a change of 10% in oil and gas prices would have an effect on net income or loss of \$292,500.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company’s financial liabilities are classified as current and are anticipated to mature within the next fiscal period.

Market Risk

Market risk is the risk that changes in foreign exchange rates, commodity prices and interest rates will affect the Company's cash flows, net income and comprehensive income. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk is the risk that future cash flows, net income and comprehensive income will fluctuate as a result of changes in foreign exchange rates. All of the Company's petroleum sales are denominated in United States dollars and gas sales, operational and capital activities related to the Company's properties are transacted primarily in New Zealand dollars and/or United States dollars with some costs also being incurred in Canadian dollars.

The Company currently does not have significant exposure to other currencies and this is not expected to change in the foreseeable future as the work commitments in New Zealand are expected to be carried out in New Zealand and to a lesser extent, in United States dollars.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate fluctuations on its cash which bears a floating rate of interest. The risk is not considered significant.

The Company did not have any interest rate swaps or financial contracts in place during fiscal 2024 and fiscal 2023 and any variations in interest rates would not have materially affected net income.

Fair Value of Financial Instruments

Financial instruments are classified into one of the following categories: FVTPL; amortized cost; fair value through other comprehensive income ("FVOCI"); and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	March 31, 2024 \$	March 31, 2023 \$
Cash	Amortized cost	6,400,011	5,004,988
Amounts receivable	Amortized cost	-	299,369
Accounts payable and accrued liabilities	Amortized cost	(128,369)	(443,509)
Deposit received	Amortized cost	(334,563)	-

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.
- Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.
- Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable and accounts payable and accrued liabilities and advances from joint venture partner approximate their fair value due to their short-term nature.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of petroleum and natural gas properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain development of the business. The Company defines capital that it manages as share capital. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's share capital is not subject to any external restrictions. The Company has not paid or declared any dividends since the date of incorporation, nor are any currently contemplated. There have been no changes to the Company's approach to capital management during the period.

Risks and Uncertainties

The Company is engaged in the exploration for and development of oil and natural gas properties. These activities involve significant risks which careful evaluation, experience and knowledge may not eliminate in some cases. The commercial viability of any petroleum and natural gas properties depends on many factors not all of which are within the control of management. Operationally the Company faces risks that are associated with and affect the financial viability of a given petroleum and natural gas property. These include risks associated with finding, developing and producing these petroleum and natural gas reserves. In addition, government regulations, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a petroleum and natural gas property.

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying audited financial statements.

Any forward-looking information in the MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company and other factors.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares with no par value. As at July 29, 2024, there were 90,485,665 outstanding common shares and 3,090,000 share options outstanding with exercise prices of \$0.06 to \$0.10 per share.