



NEW ENERGY METALS
CORP.

Management's Discussion and Analysis

Three Months Ended September 30, 2023

This Management's Discussion and Analysis (the "**MD&A**") of the financial condition and results of the operations of New Energy Metals Corp. (the "**Company**" or "**New Energy**") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended September 30, 2023.

This Management's Discussion and Analysis ("**MD&A**") should be read in conjunction with the unaudited condensed interim financial statements and related notes thereto (the "**Interim Financial Statements**") of the Company for the three months ended September 30, 2023 ("**Q1 2024**"), which were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("**IAS 34**") using accounting policies consistent with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"), and the annual audited financial statements for the year ended June 30, 2023, and the notes related thereto (the "**Annual Financial Statements**"), which were in accordance with IFRS.

All information in the MD&A is as of November 24, 2023, unless otherwise indicated. The Interim Financial Statements and MD&A have been reviewed by the Company's Audit Committee and approved by the Board of Directors on November 24, 2023.

This MD&A may contain forward-looking statements and should be read in conjunction with the cautionary statement on forward-looking statements at the end of this MD&A. These forward-looking statements are based on assumptions and judgments of management regarding events or results that may prove to be inaccurate resulting from risk factors beyond its control. Actual results may differ materially from the expected results.

The Interim Financial Statements, MD&A and other information, including news releases and other continuous disclosure documents are available on SEDAR at www.sedar.com or on the Company's website at www.new-enrg.com.

Significant Events and Corporate Developments During the Quarter

On July 28, 2023, the Company entered into an option agreement to acquire a 100% interest in the highly prospective Atikokan Lithium Property. The property consists of four mining claims comprising 3,788 hectares and is located approximately 12 kilometers east of Atikokan, Ontario.

On August 30, 2023, the Company announced that it had commenced exploration work at the Atikokan Lithium Property, located in Northwestern Ontario, Canada. Field crews have mobilized and are conducting geological mapping, prospecting and sampling.

See "*Description of Business, the "Atikokan Property"*" below.

Significant Events and Corporate Developments Subsequent to the Quarter

On October 26, 2023, the Company announced that it had commenced exploration work at the Roslyn Lithium Property, located in Northeast Ontario. Field crews have mobilized and are conducting geological mapping, prospecting and sampling. See "*Description of Business, the "Roslyn Property"*" below.

Description of Business

New Energy Metals Corp. was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on March 13, 2017. The Company's primary office is located at address is 610 – 700 West Pender Street, Vancouver, BC, V6C 1G8. The Company's registered and records office is located at 2200 – 885 West Georgia Street, Vancouver, BC V6C 3E8.

The Company's common shares are listed on the TSX Venture Exchange (“**TSXV**” or the “**Exchange**”) under the symbol “ENRG”. The common shares are also quoted on the and on the OTC Pink under the symbol “NRGYF”. New Energy is a reporting issuer in the provinces of British Columbia and Alberta.

The Company is a junior mineral exploration company engaged in the exploration of mineral projects with a focus on energy metals, and the acquisition of other mineral exploration properties consistent with the objectives of the Company. The Company's exploration projects consist of a copper project in British Columbia and lithium projects in Ontario. The Company's primary goal is to identify, evaluate and acquire properties of merit, and to advance them by way of financings, joint ventures or option agreements.

The Company is currently in the exploration stage of developing its exploration properties and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's future performance and financial success are largely dependent upon its ability to raise equity and debt financings for the purposes of mineral exploration and development, and the extent to which it can discover mineralization and the economic viability of developing its properties.

The Company's strategy is to explore its properties and seek out other prospective resource properties to acquire, while seeking out financings, if and when available, upon terms acceptable to the Company.

As of the date of this MD&A, the Company has options to acquire a 100% interest in the following properties:

1. Troitsa Copper Property (the “Troitsa Property”)

On July 15, 2022, the Company entered into an option agreement, as amended, to acquire Troitsa located in the Omineca Mining Division of British Columbia consisting of 26 mineral claims over approximately 7,000 hectares.

Pursuant to the amended agreement, the Company may acquire a 100% interest in Troitsa by making cash payments totaling \$175,000, issuing an aggregate of 2,100,000 common shares of New Energy over a period of three years, and completing not less than \$5,000 worth of staking or other similar acquisition of mineral claims within the defined area of interest before July 15, 2023. As of the date of the MD&A, the Company has paid \$25,000, issued 1,500,000 shares with a fair value of \$175,500 and completed \$5,000 worth of staking costs towards the acquisition of the Troitsa Property.

Subject to the exercise of the option by the Company, the Company is obligated to issue an aggregate of 600,000 common shares upon the occurrence of certain milestones: (a) 200,000 common shares upon the publication of a positive preliminary feasibility study or pre-feasibility study on Troitsa; (b) 200,000 common shares upon the commencement of commercial production; and (c) 200,000 common shares upon the successful determination

of an inferred mineral resource or indicated mineral resource on Troitsa of not less than 2,000,000 ounces of gold.

The agreement is subject to a 2% net smelter returns (NSR) royalty from the commercial production of mineral products. The Company shall have the right to purchase 1% of the NSR royalty for \$1,000,000 and a further 0.5% of the royalty at any time for \$3,000,000 payable in common shares of the Company. Following July 15, 2029, the Company shall be obligated to pay an advance royalty of \$30,000 per annum. The advance royalty payment will be applied against any future payments due under the NSR Royalty.

Troitsa is located 30 kilometers south of the advanced-stage Berg porphyry copper deposit, and 15 kilometers southwest of the Huckleberry past-producing porphyry copper-moly deposit and the nearby Ox and Seel developed porphyry copper prospects. Troitsa is a promising copper porphyry exploration project which has had significant potential for future development confirmed by our latest exploration program, which focused on finding extensions to the Main Zone where the most continuous high-grade copper mineralization was discovered.

A copy of the Troitsa Property NI 43-101 Technical Report is available on SEDAR at www.sedar.com and on the Company's website, www.new-enrg.com.

The technical information contained in this news release has been approved by Dr. Hardolph Wasteneys, P. Geo., a Qualified Person as defined by NI 43-101.

2. Roslyn Lithium Property (the "Roslyn Property")

On December 6, 2022, the Company entered into an assignment and assumption agreement, as amended, to acquire Roslyn located 50 km northeast of Nipigon, northwestern Ontario. Roslyn consists of 12 mineral claims over approximately 5,100 hectares. Roslyn is located 20 km southeast of the Georgia Lake pegmatite field and 35 km southeast of where Rock Tech Lithium just published a preliminary economic assessment supporting the indicated mineral resource of 10.6 Mt (million tonnes) grading 0.88 percent Li₂O (lithium oxide) and an inferred mineral resource of 4.2 Mt grading 1 percent Li₂O.

Pursuant to the agreement, the Company has the option to acquire a 100% interest in Roslyn by making cash payments of \$2,300,000 over a period of three years and issuing 2,230,000 common shares of the Company over a period of two years. As of the date of the MD&A, the Company has paid \$100,000 and issued 1,430,000 shares with a fair value of \$600,600 towards the acquisition Roslyn.

The agreement is subject to a 3% NSR royalty from the commercial production of mineral products. The Company shall have the right to purchase 0.5% of the NSR royalty for \$1,000,000.

On August 15, 2023, the Company entered into an option agreement whereby it has granted a 5% interest (the "**Property Interest 1**") in the Roslyn Property. The optionee may earn the Property Interest 1 by conducting an aggregate of \$50,000 worth of exploration expenditures on the property by November 30, 2023.

The following salient features make Roslyn a high merit for hosting lithium-bearing pegmatites:

- A muscovite-bearing granite is host to the property, an S-type peraluminous fertile parental granite, according to Breaks et al., 2003, and in contact with metasediments which make excellent hosts for

pegmatites. Numerous faults transect the property, providing excellent pathways for granitic melts and evolving pegmatites.

- Roslyn sits approximately 35 km southeast of the Georgia Lake pegmatite field where several lithium deposits and occurrences are being explored and developed by Rock Tech Lithium, Ultra Lithium and Infinite Ore Corp.
- Breaks et al., 2008, described the Georgia Lake pegmatite field as the largest concentration of rare element mineralization in the Superior province. The 32 by 105 km pegmatite field hosts 38 rare element occurrences and 10 spodumene pegmatite deposits and occurrences. Breaks added that further exploration is recommended.
- Several white pegmatites with garnet and tourmaline have been documented and mapped on the property by the Ontario Geological Survey in 1970 (Ontario Department of Mines map M2293). These are very good indications of fertile granitic melts.
- The property has logging road access from the Trans-Canada Highway 11.

Mike Kilbourne, P.Geo., a Qualified Person as defined in NI 43-101 has reviewed and approved the scientific and technical information with respect to Roslyn in this MD&A.

3. Atikokan Lithium Property (the “Atikokan Property”)

On July 28, 2023, the Company entered into an assignment and assumption agreement to acquire the Atikokan Lithium Property located approximately 12km east of Atikokan, Ontario. The Atikokan Property consists of 4 mining claims over 3,788 hectares.

Pursuant to the agreement, the Company has the right to acquire a 100% interest in the Atikokan Property by making aggregate cash payments of \$66,000 over a period of two years. The agreement is subject to a 3% NSR royalty.

As of the date of the MD&A, the Company has paid \$16,000 towards the acquisition of the Atikokan Property.

On August 15, 2023, the Company entered into an option agreement whereby it has granted a 5% interest (the “**Property Interest 2**”) in the Atikokan Property. The optionee may earn the Property Interest 2 by conducting an aggregate of \$50,000 worth of exploration expenditures in the Atikokan Property by November 30, 2023. As of September 30, 2023, the optionee incurred exploration expenditures of \$28,724 on the Atikokan Property.

The claims straddle the contact between a peraluminous S-type muscovite-bearing granite and metasediments within the Quetico subprovince. The Quetico-Marmion subprovincial boundary lies just 4 km north of the Property. Numerous lithium deposits of northwestern Ontario occur proximal to a subprovincial boundary. Muscovite-bearing pegmatite dykes and small pegmatitic granite masses are widely exposed along Highway 11 between Nym Lake Road junction and west to Niobe Lake (McIlwaine and Larsen 1981a, 1981b as cited in Breaks et al., 2003). Historically, the Atikokan area has documented strongly anomalous lake sediment results in Li, Rb, Cs, Ga and Sn (Jackson, 2001 as cited in Breaks et al., 2003).

The Company commenced exploration work at the Atikokan Property. Field crews have mobilized and are conducting geological mapping, prospecting and sampling. During the current phase of exploration, an experienced field team has been deployed to conduct field prospecting activities across the claim block. This process will involve the systematic examination and sampling of the potential fertile granitic pegmatite dykes for lithium and other rare elements. This crucial step will provide valuable insights into the mineralogy and lithium content of the identified pegmatites, aiding in the development of an extensive understanding of the property's lithium exploration potential for further work. Initial scanning of samples will be carried out by a handheld laser-induced breakdown spectroscopy (LIBS), which has recently emerged as a tool for instant geochemical analysis versus traditional laboratory analysis and resultant lag time. The LIBS can measure Li in minerals, rocks, soils, and brines in-situ in the field.

The technical information contained in this section of the MD&A has been reviewed and approved by Mike Kilbourne, PGeo, a qualified person as defined in NI 43-101.

Summary of Quarterly Results

The following table sets forth selected financial information of the Company for each of the last eight quarters:

	Sept 2023	Jun 2023	Mar 2023	Dec 2022	Sep 2022	Jun 2022	Mar 2022	Dec 2021
	\$	\$	\$	\$	\$	\$	\$	\$
Total assets	1,249,727	1,366,631	1,756,063	520,382	139,128	6,547	15,885	21,196
Net income (loss)	(203,470) ⁽¹⁾	(337,087) ⁽²⁾	(373,831) ⁽²⁾	(259,429) ⁽³⁾	(30,691)	(32,933)	285,347 ⁽⁴⁾	(38,804)
Earnings (Loss) per common share	(0.004)	(0.01)	(0.01)	(0.01)	(0.002)	(0.002)	0.01	(0.002)

(1) During the quarter, the Company entered into an option agreement related to the Atikokan property.

(2) Higher expenditures and net loss during the quarter due to increased corporate activities as the Company closed two property acquisitions, two financings and conducted investor relations campaigns. See Results of Operations.

(3) During the quarter, the Company recorded share-based compensation of \$184,300.

(4) During the quarter, the Company recorded a gain of \$318,074 from the sale of the Company's Chilean subsidiary.

Results of Operations

The selected financial information is derived from the Interim Financial Statements prepared within acceptable limits of materiality and is in accordance with IFRS.

	Q1 2024	Q1 2023
	\$	\$
Consulting fees	43,000	-
Exploration and evaluation expenditures	6,525	129,618
General and administration	18,194	5,613
Investor relations and shareholder communication	17,900	410
Management fees	37,500	7,500
Professional fees	-	13,113
Property investigation costs	30,000	-
Share-based compensation	41,691	-
Net income (loss)	(203,470)	(160,309)
Income (loss) per share	(0.004)	(0.001)

Q1 2024 compared with Q1 2023

Net loss in Q1 2024 was \$203,470 compared to a net loss of \$160,309 in Q1 2023. The overall increase in loss of \$33,161 was largely attributable to increased corporate activities as described below.

Consulting fees of \$43,000 were primarily attributable to fees paid for strategic capital markets, corporate strategic development, due diligence on property acquisition and financial advisory services. No such fees were paid in Q1 2023.

Exploration and evaluation expenditures decreased by \$93,093 as during Q1 2023, the Company completed its 2022 exploration program on Troitsa which included extensive geological mapping and sampling. The Company intends to raise additional capital to fund further exploration on the property. Exploration expenditures in Q1 2024 included initial work required for Roslyn and Atikokan.

The increase in general office and administration of \$12,581 in Q1 2024 was primarily attributable to shared office expenses consisting of rent, staff, equipment, and other office costs which commenced during the quarter. Office and administration in Q1 2023 consisted mainly of office rent.

The increase in investor relations and shareholder communication of \$17,490 during Q1 2024 was a result of investor awareness campaigns carried out during the quarter consisting of strategic digital marketing, web development and media distribution. No such expenses were incurred in Q1 2023.

In Q1 2024, the Company paid management fees to the Company's newly appointed CEO and CFO. In Q1 2023, management fees were paid to the former CFO of the Company.

Professional fees decreased by \$13,113 as the Company processed and completed certain corporate and legal tasks in-house.

In Q1 2024, the Company incurred property investigation costs of \$30,000 consisting of identification of lithium project opportunities and due diligence. No such costs were incurred in Q1 2023.

The Company recorded share-based compensation of \$41,691 related to vested stock options during the period. There were no stock options granted and vested in Q1 2023.

Liquidity and Capital Resources

The Company manages liquidity risk by ensuring, as far as reasonably possible, that it has sufficient capital to meet working capital and operating requirements as well as its financial obligations and commitments. The Company has historically financed its operations and met its capital requirements primarily through debt and equity financings.

As of September 30, 2023, the Company had working capital of \$185,845 (June 30, 2023 - \$363,624) and cash of \$253,227 (June 30, 2023 - \$395,118). The Company's ability to meet its obligations as they fall due and to continue to operate as a going concern is dependent on the continued financial support of its creditors and the shareholders. There can be no assurance that funding from these or other sources will be sufficient in the future to continue its operations. Even if the Company is able to obtain new financing, it may not be on commercially reasonable terms or terms that are acceptable to the Company.

Cash Flow Highlights

The table below summarizes the Company's cash flows for the three months ended September 30, 2023 and 2022:

	Q1 2024	Q1 2023
	\$	\$
Cash (used) provided by operating activities	(125,891)	(53,367)
Cash (used) provided by investing activities	(16,000)	-
Cash (used) provided by financing activities	-	50,000
Decrease in cash	(141,891)	(3,367)

The overall decrease in cash during Q1 2024 of \$141,891 was primarily attributable to cash used for operating activities of \$125,891 and investing activities of \$16,000. The decrease in cash during Q1 2023 of \$3,367 was primarily attributable to cash used for operating activities of \$53,367 offset by cash generated from financing activities of \$50,000.

Cash flow used for operations during Q1 2024 increased by \$72,524 due to higher expenditures as the Company started to execute its business plan, conducted due diligence on property acquisition and financings. Cash flow used for operations during Q1 2023 was largely attributable to exploration and evaluation expenditures.

Cash flow used in investing activities during Q1 2024 consisted of a property option payment of \$16,000 towards the Atikokan property.

Cash provided by financing activities in Q1 2022 consisted of shares subscription of \$50,000 for a private placement financing which closed subsequent to Q1 2022. The Company did not carry out any financing activities in Q1 2023.

The Company's capital expenditures consist mainly of property option payments. Such expenditures are funded through equity financings. The Company does not have any long-term debt obligations and has not pledged any of its assets as security for loans, or otherwise, and is not subject to any debt covenants. Management is committed to raising additional capital to meet its financial obligations and commitments, fund its operations, growth initiatives and capital expenditures. Although the Company has raised funds during the period, there can be no assurance that the Company will be able to secure additional adequate financing. The Company believes that its current capital resources will be sufficient to meet all of its immediate obligations for the next twelve months.

Capital Management

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating costs over a reasonable future period. The Company accesses capital markets as necessary and may also raise additional funds where advantageous circumstances arise. The Company currently has no externally-imposed capital requirements. There were no changes to the Company's approach to capital management during the three months ended September 30, 2023.

Off-Balance Sheet Arrangements

The Company had no material off-balance sheet arrangements as at September 30, 2023, and as at the date of this MD&A, that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company.

Related Party Transactions

For a detailed disclosure on the Company's related party transactions, refer to note 6 to the Interim Financial Statements.

Critical Accounting Estimates

The preparation of the Interim Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates are based on historical experience, and other factors

considered to be reasonable and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Refer to note 2 to the Annual Financial Statements for a detailed discussion of the areas in which critical accounting estimates are made and where actual results may differ from the estimates under different assumptions and conditions and may materially affect financial results of its statement of financial position reported in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized when the estimates are revised and in any future periods affected.

New Accounting Pronouncements

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any new standards that have been issued would have no or very minimal impact on the Company's financial statements.

Change in Accounting Policies

1. Exploration and evaluation assets

Effective July 1, 2022, the Company elected to change its accounting policy for exploration and evaluation assets where costs directly related to exploration properties are expensed as incurred as exploration expenditures in profit or loss. Previously, the Company capitalized all expenditures related to exploration properties in exploration and evaluation assets. Examples of exploration expenditures that are expensed under this policy include topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching and sampling. Exploration properties represent properties for which the Company has not yet performed sufficient exploration work to determine whether significant mineralization exists. Exploration properties continue to be carried at the cost of acquisition and included in exploration and evaluation assets. The Company considers all of its properties to be in this category, and as a result, the September 30, 2022 financial statements were restated to reclassify capitalized exploration expenditures of \$129,618 to profit and loss.

2. Share-based compensation

Effective July 1, 2022, the Company elected to change its accounting policy for share-based compensation in accordance with IFRS 2 Share-based Payment, to recognize a transfer within equity for forfeited or expired vested equity instruments. Previously, the values of all forfeited and expired vested options and expired unexercised warrants remained in reserves. Management determined that reclassification of expired equity instruments within equity would provide a more relevant information as it better reflects the fair value of awards that are expected to vest.

As a result, the opening 2021 shareholders' equity was restated to reclassify forfeited and cancelled options of \$1,117,057 and expired warrants of \$348,022 from reserves to deficit and the opening 2022 shareholder's equity was restated to reclassify expired options of \$42,350 from reserves to deficit.

Please see Note 3 to the Interim Financial Statements for the impact of the accounting policy changes on the June 30, 2022 and September 30, 2022 financial statements.

Financial Instruments

As at September 30, 2023, the Company's financial instruments consist of cash and accounts payable and accrued liabilities. The carrying amounts of these financial instruments approximate fair value due to their immediate or short-term maturity.

The Company may be exposed to risks of varying degrees of significance from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. A discussion of the types of risks the Company is exposed to and how such risks are managed by the Company is provided in note 13 to the 2023 Annual Financial Statements.

Other Risks and Uncertainties

The Company's business is mineral exploration. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, mineral prices, political, and economical. The Company will take steps to verify the title to any properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties. These procedures do not guarantee the Company's title. Property titles may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant sources of operating cash flow and no revenue from operations. Additional capital will be required to fund the Company's exploration program. The sources of funds available to the Company are the sale of equity capital or the offering of an interest in its project to another party. There is no assurance that it will be able to obtain adequate financing in the future or that such financing will be advantageous to the Company.

The property interests to be owned by the Company or in which it may acquire an option to earn an interest are in the exploration stages only, are without known bodies of commercial minerals and have no ongoing operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into production. If the Company's efforts do not result in any discovery of commercial minerals, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties in which it previously had no interest. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liabilities to the Company.

Controls and Procedures

In connection with National Instrument 52-109 (“**NI 52-109**”), the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Interim Financial Statements and accompanying MD&A as at September 30, 2023 (together the “**Interim Filings**”).

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedar.com.

Disclosure Controls and Procedures

Disclosure controls and procedures (“**DC&P**”) are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting (“**ICFR**”) are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

Venture companies are not required to provide representations in the Annual Filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s IFRS. The issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Summary of Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares. As at the date of this MD&A, the Company has the following issued and outstanding securities:

Description of Securities	Number of Securities
Common shares	35,446,767
Warrants	4,752,600
Stock options	2,919,000

Forward-Looking Statements

This MD&A contains forward-looking statements and forward-looking information (collectively, “**forward-looking statements**”) within the meaning of applicable Canadian securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. Information concerning mineral resource/reserve estimates and the economic analysis thereof contained in preliminary economic analyses or prefeasibility studies also may be deemed to be forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining that mineralization if a mineral deposit were developed and mined. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, plans and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company’s strategies and objectives, both generally and in respect of its specific mineral properties or exploration and evaluation assets;
- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company’s exploration programs;
- the Company’s estimates of the quality and quantity of the resources and reserves at its mineral properties;
- the timing and cost of planned exploration programs of the Company and the timing of the receipt of result thereof;
- general business and economic conditions;
- the Company’s ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations; and
- the Company’s expectation that it will be able to add additional mineral projects of merit to its existing property portfolio.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company’s ability to predict or control, including, but not limited to, risks related to the Company’s inability to raise the necessary capital to be able to continue in business and to implement its business strategies, to identify

one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, and other risks identified herein under "Risks and Uncertainties".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on several assumptions which may prove incorrect, including, but not limited to, assumptions about:

- the level and volatility of the price of commodities;
- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration;
- conditions in the financial markets generally;
- the Company's ability to attract and retain key staff;
- the nature and location of the Company's mineral exploration projects, and the timing of the ability to commence and complete the planned exploration programs; and
- the ongoing relations of the Company with its regulators.

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the discussion and analysis may not necessarily indicate future results from operations. The current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.