

**AFRICAN ENERGY METALS INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**Years Ended December 31, 2023 and 2022**

## TABLE OF CONTENTS

### Page

1. DESCRIPTION OF BUSINESS	3.
2. CORPORATE AND OPERATIONAL HIGHLIGHTS	3.
3. EXPLORATION AND EVALUATION ASSET	4.
4. PROPOSED TRANSACTIONS	5.
5. SELECTED ANNUAL RESULTS	7.
6. LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN	7.
7. RESULTS OF OPERATIONS	8.
8. SUMMARY OF QUARTERLY FINANCIAL INFORMATION	10.
9. TRANSACTIONS WITH RELATED PARTIES	10.
10. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS	11.
11. RISKS RELATED TO THE COMPANY'S BUSINESS	11.
12. OTHER MD&A DISCLOSURE REQUIREMENTS	15.

*This discussion and analysis should be read in conjunction with the audited consolidated financial statements and related notes thereto for the years ended December 31, 2023 and 2022 (the “Financial Statements”), which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by IASB. All amounts in the financial statements and this discussion and analysis are presented in United States dollars, unless otherwise indicated. This Management Discussion and Analysis (“MD&A”) is dated August 27, 2024 and discloses specified information up to that date.*

## **FORWARD LOOKING INFORMATION**

This management discussion and analysis (“MD&A”) contains certain forward-looking statements and information relating to African Energy Metals Inc. (“Company”) that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the exploration projects. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

### **1. DESCRIPTION OF BUSINESS**

On March 27, 2007, African Energy Metals Inc., was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia). On August 25, 2020, the Company changed its name to Central African Gold Inc. On February 7, 2022, the Company changed its name to African Energy Metals Inc. and was trading on the TSX Venture Exchange (“TSX-V”) under the symbol CUCO effective February 12, 2022.

The Company is engaged in the acquisition, exploration, and development of mineral resources.

Previously completed Management Discussion and Analysis documents covering comments for earlier periods have been prepared and filed accordingly on [www.sedarplus.ca](http://www.sedarplus.ca).

### **2. CORPORATE AND OPERATIONAL HIGHLIGHTS**

#### 4:1 Share Consolidation (“the Consolidation”)

On April 10, 2023, the Company consolidated all its issued and outstanding common shares on the basis of 1 new share for every 4 old shares. All references herein to the number of shares, options, warrants, weighted average number of common shares and loss per share have been retrospectively restated for the Consolidation, including all such numbers presented for the prior periods.

### Assignment Agreement

On January 3, 2023, the Company entered into an assignment agreement with AuClair ECC SASU (“AuClair”) to acquire 100% interest in an agreement with Amur Sarl (“Amur”) regarding a 60/40 joint venture on the project. The project is held 100% by Compagnie Miniere de Kalehe SA (“CMK”) which is a joint venture between Amur and Societe Aurifere du Kivu et du Maniema SA (“Sakima”). The Company would acquire a 60% interest in CMK. In consideration of the assignment, the Company issued 750,000 common shares with a fair value of \$177,963 (CDN \$240,000) to AuClair, and will pay US\$150,000 to Amur upon successful completion of due diligence and execution of formal agreements. The Company also paid a finder’s fee of 75,000 common shares with a value of CDN \$17,796 (CDN \$24,000) to arm’s length parties in accordance with TSX-V policies.

On August 11, 2023, the assignment agreement was terminated and the Company recorded the fair value of shares issued of \$195,759 as project generation costs in the consolidated statement of loss and comprehensive loss.

On December 29, 2022, the Company closed the third and final tranche of its non-brokered private placement of 750,000 units at CDN \$0.20 per unit for aggregate proceeds of CDN \$150,000.

On December 16, 2022, the Company closed the second tranche of its non-brokered private placement of 600,000 units at CDN \$0.20 per unit for aggregate proceeds of CDN \$120,000.

On October 19, 2022, the Company closed the first tranche of its non-brokered private placement of 650,000 units at CDN \$0.20 per unit for aggregate proceeds of CDN \$130,000.

On June 24, 2022, the Company completed a non-brokered private placement of 1,500,000 units at CDN \$0.20 per unit for aggregate proceeds of \$231,964 (CDN \$300,000).

On June 20, 2022, the Company entered into an agreement with AuClair ECC SASU to acquire 100% interest in a 70/30 joint venture and option with E29 Resources Sarl on concession PEPM 4582 in the DRC.

On March 3, 2022, the Company entered into an agreement with Whiskey Cobalt Mining SASU to acquire 100% interest in a 50/50 joint venture with Liberty Mining and Investments Sarl.

### **3. EXPLORATION AND EVALUATION ASSET**

On March 3, 2022, the Company entered into a definitive assignment agreement with Whiskey Cobalt Mining SASU (“WCM”) to acquire a 100% interest in an option agreement with Liberty Mining and Investments Sarl (“Liberty”) to enter a 50/50 joint venture with Liberty. Liberty owns 100% of concession PE 8251 located in the Democratic Republic of the Congo (“DRC”). As part of the acquisition cost, the Company paid \$70,000 to Liberty and \$47,990 (CDN\$65,000) to Lockwood Financial Ltd. The Company also issued 625,000 common shares with a fair value of \$87,399 (CDN\$112,500) to WCM and paid a finder’s fee of 62,500 common shares with a fair value of \$8,740 (CDN\$11,250).

During the year ended December 31, 2022, the Company had no further plans to continue exploration on the property given the uncertainty of obtaining financing to continue exploration and recorded an impairment loss of \$216,000.

On June 20, 2022, the Company entered into a Rights assignment agreement with AuClair ECC SASU ("AuClair") to acquire 100% interest in a binding letter agreement with E29 Resources Sarl ("E29") regarding a 70/30 joint venture and option on concession PEPM 4582 located in the Manono region of the DRC. The Company issued 625,000 common shares with a fair value of \$98,016 (CDN\$125,000) to AuClair and 250,000 common shares with a fair value of \$39,206 (CDN\$50,000) to E29. As part of the acquisition, the Company also issued 125,000 common shares as finders' fee with a fair value of \$19,604 (CDN\$25,000). On September 1, 2022, due to market conditions, the Company terminated the agreement and recorded an impairment loss of \$156,826 (CDN\$200,000).

#### **4. PROPOSED TRANSACTIONS**

##### Mink Narrows Acquisition

On April 5, 2024, the Company signed a definitive agreement with Voyageur Mineral Explorers Corp. ("Voyageur") (the "Definitive Agreement") to earn a 100% interest in the Mink Narrows Group high-grade polymetallic copper VMS project (the "Project") located in the prolific Flin Flon Manitoba VMS mining camp.

Under the terms of the Definitive Agreement, the Company had the right to earn a 100% interest in the Project through the exercise of an option on the Property with an exploration earn-in requirement of CAD \$1,000,000 over a four-year period. The Project is subject to a net smelter return royalty of 2% granted to Voyageur.

In addition to the exploration expenditures, the Definitive Agreement required the issuance of the greater of 1,800,000 common shares of the Company or CAD\$300,000 worth of common shares of the Company at a minimum value of CAD\$0.045 per common share to Voyageur over the term of the agreement. The Company agreed to pay a maximum of CAD\$55,000 to Voyageur over the term of the agreement. Voyageur is arm's length party to the Company. The share issuances and payments under the Definitive Agreement are subject to the approval of the TSX Venture Exchange, which approval has not been obtained.

The Project was the subject of an existing option agreement between Voyageur and Laser Gold Resources Inc. ("Laser Gold"). Laser Gold has agreed to terminate the earlier option agreement pursuant to a compensation agreement dated April 4, 2024, with the Company (the "Compensation Agreement"). Under the terms of the Compensation Agreement, the Company agreed to issue 4,000,000 common shares and pay CAD\$40,000 to Laser Gold. The terms of the Compensation Agreement provided that the shares to be issued to Laser Gold may be issued in tranches and will not be issued until such time as Laser Gold will not be holding shares of the Company that exceed 9.9% of the issued and outstanding shares of the Company. Laser Gold is arm's length party to the Company and to Voyageur. The share issuances and payments under the Compensation Agreement are subject to the approval of the TSX Venture Exchange, which approval has not been obtained.

##### Private Placement

In connection with the transaction, the Company intended to complete a non-brokered concurrent part and parcel private placement of up to 3,000,000 units at a price of CAD \$0.05 per unit, for aggregate gross proceeds of approximately \$150,000. Each unit would consist of one common share and one common share purchase warrant exercisable into one additional share at a price of CDN \$0.075 per share for a

period of 12 months following the closing date and at a price of CAD\$0.10 per share for a period of 24 months following the closing date.

The proceeds from the financing were intended to be used for general working capital purposes primarily relating to the approval and closing of the Project acquisition. In connection with the financing, the Company may pay finder's fees in cash or securities or a combination of both, as permitted by the policies of the TSX Venture Exchange.

#### Finder's Fees

In connection with the acquisition of the Project, the Company intended to issue up to 1,066,666 common shares as finder's fees to arm's length parties, as permitted by the policies of the TSX Venture Exchange. The shares were to be issued to Axiom Exploration Group Ltd. (as to 533,333 shares) and to Lockwood Financial Ltd. (as to 533,333 shares). The securities issued pursuant to the finder's fees would be subject to a hold period under applicable securities laws, which will expire four months plus one day from the date of closing of the acquisition of the Projects and is subject to receipt of all necessary corporate and regulatory approvals, including approval of the TSX Venture Exchange, which was not obtained.

#### Debt Settlement

The Company has agreed to settle \$210,000 of debt owing to its consultants, creditors, and insiders by issuing 4,200,000 shares in the capital of the Company at a deemed price of CAD\$0.05 per share. No warrants would be issued in connection with the debt settlement.

The debt settlement transaction is subject to the approval of the TSX Venture Exchange, and all Shares issued pursuant to the debt settlements will be subject to a four-month statutory hold period. The debt settlement will not create a new control person. The approval of the TSX Venture Exchange was not obtained.

#### Name Change

Concurrent with or prior to the closing of the acquisition of the Project, the Company intended to change its name to Copper Reef Minerals Inc. and to change the Company's trading symbol to better reflect the new focus of the Company. The name change was not completed.

#### Termination of Mink Narrows Acquisition and Related Transactions.

On July 2, 2024, due to market conditions, the Company terminated the Definitive Agreement with Voyageur and the Compensation Agreement with Laser Gold. Due to the termination, the Company did not proceed with the private placement, the debt settlement, the finder's fees, or name change.

## 5. SELECTED ANNUAL RESULTS

	2023	2022	2021
	\$	\$	\$
<b>Financial results</b>			
Total revenue	Nil	Nil	Nil
Net loss for the year	756,734	1,194,499	724,512
Basic and diluted loss per share	(0.04)	(0.08)	(0.07)
<b>Statement of financial position</b>			
Cash	1,045	62,745	165,020
Total assets	7,937	93,844	243,939
Shareholders' equity (deficiency)	(679,763)	(155,933)	205,738

## 6. LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

As at December 31, 2023, the Company had current assets of \$7,937 (December 31, 2022 - \$93,844) and current liabilities of \$687,700 (December 31, 2022 - \$249,777). There is a working capital deficit of \$679,763 as at December 31, 2023 (December 31, 2022 – \$155,933).

During the year ended December 31, 2023, the Company received loans from current and former related parties for an aggregate amount of \$20,732.

During the last quarter of 2022, the Company completed a non-brokered private placement of and aggregate of 2,000,000 units at CDN \$0.20 per unit for gross proceeds of CDN \$400,000. Each unit consisted of one common share and one-half of one common share purchase warrant. Share issuance costs of CDN \$13,691 were incurred in connection with the private placement.

On June 24, 2022, the Company completed a non-brokered private placement of 1,500,000 units at CDN \$0.20 per unit for aggregate proceeds of CDN \$300,000. Each unit consisted of one common share and one-half of one common share purchase warrant. Each Warrant is exercisable into one common share at a price of CDN \$0.60 per share for a period of two years from the date of issue.

The financial information presented in this MD&A is based on consolidated financial statements that have been prepared based on accounting principles applicable to a “going concern”, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company has not generated any revenues or cash flows from operations to date. The Company expects that it will require additional debt or equity funding in the next 12 months to continue its planned exploration and evaluation activities and meet its business objectives. The Company plans to raise funds primarily through issuance of shares. The Company's ability to continue on a going concern basis is therefore dependent on its ability to successfully raise additional funds. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

## 7. RESULTS OF OPERATIONS

The information for the years ended December 31, 2023 and 2022 is based on the consolidated financial statements:

	Three months ended December 31, 2023	Three months ended December 31, 2022	Year ended December 31, 2023	Year ended December 31, 2022
<b>Expenses</b>				
Filing fees	\$ 1,990	\$ 8,444	\$ 29,210	\$ 31,404
Investor relations	(2,084)	7,193	785	74,082
Management fees and consulting fees	43,928	50,653	216,076	288,255
Office expense	4,133	3,982	15,884	10,213
Professional fees	(8,855)	105,613	97,453	214,822
Project generation	269,564	(248)	321,313	17,975
Share-based payments	-	78,617	12,322	92,906
Travel and accommodation	(4,682)	26,664	62,922	95,086
<b>Total expenses</b>	<b>303,994</b>	<b>280,918</b>	<b>755,965</b>	<b>824,743</b>
<b>Net loss before other income (expense)</b>	<b>(303,994)</b>	<b>(280,918)</b>	<b>(755,965)</b>	<b>(824,743)</b>
<b>Other income (expense)</b>				
Interest expense	(671)	-	(1,064)	-
Impairment of exploration and evaluation assets	-	(372,826)	-	(372,826)
Gain on foreign exchange	2,069	382	295	3,070
<b>Total other income (expense)</b>	<b>1,398</b>	<b>(372,444)</b>	<b>(769)</b>	<b>(369,756)</b>
<b>Net loss</b>	<b>\$ (302,596)</b>	<b>\$ (653,362)</b>	<b>\$ (756,734)</b>	<b>\$ (1,194,499)</b>

### THREE MONTHS ENDED DECEMBER 31, 2023, COMPARED TO THREE MONTHS ENDED DECEMBER 31, 2022

For the quarter ended December 31, 2023, net loss was \$302,596 compared to net loss of \$653,362 recorded during the same period in 2022. Material variances from the prior year period are as follows:

- A decrease in filing fees of \$6,454 during the three months ended December 31, 2023, due to reduced activity in the current reporting period.
- A decrease in investor relations of \$9,277 during the three months ended December 31, 2023, due to reduced activity in the current reporting period.
- A decrease in professional fees of \$114,468 due to reduced legal fees recorded in the current period. Prior year quarter legal fees were related to projects in the Democratic Republic of Congo ("DRC").
- An increase in project generation of \$269,812 due to share issuance shares and payment of finder's fee in the current reporting period in relation to the terminated assignment agreement with AuClair.

- A decrease in share-based payments of \$78,617 due to less share-based compensation transactions in the current quarter. There were no new grants or vesting of stock options in the current period.
- A decrease in travel and accommodation of \$31,346 due to reduced expenses for trips in the current quarter. The credit balance is attributed to an over accrual of prior period travel expense on behalf of a consultant.
- A decrease of in impairment of exploration and evaluation asset of \$372,826. The impairment recorded in the prior year quarter was due to the termination of assignment agreement in the previous comparative period.

#### **YEAR ENDED DECEMBER 31, 2023 COMPARED TO YEAR ENDED DECEMBER 31, 2022**

For the year ended December 31, 2023, net loss was \$756,734 compared to net loss of \$1,194,499 recorded during the same period in 2022. Material variances from the prior year period are as follows:

- A decrease in investor relations of \$73,297 due to reduced activities in business development and shareholder awareness in the current year.
- A decrease in management fees of \$72,179 due to reduced consulting services utilized in the current year.
- A decrease in professional fees of \$117,369 due to reduced legal fees recorded in the current year. Prior year legal fees were related to projects in the DRC.
- An increase in project generation of \$303,338 due to share issuance shares and payment of finder's fee in the current year in relation to the terminated assignment agreement with AuClair.
- A decrease in share-based payments of \$80,584 due to less share-based compensation transactions in the current year. There were fewer grants or vesting of stock options in the current year.
- A decrease in travel and accommodation of \$32,164 due to reduced expenses for trips in the current year.
- A decrease of in impairment of exploration and evaluation asset of \$372,826. The impairment recorded in the prior year was due to the termination of assignment agreement in the previous comparative year.

## 8. SUMMARY OF QUARTERLY FINANCIAL INFORMATION

The following Information is derived from the consolidated financial statements:

<b>Fiscal quarter ended</b>	<b>Net loss</b>	<b>Loss from continuing operations per share<sup>1</sup></b>	<b>Net comprehensive loss<sup>2</sup></b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
December 31, 2023	(302,596)	(0.02)	(325,720)
September 30, 2023	(77,222)	(0.00)	(78,170)
June 30, 2023	(127,790)	(0.01)	(132,709)
March 31, 2023	(249,126)	(0.01)	(247,920)
December 31, 2022	(653,362)	(0.04)	(632,699)
September 30, 2022	(168,532)	(0.01)	(182,105)
June 30, 2022	(182,219)	(0.01)	(180,170)
March 31, 2022	(190,386)	(0.01)	(189,909)

(1) Loss per share is rounded to the nearest whole cent

(2) Explanations for the increase in loss for the quarters ended can be found under Results of Operations.

## 9. TRANSACTIONS WITH RELATED PARTIES

Related party transactions for the years ended December 31, 2023, and 2022 are as follows:

<b>Years ended</b>	<b>December 31, 2023</b>		<b>December 31, 2022</b>	
Management fees and consulting fees	\$	118,560	\$	92,280
Share-based payments		-		16,877
	\$	118,560	\$	109,157

As at December 31, 2023, the Company owes \$117,203 (December 31, 2022 - \$45,672) to a company controlled by a director of the Company.

As at December 31, 2023, the Company owes \$30,621 (December 31, 2022 - \$nil) to a company controlled by the former Chief Financial Officer of the Company.

As at December 31, 2023, the Company owes a principal balance of \$7,500 (December 31, 2022 - \$nil) and accrued interest of \$74 (December 31, 2022 - \$nil) to a director of the Company, which is unsecured, bears interest at 8% per annum compounded semi-annually, and due on demand.

As at December 31, 2023, the Company owes a principal balance of \$12,476 (CDN\$16,500) (December 31, 2022 - \$nil) and accrued interest of \$610 (December 31, 2022 - \$nil) to a company controlled by the former Chief Financial Officer of the Company, which is unsecured, bears interest at 8% per annum compounded semi-annually, and matures on May 17, 2024.

As at December 31, 2023, the Company owes \$756 (CDN\$1,000) (December 31, 2022 - \$nil) to a company controlled by a former director of the Company, which is unsecured, non-interest bearing, and due on demand.

## **10. MATERIAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenues and expenses during this year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Significant area requiring the use of estimates include the recoverability of exploration and evaluation assets, fair value of share-based compensation, and unrecognized deferred income tax assets.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

- i) Going concern - The Company's assessment of its ability to continue as a going concern requires management to consider all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.
- ii) The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the consolidated statement of loss in the period when the new information becomes available.

## **11. RISKS RELATED TO THE COMPANY'S BUSINESS**

Resource exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis to further the development of a property. Capital expenditures to support the commercial production stage are also very substantial.

The following sets out the principal risks faced by the Company:

**Financing risks.** Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. As at December 31, 2023 the Company had not yet achieved profitable operations. During the year ended December 31, 2023, the Company incurred a net loss of \$756,734 (December 31, 2022 – \$1,194,499), a cash outflow from operating activities of \$101,994 (December 31, 2022 - \$468,455) and, as of December 31, 2023, the Company had a working capital deficit (current assets minus current liabilities) of \$679,763 (December 31, 2022 – deficit of \$155,933).

The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

**Exploration risk.** There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

**Market risks.** The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short term time horizons and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

**Commodity price risks.** The Company's exploration projects seek copper and cobalt in the DRC. While each of these minerals have recently been the subject of significant price increases from levels prevalent earlier in the decade, there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favour these target commodities. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

**Share Price Volatility and Price Fluctuations.** 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, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that these price fluctuations and volatility will not continue to occur.

**Currency risks.** The Company's exploration expenditures are predominately in US dollars and equity raised is predominately in Canadian dollars. The financial risk is the risk to the Company's operations that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. The Company is subject to fluctuations in foreign currency exchange rates and currently does not use derivative instruments to reduce its exposure to foreign currency risk.

**Key personnel risks.** The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

**Competition.** Significant and increasing competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

**Cyber Security Risks.** As the Company continues to increase its dependence on information technologies to conduct its operations, the risks associated with cyber security also increase. The Company relies on management information systems and computer control systems. Business and supply chain disruptions, plant and utility outages and information technology system and network disruptions due to cyber-attacks could seriously harm its operations and materially adversely affect its operation results, Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, the issue or loss of control over computer control systems, and breaches due to employee error. The Company's exposure to cyber security risks includes exposure through third parties on whose systems it places significant reliance for the conduct of its business. The Company has implemented security procedures and measures in order to protect its systems and information from being vulnerable to cyber-attacks.

The Company believes these measures and procedures are appropriate. To date, it has not experienced any material impact from cyber security events. However, it may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to its information and control systems could have severe financial and other business implications.

**Foreign Countries and Regulatory Requirements.** Currently, the Company has joint-ventures located in the DRC. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency fluctuations, inflation, and political risk. Both mineral exploration and mining activities and production activities in foreign countries may be affected in varying degrees by political stability and government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to community rights, restrictions on production, price controls, export controls, restriction of earnings, taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety. The Company maintains the majority of its funds in Canada and only forwards sufficient funds to meet current obligations.

**Environmental and Other Regulatory Requirements.** The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining or extraction operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties. To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

**History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations.** The Company has incurred net losses to date. Its deficit as of December 31, 2023, was \$29,170,761. Even if the Company commences development of certain properties, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably, or provide a return on investment in the future.

**Uninsurable risks.** The Company and its subsidiaries may become subject to liability for pollution, fire, explosion, against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

## 12. OTHER MD&A DISCLOSURE REQUIREMENTS

### Information available on SEDAR

As specified by National Instrument 51-102, the Company advises readers of this MD&A that important additional information about the Company is available on the SEDAR+ website <http://www.sedarplus.ca/>

### Outstanding Share Data

As at the date of this MD&A, the Company had 20,067,952 shares outstanding. As at the same date there were 1,000,000 warrants outstanding at exercise prices of CDN \$0.40 per share and 1,286,250 stock options outstanding at exercise prices ranging from CDN \$0.20 to \$0.80 per share.

<b>Outstanding Warrants</b>	<b>Exercise Price (CDN\$)</b>	<b>Expiry Date</b>
325,000	0.40	October 19, 2024
300,000	0.40	December 16, 2024
375,000	0.40	December 29, 2024
<b>1,000,000</b>		

<b>Outstanding Options</b>	<b>Vested Options</b>	<b>Exercise Price (CDN\$)</b>	<b>Expiry Date</b>
75,000	75,000	0.40	September 28, 2025
250,000	250,000	0.80	March 31, 2026
400,000	400,000	0.80	March 31, 2026
498,750	498,750	0.20	November 23, 2027
62,500	62,500	0.28	February 6, 2028
<b>1,286,250</b>	<b>1,286,250</b>		

### Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Vancouver, British Columbia

August 27, 2024