



**Management Discussion & Analysis
Quarterly Highlights**

For the nine months ended September 30, 2022

(Expressed in Canadian dollars)

Clover Leaf Capital Corp.
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The following is management’s discussion and analysis, quarterly highlights (“MD&A”) of the results of operations and financial condition of Clover Leaf Capital Corp. (the “Company” or “Clover Leaf”) for the nine months ended September 30, 2022 and up to the date of this MD&A, and has been prepared to provide material updates to the business operations, financial condition, liquidity and capital resources of the Company since its last management’s discussion and analysis for the period from incorporation on March 2, 2021 to December 31, 2021 (the “Annual MD&A”).

This MD&A should be read in conjunction with the Annual MD&A and the audited financial statements for the period from incorporation on March 2, 2021 to December 31, 2021, together with the notes thereto, and the accompanying unaudited condensed interim financial statements, and related notes thereto, for the nine months ended September 30, 2022 (the “Financial Report”).

All financial information in this MD&A is derived from the Company’s financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is November 24, 2022.

CORPORATE OVERVIEW AND OUTLOOK

Clover Leaf was incorporated on March 2, 2021 pursuant to the provisions of the *Business Corporations Act* (British Columbia). The corporate office and registered and records office of the Company is located at Unit 1 – 15782 Marine Drive, White Rock, B.C. V4B 1E6.

On December 29, 2021, the Company filed its final prospectus to become a capital pool company (“CPC”) and for the Company’s initial public offering (“IPO”). On January 11, 2022, the Company became a reporting issuer in the provinces of British Columbia and Alberta as a result of the filing of its final prospectus.

On March 22, 2022, the Company completed its IPO through the issuance of 4,650,000 common shares at a price of \$0.10 per share for gross proceeds of \$465,000, following which its common shares were listed on the TSX Venture Exchange (“TSX-V”).

The Company’s shares commenced trading on the TSX-V on March 24, 2022 under the symbol CLVR.P.

The Company has not commenced operations and has no significant assets other than cash. As a CPC, the Company’s principal business objective is to identify and evaluate assets, properties or businesses with a view to a potential acquisition or participation by completing a qualifying transaction (“QT”) subject, in certain cases, to shareholders’ approval and acceptance by the TSX-V. There is no assurance that the Company will identify and successfully acquire businesses or assets that will produce a profit. Moreover, if a potential business or asset is identified which warrants acquisition or participation, the Company may not be able to obtain such financing on terms which are satisfactory to the Company.

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Under the policies of the TSX-V, the Company must identify and complete a QT within 24 months from the date the Company's shares are listed for trading on the TSX-V. There is no assurance that the Company will be able to complete a QT within this time period, or that it will be able to secure the necessary financing to complete a QT. The TSX-V may suspend or de-list the Company's shares from trading should it not meet these requirements.

On September 26, 2022, the Company entered into a non-binding letter of intent with North Shore Energy Metals Ltd. ("North Shore") pursuant to which the Company and North Shore will complete a transaction (the "Proposed Transaction") that will result in a reverse takeover of the Company by North Shore. The Proposed Transaction is expected to constitute the Company's QT.

RESULTS OF OPERATIONS

The loss for the nine months ended September 30, 2022 was \$69,873 compared to \$107,557 for the period from incorporation on March 2, 2021 to September 30, 2021.

During the nine months ended September 30, 2022, the Company paid or accrued consulting fees of \$9,000 (period from incorporation on March 2 to September 30, 2021 - \$7,000) for the services of a Chief Financial Officer, a Corporate Secretary, and accounting and administrative staff to the Company.

Professional fees for the nine months ended September 30, 2022 were \$9,575 compared to \$33,935 in the prior period. Prior period expenditures relate primarily to legal and audit services incurred in preparation for the Company's IPO.

Regulatory and filing fees for the nine months ended September 30, 2022 were \$16,524 compared to \$504 in the prior period and primarily related to filing fees for the Company's IPO on the TSX-V in March 2022.

Share-based compensation for the nine months ended September 30, 2022 was \$30,948 compared to \$64,267 in the prior period and relates to the granting of 465,000 stock options to certain directors and officers of the Company in the current period.

LIQUIDITY AND CAPITAL RESOURCES

During the nine months ended September 30, 2022, the Company spent \$77,249 on operating activities, net of working capital changes, and received \$403,300 from financing activities to end at September 30, 2022 with \$616,110.

On March 22, 2022, the Company completed its IPO through the issuance of 4,650,000 common shares at a price of \$0.10 per share for gross proceeds of \$465,000. The Company paid share issue costs of \$61,700 and issued 465,000 broker warrants exercisable at a price of \$0.10 until March 22, 2024.

As at September 30, 2022, the Company has working capital of \$613,314. Management estimates that these funds will provide the Company with sufficient financial resources to carry out currently planned operations through the next twelve months.

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RELATED PARTY TRANSACTIONS

During the three and nine months ended September 30, 2022, the Company paid or accrued consulting fees of \$3,000 (2021 - \$3,000) and \$9,000 (period from incorporation on March 2 to September 30, 2021 - \$7,000) respectively to Golden Oak Corporate Services Ltd. (“Golden Oak”). Golden Oak is a consulting company controlled by the Chief Financial Officer and the Corporate Secretary of the Company. Golden Oak provides the services of a Chief Financial Officer, a Corporate Secretary, and accounting and administrative staff to the Company. The Chief Financial Officer and the Corporate Secretary are employees of Golden Oak and are not paid directly by the Company. As at September 30, 2022, the Company owed Golden Oak \$836 for the reimbursement of expenditures.

During the three and nine months ended September 30, 2022, the Company paid or accrued professional fees of \$5,317 (2021 - \$4,045) and \$8,560 (period from incorporation on March 2 to September 30, 2021 - \$17,935) respectively to Maxis Law Corporation (“Maxis”), a law firm controlled by a director of the Company. As at September 30, 2022, the Company owed Maxis \$5,566 for legal fees.

On May 26, 2022, the Company granted 465,000 stock options to directors and officers at a fair value of \$30,948.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The Company has no disclosure.

OUTSTANDING SHARE DATA AS AT THE DATE OF THIS MD&A

Authorized: an unlimited number of common shares without par value.

	Number of Shares	Warrants	Stock Options
Balance, September 30, 2022	11,850,000	465,000	1,185,000
Balance, the date of this MD&A	11,850,000	465,000	1,185,000

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These forward-looking statements include but are not limited to statements concerning:

- The Company's ability to identify, successfully negotiate and/or finance an acquisition of a new business opportunity
- The Company's success at completing future financings
- The Company's strategies and objectives
- General business and economic conditions
- The Company's ability to meet its financial obligations as they become due
- The positive cash flows and financial viability of new business opportunities
- The Company's ability to manage growth with respect to a new business opportunity
- The Company's tax position, anticipated tax refunds and the tax rates applicable to the Company

Readers are cautioned that the preceding list of risks, uncertainties, assumptions and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, investors in securities of the Company should not place undue reliance on these forward-looking statements.

ADDITIONAL INFORMATION

Additional information relating to the Company is available at www.sedar.com.