



Enerev5 Metals Inc.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended May 31, 2024

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Enerev5 Metals Inc. ("Enerev5" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended May 31, 2024. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion dated September 30, 2024 should be read in conjunction with the audited annual consolidated financial statements for the fiscal years ended May 31, 2024 and 2023, together with the notes thereto. Results are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The Company trades on the TSX Venture Exchange under the symbol "ENEV" and the OTC Pinks under the symbol "ENEVF". Further information about the Company and its operations can be obtained from the offices of the Company or from the Company's filings on www.sedarplus.ca.

DESCRIPTION OF BUSINESS

Enerev5 is a resource company which has been focused on critical battery metals from global sources for mobile devices, electric vehicles and renewable grid energy storage.

The Company's strategic interest is in energy metals, in particular cobalt, copper, and other battery metals, in view of the anticipated increasing need driven by growth in the electronic device and electric vehicle industries. Included in other battery metals are lithium, nickel, graphite, aluminum, manganese, and zinc. Notwithstanding, the Company would consider other serious projects which present themselves.

MINERAL PROPERTIES

Barbara Bay

On October 31, 2022, the Company acquired through staking by arms length stakers, 447 mining claims comprising approximately 24,000 ha in the Province of Quebec. The Company paid \$2,000 for staking costs and \$30,731 in government claims costs. On December 5, 2022, the Company completed the acquisition of an additional 171 mining claims, comprising approximately 9,234 hectares in the Province of Quebec, for a total consideration of 5,000,000 common shares of the Company (the "Consideration Shares"). The Consideration Shares are fully paid and non-assessable shares of the Company. The Consideration Shares are subject to escrow provisions requiring the shares to be released from escrow, 50% on closing of this agreement, subject to a four month hold period, and a further 50% six months from the date of closing. The Company has reimbursed the Vendors for their government staking fees of \$11,688 plus staking. The project now comprises about 33,200 hectares of contiguous claims. Enerev5 is in the process of completing the acquisition by transferring title of the claims to the Company.

The Barbara Bay property is located 100 km northeast of Sept Îles, Quebec west of and adjacent to Lake Manitou. The property encompasses the entire contact of the Turtle Anorthosite Complex (TAC). Historic work by Soquem Inc. (Soquem) in the 1990s discovered outcrops of sulphide in anorthosite composed mainly of pyrrhotite and chalcopyrite and containing anomalous nickel (Ni), copper (Cu) and Cobalt (Co). Although the TAC was fully mapped, very little exploration has occurred at the contact which was considered by Soquem to be favorable for Ni-Cu-Co mineralization (1997).

Drilling within the intrusion by Soquem was limited to a single drillhole which encountered a narrow zone of sulphide mineralization that returned 0.42% Ni, 0.17% Cu and 0.06% Co over 0.5 m. The drillhole did not intersect the contact and ended in a leucogabbro-norite at 197 m.

Subsequent airborne surveys in 1997/98 identified several conductors at or near the interpreted contact that do not appear to have been followed up. This vintage of survey is expected to be accurate to no better than 50-100 metres, enough resolution for staking purposes but not enough for a direct drilling program.

The Barbara Bay Property encircles the TAC which is about 250 km² in size. This represents almost 60 km of favorable contact between the anorthosite and the surrounding gneissic and granitic country rocks.

Goals Met

The Goals Met claims were acquired through the staking of 135 mining claims comprising approximately 7,290 hectares in the Province of Quebec using arms-length stakers. The Company paid \$1,000 for staking costs and \$9,281 in government claims costs. Enerev5 is in the process of completing the acquisition by transferring title of the claims to the Company.

In November, 2023, the Company completed an airborne geophysical survey designed to identify and confirm the contact of an anorthosite intrusion on the property. No significant targets were identified.

The claims were acquired in keeping with the Company's focus on exploration and development potential related to energy metals such as nickel, copper, cobalt and other strategic battery minerals, and the Company's increasing focus is on projects in mining friendly and politically stable jurisdictions.

EXPLORATION AND EVALUATION COSTS

All costs related to the exploration and evaluation of mineral resources are expensed (net of grants received) as exploration and evaluation ("E&E") costs. The policy is to expense all such expenditures until they are proven recoverable. Once a project has been established as commercially viable and technically feasible, all development costs will be capitalized. If the project is brought into production, these costs will be amortized against the income generated from the property.

	\$
Balance, May 31, 2023	-
Barbara Bay, acquisition costs	246,238
Goals Met, acquisition costs	10,281
Balance, May 31, 2023	256,519
Goals Met, geophysics	30,000
Balance, May 31, 2024	286,519

GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended May 31	
	2024	2023
	\$	\$
Consulting, management and directors' fees	199,500	295,000
Professional fees (legal & audit)	36,490	33,100
Office and general	49,168	55,557
Marketing	17,500	-
Rent	-	31,674
	302,658	415,331

SELECTED ANNUAL INFORMATION

Year ended May 31	2024 \$	2023 \$	2022 \$
Net income (loss) for the year	(380,256)	(765,866)	(576,490)
Cash flow (used in) operating activities	(40,788)	(434,174)	(987,015)
Cash flow from (used in) investing activities	-	-	-
Cash flow from (used in) financing activities	40,000	408,321	465,738
Total assets ⁽¹⁾	23,998	69,786	98,852
Loss per share (basic and diluted)	0.00	0.00	0.00

(1) As at May 31

SUMMARY OF QUARTERLY RESULTS

For the eight most recent quarters:

	May 31 2024 \$	February 29 2024 \$	November 30 2023 \$	August 31 2023 \$
Net income (loss) for the period	(108,262)	(90,436)	(85,408)	(96,150)
Net income (loss) per share (basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)

	May 31 2023 \$	February 28 2023 \$	November 30 2022 \$	August 31 2022 \$
Net income (loss) for the period	(41,234)	(351,833)	(166,928)	(205,871)
Net income (loss) per share (basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)

LIQUIDITY AND CAPITAL RESOURCES

The Company's operations to date have been funded primarily through the issuance of common shares and, from time to time, through short-term loans. The Company anticipates that it will continue to be able to utilize equity financing until it develops cash flow from operations, but there is no certainty that the Company may be successful in this regard. Other than as discussed in the document, the Company is not aware of any trends, demands, commitments, events, or uncertainties that may result in its liquidity either materially increasing or decreasing in the foreseeable future. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its projects as well as its continued ability to raise capital.

On July 5, 2022 and August 4, 2022, the Company raised gross proceeds of \$36,280 and \$80,000 respectively in brokered private placements. In the fall of 2022, the Company raised gross proceeds of \$392,500 in a series of three tranches under a private placement announced in September 2022.

During the last quarter of the fiscal year ended May 31 2023, the Company received advances against future financings totaling \$94,000 and on September 26, 2023, the Company received an additional advance of \$28,000 and in May 2024 an additional \$12,000.

Cash as at May 31, 2024 was \$976 (May 31, 2023 - \$1,764). Accounts payable, accrued liabilities and short-term loans as at May 31, 2024, were \$537,569 (May 31, 2023 - \$240,104).

At present, the Company's operations are not generating cash flow and the ability to raise the capital resources to undertake its objectives is dependent upon the venture capital market. Actual funding

requirements may vary from those planned due to a number of factors, including the progress of identifying suitable projects. Management believes it will be able to raise equity capital as required but recognizes there will be risks involved that may be beyond their control. The Company will adjust its activities according to available funding. To continue operations, the Company requires additional funding in the short term.

As at May 31, 2024, the Company's share capital was \$29,562,545 (May 31, 2023: \$29,562,545) representing 241,082,718 common shares issued and outstanding, without par value. The Company will require additional financing as noted in the liquidity section above.

OUTSTANDING SHARE DATA

As at September 30, 2024:

Common shares issued and outstanding:	241,082,718
Warrants	6,325,000
Broker warrants *	575,000
Options	5,200,000
Fully diluted	253,182,718

*Upon exercise of the broker unit, an additional warrant will be issued for each unit exercised.

CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

As announced on April 28, 2021, the Company received correspondence on behalf of a former independent contractor claiming entitlement to payment of alleged outstanding "salary" and expenses of US\$329,000, 300,000 common shares of the Company, and payment in respect of the termination of services. The Company considers the claims to be without merit. No amounts have been recognized in the financial statements related to this matter.

On April 23, 2024, a director of the Company was served with a statement of claim on behalf of the Company. TIAfrica Ltd. ("TIAfrica"), a company based in the Democratic Republic of Congo, claims that on or about the 16th of January, 2019, it signed a Letter of Intent ("LOI") with the Company, enforceable and binding under which: (a) in exchange for the purchase of 4,333,333 shares of the Company by TIAfrica, the Company would build a hydroxide plant and would hire TIAfrica to hire staff and to take care of everything related to human and administrative resources; and (b) the Company would hire the plaintiff for all its needs in human resources and administrative services on any other mining site where it would be involved on the African continent. The statement of claim claims a sum in Canadian dollars equal to US\$500,000 in compensatory damages, under contract or tort, an additional sum of CAD\$300,000 for loss of business opportunities, interest, and costs. TIAfrica alleges that the Company breached its contractual obligations by not building the plant and not hiring it for this project. TIAfrica further alleges that the Company also failed in its duty to perform in good faith in contractual relations and did not use its discretion, where applicable, in a manner consistent with good faith, and further that the representatives of the Company made negligent, false or misleading representations by explaining to the plaintiff that the establishment of a factory was imminent when it was not, and that this induced TIAfrica to enter into the LOI and incur expenses by relying on these representations, to its detriment. Management's assessment is that the claim is without merit. Management will consider whether the Company has a legal remedy for any damages which it may sustain as a result of this claim and, if so, intends to counterclaim.

RELATED PARTY TRANSACTIONS

Compensation of key management and directors

Key management compensation expense includes the Chief Executive Officer, and the Chief Financial Officer.

For the year ended May 31	2024	2023
	\$	\$
Management fees to CEO and CFO	150,000	107,500
Management fees to former CEO	-	80,000
Accounting fees to a former officer	-	40,000
Directors' fees paid or accrued	49,500	67,500
	199,500	295,000

Included in accounts payable and accrued liabilities are amounts due to related parties. The total amount due to related parties as of May 31, 2024, was \$297,950, including unpaid management fees to the CEO and CFO (May 31, 2023 - \$109,375).

During the year ended May 31, 2023 the Company granted 4,500,000 stock options to officers and directors. Share-based compensation of \$35,531 related to directors and officers was incurred in the year months ended May 31, 2024 (2023 - \$55,641).

On March 3, 2023 and May 23, 2023, the Company received advances of \$60,000 and \$34,000 respectively from a shareholder. On September 26, 2023, April 17, 2024 and May 3, 2024, the Company received advances of \$28,000, \$2,000 and \$10,000 from shareholders.

RISKS AND UNCERTAINTIES

Given the Company's current status as an exploration stage company, there are numerous risk factors that could affect the Company's business prospects and future performance and are detailed in the audited consolidated financial statements and management's discussion and analysis for the year ended May 31, 2024 and in this document. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also affect the Company's business prospects and future performance.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as at May 31, 2024, or as of the date of this report.

MANAGEMENT'S EVALUATION OF DISCLOSURE CONTROLS

Management is responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company is made known to the Company's certifying officers. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the effectiveness of the Company's disclosure controls and procedures as at May 31, 2024 and have concluded that these controls and procedures are effective.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with IFRS. Based on a review of its internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures are appropriately designed as at May 31, 2024.

CAUTIONARY NOTES AND FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking information and statements within the meaning of applicable securities laws and may include future-oriented financial information. All information other than matters of historical fact may be forward-looking information. In some cases, forward-looking information can be identified by the use of words such as “seek”, “expect”, “anticipate”, “budget”, “plan”, “estimate”, “continue”, “forecast”, “intend”, “believe”, “understand”, “predict”, “potential”, “target”, “may”, “could”, “would”, “might”, “will”, “ongoing”, “outlook”, “pending”, “opportunity” and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information is not, and cannot be, a guarantee of future results or events. All forward-looking statements are inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including risks, uncertainties and assumptions related to: the Company’s ability to achieve stated goals; the estimated costs associated with the advancement of the Projects, which could have a material adverse impact on many aspects of the Company’s business including but not limited to: the Company’s ability to access properties for indeterminate amounts of time, the health of its employees or consultants resulting in delays or diminished capacity, social or political instability in jurisdictions of interest to the Company which may result in the reduced availability or failures of various local administration and critical infrastructure, reduced demand for the Company’s potential products, availability of materials, global travel restrictions, and the availability of insurance and the associated costs; risks related to the certainty of title to properties; risks related to commodity price and foreign exchange rate fluctuations; risks related to foreign operations; the cyclical nature of the industry in which we operate; risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals; risks related to environmental regulation and liability; political and regulatory risks associated with mining and exploration; risks related to the uncertain global economic environment and the effects upon the global market generally, and geopolitical risks arising out of the current conflict in Ukraine, any of which could continue to negatively affect global financial markets, including the trading price of the Company’s shares and could negatively affect the Company’s ability to raise capital and may also result in additional and unknown risks or liabilities to the Company. Actual results may differ materially from those projected in the forward-looking statements and the Company cautions against placing undue reliance thereon. Except as required by applicable securities legislation, neither the Company nor its management assumes any obligation to revise or update these forward-looking statements.