



(“EVX” or “the Company”)

**FORM 51-102F1
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE-MONTH PERIOD ENDED JANUARY 31, 2023**

Introduction

This Management’s Discussion and Analysis (“MD&A”) of European Electric Metals Inc. including its wholly owned subsidiaries, Tirex Explorations Sh.p.k., (incorporated in Albania), Tirex Resources (BVI No.1) Ltd. (incorporated in British Virgin Islands), and Tirex Resources (BVI No.2) Ltd. (incorporated in British Virgin Islands) and EVX Portugal, Unipessoal, LDA (incorporated in Portugal) is the responsibility of management and covers the period ended January 31, 2023. The MD&A takes into account information available up to and including March 31, 2023, and should be read together with condensed consolidated interim financial statements for the period ended January 31, 2023 and with the audited consolidated financial statements for the year ended April 30, 2022 which are available on the SEDAR website at www.sedar.com.

Throughout this document the terms *we*, *us*, *our*, *the Company* and *EVX* refer to European Electric Metals Inc. All financial information in this document is prepared in accordance with International Financial Reporting Standards (“IFRS”) and is presented in Canadian dollars unless otherwise indicated.

This document contains forward-looking statements. Please refer to “Note Regarding Forward-Looking Statements.”

Description of Business

The Company’s main business is the identification, acquisition and exploration of natural resource properties. The Company currently also has a 30% interest in the Borba 2 Cu Project in Portugal.

Subsequent to period end the Company entered into an agreement to acquire a Company which has the right to acquire up to 5 explorations licenses in Europe. Refer to the Performance Summary section below.

Refer to the “Outlook” and “Exploration Summary” sections below for a description of the properties and for more information.

Performance Summary and Subsequent Events

During the nine-month period ended January 31, 2023 and the subsequent to period ended January 31, 2023, the Company:

- On November 1, 2022 completed a non-brokered private placement financing. The Company issued 45,000,000 shares at a price of \$0.05 for net proceeds of \$2,250,000. The Company did not pay any finders' fees.
- On February 28, 2023 the Company entered into a non-arm's length binding letter of intent ("LOI") with 1340371 B.C. Ltd. whereby the Company has agreed to acquire all of the issued and outstanding common shares of 1340371 B.C. Ltd. 1340371 B.C. Ltd has the right, through a local company, to acquire up to five (5) exploration licenses located in Europe.

Under the terms of the LOI, the Company has agreed to negotiate and settle the terms of a definitive agreement (the "Definitive Agreement") whereby the Company will acquire all of the issued and outstanding common shares of 1340371 B.C. Ltd. In consideration, the Company has agreed to issue a total of 5,250,000 common shares (the "Consideration Shares") to the shareholders of 1340371 B.C. Ltd.

The Agreement and the transactions contemplated therein are subject to entry into the Definitive Agreement, completion of due diligence of the exploration licenses by the Company, approval of the TSX Venture Exchange and such other customary conditions set forth in the Definitive Agreement.

Please refer to the full news releases which are available at www.sedar.com.

Outlook

As announced in the Performance Summary section, during the period ended January 31, 2023 the Company completed a \$2.25million financing, which has left the Company with positive working capital. The Company has been actively investigating potential project acquisitions and subsequent to period ended entered into an LOI to acquire 5 exploration licenses in Europe.

EXPLORATION SUMMARY

Borba 2 Project

The Borba 2 project is an advanced stage copper asset with historic production. Borba 2 is located approximately 160km east of Lisbon, Portugal and covers an area of 329 sqkm (32,900 ha). During the year ended April 30, 2022, the license was issued.

Acquisition and sale

The Company entered into an agreement to acquire the Borba 2 project in Portugal, during the first quarter of 2018. On February 22, 2021, the Company entered into an agreement to sell 70% of the Borba 2 project to Goldplay Mining Inc. ("Goldplay"), a public Canadian Company (TSXV – AUC). Under the terms of the Agreement Goldplay acquired a 70% interest in the shares of EVX Portugal, and is required to:

- a) Reimburse and pay outstanding invoices totalling \$17,202 related to professional fees incurred on EVX Portugal (reimbursed).
- b) Upon issuance of the license to EVX Portugal, Goldplay will pay US\$20,000 to Prime as stipulated in the agreement between Prime and the Company.
- c) Within 30 days of license issuance to EVX Portugal, Goldplay will pay \$20,000 (received in the nine-month period ended January 31, 2022) to the Company and will issue the equivalent of \$20,000 in Goldplay common shares (received 133,334 shares during the nine-month period ended January 31, 2022) to the Company.

The Company's remaining 30% interest in EVX Portugal will be free carried by Goldplay until Goldplay or any of its subsidiaries have completed at least \$600,000 in expenditures attributed to Borba 2. If the Company does not contribute and dilutes below 10%, the interest will convert to a 1% NSR that can be bought back by Goldplay at anytime for \$1,000,000.

During the year ended April 30, 2022, the Company entered into an option agreement to sell its remaining 30% of the shares of EVX Portugal to Goldplay, which subsequently expired unexercised.

The Company's investment in EVX Portugal, which it holds a 30% interest, has been accounted for using the equity method. EVX Portugal had no activity or transactions during the year ended April 30, 2021. Upon deconsolidation of EVX Portugal the Company estimated a fair value of \$nil attributable to the equity investment as it had no assets or liabilities. Further, due to uncertainty of receipt of the Borba 2 license, and ultimate collectability of the consideration for the disposal, the Company charged \$40,000 in consideration recoverable against the gain in deconsolidation of \$40,000 for a net impact of \$nil in the Consolidated Statement of Operation and Comprehensive Loss during the year ended April 30, 2021. During the year ended April 30, 2022 EVX Portugal incurred expenditures of \$111,767, of which \$58,297 related to exploration.

Fred Tejada, P.Geo., a Qualified Person under the meaning of Canadian National Instrument 43-101 and an officer of EVX, is responsible for the technical content of this Management's Discussion and Analysis.

Results of Operations

The consolidated financial statements reflect the financial condition of the Company's business for the nine-month period ended January 31, 2023.

During the Nine-month period ended January 31, 2023, the Company incurred a net loss of \$32,447 as compared to a net loss of \$34,190 for the nine-month period ended January 31, 2022. During the three-month period ended January 31, 2023, the Company incurred a net loss of \$7,181 as compared to income of \$37,125 for the three-month period ended January 31, 2022.

General expenses totaled \$116,239 for the nine-month period ended January 31, 2023 compared to \$5,603 for the nine-month period ended January 31, 2022. General expenses totaled \$99,962 for the three-month period ended January 31, 2023 compared to \$1,542 for the three-month period ended January 31, 2022.

General expenses with significant changes include:

- Transfer agent fee increased to \$17,390 (2022 – \$4,612) during the nine-month period ended January 31, 2023 and were \$8,481 (2022 - \$960) during the three-month period ended January 31, 2023. The increase is due to AGM related costs.
- Professional fees increased to \$19,439 (2022 - \$nil) during the nine-month period ended January 31, 2023 and were \$14,960 (2022 - \$nil) during the three-month period ended January 31, 2023. Professional fees includes legal fees related to corporate and project investigation activities, including the AGM.
- Project investigation increased to \$31,012 (2022 - \$nil) during the nine-month period ended January 31, 2023 and were \$31,012 (2022 - \$nil) during the three-month period ended January 31, 2023. The Company reviewed various projects during the period and entered into an LOI on a European project, as discussed in the Performance Summary section.
- Office and miscellaneous increased to \$23,923 (2022 - \$991) during the nine-month period ended January 31, 2023 and were \$23,509 (2022 - \$582) during the three-month period ended January 31, 2023. Office and miscellaneous increased as activity for the Company, including project acquisition, general corporate activity and financing activity increased.
- Unrealized loss on the marketable securities of \$1,333 (2022 – \$1,333) during the nine-month period ended January 31, 2023 and a gain of \$8,667 (2022 – loss of \$1,333) during the three-month period ended January 31, 2023. During the prior year, the Company received Goldplay Mining Inc. shares as part of the Borba 2 sale.

- Gain on settlement of accounts payable was \$84,114 (2022 - \$nil) during the three- and nine-month periods ended January 31, 2023. During the period the Company completed a financing and began the process of settling debt, resulting in gains of \$84,114.

Summary of Quarterly Results

The following table summarizes the quarterly results for each of the three-month periods ended:

	January 31, 2023	October 31, 2022	July 31, 2022	April 30, 2022
Total assets	\$ 1,091,101	\$ 905,975	\$ 31,080	\$ 42,243
Working capital (deficiency)	680,994	(1,542,817)	(1,530,548)	(1,517,551)
Shareholders' equity (deficiency)	(680,994)	(1,542,817)	(1,530,548)	(1,517,551)
Net income (loss)	(7,181)	(12,269)	(12,997)	(1,529)
Net income (loss) per share - basic	(0.00)	(0.00)	(0.00)	(0.00)
	January 31, 2022	October 31, 2021	July 31, 2021	April 30, 2021
Total assets	\$ 49,339	\$ 44,773	\$ 13,343	\$ 13,565
Working capital (deficiency)	(1,481,832)	(1,518,957)	(1,516,838)	(1,516,022)
Shareholders' equity (deficiency)	(1,481,832)	(1,518,957)	(1,516,838)	(1,516,022)
Net income (loss)	37,125	(2,119)	(29,433)	(39,665)
Net income (loss) per share - basic	0.01	(0.00)	(0.01)	(0.01)

The following table shows the key identifiable factors that significantly affect changes in EVX's net loss and loss per share over the eight most recent quarters:

	January 31, 2023	October 31, 2022	July 31, 2022	April 30, 2022
Share-based payments	\$ -	\$ -	\$ -	\$ -
Office and miscellaneous	23,509	260	154	700
Project Investigation	31,012	-	-	-
Professional Fees	14,960	-	-	-
Travel & trade show	-	2,412	63	439
Management and consulting	22,000	-	-	-
Loss (gain) on settlement of payables / receivables	(81,114)	-	-	-
	January 31, 2022	October 31, 2021	July 31, 2021	April 30, 2021
Share-based payments	\$ -	\$ -	\$ -	\$ -
Office and miscellaneous	582	147	262	465
Professional Fees	-	-	-	-
Travel & trade show	439	3,098	554	2,001
Management and consulting	-	-	-	10,350
Loss (gain) on settlement of payables / receivables	-	-	-	(21,884)

Discussion of Quarterly Results

The variability in EVX's net loss over the last eight quarters resulted primarily from the changing levels in our exploration program, listing and corporate related costs, share-based compensation and office and administrative expenses. Changing levels in exploration program and general and administrative costs fluctuate independently according to field activities at our properties or general corporate activities. General and administrative activity and overall operating expenses were significantly lower commensurate with the decrease in the Company's exploration activity.

Liquidity

EVX's mineral exploration and development activities do not provide a source of income and we therefore have a history of losses, working capital deficiencies and an accumulated deficit. However, given the nature of our business, the results of operations as reflected in the net losses and losses per share do not provide a complete interpretation of our valuation.

As at January 31, 2022, the Company had a working capital deficit of \$680,994. This balance included a cash balance of \$1,076,005 to settle current liabilities of \$410,107, marketable securities of \$11,333, and receivables and prepayments of \$3,762.

To maintain liquidity in the future, the Company continues to investigate additional projects and financing opportunities and would consider raising capital via share issuances, additional debt facilities, joint venture arrangements, or a combination of these options. During the period ended January 31, 2023 the Company complete a \$2.25million financing, as detailed in the Performance Summary section. The Company has financed its operations to date primarily through the issuance of common shares, convertible debentures and loans payable.

Operating Activities: The Company does not generate cash from operating activities. Net cash used by the Company for operating activities for the period ended January 31, 2023 was \$1,183,462.

Investing Activities: During the period ended January 31, 2023, the Company did not use or receive cash from investing activities.

Financing Activities: During the period ended January 31, 2023, the Company issued Common Shares for total proceeds of \$2,250,000. During the period the Company also incurred Share issuance cost of \$19,008.

The consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company's continuing operations rely on the ability of the Company to continue to raise capital.

Related Party Transactions

The consolidated financial statements include the financial statements of the Company and its 100% owned subsidiaries:

Company	Place of Incorporation	Effective Interest	Principal Activity
Tirex Explorations Sh.p.k	Albania	100%	Inactive
Tirex Resources (BVI No.1) Ltd	British Virgin Islands	100%	Inactive
Tirex Resources (BVI No.2) Ltd	British Virgin Islands	100%	Inactive
EVX Portugal, Unipessoal LDA	Portugal	30%	Exploration

During the period ended January 31, 2023, the Company did not pay or accrue any related party transactions.

Included in accounts payable and accrued liabilities is \$223,024 (April 30, 2022 - \$1,008,292) due to officers, former officers and directors of the Company.

Outstanding Share Data

As at the date of this report the Company had 50,302,763 common shares issued and outstanding.

The following incentive stock options and share purchase warrants were outstanding at the date of this report:

Number	Exercise price	Expiry date	Remaining Life (years)
145,000	\$ 5.00	April 23, 2023	0.22

Contractual Obligations

Except as described herein or in the Company's condensed consolidated interim financial statements at January 31, 2023, the Company had no material contractual obligations.

Off-Balance Sheet Arrangements

As at January 31, 2023, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Capital Resources

The Company has no commitments for capital expenditures at the date of this report. The Company will continue to seek capital. In the past the Company has raised capital public markets by issuing common shares pursuant to private placements, through the issuance of convertible debentures and through loans payable. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

Financial Instruments and Risk Management

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of receivables and accounts payable and accrued liabilities approximates fair value due to the short-term nature of the financial instruments. Cash is valued at a level 1 fair value measurement and is classified as fair value through profit or loss. Receivables are classified at amortized cost. Accounts payable and accrued liabilities are classified as amortized cost.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and receivables and prepayments. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company does not currently maintain significant cash deposits in any subsidiaries.

Receivables mainly consists of GST receivable from the Government of Canada. The Company has not had issues with respect to collectability of these amounts and believes that the credit risk concentration with respect to receivables is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to try and have sufficient liquidity to meet liabilities when due. As at January 31, 2023, the Company had a cash balance of \$1,076,005 to settle current liabilities of \$410,107. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. To maintain liquidity, the Company is currently investigating restructuring and financing opportunities. While the Company has been successful in obtaining its required funding in the past there is no assurance that this financing will be extended or that any additional future financing will be available.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at January 31, 2023, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through Albania. Through this, the Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in US Dollars, EURO and Albanian Lek.

Fluctuations in the EURO will, consequently, have an impact upon the Company's profitability and the value of the Company's liabilities. As at January 31, 2023, the impact of a 10% change in the rate of exchange on the US Dollar, EURO and Albanian Lek compared to the Canadian dollar would result in a change of approximately \$3,763 on the Company's loss for the period. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Risk Factors

Companies in the exploration stage face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, commodities prices, changes in laws and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions. Risks and uncertainties the Company considers material in assessing its financial statements are described below.

EVX will require additional funding.

As at January 31, 2022, the Company held cash of \$1,076,005 and accounts payable and accrued liabilities of \$410,107. During the period Company completed a \$2.25 million financing, however, the Company will require additional funding. The Company has historically relied upon equity subscriptions and the convertible debenture to satisfy its capital requirements and will likely continue to depend upon these sources to finance its activities. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms.

EVX is subject to government regulation.

The Company's mineral exploration is, and any development activities will be, subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Exploration, development and mining activities can be hazardous and involve a high degree of risk.

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

EVX may be adversely affected by fluctuations in metal prices.

The value and price of the Company's common shares, the Company's financial results, and exploration, development and mining activities of the Company, if any, may be significantly adversely affected by declines in the price of certain metals, including copper. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Infrastructure

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate infrastructure could significantly delay or prevent the Company exploring and developing its projects and could result in higher costs.

EVX does not and likely will not insure against all risks.

The Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause EVX to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

EVX may be subject to disputes.

The Company may be involved in disputes with other parties in the future, which may result in litigation or arbitration. The results of litigation or arbitration cannot be predicted with certainty. If the Company is unable to resolve these disputes favorably, it may have a material adverse impact on the Company.

All industries, including the mining industry, are subject to legal claims that are with and without merit. Due to the inherent uncertainty of the litigation process and dealings with regulatory bodies, there is no assurance that any legal or regulatory proceeding will be resolved in a manner that will not have a material and adverse effect on the Company.

EVX is dependent on key personnel.

The Company's success depends in part on its ability to recruit and retain qualified personnel. Due to its relatively small size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible and human error could result in a significant uninsured loss to the Company.

EVX's officers and directors may have potential conflicts of interest.

EVX's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

Permits, licenses and approvals

In countries where we carry out exploration activities, the mineral rights or certain portions of them are owned by the relevant governments. These governments have entered into contracts with us, or granted permits or concessions that allow us to carry out operations or development and exploration activities there, but government policy could change. Any change that affects our rights to conduct these activities could have a material and adverse effect on the Company.

In addition, mineral exploration and mining activities can only be conducted by entities that have obtained or renewed exploration or mining permits and licenses in accordance with the relevant mining laws and regulations. The duration and success of each permitting effort are contingent upon many factors we do not control. In the case of foreign operations, governmental approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. There may be delays in the review process. There is no guarantee that we will be granted the necessary permits and licenses, that they will be renewed, or that we will be in a position to comply with all conditions that are imposed.

All mining projects require a wide range of permits, licenses and government approvals and consents. It is not certain that we will be granted these at all, or in a timely manner. If we do not receive them for our mineral projects or are unable to maintain them, it could have a material and adverse effect on the Company.

Title to our mineral properties

We have investigated title to all of our mineral properties and, to the best of our knowledge we have or are entitled to title to all of our properties subject to the terms described in the MD&A and in our financial statements dated January 31, 2023. Challenges may be made to the title to any of our properties and, if successful, they could impair development and/or operations at our mines or projects. There is no assurance that title to any of our properties will not be challenged.

New laws and regulations, or amendments to laws and regulations relating to mineral tenure and land title and usage, including expropriations and deprivations of contractual rights, if proposed and enacted, may affect our rights to our mineral properties. There is no assurance that we will be able to operate our properties as currently permitted or that we will be able to enforce our rights with respect to our properties.

Corruption and bribery

Our operations are governed by, and involve interactions with, many levels of government in foreign countries. We may not be able to complete some business transactions if we are subject to corruption or demands for bribes. Like most companies, we are required to comply with anti-corruption and anti-bribery laws, including the Canadian Corruption of Foreign Public Officials Act, as well as similar laws in the countries in which we conduct our business. In recent years, there has been a general increase in both the severity of penalties and frequency of enforcement under such laws, resulting in greater punishment and scrutiny to companies convicted of violating anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also any third-party agents. If we find ourselves subject to an enforcement action or are found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions being imposed on us resulting in a material adverse effect on the Company.

Reputational risk

Damage to our reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Although we believe that we operate in a manner that is respectful to all stakeholders and take care in protecting our image and reputation, we do not have control over how we are perceived by others. Any reputation loss could result in decreased investor confidence and increased challenges in developing and maintaining community relations which may have adverse effects on the Company and the price of the Company's securities.

Critical Accounting Policies and Estimates

EVX's accounting policies, significant accounting judgements, estimates and assumptions are described in Notes 2 and 3 of its annual audited consolidated financial statements for the year ended April 30, 2022.

Note Regarding Forward-Looking Statements

Except for historical information, this MD&A may contain forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.

The factors that could cause actual results to differ materially include, but are not limited to, the following: EVX has no assurance that the licenses will be issued nor if issued, that they will be issued in a timely manner; general economic conditions; changes in financial markets; the impact of exchange rates; political conditions and developments in countries in which the Company operates; changes in the supply, demand and pricing of the metal commodities which the Company hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; the sufficiency of current working capital and the

estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties.

This list is not exhaustive and these and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements.

This MD&A contains certain forward-looking statements. Although forward-looking statements and information contained in this MD&A are based on the beliefs of EVX management, which we consider to be reasonable, as well as assumptions made by and information currently available to EVX management, there is no assurance that the forward-looking statement or information will prove to be accurate. The forward-looking statements and information contained in this MD&A are subject to current risks, uncertainties and assumptions related to certain factors including, without limitations, obtaining all necessary approvals, feasibility of mine and plant development, exploration and development risks, expenditure and financing requirements, title matters, operating hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with vendors and strategic partners, governmental regulation and supervision, seasonality, technological change, industry practices, and one-time events as well as risks, uncertainties and other factors discussed in our quarterly and annual and interim management's discussion and analysis. Should any one or more of these risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements and information may vary materially from those described herein. Accordingly, readers should not place undue reliance on forward-looking statements and information contained in this MD&A. We undertake no obligation to update forward-looking statements or information except as required by law. The mineral resources referred to in this document are historical in nature, and EVX has not reported any current mineral resource (as defined in NI 43-101) and there are no NI 43-101 compliant technical reports prepared in respect thereto.