

LITHIUM ENERGI EXPLORATION INC.

Management Discussion and Analysis

For the nine month period ended November 30, 2022

This Management's Discussion and Analysis of Lithium Energi Exploration Inc. (the "Corporation" or the "Company"), dated January 20, 2023 and provides an analysis of the Company's financial position and results of operations for the period ended November 30, 2022. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements for the nine months ended November 30, 2022 and related notes and with the Company's the audited financial statements for the year ended February 28, 2022, which are available on SEDAR at www.sedar.com.

Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Corporation disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

DESCRIPTION OF BUSINESS

Lithium Energi Exploration Inc. is a public company listed on the TSX Venture Exchange ("TSXV") and trades under the symbol LEXI. The Company is an exploration stage company engaged in the acquisition and exploration of exploration and evaluation assets and was incorporated on February 13, 1998 as 556524 B.C. Ltd. under the British Columbia Business Corporations Act. On October 29, 1998, the Company changed its name to Westmount Resources Ltd., on December 13, 2010, the Company changed its name to RX Mining Corp. and on July 11, 2011, the Company changed its name to Portola Resources Inc. On March 22, 2017, pursuant to a resolution passed by the Board of Directors on March 17, 2017, the Company changed its name to Lithium Energi Exploration, Inc.

The head office, principal address, records office and registered office of the Company is located at 161 Bay St. 27th Floor, Toronto, Ontario.

On March 22, 2017, the Company completed the acquisitions of all the issued and outstanding share capital of Lithium Energi Argentina, S.A. ("LEA"), Antofalla North, S.A. ("AN"), and Antofalla South, S.A. ("AS") (collectively, LEA, AN, and AS are referred to as the "Acquisitions"), which together held a combined portfolio of projects comprising 128,367 hectares of lithium brine assets in the Argentina Province of Catamarca in the heart of the lithium triangle. The Company resumed trading on Friday March 24th, 2017 under the symbol "LEXI".

On August 11, 2017, the Company issued 7,227,200 common shares pursuant to a private placement at \$0.10 per common share for gross proceeds of \$722,720. No commissions or finder's fees were paid on the private placement.

On August 24, 2017 with an effective date of September 5, 2017 the Company entered into an agreement with IBC Advanced Technologies Inc. ("IBC") to utilize IBC's proprietary metals separation technology, known as Molecular Recognition Technology ("MRT") for selective lithium extraction in Argentina (the "IBC Agreement"). MRT is a method for metals separation that, when compared to conventional lithium brine processing methods, requires (1) no evaporation ponds (reduces 18 months of processing time), (2) less capital cost to build, (3) less cost to operate, (4) less time to process raw brine into finished products, and (5) no dangerous/expensive solvents and no hazardous waste residues. The Company believes that advancing its assessment of the MRT technology in parallel to completing a resource estimate may enhance its path to production by providing valuable data and guidance for a preliminary economic assessment. By extension, management believes the MRT process has the potential to enhance the Company's competitiveness by enabling lower cost production of lithium compounds as compared to conventional processing

techniques. IBC and the Company have agreed that the Company has the exclusive right of first refusal until September 22, 2022 to obtain a site licence to use MRT at agreed upon production facility sites in respect of prospects in which the Company has an interest for the separation, recovery, refining and purification of lithium from brine prospects in territories exclusively licensed to the Company, comprising approx. 20,000 square kilometers in two areas of Catamarca Province and specifically including all of the areas in and around the salars of Antofalla, Hombre Muerto, and Pipanaco. The Company paid IBC \$126,550 (US\$100,000) in cash upon the execution of the IBC Agreement. On August 28, 2017, the Company issued to IBC 5,000,000 of its Common Shares at a deemed price of \$0.155 per Common Share, as quoted on the TSXV at the time of the transaction, and on February 22, 2018 and March 15, 2018 the Company paid an additional \$318,800 (US\$250,000) and \$324,700 (US\$250,000) respectively, which together constituted the Company's payment in full for testing and engineering services. The Company anticipates additional future costs for site licensing or engineering services for other minerals, should any resources or positive economic assessments in respect of such minerals be established.

On January 26, 2018, the Company entered into a \$16,000,000 funding agreement (the "Credit Facility") with Arena Investors LP. The Credit Facility is structured as an unsecured lending arrangement with up to five tranches (each a "Note"), specifically being an initial \$4,000,000 tranche received at closing, and up to four quarterly tranches thereafter in the amount of \$3,000,000 per tranche over a period of twelve months. Each Note will be issued at 95% of face value and each is redeemable at par at its maturity. Repayment of the Credit Facility is Note-specific with each Note maturing and becoming repayable by the Company after the expiration of twelve months from the date of the Note, subject to a maturity extension at the election of the Company of an additional 12 months for each such Note. All conditions precedent for the initial tranche under the Credit Facility were satisfied and the Company is in receipt of the initial tranche. The advance of the four remaining tranches are subject to the conditions of the Credit Facility, including notice by the Company, the sole discretion of Arena Investors LP and confirmation at the relevant time that no events of default under the Credit Facility have occurred and are continuing at that time. The Notes have a coupon of 10% for the first twelve months and, if maturity is extended, 15% for the second twelve months and each such coupon is payable at the time the applicable Note is repaid. On January 26, 2019, the Company exercised its right to extend the maturity of the note by 12 months to January 26, 2020 and recorded the 15% coupon payable on the outstanding principle amount. On January 26, 2020 the note payable was due and payable on demand. As per the agreement the Company accrued interest at 10% per annum on the outstanding balance beginning January 26, 2020.

On February 15, 2018, the Company completed a non-brokered private placement of 716,302 Common Shares at a price of \$0.4956 per Common Share with 286,520 warrants attached to purchase 286,520 Common Shares at a price of \$0.7125 per Common Share for a 36-month period. The Common Shares and the Common Shares underlying the warrants are subject to the Exchange Hold Period. No commissions or finder's fees were paid in connection with the private placement.

On February 23, 2018, the Company announced that it has filed the technical report titled "Independent Technical Report Antofalla Lithium Project" dated February 23, 2018 with an effective date of January 3, 2018 prepared by the Company by (i) John C. Harrop, FGS, P.Geo, consulting geologist contracted by Fladgate Exploration Consulting Corporation ("Fladgate"); (ii) Caitlin L. Jeffs, B.Sc., P.Geo., a Partner of Fladgate; and (iii) Lesley A. Rose-Weston, M.Sc, Ph.D, P.Geo., an employee of Fladgate (the "**Technical Report**") and a copy of the Technical Report is now available on the Company's SEDAR profile.

On February 28, 2018, the Company completed a non-brokered private placement of 656,011 Common Shares at a price of \$0.4192 per Common Share with 262,403 warrants attached to purchase 262,403 Common Shares at a price of \$0.6427 per Common Share for a 36-month period. The Common Shares are subject to the Exchange Hold Period. No commissions or finder's fees were paid in connection with the private placement

On April 3, 2018, the Company completed a non-brokered private placement of 2,499,999 Common Shares at a price of \$0.33 per Common Share with 999,998 warrants attached to purchase 999,998

Common Shares at a price of \$0.4641 per Common Share for a 36-month period. The Common Shares and the Common Shares underlying the warrants are subject to the Exchange Hold Period. No commissions or finder's fees were paid in connection with the private placement.

On June 15, 2018, the Company completed a non-brokered private placement of 693,568 common shares at a price of \$0.2379 per common share with 277,426 warrants attached to purchase 277,426 common shares at a price of \$0.3648 per common share for a three-year period. No commissions or finder's fees were paid in connection with the private placement.

On April 23, 2019 the Company completed a private placement for gross proceeds of \$593,125. The Company issued 3,650,000 units (each a "Unit") at a price of \$0.1625 per Unit. Each Unit consists of one common share and one-half of one common share purchase warrant, whereby each whole warrant entitles the holder to purchase one additional common share of the Company for a period of three years from closing at an exercise price of \$0.285 per common share.

On April 23, 2021 the Company announced that a statement of claim had been filed in the Ontario Superior Court of Justice against the Company by Arena Investors, LP in the amount of \$4,577,917.81 and that the Company disputes the allegations in the claim and intends to defend the action.

On October 19, 2021 the Company entered into a joint venture agreement ("JV Agreement") with Global Oil Management Group, LLC ("GOMG"). GOMG will provide capital for the exploration and development of approximately 20% (the "JV Concessions") of prospective lithium mining claims owned by the Company. The JV Agreement requires the creation of a new Argentine company (the "JV Company") that will hold the JV Concessions. GOMG will be the majority owner of up to 80% of the JV Company and the Company will own a non-dilutable minority interest of no less than 20% of the JV Company. At its discretion, the Company will have the option to convert its equity holdings in the JV Company into a 6% gross royalty on future production from the JV Concessions. The JV Agreement requires GOMG to provide up to USD \$3,000,000 in funding to cover exploration costs on the JV Concessions and to develop a full NI 43-101 resource estimate within three years of the execution of the JV Agreement and pay the Company a USD \$500,000 (Paid) cash fee upon executing the JV Agreement. In addition to the exploration funding, subject to economic suitability, GOMG will be responsible, at its discretion, to provide all funding to construct and operate a lithium extraction facility to exploit the lithium-bearing brine located under the JV Concessions.

On January 12, 2022 the Company announced that, under its JV Agreement with GOMG, implementation of exploration and development plans has accelerated rapidly. The new JV Company was incorporated as Triangle Lithium Argentina, S.A. ("Trila") and filings establishing the new JV Company were accepted by Argentine legal and tax authorities, effective as of April 6, 2022.

Also in its January 12, 2022 announcement, LEXI made reference to two recent press releases in which LEXI was mentioned – one by Sorcia Minerals, a private U.S. mineral development company ("Sorcia") issued January 10, 2022 and one by International Battery Metals Ltd., a publicly-traded Canadian technology company ("IBAT") (CSE: IBAT) issued January 11, 2022. LEXI also announced at that time that, in collaboration with GOMG, it had completed claim selection for the Trila JV, specifically being 6 claims comprising approximately 15,000 hectares of LEXI's holdings in the northern sections of the Antofalla Salar and that, as a result, LEXI and GOMG were nearing completion of contract negotiations that would result in the launch of a new drilling campaign on the selected claims commencing in the first quarter of 2022. After brief supply chain delays, Trila commenced its drilling campaign on the JV Concessions on June 16, 2022.

On June 21, 2022 the Company announced that Trila kicked off the much-anticipated Campaign by spudding its first well on June 16, 2022 and drilling is now underway. This first well, "Trila 1", is the first of six wells planned for the Campaign that includes 2,400 total meters of drilling in six "diamantinas" (narrow diameter, core holes drilled with diamond drill bits to obtain and extract physical cores samples). Average total depth is projected at 400 meters for each well. However, deeper horizons may also be explored. The core samples obtained from these diamantinas will reveal

porosity, permeability, and chemical analysis critical for development planning and mine valuation. Core samples are planned for analysis at Geosystems Analysis, Inc. in Tucson, Arizona, one of the foremost analytical laboratories in the world for analyzing lithium brine core samples. After reaching total depth, packer tests will be conducted from bottom hole up to surface to obtain quantities of “salmuera” (Spanish for the lithium-bearing, hypersaline brine). Brine sample analysis will be conducted at Alex Stewart Laboratories to yield full spectroscopic analysis of brine chemistry and lithium concentrations.

EXPLORATION PROJECT – ARGENTINA LITHIUM BRINE ASSETS

On March 22, 2017, the Company completed the Acquisitions of LEA, AN, and AS and, at that time, LEA owned certain rights to acquire eight (8) concessions representing up to 17,759 hectares (“Laguna Caro Project”), AN owned certain rights to acquire thirteen (13) concessions representing up to 41,496 hectares (“Antofalla North Project”), and AS owned certain rights to acquire eighteen (18) concessions representing up to 69,112 hectares (“Antofalla South Project”) (collectively, the “Acquisition Concessions”). In consideration for all of the outstanding share capital of LEA, AN, and AS, the Company issued 1,000,000, 8,450,000, and 11,550,000 common shares of the Company, respectively and finder’s fees of 1,150,000 common shares issued in relation to the acquisitions. In addition, the Company assumed the respective obligations of LEA, AN, and AS in respect of the three project areas. In order to complete the acquisitions of the properties in the Laguna Caro, Antofalla North, and Antofalla South Projects, the Company was required to complete cash payments of US\$650,000, US\$761,000, and US\$1,267,000, respectively payable over a twelve (12) month period and the Company also reimbursed (as down payments and other expenses) a total of US\$366,201.

Located in close proximity to each other, the Acquisition Concessions currently represent approximately 72,000 hectares located in the lithium-prolific, northwestern quadrant of Catamarca Province. Located less than 10 km northeast of the northern Antofalla properties, Livent (fka FMC Corporation) operates its Fenix mine at Salar de Hombre Muerto, which is Argentina’s largest lithium extraction operation and one of the largest such operations in the world.

The Acquisition Concessions are located just west of the Hombre Muerto Salar in the northern and southern portions of the Salar de Antofalla. On September 12, 2016, Albemarle Corporation, the world’s largest lithium producer, announced it had entered into an agreement with Bolland Minera, S.A. for the exclusive exploration and acquisition rights to a block of lithium resources in the central portion of the Antofalla salar. In Albemarle Corporation’s news release, it stated their belief that the Salar de Antofalla will be certified as the largest lithium resource in Argentina.

During the fiscal year ended February 28, 2019, the Company determined that the vendors of the eight mineral concessions comprising the Laguna Caro Project and two of the mineral concessions comprising the Antofalla North Project would be unable to transfer title of the purchased mineral concessions to the Company. The Company reduced the carrying amount of the exploration and evaluation assets by the amount paid to the vendors on closing (US\$60,000) and the balance owing to the vendors for these claims (US\$620,000) for a total reversal of \$858,633. Also during the fiscal year ended February 28, 2019, the Company determined that, in order to reduce administrative costs and consolidate development focus for its mineral concessions in Argentina, it would discontinue operations of AN and AS and consequently maintain title to all its mining claims in LEA.

On October 19, 2021 the Company entered into a JV Agreement with GOMG. GOMG will provide capital for the exploration and development of approximately 20% of prospective lithium mining claims owned by the Company. The JV Agreement required the creation of a new Argentine company (Trila) that will hold the JV Concessions (now completed). GOMG is the majority owner of up to 80% of Trila and the Company owns a non-dilutable minority interest of no less than 20% of Trila. At its discretion, the Company has the option to convert its equity holdings in Trila into a 6% gross royalty on future production from the JV Concessions. The JV Agreement requires GOMG to provide up to USD \$3,000,000 in funding to cover exploration costs on the JV Concessions and to develop a full NI 43-101 resource estimate within three years of the execution of the JV Agreement

and pay the Company a USD \$500,000 (Paid) cash fee upon executing the JV Agreement. In addition to the exploration funding, subject to economic suitability, GOMG will be responsible, at its discretion, to provide all funding to construct and operate a lithium extraction facility to exploit the lithium-bearing brine located under the JV Concessions.

Exploration and Development Activities

On March 27, 2018, the Company announced positive results from its initial geophysical surveys on each of the first three concessions studied in the northern section of its holdings in the Antofalla Salar. Interpreted brine horizons were detected throughout the entire 80 km² area of these concessions, inferring the possibility that lithium-bearing brine exists beneath the properties in the northern area of the Antofalla Salar. The survey results received to date indicate that conductive horizons have been detected from just below surface to as much as 400 meters in depth. The highly conductive units encountered correlate with known brine aquifers and these data allow the Company to follow these target zones under areas of thick cover. At that time, the Company had completed 44 line-kilometers (“line-km”) of Transient Electromagnetic (“TEM”) surveys over 8 survey lines. At least 100 line-km of additional TEM surveys (12 survey lines over 14 concessions) were planned over the following 2-3 months in the northern portion of the Antofalla Salar. Brine is highly conductive; TEM surveys detect variations in subsurface conductivity – a primary method for imaging aquifers. Over other methods, TEM provides greater speed of data acquisition, great depth potential, and better resolution. Although resistivity values from TEM surveys cannot confirm the presence or grade of lithium, the survey results identified highly conductive zones consistent with similar lithium-bearing brine aquifers known to exist in the region. The data processed from 5 of the first 8 lines revealed outcropping volcanic units correlated to electrical resistivities of 100 Ohm-m and low-lying areas within the salar correlated to less than 1 Ohm-m, the latter depicting an upper limit of extremely conductivity occurring at a constant elevation, a characteristic commonly observed over unconfined aquifers. Of the 5 lines processed at that point in time by Quantec Geoscience, all appeared to portray extensive zones of conductive brines, detected at depths of a few meters below surface to as much as 400m below surface. Based on comparative results with similar sedimentary salar strata where lithium-bearing brines are hosted, these data indicated a likely-continuous, buried horizon of high conductivity in this part of the Antofalla basin complex.

On May 24, 2018, the Company announced further positive results from its initial geophysical surveys covering an additional 120 km² of its concessions in the northern section of the Antofalla Salar. Measured brine densities in this salar reflected a considerable quantity of dissolved salts in these hyper-saline brines (approx. 10 times the salinity of seawater) and calculating from these known densities, these surveys (like the initial surveys) denoted a high probability that lithium-bearing brines underlie the entirety of the Company’s northern claim cluster. Consistent with the results from the March 27, 2018 announcement, each of the additional concessions surveyed up to that point in time (another 120 km² consisting of five additional claims) in the Company’s then ongoing geophysical program has detected potential lithium-bearing brine horizons throughout the entirety of these five added concessions, starting from just below surface and extending to as much as 400 meters in depth. As of that time, the Company had surveyed more than 20,000 hectares of concessions in the northern claim cluster covering a distance of approx. 60 km over an uninterrupted reservoir from the border with Salta Province in the north and traversing south to the northern boundary of Albemarle Corporation’s claim block. That expanse covered about one-third of the Antofalla Salar. These surveys continued to indicate that this large, sedimentary basin is likely filled with conductive brine throughout. Further, as the initial geological expectations predicted, the surveys indicated that the basin is consistently wider than just the salt pan visually observed on surface, because the TEM images clearly illustrated the presence of brine underneath the volcanic materials that overlay much of the basin’s lateral fringes.

On September 6, 2018, the Company announced additional positive results following the completion of its initial geophysical exploration program. These results increased the aggregate amount of hectares covered in these geophysical surveys to investigate sub-surface conductive brines under approximately 366 square kilometers of LEXI’s concessions in the northern portion of the Antofalla Salar in Catamarca Province, Argentina. From a technical standpoint, the survey results were

successful and impressive, delineating conductive strata from near surface to as great as 400 meters depth, and the results revealed that conductive strata consistent with unconfined brine aquifers occur extensively under almost all of the surveyed properties, suggesting an abundant, uninterrupted reservoir existing under virtually the entirety of LEXI's tested property holdings in the northern third of the Antofalla basin. The results validated the viability of further exploration activities as the Company works towards an initial resource estimate.

The Company's geophysical team, led by one of the world's leading geophysical companies, Quantec Geoscience, continues to analyze data obtained during its geophysical trials. All concessions surveyed to date appear to portray extensive zones of conductive brines. These data demonstrate that the conductive horizon, expected to coincide with sediments hosting lithium-bearing brine, is likely to be continuous in this northern portion of the basin. Since the entire extent of these properties appears to contain highly conductive aquifers, the potential for lithium mineralization is indicated under all of these properties. The Company continues to plan for its team to utilize these results to identify test well locations. With such compelling geophysical results, the Company's drilling campaign is expected to be able to move forward to test chemistry, lithology, porosity, pump rates, and other hydrogeological factors.

Although resistivity values from TEM surveys cannot confirm the presence or grade of lithium, the survey results to date have identified highly conductive zones consistent with similar lithium-bearing brine aquifers known to exist in the region. Properties owned by Argentina's largest lithium producer, Livent (fka FMC Corporation), are located just 20 km to the east of the Company's northern cluster of claims and have been in continuous production and commercial sale of lithium compounds for over 25 years. Further, published assay results from drilling in the same Antofalla Salar basin complex just 3 km south of the Company's southernmost boundary of the claims in its northern claim cluster indicate that the brines in this basin are consistently lithium bearing. The Company expressly acknowledges that such results are not necessarily indicative of drilling results that might be obtained on its own properties; however, the Company is highly encouraged that these survey results continue to produce more positive results than originally anticipated.

TRILA JV

Trila finalized the execution of contracts with Dorado Exploraciones y Servicios, a mining services contractor owned by the former Secretary of Mines ("SEM") for Catamarca Province, Rodolfo Micone. The Campaign plans to initially undertake 2,400 meters of drilling in six "diamantinas", which are narrow diameter, core holes drilled with diamond drill bits to obtain and extract physical cores samples. Average total depth per well is anticipated to be 400 meters; however, based on real-time field results, deeper horizons may also be explored. The core samples will reveal porosity, permeability, and chemical analysis critical for development planning and mine valuation. Core samples are planned for analysis at Geosystems Analysis, Inc. in Tucson, Arizona, one of the foremost analytical laboratories in the world for analyzing lithium brine core samples.

On June 21, 2022 the Company announced that Trila kicked off the much-anticipated Campaign by spudding its first well on June 16, 2022 and drilling is now underway. This first well, "Trila 1", is the first of six wells planned for the Campaign that includes 2,400 total meters of drilling in six "diamantinas" (narrow diameter, core holes drilled with diamond drill bits to obtain and extract physical cores samples). Average total depth is projected at 400 meters for each well. However, deeper horizons may also be explored. The core samples obtained from these diamantinas will reveal porosity, permeability, and chemical analysis critical for development planning and mine valuation. Core samples are planned for analysis at Geosystems Analysis, Inc. in Tucson, Arizona, one of the foremost analytical laboratories in the world for analyzing lithium brine core samples. After reaching total depth, packer tests will be conducted from bottom hole up to surface to obtain quantities of "salmuera" (Spanish for the lithium-bearing, hypersaline brine). Brine sample analysis will be conducted at Alex Stewart Laboratories to yield full spectroscopic analysis of brine chemistry and lithium concentrations.

Exploration and Development Costs

The Technical Report initially set forth a nominal budget of \$1,889,400 (\$400,800 for Exploration Stage One and \$1,488,600 for Exploration Stage Two, inclusive of \$450,000 for initial drilling), which represented certain minimum objectives, as projected at the time of the Technical Report, to be necessary to advance the project to its next step of development. The budget in the Technical Report allocated preliminary geotechnical exploration and limited drill testing (one to two wells) primarily targeting the northern cluster of claims in the Properties. Appropriate for reports of this nature, the budget in the Technical Report did not address indirect development costs, an MRT proof of concept facility, or general corporate overhead. After the Technical Report was prepared, the Company engaged in further discussions with the authors of the Technical Report and thereafter deployed field personnel to undertake five months of field studies, including the Quantec geophysical surveys and field research for environmental impact reports that are prerequisite to obtaining drilling permits. Further, upon confirmation from the authors of the Technical Report, the Company deemed it more appropriate for shareholder value to adjust the goals of the Technical Report by expanding its evaluation goals and targeting a more expansive group of its Properties. Milestones accomplished by the Company between the date of the Technical Report and the date of this MD&A have been consistent with the minimum objectives projected at the time of the Technical Report (excluding the drilling of the initial one to two wells) and have successfully advanced the project to its next step of development, as originally conceived in the Technical Report, specifically including (i) the completion of most all title and permitting issues, (ii), the engagement of geophysical subcontractors and the hiring of field crews sufficient to complete geophysical studies on approximately 36,500 hectares of Properties in the Company's northern cluster of claims, (iii) the hiring of an experienced project geologist and field assistants to prepare for a near-term drilling campaign, (iv) the research, preparation, submission, and approval by Catamarca mining authorities of a comprehensive, 500-page environmental impact study (the key prerequisite to obtaining drilling permits), and (v) other aspects of customary pre-drilling activities. Generally, the Company's expenditures during this period were also consistent with the Technical Report with approximately \$1,470,000 having been deployed to accomplish the above described milestones. The original budget in the Technical Report, less the \$450,000 allocated therein for drilling, would have equaled \$1,439,400, which amount is congruent with the actual costs that the Company has expended in pursuit of those objectives. Given the Company's augmented goals to complete resource evaluations over a larger portion of its Properties and given its actual field experience, including recent changes in local regulations and market conditions that heightened some of the costs associated with exploration work and field crew requirements, the Company's amended minimum budget is \$320,000 (Title & Permitting - \$30,000 / Field geophysical costs - \$260,000 / Technology related - \$30,000) to be incurred over the ensuing twelve months. Subject to the Company's ability to obtain the required funding, it will increase its budget to include a drilling program on the northern Antofalla properties. The Company's adjusted drilling program is presently estimated to have a budget of up to \$4.5 million.

In addition to the Company's own exploration and development costs, the TRILA exploration budget is approximately US\$2.7 million. The TRILA Campaign is expected to be completed prior to the end of 2025 in compliance with the expiration of its contractually allowable exploration period.

SELECTED ANNUAL INFORMATION (\$000's except loss per share)

	February 28, <u>2022</u>	February 28, <u>2021</u>	February 29, <u>2020</u>
Revenue	\$ 0	\$ 0	\$ 0
Net Loss	\$ (1,877)	\$ (980)	\$ (1,370)
Basic and Diluted Loss Per Share	\$ (0.03)	\$ (0.01)	\$ (0.02)
Total Assets	\$ 7,625	\$ 7,160	\$ 7,250
Long-Term Debt	\$ 0	\$ 0	\$ 0
Dividends	\$ 0	\$ 0	\$ 0

OPERATIONS

Three month period ended November 30, 2022

During the three months ended November 30, 2022 the Company reported a net loss of \$594,747 (2022 - \$438,577). Included in the determination of operating loss was \$20,369 (2022 - \$18,839) spent on consulting, \$30,000 (2022 - \$30,000) on management fees, \$5,185 (2022 - \$15,194) on transfer agent and filing fees, \$15,004 (2022: \$47) on exploration and evaluations costs, \$91 (2022 - \$24,732) on travel and entertainment, \$21,054 (2022 - \$16,547) on office and administration, \$nil (2022 - \$149,717) on share based compensation and \$94,778 (2022 - \$nil). The increase in net loss and expenses is primarily the result of the recording of share based compensation during the current period.

Three month period ended November 30, 2021

During the three months ended November 30, 2021 the Company reported a net loss of \$438,577 (2021 - \$277,916). Included in the determination of operating loss was \$18,839 (2021 - \$19,755) spent on consulting, \$30,000 (2021 - \$15,000) on management fees, \$15,194 (2021 - \$10,795) on transfer agent and filing fees, \$nil (2021: \$15,591) on payroll, \$47 (2021: \$10,238) on exploration and evaluations costs, \$24,732 (2021 - \$nil) on travel and entertainment, \$16,547 (2021 - \$5,070) on office and administration and \$149,717 (2021 - \$nil) on share based compensation. The increase in net loss and expenses is primarily the result of the recording of share based compensation during the current period.

Nine month period ended November 30, 2022

During the nine months ended November 30, 2022 the Company reported a net loss of \$1,228,754 (2022 - \$1,461,677). Included in the determination of operating loss was \$58,777 (2022 - \$56,324) spent on consulting, \$90,000 (2022 - \$60,000) on management fees, \$246,653 (2022 - \$ nil) on professional fees, \$17,402 (2022 - \$32,834) on transfer agent and filing fees, \$42,351 (2022 - \$24,732) on travel and entertainment and \$61,804 (2022 - \$55,439) on office and administration. The increase in net loss and expenses is primarily the result of the recording of share based compensation during the current period.

Nine month period ended November 30, 2021

During the nine months ended November 30, 2021 the Company reported a net loss of \$1,461,678 (2021 - \$722,929). Included in the determination of operating loss was \$56,324 (2021 - \$60,512) spent on consulting, \$60,000 (2021 - \$45,000) on management fees, \$nil (2021 - \$3,150) on professional fees, \$2,121 (2020 - \$nil) spent on marketing and promotion, \$32,834 (2021 - \$19,455) on transfer agent and filing fees, \$nil (2021 - \$68,990) on payroll, \$24,732 (2021 - \$3,248) on travel and entertainment and \$55,439 (2021 - \$30,210) on office and administration. The increase in net loss and expenses is primarily the result of the recording of share based compensation during the current period.

SUMMARY OF QUARTERLY RESULTS

(\$000's except earnings per share)

Year Ended	Quarter	Revenue	Net Comprehensive Income (Loss) (in 000's)	Net Income (Loss) per Share (basic and fully diluted)
2020	Q1	(\$0)	(\$439)	(\$0.01)
2020	Q2	(\$0)	(\$283)	(\$0.00)
2020	Q3	(\$0)	(\$214)	(\$0.00)
2020	Q4	(\$0)	(\$430)	(\$0.01)
2021	Q1	(\$0)	(\$432)	(\$0.01)
2021	Q2	(\$0)	(\$13)	(\$0.00)
2021	Q3	(\$0)	(\$277)	(\$0.00)

2021	Q4	(\$0)	(\$257)	(\$0.00)
2022	Q1	(\$0)	(\$86)	(\$0.00)
2022	Q2	(\$0)	(\$937)	(\$0.01)
2022	Q3	(\$0)	(\$438)	(\$0.01)
2022	Q4	(\$0)	(\$416)	(\$0.01)
2023	Q1	(\$0)	(\$317)	(\$0.00)
2023	Q2	(\$0)	(\$316)	(\$0.00)
2023	Q3	(\$0)	(\$595)	(\$0.01)

- 2023 – Q3 Net loss for the quarter increased from the prior quarter primarily due to foreign exchange losses recorded during the current period and increased professional fees.
- 2023 – Q2 Net loss for the quarter is consistent with the prior period
- 2023 – Q1 Net loss for the quarter is consistent with the prior period
- 2022 – Q4 Net loss for the quarter is consistent with the prior period.
- 2022 – Q3 Net loss for the quarter increased primarily as a result of share based compensation recorded in the prior period.
- 2022 – Q2 Net loss for the quarter increased primarily as a result of share based compensation recorded in the current period and foreign exchange gain recorded on U.S. dollar liabilities in the prior period.
- 2022 – Q1 Net loss for the quarter decreased primarily as a result of foreign exchange gain recorded on U.S. dollar liabilities during the period.
- 2021 – Q4 Net loss for the quarter is consistent with the prior quarter.
- 2021 – Q3 Net loss for the quarter increased primarily as a result of foreign exchange gain recorded on U.S. dollar liabilities during the prior period.
- 2021 – Q2 Net loss for the quarter decreased primarily as a result of decreased exploration activities and related business operations and foreign exchange gain recorded on U.S. dollar liabilities during the period.
- 2021 – Q1 Net loss for the quarter is consistent with the prior quarter.
- 2020 – Q4 Increase in net loss during the quarter is primarily the result of increased operating expenses during the quarter.
- 2020 – Q3 Decrease in net loss during the quarter is primarily the result of reduced operating expenses during the quarter.
- 2020 – Q2 Decrease in net loss during the quarter is primarily the result of reduced operating expenses and interest expense during the quarter.
- 2020 – Q1 Decrease in net loss during the quarter is primarily the result of the expensing of research and development costs during the prior quarter.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash and cash equivalents at November 30, 2022 were \$263,568 compared to \$556,612 at February 28, 2022. The Company plans to continue to fund its operations through equity financings; there are no guarantees that the Company can do so in the future. As at November 30, 2022, the Company had negative working capital of \$9,693,911 as compared to \$9,087,008 at February 28, 2022. Included in the November 30, 2022 negative working capital is the Debt for \$4,164,710 and related party payable of \$992,971 payable to officers and directors of the Company.

The Company does not have any externally imposed capital requirements to which it is subject.

MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to identify and invest in other businesses. The Company does not have any externally imposed capital requirements to which it is subject.

As at November 30, 2022, the Company considers capital to be all components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties and on terms and conditions similar to non-related parties as follows:

The remuneration of the Company's directors and other key management:

	Nine Months Ended November 30, 2022	Nine Months Ended November 30, 2022
Management fees	\$ 90,000	\$ 60,000
Consulting fees	58,777	56,324
	\$ 148,777	\$ 116,324

During the period ended November 30, 2022, the Company accrued interest of \$355,756 (2022 - \$304,112) on debt owed to companies controlled by officers of the Company.

Under the terms of a month to month consulting agreement, the Company incurred expenses of \$157,847 (2022 - \$106,849) to a company controlled by the CEO of the Company for expense reimbursements and for providing management, operations support and office and administration services to the Company.

As at November 30, 2022, \$992,971 (February 28, 2022 - \$831,473) is owing to directors and companies controlled by officers of the Company accounted for in accounts payable and accrued liabilities.

COMMITMENTS AND CONTINGENCIES

On February 24, 2021, the Company was served with a Statement of Claim filed by Arena in Ontario Superior Court in regards to the outstanding balance of the note payable ("Ontario Claim"). The claim alleges that the Company owed Arena \$4,577,918 in damages, and pre and post judgement interest calculated at the rate of 25% per annum, or in the alternative 10% per annum in accordance with the terms of the agreement between the parties, or in further alternative by the applicable act, plus the legal costs. The Company has filed a Statement of Defence and Counterclaim ("Ontario Counterclaim") on May 21, 2021.

The matter in dispute due to the differences in the calculations of interest and coupon on the note payable between the Company and Arena. As at February 28, 2022, the difference is in the amount of \$1,159,150 (2021 - \$690,521). The Company disagreed with the additional amount as calculated by Arena under the claim. As a result, no provision for the difference has been made by the Company with regards to this claim for the years ended February 28, 2022 and 2021.

On December 29, 2021, Arena filed a Notice of Civil Claim in BC Supreme Court against the Company and its directors and officers demanding certain declaration on the business affairs by the Company ("BC Claim"). On May 12, 2022, Arena commenced a Notice of Application in BC Supreme Court to seek for certain court orders. The application alleged that the Company was in breach of the Loan Agreement by not obtaining Arena's consent before entering into the JV Agreement with GOMG. Neither the BC claim nor the application state any monetary amount therein. In June 2022, the Company responded to the application with a similar standing as its Ontario Counterclaim.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The Company's significant accounting policies are described in Note 2 of the Company's audited financial statements for the year ended February 28, 2022.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Standards Issued but Not Yet Effective

The Company has reviewed the accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and determined that these are either not applicable or are not expected to have a significant impact on the Company's financial statements.

SHARE CAPITAL

Issued

The Company has 70,026,700 shares issued and outstanding as at November 30, 2022 and the date of this MD&A.

Share Purchase Options

The Company has 5,000,000 stock options outstanding at November 30, 2022 and the date of this MD&A.

FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT

Financial risk management

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk of potential loss to the Company if a 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 advances receivable. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions and advancing funds to parties that management believes will make the necessary repayments.

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 manages liquidity risk through the management of its capital structure and financial leverage as described in Note 9 of the financial statements.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the Company's significant commitments and corresponding maturities:

	<1 year	1 - 3 Years	Total
Accounts payable	\$ 1,409,313	\$ -	\$ 1,409,313
Note payable	4,504,931	-	4,504,931
Debt	4,164,710	-	4,164,710
	\$ 10,078,954	\$ -	\$ 10,078,954

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency.

As at November 30, 2022, the Company was exposed to foreign currency risk through the following financial assets and liabilities denominated in foreign source currencies, converted to Canadian Dollars at the prevailing rate at the end of the reporting period.

November 30, 2022				
	CAD equivalent	Currency	+/- 10% Fluctuation	Increase / (Decrease)
Cash	33,308	ARS	3,301	(3,301)
Cash	194,357	USD	19,436	(19,436)
Accounts Payable	(748,631)	USD	(74,863)	74,863
Debt	(4,164,710)	USD	(416,471)	416,471
Total	(4,685,676)		(468,567)	468,567

Interest Rate Risk

The Company is not exposed to significant interest rate risk.

Fair Value Measurements

The Company's financial instruments consist of cash, receivables, accounts payable, note payable and debt. The fair values of these financial instruments approximate their carrying values because of their current nature or they have been measured using market based assumptions.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

Note payable is measured at fair value using Level 2 inputs. The carrying amount of the Company's financial assets and liabilities approximates their fair value.

RISK AND UNCERTAINTIES

Risks inherent in the nature of mineral exploration and development

Exploration and development involve several risks which experience, knowledge and careful evaluation may not be sufficient to overcome. Large capital expenditures are required in advance of

anticipated revenues from operations. Many exploration programs do not result in the discovery of mineralization; moreover, mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labor are some of the risks involved in the conduct of exploration programs and the operation of mines. The commercial viability of exploiting any precious metal deposit is dependent on a number of factors including infrastructure and governmental regulations, in particular those respecting the environment, price, taxes, and royalties. No assurance can be given that minerals of sufficient quantity, quality, size and grade will be discovered on any of the Company's properties to justify commercial operation. Numerous external factors influence and may have significant impacts on the operations of the Company and its financing needs.

Financial risks

The Company is an exploration company. The Company will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Claims and title risks

Although the Company has taken steps to verify title to mining properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Tax

No assurance can be made that Canada Revenue Agency will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses.

Dependence on key personnel

The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.

Conflicts of interest

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view towards upholding the best interests of the Company and to disclose any interest, which they may have in any project or opportunity of the Company or any project or opportunity that could be competitive with the Company. If a conflict arises at a meeting of the Board of Directors, any Director in a conflict will disclose his interest and abstain from voting on such matter.

Environmental risks

The Company is subject to various environmental incidents that can occur during exploration work. The Company maintains an environmental management system including operational plans and practices.

ADDITIONAL INFORMATION

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

(signed)

Steven Howard, Director

January 20, 2023

(signed)

Chris Hobbs, Director