DGL INVESTMENTS NO. 1 INC.

(A CAPITAL POOL COMPANY)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three Months Ended January 31, 2022

(Expressed in Canadian Dollars)

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DATE

This Management Discussion and Analysis ("MD&A") of DGL Investments No. 1 Inc.'s ("DGL" or the "Company") financial position and results of operations for three months ended January 31, 2022 is prepared as at April 1, 2022. This MD&A should be read in conjunction with the unaudited condensed interim financial statements for the three months ended January 31, 2022 and the supporting notes. The unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to DGL's activities can be found on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

This MD&A may contain forward-looking statements that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

OVERALL PERFORMANCE

DGL was incorporated on January 14, 2021 and was listed on the TSX Venture Exchange ("Exchange") on August 26, 2021 as a capital pool company ("CPC") under Exchange Policy 2.4.

The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Company has not commenced commercial operations and has no assets other than cash. The Company's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to $3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a QT by the Company as defined under the policies of the Exchange Policy 2.4.

The head office and the registered head office of the Company is located at Suite 480, 1500 West Georgia Street Vancouver, B.C. V6G 2Z6.

On August 26, 2021 (the "Listing Date"), the Company completed its Initial Public Offering ("IPO") of 2,500,000 common shares at $0.10 per share for gross proceeds of $250,000. Haywood Securities Inc. (the "Agent") acted as agent for the offering.

PROPOSED QUALIFYING TRANSACTION

On November 17, 2021, the Company entered into a letter of intent (the "LOI"), which among other things, sets out certain non-binding understandings and certain binding agreements with Toropunto Silver Inc. ("Toropunto"). Pursuant to the LOI, the Company and Toropunto intend to complete a business combination (the "Transaction") to form a company (the "Resulting Issuer") whereby the business of Toropunto will become the business of the Resulting Issuer.

It is intended that the Transaction will constitute the Company's QT in accordance with Policy 2.4 – Capital Pool Companies of the Exchange.

COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn.

The Company could be adversely impacted by the effects of the coronavirus. The extent to which the coronavirus impacts the Company, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. The continued spread of the coronavirus globally could materially and adversely impact the Company's operations, and the operations of its suppliers, contractors and service providers and the ability to obtain financing. To date, the Company has not had any adverse effects from the coronavirus.

RESULTS OF OPERATIONS

Three months ended January 31, 2022

During the three months ended January 31, 2022, the Company recorded a net loss of $14,225.

During the three months ended January 31, 2022, the Company incurred the following significant expenditures:

- Accounting fees of $3,325 which included CFO and accounting service support provided by and paid to Quantum Advisory Partners LLP (related party).
- Audit fees of $2,125 which were the result of the audit work performed during the three months ended January 31, 2022.
- Legal fees of $3,733 which included services for corporate and general matters as well as the proposed qualifying transaction paid to David Smalley Law Corp. (related party).
- Regulatory and filing fees of $4,695. The fees during the three months ended January 31, 2022 were the result of the preliminary review for the proposed qualifying transaction by TSX-Venture Exchange and the related transfer agent fees.

SUMMARY OF QUARTERLY INFORMATION

	Three months ended		
	January 31, 2022	**October 31, 2021**	**July 31, 2021**
	$	**$**	**$**
Finance income (expenses)	-	-	-
Operating expenses	14,225	82,797	50,929
Net loss	(14,225)	(82,797)	(50,929)
Basic and diluted loss per share	(0.00)	(0.02)	(0.02)

	Three months ended	
	April 30, 2021	**For the period from incorporation on January 14, 2021 to January 31, 2021**
	$	**$**
Finance income (expenses)	-	-
Operating expenses	16,556	-
Net loss	(16,556)	-
Basic and diluted loss per share	(0.02)	-

The variations in operating expenses in the previous periods are primarily a result of the Company completing its IPO and private placement as well as expenses incurred for the proposed qualifying transaction. Fluctuations reported were the result of the level of activity of the Company in each given reporting period.

SELECTED INFORMATION

	For the three months ended	For the period from the date of incorporation (January 14, 2021) to January 31, 2021
	January 31, 2022	**January 31, 2021**
	$	**$**
Finance income	-	-
Operating expenses	14,225	-
Net loss	(14,225)	-
Basic and diluted loss per share	(0.00)	(0.00)

As at:	January 31, 2022	October 31, 2021
	$	**$**
Total assets	213,259	227,545
Long-term financial liabilities	Nil	Nil
Cash dividend per share	Nil	Nil

LIQUIDITY / CAPITAL RESOURCES

As at January 31, 2022, the Company had cash of $205,840, current liabilities of $25,131 and working capital of $188,128.

Negative cash flows of $14,124 were recorded from operating activities during the three months ended January 31, 2022. This is primarily due to outflows relating to accounting fees, audit fees, legal fees and regulatory and filings.

OUTSTANDING SHARE DATA

As of January 31, 2022, there were 5,000,000 common shares issued and outstanding.

Escrow shares

On July 21, 2021, the Company entered into an escrow agreement, whereby common shares will be held in escrow and are scheduled for release as follows:

- Date of Final QT Exchange Bulletin: 625,000 common shares
- Date 6 months following Final QT Exchange Bulletin: 625,000 common shares
- Date 12 months following Final QT Exchange Bulletin: 625,000 common shares
- Date 18 months following Final QT Exchange Bulletin: 625,000 common shares

During the three months ended January 31, 2022

- No share capital transactions occurred.

- No options were granted, exercised or cancelled.

As of the date of this MD&A, the Company had:

- 5,000,000 common shares issued and outstanding;
- 250,000 warrants with an exercise price of $0.10; and
- 500,000 stock options with an exercise price ranging from $0.05 to $0.10.

RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole.

The Company's related parties as defined by IAS 24, Related Party Disclosures, include the following directors, executive officers, key management personnel, and enterprises which are controlled by these individuals:

Related Party	Relationship
Gurpreet Sangha	CEO, President and Director
Alnesh Mohan	CFO, Director
Luis Goyzueta	Director
Larry Doan	Director
David Smalley	Corporate Secretary, former Director and Assistant Secretary
Andrew Hunter	Former Corporate Secretary
David Smalley Law Corp.	A private company in which the Corporate Secretary is a principal
Quantum Advisory Partners LLP	A partnership in which the CFO is a partner

The following table discloses the total compensation incurred to the Company's key management personnel during the three months ended January 31, 2022:

	For the three months ended January 31, 2022	For the period from incorporation on January 14, 2021 to October 31, 2021
	$	$
Alnesh Mohan, CFO and Director		
Accounting fees(1)	3,325	-
David Smalley, Corporate Secretary		
Legal fees(2)	3,733	-
Total	**7,058**	**-**

(1) Paid to Quantum Advisory Partners LLP.
(2) Paid to David Smalley Law Corp.

The balances due to the Company's directors and officers included in accounts payable and accrued liabilities as at January 31, 2022 are as follows:

- Quantum Advisory Partners LLP – $1,359 (October 31, 2021 – $2,676); and
- David Smalley Law Corp – $11,700 (October 31, 2021 – $9,080).

Amounts payable to related parties are unsecured, non-interest bearing and are due on demand.

There were no other transactions with related parties and no remuneration was paid to key management personnel for the three months ended January 31, 2022.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information.

NEW ACCOUNTING PRONOUNCEMENTS

There were no new or amended IFRS pronouncements effective November 1, 2021 that impacted the Company's condensed interim financial statements for the three months ended January 31, 2022.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon management's assessment of the risk and available alternatives for mitigating risk. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support the Company's operations. These financial risks and the Company's exposure to these risks are provided in note 5 of our unaudited condensed interim financial statements for the three months ended January 31, 2022.

OTHER MD&A REQUIREMENTS

Management's Responsibility for Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Risks and uncertainties

Investment in the common shares must be regarded as highly speculative due to the nature of the Company's business and its present stage of development.