



Management's Discussion and Analysis ("MD&A")
for the Nine Months Ended August 31, 2023

The following information, prepared as of November 1, 2023, should be read in conjunction with the unaudited condensed interim consolidated financial statements of Search Minerals Inc. (the "Company" or "Search") for the nine months ended August 31, 2023, together with the audited consolidated financial statements of the Company for the year ended November 30, 2022 and the accompanying Management's Discussion and Analysis (the "MD&A") for that fiscal year. The referenced unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans", "intends", "anticipates", "should", "estimates", "expects", "believes", "indicates", "suggests" and similar expressions.

This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Information concerning mineral resource estimates and the interpretation of drill results may also be considered a forward-looking statement, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed.

It is important to note the following:

- Unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of November 1, 2023.
- Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to, possible variations in mineral resources, labour disputes, operating or capital costs; availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms; failure of equipment or processes to operate as anticipated; and political, regulatory, environmental and other risks of the mining industry.
- Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.
- The preliminary economic assessment includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them to enable them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have a demonstrated economic viability.

For a description of material factors that could cause the Company’s actual results to differ materially from the forward-looking statements in this MD&A, please see “Risks and Uncertainties.”

DESCRIPTION OF BUSINESS

Search Minerals Inc. (“Search”) was incorporated on June 7, 2006, under the *Business Corporations Act* of British Columbia. The Company’s common shares are listed on the TSX Venture Exchange (the “TSX-V”) under the symbol “SMY.V” and are quoted on the OTC Pink Market under the symbol “SHCMF”.

Search is developing Critical Rare Earth Element (“CREE”) mineral assets in south-east and central Labrador, Canada. Critical Rare Earth Elements, such as: neodymium, praseodymium, terbium, dysprosium, lanthanum plus zirconium, and hafnium (Nd, Pr, Tb, Dy, La, Zr, and Hf, respectively) are strategic metals that have growing demand, constrained or restricted supply, and are commonly used in innovative technologies.

Search is the discoverer of the St. Lewis – Port Hope Simpson CREE District (Figure 1), a highly prospective CREE belt located in south-east Labrador that is 64 km long. Search owns 100% of two advanced CREE resources called the Deep Fox and Foxtrot Projects and the Fox Meadow, Silver Fox, Fox Valley and Awesome Fox Prospects.

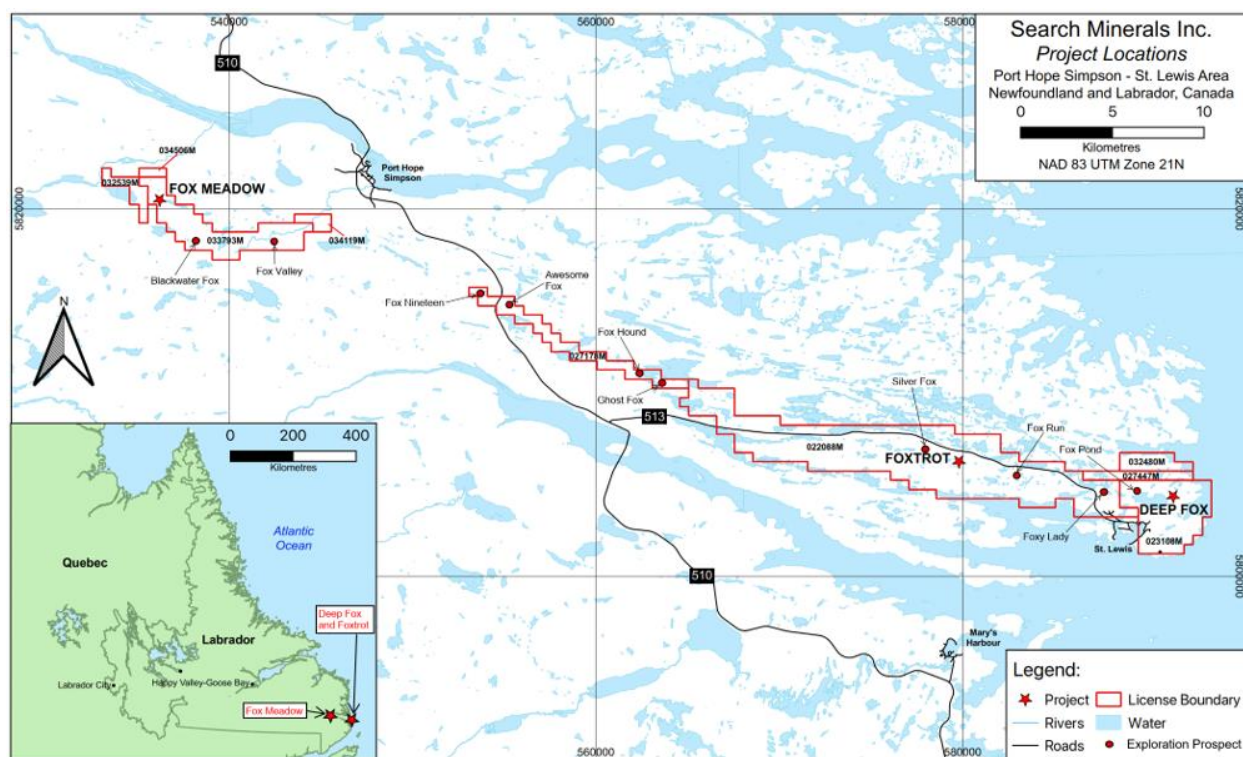


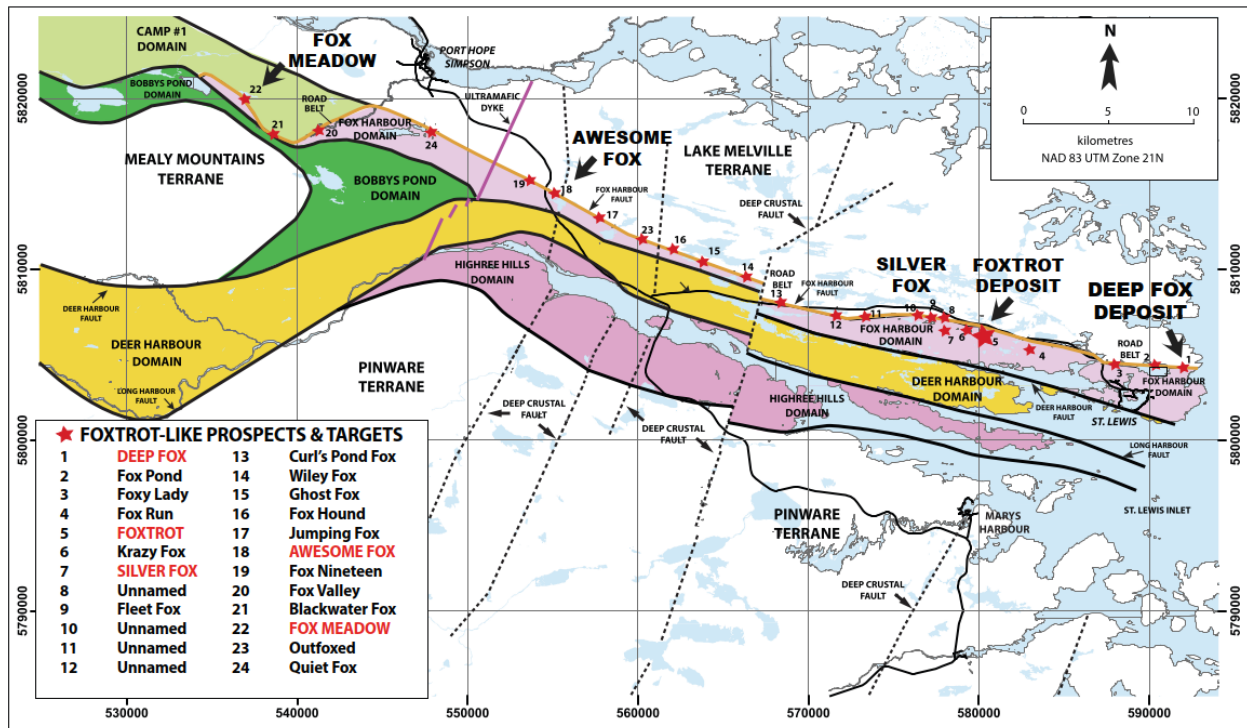
Figure 1: Port Hope Simpson – St. Lewis area Projects and Prospects

Search also maintains mineral licenses for other CREE mineral prospects in Labrador, including claims in the Red Wine area of central Labrador and the Henley Harbour area of south-east Labrador.

PROJECT SUMMARY

Search Minerals Inc. began exploring for Rare Earth Elements (“REE”) near the communities of St. Lewis and Port Hope Simpson in 2009.

Search controls a CREE District in south-east Labrador that is road accessible and on/near tidewater. The Company completed three drill programs (2017, 2018, 2021), totaling 12,000m, and produced a new mineral resource estimate at Deep Fox and an updated PEA in July 2022. The 2022 drill program at Deep Fox, totaling 14,000m consisted of infill resource delineation, exploration and geotechnical drilling.



DEEP FOX PROJECT

Deep Fox is located approximately 2.7 km north east of the main dock in the Port of St. Lewis, NL (Figure 1, and Figure 2), and is located 12 km east of the Foxtrot deposit. The Deep Fox project is located atop a hill, nearby the abandoned fishing community of Deepwater Creek.

Deep Fox Project Location

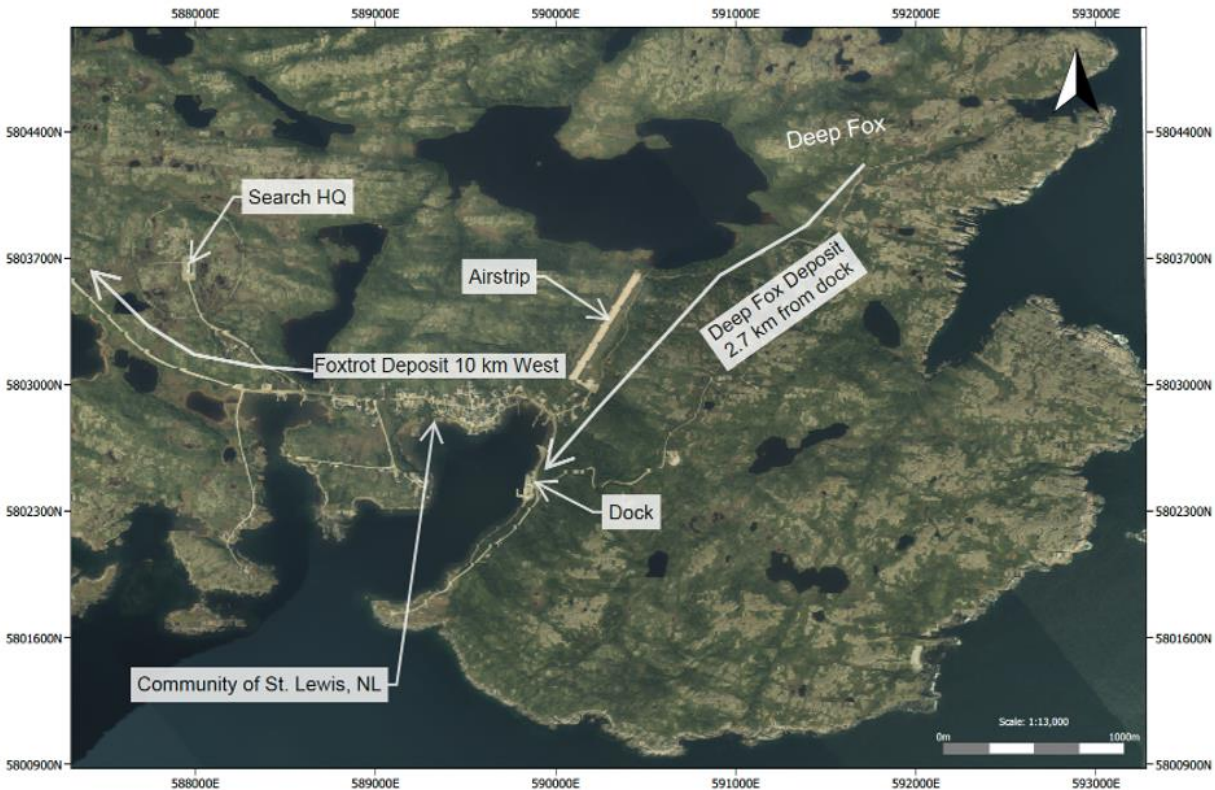


Figure 2: Deep Fox Project Location

The 2021 exploration program at Deep Fox consisted of resource definition and exploration diamond drilling, channel sampling, and bulk material sampling. This program focused on infill drilling the resource from the 25 m to 200 m level. A total of 38 drill holes were completed, including four drill holes on the 200 m level which intersected mineralization from 20 – 45 m apparent width (approximately 16 – 36 m true width). The exploration at the 200 m level indicates that mineralization has maintained thickness to this depth, and the deposit continues to be open at depth.

The latest resource estimate for Deep Fox Project incorporates data from 2017, 2018, and 2021 drill programs. This new resource estimate incorporates new REE prices, new REE recoveries, and a new underground/open pit mining scenario and the accompanying NSR values. This resource estimate was used to support the PEA that combined the new Foxtrot and Deep Fox resources.

FOXTROT PROJECT

Foxtrot is located approximately 10 km west of St. Lewis and 12 km west of Deep Fox.

FOX MEADOW PROSPECT

The Fox Meadow discovery is located 11 km west of Port Hope Simpson and 1 km southeast of a graveled forest access road, which extends southwestward from the paved Trans Labrador Highway.

SILVER FOX PROSPECT

The Silver Fox discovery is located 14 km west of St. Lewis, 2 km west of Foxtrot and about 1 km south of an all-season graveled road.

RED WINE CREE DISTRICT, CENTRAL LABRADOR

The Red Wine property is located approximately 80 km north-east of Churchill Falls, Labrador and is 100% owned by Search Minerals. On June 28, 2015, the Company purchased Great Western Minerals Group Ltd.'s ("GWMG") 50% interest in the Red Wine Property for \$20,000. GWMG had acquired its interest in the Red Wine Property pursuant to an option agreement between the Company and GWMG dated July 23, 2010.

The district can be subdivided into two areas: the northern area contains the Mann #1 and Two Tom Lake prospects and the southern area contains the Merlot and Narnia Hill prospects.

Red Wine CREE District Option Agreements

The Company signed two option agreement for properties within the Red Wine District as follows:

Option Agreement – Two Tom Property

On June 14, 2021, the Company entered into an option agreement (the "Option Agreement") with United Gold Inc, Aubrey Budgell and Donna Lewis (the "Vendors") for an option to acquire an undivided 100% interest in and to certain claims known as the Two Tom Property (the "Two Tom Property").

The Two Tom Property consists of two licenses (027378M and 016522M) totaling 16 claims

Under the terms of the Option Agreement, the Company may earn the undivided 100% interest in the Two Tom Property by making aggregate cash payments of \$200,000 and by issuing an aggregate of 1,600,000 common shares of the Company over a period of three years as follows:

- pay \$40,000 (paid) and issue 400,000 common shares on the acquisition date (issued);
- pay \$50,000 (paid) and issue 400,000 common shares on or before July 2, 2022 (issued);
- pay \$50,000 (paid subsequent to August 31, 2023) and issue 400,000 common shares on or before July 2, 2023 (issued); and,
- pay \$60,000 and issue 400,000 common shares on or before July 2, 2024.

The Vendors were granted a 3.0% net smelter return royalty. The Company may, at any time, purchase 2.0% of the net smelter return royalty for \$2,000,000.

Letter Agreement – Mann Property and Two Tom Property claim

On June 15, 2021, the Company entered into a binding letter agreement (the "Letter Agreement") with Roland Quinlan and Eddie Quinlan (the "Vendors") for an option to acquire an undivided 100% interest in and to certain claims known as the Mann#1 claims (the "Mann Property") and another claim proximal to the Two Tom Property.

The Mann Property consists of license 027380M (4 claims, 1 square km) and the Two Tom Property consists of license 027384M (16 claims, 5 square km).

Under the terms of the Letter Agreement, the Company may earn the undivided 100% interest in the claims by making aggregate cash payments of \$200,000 and by issuing an aggregate of 1,600,000 common shares of the Company over a period of four years as follows:

- pay \$20,000 (paid) and issue 400,000 common shares on the acquisition date (issued);
- pay \$30,000 (paid) and issue 400,000 common shares on or before July 2, 2022 (issued);
- pay \$60,000 (paid subsequent to August 31, 2023) and issue 400,000 common shares on or before July 2, 2023 (issued);
- pay \$60,000 and issue 300,000 common shares on or before July 2, 2024; and,
- pay \$30,000 and issue 100,000 common shares on or before July 2, 2025.

The Vendors were granted a 3.0% net smelter return royalty. The Company may, at any time, purchase 2.5% of the net smelter return royalty for \$2,000,000.

Resource Estimate

On April 11, 2022, Search announced an updated Mineral Resource Estimate for the Deep Fox and Foxtrot projects. The Mineral Resource Estimate was prepared by SLR Consulting (Canada) Inc (“SLR”), and the Technical Report was filed on SEDAR on July 22, 2022.

Preliminary Economic Assessment (PEA)

On June 7, 2022, Search Minerals announced the key financial metrics of a Preliminary Economic Assessment (“PEA”) for the development of its Deep Fox and Foxtrot CREE deposits located in Labrador, Canada, and the establishment of a Hydrometallurgical (direct extraction) processing facility on the Island of Newfoundland.

The PEA was prepared by SLR, and the technical report relating to the PEA was filed on SEDAR on July 22, 2022.

CORPORATE DEVELOPMENTS

On February 7, 2023, the Chief Operating Officer, Todd Burlingame, provided his notice of resignation. On February 10, 2023, the Chief Executive Officer, Greg, Andrews, was terminated without cause. Mr. Leo Power, Chairman and a director of the Company, was appointed interim President and Chief Executive Officer of the Company. Mr. Andrews settlement of the termination on a without cause basis was completed on March 3, 2023 and Mr. Andrews resigned from his position as Director of the Company. As per Mr. Andrews contract of employment, he received twelve months compensation as severance which was paid.

On May 8, 2023, the former Chief Operating Officer, Todd Burlingame, was appointed as Chief Executive Officer and Director of the Company with Mr. Leo Power stepping down from his role as Interim President and CEO but continuing on as Chairman of the Board of Directors. On June 23, 2023, Mr. Todd Burlingame resigned as CEO and Director and on June 27, 2023, Mr. Leo Power resigned as Chairman of the Board. The current Directors of the Company are Jocelyn Bennett, George Molyviatis and Dr. David Dreisinger.

The Company entered into a non-binding term sheet dated March 6, 2023, pursuant to which the Company would receive a secured term loan (the “Loan”) in the amount of \$2,500,000 from InCoR Holdings Limited (the “Lender” or “InCoR”). The Loan would have a 2-year term and will bear interest at a rate of 22.5% per annum. The Company would have the right to pay back the principal plus accrued interest on the Loan to the Lender at anytime after the one-year anniversary of the Loan. The Company would issue 6,250,000 bonus shares at the fair value of \$500,000 to the Lender. No commission or finder’s fee would be paid in connection with the Loan. The completion of the Loan was subject to entering into a loan agreement and receiving the funds from the Lender. The Lender is a related party as InCoR appointed two members to the Board of Directors of the Company and InCoR holds more than 20% of the issued and outstanding shares of the Company. As of the date of this MD&A, the Loan has yet to be advanced by InCoR and the Company no longer expects this Loan to be completed.

As part of the appointment of Mr. Todd Burlingame as CEO and Director on May 8, 2023, InCoR committed to advancing the Company \$500,000 as a short-term non-interest bearing loan as discussions continued to finalize the secured term loan noted above. As of the date of this MD&A, the short-term loan has yet to be advanced by InCoR and the Company no longer expects this advance to be completed.

On March 7, 2023, the Company announced that the Government of Canada would contribute \$5 million in non-dilutive support to the Company via a Contribution Agreement which would be used to fund the construction and operation of a demonstration plant for rare earth extraction and recovery. The Government of Canada would contribute the lesser of 75% of the total project costs, as defined in the agreement, and \$5 million. The eligible expenditure period is November 30, 2022 to March 31, 2024. As of the date of this MD&A, the program has not yet started and no funds have been received from the Government of Canada for this program. The Government of Canada has requested the Company to reapply for the support at a future date.

Effective June 30, 2023, the remaining four employees involved in exploration and evaluation activities were laid off. The Company currently has no employees. The Company has claims against it for unpaid wages from these four employees as well as from Mr. Todd Burlingame, which the Company is working on resolving. The Company is also in arrears on paying required payroll remittances to the Canada Revenue Agency.

Subsequent to August 31, 2023, the Company has received demand loans from a private company with common directors. The demand loans are unsecured, non-interest bearing and due on demand. A total of \$209,664 was received. The demand loans are being used to make critical payments to keep the property agreements and licenses in good standing, and to continue required compliance work.

On October 3, 2023, the Company received a request from certain shareholders representing approximately 6.38% of the total issued and outstanding shares of the Company to convey a general meeting of the shareholders pursuant to section 167 of the Business Corporation Act (British Columbia) within four months of receipt of the notice. The proposed business to be transacted at the meeting includes considering resolutions to fix the number of directors of the Company at three and electing directors of the Company for the ensuing year. The Company has not yet determined a date to hold the requested general meeting of the shareholders.

OUTLOOK

The Company has been in the process of resolving its working capital deficiency and requires additional funding in order to continue operations. Refer to the MD&A for the three months ended February 28, 2023 for detailed discussions on the Company plans once funding becomes available.

DIRECT EXTRACTION TECHNOLOGY

Search Minerals completed a successful \$1.9M pilot plant operation in June 2017 using the proprietary Direct Extraction Process at SGS Canada (Lakefield) ("SGS") Lakefield, Ontario. The pilot plant provided Search with a sample of a 99% high purity mixed rare earth oxide concentrate ("REO Concentrate") for further testing at separation facilities.

In conjunction with processing the Foxtrot material during the pilot plant operation, a bench-top demonstration test of the Deep Fox mineral sample was also completed at SGS. The test highlights provided extractions of 90.8% Neodymium, 90.5% Praseodymium, 81.3% Dysprosium and 82.5% Terbium, which compare favorably with the extractions from the Foxtrot recent pilot plant studies.

Search is exploring the opportunity to build and operate a demonstration plant. This demonstration plant would provide Search with substantially more REE Carbonate or REO Concentrate for further refining and certifications required to secure an off-take agreement. Search would look to secure funding for the demonstration plant with a mixture of alternative financings, equity financings and various government assistance programs.

MINERAL PROPERTIES

Although the Company has taken steps to verify title to mineral 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 a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claims of title.

RESULTS OF OPERATIONS

During the nine months ended August 31, 2023, the Company incurred exploration and evaluation expenditures as follows:

	Critical Rare Earth Element District, Labrador \$	Red Wine, Labrador \$	Total \$
Balance, November 30, 2022	26,772,129	351,700	27,123,829
Acquisition costs			
Cash	10,000	-	10,000
Shares	-	24,000	24,000
	10,000	24,000	34,000
Deferred exploration costs			
Assays	739,614	-	739,614
Camp and rent	83,519	-	83,519
Drilling	80,802	-	80,802
Engineering and metallurgy	83,168	-	83,168
Geological consulting, salaries, wages and benefits	479,061	841	479,902
Government contributions	(111,406)	-	(111,406)
Helicopters	6,160	-	6,160
Metallurgical consulting	83,250	-	83,250
Other	56,456	-	56,456
Travel and accommodation	11,512	-	11,512
	1,512,136	841	1,512,977
Balance, August 31, 2023	28,294,265	376,541	28,670,806

The Company was conducting the Deep Fox exploration program and the remaining work was focused primarily on keeping the licenses in good standing. Exploration costs during the first two quarters of fiscal 2023 were \$1,436,607 and exploration costs during the third quarter of fiscal 2023 were \$76,370.

OVERALL PERFORMANCE

Nine months ended August 31, 2023 and 2022

The Company had a loss of \$1,332,839 (\$0.00 per share) for the nine months ended August 31, 2023 as compared to a loss of \$1,720,352 (\$0.00 per share) for the nine months ended August 31, 2022. The table below details certain non-cash or unusual transactions that for the purposes of this discussion have been adjusted out of the reported loss to produce an adjusted loss that forms a better basis for comparing the period over period operating results of the Company.

	2023 (\$)	2022 (\$)
Loss for the period as reported	(1,332,839)	(1,720,352)
Add (deduct):		
Amortization	157,402	97,363
Flow-through premium income	(40,878)	(644,954)
Share-based compensation – stock options	92,897	1,289,850
Adjusted loss for the period ⁽¹⁾	(1,123,418)	(978,093)

⁽¹⁾ Adjusted loss for the period is not a term recognized under IFRS.

- Amortization increased during the period due to the additions to equipment.
- The flow-through premium income of \$40,878 (2022 - \$644,954) represents the value of the tax benefits transferred from Search to the flow-through share investors.
- The Company granted 11,550,000 stock options in February 2022. The options vest in three tranches over a one year period. On May 8, 2023, the Company granted 2,000,000 stock options and 20% vested prior to the remainder being forfeited, unvested.

The increase in the adjusted loss for the nine months ended August 31, 2023 compared to the nine months ended August 31, 2022 is the net result of a number of differences in various expenses as follows:

- Accounting and audit fees of \$76,026 (2022: \$68,101) are comprised of fees to maintain the accounting records and prepare financial reports as required as well as administration of the Company.
- Administration expense and management fees of \$510,100 (2022: \$225,000) are comprised of salaries, bonuses, fees and severance paid to the former CEO of the Company. The increase in fees this period was due to the appointment of new CEOs and the severance paid to the former CEO.
- Consulting fees of \$33,160 (2022: \$91,550) were fees to a director and to a consultant for corporate advisory services. The director left the Company on June 27, 2023.
- Legal fees of \$94,473 (2022: \$48,825) are general legal fees to comply with various regulations and general business requirements.
- Non-executive directors fees of \$88,000 (2022: \$66,000) are monthly fees to the non-executive directors.
- Office and miscellaneous expenses of \$175,094 (2022: \$164,937) includes insurance, rent, office expenses and supplies, memberships and subscriptions, flow-through interest tax as well as other miscellaneous expenses.
- Regulatory and transfer agent fees of \$45,318 (2022: \$105,367) are fees paid to maintain the listing on the TSX-V, the OTCQB and other transaction fees.
- Shareholder communications of \$40,600 (2022: \$121,177) are fees incurred to market the Company to current and potential investors.
- Travel and accommodation expenses of \$60,647 (2022: \$51,136) includes executive travel to the properties in Newfoundland as well as travel for investor relations purposes.

Three months ended August 31, 2023 and 2022

	2023 (\$)	2022 (\$)
Loss for the period as reported	(143,934)	(24,377)
Add (deduct):		
Amortization	33,903	43,469
Flow-through premium income	-	(644,954)
Share-based compensation – stock options	-	291,257
Adjusted loss for the period ⁽¹⁾	(110,031)	(334,605)

⁽¹⁾ Adjusted loss for the period is not a term recognized under IFRS.

The decrease in adjusted loss for the three months ended August 31, 2023 compared to the three months ended August 31, 2022 is primarily due to a reduction in business activities due to the working capital deficiency of the Company and the net result of a number of differences in various expenses as follows:

- Accounting and audit fees of \$15,241 (2022: \$23,274) are comprised of fees to maintain the accounting records and prepare financial reports as required as well as administration of the Company.
- Administration expense and management fees of \$19,100 (2022: \$70,000) are comprised of salaries to the former CEOs of the Company.
- Consulting fees of \$nil (2022: \$39,000) were \$nil due to the director leaving the Company on June 27, 2023.
- Legal fees of \$nil (2022: \$11,693) are general legal fees to comply with various regulations and general business requirements.
- Non-executive directors fees of \$28,000 (2022: \$36,000) are monthly fees to the non-executive directors.
- Office and miscellaneous expenses of \$30,671 (2022: \$50,448) includes insurance, rent, office expenses and supplies, memberships and subscriptions as well as other miscellaneous expenses.
- Regulatory and transfer agent fees of \$6,995 (2022: \$26,992) are fees paid to maintain the listing on the TSX-V, the OTCQB and other transaction fees.
- Shareholder communications of \$8,125 (2022: \$45,526) are fees incurred to market the Company to current and potential investors.
- Travel and accommodation expenses of \$1,899 (2022: \$31,672) includes executive travel to the properties in Newfoundland as well as travel for investor relations purposes.

QUARTERLY INFORMATION

The following is selected financial data from the Company's unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended August 31, 2023.

	Three Months Ended (\$)			
	Aug 31, 2023	May 31, 2023	Feb 28, 2023	Nov 30, 2022
Total Revenues	-	-	-	-
(Loss) Income	(143,934)	(471,724)	(717,181)	149,348
(Loss) Income Per Share (basic and diluted) ⁽¹⁾	(0.00)	(0.00)	(0.00)	0.00
Total Assets	29,277,002	29,240,141	29,648,378	29,288,803
Total Liabilities	3,395,023	3,238,228	3,344,422	2,350,882
Shareholders' Equity	25,881,979	26,001,913	26,303,956	26,937,921

	Three Months Ended (\$)			
	Aug 31, 2022	May 31, 2022	Feb 28, 2022	Nov 30, 2021
Total Revenues	-	-	-	-
Loss	(24,377)	(716,972)	(979,003)	(326,863)
Loss Per Share (basic and diluted) ⁽¹⁾	0.00	(0.00)	(0.00)	(0.00)
Total Assets	28,979,086	27,296,971	27,295,477	21,647,044
Total Liabilities	2,315,337	2,106,049	1,863,976	802,980
Shareholders' Equity	26,663,749	25,190,922	25,431,501	20,844,064

⁽¹⁾ The basic and diluted calculations result in the same values.

FINANCING ACTIVITIES

Subsequent to August 31, 2023, the Company received demand loans from a private company with common directors. The demand loans are unsecured, non-interest bearing and due on demand. A total of \$209,664 was received.

The Company entered into a non-binding term sheet dated March 6, 2023, pursuant to which the Company would receive a secured term loan (the "Loan") in the amount of \$2,500,000 from InCoR Holdings Limited (the "Lender"). The Loan would have a 2-year term and would bear interest at a rate of 22.5% per annum. The Company would have the right to pay back the principal plus accrued interest on the Loan to the Lender at anytime after the one-year anniversary of the Loan. The Company would issue 6,250,000 bonus shares at the fair value of \$500,000 to the Lender. No commission or finder's fee would be paid in connection with the Loan. The completion of the Loan is subject to entering into a loan agreement and receiving the funds from the Lender. The Lender is a related party of the Company. As of the date of this MD&A, the Loan has yet to be advanced by InCoR and the Company no longer expects this Loan to be completed.

As part of the appointment of Mr. Todd Burlingame as CEO and Director on May 8, 2023, InCoR committed to advancing the Company \$500,000 as a short-term non-interest bearing loan as discussions continued to finalize the secured term loan noted above. As of the date of this MD&A, the short-term loan has yet to be advanced by InCoR and the Company no longer expects this advance to be completed.

The Company announced that the Government of Canada would contribute \$5,000,000 in non-dilutive support to the Company via a Contribution Agreement which would be used to fund the construction and operation of a demonstration plant for rare earth extraction and recovery. The Government of Canada would contribute the lesser of 75% of the total project costs, as defined in the agreement, and \$5 million. The eligible expenditure period is November 30, 2022 to March 31, 2024. As of the date of this MD&A, the program has not yet started and no funds have been received from the Government of Canada for this program. The Government of Canada has requested the Company to reapply for the support at a future date.

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2023, the Company's cash balance was \$22,010 with working capital deficit of \$3,201,400.

The Company's operations consumed \$1,123,418 of cash, before working capital items, during the nine months ended August 31, 2023 (2022: \$978,093) with an additional \$884,540 (2022: \$4,863,815) utilized on mineral property deferred exploration and acquisition expenditures and the purchase of property and equipment. The cash requirement for the nine months ended August 31, 2023 was fulfilled from cash on hand, government assistance and other working capital. Subsequent to August 31, 2023, the cash requirement has been fulfilled from unsecured, non-interest bearing demand loans from a company with common directors.

The Company's aggregate operating, investing and financing activities during the nine months ended August 31, 2023 resulted in a net decrease in its cash balance from \$457,537 at November 30, 2022 to \$22,010 at August 31, 2023. The Company's working capital decreased by \$2,254,221 correspondingly during the period and stood at a deficiency of \$3,201,400 at August 31, 2023. The Company has accumulated losses since inception of \$24,873,131.

As at August 31, 2023, the liabilities include trade payables, due to related parties and the CEBA loan for \$120,000.

The Company does not have any commitments for material capital expenditures over the near term or long term other than a \$10,000 annual payment to the vendors of the Quinlan Property, the \$10,000 annual payment to the vendors of the Mann Property and the \$150,000 remaining on option agreements to acquire certain licenses in Newfoundland.

The Company has not put into commercial production any of its mineral properties and as such has no operating revenues or cash flows. Accordingly, the Company is dependent on the equity markets as its sole source of operating working capital, and the Company's capital resources are largely determined by the strength of the junior resource capital markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. Since the Company will not have cash flows from operations over the next year, it will have to continue to rely upon equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to it.

The Company has working capital requirements to continue operations over the short-term period. The working capital requirement has been fulfilled from the unsecured, non-interest bearing demand loans from a company with common directors. Additional funding is needed in the short-term period to continue operations including maintaining the properties in good standing and continuing compliance work.

GOING CONCERN

The condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the foreseeable future. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration programs, will result in profitable mining operations. The recoverability of the carrying value of exploration and development properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values of assets.

At August 31, 2023, the Company had not yet achieved profitable operations, had an accumulated deficit of \$24,873,131 since inception and expects to incur further losses in the development of its business. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. At August 31, 2023, the Company had working capital deficiency of \$3,201,400 compared to a working capital deficiency of \$947,179 at November 30, 2022, an increase in working capital deficiency of \$2,254,221. The above factors cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. Subsequent to August 31, 2023, the Company has received unsecured, non-interest bearing demand loans from a company with common directors. The Company has no other source of financing as of the date of this MD&A.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

TRANSACTIONS WITH RELATED PARTIES

During the three and nine months ended August 31, 2023 and 2022, the Company incurred the following expenditures charged by directors and officers of the Company, or former directors and officers of the Company, and/or companies they owned or were significant shareholders of:

	Three months ended		Nine months ended	
	August 31,		August 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Administration and management fees ⁽¹⁾⁽²⁾⁽⁴⁾	19,100	70,000	510,000	225,000
Consulting fees ⁽²⁾	-	18,750	25,000	56,250
Non-executive directors fees	28,000	36,000	88,000	102,000
Mineral property expenditures				
Geological consulting, salaries, wages and benefits ⁽³⁾⁽⁴⁾	13,333	100,000	197,333	240,000
Metallurgical consulting ⁽⁵⁾	27,750	27,750	83,250	83,250
Share-based payments - options	-	208,041	69,120	921,322
	88,183	460,541	972,703	1,627,822

⁽¹⁾ Includes salary earned by the former CEO, Greg Andrews. The business purpose of the transactions was to compensate Mr. Andrews for administration and management services provided. The Company has an employment contract with Mr. Andrews that includes a termination clause of twelve months compensation and a change of control provision calling for twenty-four months compensation. On February 10, 2023, Mr. Andrews was terminated without cause. He was paid twelve months compensation in March 2023.

⁽²⁾ Includes fees billed by Leo Power, former Chairman and Director. The consulting fees were for additional services outside of the scope of non-executive directors fees. Mr. Leo Power also earned administration and management fees during his time as CEO. On June 27, 2023, Mr. Leo Power resigned as Director and CEO.

⁽³⁾ Includes salary earned by the former VP of Exploration, Dr. Randy Miller. The business purpose of the transactions was to compensate Dr. Randy Miller for managing the mineral properties. The Company has an employment agreement with Dr. Miller that includes a termination clause of twelve months compensation and a change of control provision calling for eighteen months compensation. Dr. Miller was laid off effective June 30, 2023.

⁽⁴⁾ Includes the compensation to the former COO and former CEO, Todd Burlingame. The business purposes of the transactions was to compensate Mr. Burlingame for administration and management services provided, with a portion applied to mineral property expenditures and a portion to management fees. The Company had a COO consulting agreement with Mr. Burlingame that included a termination notice period of six months and, if terminated on a change of control, a lump sum payment of twelve months compensation. The Company had a CEO agreement with Mr. Burlingame that included a termination clause of twelve months compensation and a resignation clause of three months compensation. On June 23, 2023, Mr. Burlingame resigned as Director and CEO. The Company has not accrued the three months compensation on resignation.

⁽⁵⁾ Includes fees billed by the VP of Metallurgy and Director, Dr. David Dreisinger. The business purpose of the transactions was to compensate Dr. David Dreisinger for assisting with metallurgical work relating to the Company's REE properties. The Company has a consulting agreement with Dr. David Dreisinger. The agreement includes a termination notice period of 180 days.

At August 31, 2023, due to related parties of \$410,941 (November 30, 2022: \$69,454) included amounts owing to directors and officers of the Company, or former directors and officers of the Company, and/or companies they control or of which they were significant shareholders. The amounts owing include amounts related to expenditures charged to the Company. The amounts owing are unsecured, non-interest bearing and due on demand. The amounts have been recorded at their exchange amount, being the amount agreed to by the parties.

The unsecured, non-interest bearing demand loans are related party transactions as they are with a private company with common directors.

Key management includes the former CEO, former COO, VP of Metallurgy, former VP of Exploration and the directors and former directors of the Company. The compensation paid or payable to key management for services during the three and nine months ended August 31, 2023 and 2022 is as follows:

	Three months ended		Nine months ended	
	2023	August 31, 2022	2023	August 31, 2022
	\$	\$	\$	\$
Short-term benefits	88,183	252,500	903,683	706,500
Share-based payments - options	-	208,041	69,120	921,322
	88,183	460,541	972,803	1,627,822

FINANCIAL INSTRUMENTS

Designation of Financial Instruments

The Company's financial instruments consist of cash, trade payable, due to related parties, demand loans and CEBA loan. The Company's cash, trade payable, due to related parties, demand loans and CEBA loan are measured at amortized cost.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is primarily held with a large Canadian bank.

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of minerals under exploration.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained; however, the Company has been unable to obtain sufficient financing to meet its contractual obligations and the working capital deficiency has been increasing. Refer to the going concern note for additional disclosure. The Company had working capital as follows:

	August 31, 2023	November 30, 2022
	\$	\$
Current assets	73,623	1,283,703
Current liabilities	(3,275,023)	(2,230,882)
Working capital (deficiency)	(3,201,400)	(947,179)

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

a) Currency Risk

As at August 31, 2023, substantially all of the Company's cash was held in Canadian dollars, the Company's functional currency. The Company has no operations in foreign jurisdictions outside of Canada at this time and as such has no currency risk associated with its operations. The Company has had nominal amounts of payables in US dollars.

b) Interest Rate Risk

As at August 31, 2023, the Company had a CEBA loan bearing interest at a fixed rate of 5% per annum. As the Company had no variable rate interest bearing financial instruments, the Company is not exposed to interest rate risk. Certain vendors have been charging interest to the Company on outstanding accounts payable.

c) Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Company has no financial instruments subject to price risk.

OUTSTANDING SHARE CAPITAL

Authorized: Unlimited number of common shares

Issued and outstanding: 417,287,014 common shares as at November 1, 2023.

Options and warrants outstanding as at November 1, 2023:

Security	Number	Exercise Price	Expiry Date
Stock Options	6,050,000	\$0.08	November 17, 2025
Stock Options	4,580,000	\$0.20	August 18, 2026
Stock Options	5,150,000	\$0.20	February 2, 2027
TOTAL	15,780,000		

Security	Number	Exercise Price	Expiry Date
Share Purchase Warrants	3,711,113	\$0.25	December 22, 2023
Share Purchase Warrants	5,495,777	\$0.25	January 27, 2024
Share Purchase Warrants	8,727,625	\$0.05	June 17, 2024
Share Purchase Warrants	30,000,000	\$0.05	November 12, 2025
TOTAL	47,934,515		

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements for the nine months ended August 31, 2023 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedarplus.ca.

RISKS AND UNCERTAINTIES

The exploration and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not be successful in overcoming. Few mineral properties which are explored ultimately develop into producing mines. There has been no commercial production of minerals on properties held by the Company to date and there is a high degree of risk that commercial production of minerals will not be achieved.

Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The mining industry is intensely competitive. The commercial viability of a mineral deposit depends on a number of factors including the particular attributes of the deposits (principally size and grade), proximity to infrastructure, the impact of mine development on the environment, environmental regulations imposed by various levels of government and the competitive nature of the industry which causes mineral prices to fluctuate substantially over short periods of time. There can be no assurance that the minerals can be marketed profitably or in such a manner as to provide an adequate return on invested capital.

The operations of the Company are subject to all of the risks normally associated with the operation and development of mineral properties and the development of a mine, including encountering unexpected formations or pressures, caving, flooding, fires and other hazards, all of which could result in personal injuries, loss of life and damage to property of the Company and others. In accordance with customary industry practice, the Company is not fully insured against all of these risks, nor are all such risks insurable.

The operations of the Company's properties will be subject to various laws and regulations relating to the environment, prospecting, development, production, waste disposal and other matters. Amendments to current laws and regulations governing activities related to the Company's mineral properties may have material adverse impact on operations.

The Company will need additional funding to complete its long term objectives. The ability of the Company to raise such financing in the future will depend on the prevailing market conditions, competition with other strategic metals exploration stage companies, as well as the business performance of the Company. There can be no assurances that the Company will be successful in its efforts to raise additional financing on terms satisfactory to the Company. If adequate funds are not available or not available on acceptable terms, the Company may not be able to take advantage of opportunities, to develop new projects or to otherwise respond to competitive pressures.

The Company's working capital and liquidity fluctuate in proportion to its ongoing equity financing activities. The Company requires a certain amount of liquid capital in order to sustain its operations and in order to meet various obligations as specified under its resource property acquisition agreements. Should the Company fail to obtain future equity financing due to reasons as described above, it will not be able to meet these obligations and may lose its interests in the properties covered by the agreements. Further, should the Company be unable to obtain sufficient equity financing for working capital, it may be unable to meet its ongoing operational commitments.

The accounts payable and accrued liabilities and due to related parties of the Company at August 31, 2023 was \$3,275,023 the majority of which is past due. There is a significant risk that the unpaid creditors will commence legal action against the Company in order to collect the amounts they are owed. As of the date of the MD&A, the Company is seeking financing alternatives but currently has no source of funding other than the unsecured non-interest bearing due on demand loans from a private company with common directors.

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in legal disputes in the future. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the solution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

All of the Company's mineral properties are in the exploration stage. Exploration and development of natural resources involve substantial expenditures and a high degree of risk. Few properties that are explored are ultimately developed into producing properties. Accordingly, the Company has no material revenue, writes off its mineral properties from time to time, and operates at a loss. Continued operations are dependent upon ongoing equity financing activities.

OTHER INFORMATION

The rare earth elements ("REE") mentioned are defined as follows: La – Lanthanum, Ce – Cerium, Pr – Praseodymium, Nd – Neodymium, Pm – Promethium, Sm – Samarium, Eu – Europium, Gd – Gadolinium, Tb – Terbium, Dy – Dysprosium, Ho – Holmium, Er – Erbium, Tm – Thulium, Yb – Ytterbium, Lu – Lutetium and Y – Yttrium. Additional elements of interest are Zr – Zirconium and Nb – Niobium.

Additional information related to the Company is available for viewing on SEDAR at www.sedarplus.ca.

QUALIFIED PERSONS:

Dr. David Dreisinger, Ph.D., P.Eng., is the Company's Vice President, Metallurgy and Qualified Person for the purposes of NI 43-101. Dr. Dreisinger has reviewed and approved the technical disclosure contained herein as applicable.