

GREAT NORTHERN ENERGY METALS INC.  
MANAGEMENT DISCUSSION AND ANALYSIS  
For the nine months ended May 31, 2025

The following Management's Discussion and Analysis ("**MD&A**") of Great Northern Energy Metals Inc. (the "**Issuer**") has been prepared by management, in accordance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**") as of July 29, 2025 and should be read in conjunction with the condensed interim financial statements for the three and nine months ended May 31, 2025 and the related notes contained therein which have been prepared under IFRS Accounting Standards ("**IFRS**"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Issuer. The Issuer is a "Venture Issuer" as defined in NI 51-102.

All financial information in this MD&A has been prepared in accordance with IFRS. All monetary amounts are expressed in Canadian dollars, the presentation and functional currency of the Issuer, unless otherwise indicated.

## **Overview**

The Issuer was incorporated in the Province of British Columbia on October 5, 2022, under the name of "Great Northern Copper Inc." On March 15, 2023, it underwent a name change to "Great Northern Energy Metals Inc." The Issuer is in the process of exploring mining claims which are held under option and has not yet determined whether or not the optioned properties will contain economically recoverable reserves.

As at May 31, 2025 the Issuer reported a working capital deficiency of \$48,034 and may require financing from outside participation to continue exploration and subsequent development of its mining claims under the option and to be able to incur exploration expenditures required under the Kenora Option Agreement (defined herein).

As at May 31, 2025 the Issuer had not yet achieved profitable operations, has accumulated losses of \$814,896 since its inception and expects to incur further losses in the development of its business, all of which casts doubt about the Issuer's ability to continue as a going concern. The Issuer's ability to continue as a going concern is dependent on continued financial support from its shareholders, the ability of the Issuer to raise equity financing, the attainment of profitable operations and external financings.

# Uranium Industry Trends

## Overview

The global uranium market has experienced significant fluctuations in recent years, driven by a variety of factors including geopolitical developments, changes in energy policies, and market dynamics. As a junior mining company engaged in uranium exploration, it is crucial to understand these trends to navigate the risks and capitalize on the opportunities they present.

## Key Trends

1. **Rising Demand for Nuclear Energy:** There is a growing demand for nuclear energy as countries seek to reduce carbon emissions and transition to cleaner energy sources.<sup>1</sup> This has led to an increase in the number of nuclear reactors under construction, particularly in Asia, which is expected to boost uranium demand over the coming decades.<sup>2</sup>
2. **Supply Constraints:** Major uranium producers have curtailed production in response to prolonged low prices, resulting in a tighter supply market. Additionally, geopolitical tensions and regulatory challenges in key producing regions such as Kazakhstan, Canada, and Australia have further constrained supply.
3. **Technological Advancements:** Advances in reactor technology, including small modular reactors (SMRs) and next-generation nuclear technologies, are expected to enhance the efficiency and safety of nuclear power, potentially increasing uranium demand.<sup>3</sup>
4. **Market Sentiment and Price Volatility:** Uranium prices have historically been volatile, influenced by market sentiment and speculative trading. Recent years have seen a recovery in prices, driven by increased investor interest and strategic stockpiling by utilities and sovereign entities.<sup>4</sup>

## Risks

1. **Regulatory and Political Risks:** Uranium mining is heavily regulated, and changes in environmental policies or political instability in key regions can significantly impact operations. The regulatory approval process for new mines can be lengthy and uncertain, posing a risk to project timelines and costs.<sup>5</sup>

<sup>1</sup> The Reference Scenario of the 2023 edition of the World Nuclear Association's Nuclear Fuel Report shows a 28% increase in uranium demand over 2023-30.

<sup>2</sup> <https://world-nuclear.org/information-library/current-and-future-generation/plans-for-new-reactors-worldwide>

<sup>3</sup> <https://www.iaea.org/newscenter/news/what-are-small-modular-reactors-smrs>

<sup>4</sup> <https://world-nuclear.org/information-library/nuclear-fuel-cycle/uranium-resources/uranium-markets>

<sup>5</sup> <https://world-nuclear.org/information-library/safety-and-security/radiation-and-health/occupational-safety-in-uranium-mining>

2. **Market Volatility:** The uranium market is susceptible to price swings due to changes in supply and demand dynamics, speculative activities, and macroeconomic factors. Prolonged periods of low prices could impact the economic viability of uranium projects.<sup>6</sup>
3. **Operational Risks:** Uranium mining involves complex and costly extraction processes, and any operational disruptions, such as equipment failures or labor disputes, can affect production schedules and profitability.
4. **Environmental and Social Concerns:** Uranium mining faces scrutiny over its environmental impact, including radiation hazards, water usage, and waste management. Addressing these concerns requires significant investment in safety and environmental protection measures, which can impact profitability.<sup>7</sup>

## Opportunities

1. **Increasing Nuclear Capacity:** The ongoing global shift towards low-carbon energy sources presents a substantial opportunity for uranium producers. New reactor constructions and the extension of existing reactor lifespans will drive long-term demand for uranium.
2. **Technological Innovation:** Advancements in mining technology and nuclear reactor design can lower production costs and improve safety, making uranium projects more economically viable and attractive to investors.<sup>8</sup>
3. **Strategic Partnerships:** Forming strategic partnerships with larger mining companies, utilities, and technology providers can provide access to capital, expertise, and markets, enhancing the prospects of successful project development.
4. **Government Support:** Some governments are recognizing the role of nuclear power in achieving energy security and climate goals, resulting in favorable policies and incentives for uranium exploration and production.

## Exploration Activities

### Kenora Property

Pursuant to the terms and conditions of a mineral property option agreement dated May 5, 2023 (the “**Option Agreement**”) among the Issuer, Critical One Energy, formerly Madison Metals Inc. (“**Critical One**”), and 2160083 Ontario Inc. (“**Critical One Subco**”), the Issuer acquired the option to acquire a 60% interest in and to the Kenora Property (the “**Kenora Property**”). The Option Agreement was amended on May 3, 2024 and the Issuer issued 25,000 common shares to Critical One as consideration for amending the agreement.

<sup>6</sup> <https://www.power-technology.com/news/kazatomprom-profits-up-despite-uranium-market-volatility/>

<sup>7</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4962241/>

<sup>8</sup> [https://inis.iaea.org/collection/NCLCollectionStore/\\_Public/48/039/48039426.pdf](https://inis.iaea.org/collection/NCLCollectionStore/_Public/48/039/48039426.pdf)

Under the terms of the amended Option Agreement, the Issuer:

- paid Critical One Subco \$50,000 in cash on July 12, 2023 (paid);
- is required to incur exploration expenditures of \$600,000 by May 5, 2025 (incurred); and
- is required to incur exploration expenditures of \$300,000 by May 5, 2026.

The Kenora Property is located approximately 30 km east of the city of Kenora and 30 km west of the city of Dryden along Trans-Canada highway 17 in northwestern Ontario. The Kenora Property consists of 182 non-contiguous unpatented mining cell claims in the Thunder Bay Mining Division covering a total surface of 3,913.74 ha. Legal access to the Kenora Property is via provincial highways and roads. The claims occur within multiple townships, including MacNicol, Tustin, Bridges, Docker, and Langton townships. The surface rights to the claims are held by the Crown.

The Issuer commissioned Precision GeoSurveys Inc. of Langley, BC to conduct a high-resolution helicopter-borne magnetic and radiometric survey of the Kenora Property. A total of 2075 line-lm were flown over an area of 113.3km<sup>2</sup>.

### **Results of Operations - For the three months ended May 31, 2025:**

#### **Revenues**

Due to the Issuer's status as an exploration stage mineral resource Issuer and a lack of commercial production from its properties, the Issuer currently does not have any revenue from its operations.

#### **Expenses**

During the three months ended May 31, 2025, the Issuer recorded a loss of \$448,394. Some of the significant charges to operations are as follows:

Share-based compensation of \$358,003 (2024 - \$18,973) related to stock options granted to a former director and an officer of the Company.

Consulting fees of \$41,400 (2024 - \$nil) were incurred by the CEO and CFO.

Professional fees of \$38,140 (2024 - \$38,526) consisted of accounting and legal fees incurred in order to prepare the Issuer for listing on a stock exchange.

Expenses are anticipated to vary significantly quarter to quarter, with larger expense balances being incurred in quarters with more concentrated exploration activity. Expenses from the most recent quarter should not be used to estimate future quarters. In particular, significant expenses will be incurred to comply with the Issuer's obligations under its option agreement with Critical One.

## Results of Operations - For the nine months ended May 31, 2025:

### Revenues

Due to the Issuer's status as an exploration stage mineral resource Issuer and a lack of commercial production from its properties, the Issuer currently does not have any revenue from its operations.

### Expenses

During the nine months ended May 31, 2025, the Issuer recorded a loss of \$611,086. Some of the significant charges to operations are as follows:

Share-based compensation of \$358,003 (2024 - \$18,973) related to stock options granted to a former director and an officer of the Company.

Professional fees of \$134,736 (2024 - \$43,660) consisted of accounting and legal fees incurred in order to prepare the Issuer for listing on a stock exchange.

Consulting fees of \$76,275 (2024 - \$nil) were incurred by the CEO and CFO.

Expenses are anticipated to vary significantly quarter to quarter, with larger expense balances being incurred in quarters with more concentrated exploration activity. Expenses from the most recent quarter should not be used to estimate future quarters. In particular, significant expenses will be incurred to comply with the Issuer's obligations under its option agreement with Critical One.

## Table Summary of Quarterly Results

The following table sets forth selected financial information from the Company's unaudited quarterly consolidated financial statements for the recently completed quarters with financial information available.

	Three months ended			
	May 31, 2025 \$	February 28, 2025 \$	November 2024 \$	August 31, 2024 \$
Total assets	764,964	837,618	456,224	446,962
Working capital (deficiency)	(48,034)	386,526	(81,576)	88,173
Net loss	(448,394)	(102,336)	(60,356)	(108,700)
Net loss per share <sup>(1)</sup>	(0.02)	(0.00)	(0.00)	(0.01)

	Three months ended		
	May 31, 2024 \$	February 29, 2024 \$	August 31, 2023 \$
Total assets	308,585	285,969	244,904
Working capital (deficiency)	(20,751)	155	155,397
Net loss	(58,112)	(243)	(31,387)
Net loss per share <sup>(1)</sup>	(0.00)	(0.00)	(0.00)

<sup>(1)</sup>The basic and fully diluted calculations result in the same value due to the anti-dilutive effect of outstanding stock options and warrants.

The Company has not prepared quarterly results for the quarter ending November 30, 2023, as the Company was not a reporting issuer at that time and therefore was not required to do so.

## Liquidity and Capital Resources

As at May 31, 2025 the Issuer had a working capital of \$386,526 and an accumulated deficit of \$814,896. The financial statements have been prepared in accordance with IFRS on an ongoing basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Issuer is dependent upon the financial support of creditors and stockholders, refinancing debts payable, obtaining additional long-term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Issuer believes it will require additional working capital to meet operating and exploration costs for the upcoming year.

## Cash Flow Analysis

### Operating Activities

During the nine months ended May 31, 2025, cash used in operating activities was \$427,306.

### Investing Activities

During the nine months ended May 31, 2025, cash used in investing activities was \$427,306. The Issuer spent \$427,306 on exploration and evaluation assets.

### Financing Activities

During the nine months ended May 31, 2025, cash generated by financing activities was \$633,320.

## Discussion of Operations

The Issuer was primarily focused on the exploration of the Kenora Property. The Company has completed its maiden drill program and its initial option expenditures of \$600,000.

The viability of the Issuer is largely dependent on the results of those activities. This represents both the core opportunity and the single largest risk factor in the business.

The value of this project is directly impacted by global uranium prices and demand. Recent increases in the price of uranium are positive, but any decline in price would negatively impact the Kenora Project and the Issuer more broadly. Significant uranium price declines could even make the potential future economics of the project unviable.

On November 21, 2024, the Company filed a prospectus related to its initial public offering of 8,000,000 common shares of the Company at a price of \$0.10 per share for aggregate gross proceeds of \$800,000 (the "Offering"). On January 23, 2025, the Company completed and closed the Offering. The Offering was made pursuant to the terms of an agency agreement between the Company and Haywood Securities Inc. (the "Agent"). The Company paid the Agent a cash commission equal to 10% of the gross proceeds of the Offering. The Company also paid the Agent a cash corporate finance fee of \$50,000, and the reasonable costs and expenses of the Agent related to the Offering. The Company's common shares began to trade under the symbol GNEM on January 24, 2025.

On March 7, 2025, the Company granted stock options to a former director and an officer of the Company to purchase an aggregate 900,000 common shares in the capital of the Company pursuant to the Company's share option plan. The Options are exercisable at an exercise price of \$0.41 per Share for a period of five years from the date of grant. All Options vest immediately.

On May 8, 2025, the Company entered into an assignment and assumption agreement (the "Assignment Agreement") with 1494402 B.C. Ltd. (the "Assignor"), pursuant to which GNEM has assumed all rights and obligations under an option agreement dated August 20, 2024 (the "Option Agreement") with Ventura Uranium LLC (dba Nuvemco, LLC) ("Nuvemco") and Paul Szilagyi ("PS"), (together, the "Optionors").

PS, Nuvemco, and the Assignor are the original parties to the Option Agreement. Under the terms of the Option Agreement, the Company has the exclusive right to acquire up to a 100% interest in a Colorado-based uranium project (the "Property") through a two-stage option to acquire all of the membership interests in a Colorado limited liability company, NUV2C, LLC ("Holdco"), which holds legal and beneficial title to the Property. Nuvemco currently owns 99% of Holdco, and PS owns the remaining 1% of Holdco.

GNEM may exercise the first option and earn a 49% interest in Holdco in exchange for:

- cash payments to Nuvemco totaling USD\$750,000 on or before July 18, 2025; and
- the issuance of common shares in the capital of GNEM (the "GNEM Shares") to Nuvemco and/or its designees a number of GNEM Shares that is equal to 16.66% of the issued and

outstanding GNEM Shares, calculated on a post-issuance, fully diluted basis at the time of issuance.

Following the exercise of the first option, the Company may exercise the second option 45 days after the 13 month anniversary of the first option and acquire the remaining 51% interest in Holdco in exchange for a further cash payment of USD\$1,000,000 and the issuance of GNEM Shares to Nuvemco and/or its designees representing an additional 23.33% of the Company on a post-issuance, fully diluted basis.

Upon full exercise of both options, Nuvemco and its designees are expected to hold 39.99% of the Company on a fully diluted basis.

The projects are primarily located in Montrose County Colorado and consist of unpatented lode mining claims and other associated mineral rights prospective for uranium mineralization.

The Option Agreement was amended on May 14, 2025 to extend the date of the first Pubco Cash Payment and the First Option Share Payment to June 3, 2025. Additionally, the date of the second Pubco Cash Payment was extended to 45 days following the 13-month anniversary date of the Effective Date.

The Option Agreement was further amended on June 2, 2025 to extend the date of the first Pubco Cash Payment and the First Option Share Payment to June 26, 2025.

The Option Agreement was further amended on June 26, 2025 to extend the date of the first Pubco Cash Payment and the First Option Share Payment to on or before July 11, 2025.

The Option Agreement was further amended on July 11, 2025 to extend the date of the first Pubco Cash Payment and the First Option Share Payment to on or before July 18, 2025.

On July 17, 2025, the Company exercised the first option (the "First Option") pursuant to the terms and conditions of the Option Agreement dated August 20, 2024, by issuing 8,418,839 common shares in the capital of the Company ("Shares") and completed a cash payment of USD\$750,000. Following the exercise of the First Option, the Company now holds a 49% interest in NUV2C, LLC ("HoldCo") which holds title to a Colorado-based uranium project.

In connection with the exercise of the First Option and pursuant to the terms and conditions of the Assignment Agreement, the Company issued 2,296,969 Shares to the Assignor as reimbursement for prior expenditures totaling USD\$758,000 which were incurred in connection with the Option Agreement. Further, the Company issued 420,942 Shares to two arm's length finders who assisted the Company with discovering the opportunity to enter into the Assignment Agreement and to acquire the membership interests in Holdco.

On May 13, 2025, the Company completed the formation of a strategic joint venture with CVMR Corporation ("CVMR"), a globally recognized leader in refining and metal powder manufacturing technologies based in Toronto, Ontario. The joint venture will focus on the design, construction, and operation of a uranium milling facility in Colorado, United States, marking a significant milestone in GNEM's growth strategy and its commitment to advancing the critical minerals supply chain.

Under the terms of the Joint Venture Formation Agreement, GNEM and CVMR will form a special-purpose Wyoming limited liability company (the "JV LLC") to hold the planned facility, and each



contribute key resources to the joint venture, combining GNEM's access to high-potential uranium assets with CVMR's proprietary refining technology and operational expertise. The new facility is intended to process mineralized material sourced from GNEM's recently optioned mineral claims and leases in Colorado, with potential for toll milling of third-party feedstock.

On May 18, the Company entered into an assignment and assumption agreement dated May 18, 2025 (the "Assignment Agreement") to acquire all rights, title, and interests in an option agreement (the "Option Agreement") originally dated February 6, 2025, between UREnergy, LLC, a Colorado-based uranium company ("UREnergy"), and 16508731 Canada Inc., an Ontario-incorporated entity (the "Assignor").

Under the Assignment Agreement, GNEM assumes the rights and obligations to earn a 100% interest in a package of mineral claims and leases located in San Miguel County, Colorado (the "Property"). The Property includes the Slickrock Lease and 60 contiguous unpatented mining claims, known for historical uranium occurrences.

GNEM has assumed the Assignor's obligations under the Option Agreement to acquire the Property in exchange for:

(1) An aggregate of USD\$1,450,000 in cash payments (collectively, the "Option Cash Payments") to UREnergy, following the below payment schedule:

- USD\$250,000 on Nov 3rd, 2025
- USD\$400,000 on May 18th, 2026;
- USD\$400,000 May 18th, 2027; and
- USD\$400,000 on May 18th, 2028;

(2) The issuance of fully-paid and non-assessable common shares in the capital of GNEM (the "Option Shares") to UREnergy in four tranches totaling USD\$1,830,000, following the below payment schedule:

- USD\$750,000 worth of Option Shares on Nov 3rd, 2025;
- USD\$360,000 worth of Option Shares on May 18th, 2026
- USD\$360,000 worth of Option Shares on May 18th, 2027; and
- USD\$360,000 worth of Option Shares May 18th, 2028.

On July 15, 2025, the Company closed a non-brokered private placement by issuing 1,371,429 common shares of the Company at a price of \$0.35 per share for aggregate gross proceeds of \$480,000.

On July 16, 2025, the Company closed a brokered private placement by issuing 4,867,700 common shares of the Company at a price of \$0.35 per share for aggregate gross proceeds of \$1,703,695 (the "Brokered Offering"). The Brokered Offering was made pursuant to the terms of an agency agreement between the Company and Haywood Securities Inc. (the "Agent"). The Company paid the Agent a cash commission of \$119,259, a cash corporate finance fee of \$25,000, plus applicable taxes, and the reasonable costs and expenses of the Agent related to the Brokered Offering.

## Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Issuer as a whole. The Issuer has determined that key management personnel consist of members of the Issuer's Board of Directors and corporate officers. The Company incurred charges from directors and officers, or to companies controlled by these individuals during the three and nine months ended May 31, 2025 and 2024 as follows:

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Consulting fees	41,400	-	76,275	-
Share-based compensation	358,003	18,973	358,003	18,973
	399,403	18,973	434,278	18,973

During the nine months ended May 31, 2025, the Company incurred consulting fees to the CEO and CFO.

On January 1, 2023, the Company received an advance of USD\$10,000 from Conor Lynch, a director of the Company. The loan was non-interest bearing, unsecured and had a maturity date January 1, 2025. During the year ended August 31, 2024, the loan was fully repaid.

On May 20, 2025, the Company received an advance of \$40,000 from Terry Lynch, a director of the Company. The loan is non-interest bearing, unsecured and is due on demand.

On June 12, 2025, the Company received a further advance of \$50,000 from Terry Lynch, a director of the Company. The loan is non-interest bearing, unsecured and is due on demand. The \$90,000 advances from Terry Lynch have been subsequently settled through the issuance of common shares pursuant to the July 2025 private placements.

## Risks and Uncertainties

The Issuer is engaged in the acquisition and exploration of mining claims. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors, not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the

reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Issuer has an interest in a mineral property that produces revenues. The Issuer's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Issuer's financial statements do not give effect to any adjustments which would be necessary should the Issuer be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the consolidated financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Issuer cautions that due to risks and uncertainties, actual events may differ materially from current expectations.

With respect to the Issuer's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Issuer and other factors.

### **Capital risk management**

The Issuer's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Issuer includes shareholders' equity, comprised of issued share capital and deficit, in the definition of capital.

The Issuer's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to further exploration on its properties. To secure the additional capital necessary to pursue these plans, the Issuer will attempt to raise additional funds through the issuance of equity, debt or by securing strategic partners.

The Issuer is not subject to externally imposed capital requirements. The Issuer's financial instruments and risk exposures are summarized below.

### **Currency risk**

Foreign exchange risk arises from purchase transactions as well as recognized financial assets and liabilities denominated in foreign currencies. The Issuer's functional and presentation currency is the Canadian dollar.

**Credit risk**

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Issuer is exposed to credit risk with respect to its cash. The Issuer reduces its credit risk by maintaining its primary bank accounts at large financial institutions.

**Liquidity risk**

Liquidity risk is the risk that the Issuer will not be able to meet its obligations as they fall due. The Issuer manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

As at May 31, 2025, the Issuer had a working capital deficiency of \$48,034.

The Issuer has liquidity risk and is dependent on raising additional capital to fund exploration and operations.

**Fair Value risk**

Fair value represents the amounts at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity.

Fair value estimates are based on quoted market values and other valuation methods. The carrying values of cash, loan payable and accounts payable and accrued liabilities approximate fair values due to the relatively short-term maturities of these instruments.

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.

The fair values of cash are measured based on level 1 inputs of the fair value hierarchy.

**Outstanding Shares, Stock Options and Warrants**

As at the date of this MD&A, the Issuer had 46,200,879 common shares issued and outstanding and 1,500,000 options outstanding with a weighted average exercise price of \$0.30 per share.

**Off-Balance Sheet Arrangements**

The Issuer has no off-balance sheet arrangements.

## **Proposed Transactions**

The Issuer has no proposed transactions.

## **Changes in Internal Control over Financial Reporting (“ICFR”)**

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings (“NI 52-109”) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Issuer will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective Management's Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

## **Management's Responsibility for Financial Statements**

The information provided in this MD&A, including the financial statements, is the responsibility of management. In the preparation of financial statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.