# EV NICKEL INC.
# MANAGEMENT DISCUSSION AND ANALYSIS
# THREE AND SIX MONTHS ENDED DECEMBER 31, 2021

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2021

This management's discussion and analysis ("**MD&A**") of EV Nickel Inc. (the "**Company**") is the responsibility of management and covers the three and six months ended December 31, 2021. This This MD&A has been prepared by management and takes into account information available as at and for the three and six months ended December 31, 2021 as at February 24, 2022 and should be read together with the Company's unaudited financial statements and notes thereto for the six months ended December 31, 2021 (the "**Financial Statements**"), and the audited annual financial statements and MD&A of the Company filed on SEDAR. No update is provided where an item is not material or where there has been no material change from the discussion in the aforementioned annual MD&A. Additional information relating to the Company is available on SEDAR at www.sedar.com.

Throughout this document the terms the "Company" and "EVNi" refer to EV Nickel Inc. All financial information in this document is prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the IFRS Interpretations Committee ("**IFRIC**") and is presented in Canadian Dollars unless otherwise indicated. This MD&A is provided as of the date of the prospectus.

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

## Description of Business

The Company is an independent, Canadian-based, nickel exploration focussed mining company with a goal to acquire, advance and develop mineral properties, with an emphasis on the Langmuir project located near Timmins, Ontario (the "**Langmuir Project**"). The Company was incorporated under the *Business Corporations Act* (Ontario) on January 28, 2021. The Company's registered office and head office is located at 150 King Street West, Toronto, Ontario M5H 1J9.

## Performance Summary

For the three and six months ended December 31, 2021:

| | **Six months ended December 31, 2021** | Three months ended December 31, 2021 |
|---|---|---|
| **Operating expenses** | | |
| Exploration expenditures | **$1,086,687** | $221,123 |
| Stock based compensation | **-** | - |
| General and administrative | **$176,970** | $(178,550) |
| Future Income tax recovery | **8,963** | 8,963 |
| **Net loss for the period** | **$(1,254,695)** | $(1,220,770) |
| **Comprehensive loss for the period** | **$(1,254,695)** | $(1,220,770) |
| | | |
| Weighted average number of shares, basic and diluted | **26,211,652** | 26,813,467 |
| **Loss per share, basic and diluted** | **0.05** | $0.05 |

***Exploration costs***

Exploration costs relate to the Company's development and exploration of the Langmuir Project. The breakdown of the exploration expenditures is as follows:

| **Langmuir Property Expenditures** | | **Six months ended December 31, 2021** | | **Three months ended December 31, 2021** |
|---|---|---|---|---|
| Support Costs | $ | 10,816 | $ | 5,343 |
| Project team | | 82,885 | | 22,730 |
| Drilling | | 989,887 | | 193,050 |
| Geophysics | | 3,099 | | - |
| Technical studies | | - | | - |
| Acquisition | | - | | - |
| **Total** | **$** | **1,086,687** | **$** | **221,123** |

***General and administrative costs ("G&A")***

These costs include general office expenses plus costs in relation to corporate governance requirements, including board fees, filing and listing fees, and insurance. In the three months ended December 31, 2021, the Company incurred ($178,550) in G&A costs, which included a reclassification of costs related to the Company's initial public offering ("IPO") initially recorded in G&A of $299,249.

***Stock Based Compensation***

There were no stock based compensation issued during or subsequent to the period to the date of this MD&A.

***Asset Acquisitions***

There were other significant asset acquisitions during or subsequent to the period to the date of this MD&A.

***Equity Transactions***

In December 2021, the Company completed its initial public offering (the "**Initial Public Offering**") of 5,600,000 units (the "**Units**") of the Company at a price of $0.75 per unit and 1,442,200 common shares (the "**FT Shares**"), which each common shares qualifies as a "flow-through share" as defined in subsection 66(15) of the *Income Tax Act* at a price per common share of $0.86 for gross proceeds of $5,440,292. Each unit consists of one common share in the capital of the Company (the "**Common Shares**") and one common share purchase warrant (the "**Warrants**"). Each Warrant entitles the holder to purchase one common share at an exercise price of $1.05 per common share until December 2, 2023.

The Initial Public Offering was completed through a syndicate of agents (the "**Agents**"). In consideration for their services, the Agents received a cash commission equal to $364,285 as well as 468,728 broker warrants (the "**Broker Warrants**"). Each Broker Warrant will be exercisable for one Unit (subject to any necessary adjustments) (a "**Broker Unit**") at an exercise price of $0.75 per Broker Warrant for a period of 24 months. Each Broker Unit is comprised of one Common Share (a "**Broker Unit Share**") and one Warrant (a "**Broker Unit Warrant**"). Each Broker Unit Warrant entitles the holder to purchase one Common Share (a "**Broker Warrant Share**") at an exercise price of $1.05 per Broker Warrant Share until December 2, 2023. The Company also paid the lead agent a corporate finance fee of $94,700.78. The syndicate of agents for the Initial Public Offering were also granted an over-allotment option, which was exercised in-part. As a result of the exercise, the Company issued an additional 840,000 Warrants (the "**Additional Warrants**") at a price of $0.005 per warrant for combined gross proceeds of $4,200.

## Summary of Quarterly Results

The following table sets forth selected quarterly financial information for each of the four (4) quarters since company inception.

| *Period* | *Quarter Ending* | Other Income (Expense) ($) | Net Income (Loss) ($) | Net Income (Loss) per Share ($) |
|---|---|---|---|---|
| *Q2 - 2022* | *December 31, 2021* | $ 8,963 | $ (1,220,770) | (0.05) |
| *Q1 - 2022* | *Sept 30, 2021* | - | (33,925) | (0.00) |
| *Q4 - 2021* | *June 30, 2021* | - | (786,786) | (0.03) |
| *Q3 - 2021* | *March 31, 2021** | - | (2,174,100) | (0.29) |

*Representing the period from the date of incorporation to March 31, 2021.

The Company does not generate revenue from the Langmuir Project, as further exploration activities are necessary to determine whether commercially profitable quantities of minerals exist on the property. The Company completed a non-brokered private placement for aggregate gross proceeds of approximately $2,044,040 on March 31, 2021 (the "**Non-Brokered Private Placement**") and completed its Initial Public Offering for gross proceeds of approximately $5,440,292 on December 2, 2021.

## Exploration Update

EVNi acquired the Langmuir Project from Rogue Resources Inc. ("**Rogue**") in March 2021 and in May 2021 the Company filed on SEDAR a technical report entitled "Independent NI 43-101 Technical Report on the Langmuir Nickel Project" (the "**Caracle Report**"), completed by Caracle Creek International Inc. Subsequent to the Caracle Report, Condor Consulting Inc. ("**Condor**") completed a geophysics project to process and analyze airborne, ground and borehole transient electromagnetic data across the Langmuir Project.

In May, Condor completed its geophysics work. In June, after extensive outreach to the local First Nations, the Company was awarded a drilling permit from Ontario's Ministry of Northern Development, Mines, Natural Resources and Forestry. The project team was hired in June and led a competitive process to choose the drilling contractor, Forage Fusion Drilling Limited of Hawkesbury, Ontario ("Fusion"). By June 30, Fusion had completed 367m of drilling.

During the period ended September 30, 2021 the Company completed 3,825, more metres of drilling, bringing the current total for drilling to 4,192 metres of drilling completed.

During the period ended December 31, 2021, no additional diamond drilling was completed by the Company. Exploration activities for the period included completion of the core logging of the "Phase 1 diamond drill hole program," as detailed in the Caracle Report and receipt of a total of 851 assay analyses. Results from the Phase 1 program were entered into the geological database and analyzed and interpreted by the exploration team. Preparations were initiated for the "Phase 2 drill hole program," as detailed in the Caracle Report including the drill hole location selection and the hiring of a drilling contactor, Missinaibi Drilling Services, after a competitive process.

The Company plans to continue its drilling program on the Langmuir Project. In addition to the current exploration plan as outlined in the Caracle Report, the Company plans to gain access to more land in the Shaw Dome, contiguous to the Langmuir Project.

## Outstanding Share Data

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As of the date of this MD&A, there are 30,355,667 Common Shares outstanding. The below table summarizes the outstanding share data as at June 30, 2021 and December 31, 2021.

| | Number of Common Shares | Share Capital ($) | Warrants Reserve ($) | Deficit ($) | Total ($) |
|---|---|---|---|---|---|
| Balance, January 28, 2021 (date of incorporation) | 100 | - | - | - | - |
| Founders' Common Shares | 13,333,233 | 1,333 | - | - | 1,333 |
| Private placement | 6,813,467 | 2,044,040 | - | - | 2,044,040 |
| Issue costs (note 6) | - | (24,607) | - | - | (24,607) |
| Common Shares issued for exploration and evaluation assets | 6,666,667 | 2,000,000 | - | - | 2,000,000 |
| Stock based compensation | - | - | 435,634 | | 435,634 |
| Comprehensive loss for the period | - | - | - | (2,973,762) | (2,973,762) |
| **Balance, June 30, 2021** | **26,813,467** | **4,020,766** | **435,634** | **(2,973,762)** | **1,482,638** |
| Founders' shares | (3,500,000) | (35) | - | - | (35) |
| Common shares issued on the Initial Public Offering, pursuant to the units | 5,600,000 | 2,683,168 | 1,516,832 | - | 4,200,000 |
| FT Shares issued on the Initial Public Offering | 1,442,200 | 1,240,292 | - | - | 1,240,292 |
| FT Shares premium | - | (158,642) | - | - | (158,642) |
| Common Share issue costs | - | (1,512,806) | - | - | (1,512,806) |
| Common Share issue costs, non-cash | - | (398,023) | 398,023 | - | - |
| Broker warrants issued at IPO | - | 4,200 | - | - | 4,200 |
| Net loss for the period | - | - | - | (1,254,695) | (1,254,695) |
| **Balance, December 31, 2021** | **30,355,667** | **5,878,920** | **2,350,489** | **(4,228,457)** | **4,000,952** |

The Company was incorporated on January 28, 2021 and issued 100 Common Shares at $0.0001 per Common Share for gross proceeds of $1.

On March 3, 2021, the Company completed a founders financing and issued 13,333,233 Common Shares at $0.0001 per Common Share for gross proceeds of $1,333.

On March 31, 2021, the Company closed the Non-Brokered Financing and issued 6,813,467 Common Shares for gross proceeds of $2,044,040. As part of the financing, the Company incurred costs of $24,607.

Concurrent with the closing of the private placement financing, the Company issued 6,666,667 Common Shares at $0.30 per Common Share and paid $150,000 to Rogue for the acquisition of the Langmuir Property.

On April 15, 2021, the Company issued 2,000,002 share purchase warrants (the "**Founders Warrants**") exercisable at $0.30 for two years in exchange for general consulting services provided to the Company valued at $435,634. The warrants were valued using the Black-Scholes option pricing model using the following assumptions: Share price - $0.30; Exercise price - $0.30; Expected life – 2 years; Annualized volatility – 154%; Dividend yield – 0%; Risk-free rate – 0.3%.

On October 1, 2021, 3,500,000 Common Shares were surrendered to the Company.

As discussed above, the Company completed its Initial Public Offering including partial exercise of the over-allotment option for gross proceeds of $5,444,492.

A summary of the Company's warrant activity for the six months ended December 31, 2021 is as follows:

| | Warrants | Weighted Average Exercise Price |
|---|---|---|
| Balance, June 30, 2021 | 2,000,002 | $ 0.30 |
| Broker offer warrants | 468,728 | 0.75 |
| Additional broker offer warrants | 840,000 | 1.05 |
| Warrants | 5,600,000 | 1.05 |
| **Balance, December 31, 2021** | **8,908,730** | **$ 0.85** |

A summary of the Company's warrants outstanding as at December 31, 2021 is as follows:

| Expiry Date | Exercise Price | Number of Warrants |
|---|---|---|
| April 15, 2023 | $ 0.30 | 2,000,002 |
| December 2, 2023 | 0.75 | 468,728 |
| December 2, 2023 | 1.05 | 840,000 |
| December 2, 2023 | 1.05 | 5,600,000 |
| **Balance, December 31, 2021** | | **8,908,730** |

As at December 31, 2021, the weighted average remaining contractual life of the Company's share purchase warrants is 1.8 years and the weighted average exercise price is $0.85.

## Use of Proceeds from Financings

During the quarter ended December 31, 2021, the Company completed the Initial Public Offering for gross proceeds of $5,444,492, which included a partial exercise of the over-allotment option by the syndicate of agents.

As disclosed in the final long form prospectus dated November 19, 2021, the Company estimated the net proceeds to be received by the Company in respect of the Initial Public Offering, to be $3,467,500 to $4,085,528. The actual net proceeds equaled $3,931,686. The following table illustrates the intended use of the net proceeds of the initial public offering, adjusted for the actual net proceeds of the Initial Public Offering:

| | |
|---|---|
| Completion of Phase 1 of the recommended exploration program on the Langmuir Project as outlined in the Caracle Report | $199,116 |
| Completion of Phase 2 of the recommended exploration program on the Langmuir Project as outlined in the Caracle Report | $1,350,900 |
| Estimated general and administrative expenses for 12 months | $500,000 |
| **Working Capital and General Corporate Purposes** | **$1,881,670** |

As at December 31, 2021, the Company has completed the Phase 1 drill program as outlined in the Caracle Report. The Company is working through Phase 2 of the Langmuir Project development as outlined in the Caracle Report, and expects the Phase 2 development to be completed in 2022. The Company has sufficient remaining funds from the IPO to complete Phase 2 and for general corporate purposes. Below are the exploration costs incurred to December

31, 2021 on the Langmuir Project, which include the acquisition costs and the Phase 1 costs. Minimal costs have been incurred related to Phase 2, which began in December 2021.

| **Langmuir Property Expenditures** | | **Total** |
|---|---|---|
| Support Costs | $ | 55,345 |
| Project team | | 174,771 |
| Drilling | | 1,078,882 |
| Geophysics | | 11,719 |
| Technical studies | | 28,822 |
| Acquisition | | 2,170,000 |
| **Total** | **$** | **3,519,539** |

## Liquidity and Capital Resources

As at December 31, 2021, the Company had a cash balance of $3,941,261, working capital of $3,978,168 and current liabilities of $670,941 due within 12 months, compared to a cash balance of $1,374,506, working capital of $1,457,748 and current liabilities of $191,450 at June 30, 2021.

The Company's cash flows from operations are negative as it is an exploration stage company. The Company's net cash used in operating activities for the six months ended December 31, 2021 was $1,727,279 compared to the Company's net cash used in operating activities for the period from incorporation to June 30, 2021 which was $621,019. The operating activities relate to the Company's exploration on the Langmuir Project.

For the six months ended December 31, 2021, the Company used nil for investing activities compared to $25,241 for the period from incorporation to June 30, 2021.

For the six months ended December 31, 2021, the Company had net cash provided by financing activities of $4,294,034, as opposed to as at June 30, 2021, the Company had net cash provided by financing activities of $2,020,766. The expenses incurred during the six months ended December 31, 2021 were legal, accounting and banking expenses relating to the Non-Brokered Private Placement and the Initial Public Offering.

The net cash was constituted in full by the proceeds from the issuance of Common Shares pursuant to the various private placement financing and the Initial Public Offering.

***Liquidity Outlook***

The Company's cash position is highly dependent on its ability to raise cash through financings.

The Company will need to complete additional external financings either through equity, debt or other forms of financing in order to fund operations, however following completion of its Initial Public Offering, the Company believes it has sufficient cash resources to fund operations and commitments as required.

At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company will need to raise funds through equity sales, from the exercise of convertible securities, debt or other forms of raising capital. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the short and long term, but recognizes that there will be risks involved which may be beyond its control.

**Going Concern**

The Financial Statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at December 31, 2021, the Company has not yet achieved profitable operations. This condition indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in its project and any future projects and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values.

In March 2020, the World Health Organization declared COVID-19 a global pandemic. The COVID-19 pandemic may continue to adversely affect workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the pandemic and its effects on the Company's business or ability to raise funds.

## Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Compensation of the directors, officers and/or companies controlled by these individuals for the six months ended December 31, 2021 were as follows:

| | |
|---|---|
| Key management compensation | |
| Exploration expenditures | $36,000 |
| General and administrative | $63.313 |
| Stock based compensation | $ - |
| Total compensation of key management personnel | **$99,313** |

## Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements as at December 31, 2021 or at the date of this MD&A.

## Proposed Transactions

The Company has no undisclosed proposed transactions as at December 31, 2021 or at the date of this MD&A.

## Capital Resources

Except as described in "Performance Summary" and "Subsequent Events" relating to the ongoing commitments related to the continued exploration and development of the Langmuir Project and in the Financial Statements the Company has no other commitments for capital expenditures at the date of this MD&A.

The Company will continue to seek capital. In the past the Company has raised capital through the issuance of Common Shares pursuant to private placements. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

## Contractual Obligations

The Company has no significant contractual obligations at this time.

## Financial Instruments

The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk. As of the date hereof, the Company has full exposure to commodity risk, both upside and downside.

***Fair value hierarchy***

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy is summarized as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 Inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data.

Level 3 Inputs for assets and liabilities not based upon observable market data.

## Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and costs relating to the Langmuir Project is provided in the Financial Statements and related notes.

## Significant Accounting Policies

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities, revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgment on matters which are inherently uncertain. Details of the Company's significant accounting policies can be found in note 2 of the Financial Statements.

## Risk Factors

The Company is subject to a number of risks and uncertainties, each of which could have an adverse effect on its results, business prospects or financial position. The Company's securities should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in the Company's regulatory filings prior to making an investment in the Company. For a comprehensive list of the risks and uncertainties applicable to the Company, please refer to the prospectus. A few of the primary risk factors affecting the Company are set forth below.

***Currency risk***

Currency risk is the risk that fluctuations in the rates of exchange on foreign currencies would impact the Company's future cash flows. The Company is currently not exposed to the foreign exchange market.

***Interest rate risk***

The Company does not believe it is exposed to any significant risk related to the movements in interest rates.

***Price risk***

Price risk is the risk of a decline in the value of a security or an investment portfolio due to multiple factors. The Company doesn't own any marketable securities.

***Credit risk***

The Company is not exposed to any significant concentration of credit risk.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due.

The Company 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 December 31, 2021 the Company has current liabilities of $670,941 due within 12 months, cash of $3,941,261, and working capital of $3,978,168.

***Insufficient Capital***

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing. Failure to do so could result in the loss of the Company's interest in the Langmuir Project.

***Limited Operating History and Negative Operating Cash Flow***

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its Common Shares since incorporation and does not anticipate doing so. There are no known commercial quantities of mineral reserves on the Langmuir Project.

The purpose of the Private Placement was to raise funds to carry out exploration and development on the Langmuir Project. To the extent that the Company has a negative operating cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the Langmuir Project. While the Company may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to holders of Common Shares. At present it is impossible to determine what amounts of additional funds, if any, may be required.

If the Company is unable to generate revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

***Fluctuating Mineral Prices***

The viability and potential success of EVNi lies in its ability to seek out and acquire interests in mineral deposits owned and operated by unrelated third parties. EVNi' revenues are dependent on the operators' success. Further, revenues, profitability, and cash flow from any future operation involving EVNi will be influenced by commodity prices, which are beyond the Company's control. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in the world market in United States dollars.

***Price Volatility of Publicly Traded Securities***

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of Common Shares issued upon the deemed exercise of the Founder's Warrants will be affected by such volatility.

There is currently no public trading market for the Common Shares, and the Company cannot assure that after listing a public trading market will continue to develop or be sustained. If a market does not continue to develop or is not sustained, it may be difficult to sell Common Shares at an attractive price or at all. The Company cannot predict the prices at which its Common Shares will trade.

***Resale of Common Shares***

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

***Shortages of Critical parts, Equipment and Skilled Labour***

Our ability to acquire critical resources such as input commodities, drilling equipment, tires and skilled labour due to increased worldwide demand, may cause unanticipated cost increases and delays in delivery times, thereby impacting operating costs, capital expenditures and development schedules.

***Conflicts of Interest***

Directors of the Company are and may become directors of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Company and its directors will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the OBCA, as the case may be. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

***The Langmuir Project***

The Langmuir Project is currently the only significant project for EVNi. As new assets are acquired or move into production, the materiality of each of the Company's assets will be reconsidered. Any adverse development affecting the development or operation of, production from or recoverability of Mineral Reserves from the Langmuir Project or any other significant property in the asset portfolio from time to time, such as, but not limited to, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, pit wall failures, tailings dam failures, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, or the inability to hire suitable personnel and engineering contractors or secure supply agreements on commercially suitable terms, may have a material adverse effect on EVNi's profitability, results of operations and financial condition and the trading price of its securities.

***Title to Assets***

Searches of mining records are carried out in accordance with mining industry practices to confirm satisfactory title to properties in which the Company holds or intends to acquire an interest, but the Company does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of the properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested.

The Company has taken and will continue to take all reasonable steps, in accordance with the laws and regulations of the jurisdictions in which their properties are located, to ensure proper title to its properties and to properties it may acquire in the future, either at the time of acquisition or prior to any major expenditures thereon. This, however, should not be construed as a guarantee of title. There are no assurances that the Company will obtain title. Both presently owned and after-acquired properties may be subject to prior unregistered agreements, transfers, land claims or other claims or interests. In addition, third parties may dispute the rights of the Company to its respective mining and other interests. The Company will attempt to clear title and obtain legal opinions commensurate to the intended level of expenditures required on areas that show promise. There can be no assurance, however, that it will be successful in doing so.

***Exploration and Development***

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The Langmuir Project is considered to be in the early exploration and development stage. To date, no compliant mineral resources have been identified at the Langmuir Project. There is no certainty that further exploration and development will result in the identification of indicated, or measured resources, or probable or proven reserves, at the Langmuir Project, or that if any mineral resources or reserves are defined at the Langmuir Project that that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of minerals on the Langmuir Project or elsewhere. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

***Uninsurable Risks***

In the course of exploration, development and production of mineral properties, certain risks may occur, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on company property, and punitive awards in connection with those claims and other liabilities. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Liabilities that we incur may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event we could incur significant costs that could adversely impact our business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage our interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to us. These could include loss or forfeiture of mineral interests or other assets for nonpayment of fees or taxes, significant tax liabilities in connection with any tax planning effort we might undertake and legal claims for errors or mistakes by our personnel Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Common Shares.

***Governmental and Environmental Regulations, Permits and Licenses***

The future operations of the Company may require permits from various governmental and non-governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Langmuir Project. The Company currently does not have any such permits in place.

The Company's operations are also subject to various laws, regulations, and permitting requirements governing the protection of the environment. Such environmental and other regulatory requirements affect the current and future operations of the Company, including exploration and development activities. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations may require the submission and approval of environmental impact assessments to be conducted before permits can be obtained and there can be no assurances that the Company will be able to obtain or maintain all necessary permits that may be required for operations to be conducted at economically justifiable costs. The cost of compliance has the potential to reduce the profitability of operations by increasing costs and delaying production.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

There is no assurance that future changes to existing laws and regulations will not impact the Company. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

***Environmental Hazards***

All phases of our operations with respect to the Langmuir Project will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for noncompliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact our operations and future potential profitability. In addition, environmental hazards may exist on the Project which is currently unknown. We may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the property, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on our operations and future potential profitability.

***Competition***

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company’s ability to acquire suitable properties or prospects in the future and to engage qualified personnel to explore and develop the Langmuir Project.

***Claims and Legal Proceedings***

We may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including claims relating to ex-employees. These matters may give rise to legal uncertainties or have unfavourable results. We carry liability insurance coverage and mitigate risks that can be reasonably estimated. In addition, we may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact our financial position, cash flow and results of operations.

***Risks Relating to our Shares, market Price of Shares and Volatility***

The Common Shares do not currently trade on any exchange or stock market. Securities of microcap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in mineral prices or in our financial condition or results of operations. Other factors unrelated to our performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning our business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of our public float may limit the ability of some institutions to invest in Common Shares ; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares , if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect our long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources. The fact that no market currently exists for the Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. The market price of the Common Shares is affected by many other variables which are not directly related to our success and are, therefore, not within our control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for our Common Shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the Common Share price volatile in the future, which may result in losses to investors.

***Personnel***

The Company has a small management team and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its exploration program on the Project. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

***Reliance on Third Parties***

EVNi relies on public information and reporting from third parties. The accuracy of the reporting can have an adverse effect on the Company's interpretation of future opportunities.

***COVID-19 Pandemic***

The Company faces risks related to health epidemics and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect the Company's business, financial condition and results of operations. There can be no assurance that the Company's personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs / insurance premiums as a result of these health risks. COVID-19 has disrupted economic activities and the extent to which COVID-19 impacts the Company's business, 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. Such future developments include the duration, severity and scope of the outbreak and the actions taken to contain or treat the outbreak. In particular, the continued spread of COVID-19 globally could materially and adversely impact the Company's business including without limitation, employee health, workforce productivity in the mines where the Company has interests, increased insurance premiums, limitations on travel, supply chain interruption, the availability of industry experts and personnel and other factors that will depend on future developments beyond the Company's control. Efforts to slow the spread of COVID-19 could severely impact the Company's operations. To date, a number of governments have declared states of emergency and have implemented restrictive measures such as border restrictions, travel bans, quarantine and self-isolation. If the Company's operations continue to be disrupted or suspended as a result of these or other measures, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and stock price. Further, COVID-19 risks may not be adequately responded to locally, nationally or internationally due to lack of preparedness to detect and respond to outbreaks or respond to significant pandemic threats. As such, there are potentially significant economic and social impacts of infectious disease risks, including the inability of the Company's operations to operate as intended due to a shortage of skilled employees, shortages or disruptions in supply chains, inability of employees to access sufficient healthcare, significant social upheavals and government or regulatory actions.

The actual and threatened spread of COVID-19 globally could adversely affect global economies and financial markets resulting in a prolonged economic downturn and a decline in the value of the Company's stock price. The extent to which COVID-19 (or any other disease, epidemic or pandemic) impacts business activity or financial results, and the duration of any such negative impact, will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning COVID-19 and the actions required to contain or treat its impact, among others.

**Changes in Accounting Policies including Initial Adoption**

From the date of incorporation, the Company has not made any changes in accounting policy.

**Note Regarding Forward-Looking Statements**

This MD&A may contain forward-looking statements. These forward-looking statements may include statements regarding perceived merit of royalty interests, statements relating to the economic viability of a royalty interests, timelines, strategic plans, completion of transactions, market prices for metals or other statements that are not statements of fact. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors.

The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date of this MD&A, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

More information about the Company including the Financial Statements is available on SEDAR at www.sedar.com