CANADIAN MANGANESE COMPANY INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2022

Dated: May 13, 2022

(Form 51-102F1)

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GENERAL

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the condensed interim consolidated financial statements and notes thereto of Canadian Manganese Company Inc. (collectively, with its subsidiaries, "Canadian Manganese" or the "Company") for the three months ended March 31, 2022, which are available under the Company's profile on SEDAR at www.sedar.com.

At March 31, 2022, and the date of this MD&A, the Company's subsidiaries include Technology Metals Inc. (formerly Maximos Metals Corp.) (owned 100% by Canadian Manganese), Mongoose Mining Ltd. ("Mongoose") (owned 40.5% by Technology Metals Inc.) and Spark Minerals Inc. (owned 100% by Mongoose). Notwithstanding the Company holds less than a majority interest in Mongoose, the Company has determined it controls Mongoose, due to its dominant equity interest and Board representation relative to any other shareholder or group of shareholders.

On January 31, 2022, the Company's common shares commenced trading in Canadian dollars on the NEO Exchange under symbol CDMN. In early May 2022 the Company's common shares commenced trading in U.S. dollars on the OTC Pink Open Market under symbol CDMNF. Additionally, the Company submitted an application to trade on the senior OTCQX Market, which is currently under review.

All currency amounts in this MD&A are expressed in Canadian dollars, unless otherwise indicated.

This MD&A contains forward-looking statements.

COMPANY OVERVIEW

Canadian Manganese is focused on the environmentally responsible development of its wholly-owned manganese project in New Brunswick, Canada (the "Woodstock Project"), with a goal of becoming the primary North American supplier of high purity manganese sulphate monohydrate ("HPMSM"), a critical component of rechargeable lithium-ion batteries ("LIBs") used in electric vehicles ("EVs").

Substantially all of the Company's efforts are devoted to advancing the development of the Woodstock Project and continuing to demonstrate the numerous strategic benefits it can provide to the future of HPMSM production and global supply.

The Company reported an updated mineral resource estimate in December 2021 of 43,070,000 tonnes grading 10.01% manganese (utilizing a cut-off grade of 5% Mn) in the Inferred category. The Woodstock Project is believed to be the largest manganese carbonate (rhodochrosite) resource in North America and one of the largest in the world outside China. The updated Technical Report highlights the size, grade, and growth potential of the carbonate hosted Woodstock Project.

Manganese has been defined by the Canadian and U.S. governments as a strategic metal essential for national defense, aerospace, technology and energy that is highly susceptible to supply interruptions due to the lack of domestic production and concentration of the current global production. Canada and the U.S. have included manganese on their lists of critical minerals.

There is currently no primary manganese mine production in the U.S. or Canada, with the majority of HPMSM production based in China, representing approximately 90% of the global supply. The Company's goal is to address the jurisdictional supply imbalance and current environmentally harmful and energy inefficient production landscape of HPMSM by providing a new generation of HPMSM consumers with an alternative carbon conscious North America-based supply.

HPMSM MARKET POSITIONING

Manganese, as HPMSM, is a key component in the formulations of cathode material used in LIBs, and in bulk energy storage facilities, which are expected to create strong demand for high-purity manganese products. The importance of high purity manganese applications in these emerging battery metals markets has increased industry efforts to define and develop opportunities for production of HPMSM.

An analysis of world supply and demand trends for battery metals carried out for the Company highlights the dramatic increase in annual demand for LIBs (measured in power capacity), forecast to increase from a capacity of ~280 GWh in 2020 to over 2,130 GWh by 2030, representing a ~22% annual growth rate. This identified market growth has spurred efforts focused on increasing the energy density of LIBs to improve performance (e.g. improved EV range) and/or costs (e.g. reduction in the number of cells required in LIBs). As a result, due to its cost effectiveness, scalability, safety and range, the nickel-manganese-cobalt cathode ("NMC") has emerged as the most widely adopted within the EV industry – demonstrated by the large OEMs choosing it for almost all new EV model offerings.

The most common cathode chemistry is currently the NMC with a contained metal ratio of 5:3:2 (shown in respective proportion of nickel, manganese and cobalt) and rapidly evolving towards 6:2:2; 7:2:1 and 8:1:1 ratios. Although the battery is rapidly changing, the market consensus is that any new breakthrough battery or cathode chemistry requires approximately 10 years to evolve and to be produced economically. Given this, management believes the current chemistries are at minimal risk of being significantly displaced during this time period.

Global HPMSM supply is an opaque market dominated by China-based producers, representing approximately 90% of the market. Production methods employed for a significant percentage of current and forecast production require purification processes that involve an energy intensive calcination step (oxide ores) or inclusion of the environmentally harmful selenium. The global growth in ESG compliance poses a significant risk on this supply, as investors and purchasers are increasingly incentivised to stop supporting businesses and industries that resist or have a fundamental inability to implement strong ESG practices and governance. The Company's carbonate hosted deposit provides the ability to produce a high-quality HPMSM product without utilising these harmful steps prevalent in the current global production.

The continued demand for advancements in energy storage and distribution technologies, highlighted by the global adoption of electric vehicles, combined with supply dominance issues, environmentally harmful processes, and the mounting geopolitical support to change these types of antiquated industry dynamics underpins why the Company believes it is critical to create a North American based leader in the responsible production of HPMSM.

RECENT DEVELOPMENTS

In early 2021, the Company engaged Mercator Geological Services Limited to update its 2014 technical report on the Woodstock Project in an updated National Instrument 43-101 Technical Report, including preparation of a revised resource estimate, assuming the production of HPMSM and updated economic assumptions.

On April 30, 2021, the Company completed its acquisition of Maximos and a concurrent $6.2 million equity financing.

Throughout 2021, following the completion of the reassessment of strategic focus from the production of Electrolytic Manganese Metals ("EMM") to HPMSM, including current pricing analysis and preliminary operating cost estimates, the Company worked with its consultants on the preparation of the updated Technical Report, and expanded its engagement efforts with stakeholders of the Woodstock Project, including the Government of New Brunswick and local First Nations communities.

In December 2021 the Company filed its updated Technical Report prepared in accordance with National Instrument 43-101, reporting an updated Mineral Resource Estimate for the Plymouth manganese-iron deposit. The new Mineral Resource estimate, which was prepared in accordance with the CIM Definition Standards for Mineral

Resources and Reserves as amended in 2014 (CIM Standards 2014), now stands at 43,070,000 tonnes grading 10.01% manganese (utilizing a cut-off grade of 5% Mn) in the Inferred category.

The updated Technical Report noted that well defined opportunities to expand the current mineral resources exist in the immediate strike and dip extension areas of the mineralized zones that comprise the currently defined deposit and the nearby, historically explored Hartford Mn-Fe deposit has good potential for definition of new mineral resources.

In November 2021 the Company commenced a 5,000 metre infill diamond drilling program on the Woodstock Project, following the Phase I recommendations of the Technical Report. The drilling program was subsequently expanded to 7,098 metres of drilling during the first quarter of 2022.

PRELIMINARY RESULTS OF EXPANDED INFILL DRILL PROGRAM

The primary purpose of the infill diamond drill program commenced in November 2021 was to expand the existing geological database in support of an updated mineral resource estimate with the objective to upgrade much of the current Inferred mineral resource estimate to the Measured and Indicated categories.

The initially proposed program was significantly expanded owing to further resource expansion opportunities identified in the initial phase of the program in early 2022. In total, the program ultimately comprised 25 drill holes (7,098m) with 1,820 core samples collected for analysis. ALS Global provided sample preparation and analytical services for the program.

To date, the Company has received results for drillholes PL-21-029, 030 and 031. Highlights from these initial drill holes are summarized below:

Hole ID	From (m)	To (m)	*Length (m)	Mn %	Fe %
PL-21-029	82.64	137.91	55.30	9.99	11.23
including	*91.00*	*137.91*	*46.91*	*10.36*	*11.13*
and	*121.00*	*137.91*	*16.91*	*11.77*	*9.33*
PL-21-030	7.40	80.00	72.60	8.63	11.04
including	*62.00*	*80.00*	*18.00*	*10.18*	*12.46*
PL-21-031	8.85	119.00	110.15	9.15	12.16
including	*14.00*	*56.00*	*42.00*	*11.27*	*14.06*

* Note: Downhole core sample lengths are specified. True widths of the mineralized intercepts range between 70% and 90% of these lengths.

The Company is encouraged by what was encountered during the infill drill and resource expansion program and demonstrated by these initial results. The deposit has shown to be consistent with the previously modelled geology. The Company is awaiting receipt of additional assay results, especially given the resource expansion potential defined by holes drilled late in the recent program. The Company anticipates incorporating the results into an updated mineral resource estimate this summer.

WOODSTOCK PROJECT

The Woodstock Project is within Carleton County, approximately five kilometres west of the town of Woodstock, in west-central New Brunswick. The property is ideally situated with access to all necessary infrastructure and located near the junction of the Trans Canada and U.S. Interstate I-95 highways, and approximately nine kilometres from the border with the State of Maine. Access to the property is available by New Brunswick Provincial Government maintained paved roads extending from the main Trans-Canada Highway network.

The Woodstock Project comprises mineral claims covering 58 km^2 and encompasses the Plymouth Manganese-Iron deposit ("Plymouth Deposit"). Manganese at the Plymouth Deposit predominately occurs as a manganese carbonate. Manganese carbonates are preferred, relative to higher-grade manganese oxide feed materials, for production of high-purity manganese metals. The Woodstock Project is believed to be the largest manganese carbonate (rhodochrosite) resource in North America and one of the largest in the world outside China.

In addition, the Woodstock Property hosts several historical undeveloped deposits including the North Hartford and South Hartford deposits located less than two (2) kilometres on strike to the north of the Plymouth Deposit. Historical uncategorized resource estimates for the Hartford deposits include *45 million tonnes grading 8% Mn and 12% Fe in the North Hartford deposit and an additional *45 million tonnes grading 8% Mn and 12% Fe in the South Hartford deposit (Strategic Manganese Corporation; Sidwell, 1957).

*<u>*Historical Estimates</u>: Readers are cautioned that the estimates for the Hartford deposits are historic and based on data obtained and prepared by previous operators and neither the Company nor its predecessors have located original assay sheets or details of the estimation methodology, nor the key assumptions or parameters, underlying the estimates. A qualified person has not done sufficient work to verify or classify the historical estimates as current mineral resources. The Company is not treating the historical estimates as current mineral resources, and these estimates should not be relied upon.*

The Company maintains the Woodstock Project as mineral claims issued by the New Brunswick Department of Energy and Resource Development. The claims are held 100% by the Company as Claim Block 5472 comprised of 232 mineral claims maintained in good standing through payment of annual renewal fees and filing of assessment work credits derived from work undertaken by the Company and its predecessor companies. The Company currently retains surplus excess work credits sufficient to maintain the property for several years.

The Company owns the surface rights for a limited portion of the property (52.6 ha, 0.526 km^2), essentially covering the north half of the Plymouth deposit. That portion of the property is subject to a 1% gross sales royalty retained by the vendors and the Company retains buyback rights for half of this royalty.

WOODSTOCK PROJECT DEVELOPMENT STRATEGY

The Company has undertaken several programs to evaluate the Plymouth Deposit as a potential open pit mining operation for production of high-purity manganese metal products. In doing so, the Company completed a preliminary economic assessment of the deposit in 2014, supported by, among other things, a comprehensive program of bench-scale metallurgical test work as documented in the PEA Technical Report dated July 10, 2014.

Since 2011, several phases of process development test programs have been completed. Bench scale metallurgical and hydrometallurgical test programs were conducted from 2011 to 2015 using core samples obtained from the 2011 drilling of the Plymouth Deposit.

The primary value enhancement initiatives undertaken in 2021 focused on two objectives:

1) fundamental asset analysis and study, in preparation for near-term detailed feasibility work; and
2) direct and prospective stakeholder and regulatory engagement

As announced on December 7, 2021 the Company commenced a comprehensive infill drilling program to further define and increase the confidence level of the mineral resource within the Plymouth Deposit (currently open in several directions). In February 2022, based on positive observations this program was expanded to include additional holes at the Plymouth Deposit. As well, an initial exploration program specifically to test the historical geological assumptions made and potential regarding the adjacent North and South Hartford properties was approved and will be initiated in 2022. All drilling activities at the Plymouth Deposit were completed in April 2022, with detailed testing and analysis work continue throughout Q2 2022.

The Company is encouraged by what was encountered during the infill drill and resource expansion program and demonstrated by the initial results described further above under the heading "PRELIMINARY RESULTS OF EXPANDED INFILL DRILL PROGRAM". The deposit has shown to be consistent with the previously modelled geology and the Company is awaiting receipt of additional assay results, especially given the resource expansion potential defined by holes drilled late in the recent program. The Company anticipates incorporating the results into an updated mineral resource estimate this summer.

As part of this groundwork undertaking, the Company has been in active communication with both local and provincial stakeholders. The focus on proactive and inclusive engagement has provided management with active and direct communication, which has demonstrated efficiencies to the current work program and opportunities for further near-term collaboration initiatives.

In addition to the completion of final analysis of the drilling program, the following initiatives will proceed in 2022:

- Metallurgical consultant engagement and initial processing method analysis
- Updated 43-101 resource report
- Environmental consultant engagement and initiation of baseline study work
- Engagement of specialty consultant to undertake feasibility study
- Additional exploration activities outside of the Plymouth Deposit

QUALIFIED PERSONS

Paul Moore, P.Geo., is the Company's designated non-Independent Qualified Person and has reviewed and approved the technical and scientific contents relating to the Woodstock Property in this MD&A.

Spark Minerals Inc. / Mongoose Mining Ltd.

Through the acquisition of Maximos on April 30, 2021, the Company acquired an indirect 53.1% investment in Spark, a private company focused on the advanced exploration of previously identified IOCG (iron-oxide-copper-gold) mineralized breccias, located in Nova Scotia.

Previous work carried out in 2007 by Minotaur Exploration ("Minotaur") confirmed the IOCG potential, and with its partner Dundee Precious Metals, spent approximately $6 million developing a geophysical database identifying and developing numerous high priority target areas. Minotaur spent an additional $2 million drilling 3 holes regarded as technical successes but discontinued the program due to the impacts of the 2008 financial crisis. Recent drill programs have also identified the existence of Cobalt (~480-776ppm).

On March 17, 2021, prior to being indirectly acquired by the Company, Spark entered into a share exchange agreement with Mongoose Mining Ltd. ("Mongoose") which set out the intent of the parties for Spark to complete a reverse takeover ("RTO") of Mongoose.

Upon completion of the RTO on November 10, 2021, the Company's 53.1% indirect equity interest in Spark was exchanged for 13,006,993 common shares of Mongoose, representing a 40.7% indirect equity interest in Mongoose, which owns 100% of Spark. Effective February 9, 2022, Mongoose issued 200,000 common shares as consideration in a property acquisition, diluting the Company's equity interest in Mongoose to 40.5%. Mongoose is listed on the Canadian Securities Exchange under the trading symbol MNG.

Notwithstanding the Company holds less than a majority interest in Mongoose, the Company has determined that it controls Mongoose, due to its dominant equity interest and level of Board representation relative to any other shareholders or group of shareholders.

Accordingly, the consolidated financial statements of the Company for the three months ended March 31, 2022 consolidate the accounts of Maximos and Spark commencing April 30, 2021, and the accounts of Mongoose (including Spark) commencing November 10, 2021.

EXPLORATION AND EVALUATION ASSETS

	Woodstock manganese property $	Maximos nickel property $	Mongoose Cobequid IOCG property $	Total $
Balance, December 31, 2020	4,662,321	-	-	4,662,321
Additions:	-	-	-	-
Project management	1,350	-	-	1,350
	1,350	-	-	1,350
Balance, March 31, 2021	4,663,671	-	-	4,663,671
Additions:				
Property acquisitions	-	1	5,952,768	5,952,769
Drilling	192,235	-	120,910	313,144
Geological	137,315	-	78,989	216,304
Technical consulting	10,800	-	-	10,800
Consultations	77,550	-	-	77,550
Economic studies	133,926	-	-	133,926
Supplies	13,280	-	1,245	14,526
Claims registration	6,160	-	-	6,160
Project management	2,003	-	-	2,003
	573,269	1	6,153,912	6,727,182
Balance, December 31, 2021	5,236,940	1	6,153,912	11,390,853
Additions:				
Drilling	-	-	40,000	40,000
Drilling	547,234	-	-	547,234
Geological	289,469	-	50,055	339,525
Technical consulting	38,550	-	-	38,550
Consultations	30,000	-	-	30,000
Supplies	-	-	90	90
Claims registration	180	-	2,170	2,350
Project management	5,196	-	-	5,196
	910,629	-	92,315	1,002,944
Balance, March 31, 2022	6,147,569	1	6,246,227	12,393,797

The Company holds a 100% interest in the Woodstock Property located northwest of the town of Woodstock, in west-central New Brunswick. A portion of the property is subject to a 1% gross sales royalty upon commencement of commercial production, with the Company retaining certain rights to buy back one half of the royalty. Substantially all of the Company's efforts are devoted to advancing the development of the Woodstock Property.

In connection with the Maximos Acquisition, the Company acquired interests in certain exploration and evaluation assets held by Maximos. These acquired exploration and evaluation assets consist primarily of nickel-copper-cobalt exploration properties located in northwestern Labrador. The Maximos exploration and evaluation assets have been recorded at a nominal value as the Company has no immediate plans for the ongoing exploration and evaluation of these assets.

In connection with the Maximos Acquisition, the Company also indirectly acquired the Cobequid Highlands property held by Spark (subsequently held by Mongoose, following the Mongoose RTO), consisting of mineral exploration licences in Nova Scotia with potential for iron oxide-copper-gold ("IOCG") mineralization.

RESULTS OF OPERATIONS

The Company recorded no revenue in the quarters ended March 31, 2022 and 2021.

For the three months ended March 31, 2022, the Company recorded a loss of ($294,492) compared to a loss of ($48,063) for the same period in 2021. The loss in the current period included non-cash share-based compensation of ($118,436) and $247,519 in other income from the reversal of flow-through share premium.

SUMMARY OF QUARTERLY RESULTS

Expressed in $000's, Except for per share amounts	March 31 2022 $	Dec. 31 2021 $	Sept 30 2021 $	June 30 2021 $	March 31 2021 $	Dec. 31 2020 $	Sept 30 2020 $	June 30 2020 $
Net (loss) income	(295)	(1,056)	(444)	(12,723)	(48)	(98)	(18)	1
Net (loss) income per share - basic and diluted	(0.002)	(0.010)	(0.003)	(0.109)	(0.001)	(0.002)	(0.000)	0.000
Total assets	17,125	17,595	17,141	17,248	4,702	4,726	4,746	4,752
Working capital/ (Deficiency)	3,645	4,824	10,440	10,781	(308)	(258)	(59)	(40)

The loss of ($12,723,303) in the quarter ended June 30, 2021 included a loss recognized in connection with the Maximos Acquisition of ($12,284,235) and share based compensation of ($303,750). The loss of ($444,341) in the quarter ended September 30, 2021 included share based compensation of ($194,813). The loss of ($1,056,217) in the quarter ended December 31, 2021 included share-based compensation of ($132,994), a Mongoose RTO listing cost of ($811,149), and $102,916 of other income from the reversal of flow-through premium. The loss of ($294,492) in the quarter ended March 31, 2022 included share-based compensation of ($118,436), and $247,519 of other income from the reversal of flow-through share premium.

LIQUIDITY AND CAPITAL RESOURCES

Current assets at March 31, 2022 were $4,730,816, compared to $6,204,163 at December 31, 2021. Current liabilities were $1,085,823 at March 31, 2022, including accounts payable and accrued liabilities of $792,920 and a flow-through share premium liability of $292,903, compared to current liabilities of $1,380,170 at December 31, 2021.

At March 31, 2022, the Company held exploration and evaluation assets with a carrying value of $12,393,797, including $6,146,219 on the Woodstock Project, and Mongoose's Cobequid property in Nova Scotia with a carrying value of $6,246,227 (before a 59.5% non-controlling interest). The balance sheet values for these assets may not represent that which could be obtained if the assets were to be offered for sale.

RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed.

During the three months ended March 31, 2022, the Company paid or accrued $39,500 to related parties, including a $15,000 management fee (March 31, 2021 - $15,000) to Energold Minerals Limited ("Energold"), a company controlled by John F. Kearney, a director; a $12,500 management fee (March 31, 2021 - $Nil) to 2348035 Ontario Corp., a company controlled by W. Matthew Allas, an officer; and $12,000 in rent (March 31, 2021 - $6,000) to Buchans Resources Limited, a company in which directors John F. Kearney and Danesh Varma serve as directors and officers.

Included in accounts payable and accrued liabilities at March 31, 2022 are $14,125 payable to 2348035 Ontario Corp. (March 31, 2021 - $Nil) for management services, and $5,650 payable to Energold (March 31, 2021 - $75,000) for administrative and management services. These amounts are unsecured, non-interest bearing and due on demand.

CRITICAL ACCOUNTING ESTIMATES

The Company's financial statements are prepared in accordance with IFRS and require management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when exploration and development costs should be capitalized or expensed and affect estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuation of tax accounts. The Company regularly reviews its estimates and assumptions, however actual results could differ from these estimates and these differences could be material.

PRINCIPAL RISKS AND UNCERTAINTIES

The realization of mineral exploration assets is dependent on the development of economic ore reserves and is subject to a number of significant potential risks, as summarized below and under the heading "RISK FACTORS" in the Company's annual information form for the year ended December 31, 2021.

Failure to Obtain Additional Financing

Other than the Financing, which closed in two tranches effective April 29, 2021 and June 21, 2021, there can be no assurance that the Company will be successful in obtaining any additional required funding necessary to conduct additional exploration or evaluation, if warranted, on the Company's current exploration properties, or any properties that may be acquired, or to develop mineral resources on such properties, if commercially mineable quantities of such resources are located thereon. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interest in such properties. If additional financing is raised through the issuance of equity or convertible debt securities of the Company, the interests of shareholders in the net assets of the Company may be diluted.

Covid-19 Pandemic

The Company cannot accurately predict the impact the Covid-19 pandemic may have on its operations, including uncertainties relating to the duration of the pandemic, the duration of any travel restrictions imposed by governmental authorities, and the impact on schedules and timelines for planned operations or exploration programs. In addition, this widespread health crisis and related business disruption may adversely affect the Company's ability to finance its planned operations.

Exploration, Development and Operating Risk

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 marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that 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 minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. Many of the properties in which the Company holds an interest are in the exploration stage only and are without a known body of commercial ore. Development of the subject mineral properties would follow only if favourable exploration results were obtained, and a positive feasibility study is completed.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration and development 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 and at an acceptable cost.

In addition to the above, there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interests in mineral properties and the Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or 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.

No Assurance of Production

The Company has limited experience in placing resource properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel, consultants or contractors, or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that the Company will have available to it the necessary expertise when and if the Company places its resource properties into production and whether it will produce revenue, operate profitably or provide a return on investment in the future.

Fluctuating Mineral Prices

Metal prices are subject to significant fluctuations and are affected by a number of factors which are beyond the control of the Company. The principal factors include: diminished demand, which may arise if economic growth in China, North America, and/or Europe is not sustained, or if the expected growth in electric battery demand does not occur; increases in supply resulting from the discovery and the development of new sources of metals; and supply interruptions, due to changes in government policies, war, or international trade disputes or embargos. The effect of these factors on the future price of manganese and its effect on the Company's operations cannot be predicted.

Factors beyond the Company's Control

The exploration and development of mineral properties and the marketability of any minerals contained in such properties will be affected by numerous factors beyond the control of the Company. These factors include government regulation, high levels of volatility in market prices, availability of markets, availability of adequate transportation and refining facilities and the imposition of new or amendments to existing taxes and royalties. The effect of these factors cannot be accurately predicted.

Environmental Risks and Hazards

The Company's operations are subject to environmental regulations in the jurisdiction in which it operates. 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 require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

FINANCIAL RISK MANAGEMENT

Fair value

The carrying amounts for cash and cash equivalents, marketable securities amounts receivable and accounts payable and accrued liabilities on the carve-out consolidated statements of financial position approximate fair value because of the limited term of these instruments.

Liquidity risk

The Company's liquidity exposure is confined to meeting obligations under short term trade creditor arrangements. This exposure is financed from a combination of cash, additional issues of ordinary equity shares and other financing arrangements.

Further details of the Company's financial risk management policies are set out in Note 18 of the condensed interim consolidated financial statements for the three months ended March 31, 2022.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

The Company has no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by major banks. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

The Company has designated its cash as held-for-trading, which is measured at fair value. Fair value estimates of financial assets and liabilities are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates involve uncertainties and are subjective in nature. Other financial instruments included in current assets are classified as loans and receivables, which are measured at amortized costs. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. As at March 31, 2022, the carrying and fair value amounts of the Company's financial instruments were the same.

OUTSTANDING SHARE CAPITAL

The Company has an authorized capital consisting of an unlimited number of common shares. At March 31, 2022, a total of 144,714,580 common shares of the Company were issued and outstanding. As at the date of this MD&A, there were 144,909,580 common shares of the Company issued and outstanding.

At March 31, 2022 and the date of this MD&A, there were 4,778,336 share purchase warrants outstanding. Of these, 4,445,003 warrants are exercisable at $0.18 per share until March 17, 2024 and 333,333 warrants are exercisable at $0.27 per share until April 29, 2024.

At March 31, 2022 and the date of this MD&A, there were 7,928,440 stock options outstanding pursuant to the Company's Stock Option Plan. Of these, 5,278,440 options are exercisable at $0.18 per share until June 30, 2025 and 2,650,000 options are exercisable at $0.25 per share until June 30, 2026.

At March 31, 2022, there were 1,940,000 restricted share units outstanding pursuant to the Company's RSU Plan, all of which expire on December 31, 2024. As at the date of this MD&A, there were 1,745,000 restricted share units outstanding.

DISCLOSURE CONTROLS AND PROCEDURES

The Company's disclosure controls and procedures are designed to provide reasonable assurance that information is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. As at March 31, 2022, the Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of its disclosure controls and procedures, as defined under the Canadian securities regulatory authorities, and have concluded that the Company's disclosure controls and procedures are effective.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. These controls include policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and that receipts and expenditures are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

All control systems contain inherent limitations, no matter how well designed. As a result, the Company's management acknowledges that its internal control over financial reporting will not prevent or detect all misstatements due to error or fraud. In addition, management's evaluation of controls can provide only reasonable, not absolute, assurance that all control issues that may result in material misstatements, if any, have been detected. Management assessed the effectiveness of internal control over financial reporting, using the Internal Control-Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and based on that assessment concluded that internal control over financial reporting was effective as at March 31, 2022.

Changes in internal control over financial reporting

There have been no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting during the three months ended March 31, 2022.

ADDITIONAL INFORMATION

Additional information regarding the Company is available under the Company's profile on SEDAR at www.sedar.com, including the audited annual consolidated financial statements, MD&A and annual information form for the year ended December 31, 2021 and the condensed interim consolidated financial statements for the three months ended March 31, 2022.

FORWARD-LOOKING STATEMENTS

This management's discussion and analysis contains certain forward-looking statements relating to, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, delays in the development of projects changes in exchange rates, fluctuations in commodity prices, inflation and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.