RE ROYALTIES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022

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Cautionary Note to Investors Concerning Forward-looking Statements

This discussion includes certain statements that may be deemed "forward-looking information" or "forward-looking statements" within the meaning of Canadian and United States securities law. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions of future events or performance (often, but not always, using words or phrases including, but not limited to, "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking information". This information represents predictions, and actual events or results may differ materially.

Forward-looking information may relate to the Company's future outlook and anticipated events or results and may include statements regarding the Company's financial results, future financial position, expected growth of cash flows, business strategy, budgets, projected costs, projected capital expenditures, taxes, plans, objectives, industry trends and growth opportunities. Forward-looking information contained in this discussion is based on certain assumptions regarding expected growth, results of operations, performance, industry trends and growth opportunities. In some cases, forward-looking information contained herein are based upon information received from or disseminated by third parties.

While management considers these assumptions to be reasonable, based on information available, they may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving the renewable energy industry; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the renewable energy industry generally; income tax and regulatory matters; the ability of the Company to implement its business strategies including expansion plans; competition; currency and interest rate fluctuations; and the other risks discussed under the heading "Risk Factors" in this MD&A. The foregoing factors are not intended to be exhaustive.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date hereof and the Company and its directors, officers and employees disclaim any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, you should not place undue reliance on forward-looking statements due to the inherent uncertainty therein. All forward-looking information is expressly qualified in its entirety by this cautionary statement. Forward-looking information and other information contained herein concerning management's general expectations concerning the renewable energy industry are based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which management believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data or comparables presented herein, industry data and comparables are subject to change based on various factors. The Company has not independently verified any of this data from independent third party sources.

Any forward-looking statements contained in this discussion are made as of the date hereof and the Company does not undertake to update or revise them, except as may be required by applicable securities law.

1.1 DATE

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed consolidated interim financial statements of RE Royalties Ltd. ("RER" or the "Company") for the three and nine months ended September 30, 2022 (the "Financial Statements") and the audited consolidated financial statements of the Company for the year ended December 31, 2021 and related MD&A (the "Annual MD&A") as publicly filed on SEDAR at www.sedar.com.

The Company reports in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The following disclosure and associated Financial Statements are presented in accordance with IFRS. All monetary amounts herein are expressed in Canadian Dollars ("CAD"), unless stated otherwise.

This MD&A is prepared as of November 29, 2022.

1.2 OVERVIEW

Description of Business

RE Royalties Ltd., is a public company whose common shares are listed on the TSX Venture Exchange ("TSXV"), under the trading symbol "RE". Effective March 31, 2022, the Company's common shares commenced trading under the symbol, RROYF on the OTCQX Best Market ("OTCQX"), which is the highest market tier operated by OTC Markets Group Inc.

The Company was incorporated on November 2, 2016, under the laws of the Province of British Columbia, Canada. The address of the Company's corporate office is 14th Floor, 1040 West Georgia Street, Vancouver, BC, V6E 4H1.

The Company provides short-term loans and acquires revenue-based royalties from renewable energy companies by providing a non-dilutive royalty financing solution to privately held and publicly traded renewable energy companies. The Company's business objectives are to acquire a portfolio of long-term, stable, and diversified renewable energy royalty streams to provide shareholders with capital appreciation and a growing, sustainable, long-term cash distribution.

Management has identified an underserviced segment in the renewable energy capital markets that lies between traditional debt and equity financing. For many small to medium-sized renewable energy companies ("SMREs"), a revenue-based royalty financing has many advantages with respect to flexibility, cost and contractual terms.

Traditional royalty-based financing has been used extensively in the North American natural resource, consumer service, industrial manufacturing, health-care, music and food sectors. Management believes that there is significant demand among SMREs for non-dilutive royalty based financing solutions due to a lack of innovation in the financing for renewable energy projects.

The Company's long-term objectives will be achieved by:

- Acquiring long-term renewable energy generation royalty streams backed by power purchase agreements or other revenue programs from credit worthy utilities and/or facilities which operate in strong merchant markets with stable power pricing;
- Acquiring renewable energy royalties in high-growth areas of the low carbon energy sector including clean transportation, energy storage, and energy efficiency that are backed by offtake arrangements or customer sales and/or lease contracts from credit worthy counterparties.

- Reinvesting capital to acquire new royalties and to grow royalty income and interest;
- Utilizing debt financing and/or co-investment structures to acquire additional royalties in order to enhance financial returns for shareholders; and
- Maintaining a low operating cost structure.

1.2.1 COMPLETION OF MARKETED UNIT OFFERING

On June 15, 2022, the Company closed a best efforts marketed public offering (the "Public Offering"), whereby it issued 9,837,680 Units (the "Units") at $0.82 Unit for aggregate gross proceeds of $8,066,898. Each Unit consisted of one common share in the capital of the Company, and one common share purchase warrant, which is exercisable into one common share in the capital of the Company at an exercise price of $1.10 per share for a period of 24 months following the closing of the Public Offering.

The Public Offering was led by Integral Wealth Securities Limited and Canaccord Genuity Corp. In connection with the Public Offering, the Company paid total cash commission equal to $556,957 and also issued compensation warrants to the underwriters entitling them to purchase total of 776,250 common shares of the Company at a price of $0.82 per share for a period of two years following closing.

1.2.2 RENEWABLE ENERGY ROYALTY INVESTMENTS

For detailed description of each royalty investment transaction completed prior to January 1, 2022, refer to the Annual MD&A and the Company's Annual Information Form ("AIF") for the year ended December 31, 2021 as publicly filed on SEDAR at www.sedar.com. This MD&A only includes changes and events during the current year to the date this MD&A.

As of the date hereof, the Company owned a portfolio of 115 royalties on various solar, wind, hydro, battery storage, and renewable natural gas projects operating or in development in Canada, Europe and the United States. A summary of the Company's portfolio of royalty interests is as follows:

Client	Location	# of Royalties	Expected Expiration / Term	Royalty as % of Revenue	Energy Type	Status	Generating/ Storage Capacity	Original Investment (C$ million)
Delta Energy Partners [e]	Puerto Rico, USA	1	2035	Fixed [c] [f] $210,112 per year	Energy Efficiency	Development	Not applicable	$5.25[c]
ReVolve (Cancun)	Mexico	3	2033	5%	Battery Storage	Construction	1.9 MW	$1.9
Switch Power (Solar)	Ontario, Canada	1	2035	1%	Solar	Operational	0.38 MW	$1.3
ReVolve (Solar)	Mexico	6	2030-2033	Up to 5%	Solar	Operational	2.4 MW	$1.6
NOMAD	Vermont, USA	6	2027	3.5%	Battery storage	Operational	3.5 MW	$ 7.47[c]
OCEP	Wisconsin, USA	1	2035	Fixed[c] $246,560 per year	Renewable Natural Gas	Construction	2 MW (equiv.)	$ 5.92[c]
Switch Power 1	Ontario, Canada	4	2031-2033	5% - 3%	Battery storage	Operational	2 MW	$ 2.31
Switch Power 2 & 3	Ontario, Canada	10	2033-2035	5% - 3%	Battery storage	Partially operational	19 MW	$ 5.07
Teichos Energy	Pennsylvania, USA	1	15 Years	2%	Solar	Development	20 MW	$ 3.00
FuseForward Solutions	British Columbia, Canada	1	2031	Fixed $284,000 per year	Energy Efficiency	Operational	Not applicable	$ 3.00
Aeolis Wind	British Columbia, Canada	1	2035	1.00%	Wind	Operational	102 MW	$ 1.24
Jade Power[a]	Romania	5	2035	1.05%	Solar, Wind, Hydro	Operational	34 MW	$ 3.80
OntarioCo[a]	Ontario, Canada	59	2040	2.00%	Solar	Operational	18 MW	$ 5.00
Fresh Air Energy	Ontario, Canada	4	2033	1.00%	Solar	Operational	40 MW	$ 1.87
Scotian Windfields[a]	Nova Scotia, Canada	12	2036	8.00%	Wind	Operational	40 MW	$ 4.64
Total		**115**						**$ 53.37[b]**

(a) As of the date of this MD&A, the Company had received full repayment of the loans advanced to a private group ("OntarioCo") ($5.0 million), Scotian Windfields ($3.3 million), and Jade Power ($3.8 million). The royalties associated with these investments remain in place. Further details are provided in the following discussions.

(b) As of the date of this MD&A, the total amount of investments listed above, net of repayments in (a) above, was approximately $32.5 million.

(c) Based on exchange rate of 1 US$: 1.34 C$.

(d) In October 2022, Teichos Energy provided a notice to the Company that it will extend the Teichos Loan by an additional 6 months. Accordingly, the Jackson Center Royalty has increased from 1.5% to 2% of gross revenues.

(e) The transaction with Delta Energy Partners was closed on November 1, 2022, subsequent to the quarter ended September 30, 2022.

(f) The royalty amount for the Delta transaction has been fixed and calculated as 4% per annum of the total amount to be invested in this project by the company.

Royalty-Based Investment Transactions Completed After January 1, 2022 and Before the Date Hereof

A. Switch Power Final Advance

In March 2022, the second and final cash advance of $1.5 million was provided to Switch Power.

B. Outagamie Clean Energy Partners –Renewable Natural Gas Project – Wisconsin, USA

In March 2022, a newly formed co-investment vehicle ("OCEP Invest LLC") entered into a mezzanine financing agreement (the "OCEP Loan Agreement") with Outagamie Clean Energy Partners, a Renewable Natural Gas ("RNG") developer to finance the construction of a biogas to RNG upgrading project located in Wisconsin, United States. Pursuant to the OCEP Loan Agreement, OCEP Invest LLC provided a US$4.6 million ($5.8 million) secured loan (the "OCEP Loan") for three years. During the first two years of its term, the OCEP Loan will accrue and pay interest only at 15% per annum. During the third year of the term of the OCEP Loan, the amount of Initial Cash Advance will be repaid in four equal installments, along with interest at 15% per annum. Thereafter, a fixed annual royalty payment (the "Fixed Royalty") equal to 10% of the Initial Cash Advance will be payable for 10 years.

To provide funds for the OCEP Loan, the Company contributed approximately US$4.5 million ($5.7 million) ("RER's Contribution") to OCEP Invest LLC for approximately 97% equity/ownership interest in the entity; the remaining equity contribution was provided by certain private parties.

OCEP Invest LLC is governed by a shareholders' agreement (the "Shareholders' Agreement"), which sets out, among other things, the Company's economic interest as summarized below:

- During the first two years of its term, the OCEP Loan is interest only, and the Company will receive quarterly distributions equivalent to 13.5% per annum on RER's Contribution.
- During the third year of its term, the OCEP Loan will fully amortize, whereby the Company will receive quarterly distributions for an aggregate amount equivalent to RER's Contribution, plus 13.5% per annum on outstanding balance thereof.
- Following the repayment of the OCEP Loan during the course of the third year, the Company will receive its share of the Fixed Royalty payments of approximately US$180,000 ($225,000) annually at the rate of 4% per annum on RER's Contribution as originally provided.

The OCEP Loan will enable OCEP to complete upgrades at an existing anaerobic digester facility located at a dairy farm near Green Bay, Wisconsin. The Project will take biogas produced from animal waste and upgrade this biogas to pipeline quality RNG for injection into the regional natural gas grid. The Project is located on an existing dairy farm, offering a constant, reliable source of feedstock.

The OCEP Project will receive revenue from multiple sources, with the primary sources being California Low Carbon Fuel Standard credits and US Environmental Protection Agency Renewable Identification Numbers. The OCEP Project has been producing biogas for 15 years and the OCEP Loan proceeds will be utilized to upgrade this biogas to RNG quality for injection into the natural gas grid.

The OCEP Project reduces greenhouse gas emissions by capturing methane that would otherwise escape to the atmosphere and upgrading it for use as a transportation fuel. As methane is a powerful greenhouse gas (25 times the impact of CO_2), the benefit is significant for each unit of gas produced. The OCEP Project is expected to reduce emissions by up to 20,000 metric tonnes of CO_2 equivalent per year.

C. Nomad Transportable Power Systems – Transportable Energy Storage System – Vermont, USA

In April 2022, the Company entered into an agreement with Nomad Transportable Power Systems Inc. ("NOMAD"), a company co-founded by KORE Power Inc., a US-based battery manufacturer, and Northern Reliability Inc., an energy systems integrator with over 50 year experience implementing storage projects around the world.

NOMAD is a first mover in the utility, commercial and industrial-scale mobile energy storage sector and was founded in response to demand for a more flexible, transportable battery energy storage system. NOMAD's business objective is to sell mobile energy storage systems ("Mobile Units") and provide energy storage as a service.

The Mobile Units combine a fully-enclosed trailer chassis with high energy density lithium-ion battery cells and a proprietary docking system to deliver a plug-and-play energy storage solution to their customers. The Mobile Units combine the benefits of a fixed-site energy storage system with increased flexibility and the ability to relocate them, enabling a single Mobile Unit to serve multiple locations for seasonal, intermittent (outages), or temporary use (capital deferral), increasing asset utilization versus a fixed asset.

The Company provided a five-year USD $5.6 million senior secured working capital loan (the "NOMAD Loan"). The NOMAD Loan will enable NOMAD to manufacture Mobile Units including the NOMAD Traveler (2 MWh), and NOMAD Voyager (1.2 MWh). The Mobile Units will be sold to utilities, commercial and industrial customers.

The NOMAD Loan has an interest rate of 12% per annum, interest-only for the term, with a bullet repayment after 5 years. The Company will also receive a gross revenue royalty of 3.5% on the sale of NOMAD's Mobile Units manufactured using the NOMAD Loan proceeds.

D. ReVolve Renewable Power– Roof Top Solar Generation Projects – Mexico

On June 15, 2022, the Company closed an agreement, with ReVolve Renewable Power Corp. (TSXV: REVV) ("ReVolve"), a North American renewable energy developer with 3.3 GW of wind, solar, and battery projects under development in the USA and Mexico, to provide a $1.6 Million secured loan (the "ReVolve Loan") to support ReVolve's acquisition of a portfolio of six operational roof top solar generation projects in Mexico (the "ReVolve Projects") with a combined generating capacity of 2.4 MW.

The ReVolve Projects are roof-mounted behind-the-meter installations, with three Projects located near Mexico City and three Projects in the neighbouring state Guanajuato to the northwest. The Projects receive revenue from Power Purchase Agreements ("PPAs") with commercial customers that support the automotive, medical, and print industries. The ReVolve Projects are all operational and have PPAs with remaining terms ranging from 8-11 years.

The ReVolve Loan will have a term of 24 months and bear interest at the rate of 10% per annum, compounded monthly, and payable quarterly. The Company will receive a structuring fee of 1.5% on the ReVolve Loan value at closing, and an additional fee of 1.5% on the ReVolve Loan value at the end of term. The Company will also receive a gross revenue royalty of 5% on four of the Projects and 1% on two of the ReVolve Projects for the remaining life of the PPAs.

E. Switch Power Corp – Rooftop Solar Projects – Ontario, Canada

In August 2022, the Company entered into a loan agreement with Switch Power Ontario Solar Operating Corporation ("Switch Solar Corp"), a wholly-owned subsidiary of Alberta-based independent power producer Switch Power Corporation, for $1.3 Million (the "Switch Solar Loan"). The Loan will finance the acquisition of an operational rooftop solar generation project located in Vaughan, Ontario (the "Switch Solar Project") with a capacity of 0.38 MW.

Switch Power Corporation manages development, construction and operation of sustainable energy power generation projects in Canada consisting of solar, wind, battery storage and thermal generation energy resources.

The Switch Solar Loan will have an initial term of 6 months at a 10% interest rate per annum, compounded monthly, with the option for Switch Solar to extend the Loan by an additional 6 months. The Company will have first-ranking security interest over the Switch Solar Project, including a lien over its assets, and a pledge of shares in Switch Solar Corp. The Company will also receive a gross revenue royalty of 1.0% on the Switch Solar Project for the remainder of the contract term, or approximately 12.5 years, (the "Switch Solar Royalty"). If the Switch Solar Loan term is extended, the Switch Solar Royalty will increase to 2.0%.

F. ReVolve Renewable Power – Energy Storage Projects – Mexico

On September 15, 2022, the Company entered into a second agreement with ReVolve, to provide a $1.86 million secured loan (the "Revolve Cancun Loan") and royalty facility to support the purchase of battery and inverter equipment for three energy storage projects with a combined capacity of 3.2 MWh currently under development in Punta Cancun, Mexico (the "Cancun Projects").

The Cancun Projects are located at the site of a major hotel chain in Cancun, Mexico. The hotels have entered into Energy Services Agreements ("ESAs") with Revolve wherein Revolve will receive an annual fixed payment in addition to sharing the energy savings delivered by the Project over a 10-year term. Revolve has also entered into an agreement with Quartux Mexico S.A. de C.V. (or "Quartux"), a highly experienced installer and operator of battery storage systems in Mexico, to deliver a turnkey solution for the installation and commissioning of the Projects.

The ReVolve Cancun Loan will have a term of two years and will bear interest at 12% per annum, payable quarterly. This loan will be secured against the assets of the Cancun Projects. In addition to this, the loan will be subject to a 2% structuring fee on the total loan value and will be capitalized and added to the overall Loan amount at financial close. A gross revenue royalty of 5% (the "Cancun Royalty") will apply to all revenues received from the Cancun Projects for the duration of the ESAs.

In October 2022, the Company provided a partial cash advance to ReVolve against the ReVolve Cancun Loan.

G. Delta Energy Partners – Energy-as-a-Service Projects – Puerto Rico

In November 2022, through its newly formed investment vehicle, named FP Puerto Rico Invest LLC ("Delta Investment Vehicle"), the Company entered into a loan and royalty agreement with Delta Energy Partners, a provider of Energy-as-a-service (EaaS) solutions to customers, for US$4.0 million (the "Delta Loan") to fund energy efficiency projects in Puerto Rico ("Delta Project"). The Delta Project involves installation and servicing of energy-efficient lighting and environmental system in Puerto Rico, based on contracts with customers with a term of 10 years.

The Delta Loan will be drawn in tranches with a term of 5 years at a 13.50% interest rate per annum, plus a 2% commitment fee on undrawn amounts. Delta Investment Vehicle will also receive a 10-year royalty of 10% per annum (the "Delta Fixed Royalty") on invested capital commencing the 30th month after closing.

The Company will contribute 98% of the total funds required for cash advance pursuant to the Delta Loan in the form of its equity capital contributions to Delta Investment Vehicle; the remaining equity contribution will be provided by certain private parties. The Delta Investment Vehicle is governed by a shareholders' agreement, which sets out, among other things, the Company's economic interest, whereby interest on the Delta Loan to the extent of 12.15% on the Company's contributions to Delta Investment Vehicle as well as 40% of the Delta Fixed Royalty will be attributable to the Company, whereas the remainder of the income of Delta Investment Vehicle will be attributable to the non-controlling interests.

Pursuant to the Delta Loan, an initial cash advance of US$0.4 million was provided in November 2022.

Proposed Royalty Investment Transactions and Potential Royalty Financing Opportunities

The Company has a robust backlog of potential royalty financing opportunities and is in advanced discussions on several opportunities. There can be no assurance that any of the opportunities will result in a completed transaction.

1.2.3 DISCLOSURE OF ENVIRONMENTAL AND SOCIAL DATA

The Company's vision is to provide capital to an underserved section of the renewable energy market and enable significant GHG emissions reductions. With climate change a pressing issue globally, the Company has become an important source of capital for the low carbon energy transformation. In addition, the Company has a positive impact on the local community in which it operates, through local hiring, charitable programs and other events.

A. Environmental Impact Summary

The following table summarizes the positive environmental impact generated by the projects in the Company's royalty portfolio, including clean energy capacity, average annual generation, and average annual carbon emissions reduction for the associated projects.

Operational Stage

Client	Location	Projects	Energy Type	Clean Generating Capacity (MW_{AC})	Annual Clean Generation (MWh)	Annual GHG Offset (tCO_2e)[1]	Annual Homes Powered[1,2]
Aeolis Wind	BC, Canada	1	Wind	102	193,000	2,490	17,870
OntarioCo	ON, Canada	59	Solar	18	25,566	1,023	2,841
Fresh Air Energy	ON, Canada	4	Solar	40	59,413	2,377	6,601
Scotian Windfields	NS, Canada	12	Wind	40	131,700	79,020	12,064
Jade Power	Romania	5	Solar, Wind, Hydro	34	70,377	28,221	42,939
Switch Power	ON, Canada	10	Battery, Solar	6	623	248[1,3]	69
Revolve	Mexico	6	Solar	2	3,844	1,661[4]	2,209[5]
FuseForward	Canada	1	Efficiency	Not available[6]			
Operational Subtotal		***98***		***242***	**484,523**	**115040**	**84,593**

Development Stage

Client	Location	Projects	Energy Type	Clean Generating Capacity (MW_{AC})	Annual Clean Generation (MWh)	Annual GHG Offset (tCO_2e)[1]	Annual Homes Powered[1,2]
Switch Power	ON, Canada	5	Battery	15	627	564[3]	70
Teichos Energy	PA,USA	1	Solar	20	42,799	35,493	4,261
OCEP	WI, USA	1	RNG	2[7]	18,170	17,989[8]	1,000
NOMAD	VT, USA	6	Battery	4	1,551	660	228
Revolve	Mexico	3	Battery	2	816	352	469
Delta	Puerto Rico	1	Efficiency	Not available[6]			
Development Subtotal		***17***		***43***	**63,963**	**55,058**	**6,028**

PORTFOLIO TOTAL		**115**		**285**	**548,486**	**170,098**	**90,621**

Equivalents[1]

90,621	36,748	52,486	2,812,591
homes powered with clean energy	passenger vehicles	tonnes of waste recycled instead of landfilled	trees planted

Notes:

(1) Sources per RE Royalties 2020 Annual Information Form.

(2) US Energy Information Agency

(3) SDTC Environmental Benefits Report 2021 (specific to project type)

(4) IGES Grid Emission Factors

(5) https://www.mdpi.com/2076-3417/8/11/2136

(6) Energy Efficiency businesses expected to generate benefits but not yet quantifiable.

(7) Gas production capacity equivalent (based on annual energy)

(8) Project-specific carbon intensity pathway

Environmental Risks

Specific environmental factor risks are discussed in the Risk Factors section of the Company's Annual Information Form (AIF) for the year ended December 31, 2021, as publicly filed on SEDAR at www.sedar.com, within the following categories:

- *General Risks Involved in the Operations of a Power Generation Facility*
- *Natural Disasters and Other Catastrophic Events*
- *Environmental Laws and Regulations*
- *Changes in Supply of Water, Levels of Winds, Irradiation and Other Natural Variables*
- *Health, Safety and Environmental Risks*

B. Social Summary

Giving back, in the form of volunteering, donating to charitable causes, or attending community-led charitable events, is an integral part of the culture at RE Royalties. All permanent staff, including senior management, were hired from the local region and local universities.

Gender Diversity

Board of Directors:	The Company has one (1) female board member of 7 (14%)
Team:	The Company has seven (7) team members, of which one (2) are female (29%)

Charitable Activity

We believe in supporting organizations with causes that resonate with our values.

In Q2 2022, the Company donated $25,000 to HeadsUpGuys, an online resource that was developed to support men in their fight against depression by providing tips, tools, information about professional services, and stories of success.

In Q3 2021, the Company donated $25,000 to the Richmond Food Bank Society, a not-for-profit organization that provides food assistance, advocacy and related support to individuals in need within the Richmond community. The donation will support the School Meal Program, which provides nutritious meals and snacks to students who attend school hungry at 11 schools in Richmond. Kids and teens need nutritious food to grow, be healthy, and to effectively learn at school, yet too many are attending school on an empty stomach.

In Q2-2021, the Company donated $25,000 to Blind Beginnings, whose mission is to inspire children and youth who are blind or partially sighted through diverse programs, experiences, counseling and peer support, and opportunities to create fulfilling lives. The Company's donation will be used for the "Creating Confidence" and "Youth Leadership & Pre-Employment" programs to empower youth to develop to their full potential.

Social Risks

Specific social factor risks are discussed in the Risk Factors section of the Annual MD&A, within the following categories:

- *Local Public Opposition*
- *Negative Public or Community Response*
- *Health, Safety and Environmental Risks*

1.2.4 DISTRIBUTION TO SHAREHOLDERS

As of the date hereof, during the current year, the Company had made regular quarterly cash distributions to its shareholders, as summarized below:

			Amount	
Declaration date	**Record date**	**Payment date**	**Per share**	**Total**
January 9, 2022	February 2, 2022	February 23, 2022	$ 0.01	$ 332,899
March 31, 2022	April 20, 2022	May 11, 2022	0.01	332,899
July 13, 2022	August 3, 2022	August 24, 2022	0.01	431,276
October 12, 2022	November 2, 2022	November 23, 2022	0.01	431,276
Total			$ 0.04	$ 1,528,350

For cash distributions for the prior years, refer to the Annual MD&A.

The Company's decision to pay distributions will be reviewed from time to time by the Board in the context of the Company's earnings, financial condition and other relevant factors.

1.3 SELECTED ANNUAL INFORMATION

Not required.

1.4 SUMMARY OF QUARTERLY RESULTS

The following information is derived from the Company's accompanying Financial Statements which have been prepared in accordance with IFRS as issued by the IASB effective for the respective reporting years of the Company and are expressed in thousands of Canadian dollars.

	Fiscal Quarter Ending							
	Sep 30, 2022	**Jun 30, 2022**	**Mar 31, 2022**	**Dec 31, 2021**	**Sep 30, 2021**	**Jun 30, 2021**	**Mar 31, 2021**	**Dec 31, 2020**
Revenue and income								
Royalty revenue	$ 196	$ 214	$ 170	$ 181	$ 190	$ 221	$ 192	$ 170
Finance income	1,009	665	384	279	190	196	247	277
Gain on derecognition of financial asset	–	–	–	–	129	–	–	–
Other revenue	–	–	–	100	–	–	–	–
Total revenue and income	$ 1,205	$ 879	$ 554	$ 560	$ 509	$ 417	$ 439	$ 447
Share of income of OCEP Invest LLC	98	309	101	–	–	–	–	–
Net income (loss) attributable to the Company's shareholders	$ 401	$ 225	$ (550)	$ (166)	$ (442)	$ (767)	$ (755)	$ (882)
Net income (loss) per share	$ 0.01	$ 0.01	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)	$ (0.03)

Trends with respect to the Company's Financial Results

General

Since its inception in 2016, the Company has been pursuing its growth strategy as reflected in the increasing trends in its total assets and revenue. The timing difference between sourcing of capital and its deployment is inherent in the Company's business. The Company's operating results follow a similar trend whereby the Company would incur various expenses (salaries, consulting, etc.) with respect to asset evaluation and due diligence activities for several months leading up to the completion of a new investment transaction and before any revenue or income from such investment can be recorded.

Revenue and Income

The Company's royalty revenue has increased or stayed stable on an annual basis.

The Company earns royalty revenue from several sustainable energy sources and through energy efficiency, which exhibit seasonal behaviors individually but tend to counterbalance each other in a well-diversified portfolio. For instance, wind power generation is stronger in winter than in summer. The opposite is true for solar power generation. Similarly, within a given renewable power generation source, geographical diversification across the Northern and Southern Hemispheres reduces overall seasonality. Currently, the Company's royalty interests are held in renewable assets located in the Northern Hemisphere only.

The fluctuations in finance income are directly related to changes in average balance of the aggregate amount of outstanding loans receivable by the Company. In the Company's fiscal year 2021, there was a decreasing trend in finance income during the first three fiscal quarters, as the Company

	received loan repayments from various clients. Thereafter, the Company's finance income increased, as a result of various secured loans advanced during the course of the fourth quarter of 2021.
Expenses	The Company's operating expenses are mostly incurred evenly through a fiscal year. However, the timing of certain expenses is driven by the underlying activities. For instance, the Company's activities and related expenses with respect to its annual audited financial statements and other annual reports, and annual general meeting are higher in the second fiscal quarter. Moreover, certain expenses are incurred to support the Company's financing and investing activities and accordingly fluctuate with the timing of such activities.

Analysis of Quarterly Results

Quarter ended	Analysis
December 2020	In the fourth fiscal quarter of 2020, the Company recorded a net loss of $882,000, mainly due to the following: a) the Company recorded its share of loss of RER US 1 LLC (an associate of the Company) under the equity method of accounting in the amount of $539,000, mainly due to impairment loss with respect the affiliate. b) the Green Bond offering in FY 2020 led to higher overall expenses, including marketing and certain consulting expenses as well as finance expenses, but the offering had no impact on the Company's revenue for the quarter because the deployment of the proceeds from the offering did not commence during the quarter. c) A partial prepayment of the Jade Power Loan had an impact on the Company's finance income in this quarter.
March 2021	During this quarter, there was no significant change in the Company's revenue and income as the Company remained focused on evaluating several assets for potential acquisition to deploy aggregate proceeds from the Green Bonds and the funds received from the repayment of the Jade Power Loan. Net loss of $755,000 recorded in this quarter included: a) non-cash equity-settled shared-based payment expense of $404,000 representing amortization of the fair value of 1,450,000 share purchase options granted by the Company in the current quarter to its directors, officers, employees and certain consultants, and b) finance expenses of $243,000 relating to Green Bonds and Convertibles Notes.
June 2021	During and as of the end of the second quarter of 2021, the Company was in advanced discussions on several potential royalty financing opportunities. The Company received a partial repayment of the loan receivable from OntarioCo, that led to a decrease finance income. The Company filed its base-self short form prospectus in this quarter and incurred additional regulatory expenses and professional fees in this regard. The Company continued recording finance expenses on its debts and share-based payment expenses representing amortization of the fair value of the share purchase options granted in the preceding quarter.
September 2021	During the third quarter of 2021, the Company closed the First Acquisition Loan to Switch Power.

	The Company received a final repayment of the loan receivable from OntarioCo The Company also received an early repayment of the Scotian Windfields Loan and consequently recorded a gain upon derecognition of the financial asset representing debt accretion that would have otherwise been recorded over the remaining term of the loan.
December 2021	During the fourth quarter of 2021, the Company closed several additional transactions and further advanced additional potential royalty financing opportunities. Accordingly, the Company's net loss decreased in this quarter, mainly due an increase in total revenue and income from the new investments.
March 2022	During the quarter ended March 31, 2022, the Company provided an additional advance of $1.5 million to Switch Power and provided approximately US$4.5 million in its contribution with respect to the OCEP Loan. Although the total revenue and income of the Company increased in this quarter as a result of the additional investments completed during the quarter, certain expenses for the quarter increased, including finance expense due to additional Green Bond offering completed in December 2021; the proceeds from which offering were mainly deployed after the end of the quarter.
June 2022	During the quarter ended June 30, 2022, as the Company's investment portfolio further expanded with investments in NOMAD and ReVolve, its total revenue and income, including its share of income from the OCEP loan, increased by approximately $533,000 and, accordingly, the Company recorded a net income of $225,000 during the quarter. To deploy the additional capital raised from the Public Offering in June 2022, the Company further advanced several potential royalty-based investment opportunities that were subject to completion of due diligence to the Company's satisfaction, negotiation of definitive documents, satisfaction of customary conditions precedent for each transaction, and approval by the Company's Board of Directors.
September 2022	During the quarter ended September 30, 2022, the Company closed the transaction with Switch Solar Loan agreement and entered into the Revolve Cancun Loan agreement, for which a partial cash advance was provided by the Company in October 2022. In August 2022, the Shareholders' Agreement relating to OCEP Invest LLC was modified with mutual consent of its members, thereby the Company received certain rights that gave it the current ability to direct the relevant activities of OCEP Invest LLC, resulting in the Company gaining control over the latter (the "Change of Control"). Prior to the Change of Control, OCEP Invest LLC was structured as a joint venture ("OCEP JV"). Upon the Change of Control, the Company derecognized its investment in OCEP JV, and recognized total OCEP Loan at its fair value, with a corresponding credit to non-controlling interests. Upon de-recognition of the Company's interest in OCEP JV, the company recognized a loss of $348,792, and reclassified accumulated foreign exchange translation difference of $100,475 relating to its investment in OCEP JV from other comprehensive income to net income. The Company's royalty revenue remained stable during the third quarter. The increase in finance income during this quarter was mainly attributable to finance income relating to the OCEP Loan included in the Financial Statements following the Change of Control. Refer to the following section (*1.5 Results of Operations)* for a detailed analysis of this quarter's results

1.5 RESULTS OF OPERATIONS

The analysis herein is based on total expenditures, including amounts attributable to non-controlling interests.

The Company recorded a net income of $470,000 for the three months ended September 30, 2022 ("Current Quarter"), compared to a net loss of $442,000 for the three months ended September 30, 2021 ("Prior Year Quarter").

The Company recorded a net income of $145,000 for the nine months ended September 30, 2022 ("Current Period"), compared to a net loss of $1,964,000 for the nine months ended September 30, 2021 ("Prior Period").

Additional details regarding the Company's operating results are provided below.

Unless stated otherwise, the following discussions and analysis relating to the Current Period also apply to the Current Quarter.

REVENUE AND INCOME

		Three months ended September 30,					
	Note		2022		2021	Change ($)	Change (%)
Royalty revenue	(1)	$	195,828	$	189,939	$ 5,889	3%
Finance income	(2)		1,009,267		190,000	819,267	431%
Gain on derecognition of financial asset	(2)		–		129,417	(129,417)	(100%)
		$	1,205,095	$	509,356	$ 695,739	137%
Share of income of OCEP Invest LLC	(3)		97,892		–	97,892	N/A
Gain on revaluation of financial asset at FVTPL	(4)	$	13,991	$	9,000	$ 4,991	55%

		Nine months ended September 30,					
	Note		2022		2021	Change ($)	Change (%)
Royalty revenue	(1)	$	580,535	$	603,147	$ (22,612)	(4%)
Finance income	(2)		2,058,094		632,832	1,425,262	225%
Gain on derecognition of financial asset	(2)		–		129,417	(129,417)	(100%)
Revenue and income		$	2,638,629	$	1,365,396	$ 1,273,233	93%
Share of income of OCEP Invest LLC	(3)		507,865		–	507,865	N/A
Gain (loss) on revaluation of financial asset at FVTPL	(4)	$	1,805	$	(4,796)	$ 6,601	(138%)

The above-mentioned changes in the Company's revenue and income are summarized below:

(1) Royalty revenue for the current period remained largely consistent with the prior period, and the change presented in the tables above is due to fluctuation in revenues of the underlying power projects.

(2) The increase in finance income for the Current Period, compared to the Prior Period, was mainly attributable to finance income relating to the OCEP Loan included in the Financial Statements following the Change of Control.

(3) Prior to the Change of Control, the Company's interest in OCEP Invest LLC was accounted for using the equity method.

(4) The fluctuation in loss on revaluation of Aeolis Loan is mainly a result of changes in risk-free interest rates used for discounting future cash flows, and the consumer price index (CPI).

OPERATING EXPENSES

	Note	Three months ended September 30, 2022	2021	Change ($)	Change (%)
Wages and benefits	(1)	$ 190,894	$ 176,571	$ 14,323	8%
Administration	(2)	87,327	86,541	786	1%
Marketing and stakeholder communication	(3)	71,047	68,284	2,763	4%
Audit and audit related	(4)	19,661	43,253	(23,592)	(55%)
Consulting – Financing	(5)	15,992	32,677	(16,685)	(51%)
Consulting – Other	(6)	26,247	22,059	4,188	19%
Regulatory and transfer agency	(7)	9,698	8,780	918	10%
Donations	(8)	–	25,000	(25,000)	(100%)
Office lease and information technology	(9)	12,501	12,402	99	1%
Legal	(10)	49,680	2,380	47,300	1987%
Total		$ 483,047	$ 477,947	$ 5,100	1%

	Note	Nine months ended September 30, 2022	2021	Change ($)	Change (%)
Wages and benefits	(1)	$ 554,935	$ 508,863	$ 46,072	9%
Administration	(2)	300,832	273,720	27,112	10%
Marketing and stakeholder communication	(3)	224,239	228,821	(4,582)	(2%)
Audit and audit related	(4)	206,162	166,765	39,397	24%
Consulting – Financing	(5)	61,867	99,203	(37,336)	(38%)
Consulting – Other	(6)	55,227	98,358	(43,131)	(44%)
Regulatory and transfer agency	(7)	97,510	61,487	36,023	59%
Donations	(8)	25,000	51,000	(26,000)	(51%)
Office lease and information technology	(9)	42,856	47,547	(4,691)	(10%)
Legal	(10)	68,189	23,048	45,141	196%
Total		$ 1,636,817	$ 1,558,812	$ 78,005	5%

The above-mentioned changes in the Company's operating expenses are summarized below:

(1) The increase in wages and benefits in the Current Period, compared to the Prior Period, was mainly due to additional resources retained by the Company to support its business development.

(2) Higher administration expenses during the Current Period were in line with the increase in overall activities of the Company relating to business development and financing initiatives.

(3) Marketing expenses in the Current Period were consistent with the Prior Period.

(4) Audit and audit related expenses increased in the Current Period due to an increase in the base audit fees and overall change in the size and complexity of the Company's transactions.

(5) Consulting (financing) expenses related to certain consulting engagements to assist in the Company's financing activities, certain of which engagements ended during the Current Period, resulting in a decrease in these expenses.

(6) Other consulting expenses were lower in the Current Period because certain consulting costs incurred during the period directly relating to the due diligence activities were reimbursed by the investees as transactions costs.

(7) Effective March 31, 2022, the Company's common shares commenced trading under the symbol, RROYF on the OTCQX Best Market, which is the highest market tier operated by OTC Markets Group Inc. To further facilitate electronic clearing and settlement of the Company's common shares in the United States, the Company also obtained the Depository Trust & Clearing Corporation (DTCC) eligibility for its common shares in the United States. Accordingly, regulatory expenses increased in the Current Period.

(8) Refer to the section *1.2.3 Disclosure of Environmental and Social Data* for details of the Company's charitable activities.

(9) Office lease and information technology expenses relate to the Company's corporate office. Effective May 1, 2021, the Company entered into a lease (the "Office Lease") with a 5 year term for its corporate office space. The Company recognized a right-of-use asset and a corresponding lease liability with respect to the Office Lease. Office lease expenses for the Current Period in the table above include the depreciation charges relating to the right-of use asset and common area maintenance expenses.

(10) The increase in legal expenses during the current period was mainly due to preparation of the meeting materials in relation to the special meetings of the Company bondholders held in October 2022.

FINANCE EXPENSES

	Three months ended September 30,			
	2022	2021	Change ($)	Change (%)
Finance expenses relating to:				
Green Bonds	418,028	212,417	205,611	97%
Convertible notes	58,890	52,216	6,674	13%
Office Lease	1,540	1,830	(290)	(16%)
Total	$ 478,458	$ 266,463	$ 211,995	80%

	Nine months ended September 30,			
	2022	2021	Change ($)	Change (%)
Finance expenses relating to:				
Green Bonds	$ 1,217,285	$ 606,742	$ 610,543	101%
Convertible notes	172,936	153,304	19,632	13%
Office Lease	4,808	3,080	1,728	56%
Total	$ 1,395,029	$ 763,126	$ 631,903	83%

Finance expenses, including amortization of transaction costs, relating to the Green Bond fluctuated due to the timing of the Green Bond offerings and resulting average outstanding balance of the Green Bond liability during the period.

Finance expenses, including amortization of transaction costs, relating to the convertible notes increased due to compounding of interest, which is accrued annually and is payable upon maturity of the convertible notes.

DEPLETION AND AMORTIZATION, FOREIGN EXCHANGE DIFFERENCES, AND SHARE-BASED PAYMENT

		Three months ended September 30,			
	Note	2022	2021	Change ($)	Change (%)
Depletion and Amortization	(1)	$ 84,656	$ 76,980	$ 7,676	10%
Foreign exchange gain	(2)	(573,125)	(8,347)	(564,778)	6766%
Equity-settled share-based payment	(3)	–	147,000	(147,000)	(100%)
Cash-settled share-based payment	(4)	3,013	–	3,013	N/A
Total		$ (485,456)	$ 215,633	$ (701,089)	(325%)

		Nine months ended September 30,			
	Note	2022	2021	Change ($)	Change (%)
Depletion and Amortization	(1)	$ 252,748	$ 223,196	$ 29,552	13%
Foreign exchange (gain) loss	(2)	(729,478)	1,014	(730,492)	(72041%)
Equity-settled share-based payment	(3)	40,000	778,000	(738,000)	(95%)
Cash-settled share-based payment	(4)	36,694	–	36,694	N/A
Total		$ (400,036)	$ 1,002,210	$ (1,402,246)	(140%)

The expenses presented above are summarized below:

(1) Depletion, which is recorded on a straight-line basis, increased in the Current Period, compared to the Prior Period, due to additions to royalty interests in the latter half of fiscal year 2021 and also in 2022.

(2) Foreign exchange gain for the Current Period relates mainly to the Company's U.S. dollar-denominated cash balance, secured loans, and Green Bonds and due to changes in the exchange rates. During the Current Period, the U.S. dollar appreciated in value against CAD, and the Company's total U.S. dollar-denominated assets also increased following the closing of the NOMAD Loan. Accordingly, the Company recorded a foreign exchange gain during the Current Period. The foreign exchange gain with respect to the Company's investment in OCEP Invest LLC was recorded in other comprehensive income. In August 2022, the Company reclassified $100,475, representing accumulated foreign exchange translation differences relating to its interest in OCEP Invest LLC, from other comprehensive income to net income upon change of control.

(3) Equity-settled share-based payment expense represents amortization of the fair value of 1,450,000 share purchase options granted by the Company to its directors, officers, employees and certain consultants in the first quarter of 2021. There was no equity-settled share-based payment expense recorded in the Current Quarter, as the options were fully vested in the first quarter of the current year.

(4) Cash-settled share-based compensation expense during the Current Period represents the fair value of the Company's Deferred Share Units (DSU) granted to non-executive directors and Restricted Share Units (RSU) granted to its chief executive officer and chief operating officer during the period.

1.6 LIQUIDITY

At September 30, 2022, the Company had a cash and cash equivalents balance of $8,345,000 (December 31, 2021 – $20,101,585). At September 30, 2022, the Company' cash and cash equivalents balances included restricted cash of $3,043,000 (December 31, 2021 – $9,630,000). At September 30, 2022, the Company had a working capital of $13,444,000 (December 31, 2021 – $20,927,000).

During the current period, the Company used $0.6 million cash in its operating activities, compared to $0.01 million cash generated by operating activities in the prior period.

During the current period, the Company used $16.8 million cash in investing activities, mainly with respect to the new royalty-based investments completed during the period. During the prior period, the Company used $2.4 million cash in investing activities, mainly with respect to the new royalty-based investments completed during the period, and the Company received loan repayments totaling $7.7 million, resulting in net cash generated $5.4 million by investing activities.

The Company's financing activities during current period provided $5.0 million cash, mainly from the net proceeds ($7.3 million) from the Public Offering, partially offset by cash distributions ($1.1 million) to the Company's shareholders and interest payments ($0.9 million) on Green Bonds. Interest payments relating to Green Bonds were higher in the current period due to issuance of additional Green Bonds in December 2021.

During the Prior Period, the Company used $1.1 million cash in its financing activities, mainly for cash distributions and interest payments, partially offset by the proceeds from issuance of Green Bonds.

1.7 CAPITAL RESOURCES

The Company has no lines of credit or other sources of financing which have been arranged but not yet utilized.

Further advancement of the Company's business strategies and operations will require additional funding. The Company intends to pursue additional funding either through one or a combination of the following:

- Issuance of additional equity from treasury;
- Issuance of debt such as green bonds or convertible notes;
- Debt facilities from financial institutions; and/or
- Establishment of co-investment structures or funds, whereby the Company receives a portion of the royalties generated from the co-investment structures or funds.

Although management has a reasonable expectation that it can continue to raise funds, there can be no assurance to that effect.

As of September 30, 2022, the Company was required to maintain a debt to equity ratio of 1:1 as per the convertible note agreements and the Green Bond indenture (the "Indenture"), which also requires the Company to maintain, subject to a cure period, a minimum debt coverage ratio ("Debt Coverage Ratio"), which is determined pursuant to the Indenture by dividing its quarterly earnings, before certain items such as interest, taxes, depreciation, amortization, and extraordinary items, by total interest expenses for a fiscal quarter.

At September 30, 2022, the Company was in compliance with all debt covenants.

In November 2022, the debt to equity ratio as per the Indenture was modified from 1:1 to 3:1 by way of extraordinary resolutions approved in special meetings of the Company's bondholders.

In May 2022, the Company entered into a purchase agreement for a royalty interest on a construction stage wind power project located in Alberta for an estimated consideration of approximately $1.0 million, payable on the later of January 2, 2023 or the date the project is commissioned to operate on a commercial basis. If the project has not reached commercial operations by June 1, 2023, the Company will no longer be obligated to make a payment for the purchase consideration.

Except for the aforementioned royalty purchase agreement and the office lease discussed herein, the Company has no material capital lease obligations, or "Purchase Obligations" defined as any agreements to purchase goods or services that is enforceable and legally binding on the Company that specifies all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and, the approximate timing of the transaction.

1.8 OFF-BALANCE SHEET ARRANGEMENTS

None.

1.9 TRANSACTIONS WITH RELATED PARTIES

This disclosure can be found in the accompanying Financial Statements of the Company, with additional details provided below.

The Company's related party transactions are comprised of remuneration for the Company's key management personnel ("KMP"), including its directors and executive officers that have the authority and responsibility for planning, directing and controlling the activities of the Company.

Transactions with KMP include the following:

- Directors' fees for the Company's non-executive directors, namely: Rene Carrier, Stephen Cheeseman, Gord Fretwell, Paul Larkin, Jill Leversage, and, Marchand Snyman;
- Compensation for the Company's executive officers, including salaries and benefits of Bernard Tan, Chief Executive Officer, and Peter Leighton, Chief Operating Officer;
- Share-based payments in the form of share purchase options, granted to the Company's directors and officers, which share-based payments represent amortization of the grant date fair value of the options granted over their vesting term.

	Three months ended September 30,					
		2022		2021	Change ($)	Change (%)
Short-term employment benefits (i)	$	100,000	$	104,000	$ (4,000)	(4%)
Equity-settled share-based compensation – options		–		121,000	(121,000)	(100%)
Cash-settled share-based compensation		3,013		–	3,013	N/A
Total	$	103,013	$	225,000	$ (121,987)	(54%)

Related Party Transactions	Nine months ended September 30,					
		2022		2021	Change ($)	Change (%)
Short-term employment benefits (i)	$	305,000	$	307,000	$ (2,000)	(1%)
Equity-settled share-based compensation – options		40,000		604,000	(564,000)	(93%)
Cash-settled share-based compensation		36,694		–	36,694	N/A
Total	$	381,694	$	911,000	$ (529,306)	(58%)

(i) Includes executive salaries and directors' fees relating to the Company's key management personnel.

During the Current Quarter as well as the Current Period, the decrease in the total amount of related party transactions was due to decrease in equity-settled share-based compensation representing the fair value of share purchase options amortized over the vesting term of the options. During the Prior Period, the Company granted 1,070,000 stock options to its directors and officers that led to a higher amount of share-based compensation of KMP.

Cash-settled share-based compensation during the Current Period represents the fair value of the Company's Deferred Share Units (DSU) granted to non-executive directors and Restricted Share Units (RSU) granted to its chief executive officer and chief operating officer during the period.

1.10 FOURTH QUARTER

Not required.

1.11 PROPOSED TRANSACTIONS

Except as discussed in this MD&A, there are no proposed transactions requiring disclosure under this section.

1.12 CRITICAL ACCOUNTING ESTIMATES

This disclosure can be found in the accompanying Financial Statements of the Company.

1.13 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

This disclosure can be found in the accompanying Financial Statements of the Company.

1.14 FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

This disclosure can be found in the accompanying Financial Statements of the Company.

1.15 ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Not applicable.

1.16 DISCLOSURE OF OUTSTANDING SHARE DATA

The following table details the share capital structure as of the date of this MD&A:

	Number
Common shares	43,127,607
Share-purchase options	1,585,000
Share-purchase warrants	10,723,997
Restricted Share Units and Deferred Share Units	62,512
Shares to be issued upon conversion of convertible notes (principal sum)	1,637,176

1.17 INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS

Internal Controls over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Disclosure Controls and Procedures

The Company has disclosure controls and procedures in place to provide reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized and reported within the appropriate time periods and that required information is accumulated and communicated to the Company's management so that decisions can be made about the timely disclosure of that information.

1.18 RISK FACTORS

The required disclosure is provided in the "Risk Factors" section of the Company's Annual Information Form (AIF) for the year ended December 31, 2021 as publicly filed on SEDAR at www.sedar.com.