The following discussion is management's assessment and analysis of the results and financial condition of Vanadian Energy Corp. (the "Company" or "Vanadian"), and should be read in conjunction with the accompanying unaudited condensed interim financial statements and related notes for the six months ended January 31, 2024 and 2023. The preparation of financial data is in accordance with International Financial Reporting Standards ("IFRS"), including IAS 34, Interim Financial Reporting as issued by the IASB and follows the same accounting policies and methods of application as the Company's most recent annual financial statements. All figures are reported in Canadian dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward looking statements. Forward looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. The effective date of this report is March 27, 2024.

## Overview and Outlook

The Company is a Canadian-based exploration company focused on exploring for vanadium deposits in Manitoba. Company continues to actively pursue new opportunities to capitalize on management's exploration and financing capabilities.

As at January 31, 2024, the Company had working capital deficiency of $1,577,456 (July 31, 2023: $1,473,297), and had total deficit of $50,164,627 as at January 31, 2024 (July 31, 2023: $50,060,468).

There are conditions that cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on management's capacity to identify additional sources of capital and to raise sufficient resources in order to fund on-going operating expenditures and the Company's development plan. Although management has been successful in the past, there is no assurance these initiatives will be successful in the future.

Additional information relating to the Company is available on the Company's web site at http://vanadianenergy.com/ and on SEDAR+ at www.sedarplus.com.

## Huzyk Creek Vanadium Property

The Property is located approximately 75 kilometres southeast of the town of Snow Lake, Manitoba and consists of a Mineral Exploration License covering approximately 216 square kilometres. This area has seen significant exploration for base metal mineralization as it lies within the projected extension of both the Flin Flon/Snow Lake belt as well as the Thompson Nickel Belt. Historically, the region has seen no exploration for vanadium.

A historic drill core resampling program by Rocas del Norte Incorporated (the "Vendors") discovered a broad zone of vanadium mineralization. Resampling of a 1997 drill hole (NIM-19) returned a total of 68 meters @ 0.14% V2O5 hosted within a sequence of meta-sediments associated with graphite and sulphides. No other known historic drill holes have been completed on this mineralized zone. At this time the strike, dip and lateral extent of mineralization is not known.

The mineralized interval is associated with a 1.5-kilometer-long ground electromagnetic induction ("EM") geophysical anomaly. This ground EM anomaly is associated with a longer, multi-kilometre airborne geophysical anomaly. This geophysical work was completed by previous exploration companies in the region, and the geophysical data was submitted for assessment work at the Manitoba Mining Recorders office.

In April 2019, the Company completed two holes totalling 745 metres of NQ drill core between March 29 and April 8, 2019. Both holes successfully intersected vanadium bearing graphitic metasediments. Drill hole HZ-19-1 encountered 9.74 metres grading 0.22% V2O5 within a broader interval of 13.77 metres grading 0.18% V2O5. Drill hole HZ-19-2 intersected 14.05 metres grading 0.11% V2O5. These two holes define approximately 200 metres of strike along a ground geophysical conductor outlined by historic operators. This geophysical conductor remains open along strike as the lateral extents are not currently known. These results confirm that the graphitic metasediments within the Property host potentially significant vanadium mineralization which is a new exploration target in Manitoba.

In mid-April 2019, the Company carried out a 1,373-line kilometre airborne Magnetics/EM survey over Mineral Exploration License (MEL) 1091A. The work was completed in late April 2019 by Balch Exploration Consulting Inc. using their AirTEM system, with the final report delivered on May 17, 2019. The airborne survey has identified numerous conductive and magnetic trends which will be used to outline future exploration targets within the Property area. Further work is recommended to follow up the diamond drill results as well as the numerous geophysical anomalies outlined by the airborne geophysics program.

In September 2019, the Company carried out a small prospecting program on the Huzyk Creek claims to look at outcrop exposures within the Property. The prospecting program outlined exposures of biotite gneiss with similarities to some of the lithologies noted in drill holes HZ-19-01 and HZ-19-02. Values of up to 600ppm $V_2O_5$ were noted in outcrop sampling.

In December 2019, the Company carried out a 30-line kilometre ground geophysics program. The ongoing ground geophysics program better defined a 6.7 km southwest oriented conductive trend occurring within the claims and adjacent Mineral Exploration License ("MEL") 1093A.

The Company is evaluating all future work on this property.

***Agreement***

On December 12, 2018, the definitive agreement (the "Agreement") was completed, whereby the Company has the right to earn up to 100% interest in the Huzyk Creek Vanadium Property (the "Property") in north-central Manitoba. In December 2019, the Company signed an agreement to amend the terms of the payments as per below.

The Company can earn an initial 49% interest in the Property by making staged payments over three years to Rocas del Norte Incorporated (the "Vendors") totalling $215,000, issuing 250,000 common shares and a further $157,500 in common shares and completing $2,500,000 of exploration on the Property. The staged payments are as follows:

- $25,000 in cash and 250,000 common shares (paid and issued) on signing;
- $25,000 in cash, 1,150,000 common shares, and $250,000 in exploration expenditures (paid, issued and incurred) by December 12, 2019;
- $25,000 in cash (paid) by June 2020;
- $60,000 in cash, $50,000 in common shares and $750,000 in exploration expenditures by December 12, 2020; and
- $80,000 in cash, $50,000 in common shares and $1,500,000 in exploration expenditures by December 12, 2021.

The Company can earn an additional 21% interest in the Property by making a cash payment of $125,000, issuing $50,000 in common shares to the Vendors, and completing $2,225,000 of exploration on the Property which will include a preliminary economic assessment study by December 12, 2022.

The Company can earn the remaining 30% interest in the Property for a total 100% interest in the Property by completing a pre-feasibility study, along with a cash payment of $500,000 to the Vendors by December 12, 2024.

The Vendors will retain a 2% Net Smelter Return royalty ("NSR") on the Property. The Company shall have the option to repurchase 1% of this NSR any time for $1,000,000 in cash or shares. The Company will also have a right of first refusal on the remaining 1% NSR if the Vendors elect to sell this interest.

As at January 31, 2024, $501,726 has been spent in exploration expenditures (January 31, 2023: $501,726).

As at the date of this report, the Company has not fulfilled the staged payment and exploration expenditures required by December 12, 2020, December 12, 20221 and December 12, 2022 as per the Agreement. The Company has given the Vendors a Force Majeure letter to pause the requirements of the Agreement. The Vendors have acknowledged the Force Majeure letter. As at the date of this report, the Force Majeure letter is still in force and the Agreement is in good standing.

During the year ended July 31, 2023, the Company impaired the Huzyk Creek Vanadian Property in the amount of $623,976 (2022: $Nil) as substantive expenditures on further exploration for and evaluation of mineral resources in the specific area was neither budgeted nor planned.

## Saskatchewan Properties

### Clearwater Project

Vanadian and Forum carried out geophysics and diamond drilling in 2016. The geophysical work consisted of a ground VTEM program to define targets for subsequent exploration drilling. The VTEM program outlined a number of conductors which were targeted by the drill program. Drilling commenced in late September and was completed in mid-November 2016. A total of 2,602 meters of drilling was completed in 9 drill holes.

The Mongo area is interpreted to be on strike with the structure hosting the Triple R deposit. Drilling on the Mongo Lake area (drill holes CW-16 to CW-20) of the property have encountered predominantly mafic gneisses, locally weakly graphitic, that have been cut numerous times by felsic granitic dykes and moderately radioactive (thorium bearing) mafic dykes with probing peaks of up to 2345 counts per second. These mafic dykes have been reactivated by subparallel brittle shear zones. The upper section of the drill holes also contains intervals of secondary hematite alteration, both along fracture surfaces and locally within the matrix and lithological boundaries.

Several intervals of moderate bleaching of the drill core were noted in the Mongo Lake drilling. Clays in the bleached zone have been analyzed by TerraSpec (TSP 350-2500) instrument, and have come back as mostly illite, a clay associated with hydrothermal alteration and common around all of the eastern Athabasca basin uranium deposits and at NexGen Energy's Arrow deposit. Samples of the bleached and clay altered core will be geochemically analysed in the near term to confirm the nature and type of other clay minerals present.

The combination of elevated radioactivity, bleaching with illite clay and secondary hematite associated with brittle shear zones and local graphitic zones are encouraging as these indicate that altering and radioactive fluids were active in the area. Additional drilling is required to better determine the potential for uranium mineralization on the property.

Drill hole CW-16 intersected an interval between 259.5 meters and 266.0 meters downhole assaying 3000ppm (0.3%) Lead and 43400ppm (4.34%) Zinc over a 6.5 meter core length that was chip sampled. This high grade interval occurs within a zone of anomalous Zinc mineralization, with assays ranging between 114ppm to 43400ppm Zinc and 14ppm to 3000ppm Lead between 241.8 meters and 272.0 meters downhole. The host rock is a well banded granodiorite/granitic gneiss with variable silicification and sulphide content. These samples have not been composited as they are chip samples and not continuous samples. True widths of this interval are not known at this time. Further work is required to better define the nature of this base metal mineralization.

The Company holds a 25% interest in the Clearwater Project (the "Clearwater Project") in northern Saskatchewan, which is carried at $nil.

### Pipewrench Lake Property

In 2008, Vanadian carried out exploration including prospecting and diamond drilling on the Pipewrench Lake Property. Highlights of the diamond drilling include 12.7m of 0.142% U3O8 and 19.5m of 0.083% U3O8. This was at the Portage Zone on the property which was a new discovery on the property. These drill results require follow up to determine the potential for additional uranium mineralization on the property. In addition, several other areas of the property require further work to determine their potential to host uranium mineralization.

The Company holds three claim blocks in the Pipewrench Lake and Narrows Lake areas in Saskatchewan. The Company has a 100% interest in these properties, which is carried at $nil.

## Summary of Quarterly Results

| | Q2 January 31, 2024 | Q1 October 31, 2023 | Q4 July 31, 2023 | Q3 April 30, 2023 |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| Loss for the period | (62,715) | (41,444) | (659,422) | (39,662) |
| Basic and diluted loss per share | (0.00) | (0.00) | (0.02) | (0.00) |
| Weighted average number of common shares outstanding | 42,261,150 | 42,261,150 | 42,261,150 | 42,261,150 |

| | Q2 January 31, 2023 | Q1 October 31, 2022 | Q4 July 31, 2022 | Q3 April 30, 2022 |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| Loss for the period | (62,598) | (44,751) | (43,102) | (44,443) |
| Basic and diluted loss per share | (0.00) | (0.00) | (0.00) | (0.00) |
| Weighted average number of common shares outstanding | 42,261,150 | 42,261,150 | 42,261,150 | 42,261,150 |

The loss for Q4 2023, includes an impairment of exploration and evaluation assets in the amount of $623,976. The loss for the remaining quarters were relatively consistent.

## Overall Performance and Results of Operations

Cash increased by $14,782 during the six-month period ended January 31, 2024, due to $10,218 used in operating activities, offset by $25,000 in note payable issuances.

***Three months ended January 31, 2024 and 2023***

Loss for the three months ended January 31, 2024, increased by $117 from the comparable period. Operating expenses during the current period compared to the prior period remained consistent.

***Six months ended January 31, 2024 and 2023***

Loss for the six months ended January 31, 2024, decreased by $3,190 from the comparable period. Operating expenses during the current period compared to the prior period remained consistent

## Liquidity and Capital Resources

As at January 31, 2024, the Company had working capital deficiency of $1,577,456 (July 31, 2023: $1,473,297), and had total deficit of $50,164,427 as at January 31, 2024 (July 31, 2023: $50,060,468). These conditions cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on management's capacity to identify additional sources of capital and to raise sufficient resources in order to fund ongoing operating expenditures and the Company's development plan. Although management has been successful in the past, there is no assurance these initiatives will be successful in the future.

The sources of funds currently available to the Company for its acquisition and exploration projects are due from debt and equity financing. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

## Outstanding Share Data

The Company has authorized an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

As at January 31, 2024 and at the date of this report, 42,261,150 common shares were issued and outstanding, and 2,452,500 share options were outstanding and exercisable.

## Related Party Transactions

During the six months ended January 31, 2024, the Company:

(a) Incurred consulting fees of $60,000 (six months ended January 31, 2023: $60,000) to a company of which a director of the Company is an officer. As at January 31, 2024, $645,000 (July 31, 2023: $582,000) is due to this company and included in amounts payable and accrued liabilities in the statements of financial position.

(b) As at January 31, 2024, $142,954 (July 31, 2023: $142,954) is due to a company of which a director of the Company is an officer and director and included in amounts payable and accrued liabilities in the statements of financial position.

(c) Incurred legal fees included in professional fees of $187 (six months ended January 31, 2023: $Nil) to a company of which a director of the Company is an officer. As at January 31, 2024, $78,411 (July 31, 2023: $74,876) is due to this company and included in amounts payable and accrued liabilities in the statements of financial position.

(d) As at January 31, 2024, notes payable of $350,000 (July 31, 2023: $325,000) and accrued interest of $126,381 (July 31, 2023: $116,156) is due to a director of the Company and included in notes payable and amounts payable and accrued liabilities, respectively, in the statements of financial position (Note 4).

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

There was no key management compensation during the six-month period ended January 31, 2024 and 2023.

## Off Balance Sheet Arrangements

There are no off-balance sheet arrangements.

## Proposed Transactions

There are no proposed transactions.

## Risks and Uncertainties

The Company is subject to a number of risk factors due to the nature of the mining business in which it is engaged, including adverse movements in commodity prices, which are impossible to forecast. The Company seeks to counter these risks to the extent possible by selecting exploration areas on the basis of their recognized geological potential to host economic deposits. The Company is subject to significant risks including, but not limited to, the following:

*Industry*

The Company is engaged in the acquisition and exploration of mineral properties, an inherently risky business, and there is no assurance that an economic mineral deposit will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of commercially mineable ore deposits. The geological focus of the Company is on areas in which the geological setting is well understood by management.

*Vanadium and Metal Prices*

The price of vanadium is affected by numerous factors beyond the control of the Company including the relative exchange rate of the U.S. dollar with other major currencies, demand, political and economic conditions and production levels. In addition, the price of vanadium has been volatile over short periods of time due to speculative activities and supply shortages. The price of other metals and mineral products that the Company may explore for have the same or similar price risk factors.

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*Dependence on Management*

The Company strongly depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term.

## Critical Accounting Policies and Estimates

The Company has prepared the accompanying financial statements in accordance with IFRS. Significant accounting policies are described in Note 3 of the Company's annual audited financial statements as at and for the year ended July 31, 2023.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

## Financial Instruments

*Fair values*

Cash, amounts receivable, amounts payable and accrued liabilities, and notes payable are held at amortized cost which approximates fair value due to the short-term nature of these instruments.

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy. The measurement is classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities,

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3 – Inputs that are not based on observable market data

The carrying value amount of the Company's financial instruments that are measured at amortized cost approximates fair value due to their short-term nature and market conditions.

## Management's Report on Internal Control over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.