

**CAVU Energy Metals Corp. (formerly CAVU Mining Corp.)**  
**(the “Company” or “CAVU”)**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations**  
**for the six months ended March 31, 2022**  
**Prepared as of May 27, 2022**

**Background**

This management discussion and analysis (“**MD&A**”) of the financial position of CAVU Energy Metals Corp. (formerly CAVU Mining Corp), (“**CAVU**”, the “**Company**” and “**us,**” “**our**” or “**we**”) and results of its operations for the six months ended March 31, 2022 is prepared as at May 27, 2022. This MD&A should be read in conjunction with the condensed interim financial statements for the six month period ended March 31, 2022 and the audited financial statements for the year ended September 30, 2021 and the related notes thereto, along with additional information regarding the Company, of which copies can be found on the Company’s website and on the SEDAR website at [www.sedar.com](http://www.sedar.com). The Company prepares its financial statements in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”). All currency amounts are expressed in Canadian dollars, unless otherwise noted.

**Forward-Looking Information**

This discussion contains “forward-looking statements” that involve risks and uncertainties. Such forward-looking statements concern the Company’s anticipated results and developments in the Company’s operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements also relate to the ability of the Company to obtain all government approvals, permits and third party consents in connection with the Company’s exploration and development activities; the Company’s ongoing drilling program; the Company’s future exploration and capital costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations; general business and economic conditions; analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “estimates” 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 statements. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. This MD&A may contain forward-looking statements that reflect the Company’s current expectations and projections about its future results. When used in this MD&A, words such as “estimate”, “intend”, “expect”, “anticipate” and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company’s future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company’s actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Such statements reflect our management's current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and known or unknown risks and contingencies. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements.

## **Company Overview**

CAVU Energy Metals Corp. (formerly CAVU Mining Corp.), (the "Company"), was incorporated under the Business Corporations Act (British Columbia) on July 22, 2020. On May 12, 2022, the Company changed its name from CAVU Mining Corp. to CAVU Energy Metals Corp. The Company's head office is located at 1050 – 400 Burrard Street, Vancouver, BC, V6C 3A6, and its registered and records office is located on the 6th Floor of 905 West Pender Street, Vancouver, BC V6C 1L6.

The Company is a junior exploration company pursuing the acquisition and exploration of mineral properties. Mineral resource interests represent costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values.

On February 16, 2021, the Company's common shares began trading on the Canadian Securities Exchange under the symbol "CAVU".

Effective April 9, 2021, the Company completed a stock split of its shares of common stock on a two new shares for one share basis. Upon effect of the split, authorized capital remains unchanged, with no par value. These condensed interim financial statements give retroactive effect to such stock split named above and all share and per share amounts have been adjusted accordingly, unless otherwise noted.

### COVID-19

The outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and has impacted worldwide economic activity. Conditions surrounding the coronavirus continue to evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company's business activities. The extent to which the coronavirus may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

## **Overall Performance**

The key factors pertaining to the Company's overall performance for the six months ended March 31, 2022, are as follows:

The Company had working capital of \$2,688,711 as at March 31, 2022, compared to working capital of \$177,418 as at September 30, 2021. The increase in working capital is primarily due to proceeds of

\$3,500,000 received from a private placement that was completed in January 2022, offset by share issuance costs and operating expenditures.

The Company had a comprehensive loss of \$1,348,864 for the six months ended March 31, 2022. Contributing to this comprehensive loss is share-based payments of \$577,880, professional fees of \$126,380, office and miscellaneous costs of \$324,374, and consulting fees of \$180,024. Additional information relating to these costs, payments and fees is provided in the “*Results of operations for the six months ended March 31, 2022 and 2021*” and “*Summary of quarterly results*” sections in this MD&A. During the six months ended March 31, 2021, the Company ceased exploration of the Kitimat Property and terminated the Kitimat option agreement resulting in an impairment charge to exploration and evaluation assets of \$131,212.

The Company has negative cash flow from operations and its level of operations has been determined by the availability of capital resources. Cash used in operating activities for the six months ended March 31, 2022, was \$1,264,591. Cash flows consumed in investing activities was \$178,575, and was used to fund exploration and evaluation cost for the Hopper, Quesnel, and Kitimat properties. Cash generated from financing activities was \$3,410,810 and was mostly due to \$3,500,000 in proceeds received from a private placement offering that closed in January 2022 less share issuance costs.

## THE HOPPER PROPERTY

On March 31, 2021, the Company entered into an option agreement to acquire a 70% interest in the Hopper Property, located in the Yukon Territory. Upon the performance of each of the Company’s obligations under the Hopper Property Option Agreement, the Company will acquire the 70% right, title and interest in and to the Hopper Property. The Company’s objective is to explore and, if warranted, develop the Hopper Property.

Upon completing its obligations under the Hopper Property Option Agreement, the Company will hold a 70% interest in the 365 quartz mining claims, comprising the Hopper Property. The Company’s agreement with the Optionor is an arm’s length transaction. In order to exercise its option under the Hopper Property Option Agreement, the Company shall pay to the Optionor a total of \$700,000 incur a minimum of \$5,000,000 in exploration expenditures, and issue to the Optionor a total of 500,000 common shares.

	Cash	Common shares <sup>(1)</sup>	Aggregate exploration expenditures
On or before seven calendar days after March 31, 2021 – <i>paid and issued</i>	\$ 25,000	100,000	\$ -
On or before one calendar year after March 31, 2021 - <i>paid and issued</i>	75,000	100,000	-
On or before two calendar years after March 31, 2021	150,000	100,000	1,000,000
On or before three calendar years after March 31, 2021	200,000	100,000	2,000,000
On or before four calendar years after March 31, 2021	250,000	100,000	2,000,000
<b>Total</b>	<b>\$ 700,000</b>	<b>500,000</b>	<b>\$ 5,000,000</b>

<sup>(1)</sup> All common share amounts have been adjusted for the two for one forward stock split.

As at the date of this MD&A, the Company has made cash payments of \$100,000 and issued 200,000 common shares to the Optionor under the Hopper Property Option Agreement. The Company has also incurred exploration expenditures of \$763,442. The closing of the Hopper Property Option Agreement is conditional on the Company fulfilling the commitments outlined in the table above. See below for more details on the Hopper Property.

A 1117 m diamond drill-program was undertaken in July and August of 2021. The drill program focused on connecting geophysical anomalies to suspected copper mineralization in both skarn and porphyry targets. The drill program successfully encountered skarn mineralization as well as porphyry mineralization.

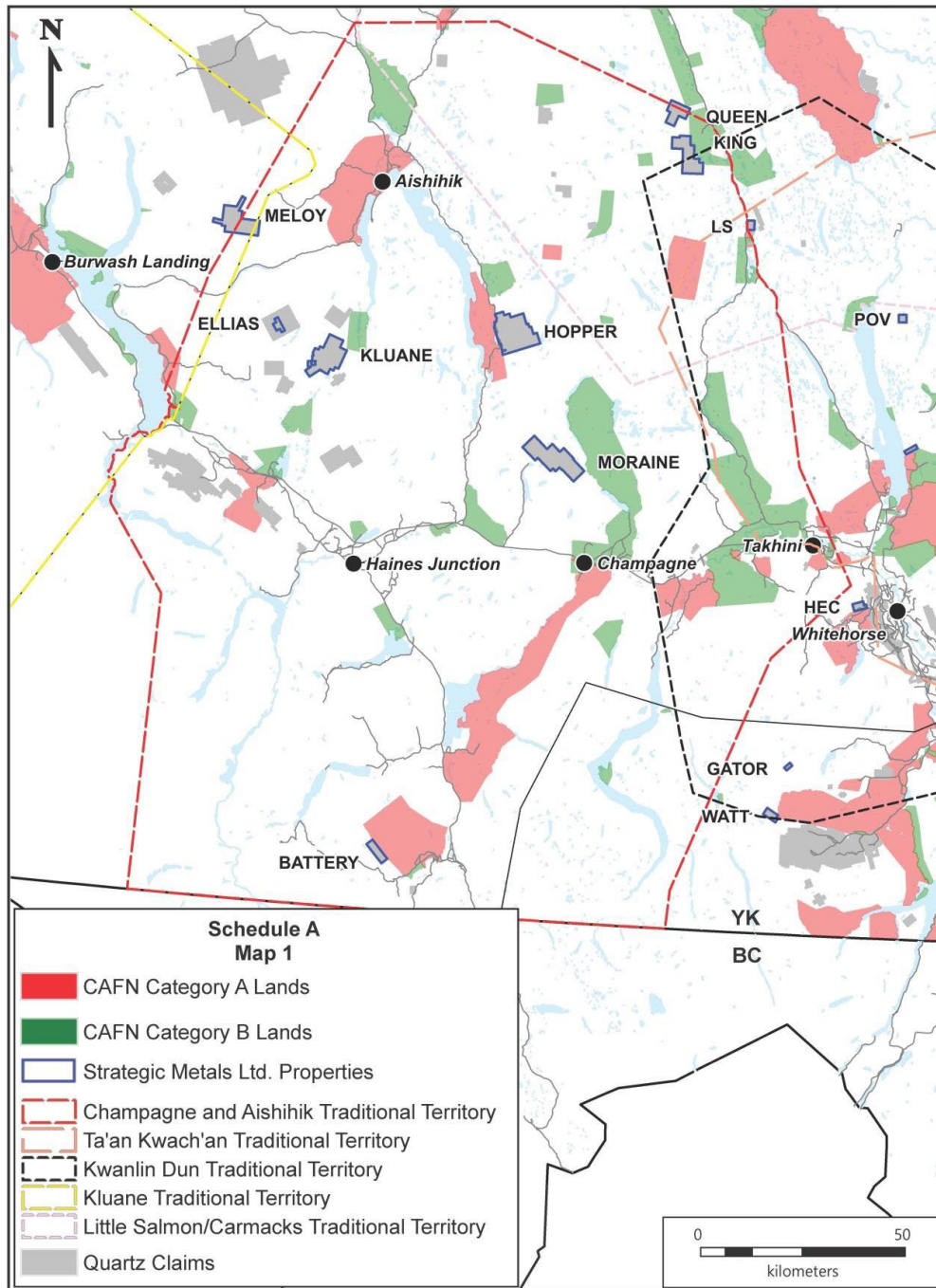
The skarn mineralization to the south of the Hopper Intrusion has been renamed “Copper Castle”. Drilling proved that high-grade skarn mineralization continues to the south of Franklin Creek with results of drill hole HOP21-01 to HOP21-03. Based on geophysical data the skarn may continue further south for several hundred meters. HOP21-04 and HOP21-05 were drilled towards the northern margin of the skarn, where the skarn abuts the Hopper Intrusion. These holes returned lower-grade copper skarn over several horizons and intervals of potassically altered granodiorite.

HOP21-06 targeted porphyry mineralization by testing three independent anomalies: 1) copper in soil geochemical anomaly, 2) 3DIP chargeability anomaly, 3) magnetic anomaly. The hole intersected over 100m of copper mineralized propylitic altered porphyry from surface. The hole in combination with the geophysical data indicates that magnetic and soil geochemical data together are a powerful targeting tool for shallow porphyry mineralization.

### Hopper Property Mineral Claims

<u>Property</u>	<u>Claim Name</u>	<u>Claim Number</u>	<u>Grant Number</u>	<u>Mining District</u>	<u>Expiry Date</u>	<u>Registered Owner</u>	<u>Claim Count</u>
Hopper	GAL	1-8	YC65907-YC65914	Whitehorse	Feb 15, 2036	Archer Cathro	8
	GUY	1-16	YC19466-YC19481	Whitehorse	Feb 15, 2036	Archer Cathro	16
	HOPPER	1-20	YC41091-YC41110	Whitehorse	Feb 15, 2036	Archer Cathro	20
	HOPPER	21-162	YC47017-YC47158	Whitehorse	Feb 15, 2034	Archer Cathro	142
	HOPPER	163-168	YC65915-YC65920	Whitehorse	Feb 15, 2034	Archer Cathro	6
	HOPPER	170	YC47159	Whitehorse	Feb 15, 2034	Archer Cathro	1
	HOPPER	171-266	YD123011-YD123016	Whitehorse	Feb 15, 2034	Archer Cathro	96
	HOPPER	267-290	YF28607-YF28630	Whitehorse	Feb 15, 2034	Archer Cathro	24
	HOPPER	291-292	YF28631-YF28632	Whitehorse	Feb 15, 2034	Archer Cathro	2
	HOPPER	293-294	YF28633-YF28634	Whitehorse	Feb 15, 2034	Archer Cathro	2
	HOPPER	295	YF28635	Whitehorse	Feb 15, 2034	Archer Cathro	1
	HOPPER	296-342	YF28636-YF28682	Whitehorse	Feb 15, 2034	Archer Cathro	47

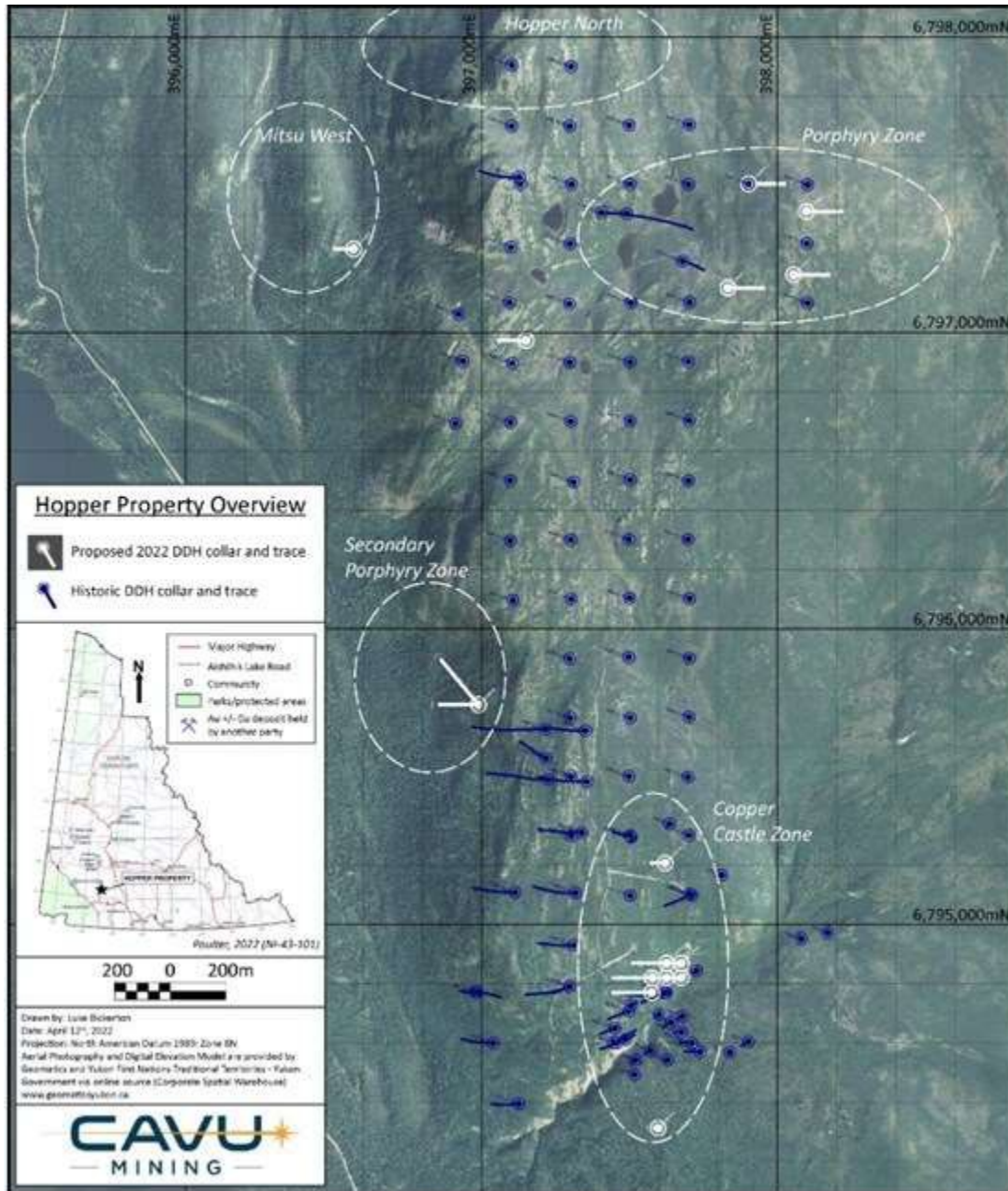
## Location Map of the Hopper Project



On April 25, 2022, the Company announced that it had commenced an additional drill program at the Hopper property. Several high priority targets at the Hopper remain untested such as extensions of Copper Castle and two porphyry targets. Other targets include the Mitsu West showing which contains both porphyry, breccia and endoskarn mineralization over an area that is 600 by 200 meters, and the Northern Skarn, a 350 by 350 meter area of chalcopryrite mineralization associated with magnetite skarn and calcsilicate alteration, which previous exploratory work indicated may contain copper mineralization.

Exploration and drilling has commenced at the Hopper project as of early May 2022 with 580 m drilled in two holes as of May 24<sup>th</sup>, 2022. These first holes were collared in Copper Castle. The Company expects to start drilling the porphyry zone before the end of May. As part of the program several unsampled sections of core with porphyry style mineralization and alteration were identified in historical core. These intersects were sampled and have been sent for assay and provide important vectors towards the porphyry targets.

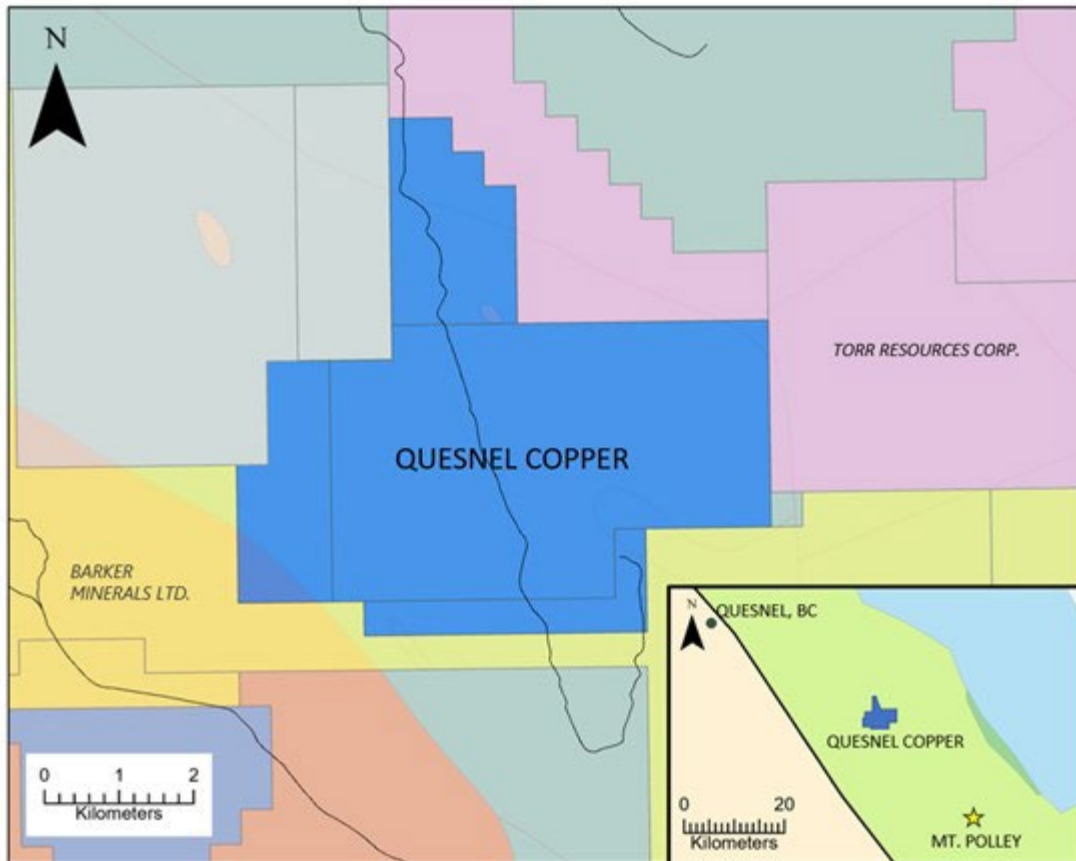
### Hopper Property Overview



## The Quesnel Copper Project

CAVU has acquired the Quesnel Copper Project (“Quesnel Copper”) in BC, 30 km northwest of the Mt. Polley mine in the Quesnellia Terrane. Quesnel Copper is 30 km<sup>2</sup> in total, located less than 40 km from Quesnel and accessible by logging roads. The Quesnel Copper Project is an early-stage project with discovery potential and was acquired through staking. The Quesnel Copper Project contains a 90<sup>th</sup> percentile gold and 99<sup>th</sup> percentile copper sample from a BCGS regional geochemical survey. No significant exploration has been undertaken to date. The Company is planning a till sampling program to follow up on the regional geochemical survey results that were obtained by the BCGS. A location map is shown below.

### Location Map of the Quesnel Copper Project



## **The Star Project**

On April 20, 2022, the Company announced its intention to acquire a 100% interest in the Star Project, a copper-gold porphyry project located in the Stikine Arch which is a geological region that hosts a number of large porphyry copper-gold projects (such as Red Chris, and Galore Creek deposits), in northern British Columbia, Canada.

The property has been explored since the 1950s with 18,739 meters of drilling performed since 1955 which has revealed a porphyry system that has been tested to 700 meters below the surface. CAVU intends to compile and analyze all existing data on the project and proceed with a comprehensive exploration program to further test five porphyry targets that have already been partly delineated by previous drilling campaigns.

As at March 31, 2022, the Company had paid a \$44,000 deposit relating to a letter of intent submitted to Deloitte Restructuring Inc. (in its capacity as the court appointed receiver of Otso Gold Corp.) for the potential acquisition of a 49% joint venture interest in a copper-gold porphyry project in northern British Columbia known as the Star Project. On April 19, 2022, the Company completed the acquisition of the 49% joint venture interest in the Star Project.

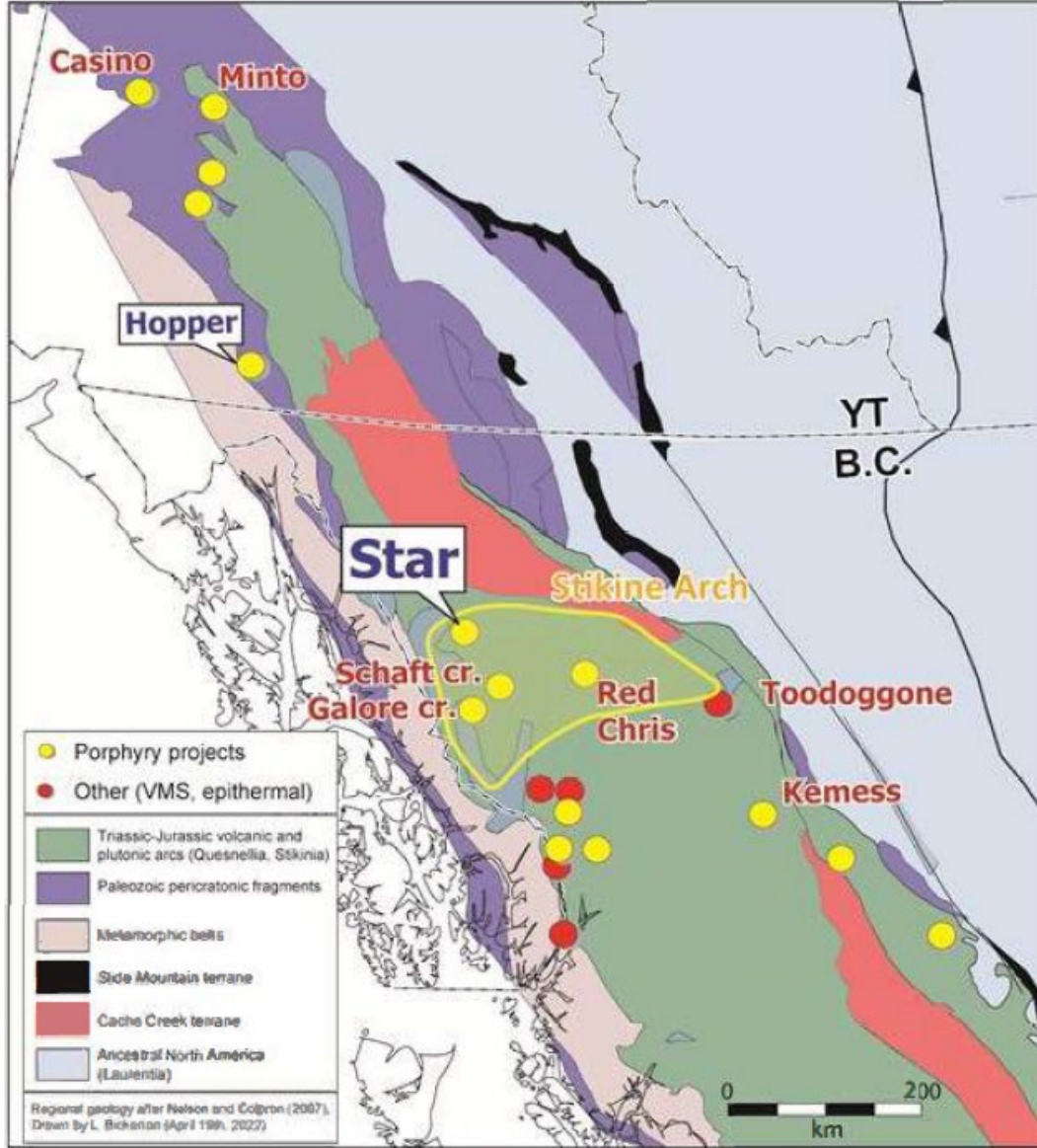
On May 16, 2022, the Company entered into a definitive agreement to option the remaining 51% interest in the Star Project from Prosper Gold Corp (“Prosper”) whereby the Company may acquire the 51% interest by: (i) issuing 1,250,000 common shares to Prosper within seven days after the definitive agreement being signed; and (ii) cash payments to Prosper in the amounts of:

- \$100,000 within seven days of the Effective Date;
- \$285,000 by July 1, 2022;
- \$385,000 within one year of the Effective Date; and
- \$385,000 within two years of the Effective Date.

Should the Company not exercise the 51% option in full, Prosper shall have a 30-day period from the termination date to purchase the Company’s 49% interest in the Star Project for a lump sum cash payment of \$500,000.

The Star Project is subject to a royalty with certain legacy owners representing 2% of net smelter returns upon commercial production. One-half of the royalty may be repurchased from the royalty holders for a price of \$2,000,000.

## Star Project Overview



## THE KITIMAT PROPERTY

On December 7, 2020, the Company obtained an option to acquire a 100% interest in the Kitimat Property. The Kitimat Property is an exploration stage property that consists of five (5) contiguous mineral claims, totaling approximately 3,069.68 hectares in the Skeena Mining Region, British Columbia, Canada.

Upon completing its obligations under the Kitimat Property Option Agreement, the Company would hold a 100% interest in the five (5) contiguous mining claims comprising the Property. The Company's agreement with the Optionor is an arm's length transaction. In order to exercise its option under the Kitimat Property Agreement, the Company was required to pay to the Optionor a total of \$390,000, incur a minimum of \$1,000,000 in exploration expenditures, and issue to the Optionor a total of 2,650,000 Common Shares.

The Company has opted not to continue with the exploration program at the Kitimat Property, and provided a cancellation notice pursuant to the option agreement. As of March 31, 2022, the Company has made total cash payments of \$40,000, and issued 250,000 common shares to the Optionor under the Kitimat Property Agreement. The Company had also incurred exploration expenditures of \$78,712. All exploration and evaluation costs associated with the Kitimat Property have been written off as of March 31, 2022, and an impairment charge of \$131,212 has been recorded in the condensed interim statements of loss and comprehensive loss for the six months ended March 31, 2022.

### **Exploration Programs**

The Company expects that any future developments related to the coronavirus may make corporate and exploration activities less efficient than if such activities were carried out under normal circumstances. Notwithstanding, the Company expects to be able to execute exploration programs on both the Hopper and Quesnel Copper Properties in 2022.

If exploration on the Hopper or Quesnel Copper becomes inadvisable for any reason, including obtaining future unfavourable exploration results, the company may abandon in whole or in part its interests in the properties or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Company, although the Company has no present plans in this respect. Shareholders must rely on the experience, good faith and expertise of management of the Company with respect to future acquisitions and activities.

### **Qualified Person**

The scientific and technical information contained in this MD&A has been reviewed and approved by Roger Hulstein P.Geol., the Qualified Person for Cavu Energy Metals Corp. as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Roger Hulstein P.Geol., has examined the information which includes the data disclosed underlying the information and opinions contained herein.

### **Critical Accounting Estimates and Policies**

The significant accounting policies are described in Note 3 of the audited financial statements for the year ended September 30, 2021.

The critical accounting estimates are described in Note 4 of the audited financial statements for the year ended September 30, 2021.

These financial statements have been prepared on a historical cost basis and are presented in Canadian dollars which is the functional currency of the Company. All amounts are rounded to the nearest dollar. The financial statements of the Company have been prepared on an accrual basis, except for cash flow information.

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

### ***Future accounting standards issued but not yet in effect***

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards and determined that there are no standards that are relevant to the Company.

### **Share Capital**

Authorized share capital of the Company consists of an unlimited number of common shares with no par value.

### **Share Issuances**

During the six months ending March 31, 2022, the Company issued a total of 240,000 shares for the exercise of 240,000 warrants at \$0.15 for gross proceeds of \$36,000.

On March 31, 2022, the Company issued 100,000 common shares valued at \$59,000 pursuant to the Hopper Property Option Agreement.

On January 21, 2022, the Company completed a private placement offering issuing 8,750,000 units of the Company at \$0.40 per unit from which the Company received total proceeds of \$3,500,000. Each unit consists of one common share and one whole common share purchase warrant. Each warrant is exercisable at a price of \$0.60 per share with an expiry date of January 21, 2024. In conjunction to the private placement, the Company issued 227,063 finders warrants, exercisable at a price of \$0.60 per unit, for a total value of \$71,363 at the time of issuance.

### **Warrants**

At March 31, 2022, there are 19,503,563 warrants outstanding and exercisable entitling the holders thereof the right to purchase one common share for each warrant held as follows:

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
4,100,000	\$0.025	September 28, 2025
1,700,000	\$0.025	October 8, 2025
3,355,000	\$0.15	February 16, 2023
1,571,500	\$0.50	March 26, 2023
8,977,063	\$0.60	January 1, 2024
<b>19,503,563</b>		

The warrants have a weighted average remaining life of 2.10 years.

## Options

On December 10, 2020, the Company adopted a Stock Option Plan (the “Plan”). The Plan provides eligible directors, officers, employees and consultants of the Company with the opportunity to acquire an ownership interest in the Company was the basis for the Company’s long-term incentive scheme. The Plan was superseded by the Omnibus Equity Incentive Plan (the “Omnibus Plan”) as of March 25, 2022.

The Omnibus Plan is administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board. The maximum number of common shares issuable under the Omnibus Plan shall not exceed 10% of the number of common shares of the Company issued and outstanding as of each award date, inclusive of all common shares reserved for issuance pursuant to previously granted stock options. The exercise price of options granted under the Omnibus Plan will not be less than the closing market price of the Company’s common shares on the exchange. The options have a maximum term of ten years from date of issue and vesting is determined by the Board.

On October 1, 2021, the Company granted 50,000 options at an exercise price of \$0.57 to a consultant of the Company. These options vest immediately and expire on October 1, 2024.

On January 24, 2022, the Company granted 1,325,000 options at an exercise price of \$0.47 to consultants, advisors, and directors of the Company. 1,250,000 of these options vest immediately, and the remaining 75,000 options vest as follows: 25,000 on each of the 6, 12, and 18 month anniversaries after the grant date. All 1,325,000 options expire on January 24, 2025.

As at March 31, 2022, options were as follows:

Exercise Price (\$)	Outstanding		Exercisable	
	Number of Options	Weighted Average Remaining Contractual Life (years)	Number of Options	Weighted Average Remaining Contractual Life (years)
\$0.235	1,520,000	3.91	620,000	3.91
\$0.41	70,000	4.27	35,000	4.27
\$0.57	50,000	2.51	50,000	2.51
\$0.47	1,225,000	2.82	1,225,000	2.82
\$0.47	100,000	2.82	25,000	2.82
	2,965,000	3.41	1,955,000	3.18

## Results of operations for the six months ended March 31, 2022 and 2021

	Six months ending March 31, 2022	Six months ending March 31, 2021
<b>Expenses</b>		
Amortization	\$ 1,624	\$ -
Consulting	180,024	18,485
Office and miscellaneous	324,374	17,443
Professional fees	126,380	78,762
Share-based payments	577,880	61,355
Salaries	3,334	-
Travel	1,637	-
	<u>1,215,253</u>	<u>176,045</u>
Net loss before other items	(1,215,253)	(176,045)
<b>Other items</b>		
Foreign exchange loss	(2,399)	(241)
Impairment of exploration and evaluation asset	(131,212)	-
<b>Net loss and comprehensive loss</b>	<b>\$ (1,348,864)</b>	<b>\$ (176,286)</b>
<b>Weighted average number of common shares outstanding</b>	<b>24,421,746</b>	<b>13,621,313</b>
<b>Loss per share – basic and diluted</b>	<b>\$ (0.06)</b>	<b>\$ (0.01)</b>

The Company incurred a net and comprehensive loss of \$1,348,864 for the six months ended March 31, 2022, compared to a net and comprehensive loss of \$176,286 for the six months ending March 31, 2021. The increase in loss from the 2021 comparative period is largely due to increased exploration and operational activity during the six month period ending March 31, 2022 in comparison to the six month period ending March 31, 2021, at which point the company had been incorporated for less than a year. Consulting fees of \$180,024 increased by \$161,539 from \$18,485 due to business development, strategic, and capital market related consulting services received. Office and miscellaneous fees increased by \$306,931 from \$17,443 to \$324,374 as the Company incurred additional costs from more business activity and corporate development including rent charges, general office expenses, advertising expenditures, filing fees and insurance for directors and officers. The Company began renting its current Vancouver office location in August 2021. Professional fees, including accounting services, corporate secretary fees and legal services, increased by \$47,618 from \$78,762 to \$126,380 due to additional and sustained services needed to manage and report the Company's affairs as a publicly traded entity (the Company began publicly trading in February 2021). Share-based payments increased by \$516,525 from \$61,355 for the six months ending March 31, 2021 to \$577,880 for the six months ending March 31, 2022 due to the number of options granted, the estimated value per option, and the vesting conditions of the options. The Company also ceased exploration on the Kitimat Property and terminated the Kitimat option agreement resulting in an impairment charge of \$131,212 in the six months ending March 31, 2022.

## Summary of Quarterly Results

The following table provides selected quarterly financial data. As the Company was incorporated on July 22, 2020, only seven periods have been completed to date.

	Mar. 31, 2022	Dec. 31, 2021	Sept. 30, 2021	Jun. 30, 2021	Mar. 31, 2021	Dec. 31, 2020	Sept. 30, 2020
Total assets	\$ 3,915,285	\$ 1,369,825	\$ 1,240,241	\$ 915,240	\$ 990,923	\$ 422,592	\$ 49,607
Non-current financial liabilities	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Revenues	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Net loss for the period	\$ (878,526)	\$ (470,338)	\$ (359,601)	\$ (115,627)	\$ (150,603)	\$ (25,683)	\$ (8,318)
Loss per share – basic and diluted	\$ (0.03)	\$ (0.02)	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ (0.00)	\$ (0.01)
Weighted average shares outstanding	27,874,945	21,043,617	16,939,102	15,695,778	13,620,767	10,688,066	2,580,284

Net loss incurred during the three months ended March 31, 2022, was \$878,526 which was mainly attributed to share-based payments expenses of \$510,229, consulting fees expenses of \$108,669, office and miscellaneous expenses of \$176,849, and professional fees expenses of \$74,655. Share-based payments has increased over prior quarters due to the number of options granted, timing, and estimated value of options granted. The increase in consulting fees over prior quarters mostly stems from the Company ramping up operations, and soliciting consulting services related to business development, strategy, and capital markets. The increase in office and miscellaneous expense over prior quarters is attributed to increased operations which contributed to higher costs relating to advertising, filing, insurance, investor relations, rent and other miscellaneous costs. Professional fees increased compared to prior quarters due to sustained professional services required as a result of the Company's growing operations, pursuing the acquisition of new mineral exploration projects (including the Star Project 49% interest), and due to the Company being publicly listed.

Net loss incurred during the three months ended December 31, 2021 was \$470,338 and consisted of share based payments of \$67,651, office and miscellaneous expenditures of \$147,525 which consisted of advertising, rent, transfer agent and filing fees, professional fees of \$51,725 which consisted of legal and accounting services, and consulting fees of \$71,355 incurred for the purpose of business development. In addition, the Company has opted to cease its exploration program at the Kitimat Property and terminated the option agreement, resulting in the Kitimat Property being written down and recognizing an impairment charge of \$131,212.

Net loss incurred during the three months ended September 30, 2021 was \$359,601 and primarily consisted of share-based payments from options granted, professional fees involved for financial reporting and bookkeeping services, consulting expenses for marketing services and expenses relating to investor relations. In addition, a \$28,534 gain was recognized on premium charged for flow-through shares issued in July 2021.

Net loss incurred during the three months ended June 30, 2021 was \$115,627 and primarily consisted of share-based payments from options granted and professional fees involved for financial reporting and bookkeeping services.

Net loss incurred during the three months ended March 31, 2021 was \$150,603 and primarily consisted of consulting expenses for the investigation of the mineral exploration property acquired, share based payments on options granted, and professional fees involved in the going public process.

Net loss incurred during the three months ended December 31, 2020 was \$25,683 and primarily consisted of consulting expenses for the investigation of the mineral exploration property acquired, and professional fees in anticipation and preparation of going public.

Net loss incurred during the period from Incorporation on July 22, 2020 to September 30, 2020 was \$8,318 and primarily consisted of general and administrative expenses associated with the establishment of the Company.

The Company did not generate any revenue during the three months ended March 31, 2022 and during the period from Incorporation on July 22, 2020 to December 31, 2021

### **Liquidity and Capital Resources**

The Company manages its capital structure and makes adjustments to it to effectively support the acquisition of mineral exploration properties. In the definition of capital, the Company includes, as disclosed on its statement of financial position: share capital and deficit.

The Company is dependent on external financing to fund its activities. In order to carry out the planned development and acquisitions and pay for general administrative costs, the Company will be using its existing working capital and will raise additional amounts as needed. The Company will continue to acquire and explore mineral exploration properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended March 31, 2022. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

### ***Cash Flows***

Historically and prospectively, the Company's primary sources of liquidity and capital resources have been and will continue to be proceeds from the issuance of common shares. Based on the Company's level of operations and its expected operations over the next 12 months, the Company believes that cash generated from cash on hand and anticipated future capital raises will be adequate to meet anticipated liquidity requirements, capital expenditures and working capital needs for the next 12 months. The Company's future operating performance will be subject to future economic conditions and to financial, business and other

factors, many of which are beyond the Company's control. See "Financial Instruments and Risk Management" of this MD&A for a discussion of the risks related to the Company's liquidity and capital structure.

As at March 31, 2022, the Company had a cash balance of \$2,241,789, most of which had been received as proceeds from a private placement offering that closed in January 2022.

Net cash used in operating activities for the six months ended March 31, 2022 was \$1,264,591. A net loss and negative cashflows were generated from operating activities as the company has not yet generated revenue due to being in an early stage of operations.

Cash used in investing activities for the six months ended March 31, 2022 was \$178,575 which was related to the for exploration and acquisition related expenditures on the Kitimat, Hopper, and Quesnel properties, as well as \$2,300 for equipment.

Net cash provided by financing activities for the six months ended March 31, 2022 was \$3,410,810 which mostly consisted of \$3,500,000 in proceeds, less share issuance costs of \$125,190, from a private placement that closed in January 2022. The Company also received \$36,000 from the exercise of warrants.

#### ***Other Factors Affecting Liquidity***

The Company may also raise additional equity or enter into arrangements to secure necessary financing to fund the exploration of mineral projects, to meet obligations, or for the general corporate purposes of the Company. Such arrangements may take the form of loans, strategic agreements, joint ventures or other agreements. The sale of additional equity could result in additional dilution to the Company's existing stockholders, and financing arrangements may not be available to the Company, or may not be available in sufficient amounts or on acceptable terms.

From time to time, the Company may pursue various strategic business opportunities. These opportunities may include proposed development and/or management of, investment in or ownership of additional businesses through direct investments, acquisitions, joint venture arrangements and other transactions. The Company can provide no assurance that it will successfully identify such opportunities or that, if the Company identifies and pursues any of these opportunities, that any of them will be consummated.

## *Financial Instruments and Risk Management*

### Categories of financial instruments

	<b>March 31, 2022</b>	<b>September 30, 2021</b>
<b>FINANCIAL ASSETS</b>		
<b>FVTPL</b>		
Cash	\$ 2,241,789	\$ 274,145
Restricted cash	28,750	-
<b>Other assets, at amortized cost</b>		
Receivables	1,809	3,938
<b>Total financial assets</b>	<b>\$ 2,272,348</b>	<b>\$ 278,083</b>
<b>FINANCIAL LIABILITIES</b>		
<b>Other liabilities, at amortized cost</b>		
Trade payables and other liabilities	\$ 168,411	\$ 192,193
<b>Total financial liabilities</b>	<b>\$ 168,411</b>	<b>\$ 192,193</b>

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

The fair value of financial assets and financial liabilities at amortized cost is determined based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments. Cash and restricted cash are measured using level 1 of the fair value hierarchy.

The Company is exposed, at varying degrees, to a variety of financial instrument related risks:

#### **Credit risk**

Financial instruments that potentially subject the Company to credit risk consist of cash. The Company manages its credit risk relating to cash by dealing only with high-rated financial institutions as determined by rating agencies. As a result, credit risk is considered insignificant. The Company does not consider any of its financial assets to be impaired.

#### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Company addresses its liquidity by raising capital through the issuance of equity. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. The Company is exposed to liquidity risk.

**Foreign currency risk**

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and the U.S. dollar will affect the Company's operations and financial results. The operating results and financial position of the Company are reported in Canadian dollars. As of March 31, 2022, the Company is not subject to foreign currency risk.

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate risk and commodity price risk arising from financial instruments.

## Related Party Transactions

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

### *Key management compensation*

Key management personnel include directors and key officers of the Company including the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and Vice President of Exploration (“VP of Exploration”). During the six months ended March 31, 2022 and 2021, remuneration with directors and key officers was as follows:

	<b>Six months ended March 31, 2022</b>	<b>Six months ended March 31, 2021</b>
Share-based payments <sup>(1)</sup>		
Alex McAulay, CFO	\$ 46,323	\$ 8,057
ACM Management Inc., a company controlled by Alex McAulay, CFO	23,162	4,028
Danny Matthews, Director	65,173	8,057
David Goertz, Director	46,323	8,057
Jacob Verbaas, CEO	111,495	16,114
Luke Bickerton, VP of Exploration	20,017	-
Lucia Theny, Director	37,699	-
Salaries		
Alex McAulay, CFO	3,120	-
Consulting fees <sup>(2)</sup>		
Hicest Media Ltd., a company controlled by Jacob Verbaas, CEO	58,000	7,000
Bickerton Geoscience Inc., a company controlled by Luke Bickerton, VP of Exploration	32,000	-
Professional fees		
ACM Management Inc., a company controlled by Alex McAulay, CFO	61,665	26,588
D. Matthews Law Corporation, a company controlled by Danny Matthews, Director	51,360	-
	<b>\$ 556,337</b>	<b>\$ 77,901</b>

<sup>(1)</sup> Share-based payments are comprised of stock options, which are non-cash expenditures.

<sup>(2)</sup> For the 6 months ended March 31, 2022, \$34,000 in consulting fees were capitalized to exploration and evaluation assets (2021 - \$nil).

### *Related party balances*

At March 31, 2022, included in trade payables was \$16,148 (September 30, 2021 - \$2,714) due to ACM Management Inc., a company controlled by Alex McAulay for accounting and corporate secretarial services and expense reimbursements which is due on demand, unsecured, and non-interest bearing.

At March 31, 2022, included in trade payables was \$8,871 (September 30, 2021 - \$20,727) due to Hicest Media Ltd., a company controlled by Jacob Verbaas for consulting services and expense reimbursements which is due on demand, unsecured, and non-interest bearing.

At March 31, 2022, included in trade payables was \$8,000 (September 30, 2021 - \$10,661) due to Bickerton Geoscience Inc., a company controlled by Luke Bickerton for exploration services and expense reimbursements which is due on demand, unsecured, and non-interest bearing.

At March 31, 2022, included in trade payables was \$7,280 (September 30, 2021 - \$Nil) due to D. Matthews Law Corporation, a company controlled by Danny Matthews for professional fees and expense reimbursements which is due on demand, unsecured, and non-interest bearing.

Except as disclosed above, CAVU does not have any ongoing contractual or other commitments resulting from transactions with related parties.

#### **Additional Disclosure for Venture Issuers Without Significant Revenue**

During the six months ended March 31, 2022 and 2021, the Company incurred the following expenses:

	<b>2022</b>	<b>2021</b>
Capitalized property acquisition costs	\$ 134,000	\$ 112,500
Capitalized exploration costs	101,275	746,004
Advance for exploration costs	Nil	Nil
Recovery of exploration and evaluation assets	Nil	Nil
Impairment of exploration and evaluation assets	131,212	Nil
Operating expenses	1,215,253	176,045

Please refer to Note 8, “*Exploration and Evaluation Assets*”, in the condensed interim financial statements for the six months ended March 31, 2022 for a description of the capitalized acquisition costs presented on a property-by-property basis.

The Company does not anticipate paying dividends at this time.

## Off-Balance Sheet Arrangements

### *Hopper Property option agreement*

The Company has an option agreement to acquire 70% of the Hopper Property located in Yukon, Canada. To exercise the option and earn the 70% interest in the property, the Company must make total cash payments of \$700,000, issue 500,000 common shares and incur \$5,000,000 expenditures as follows:

	Cash	Common shares	Aggregate exploration expenditures
On or before seven calendar days after March 31, 2021 – <i>paid and issued</i>	\$ 25,000	100,000	\$ -
On or before one calendar year after March 31, 2021 - <i>paid and issued</i>	75,000	100,000	-
On or before two calendar years after March 31, 2021	150,000	100,000	1,000,000
On or before three calendar years after March 31, 2021	200,000	100,000	2,000,000
On or before four calendar years after March 31, 2021	250,000	100,000	2,000,000
<b>Total</b>	<b>\$ 700,000</b>	<b>500,000</b>	<b>\$ 5,000,000</b>

### *Office lease commencing September 1, 2022*

On March 11, 2022, the Company entered into an office lease agreement that is to commence September 1, 2022 and expire on August 31, 2027. Under the agreement, the Company has committed to pay the following monthly basic rent payments over the specified time periods:

<b>Time period:</b>	<b>Monthly basis rent payment:</b>
September 1, 2022 – August 31, 2024	\$11,533.75
September 1, 2024 – August 31, 2026	\$11,810.50
September 1, 2026 – August 31, 2027	\$12,067.25

## Disclosure of Outstanding Share Data

The Company's common shares trade on the Canadian Securities Exchange under the symbol "CAVU".

As of the date of this MD&A, there are 31,373,834 outstanding common shares which consisted of 6,513,780 restricted and 24,860,054 non-restricted common shares.

As of the date of this MD&A, there are 19,478,563 warrants and 2,965,000 stock options outstanding.

## **Subsequent events**

On April 18, 2022, the Company issued 25,000 common shares for the exercise of 25,000 warrants exercisable at \$0.15 for proceeds of \$3,750.

On April 19, 2022, the Company acquired a 49% joint venture interest in the Star Project for a total purchase price of \$220,000. The Company closed the 49% acquisition by way of an asset purchase agreement with Deloitte Restructuring Inc. (in its capacity as the court appointed receiver of Otso Gold Corp.), following receipt of an approval and vesting order from the Supreme Court of British Columbia, by payment of a lump sum cash amount of \$220,000.

On May 16, 2022, the Company entered into a definitive agreement to option the remaining 51% interest in the Star Project from Prosper Gold Corp (“Prosper”) whereby the Company may acquire the 51% interest by: (i) issuing 1,250,000 common shares to Prosper within seven days after the definitive agreement being signed; and (ii) cash payments to Prosper in the amounts of:

- \$100,000 within seven days of the Effective Date; (paid on May 17, 2022)
- \$285,000 by July 1, 2022;
- \$385,000 within one year of the Effective Date; and
- \$385,000 within two years of the Effective Date.

On May 20, 2022, the Company issued 1,250,000 common shares to Prosper as per the definitive agreement.

Should the Company not exercise the 51% option in full, Prosper shall have a 30-day period from the termination date to purchase the Company’s 49% interest in the Star Project for a lump sum cash payment of \$500,000.

The Star Project is subject to a royalty with certain legacy owners representing 2% of net smelter returns upon commercial production. One-half of the royalty may be repurchased from the royalty holders for a price of \$2,000,000.