Group Eleven Resources Corp.

Management Discussion and Analysis

For the Three and Six Months Ended June 30, 2022

CONTENTS

General

This Management's Discussion and Analysis ("MD&A" or "Report") of the financial condition of Group Eleven Resources Corp. ("Group Eleven" or "the Company") and results of operations of the Company for the six months ended June 30, 2022 (the "Period") has been prepared by management in accordance with the requirements under National Instrument 51-102 as at August 11, 2022 (the "Report Date"). The Report should be read in conjunction with the Company's condensed consolidated interim financial statements for the six months ended June 30, 2022 and the notes thereto, and the audited consolidated financial statements for the year ended December 31, 2021 and the notes thereto (collectively, the "Financial Statements"), which have been prepared using accounting policies consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and within which the Company's accounting policies are described in Note 2. All dollar amounts in the Report are in Canadian dollars unless otherwise noted.

Overview

Group Eleven is an emerging zinc exploration and development company, focused on resource expansion and drill target testing to discover Ireland's next major zinc deposit. The Company holds 41 licences in Ireland, comprising over 1,193 square kilometres on three main properties which are highly prospective for Irish Type zinc-lead deposits. Ireland ranks as one of the largest zinc producers in Europe and is host to some of the world's largest zinc deposits.

2022 Highlights

- The Company completed a drill program testing a 1-kilometer northwest extension of the Carrickittle prospect, extending from the Zone 1 target area. One of the holes, G11-2840-26, extended mineralization from Zone 1 by 30 metres to the northwest, intersecting 9.33m of 0.48% Zn+Pb and 8.1 g/t Ag (true width 81%), including: (a) a narrow high-grade zone (0.10m of 20.0% Zn+Pb and 6.6 g/t Ag) and (b) a separate Cu-Ag bearing zone (2.77m of 0.10% Cu, 20.4 g/t Ag and 0.40% Zn+Pb, including 0.91m of 0.17% Cu, 37.6 g/t Ag and 0.41% Zn+Pb).
- At the Tullacondra copper-silver prospect, recently acquired near the PG West project, Hole G11-3535-01 was designed to test the historic estimate and intersected 130.1m of 0.50% Cu and 20.8 g/t Ag (from 5.0m downhole depth; true width 60-90%), including 65.1m of 0.64% Cu and 29.5 g/t Ag, representing the best hole drilled to date at the prospect (versus 106.4m of 0.56% Cu and 24.2 g/t Ag, historically)
- The Company commenced drilling at the Stonepark project, consisting of a 2,300 metre, 6-hole drill program stepping out from the Carrickittle prospect as well as testing outside the Stonepark mineral resource estimate. The Stonepark drill program is now 82%-complete; the remaining three holes are planned to begin in the near term, after ongoing drilling at the Company's Ballywire prospect (PG West Project) is completed.
- On February 23, 2022, the Company closed a non-brokered private placement of 20,831,666 units at a subscription price of $0.12 per unit, for total proceeds of $2,499,800 (the "Offering"). Each unit consisted of one common share and one half non-transferrable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at $0.18 per common share for 24 months from the date of issue. The Company paid $68,220 in finders fees and issued 568,500 non-transferable warrants. Each finder's warrant entitles a finder to purchase one common share at a price of $0.18 per common share for 24 months from the date of issue.
- On May 15, 2022, Shaun Heinrichs resigned as Chief Financial Officer of the Company, and on May 16, 2022, Jeannine Webb was appointed as Chief Financial Officer of the Company.

- At the Company's Annual General Meeting held July 19, 2022, all resolutions placed before the shareholders were passed.

<u>Report on Operations</u>

During the six months ended June 30, 2022, the Company completed drilling on the northwestern extension of Zones 1-4 of the Carrickittle prospect at the PG West project and tested the historic estimate at the Tullacondra prospect located near the PG West project. The Company also completed the first three deep holes at the Stonepark project and began follow-up drilling at the Ballywire prospect at PG West project.

PG West (Limerick Region, Ireland)

The PG West project, including the Gortrdrum and Denison prospects, as well as the nearby Tullacondra project, comprises 25 PLs covering 706.9 square kilometres and is contiguous with the Company's Stonepark project, covering additional prospective stratigraphy in the Limerick region. The project hosts the Carrickittle area, an advanced zinc prospect within the Pallas Green Corridor, a 25-kilometre-long trend of mineralization defined by Glencore's Pallas Green deposit in the north and the Company's Carrickittle, Ballywire and Denison prospects to the south. The recently acquired Tullacondra prospect (two PLs; 44 square kilometres) is located approximately 20 kilometres south of the PG West project.

The Company completed a first-pass reconnaissance drill program at the 1km northwest extension at the Carrickittle prospect, extending from the Zone 1-4 target area. Hole G11-2840-26 extended mineralization from Zone 1 by 30 metres to the northwest, intersecting 9.33m of 0.48% Zn+Pb and 8.1 g/t Ag (true width 81%), including: (a) a narrow high-grade zone (0.10m of 20.0% Zn+Pb and 6.6 g/t Ag) and (b) a separate Cu-Ag bearing zone (2.77m of 0.10% Cu, 20.4 g/t Ag and 0.40% Zn+Pb, including 0.91m of 0.17% Cu, 37.6 g/t Ag and 0.41% Zn+Pb). Three other holes drilled over 750m to the northwest from Zone 1 returned encouraging results (local zinc mineralization in bedrock, suspected highly-weathered residuals of Zn-Pb mineralization and black-matrix breccia) despite not being able to directly test the target horizon due to significant karst cavities and faulting (with one hole lost mid-way due to excessive cavities).

At Tullacondra, hole G11-3535-01 intersected 130.1m of 0.50% Cu and 20.8 g/t Ag (from 5.0m downhole depth; true width 60-90%), including 65.1m of 0.64% Cu and 29.5 g/t Ag, representing the best hole drilled to date at the prospect (versus 106.4m of 0.56% Cu and 24.2 g/t Ag, historically). A silver-rich portion of the interval measured 3.95m of 143.7 g/t Ag and 1.24% Cu (from 97.6m; true width 80%), including 0.20m of 639.0 g/t Ag and 4.54% Cu, representing the highest silver grade attained to date at the prospect (versus 426.1 g/t Ag, historically). A newly identified zone of 13.2m grading 0.37% Cu and 16.3 g/t Ag (true width 80%) was intersected from 121.9m downhole, including a silver and copper-rich horizon of 0.40m of 303.0 g/t Ag and 5.37% Cu (highest copper grade to date at the prospect, versus 1.78% Cu, historically). Mineralization in G11-3535-01: (a) is significantly wider than in the two closest historic holes collared 50m to the north and south (64.1m of 0.71% Cu and 25.6 g/t Ag; and 10.1m of 0.38% Cu and 10.1 g/t Ag, respectively); and (b) confirms the continuity of robust Cu-Ag mineralization intersected in historic holes drilled over 50m to the east and west, respectively. Overall, the historic estimate at Tullacondra remains open in most directions and potential exists to find look-alike bodies elsewhere on the property (e.g. two historic holes drilled 470m apart and over 300m to the south interested 42.7m of 0.14% Cu and 9.2m of 0.17% Cu, respectively). Zinc potential exists at Tullacondra within the Waulsortian Limestone which is preserved on the property and underlain by stratigraphically-lower, copper-bearing horizons. Follow-up drilling at Tullacondra is warranted and the Company aims to provide an update over the near-medium term on the potential next phase of exploration at the project.

The Company incurred $300,370 in exploration expenditures at PG West (which amount includes $53,176 at Tullacondra) during the six months ended June 30, 2022, primarily on drilling at Carrickittle and Tullacondra, as well as, on data compilation and project supervision.

Stonepark Project (Limerick Region, Ireland)

The Stonepark project ("Stonepark") holds six prospecting licences ("PLs") covering an area of 183.6 square kilometres and hosting three main zones of known mineralization, Stonepark North, Stonepark and Stonepark West, located west of Glencore's Pallas Green deposit. The Company holds a 76.56% interest in TILZ Minerals Ltd. ("TILZ"), the legal entity that holds the licences comprising Stonepark. The remaining 23.44% equity interest in TILZ is held by Arkle Resources PLC ("Arkle"), an Ireland-based company focused on zinc and gold exploration. The interest in TILZ is consolidated, with the acquisition value of the project reflected in exploration and evaluation assets and ongoing exploration costs reflected as expenses on the income statement. The carrying value ascribed to Arkle's 23.44% interest in TILZ is captured as non-controlling interest in the Financial Statements.

Stonepark has a Mineral Resource Estimate ("MRE") of 5.1 million tonnes grading 11.3% zinc and lead combined (8.7% zinc and 2.6% lead) in the Inferred Mineral Resource category. The details and supporting information for the MRE are filed on www.sedar.com and in the NI 43-101 Independent Report on the Zinc-Lead Exploration Project at Stonepark, County Limerick, Ireland, with an effective date of April 26, 2018.

During the six months ended June 30, 2022, the Company completed 82% (or 1,810 metres) of its 2,300 metre, 6-hole drill program at Stonepark. Hole G11-2531-01, a 400m step-out drilled at the Carrickittle West prospect, intersected the fault structure at a hole-depth of 544m, showing a large vertical displacement of at least 150m and hosting a 13.9m interval containing local arsenopyrite and sphalerite (including 3.44m of 0.137% Zn+Pb, starting at 539m) in the immediate hanging wall; a second mineralized zone was also intersected in the footwall (at 591m) within an intrusive dyke (0.19m of 0.558% Zn+Pb). This hole points to a new high-priority zinc target several hundred metres to the north which warrants immediate follow-up drilling.

The Company spent $340,717 during the six months ended June 30, 2022 on the Stonepark project, primarily on data compilation and project supervision as the Company completed planning for and commenced the 2022 drill program.

Ballinalack Project (Ireland)

The Ballinalack project ("Ballinalack") consists of five PLs covering 169.0 square kilometres and is located approximately 50 kilometres west of the currently producing Tara Zinc-Lead Mine (Boliden AB), near Navan. The Company holds a 60% interest in Ballinalack Resources Limited ("BRL"), the legal entity that owns the licences comprising Ballinalack. The remaining 40% of BRL is owned by Shenzhen Zhongjin Lingnan Nonfemet Company Limited ("Nonfemet"), one of the largest zinc producers in China. The interest in BRL is consolidated, with the acquisition value of the project reflected in exploration and evaluation assets and ongoing exploration expenditures reflected on the income statement. The carrying value ascribed to the 40% interest in BRL held by Nonfemet is captured as non-controlling interest in the Financial Statements.

Ballinalack has a Mineral Resource Estimate ("MRE") of 5.4 million tonnes grading 8.7% zinc and lead combined (7.6% zinc and 1.1% lead) in the Inferred Mineral Resource category. The details and supporting information of the MRE are filed on www.sedar.com and in the NI 43-101 Independent Report on Base Metal Exploration Project at Ballinalack, County Westmeath, Ireland, with an effective date of January 11, 2019.

The Company incurred minimal costs in the six months ended June 30, 2022, primarily as the Company focused on the Stonepark and PG West projects.

Silvermines (Ireland)

Silvermines is comprised of 5 PLs covering a total of 133.0 square kilometres. The Silvermines project is considered highly prospective for Irish Type zinc-lead deposits. The Cooleen prospect (e.g. 7.3 metres grading 16.0% zinc and lead in hole NX-11) has seen limited exploration activity over the past 20 years (the PLs were released from long-term moratorium in May 2015). The project is located adjacent to the historic Silvermines Zinc Mine which produced approximately 10.8 million tonnes grading 7.4% zinc and 2.7% lead between 1968 and 1982 (Boland et al, 1992). The Silvermines region is unique from a global perspective given that four past producing zinc mines (Galmoy, Lisheen, Tynagh and Silvermines) and three known zinc prospects (Rapla, Dearykearn and Cooleen) exist within a relatively short (30 kilometre) radius.

For the six months ended June 30, 2022, the Company incurred minimal expenditures of $16,513 at the Silvermines project while focusing on the key project areas in Limerick.

Exploration and Evaluation Assets Expenditures

Exploration and evaluation expenditures incurred by the Company, excluding acquisition costs, have been expensed in the audited annual consolidated statements of loss and comprehensive loss, the details of which are as follows:

	Six months ended June 30, 2022	From Acquisition to June 30, 2022
	($)	($)
PG West Project	300,370	2,500,253
Stonepark Project	340,717	1,443,120
Ballinalack Project	56	1,080,219
Silvermines Project	16,513	656,271
Tralee Project	-	357,148
General exploraton	11,694	11,694
Total Cumulative Expenditures	**669,350**	**6,048,705**

General and administrative expenditures

	Six Months Ended June 30, 2022	2021	Three Months Ended June 30, 2022	2021
	($)	($)	**($)**	($)
Exploration expenditures	**669,350**	491,699	**453,087**	304,151
Professional fees and salaries and benefit:	**283,916**	281,900	**143,006**	132,868
Marketing and investor relations	**52,651**	40,091	**41,267**	22,692
General and administrative	**76,409**	80,457	**32,134**	42,361
	1,082,326	894,147	**669,494**	502,072
Interest income	**(433)**	(2,121)	**(364)**	(874)
Depreciation	**2,529**	2,528	**1,264**	1,263
Foreign exchange loss	**101,994**	58,485	**50,172**	16,017
Share based payments	**7,020**	25,735	**3,510**	12,867
Loss for the period	**1,193,436**	**978,774**	**724,076**	**531,345**

For the six months ended June 30, 2022 ("Period 2022") as compared with the six months ended June 30, 2021 ("Period 2021")

Loss for Period 2022 rose slightly as compared with the loss for Period 2021 due to increased drilling activities. Exploration expenditures in Period 2022 of $669,350 were expended primarily on drilling at the Carrickittle and Tullacondra prospects at the PG West project, and at the Stonepark project. As the Company's functional currency is the Canadian dollar, fluctuations in the Euro gave rise to a foreign exchange loss for Period 2022 of $101,994 as compared with a loss of $58,485 in Period 2021. The Company recognized share-based payments of $7,020 in Period 2022 as compared with $25,735 in Period 2021 on the vesting of stock options during the periods. Cash increased to $2,629,072 at June 30, 2022 on closing of the Offering in February for gross proceeds of $2,499,800.

For the three months ended June 30, 2022 ("Q2/22") as compared with the three months ended June 30, 2021 ("Q2/21")

The loss for Q2/22 of $724,076 as compared with $531,345 for Q2/21 resulted primarily from the continued drilling at the Carrickittle and Tullacondra prospects (at and near the Company's PG West) and at the Stonepark project, and the fluctuation in the Euro in relation to the Canadian dollar.

Summary of Quarterly Results

The table below presents selected financial data for the Company's eight most recently completed quarters.

	2022		2021				2020	
	Jun 30	**Mar 31**	**Dec 31**	**Sept 30**	**Jun 30**	**Mar 31**	**Dec 31**	**Sept 30**
	($)	($)	($)	($)	($)	($)	($)	($)
Comprehensive Loss	724,076	469,360	408,455	658,531	531,345	447,429	764,218	527,709
Basic and Diluted Loss per Share	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01

The Company's expenses fluctuate from period to period primarily as a result of changes in the level of exploration activity during the period and, therefore, lack some degree of comparability. Exploration activity will vary depending on the availability of funding, primarily sourced from equity financing, and property expenditure requirements needed to maintain the PLs in good standing.

In early 2021, the Company drilled 380.9 metres over 2 holes at the Gortdrum prospect located at PG West and finished compiling the results of drilling completed late in Q4 2020 on the Stonepark project. The Company also conducted an IP survey at Zones 1 – 4 of the Carrickittle prospect at the

PG West project, followed up by 920 meters of drilling allocated over eight holes to test a number of the anomalies identified in the second quarter of 2021. During the third quarter the Company completed drilling at the Ballywire and Denison prospects at the PG West project, as well as a ground magnetics survey on a 1.4 square kilometre area at Carrickittle, showing prominent magnetic lineaments extending to the northwest, consistent with the drilling results completed to date. During the fourth quarter the Company completed additional drilling on Zones 3 and 4 of the Carrickittle prospect, significantly advancing the structural knowledge of the area as well as encountering areas of massive sulphide in Zone 4 that may warrant further work in the future.

During the first six months of 2022, the Company completed reconnaissance drilling at the Carrickittle prospect at the PG West project and at the Tullacondra prospect located near the PG West project. The Company also completed three holes at the Stonepark project and began follow-up drilling at the Ballywire prospect at PG West project.

Liquidity and Capital Resources

The Company had cash of $2,629,072 as at June 30, 2022 compared to $943,686 at December 31, 2021. During the six months ended June 30, 2022, the Company continued exploration at the PG West and Stonepark project areas within the Limerick region. The Company also completed a private placement for total proceeds of $2,499,800.

The Company has forecast its cash requirements for the next year and believes it has sufficient cash resources and liquidity to support the ongoing sustaining costs for the Company. To continue meeting future property expenditure requirements and maintain exploration activities at historic levels, the Company will need to raise additional funds. While the Company has been successful in doing so in the past, there can be no assurance that the Company will be able to do so in the future. Factors that affect the availability of financing include the progress and results of ongoing exploration at the Company's mineral properties, the state of international debt and equity markets, and investor perceptions and expectations of the global markets, mining, and the zinc sector in particular.

The Company is required to make exploration expenditures on a bi-annual basis in order to maintain existing land holdings. All spending requirements in 2021, primarily at PG West (€20,000), were met with work completed during the year. Previously expected spending requirements at Ballinalack, €250,000 originally due in 2021 and subsequently extended to 2022, are now deferred until 2025 under the current license renewal, which requires the Company to spend a total of €462,500 prior to the next renewal in February 2025. In 2022, the Company is expecting to renew certain exploration licenses that are becoming due and, accordingly, will be required to spend an additional €210,000 on various licenses at or near PG West by the third quarter of 2022, including €20,000 at Tullacondra and €20,000 at Gortdrum, as well as, €60,000 at Silvermines, and €240,000 on the Stonepark project, most of which is required to be spent by the fourth quarter of 2022.

Financial Instruments

The Company's activities potentially expose it to a variety of financial risks, including liquidity risk, interest rate risk, foreign exchange currency risk, and commodity price risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. As at June 30, 2022 the Company had working capital of $1,730,534 (December 31, 2021: $452,841). Within current liabilities, $205,470 (December 31, 2021: $219,568) pertains to the joint venture partner contributions from Nonfemet, for the purposes of exploration at Ballinalack. On July 12, 2019, Nonfemet contributed €298,600 ($435,448) to fund future exploration at Ballinalack. As at June 30, 2022, €146,027 had been converted to equity along with a matching contribution of €219,041 from the Company. The Company is required to fund the remaining €228,859 to BRL to maintain the current 60% interest or, alternatively, reduce the Company's current interest in BRL or return the remaining excess contribution amount to Nonfemet. Once the Company has made the required advances, BRL intends to issue shares to the Company and Nonfemet to recognize the advances as capital contributions. Also within current liabilities, $132,266 (December 31, 2021: $Nil) pertains to the joint venture partner contributions from Arkle Resources PLC, through its subsidiary Limerick Zinc Limited (which subsidiary has a 23.44% interest in TILZ), for the purposes of exploration at Stonepark.

Management believes that the Company has sufficient financial resources to meet its obligations as they come due and to maintain existing operations, however it will need to raise additional funds to continue advancing exploration on key projects in the future.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is currently not exposed to any interest rate risk as cash is held in a non-interest bearing account and the Company does not hold any interest bearing liabilities.

Foreign Exchange Risk

The Company's functional currency is the Canadian dollar. There is a foreign exchange risk to the Company as its exploration and evaluation property interests and resulting future commitments are located in Ireland. The Euro translation rate has experienced volatility over the last several years as a result of monetary policies adopted by the European Central Bank. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company has a policy of not engaging in hedging activities to address this foreign currency risk. At June 30, 2022, the Company had Euro denominated current assets of €1,624,485 and Euro denominated current liabilities of €577,679. Accordingly, a 10% change in the foreign exchange rate would result in a $140,973 credit or charge to operations.

Commodity Price Risk

While the value of the Company's exploration and evaluation assets is related to the price of zinc and other minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity-based risks with respect to its operational activities. Zinc and other mineral prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, the perception of market participants about the price and future price prospects for zinc, changes in manufacturing and construction activity as well as other industrial demands, levels of worldwide production, and forward sales by producers and speculators.

Contractual Obligations

The Company does not have any contractual obligations as at June 30, 2022.

Subsequent Events

There were no events subsequent to Period 2022 that have not already been included in this Report.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

The 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.

Their remuneration includes the following:

	Position	Six Months Ended June 30, 2022	2021
Salaries and benefits paid or accrued to:		**($)**	**($)**
Bart Jaworski (1)	CEO, Director	95,855	102,141
David Furlong (2)	COO	59,895	75,402
Shaun Heinrichs (3)	CFO until May 15, 2022	49,500	66,000
Professional fees paid or accrued to:			
Sheryl Dhillon (4)	Corporate Secretary	11,716	10,500
Jeannine Webb (5)	CFO effective May 16, 2022	12,000	-
Share-based payments paid to:			
Bart Jaworski	CEO, Director	916	3,529
David Furlong	COO	916	2,615
Shaun Heinrichs	CFO	916	2,615
Sheryl Dhillon	Corporate Secretary	306	758
Dan MacInnis	Director	916	-
Brendan Cahill	Director	916	-
Alessandro Bitelli	Director	916	-
Ken Klassen	Director	1,220	-
		235,988	**263,560**

(1) Reported as salaries and benefits

(2) Reported as salaries and benefits (2022 - $8,376; 2021 - $57,573), or exploration expense (2022 - $22,943; 2021 - $85,343).

(3) Reported as salaries and benefits

(4) Reported as professional fees

(5) Reported as professional fees

Outlook

As a result of Group Eleven's regional synthesis conducted over the last few years, the Stonepark (76.56% interest) and PG West (100%) projects, in the Limerick basin, have been identified as core assets for the Company. The Company plans to keep this Limerick ground position, plus smaller core prospects at the Ballinalack and Silvermines projects, in good standing.

The Company continues with its 2022 drilling programs, primarily focused on the Stonepark and PG West projects. At Stonepark, the remaining 18% (three shallow holes) of a 2,300-metre drill program are planned to be started in the near term and completed over the next few months.

At PG West, the Company began a drill program in Q2 2022 at the Ballywire prospect, to follow up on the 220-metre step-out hole completed in 2021 which showed significant alteration and mineralization, with an intersection of 3.30 metres of 10.1% zinc, 2.4% lead, or 12.5% combined, and 48.3 g/t silver. This area remains open in all directions, most notably to the north and west, and plans are in place to test the extent of this potential. At the Carrickittle prospect, follow up drilling is also planned in a few months within an untested area 950 metres by 750 metres in area located north of Zone 1. Several short regional holes are also planned on key targets at PG West.

Critical Accounting Estimates

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities; as well as the reported expenses during the reporting period. Such estimates and assumptions affect the determination of the carrying value and the recoverability of exploration and evaluation assets and the inputs used in calculating the fair value of share-based payment expense. Management re-evaluates its estimates and assumptions on an ongoing basis; however, due to the nature of estimates, actual amounts could differ from its estimates. The most critical accounting estimates upon which the Company depends are those requiring estimates of reserves and resources, future recoverability of assets, and assumptions around future commodity prices.

Share-based Payments

The Company provides compensation benefits to its employees, directors, officers and consultants through a share-based compensation plan. All share-based awards are measured and recognized based on the grant date fair value. Fair value is determined using the Black Scholes option pricing model. The Company uses the share trading history to determine the volatility. The Company utilizes historical data to estimate the expected option term for input into the valuation model. The risk-free rate for the expected term of the applicable option is based on the risk-free lending rate for the Bank of Canada.

Significant and Recently Adopted Accounting Policies

The Company's significant account policies are described in Note 2 of the audited annual consolidated financial statements for year ended December 31, 2021.

Disclosure Controls and Procedures

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in National Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Outstanding Share Data

As at the date of this MD&A, the Company has the following securities outstanding:

Common shares	158,301,502
Warrants	36,819,445
Stock options	4,750,000

Risks and Uncertainties

In conducting its business, the Company faces a number of risks and uncertainties, many of which are beyond its ability to control or predict. Because of these risks and uncertainties, actual results may differ materially from those expressed or implied by forward-looking statements, and investors are cautioned not to place undue reliance on such statements, which speak only as of the date hereof. Investors are urged to review the discussion of risk factors associated with the Company's business as set out in the Company's annual Management Discussion and Analysis for the year ended December 31, 2021 as well as in the Company's audited consolidated financial statements (under the headings "Nature and Continuance of Operations" and "Significant Accounting Policies" and elsewhere within that document) for the year ended December 31, 2021, as filed on the SEDAR website at www.sedar.com.

Forward Looking Information

This MD&A provides management's analysis of Group Eleven's historical financial and operating results and provides estimates of Group Eleven's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Company's future plans and operations, contains forward-looking information. By their nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, undue reliance should not be placed on forward-looking information. Group Eleven's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur or, if any of them do so, what benefits Group Eleven will derive there from. Group Eleven disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise except as required by applicable law.