CANADIAN PREMIUM SAND INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended September 30, 2022

Dated December 13, 2022

This Management's Discussion and Analysis ("MD&A") is dated December 13, 2022 and should be read in conjunction with the audited financial statements of Canadian Premium Sand Inc. (the "Company" or "CPS") as at and for the year ended September 30, 2022.

All financial information is reported in Canadian dollars unless stated otherwise and has been prepared in accordance with International Financial Reporting Standards ("IFRS"). Certain figures have been reclassified to conform to the current year presentation in this MD&A.

This MD&A contains "forward-looking statements" or "forward-looking information" within the meaning of applicable Canadian securities laws (collectively, "forward-looking statements") based on the Company's current expectations and projections. For information on the material risk factors and assumptions underlying such forward-looking statements, refer to the Forward-Looking Statements Section of this MD&A.

Any technical information contained in this MD&A related to the Company's Wanipigow reserves the ("Wanipigow Sand Quarry") *has been extracted or summarized based on the information contained in the Inferred Resource Estimate (the "Technical Report") of Wanipigow Sand Quarry dated October 14, 2021, reviewed and approved by Roy Eccles, P. Geol. and Rachelle Hough, P.Geo. of APEX Geoscience Ltd., each of whom is independent of the Company and a "qualified person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). Readers are cautioned not to solely rely on the summary of this information but should read the Technical Report in its entirety which is available for review on the Company's profile on SEDAR at www.sedar.com.*

About Canadian Premium Sand Inc.

The Company was formed under the Business Corporations Act (Ontario) on September 21, 2005 by articles of incorporation and continued under the Canada Business Corporations Act in 2019. The Company is presently a "Venture Issuer" as defined in National Instrument 51-102 and trades under the trading symbol "CPS". The Company's head and principal office is located at Suite 2000, 715 – 5th Avenue S.W., Calgary, Alberta T2P 2X6.

The Company is developing a business to manufacture patterned solar glass. The manufacturing facility is to be constructed at a site the Company has secured for purchase in the City of Selkirk, Manitoba. It is currently in the process of finalizing detailed engineering work to refine the associated capital expenditures, and to obtain the necessary permits and regulatory approvals for construction and operation.

The Company has 41 contiguous quarry leases located approximately 160 kilometers north of Winnipeg, Manitoba that grant the Company the exclusive right to quarry silica sand which the Company intends to use as feedstock for the glass manufacturing facility. Laboratory testing of this quartzite sand deposit has confirmed the sand to be of high-purity silica content with low iron contamination. This combination of physical properties makes the sand well suited for use as the base material to formulate low iron, patterned solar glass.

The Company's silica sand deposit is extensive as detailed in a National Instrument 43-101 ("NI 43-101") compliant Technical Report dated October 14, 2021. This report illustrates the Company would have ample silica sand supply of the necessary physical characteristics to support the development of a company-owned solar glass manufacturing facility.

Operational Highlights

The Company has devoted its time and resources during the year ended September 30, 2022, to advancing its patterned solar glass manufacturing business strategy. Specifically, the Company:

- Announced the decision to focus future manufacturing operations on the production of low iron glass that meets the requirements of North American solar panel manufacturers. The decision was based on an in-depth analysis of various end markets for glass manufacturing and was supported by the Company's NI 43-101 compliant Technical Report which detailed the technical suitability of the Wanipigow Sand Quarry deposit for the production of ultra clear solar glass;

- Announced the decision to locate its solar glass manufacturing facility in Selkirk, Manitoba. The City of Selkirk provides numerous operational benefits including proximity to the Company's silica sand deposit, access to abundant renewable hydroelectricity, a sizeable labour pool and access to the efficient rail and truck logistics hub located in Winnipeg;

- Engaged Fort Capital Partners and Peters & Co. Limited as co-financial advisors to secure the necessary financing for continued development of its patterned solar glass manufacturing facility;

- Engaged Green City Glass LLC as its client technical representative to assist in the selection and oversight of key Engineering Procurement and Construction ("EPC") service providers in preparation for the detailed engineering work required;

- Initiated a process to engage key EPC contractors for detailed project engineering and pre-construction work;

- Commissioned and received a market report confirming the economic viability of manufacturing patterned solar glass at the Selkirk site. The market report conducted by Clean Energy Associates confirmed that solar panels employing patterned solar glass are the most efficient products on the market and can be expected to dominate industry demand for the next 20 years;

- Finalized and reported the results of its Front End Engineering and Design ("FEED") study that was carried out by cm.project.ing GmbH, an internationally recognized engineering firm, specializing in glass manufacturing facilities and processes;

- Executed a Memorandum of Understanding with Hanwha Solutions Corporation to develop a commercial offtake agreement for patterned solar glass. Hanwha, through its Qcells Division is the largest solar panel manufacturer in North America. While a commercial offtake agreement has yet to be executed and no binding commitment has been received by the Company, Hanwha's anticipated patterned solar glass requirements would represent over 80% of the Company's production capability for Phase 1;

- Closed an upsized equity financing on August 31, 2022 consisting of a brokered and concurrent non-brokered private placement (the "Offerings"). Pursuant to the Offerings, the Company issued an aggregate of 32,100,000 units of the Company (each, a "Unit") at a price of $0.30 per Unit for gross proceeds to the Company of $9,630,000. Management and directors of CPS, as well as certain of the Company's largest shareholders, including Paramount Resources Ltd. and David J. Wilson, subscribed for approximately 50% of the Offering, to maintain their current ownership position in the Company;

- Entered an option agreement with the City of Selkirk that secured the acquisition of a land parcel within the city limits consisting of 121 acres with attributes that are ideal for the development of its patterned solar glass manufacturing facility;

- Executed a Memorandum of Understanding with Heliene Inc to develop a commercial offtake agreement for patterned solar glass. While a commercial offtake agreement has yet to be executed and no binding commitment has been received by the Company, Heliene's anticipated patterned solar glass requirements would represent over 40% of the Company's production capability for Phase 1; and

- Engaged an international consortium of EPC firms to complete detailed design and pre-construction engineering related to its patterned solar glass manufacturing facility.

Subsequent Events

Subsequent to the period ended September 30, 2022:

- On October 5, 2022, the Company submitted an Environmental Act license proposal to the Environmental Approvals Branch of Manitoba for the necessary environmental permit related to the construction and operation of its solar glass manufacturing facility in Selkirk; and

- On November 10, 2022, the Company submitted a Notice of Alteration to the Environmental Approvals Branch of Manitoba related to the construction and operation of its silica sand extraction facility at the Wanipigow Sand Quarry in Seymourville. While the Company already holds a valid Environmental Act License for the operation of a silica sand extraction facility at the site, a Notice of Alteration was required to reflect the Company's current plans that entail a significantly smaller operation that is specifically designed for the extraction and processing of sand for solar glass manufacturing.

Business Outlook

The Company is positioned to benefit from exposure to strong solar panel installation growth in North America through the provision of patterned solar glass which is a critical component in the supply chain. The Solar Energy Industries Association estimates that annual North American solar panel installations are to increase by over 20% on a compound annual basis between 2021 and 2030.

The growth rate for North American patterned solar glass demand is further supported by the domestic industry's effort to onshore the solar panel manufacturing supply chain. Currently, 100% of the supply of North America's patterned solar glass is sourced from Asia Pacific-based manufacturers. Numerous government policies, including the Inflation Reduction Act passed by the U.S. government on August 16, 2022, provide meaningful incentives to support the growth of the domestic solar panel supply chain. Following the passing of this new law, the Solar Energy Industries Association provided an estimate that domestic solar panel manufacturing will increase by over 500% between 2022 and 2030.

The Company's discussions with domestic solar panel manufacturers have indicated a strong need for a reliable local supply of high-quality patterned solar glass to accommodate both current production and future growth plans. Establishing a patterned solar glass facility in Canada using responsibly sourced local silica sand and Canadian renewable energy creates a unique opportunity to provide much needed sustainably manufactured solar glass to the North American markets in an environmentally responsible manner. The City of Selkirk and the greater Winnipeg area presents an opportunity for significant long-term manufacturing cost and logistics advantages for a solar glass facility. The proposed facility will be designed to utilize the best available technology with a focus on sustainability initiatives such as waste heat recovery and optimizing Manitoba's abundant and inexpensive renewable electricity to set a new standard for low-carbon footprint glass manufacturing.

During the remainder of 2022, the Company plans to finalize the detailed pre-construction design and engineering for the project and refine the associated capital and operating costs that were outlined in the Front End Engineering and Design study. The Company will also advance the environmental and regulatory permitting process required to begin construction. Additionally, the Company will continue to engage with potential customers to formalize commercial offtake agreements. Finally, the Company will pursue the financing necessary to commence construction of the solar glass manufacturing facility and related quarry infrastructure.

Review of Operations for the three-months and year ended September 30, 2022

Overall Performance and Share Capital

	Three-months ended September 30,		Year ended September 30,	
	2022	2021	**2022**	2021
Net loss and comprehensive loss	**(2,085,754)**	(1,015,844)	**(5,383,121)**	$(2,499,782)
Loss per share – basic and diluted*	**$(0.03)**	$(0.02)	**$(0.07)**	$(0.05)
Issued and outstanding common shares	**77,715,660**	45,615,660	**77,715,660**	45,615,660

*Based on number of commons shares issued and outstanding at period end

The Company had a net loss and comprehensive loss of $2,085,754 or $0.03 loss per share for the three-months ended September 30, 2022 ($1,015,844 or $0.02 loss per share for the three-months ended September 30, 2021) and a net loss and comprehensive loss of $5,383,121 or $0.07 loss per share for the year ended September 30, 2022 ($2,499,782 or $0.05 loss per share for the year ended September 30, 2021). The net loss and comprehensive loss for the three-months and year ended September 30, 2022, increased in comparison to the prior periods largely due to the acceleration of glass plant development activities and related expenditures in the three-month period ending September 30, 2022.

The Company will continue to incur losses based on the level of development activity, until it achieves commercial viability. As noted in the Liquidity, Capital Resources and Going Concern section of this MD&A, the Company remains dependent on external financing to fund its activities and will need to seek additional capital to complete the construction of its planned solar glass manufacturing facility and integrated sand extraction facility.

On August 31, 2022, the Company announced it had closed a brokered and concurrent non-brokered private placement offering consisting of 32,100,000 common shares for aggregate gross proceeds of $9,630,000.

As at December 13, 2022, the issued and outstanding common shares are 77,715,660.

Exploration and Evaluation Expenditures

The exploration and evaluation expenditures of the Company during the periods presented, relate solely to the Wanipigow Sand Quarry and are broken down by category as follows:

	Three months ended September 30,		Year ended September 30,	
	2022	2021	**2022**	2021
			$	$
Advance royalty payments	**-**	-	**100,000**	100,000
Acquisition and participation costs	**5,994**	7,749	**58,738**	58,509
Permitting and environmental	**41,180**	-	**68,082**	2,585
Silica sand feasibility	**18,005**	54,575	**99,623**	143,007
Field office expenses	**6,344**	7,356	**37,126**	9,542
Labour	**52,225**	43,222	**200,285**	138,050
Equipment rental and site supplies	**11,370**	1,160	**89,681**	5,284
Quarry design	**90,594**	10,381	**305,619**	7,547
Depreciation	**2,899**	3,627	**13,781**	16,212
Decommissioning	**-**	-	**(22,681)**	(16,846)
Total exploration and evaluation expenditures	**228,611**	128,070	**950,254**	463,890

Total exploration and evaluation costs for the three-months and year ended September 30, 2022 were higher in comparison to the prior periods largely due to higher field-level activities including permitting, environmental consulting and quarry design activity in the current periods.

Wage and rent subsidies that were received as part of the Canada Emergency Wage and Rent Subsidy ("CEWS" and "CERS") programs and netted in exploration and evaluation expenditures for the three-months and year ended September 30, 2022, were $nil and $nil respectively. This compares to $nil in the three-month period and $44,269 in the year ended September 30, 2021.

The cumulative exploration and evaluation expenditures for the Wanipigow Sand Quarry are $20,790,603.

Glass Plant Development Expenditures

	Three-months ended September 30,		**Year ended September 30,**	
	2022	2021	**2022**	2021
	$	$	**$**	$
Plant feasibility	**48,927**	429,716	**335,503**	518,520
Glass plant design	**1,009,374**	7,550	**1,542,020**	7,550
Labour, equipment & supplies	**-**	-	**-**	33,750
Logistics	**-**	14,250	**14,250**	14,250
Permitting & environmental	**94,297**	27,454	**232,646**	55,354
Total glass plant development expenditures	**1,152,598**	478,970	**2,124,419**	629,424

Expenses related to the development of the solar glass manufacturing facility for the three-months and year ended September 30, 2022, were primarily focused on preliminary glass plant design activities which include the commencement of pre-construction engineering and design work by the Company's EPC consortium. Also included in the current year periods were increased expenses related to environmental permitting activities. These higher expenses were partially offset by lower plant feasibility expenditures as the Company advanced from the project feasibility phase into the detailed engineering and design phase in the current periods.

Selling, General and Administrative Expenditures

The following table disaggregates the selling, general and administrative expenses for the three-months and year ended September 30, 2022.

	Three-months ended September 30,		**Year ended September 30,**	
	2022	2021	**2022**	2021
	$	$	**$**	$
Employee compensation and benefits	**202,374**	158,786	**818,497**	358,678
Professional fees	**191,676**	50,230	**531,897**	386,217
Office	**39,415**	28,529	**143,510**	85,431
Depreciation	**11,558**	-	**11,558**	-
Shareholder information	**7,082**	2,104	**35,240**	63,363
Total selling, general and administrative expenditures	**452,106**	239,649	**1,540,702**	893,689

Selling, general and administrative expenses for the three-months and year ended September 30, 2022 were higher than the prior year periods due to a higher full-time employee headcount. Additionally, professional fees for the current year periods increased over the same periods last year due to the commencement of activities related to capital raising and public and government relations. Finally, office expenses increased in the current year periods largely due to increased travel costs related to permitting activities and stakeholder engagement while not benefiting from any wage or rent subsidies that were received in the prior year periods as part of the CEWS and

CERS programs. The comparable year periods included CEWS and CERS subsidies of $nil for the three-months ended September 30, 2022 and $79,464 for the year ended September 30, 2021.

Share-Based Compensation

Share-based compensation expense was $66,464 for the three-months ended September 30, 2022 and $383,692 for the year ended September 30, 2022 ($68,382 for the three-months ended September 30, 2021 and $267,209 for the year ended September 30, 2021). Share-based compensation expense is based on the value and timing of grants of stock options as well as the aggregate number of options outstanding. There were 2,715,000 options outstanding as at September 30, 2022 compared to 2,181,666 as at September 30, 2021.

Foreign Exchange (Gain) Loss

There was a foreign exchange loss of $73,713 for the three-months ended September 30, 2022 and a $96,058 foreign exchange loss for the year ended September 30, 2022 compared to $27,374 foreign exchange loss for the three-months ended September 30, 2021 and a $45,564 gain for the year ended September 30, 2021. These foreign exchange fluctuations relate to US dollar, Australian dollar and Euro denominated accounts payable and expenses as well as US dollar denominated revenue relating to silica sand sales.

Loss on Disposal of Assets

The Company disposed of a passenger vehicle in 2021 resulting in a loss on disposal, of $nil for the three-months ended September 30, 2022 and $nil for the year ended September 30, 2022. This compared to $nil and a loss of $8,367, respectively, in the prior periods.

Net Finance Costs (Income)

The Company had net finance costs of $55,464 and $287,996 for the three-months and year ended September 30, 2022, ($73,149 and $282,767 for the three-months and year ended September 30, 2021). The increase in net finance costs is attributable to accrued interest on the convertible debentures issued in February 2020.

Income Taxes

Deferred tax assets are recognized only to the extent that it is probable that those assets will be recoverable. At September 30, 2022, the Company had $34,648,000 (2021 - $28,990,000) of deductible temporary differences where no deferred tax asset was recognized. These deductible temporary differences include non-capital loss carry forwards of $12,301,000 which expire between 2026 and 2042 and tax pools of $20,925,000 that are available to reduce future taxable income.

Selected Quarterly Financial Data

	September 30, 2022	June 30, 2022	March 31, 2022	December 30, 2021	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
	$	$	$	$	$	$	$	$
Net (loss) income	**(2,085,754)**	(1,222,913)	(1,256,724)	(817,730)	(1,015,844)	(690,275)	(394,127)	(399,536)
Net (loss) income per share*	**$(0.03)**	$(0.03)	$(0.03)	$(0.02)	$(0.02)	$(0.03)	$(0.02)	$(0.02)
Total assets	**8,918,243**	1,901,294	2,804,413	3,846,396	4,864,581	4,474,054	659,210	1,006,146

***Based on number of common shares issued and outstanding at period end**

The change in net (loss) income and total assets quarter over quarter is primarily a result of the timing and amount of exploration and evaluation and glass plant development expenditures incurred to progress the Company's business model.

Selected Annual Information

The following is a summary of certain financial information concerning the Company for each of the last three most recently completed financial years.

Years ended September 30,	**2022**	2021	2020
	$	$	$
Revenue	**-**	-	1,352,725
Gross profit	**-**	-	80,648
Net loss and comprehensive loss	**(5,383,121)**	(2,499,782)	(1,116,187)
Net loss per share basic and diluted	**$(0.07)**	$(0.05)	$(0.05)
Total assets	**8,918,243**	4,864,581	1,553,741

The change in net loss and comprehensive loss and total assets year over year is primarily a result of the timing and amount of exploration and evaluation and glass plant development expenditures incurred to progress the Company's business model.

Liquidity, Capital Resources and Going Concern

The Company's financial statements for the years ended September 30, 2022 and 2021 have been prepared in accordance with IFRS on the basis of accounting principles applicable to a going concern, which assume the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

As at September 30, 2022 the Company had a deficit of $35,445,110 (September 30, 2021 of $30,061,989), cash of $8,692,040 (September 30, 2021 of $4,831,257), accounts payable and accruals and current lease liabilities of $1,456,385 (September 30, 2021 of $1,622,305), and commitments for the acquisition of quarry leases and participation agreements for the twelve-month period to September 30, 2023 of $158,500. For further details see Commitments and Contingencies Section of this MD&A.

The Company's continued existence is dependent upon the preservation of its interest in the Company's quarry leases, continued development of its integrated solar glass manufacturing project and the successful pursuit of additional financing to fund future operations. These material uncertainties lend significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The Company successfully closed two private placements in June and July 2021 for aggregate gross proceeds of $6,450,000 to fund the Front-End Engineering and Design ("FEED") for a solar glass manufacturing facility, initiate permitting applications and other key activities to progress the business plan, as well as for general working capital purposes. Additionally, the Company successfully closed two private placements on August 31, 2022 for aggregate gross proceeds of $9,630,000 to fund the detailed engineering and designs for a solar glass manufacturing facility at the site the Company has secured in the City of Selkirk, finalize permitting applications and other key activities to progress the business plan, as well as for general working capital purposes. While the Company has commenced the process to raise funds for the construction of the glass manufacturing facility and related quarry infrastructure, there is no assurance that this initiative will be successful.

Significant challenges in raising new capital through the equity and debt markets exist, compounded by the global economic impacts created by the COVID-19 pandemic. It is uncertain how long these events will continue to influence the economy and the Company's ability to secure future financing. If the Company is unsuccessful in obtaining additional sources of financing when needed and on acceptable terms, the going concern assumption may not be appropriate. The Company's financial statements for the three-months and year ended September 30, 2022 and 2021 do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

Transactions with Related Parties

The related parties are directors and officers of the Company and entities over which executive management and directors have control or significant influence. The Company's Directors and Officers as at September 30, 2022 are as follows:

Lowell Jackson	Chairman & Director
John Assman	Director
Todd Garman	Director
Rodrigo Sousa	Director
Richard D. Williams	Corporate Secretary and Director
Glenn Leroux	President & Chief Executive Officer and Director
Cam Deller	Chief Financial Officer
Anshul Vishal	Vice President of Corporate Development
Alasdair Knox	Vice President of Project Engineering

Related party transactions during the three-months and year ended September 30, 2022 are as follows:

- On August 31, 2022, the Company completed a private placement of 32,100,000 common shares at a price of $0.30 per common share for gross proceeds of $9,630,000. Certain directors and officers of the Company, being, Todd Garman, John Assman, Rodrigo Sousa, Richard Williams, Glenn Leroux and Cam Deller, as well as its largest shareholder, being Paramount Resources Ltd., directly or indirectly participated in the financing in the aggregate amount of $2,058,236, thereby making the Offering a "related party transaction" as defined under Multilateral Instrument 61-101.

Commitments and Contingencies

The Company is committed to payments under the terms of quarry leases, royalty and participation agreements and provincial statutes as follows:

As at September 30, 2022		**Payments due by period**	
	Less than 1 year	**1-3 years**	**4 -5 years**
	$	**$**	**$**
Quarry lease agreements[1]	58,500	175,500	117,000
Royalty and participation agreements[2]	100,000	275,000	-
Total commitments	**158,500**	**450,500**	**117,000**

[1] Beyond five years, the Company is committed to annual quarry lease payments of $27 per hectare under lease.

[2]Certain of the royalty and participation agreements require payments to be made prior to the commencement of commercial production. Once commercial production commences, royalty and participation payments are based on tonnes, less any reductions related to advanced royalty payments already made as described in further detail below.

a) Royalty and Economic Participation Agreement Commitments

The Company has economic participation agreements with respect to the Wanipigow Sand Quarry with Hollow Water First Nation and the Incorporated Community of Seymourville (together, the "Economic Participation Agreements"). The Company has also entered into various contractual agreements relating to the acquisition of title for 18 of its quarry leases.

Once commercial production commences, the royalty and participation agreements combined with the royalty due under Manitoba Provincial statutes, have varying future payments based on a number of factors including the rate, location and type of mineral extracted and the sale point end use. Due to the variability in the royalty and participation obligations, the Company’s future commitment ranges from a maximum of $4.80 per tonne to a minimum of $3.80 per tonne.

The Company has an option to acquire 50% of the production royalty under one agreement for $1,500,000 within the first three years of achieving initial production. This option can be extended a further two years by increasing the payment to $2,000,000. This would reduce the maximum royalty per tonne to $4.30 and the minimum royalty per tonne to $3.55.

b) Future Royalty Income

The Company received a Net Smelter Royalty (the "NSR") when it sold its Timmins mineral exploration properties that vary from 1% to a maximum of 2%, depending upon the claims and the pre-existing NSR burden if the Timmins properties achieve commercial production. The NSR payable to the Company is capped at $5,000,000.

c) Reduction in Future Cash Royalty Payments

The Company is required to make semi-annual advance royalty payments of $50,000 under one of its royalty agreements and under another agreement, prepaid a lump sum of $1.3 million which accrues interest at 9% per annum. The total accrued interest plus cash payments is $2,561,300 as at September 30, 2022 ($2,307,615 as at September 30, 2021). These prepaid royalties will reduce future cash payments required under the royalty agreements, once production commences, and will continue to reduce cash payments for a number of years, depending on the annual mineral extraction rate.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Financial Instruments and Management of Financial and Other Risks

a) Fair value

The fair values of cash and cash equivalents, trade and other receivables, and accounts payable and accruals included in the statement of financial position approximate their carrying amount due to the short-term maturity of these instruments.

The fair value of the liability component of the convertible debentures is determined based on discounted cash flows, including interest at current rates for similar instruments.

The Company analyzes financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The convertible debenture fair value (level 3) is 2,532,887 as at September 30, 2022 (2,493,348 as at September 30, 2021).

b) Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and trade and other receivables included in current assets. Cash and cash equivalents consist of bank deposits, which are held by a Canadian chartered bank and management believes the risk of loss is remote. For the year ended September 30, 2021, the Company did not generate any trade receivables due to the decision to cease third party sand sales. The Company considers its other accounts receivable to be aged as follows:

As at September 30,	**2022**	2021
	$	$
Less than 30 days	**-**	-
31 to 60 days	**31,702**	8,279
61 to 90 days	**-**	-
Greater than 90 days	**-**	-
Total trade and other receivables	**31,702**	8,279

c) Liquidity risk

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and ensuring an adequate supply of funds to enable the Company to carry out its intended programs. As at September 30, 2022, the Company had a cash balance of $8,692,040 (September 30, 2021 - $4,831,257) to settle current liabilities of $1,456,385 (September 30, 2021 - $1,622,305) and commitments for the 12-month period to

September 30, 2023 of $158,500. All the Company's accounts payable and accruals have contractual maturities of less than one year and are subject to normal trade terms. See Going Concern Note 1(b) in the Financial Statements.

The timing of undiscounted cash outflows relating to financial liabilities, including estimated interest payments, are outlined in the table below:

As at September 30, 2022	Total	1 year	2-3 years	4-5 years
	$	$	$	$
Accounts payable and accruals	**1,404,672**	1,404,672	-	-
Lease liabilities[1]	**82,075**	51,713	30,362	-
Convertible debentures[1]	**3,169,295**	-	3,169,295	-
Total	**4,656,042**	**1,456,385**	**3,199,657**	**-**

[1] Principal and interest payments.

d) Interest rate risk

The Company's interest rate risk relates to interest-bearing cash deposits. At September 30, 2022 the Company holds interest-bearing cash balances of $8,574,821 (September 30, 2021 - $4,707,707).

e) Foreign currency risk

The Company is exposed to foreign currency exchange risk as the Company undertakes certain transactions in US dollars. The Company has not entered into any derivative financial instruments to manage exposures to currency fluctuation. As at September 30, 2022, with other variables unchanged, a 10% strengthening (weakening) of the Canadian dollar against the US dollar would have decreased (increased) net loss by approximately $154,000. Included in accounts payable and accruals at September 30, 2022 is USD $597,585 (September 30, 2021 - USD $685,825).

Critical Accounting Estimates

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the reported assets, liabilities, revenues, expenses and the disclosure of contingencies. Actual results may differ significantly from these estimates.

The COVID-19 pandemic could have a significant impact on estimates and their underlying assumptions as the course of the COVID-19 pandemic remains uncertain. The extent to which COVID-19 impacts the Company's accounting estimates and judgments will depend on future developments which are currently unknown, including, but not limited to; the duration and severity of the pandemic, the impact of the pandemic on economic growth, commodity prices, financial and capital markets and government responses and restrictions. Even after the COVID-19 pandemic has subsided, the Company may continue to experience materially adverse effects as a result of the pandemic's global economic impact.

Estimates and assumptions are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the year in which the estimates are revised.

The following is a description of the accounting judgments, estimates and assumptions that are considered significant:

Exploration and evaluation expenditures

Exploration and evaluation expenditures are recognized as an expense until the determination of technical feasibility and commercial viability which is subject to judgment. Once commercial viability is reached the Company will move out of the exploration and evaluation phase and into the project development phase.

Glass plant development expenditures

Glass plant development expenditures are recognized as an expense until the determination of technical feasibility and commercial viability which is subject to judgment. Once commercial viability is reached and sufficient capital resources are raised, the Company will move out of the glass plant development phase and into the project construction phase.

Right-of-use assets and lease liabilities

Right-of-use assets lease terms consider the non-cancellable period along with facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease liabilities incremental borrowing rate is based on judgments about the economic environment in which the Company operates. Actual results could differ significantly as a result of these estimates and judgments.

Convertible debentures

The fair value of the liability component of the convertible debentures utilizes observable market data, including interest rates. As a result of changes in key assumptions, actual amounts may vary significantly from estimated amounts.

Decommissioning liabilities

The amounts recorded for decommissioning liabilities are based on the Company's exploration and evaluation activities and management's assessment as to when a legal or constructive obligation has occurred as well as the estimated costs to reclaim the land, the estimated time period in which these costs will be incurred in the future and the discount and inflation rates. Any changes to these estimates could change the amount of the decommissioning liability and associated exploration and evaluation expenditures.

Share-based compensation

The fair value of share-based compensation is estimated at the grant date using the Black-Scholes option pricing model, which includes underlying assumptions related to volatility, interest rates, dividend yields, and expected life of the options. By their nature, these inputs are subject to measurement uncertainty and require management to exercise judgment.

Income taxes

Deferred tax assets are recognized only to the extent that it is probable that those assets will be recoverable. At September 30, 2022, the Company had $34,648,000 (2021 - $28,990,000) of deductible temporary differences where no deferred tax asset was recognized. These deductible temporary differences include non-capital loss carry forwards of $12,301,000 which expire between 2026 and 2042 and tax pools of $20,925,000 that are available to reduce future taxable income.

Significant Accounting Policies

The Company's significant accounting policies are those that affect its financial statements and are summarized in Note 3 of the consolidated financial statements for the year ended September 30, 2022.

1) During the year ended September 30, 2022, the Company adopted a new omnibus equity incentive compensation plan ("Omnibus Incentive Plan") to replace its Share Based Compensation Plan and RSU Plan:

Omnibus Incentive Plan

The Omnibus Incentive Plan permits the Company to issue deferred share units and performance units in addition to the Company's previous Share Based Compensation and RSU plans which included stock options and restricted share units. The Omnibus Incentive Plan is a rolling plan where the company is entitled to issue incentive securities up to 10% of the issued and outstanding common shares. The fair value of deferred share units and performance units is expensed over the vesting period.

Future Accounting Pronouncements

There are standards and interpretations that are issued, but not yet effective, and the Company is in the process of evaluating whether they would have any significant impact on the Company's financial statements in future periods. Specifically, narrow scope amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to improve accounting policy disclosures, and to distinguish changes in accounting estimates from changes in accounting policies, and an amendment to IAS 1 Presentation of Financial Statements to clarify how to classify debt and other liabilities as either current or non-current, which are effective on January 1, 2023, will be evaluated.

Risks and Uncertainties

The COVID-19 pandemic and general uncertainty in the financial and geopolitical realm, increases the Company's exposure to many of the risks described below including, but not limited to, the ability to obtain sufficient financing to advance the development of a patterned solar glass manufacturing facility and remain a going concern.

There is a risk that the COVID-19 pandemic and the resulting economic impacts, may result in a prolonged continuation of adverse business conditions affecting the Company's plans, increased volatility in financial markets and foreign currency exchange rates, significantly depressed share prices, health restrictions or guidelines adversely affecting the ability of the Company or third parties to efficiently conduct operations and/or an overall slowdown in the Canadian and global economies. These and other risks associated with the COVID-19 pandemic could result in events and circumstances that have a material adverse impact on the Company's business, financial condition and results of operations.

General Risks/No History of Operations

The Company is a development stage company and does not hold any interest in any property which is in commercial production, nor does it have a history of operations. As such, the Company is dependent on further external financing to continue to advance its business model. In order to carry out the planned development and pay for administrative costs, the Company will spend its existing working capital and attempt to raise additional funds as needed.

The Company's viability lies in its ability to develop, finance, construct and generate future revenue, profits and cash flow from a glass manufacturing facility.

There is no assurance that the Company will be successful in its development activities and the Company's likelihood of success must be considered in light of its early stage of operations.

Capital Risk

The development and construction activities of the Company required to achieve commercial operations will require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of its planned patterned solar glass manufacturing facility. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favorable to the Company.

Industry Risks

The Company is subject to numerous risk factors that may affect its business prospects in the future. These include risks inherent to the development and operation of the sand quarry and glass manufacturing facility, dependence on key personnel, raw material input prices, product sales prices, availability of capital, environmental, regulatory and permitting risks, acquisition risks, competition and potential risks relating to land titles. There are other risk factors that could have material effects on the Company that are not quantifiable at present due to the nature of the Company's stage of operation, industry segment and other considerations.

Development Risks

The development of the patterned solar glass manufacturing facility and associated quarry involves a high degree of risk. There is no assurance that the Company's development activities will result in successful operations. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its development program. The development of the solar glass manufacturing facility and associated quarry is premised on future production and capital cost estimates. If commercial production commences, actual production and costs may vary from the estimates for a variety of reasons such as estimates of raw materials input costs, labour costs, revisions to processing plant plans, production waste, quality and other characteristics of the glass produced, risks and hazards associated with the operations, unexpected labor shortages or strikes, equipment failures and other interruptions in production capabilities. Production costs may also be affected by inflation and fluctuations in currency exchange rates. Failure to achieve production targets or cost estimates could have a material adverse impact on the Company's future cash flow and overall financial performance.

Business Risk

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely on management's discretion and judgment as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company's operations and financial performance.

Price Risk

The price of the Company's common shares, its financial results, and development activities have been, or may in the future be, adversely affected by changes in the price of raw materials used in manufacturing and the external market price of the products produced and sold. These prices fluctuate and are affected by numerous factors beyond the Company's control, such as expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, market speculation activities, improved production methods, international economic and political trends and the entrance of new competitors in the business. The effect of these factors on the input costs and price of the Company's products, and therefore the economic viability of the Company, are speculated but cannot accurately be predicted.

Environmental Risk

All phases of the Company's operations are subject to various federal, provincial, municipal, and international laws and statutory instruments governing the use of lands and protection of the environment, which may be modified from time to time. These laws, among other things, govern air and water quality standards, land reclamation requirements, transportation, storage and the disposal of hazardous waste. Environmental legislation may over time require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. To the Company's knowledge, there are no material liabilities to date which relate to environmental risks or hazards.

Regulatory Risks

The Company and its prospective customers are subject to extensive environmental, health and safety regulations that impose, and will continue to impose, significant costs and liabilities. In addition, future regulations, or more stringent enforcement of existing regulations, could increase those costs and liabilities, which could adversely affect the Company's results of operations.

Land Title Risk

The Company has not sought formal title opinions on its quarry lease interests in Canada. Any of the Company's properties may be subject to prior unregistered agreements or transfers or Indigenous land claims and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title of any of the properties in which the Company has or may acquire an interest.

Limitation of Controls and Procedures

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, financial performance and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate do not make any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The issuer'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 the certificate. Investors should be aware that inherent limitations 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 NI 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.

Forward-Looking Statements

Certain statements contained in this MD&A constitute forward-looking statements relating to, without limitation, expectations, intentions, plans and beliefs, including information as to the future events, results of operations and the Company's future performance (both operational and financial) and business prospects. In certain cases, forward-looking statements can be identified by the use of words such as "expects", "estimates", "forecasts", "intends", "anticipates", "believes", "plans", "seeks", "projects" or variations of such words and phrases, or state that certain actions, events or results "may" or "will" be taken, occur or be achieved. Such forward-looking statements reflect the Company's beliefs, estimates and opinions regarding its future growth, results of operations, future performance (both operational and financial), and business prospects and opportunities at the time such statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or circumstances should change. Forward-looking statements are necessarily based upon estimates and assumptions made by the Company that are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Forward-looking statements are not guarantees of future performance. In particular, this MD&A contains forward-looking statements pertaining, but not limited, to: the statements made under the heading "Business Outlook"; the design and operation of the glass manufacturing facility and associated sand quarry; the ability to transport raw materials to the glass manufacturing facility and the ultimate products sold; the benefits to be derived from the Economic Participation Agreements including anticipated economic and social benefits and opportunities, including employment, contracting and training initiatives; the plans with respect to financing ongoing operating activities; the timing and approval or permitting process; the intention to use cash on hand and proceeds from future equity issuances to fund the Company's operations and future development plans; industry activity levels; industry conditions pertaining to the glass manufacturing industry; the ability of and manner by which the Company expects to meet its capital needs and remain a going concern basis; and the Company's objectives, strategies and competitive strengths.

By their nature, forward-looking statements involve numerous current assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from those anticipated by the Company and described in the forward-looking statements.

With respect to the forward-looking statements contained in this MD&A, assumptions have been made regarding, among other things: the ability to obtain the necessary stakeholder, regulatory and environmental approval and external funding to advance the development of the glass manufacturing facility and associated sand quarry; no material capital project and financing cost overrun or delay related to the construction of the facility; the ability to continue to consult with, and address feedback received from interested stake holders including the Hollow Water First Nation and surrounding communities; environmental risks and regulations; future global economic and financial conditions; future raw material input cost prices; product market prices, operating costs; that the regulatory environment in which the Company operates will be maintained in the manner currently anticipated by the Company; future exchange and interest rates; the recoverability and consistent quality of the Company's silica sand; the accuracy and veracity of information and projections sourced from third parties respecting, among other things, future industry conditions; demand for the Company's glass products; the Company's ability to obtain qualified staff and equipment in a timely and cost-efficient manner; the regulatory framework governing royalties, taxes and environmental matters in the jurisdictions in which the Company conducts its business and any other jurisdictions in which the Company may conduct its business in the future; future capital expenditures to be made by the Company; future sources of funding for the Company's capital program; the Company's future debt levels; the impact of competition on the Company; the supply and demand and future projected growth of the markets in which the Company operates and the Company's ability to obtain financing on acceptable terms.

A number of factors, risks and uncertainties could cause results to differ materially from those anticipated and described herein including, among others: the effects of competition and pricing pressures; effects of fluctuations in the price of glass products and raw materials input costs; risks related to indebtedness and liquidity, including the Company's capital requirements; risks related to interest rate fluctuations and foreign exchange rate fluctuations; changes in general economic, financial, market and business conditions in the markets in which the Company operates; the Company's ability to obtain, maintain and renew required permits, licenses and approvals from regulatory authorities; the stringent requirements of and potential changes to applicable legislation, regulations and standards; the ability of the Company to comply with unexpected costs of government regulations; liabilities resulting from the Company's operations; the results of litigation or regulatory proceedings that may be brought against the Company; uninsured and underinsured losses; risks related to the transportation of the Company's products, including potential rail line interruptions or a reduction in rail car availability; the geographic and customer concentration of the Company; the ability of the Company to retain and attract qualified management and staff in the markets in which the Company operates; labor disputes and work stoppages and risks related to employee health and safety; general risks associated with the glass manufacturing and sand quarry industries, loss of markets, consumer and business spending and borrowing trends; limited, unfavorable, or a lack of access to capital markets; uncertainties inherent in estimating quantities of products; processing problems; and the use and suitability of the Company's accounting estimates and judgments.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in its forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will materialize or prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. Readers should not place undue reliance on forward-looking statements. These statements speak only as of the date of this MD&A. Except as may be required by law, the Company expressly disclaims any intention or obligation to revise or update any forward-looking statements or information whether as a result of new information, future events or otherwise.

Any financial outlook and future-oriented financial information contained in this MD&A regarding prospective financial performance, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action based on management's assessment of the relevant information that is currently available. Projected operational information contains forward-looking information and is based on a number of material assumptions and factors, as are set out above. These projections may also be considered to contain future oriented financial information or a financial outlook. The actual results of the Company's operations for any period will likely vary from the amounts set forth in these projections and such variations may be material. Actual results will vary from projected results. Readers are cautioned that any such financial outlook and future-oriented financial information contained herein should not be used for purposes other than those for which it is disclosed herein. The forward-looking information and statements contained in this document speak only as of the date hereof and the Company does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Market, Independent Third Party and Industry Data

Certain market, independent third-party and industry data contained in this MD&A is based upon information from government or other independent industry publications and reports or based on estimates derived from such publications and reports. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but the Company has not conducted its own independent verification of such information. This MD&A also includes certain data derived from public filings made by independent third parties. While the Company believes this data to be reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Company has not independently verified any of the data from independent third-party sources referred to in this MD&A or ascertained the underlying assumptions relied upon by such sources.