Nevada Organic Phosphate Inc.

(Formerly "Silver Eagle Mines Inc.")

Management's Discussion and Analysis

For the Year ended April 30, 2024

(Expressed in Canadian Dollars)

The following is the management's discussion and analysis ("MD&A") of the results of operations and financial condition of Nevada Organic Phosphate Inc. (formerly "Silver Eagle Mines Inc.") ("NOPI" or the "Company") as at and for the year ended April 30, 2024. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This MD&A should be read in conjunction with the Company's consolidated financial statements and related notes for the years ended April 30, 2024 and 2023 (the "2024 Financials"). The 2024 Financials and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All figures are expressed in Canadian dollars unless stated otherwise.

This MD&A also covers the subsequent period up to August 26, 2024.

Nature of Operations

The Company was incorporated on May 28, 2018, as Silver Eagle Mines Inc. pursuant to the British Columbia *Business Corporations Act*. On May 3, 2023, the Company changed its name to Nevada Organic Phosphate Inc. to better reflect its current nature of business. NOPI is a development stage junior mining company engaged in the identification, acquisition, evaluation and exploration of precious and base metals with mineral properties in Canada and the United States (the "U.S.").

The Company's common shares are listed on the Canadian Securities Exchange (the "CSE") under the ticker symbol "NOP". The Company's head office address is located at 408 – 150 24th Street West, Vancouver, British Columbia, V7V 4G8, Canada.

On June 12, 2018, the Company acquired 100% of the outstanding shares of Nevada Phosphate Inc. ("NVP"), a Nevada corporation. NVP owns 100% of the outstanding shares of Nevagro, LLC, a Nevada corporation that currently owns a conditional 100% undivided interest in the Murdock Mountain Property (the "Murdock Property"), covered by Prospecting Permit Application NVNV106197277 (NVN90747), covering 1,813 acres and being legally described as:

T.38N., R67E., MDM, Nevada
Section 2, Lots 5-12; (332.16) 333.0 acres
T.39N., R67E., MDM, Nevada
Section 24 E2/SE4; SW4/SE4; 120 acres
Section 26 E2/SE4; SE4/SW4; 240.0 acres
T39N., R.67E., MDM Nevada
Section 34 E2/SE4; 80 acres
T39N., R67E., MDM Nevada
Section 36 NE4; SW4; W2/NW4; E2/SE4/NW4; NW4/SE4; 460 Acres
T39.N, R68E., MDM Nevada
Section 20 SW4/SW4 (40 acres) excluding NE4/NE4/NE4/SW4/SW4 (.625 acres).
(39.375) 40 acres
T39N., R68E., MDM, Nevada
Section 30 E2; E2/W2; N2/NW4/NW4; N2/S2/NW4/NW4; S2/SW4/SW4.
S2/N2/SW4/SW4; 540 acres

The Murdock Property is located in Elko County, Nevada, and is a nearly flat lying sedimentary rock phosphate exploration target. The initial 1,813 acres application target is believed to host a potential ETMI (Exploration Target Mineral Inventory) Resource of 10 to 46 million tonnes ranging in grade from 3-15% P_2O_5 based on an average thickness of 3.5 metres and a specific gravity of 2.6. These ranges are based on previous workers and researchers estimates and have not been verified by NOPI according to current 43-101 standards of disclosure.

The Company plans to initiate the exploration program, as recommended in the Exploration Trenching and Drilling Plan 2018, consisting of up to 29 drill pads (2 to 3 drill holes per pad) in the Murdock Property. The drill program is designed to confirm historic trench results and more confidently define potential phosphate resources.

On January 4, 2024, the Company announced that the United States Department of the Interior, Bureau of Land Management ("BLM") has accepted three new Prospecting Permit Application for Phosphate filed by Nevada Phosphate Exploration, NV Inc., a wholly-owned subsidiary of the Company. These three new applications add an additional 6,011 acres of potential phosphate resource to the Company's existing application covering 1,813 acres.

On March 18, 2024, the Company reported that it has been advised by Westland Resources, its environmental consultant, that the Administrative Draft of the Murdock Mountain Environmental Assessment (the "Environment Assessment") was submitted to the BLM in Reno on March 8, 2024. It was then sent to the BLM team in Wells/Elko on March 12, 2024.

On July 5, 2024, the Company was advised by the BLM that the final Environmental Assessment report has been published for public comment. Posted along with the final Environmental Assessment, is the BLM's draft 'Finding of No Significant Impact' (FONSI). The public consultation period will continue until August 4, 2024, at which time public comments will be addressed and any final changes to the Exploration Plan can be made.

On August 12, 2024, the Company has been advised by the BLM that the period for public comment on its final Environmental Assessment is now closed. All public comments received are being respected and addressed. This is the last step before the BLM can elect to issue to NOPI its Exploration Permit which will allow planning for a drill program.

The Murdock Property Applications are subject to on-going Environmental Assessments conducted by the BLM, and potential mitigation strategies, guided by the National Environmental Policy Act (NEPA).

Strategy and Outlook

Management's objective is to maximize the value of NOPI for our shareholders and our strategy to obtain this result is to develop The Murdock Property while looking to future funding and acquisitions. Management believes that the increasing interest in organic and sustainable agriculture practices has contributed to the demand for organic fertilizers, including those derived from rock phosphate. Organic rock phosphate is often marketed as a fertilizer that not only provides phosphorus but also contributes to overall soil health. The Company aims to be one of the only certified organic rock phosphate producers with large scale potential in North America.

On June 10, 2024, the office of Energy and Natural Resources Minister Jonathan Wilkinson released the updated Canadian Critical Minerals list of materials, of which phosphate has been added. Phosphate is now one of the 34 materials deemed 'essential' for Canada's economic future according to the Canadian Critical Minerals list.

Management believes that the classification showcases the critical nature of phosphate to many agricultural applications and affirms our belief that the need for phosphate of the highest order is near. With this addition, Canada joins two of its provinces, Quebec and Ontario, as well as the European Union in recognizing the significance of phosphate. Similarly, the U.S. Senate also introduced a bi-partisan bill March 19, 2024, that would add key fertilizers phosphate and potash to the list of critical minerals by the U.S. Department of Interior. Management will continue to monitor the development of this new bill, which may potentially be a catalyst for phosphate operators and the phosphate market.

Other Corporate Developments

On May 16, 2023, the Company announced the appointment of Marco Montecinos as Project Manager to lead the development program at the Murdock Property. Mr. Montecinos has over 38 years of experience in mineral exploration and business development projects in the Americas and possesses considerable expertise and knowledge of the phosphate-rich bed where the Company is engaged.

On May 31, 2023, the Company announced the appointment Garry K. Smith, P.Geo to the Board of Directors (the "Board"). Mr. Smith has extensive knowledge and will help strengthen the Board's focus on identifying and achieving strategic corporate growth initiatives to create shareholder value with his proven track record of deposit discovery, resource delineation and evaluation, project generation and acquisitions, and a reputation for building and leading successful discovery oriented multidisciplinary teams. The Company also announced the resignation of Patricia Purdy as a director and the corporate secretary, as well as Edwin Beaman and Michael Newman as directors.

On June 13, 2023, the Company announced the appointment of Eric Szustak and Paul Pitman to the Board. Mr. Szustak is a Chartered Public Accountant with over 38 years of financial service, business development, marketing, accounting, and CFO experience. He has worked at both small and large accounting firms advising mid- sized Businesses. His background includes 14 years with three national brokerage firms Midland Walwyn, Merrill Lynch and BMO Nesbitt Burns in various positions, including private client wealth group, management & securities compliance. Mr. Pitman is a field hardened veteran with extensive experience in all areas of geological exploration for a number of metals and materials. He has over 55 years of experience as an exploration geologist. Since 1983, he had acted as a geological consultant to over 70 clients; providing a full range of services (geological, corporate, and administrative); including being a former director and senior officer of several junior resource companies. NOPI also announced the resignation of Kristine Dorward as director effective as of June 3, 2023.

On June 20, 2023, the Company announced the appointment of Andrew Brown as corporate secretary. Mr. Brown is the President of Ardent Corporate Services Inc., and has extensive experience in corporate governance, corporate secretarial, corporate finance, and business development. He had previously held roles as an officer and director for companies listed on both the TSX Venture and the CSE.

On September 1, 2023, the Company appointed Keith Li as its new Chief Financial Officer ("CFO"). Mr. Li is a Chartered Professional Accountant with over 15 years of corporate accounting, finance, and financial reporting experience. He also holds a Bachelor of Commerce degree from McGill University. The Company also announced the resignation of Doug Wallis, as CFO.

On December 6, 2023, the Company closed the first tranche (the "First Tranche") of a non-brokered private placement (the "Private Placement") for gross aggregate proceeds of $105,000 through the issuance of 2,100,000 units (each a "Unit") at a price of $0.05 per Unit. Each Unit consists of one common share in the capital of the Company and one share purchase warrant (each a "Warrant"), with each Warrant entitling the holder thereof to purchase one additional common share at a price of $0.10 for a period of 60 months following the date of issuance.

On January 2, 2024, the Company closed the second tranche (the "Second Tranche") of the Private Placement for gross proceed of $172,500 through the issuance of 3,450,000 Units at a price of $0.05 per Unit. Each Unit consists of one common share and one Warrant, with each Warrant entitling the holder thereof to purchase one additional common share at a price of $0.10 for a period of 60 months following the date of issuance.

On February 12, 2024, the Company announced it has entered into a consultant agreement (the "Consulting Agreement") with an independent consultant Integrity Media Inc. (the "Consultant") with respect to the Consultant agreeing to serve as NOPI's Manager of Government Relations for a term of one year, led by its president, Kurt Divich. In consideration of the appointment and services over the term of the Consulting Agreement, the Company issued 800,000 common shares to the Consultant.

On March 28, 2024, the Company hosted its annual general meeting of shareholders. Messrs. Robin Dow, Garry Smith, Eric Szustak and Paul Pitman were all re-elected to the Board.

On June 5, 2024, the Company closed the First Tranche of a new non-brokered private placement (the "New Private Placement") for gross aggregate proceeds of $164,000 through the issuance of 3,280,000 Units at a price of $0.05 per Unit. Each Unit consists of one common share and one Warrant, with each Warrant entitling the holder thereof to purchase one additional common share at a price of $0.10 for a period of 60 months following the date of issuance.

On June 14, 2024, the Company closed the Second Tranche of the New Private Placement for gross aggregate proceeds of $25,000 through the issuance of 500,000 Units at a price of $0.05 per Unit. Each Unit consists of one common share and one Warrant, with each Warrant entitling the holder thereof to purchase one additional common share at a price of $0.10 for a period of 60 months following the date of issuance.

On July 22, 2024, the Company closed the third tranche (the "Third Tranche") of the New Private Placement for gross aggregate proceeds of $65,000 through the issuance of 1,300,000 Units at a price of $0.05 per Unit. Each Unit consists of one common share and one Warrant, with each Warrant entitling the holder thereof to purchase one additional common share at a price of $0.10 for a period of 60 months following the date of issuance.

On August 20, 2024, the Company closed the fourth tranche (the "Fourth Tranche") of the New Private Placement for gross aggregate proceeds of $75,000 through the issuance of 1,500,000 Units at a price of $0.05 per Unit. Each Unit consists of one common share and one Warrant, with each Warrant entitling the holder thereof to purchase one additional common share at a price of $0.10 for a period of 60 months following the date of issuance.

Selected Financial Information

Selected annual financial results

Selected financial information for the Company's three most recently completed fiscal years ended April 30 are summarized as follows:

	2024	2023	2022
	$	$	$
Revenue	-	-	-
Total expenses	(898,759)	(929,943)	(128,787)
Net loss for the year	(896,959)	(929,943)	(128,787)
Loss per share – basic and diluted	(0.023)	(0.027)	(0.010)
Total assets	124,330	489,614	280,607
Total long-term financial liabilities	Nil	Nil	Nil
Cash dividend per common share	Nil	Nil	Nil

Selected quarterly financial results

Selected financial information for the Company's eight most recently completed quarters are summarized as follows:

	Apr 30, 2024	Jan 31, 2024	Oct 31, 2023	July 31, 2023
	$	$	$	$
Operating expenses	(145,900)	(308,608)	(261,099)	(183,152)
Net loss	(145,900)	(308,608)	(259,299)	(183,152)
Net loss per share – basic	(0.003)	(0.008)	(0.007)	(0.005)
Cash	39,176	128,414	26,826	190,726
Shareholders' equity (deficiency)	(41,368)	63,284	33,872	285,971

	Apr 30, 2023	Jan 31, 2023	Oct 31, 2022	July 31, 2022
	$	$	$	$
Operating expenses	(322,888)	(179,892)	(186,664)	(240,499)
Net loss	(322,888)	(179,892)	(186,664)	(240,499)
Net loss per share – basic	(0.009)	(0.005)	(0.005)	(0.008)
Cash	334,802	511,481	546,027	190,726
Shareholders' equity	444,160	624,290	804,182	990,846

Results of operations

During the year ended April 30, 2024 ("Fiscal 2024"), the Company did not generate any revenues. In terms of costs, the Company incurred total expenses of $898,759, as compared to $929,943 in the prior year, for a decrease of $31,184. Significant expenses incurred comprised of the following:

- $143,326 (2023 – $235,860) in exploration and evaluation expenses, primarily related to the environmental and cultural study required for the BLM;
- $135,186 (2023 – $9,206) in consulting fees for services provided by third-party consultants primarily in its E&E activities;
- $130,973 (2023 – $62,738) in travel and promotional expenses, primarily related to site visits to the Murdock Property;
- $125,771 (2023 – $132,932) in investor relations contract fees related to raising of capital and promoting to prospective shareholders;

- $91,000 (2023 – $61,279) in management and consulting fees paid to the officers of the Company for services provided to NOPI;
- $90,881 (2023 – $98,785) in stock-based compensation related to options granted to various officers, directors, and consultants in the year (2023 – 3.4 million options granted to officers, directors, and consultants); and
- $66,890 (2023 – $240,956) in professional fees paid for accounting, legal and corporate secretary services.

Based on the above items., net loss for the year ended April 30, 2024 was $896,959, or $0.023 per basic and diluted share (2023 – net loss of $929,943, or $0.027 on a basic and diluted basis).

No cash dividends have been paid by NOPI. The Company has no present intention of paying cash dividends on its common shares as it anticipates that all available funds will be invested to finance existing exploration activities and to review other opportunities.

Cash flows

During Fiscal 2024, net cash used in the Company's operations was $613,126, as compared to net cash used in operations of $716,481 in the prior year. The primary use in operating spending is due to the delay in the exploration program as the Company is currently awaiting licensing updates from the BLM.

During Fiscal 2024, the Company raised total gross proceeds of $277,500 from the two tranches of the Private Placement. It also received $50,000 in funds on subscription which closed after year-end. In the comparative period, the Company raised over $880,000 from various issuances of units and special warrants.

During the years ended April 30, 2024 and 2023, the Company did not participate in any investing activities.

Liquidity and Capital Management

As at April 30, 2024, the Company had current assets of $71,118 (April 30, 2023 – $467,243), including a cash balance of $39,176 (April 30, 2023 – $334,802). It also has current liabilities of $165,698 (April 30, 2023 – $45,454), for a working capital deficiency of $94,580 (April 30, 2023 – working capital of $421,789).

As at April 30, 2024, NOPI has not yet achieved profitable operations and expects to incur further losses. The Company has financed its operations from inception to date through the issuance of equity securities. It also has administrative and other expenses that exceed available cash resources. From inception to date, NOPI has incurred losses from operations and has had negative cash flow from operating activities. NOPI requires additional funding to be able to develop its mineral property and to meet ongoing requirements for general operations. The ability of the Company to continue as a going concern is dependent on raising additional financing and generation of profitable operations in the future. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and evaluation of its exploration and evaluation assets, acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of equity.

The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets.

To maximize ongoing development efforts, the Company does not currently pay any dividends. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company.

The Company currently is not subject to externally imposed capital requirements.

Related Party Transactions

In accordance with IAS 24 – Related Party Disclosures, key management personnel include companies controlled by them, are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company has determined that key management personnel consist of members of the Board, and its corporate officers, including the Company's Chief Executive Officer ("CEO"), CFO, and companies controlled directly by these parties.

The remuneration of directors and other members of key management personnel during the years ended April 30, 2024 and 2023 were as follows:

	2024	2023
	$	$
Management fees to CEO	**60,000**	14,000
Management fees to Current CFO	**28,000**	-
Management fees to Former CFO	**4,000**	24,500
Consulting fees paid to directors	**34,371**	-
Directors' fees	**11,000**	8,250
Stock-based compensation to directors	**66,174**	94,428
	203,545	141,178

Included in accounts payable and accrued liabilities as at April 30, 2024, is an amount of $43,008 (April 30, 2023 – $4,994) owing to the Company's CEO, $3,675 (April 30, 2023 – $nil) owing to Branson Corporate Services Ltd. ("Branson") where the Company's CFO was formerly a director, and $8,700 owing to other directors (including accrued directors' fees of $4,000) (April 30, 2023 – $7,750). As of April 30, 2024, no other balances were owed to any former officers and directors (April 30, 2023 – $nil).

Other related party transactions

On September 11, 2023, the Company entered into debt settlement agreements to settle certain outstanding balances owed to certain former directors (the "Debt Settlement"). An aggregate of 180,000 common shares were issued as full settlement in the amount of $9,000 owed by the Company. These common shares were valued at $7,200 based on the closing share price on the day of issuance. As a result of the Debt Settlement, a gain of $1,800 was recorded on the Company's consolidated statements of loss and comprehensive loss.

On March 11, 2024, the Company issued 250,000 common shares to Branson for services provided to the Company. These common shares were valued at $8,750 based on the closing share price on the day of issuance and were included in consulting fees on the Company's consolidated statements of loss and comprehensive loss.

Financial Instruments and Risk Management

The Company is exposed to various risks as it relates to financial instruments. Management, in conjunction with the Board, mitigates these risks by assessing, monitoring, and approving the Company's risk management process. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash. The Company deposits cash with a reputable Canadian chartered bank, which is closely monitored by management. As a result, management believes that the credit risk concentration with respect to cash is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. The Company endeavors to have sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably predicted. As at April 30, 2024, the Company had a cash balance of $39,176 (April 30, 2023 – $334,802) to settle current liabilities of $165,698 (April 30, 2023 – $45,454).

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its liabilities as they come due. Management believes there is sufficient capital to meet short-term business obligations, after taking into account cash flow requirements from operations and the Company's cash position as at April 30, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at April 30, 2024, the Company had no financial instruments which are interest-bearing, and had no hedging agreements in place with respect to floating interest rates. Management believes that the interest rate risk concentration with respect to financial instruments is minimal.

Foreign exchange risk

Foreign exchange risk is the risk that the Company will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Company's operations are based in the U.S., and will have, from time to time, transactions denominated in foreign currencies, primarily in U.S. dollars. The Company's primary exposure to foreign exchange risk is that transactions denominated in foreign currency may expose the Company to the risk of exchange rate fluctuations. Based on its current operations, management believes that the foreign exchange risk remains minimal.

Fair value

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

As at April 30, 2024, the Company's financial instruments consisted of cash and accounts payable and accrued liabilities. The fair value of cash and accounts payables and accrued liabilities are approximately equal to their carrying value due to their short-term nature. As at April 30, 2024, the Company did not have any financial instruments which were carried at fair value (April 30, 2023 – $nil).

Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. The use of these judgments, estimates and assumptions is described in greater detail in Note 2.5 to the 2024 Financials.

Summary of Material Accounting Policies

The material accounting policies applied by the Company are the same as those described in Note 3 to the 2024 Financials.

Environmental and Reclamation Obligations

As at April 30, 2024, to the best knowledge of its management, the Company was in conformity with the laws and regulations in effect regarding environment protection and the requirements regarding reclamation of mineral properties and retirement of long-term assets. The Company does not believe it has material reclamation obligations regarding the rehabilitation and restoration as it holds no claims.

Subsequent Events

On May 10, 2024, 4,400,000 warrants (each a "Warrant") exercisable at $0.10, and 648,000 Warrants exercisable at $0.20, all expired unexercised.

On May 25, 2024, an additional 22,527,240 Warrants exercisable at $0.10, also expired unexercised.

On June 5, 2024, the Company closed the First Tranche of the New Private Placement for gross aggregate proceeds of $164,000 through the issuance of 3,280,000 Units at a price of $0.05 per Unit.

On June 14, 2024, the Company closed the Second Tranche of the New Private Placement for gross aggregate proceeds of $25,000 through the issuance of 500,000 Units at a price of $0.05 per Unit.

On July 22, 2024, the Company closed the Third Tranche of the New Private Placement for gross aggregate proceeds of $65,000 through the issuance of 1,300,000 Units at a price of $0.05 per Unit. Fees of $500 were paid and 10,000 Finder's Warrants were issued to finders in connection with the Third Tranche.

On July 22, 2024, the Company also issued 105,000 common shares pursuant to a Debt Settlement to settle an outstanding balance of $5,250 owed to a third-party consultant.

On August 20, 2024, the Company closed the Fourth Tranche of the New Private Placement for gross aggregate proceeds of $75,000 through the issuance of 1,500,000 Units at a price of $0.05 per Unit. Each Unit consists of one common share in the capital of the Company and one Warrant, with each Warrant entitling the holder thereof to purchase one additional common share at a price of $0.10 for a period of 60 months following the date of issuance.

The Company also issued 2,000,000 common shares as bonus compensation (the "Compensation Shares") to certain officers and directors. The Compensation Shares were issued at a deemed price of $0.05 per share, in accordance with policies of the CSE.

Off Balance Sheet Arrangements

As at April 30, 2024 and the date of this MD&A, the Company does not have any off-balance sheet arrangements.

Disclosure of Outstanding Share Data

Information with respect to outstanding common shares, options and warrants as at the date of the MD&A is as follows:

Common shares	53,312,705	44,627,705
Warrants	14,312,465	35,297,705
Options	4,325,000	4,325,000
Total fully diluted shares outstanding	71,950,170	84,300,410

Risks and Uncertainties

The Company is subject to a number of risks and uncertainties due to the nature and the present stage of development to its business. Investment in the natural resource industry in general, and the exploration and development sector in particular, involves a great deal of risk and uncertainty. Current and potential investors should give special consideration to the risk factors involved.

Limited operating history

The Company has no properties producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from producing properties in the future. The Company has not earned profits to date and there is no assurance that it will do so in the future. Significant capital investment will be required to achieve commercial production from the Company's existing projects. There is no assurance that the Company will be able to raise the required funds to continue these activities.

Management

Dependence on key personnel, contractors and service providers shareholders of the Company rely on the good faith, experience and judgment of the Company's management and advisors in supervising and providing for the effective management of the business and the operations of the Company and in selecting and developing new investment and expansion opportunities. The Company may need to recruit additional qualified contractors and service providers to supplement existing management. The Company will be dependent on a relatively small number of key persons, the loss of any one of whom could have an adverse effect on the Company.

Conflicts of interest

Certain directors of the Company also serve as directors of other companies involved in natural resource exploration, development, and production. Consequently, there exists the possibility that such directors will be in a position of conflict of interest. Any decision made by such directors involving the Company is made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a material conflict of interest.

Additional funding and financing risk

Additional funds will be required for future development. The source of future funds available to the Company is the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to the Company. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position. In addition, any future equity financing by the Company may result in substantial dilution for existing shareholders.

Value of common shares

The value of the Company's common shares could be subject to significant fluctuations in response to variations in quarterly and annual operating results, the success of the Company's business strategy, competition or other applicable regulations which may affect the business of the Company and other factors.

Liquidity of the common shares

There may be no liquid market for the Company's common shares. Thus, an investment in the common shares may be difficult to realize. Investors should be aware that the value of the common shares may be volatile. Investors may, on disposing of common shares, realize less than their original investment, or may lose their entire investment. The common shares, therefore, may not be suitable as a short-term investment.

The market price of the common shares may not reflect the underlying value of the Company's net assets. The price at which the common shares will be traded, and the price at which investors may realize their common shares, will be influenced by a large number of factors, some specific to the Company and its proposed operations, and some that may affect the sectors in which the Company operates. Such factors could include the performance of the Company's operations, large purchases or sales of the common shares, liquidity or the absence of liquidity in the common shares, legislative or regulatory changes relating to the business of the Company, and general market and economic conditions.

Regulatory matters

The Company's business is subject to various federal, provincial, and local laws governing prospecting and development, taxes, labor standards and occupational health, mine safety, toxic substances, environmental protection and other matters. Exploration and development are also subject to various federal, provincial, and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of wastewater and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties.

No production history

The Murdock Property is not a producing property, and its ultimate success will depend on its operating ability to generate cash flow in the future. The Company has not generated any revenue to date and there is no assurance that it will do so in the future. The Company's business operations are at an early stage of development and its success will be largely dependent upon the outcome of the exploration programs that the Company proposes to undertake. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business.

The Company has limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Permits and government regulations

The future operations of the Company may require permits from various federal, state and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labor standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. Before any exploration or production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance, with changes in governmental regulations, has the potential to reduce the profitability of operations.

At the present time, the Company is seeking an exploration permit to recommence exploration efforts on the Murdock Property, which requires the submission of the proposed exploration program and an environmental report and underlying biological and cultural studies with respect thereto.

The BLM's assessment of the environmental report and studies, and the resulting decision to grant an exploration permit for the present program or any future proposed programs, are at the sole discretion of the BLM and no assurances can be made that the Company will be successful in obtaining any exploration permit on terms and conditions satisfactory to it, if at all.

Upon completion of one or more exploration programs, the Company must obtain a lease prior to any mining. The BLM also has very broad discretion on whether to grant a lease, and there can be no assurances can be made that the Company will be successful in obtaining any lease on terms and conditions satisfactory to it, if at all.

Exploration, mining and operational risks

The business of exploring for and mining minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the Murdock Property does not have any known mineral resources or reserves, and the proposed exploration and drilling programs are an exploratory search for such mineral resources or reserves. The Company's operations are subject to all the hazards and risks normally associated with the exploration, development and mining of minerals, any of which could result in risk to life, to property, or to the environment.

The Company's operations may be subject to disruptions caused by unusual or unexpected formations, formation pressures, fires, power failures and labor disputes, flooding, explosions, cave-ins, landslides, the inability to obtain suitable or adequate equipment, machinery, labor or adverse weather conditions. The availability of insurance for such hazards and risks is extremely limited or uneconomical at this time.

In the event the Company is fortunate enough to discover a mineral deposit, the economics of commercial production depend on many factors, including the cost of operations, the size and quality of the mineral deposit, proximity to infrastructure, financing costs and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The effects of these factors cannot be accurately predicted, but any combination of these factors could adversely affect the economics of commencement or continuation of commercial mineral production.

Possible failure to obtain mining licenses

Even if the Company does complete the required exploration activities on the Murdock Property, it may not be able to obtain the necessary licenses or permits to conduct mining operations, and thus would realize no benefit from such exploration activities.

Competition

The Company competes with numerous other companies and individuals possessing greater financial resources and technical facilities than itself in the search for, and acquisition of, mineral claims, leases and other mineral interests, as well as the recruitment and retention of suitably qualified individuals.

Volatility of commodity prices

The market prices of commodities, including phosphate, are volatile and are affected by numerous factors, which are beyond the Company's control. These factors include international supply and demand, consumer product demand, international economic trends, currency exchange rate fluctuations, interest rates, inflation, global or regional political events, as well as a range of other market forces. Sustained downward movements in commodity prices could render less economic, or uneconomic, some or all of the exploration activities to be undertaken by the Company.

Environmental risks and other regulatory requirements

Inherent with mining operations is an environmental risk. The current or future operations of the Company, including exploration and development activities and commencement of production on the Murdock Property, require permits from various governmental authorities. Such operations are governed by laws and regulations that govern prospecting, mining, development, production, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production as a result of needing to comply with applicable laws, regulations and permits. There can be no assurance that all permits that the Company requires for future, exploration, development, construction and operation of mining facilities and the conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Company.

The legal framework governing this area is constantly developing, therefore the Company is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Company, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation.

There is also a risk that the Company's operations and financial position may be adversely affected by the actions of environmental groups, or any other group or person opposed in general to the Company's activities and, in particular, the proposed exploration and mining by the Company within the State of Nevada.

Health and safety risks

A violation of health and safety laws, or the failure to comply with the instructions of relevant health and safety authorities, could lead to, among other things, a temporary cessation of activities on the Murdock Property or any part thereof, a loss of the right to prospect for minerals, or the imposition of costly compliance procedures. This could have a material adverse effect on the Company's operations and/or financial condition.

Tax issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

Forward-Looking Information

Except for statements of historical fact relating to NOPI and its subsidiary, certain statements contained in this MD&A constitute forward-looking information, future oriented financial information, or financial outlooks (collectively "forward-looking information") within the meaning of Canadian securities laws.

Forward-looking information may relate to this document and other matters identified in NOPI's public filings, NOPI's future outlook and anticipated events or results and, in some cases, can be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "targeted", "possible", "continue", "objective" or other similar expressions concerning matters that are not historical facts and include, commodity prices, access to sufficient capital resources, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, results of exploration activities, the timing and amount of future production, the timing of construction of the proposed mine and process facilities, the timing of cash flows, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, communications with local stakeholders and community relations, employee relations, settlement of disputes, status of negotiations of joint ventures, availability of financing and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner, those disclosed in any other of NOPI's public filings, and include the ultimate determination of mineral reserves, availability and final receipt of required approvals, licenses and permits, ability to acquire necessary surface rights, sufficient working capital to develop and operate the proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated cost of funds, availability of a qualified work force, positive employee relations, lack of social opposition and legal challenges, ability to settle disputes, and the ultimate ability to mine, process and sell mineral products on economically favorable terms. While NOPI considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in other NOPI's filings.

Forward-looking statements are based upon management's beliefs, estimate and opinions on the date the statements are made and, other than as required by law, NOPI does not intend, and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.