



EAST AFRICA METALS INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED
March 31, 2026

This Management's Discussion and Analysis ("MD&A") provides a review of the performance of the operations of East Africa Metals Inc. (collectively, with its subsidiaries, "East Africa", "EAM" or the "Company") for the year ended March 31, 2026 ("Fiscal 2026") compared to the year ended March 31, 2025 ("Fiscal 2025"). This MD&A has been prepared in compliance with National Instrument 51-102 F1 - Continuous Disclosure Obligations. This MD&A has been prepared on the basis of available information up to July 28, 2026 and should be read in conjunction with the Company's consolidated financial statements for the year ended March 31, 2026 and the corresponding notes to the financial statements which have been prepared in accordance IFRS Accounting Standards ("IFRS"). These documents are available on SEDAR at www.sedarplus.ca. All dollar amounts are expressed in Canadian dollars ("CAD") except where indicated otherwise.

Cautionary Statement Regarding Forward-Looking Information

This MD&A may contain certain forward-looking statements concerning anticipated developments in the Company's operations in future periods, "forward-looking information," within the meaning of applicable Canadian securities legislation. The forward-looking statements are set forth in this MD&A and may include statements regarding exploration results and budgets, mineral resource estimates, work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not a statement of fact. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "anticipate", "believe", "plan", "expect", "intend", "estimate", "forecast", "project", "budget", "schedule", "may", "will", "could", "might", "should" or variations of such words or similar words or expressions. Forward-looking information is based on reasonable assumptions that have been made by the Company as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: recoverability of the Ethiopian and Tanzanian VAT receivable; early exploration; the ability of the Company to identify any other corporate opportunities; the possibility that the Company may not be able to generate sufficient cash to service its planned operations and may be forced to take other options; contest over title; the risk the Company may not be able to continue as a going concern, the Company will require additional financing to develop the Harvest Property into a mining operation; the risks associated with obtaining necessary licenses or permits including and not limited to Ethiopian Government approval of future EAM Mineral Resources targets for the Company's Ethiopian Properties and Projects; risks associated with mineral exploration and development; metal and mineral prices; availability of capital; accuracy of the Company's projections and estimates, including the initial and any updates to the mineral resource for the Adyabo, Harvest and Magambazi Projects; realization of mineral resource estimates; interest and exchange rates; competition; stock price fluctuations; availability of drilling equipment and access; actual results of exploration activities; government regulation; political or economic developments; foreign taxation risks; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with development activities; personnel relations; the speculative nature of strategic metal exploration and development including the risks of contests over title to properties; and changes in project parameters as plans continue to be refined, as well as those risk factors set out in the Company's listing application dated July 8, 2013, and within this MD&A. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported inferred mineral resources as the estimation is uncertain in nature and there has been insufficient exploration to define any inferred mineral resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading inferred mineral resources to an indicated or measured mineral resource category. Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to the price of precious and base metals; the demand for precious and base metals; the ability to carry on exploration and development activities; the timely receipt of any required approvals; the ability to obtain qualified personnel, equipment and services in a timely and cost-efficient manner; the ability to operate in a safe, efficient and effective manner; and the regulatory framework including and not limited to license approvals, social and environmental matters, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The Company does not update or revise forward-looking information even if new information becomes available unless legislation requires the Company to do so. Accordingly, readers should not place undue reliance on forward-looking information contained herein, except in accordance with applicable securities laws.

INTRODUCTION

East Africa was incorporated on December 7, 2012, under the Canada Business Corporations Act. The address of the Company's corporate office and principal place of business is Suite 1700, 777 Dunsmuir Street, Vancouver, British Columbia, Canada. On July 11, 2013, the Company commenced trading on the TSX Venture Exchange as a Tier 2 mining issuer under the trading symbol "EAM".

DESCRIPTION OF THE BUSINESS

East Africa is a mineral exploration company focused on the identification, acquisition, exploration, development and/or sale of base and precious metal resource properties in the Federal Democratic Republic of Ethiopia ("Ethiopia") and the United Republic of Tanzania ("Tanzania"). The Company's major mineral property interests consist of one project in Ethiopia, the Harvest Property, which hosts the Terakimti Gold Heap Leach Project ("Terakimti") and one project in Tanzania, the Magambazi Project. Additionally, the Company has a 30% equity interest in Tigray Resources Incorporated PLC, which has two projects in Ethiopia the Adyabo Property - Mato Bula Gold Copper Project ("Mato Bula") and the Da Tambuk Gold Project ("Da Tambuk").

KEY OPERATING MILESTONES

EXPLORATION UPDATES

- On June 24, 2025, the Company provided an update on its Ethiopian gold projects, recent regulatory and geopolitical developments in the Tigray region and progress made by its partner in advancing key assets toward production.
- Four-year extensions granted for EAM's Adyabo and Harvest mining licenses, through 2028.
- Renewed engagement by the Tigray Mines and Energy Agency under the interim regional administration.
- Positive economic development initiatives in Tigray Region with a focus on improving security conditions and enhancing administrative support for the resumption of mining in the region.
- Tibet Huayu Mining Co Ltd. ("Tibet Huayu") confirms its continued commitment to advance the Mato Bula and Da Tambuk gold deposits toward production.
- In October 2020, the Company signed a Share Purchase Agreement and Gold Purchase Agreement with PMM Mining Company Limited (PMM), a Tanzanian private company, to develop the Magambazi mining project. In December 2023 due to PMM's lack of performance, non-compliance with the terms and conditions of the Mining License Agreement respecting the project and a litany of breaches to PMM's agreements with the Company, the Tanzanian Ministry of Minerals suspended PMM's operations at the project site and the renewal of the mining licenses. Since that time EAM's management has been engaged with the Tanzanian government and PMM to resolve issues inhibiting the development of commercial mining operations at Magambazi.
- In August 2024, the Tanzanian Government intervened again to mediate a resolution to PMM's non-compliance. The Minister of Minerals imposed a process under which the Company and PMM were instructed to engage in constructive discussions on how the project would be progressed, otherwise the licences would not be renewed. Following those discussions, EAM and PMM signed an MOU on 29th August 2024 wherein they mutually agreed on appointing a third-party developer to advance the Magambazi Project.
- On August 15, 2025, the Company announced it had entered into a binding Memorandum of Understanding ("MOU") with Ubora Minerals Company Limited ("Ubora") to acquire and develop the Company's Magambazi Project in Tanzania through the acquisition of 100% of the shares of CTL. Ubora is a subsidiary company of Anchises Capital Precious Metal Fund LLC ("Anchises"), which holds 50,200,000 common shares of the Company, representing approximately 18.66% of the Company's issued and outstanding shares. Accordingly, Ubora is a "Non-Arm's Length Party" of the Company, as defined under the policies of the TSX Venture Exchange.
- Terms of the MOU to acquire 100% if the shares of CTL include:
 - Cash payment of US\$1.0 million upon signing of a definitive agreement that replaces the MOU (a "Definitive Agreement"), in lieu of US\$1.7 million owed to the Company by PMM Mining Company Limited ("PMM");
 - 4% Net Smelter Returns royalty, subject to annual minimum royalty, advanced royalties, and cumulative 10-year guarantee payment terms;
 - Buyout of PMM's interest in the Magambazi Project;
 - Project development within 48 months after obtaining all necessary approvals and acquiring control of the project, as required by applicable regulatory authorities; and,

- A minimum annual production rate of 40,000 ounces of gold within 48 months of commercial production.
- The MOU and the transaction represented thereunder are subject to a number of conditions, including approval by the Tanzanian Mining Commission and other relevant government authorities, the entering of a Definitive Agreement, and approval of the TSX Venture Exchange.

For the above exploration updates, mineral resource estimates, related maps and further information on the Harvest Property and the Adyabo Property can be viewed in East Africa's respective news releases and on East Africa's website at www.eastafricametals.com.

CORPORATE UPDATES

- On June 17, 2025, the Company completed a non-brokered private placement at \$0.11 per share for gross proceeds of \$5,522,000 and issued 50,200,000 shares.
- On June 20, 2025, the Company announced the appointment of Mr. Gang Chen (aka Asa Chen) as a director. Mr. Chen was nominated by Anchises Capital Precious Metal Fund LLC, a significant shareholder of the Company, following its investment of CAD\$5,522,000 in the Company's recently closed private placement on June 17, 2025.
- On February 2, 2026, the Company granted 16,300,000 stock options to certain directors, officers and consultants. The options have an exercise price \$0.15 and an expiry date of February 1, 2031.

For the above corporate updates highlights refer to East Africa's respective news releases or the Company website, www.eastafricametals.com for further details.

OUTLOOK

As of the date of this MD&A, the Company's primary focus remains the advancement of its Ethiopian assets and recovery of value from its Tanzanian properties.

Magambazi Project in Tanzania

The Company's Tanzanian assets are held through its subsidiary, Canaco Tanzania Limited ("CTL"), and relate primarily to the Magambazi Gold Project. Towards the end of calendar 2025, the Mining Licenses ML 525/2014 and ML 480/2012 were renewed.

The prior project development arrangement has been terminated, and the Company has selected Ubora Minerals Company Limited to be the third-party developer to manage and operate the Magambazi Project pursuant to the terms of an agreement setting out the definitive terms for the arrangement.. On August 14, 2025 and as extended on February 10, 2026 to May 11, 2026 and subsequent to year end extended to August 9, 2026, the Company entered into a binding Memorandum of Understanding with Ubora Minerals Company Limited regarding the acquisition of 100% of CTL, subject to definitive agreements and customary approvals.

The Company has invested in excess of US\$50 million in the Magambazi Project. In light of the current regulatory circumstances, the Company is assessing its legal rights and remedies under applicable domestic and international investment frameworks. No formal proceedings have been initiated as of the date of this MD&A.

Management continues to assess the carrying value of its Tanzanian assets in accordance with IFRS. Any impairment, if required, will be recognized in the period in which it is determined. There can be no assurance regarding the timing or outcome of regulatory discussions or any potential legal processes.

Development of the Adyabo and Terakimti HL Properties in Ethiopia

In Ethiopia, EAM's current objective is to restart development at Adyabo property and to find a third-party developer for the Terakimti HL property. The project infrastructure, mining licenses, and a development agreement with Tibet Huayu Mining Co. Ltd. are in place for the Adyabo Project. The mining license is in place for the Terakimti Property.

Adyabo Property

In February 2019, the Company entered into a Letter of Intent with Tibet Huayu for the Adyabo Property. The Letter of Intent contemplated Tibet Huayu would develop and operate the Adyabo Property. In July 2019, the parties signed a Share Purchase Agreement and Joint Venture Contract for the development and operation of the Adyabo Property's Mato Bula and Da Tambuk Projects. In August 2019, with the Share Purchase Agreement closed, Tibet Huayu has the right to initiate the design, construction and related works at the Mato Bula and Da Tambuk Projects. On November 27, 2019, formal registration of the transfer of 70% of the Company's equity interest in its Ethiopian subsidiary to Tibet Huayu was completed. The Company holds a 30% equity interest in the Adyabo Property.

In November 2022, the regional conflict in Tigray ceased, and mine development discussions resumed. EAM and Tibet Huayu have held regular meetings with the Ministry of Mines. Environmental and Social Impact Assessments are complete for Mato Bula and Da Tambuk. The Company and its partner have received formal extensions of the mine development periods through 2028 and are advancing staffing, procurement, and project construction in the Shire region.

In December 2023, Tibet Huayu's board approved development initiation through its subsidiary Silk Road Investments Co. Ltd. Site preparation was underway. A drilling contract was signed to test targets along the Halima Hill trend. However, Force Majeure Declarations were made subsequently due to ongoing security concerns and political instability in the Tigray regions so development activities on Mato Bula and Da Tambuk were ceased. The fragile peace established by the 2022 Pretoria Agreement fractured in early 2026 when armed clashes erupted between the Ethiopian National Defense Force (ENDF) and Tigrayan forces over contested districts and political power struggles. While local commanders initially stepped back to allow for peace talks, the situation remains highly volatile, with ongoing drone strikes and internal rivalries. A Force Majeure Declaration was filed in January 2026 and the notice remains in effect, protecting EAM's assets and suspending obligations.

Exploration rights on priority targets outside of Mato Bula and Da Tambuk remain under dispute. EAM formally contested the Ethiopian Ministry of Mines' 2021 reassignment of its legally held exploration rights to third parties. EAM has filed formal legal notices and demands reinstatement of all licenses affected by the conflict and COVID restrictions, referencing valid 2020 extensions. Negotiations with Ethiopian authorities remain active.

In March 2023, EAM submitted a new application, and a response is expected once it is deemed safe to resume mining activities in the Tigray regions.

Terakimti HL Project

In December 2017, the Company received a mining license for the Terakimti HL Project, which includes the requirement to complete construction of the mine within 2 years. The Company applied for an extension of the mine development period, which was granted in December 2019 extending the term to December 5, 2020. The mining license has a term of 6 years with the ability for renewal of up to 10 years on the approval of the Ministry of Mines and Petroleum ("MoMP") and was due to expire in December 2023. On May 15, 2024, the mining license was renewed effective January 1, 2024 and is due to expire on December 5, 2028. The Company has a 70% interest in the Terakimti Property in Ethiopia with the remaining 30% interest held by Ezana Mining Development PLC ("Ezana").

While preparing for the mine development works (preparation of resettlement action plan, road construction, possible power sources investigation, security during production etc.), due to the COVID19 outbreak and following the conflict in Tigray region (2020-2022), the Company has obliged to close the site activity. We have not been able to get access to the project mining license site due to the unsettled situation in Tigray region. The fragile peace established by the 2022 Pretoria Agreement fractured in early 2026 when armed clashes erupted between the Ethiopian National Defense Force (ENDF) and Tigrayan forces over contested districts and political power struggles. While local commanders initially stepped back to allow for peace talks, the situation remains highly volatile, with ongoing drone strikes and internal rivalries.

Because active military mobilizations and the threat of catastrophic renewed conflict persist across northern Ethiopia, security and corporate conditions have not stabilized. Consequently, operators and commercial entities—such as those operating in mineral exploration—maintain their force majeure suspensions.

A Force Majeure Declaration was filed by Harvest on January 16, 2026 and has been accepted. In accordance with Force Majeure procedures the Company must reapply every 6 months.

The MoMP were notified by our representatives in Ethiopia of the filing of each of the Force Majeure Declarations.

Even though we have not been able to access the project site, the mining license was renewed, and it is in good stand. The Company continues to engage with the Ministry of Mines on various matters. When the situation in Tigray region has improved, the Company will be able to access to our site and resume the development work.

Exploration of the Adyabo Property in Ethiopia

Tigray Resources Incorporated PLC ("Tri") submitted an application for exploration rights on the remaining prospective targets not included within the boundaries of the Mato Bula and DaTambuk (East Africa Mineral Resources) Mining Licenses, which has been approved pending a submission of the final Engineering, Procurement & Construction Management documents. On receipt of the Ministry of Mines and Petroleum ("MoMP") approval of the proposed work program and identification of funding, the Company intends to continue assessment of identified exploration targets through diamond drilling and geophysical surveys, including high priority targets along the highly prospective Mato Bula Trend.

In March of 2023, an application for exploration right on the remaining prospective targets not included within the boundaries of the Mato Bula and DaTambuk (East Africa Mineral Resources) Mining Licenses was made, which has been approved.

Exploration of the Harvest Property in Ethiopia

The Company submitted an application for the exploration rights on the remaining prospective targets not included in the Terakimti HL Project, which was approved in January 2020. In September 2021, EAM management was advised by the Ministry certain exploration rights in Ethiopia granted to EAM subsidiaries in January 2020, had been granted to a third-party. This action by the Ministry has occurred despite these exploration rights being legally held by EAM and protected by declarations of Force Majeure.

EAM has been able to confirm through Ministry records that this reported action by the Ministry does not impact any of the existing Mining Licenses nor does it affect exploration rights to any priority exploration targets in which EAM has an interest.

The exploration extension rights for the Harvest and Adyabo projects, granted to a third-party, includes property interests that are the subject of a valid Exploration License Period Extension Agreements (the "**Exploration Rights**") granted by the Ministry to Ethiopian subsidiaries of East Africa Metals Inc. ("**EAM**") on January 28, 2020. On May 27, 2021, the Ministry wrongly purported to terminate the Licenses in breach of EAM's legal rights. EAM strongly disputes the validity of the Ministry's purported termination of the Exploration Rights and subsequent grant to a third-party.

The Company has formally filed Legal Notice in compliance with the Company's rights under the Ethiopian Mining Laws and will continue to demand the Ministry cancel any exploration license(s) granted to third-parties in the areas previously granted to EAM subsidiary and to Tigray Resources Incorporated PLC and affected by force majeure events and reinstate them to EAM.

CURRENT COMPANY OBJECTIVES

Current objectives:

1. Advance development at Mato Bula and Da Tambuk under JV with Tibet Huayu;
2. Recover exploration rights on Harvest and Adyabo extensions;
3. Initiate exploration and expansion of known resources in Ethiopia;
4. Recover the value from its Tanzania properties; and
5. Secure funding through strategic partnerships, equity, or asset options

PROJECT DESCRIPTIONS

The current Global Project Resources discovered by EAM include:

Project Resources (Au + Au^{eqv} Metal ounces)		
Project	Category	Au +Au^{eqv}ounces
Adyabo Project, Ethiopia (EAM 30% Net Profit Interest)	Indicated	446,000
	Inferred	551,000
Harvest Project, Ethiopia (EAM = 70% Project Interest)	Indicated	469,000
	Inferred	426,000
Magambazi Project, Tanzania (EAM = 100% Project Interest)	Measured & Indicated	975,859
	Inferred	1,792

REFERENCES

Tetra Tech (April 30, 2018). *National Instrument 43-101 Technical Report and Preliminary Economic Assessment for the Mato Bula Deposit, Adyabo Property, Tigray National Regional State, Ethiopia*

Tetra Tech (April 30, 2018). *National Instrument 43-101 Technical Report and Preliminary Economic Assessment for the Da Tambuk Project, Adyabo Property, Tigray National Regional State, Ethiopia*

Tetra Tech (April 30, 2018). *National Instrument 43-101 Technical Report and Preliminary Economic Assessment for the Terakimti Oxide Deposit, Harvest Project, Tigray National Regional State, Ethiopia*

Aurum Exploration Services (February 14, 2014). *NI43-101 Technical Report on a Mineral Resource Estimate at the Terakimti Prospect, Harvest Property (centred at 38°21'E, 14°19'N), Tigray National Region, Ethiopia*

Aurum Exploration Services (February 14, 2014). *Mineral Resource Estimate and Update to a NI43-101 Technical Report for the Handeni Property centered at 37.97°E, 5.744°S, Tanga Province, Handeni District, Tanzania*

ETHIOPIA

Ethiopia is located in northeast Africa, in the region termed the Horn of Africa. The country is landlocked and is comprised topographically of predominantly high plateaus. New mining regulations ("Proclamation(s)") were issued in 1993 with the purpose of promoting the exploration and development of Ethiopia's natural resources. The Proclamations allow for business incentives that include the right to sell minerals, preferential duty and tax provisions on equipment and machinery, a 5-8% production royalty (revised in Proclamation 678/2010) and a 25% income tax rate.

The Company currently has interests in two areas in Ethiopia, the Harvest Property and the Adyabo Property. The current Mineral Resources at the Ethiopian Properties straddle an infrastructure corridor, with the projects being located within 11 and 7 kilometres respectively of a paved highway and a high-tension power corridor.

Where applicable, information within this MD&A which pertains to the Harvest and Adyabo Properties may reference work performed by Tigray Resources Inc. ("Tigray") before the completion of the Tigray Arrangement on May 7, 2014. References to Tigray news releases before May 7, 2014, can be found on East Africa's website at www.eastafricametals.com and information on the Tigray Arrangement can be found in Tigray's management information circular dated March 28, 2014, which can be found on SEDAR at www.sedarplus.ca

HARVEST PROPERTY – ETHIOPIA

The Company has a 70% interest in Harvest with the remaining 30% held by Ezana Mining Development PLC (“Ezana”), an Ethiopian company. The non-controlling interest is carried at 30% until the completion of the feasibility study. The Company is responsible for all exploration costs on the project until government approval of a Mining License is received. Subsequent to the receipt of a mining license any approved contributions by the Company for which Ezana elects not to contribute or elects to contribute less than its equity interest, could increase the Company’s interest.

The Harvest Property is located 600 kilometres north of Ethiopia's capital city of Addis Ababa. The Harvest Property is located in the highly prospective Asmara Mineral Belt in the southern part of the Arabian Nubian Shield (ANS), host to the Bisha, Debarwa and Emba Derho volcanogenic massive sulphide deposits. Vein-related gold deposits are also typical of the ANS, including the >13 million ounce Sukari deposit in Egypt, the one million ounce gold discovery at Koka-Zara in central Eritrea and the approximate 140,000 ounce per year gold producer at Lega Dembi in southern Ethiopia.

ADYABO PROPERTY - ETHIOPIA

The Adyabo Property is located approximately 600 kilometres north of Ethiopia's capital city of Addis Ababa and comprised of two exploration licenses, West Shire and Adi Dairo, covering approximately 195 square kilometres. The exploration licenses each had a term of 10 years and Adi Dairo and West Shire licenses expired in 2017. However, extensions for the exploration rights were submitted. Discussions on the extension of exploration rights resulted in an agreement for a one-year extension based on the submission and approval of an exploration program.

In December, 2023 East Africa received confirmation from the Company's development partner, Tibet Huayu Mining Co. Ltd., that its board of directors has approved the initiation of mine development activity at the Mato Bula and Da Tambuk mines through its subsidiary Silk Road Investments Co. Ltd. Silk Road is currently staffing key management positions, reviewing detailed design parameters and has established a base of operations and staff in the nearby town of Shire. The Shire staff are currently working with local authorities and regional governments to prepare the sites for construction activity. The MoMP has approved and ratified two Mining Licenses for the Adyabo property: the Mato Bula and Da Tambuk projects. The concessions are considered prospective for VMS and orogenic (structurally controlled) gold deposits and contain numerous alluvial and bedrock gold workings as well as several large gold and gold-copper-arsenic.

The Company submitted an application for the exploration rights on the remaining prospective targets not included in the Mato Bula and Da Tambuk MLs, which has been approved.

Development exploration operations on the Adyabo property were suspended in February 2020 due to COVID travel restrictions. Additionally travel restrictions were imposed in November 2020 in reaction to conflict between Federal government forces and those of the regional government of Tigray. A notice of force majeure was filed by Tigray Resources Incorporated PLC with the government to suspend any obligations they have under the terms of the mining licenses and the government approved exploration programs. While there has been a cessation to the conflict in Tigray, the recovery efforts to restore critical infrastructure and re-establish normal operations remains ongoing.

In parallel with the discussion being held with the Federal and Regional governments, as discussed above, EAM has been also in discussions with Tibet Huayu regarding the initiation of development of the Mato Bula and Da Tambuk mines. These discussions are advanced and a decision on the development plan and schedule are now in place.

East Africa Metals and its Mato Bula and Da Tambuk operating partner, Tibet Huayu, have managed to advance the project development agenda by achieving critical milestones including; receiving extension of mine development periods for Mato Bula, Da Tambuk and Terakimti Projects, completing final permitting and community engagement, initiating the procurement process for mining equipment; signing a drilling contract to initiate the Mato Bula extension drill program and test high priority targets including Halima Hill.

MAGAMBAZI PROJECT – TANZANIA

East Africa has projects in the Handeni District, within Tanga Region in eastern Tanzania., The Project is located 173 kilometres northwest of Dar es Salaam and 35 kilometres south of the town of Handeni. The Handeni properties consist of two mining licenses covering 9.9 square kilometres (“Magambazi”) and contiguous Prospecting Licenses totalling approximately 83.5 square kilometres, collectively known as the Handeni Gold Mine. One mining license is held by Denwill Mining Services Ltd. (“Denwill”), an entity controlled by East Africa, and CTL has an option agreement to acquire a 100% interest in Denwill upon payment of US\$40,000. Denwill acquired the Magambazi PMLs by the payment of US\$1,800,000, which the PMLs were later converted to a mining license and granted the vendors a 2.0% NSR royalty. As at the date of this MD&A, the option has not yet been exercised. The Company had signed an agreement with a Tanzanian private company, PMM Mining Company Limited to develop the Magambazi Mine in Tanzania. Following recent developments PMM has been removed as a developer due to their non-compliance with license conditions and regulatory directives as well as the terms of the SPA and GPA. The Company is now mandated to appoint a third party developer. On August 14, 2025, the Company entered into a binding Memorandum of Understanding with Ubora Minerals Company Limited to develop the Magambazi Project by acquiring 100% of the shares of CTL (refer to Outlook Section of the MDA, page 3).

SELECTED ANNUAL INFORMATION

(Information extracted from the Company’s audited consolidated financial statements)

Expressed in Canadian dollars

	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	\$	\$	\$
Revenues	-	-	-
Net income loss attributable to:			
Shareholders	(15,719,889)	(2,302,820)	(3,109,447)
Non-controlling interest	(5,492,629)	(46,434)	(46,307)
Net loss	(21,212,518)	(2,349,254)	(3,155,754)
Net loss per share - basic and diluted	(0.06)	(0.01)	(0.02)
Cash dividends	-	-	-
Total assets	6,382,086	23,967,904	22,711,505
Long term liabilities	-	-	-
Shareholders' equity			
Share capital	64,115,870	58,623,708	57,474,373
Obligation to issue shares - mineral property interest	143,000	143,000	143,000
Reserves	154,242,982	152,845,956	152,394,897
Foreign currency translation reserve	5,226,403	5,604,305	4,620,026
Deficit	(219,839,733)	(204,119,844)	(201,817,024)
	3,888,522	13,097,125	12,815,272
Non-controlling interest	(2,001,941)	3,797,769	3,526,262
Shareholders' equity	1,886,582	16,894,894	16,341,534

FINANCIAL POSITION

Total assets

Total assets have decreased to \$6,382,086 at March 31, 2026 from \$23,967,904 at March 31, 2025. Cash balance in CTL at March 31, 2026 of \$645 (March 31, 2025 –\$661) is included in total of assets held for sale of \$4,604,347 (March 31, 2025 - \$4,679,794).

Notwithstanding periodic or one-time transactions and subject to changes in foreign currency exchange, total assets will generally remain constant from one period to the next; such as, mineral property interests. All direct costs associated with exploration of these properties are expensed as incurred. In the current financial year ended March 31, 2026, the Company recorded an impairment loss of \$17,954,840 on its mineral property (refer to Results of Operations Section of MDA, pages 9 & 10).

Total liabilities

At March 31, 2026, the Company's total liabilities are predominantly comprised of trade payables, accruals, related party payables and deposit on sale of Canaco Tanzania Limited. Total liabilities decreased to \$4,495,505 at March 31, 2026 from \$7,073,010 at March 31, 2025. Funds from the equity financing were used to pay trade creditors and payout loans.

Total equity

Equity attributable to shareholders at March 31, 2026 is \$3,888,522 compared to \$13,097,125 at March 31, 2025 representing a decrease of \$9,208,603. The decrease is primarily due to currency translation loss recorded of \$269,908, net loss for the year of \$15,719,889 and private placement issue costs of \$29,838 offset by the private placement proceeds received of \$5,522,000 and share-based compensation of \$1,397,026.

RESULTS OF OPERATIONS***Year ended March 31, 2026, compared with year ended March 31, 2025***

(Information extracted from the Company's audited consolidated financial statements)

(Expressed in Canadian Dollars)

	Year ended March 31,	
	2026	2025
Expenses		
Directors fees	\$ 65,563	\$ 69,000
Exploration and evaluation	598,556	745,114
Investor/shareholder communications and filing fees	245,422	197,446
Legal, audit and audit related fees	207,849	107,245
Management and consulting fees and reimbursements	204,197	607,236
Office and administration	285,029	253,764
Rent and occupancy costs	1,227	1,237
Share-based compensation	1,397,026	77,547
Expenses before other items	(3,004,869)	(2,058,589)
Other items		
Foreign exchange gain (loss)	(95,463)	(24,513)
Impairment of mineral property	(17,954,840)	-
Interest expense	(22,050)	(81,533)
Share of loss of Tigray Resources Incorporated PLC	(135,296)	(184,619)
Net loss for period	\$ (21,212,518)	\$ (2,349,254)
Net loss attributable to:		
Shareholders	\$ (15,719,889)	\$ (2,302,820)
Non-controlling interest	(5,492,629)	(46,434)
	\$ (21,212,518)	\$ (2,349,254)

NET LOSS

The net loss for the year ended March 31, 2026, amounted to \$21,212,518 compared to a net loss for the year ended March 31, 2025, of \$2,349,254. Included in the current period results are a foreign exchange loss of \$95,463, impairment loss on mineral property of \$17,954,840, interest expense on loan amounts of \$22,050 and EAM's share of loss of Tigray Resources Incorporated PLC of \$135,296.

At the end of each reporting period, the Company applies judgment in assessing whether there are any indicators of impairment relating to its mineral property applying the criteria set out in IFRS 6 - Exploration for and Evaluation of Mineral Resources. Civil unrest in Northern Ethiopia and Force Majeure Declarations have prevented the Company from proceeding to the development stage on the mineral property. As a result of the classification of the property as an exploration and evaluation asset, under IFRS 6, without further planned exploration activities the Company was required

to impair the property. The Company recorded an impairment loss of \$17,954,840 (US\$12,991,390) on the Harvest Property in the consolidated statement of loss. The carrying value of the mineral property at March 31, 2026 is \$69,695 (US\$50,000) (2025 - \$18,748,733 (US\$13,041,690)). The impairment reflects the uncertainty at the reporting date arising from the civil unrest and inability to access the site, rather than determination that the underlying mineral resource is not economically viable. If, as and when the events and circumstances that triggered the impairment change, the impairment may be reversed. The nominal value assigned to the mineral property for accounting purposes is not reflective of fair value.

The property continues to be classified as an exploration and evaluation asset, and the Company is positioned to complete the final technical feasibility work required to transition the property to a mine under development once site access is restored. The Company intends to maintain the mining license in good standing and will continue to consider third party offers to complete construction of the mine and operate thereafter. Force Majeure Declarations remain in effect and suspend the Company's obligations under the terms of its mining license.

OPERATING EXPENSES

For the year ended March 31, 2026, total operating expenses were \$3,004,869 compared to \$2,058,589 recorded during the year ended March 31, 2025, representing an increase of \$946,280.

Significant factors that contributed to the variances are discussed below:

Exploration and evaluation expenditures

A summary of East Africa's exploration and evaluation expenditures for the year ended March 31, 2026 and March 31, 2025 are as follows:

	Magambazi Project	Harvest Property	Total
Exploration and evaluation expenditures			
Amortization	\$ 1,863	\$ 699	\$ 2,562
Camp and administration	317,263	89,937	407,200
Provision for taxes	-	3,846	3,846
Travel and incidentals	184,948	-	184,948
Year ended March 31, 2026	\$ 504,074	\$ 94,482	\$ 598,556

Exploration and evaluation expenditures were \$598,556 for the year ended March 31, 2026 and the significant expenditure in the current financial period related to:

- Ongoing costs related to the operation of CTL and Harvest of \$598,556. Significant amount spent in twelve month period on professional fees that are included in camp and administration costs and travel in Tanzania to resolve Magambazi Project issues to have the licenses renewed.

A summary of East Africa's exploration and evaluation expenditures for the year ended March 31, 2025 are as follows:

	Magambazi Project	Harvest Property	Total
Exploration and evaluation expenses			
Amortization	\$ -	\$ 704	\$ 704
Camp and administration	490,615	228,996	719,611
Recovery of taxes	-	(6,142)	(6,142)
Technical report	-	30,941	30,941
Year ended March 31, 2025	\$ 490,615	\$ 254,499	\$ 745,114

Exploration and evaluation expenditures were \$745,114 for the year ended March 31, 2025 and the significant expenditure in the current financial period related to:

- Ongoing costs related to the operation of CTL and Harvest of \$719,611.

Management and consulting fees

Management and consulting fees decreased to \$204,197 in the current period from \$607,236 for the year ended March 31, 2025. In both periods included in this account are fees for the services provided by the CEO, CFO and corporate secretary plus expenses for each of the respective parties. Current year expense includes a reversal of accruals setup in prior years that had been over estimated.

Office and administration

For the year ended March 31, 2026, the Company recorded office and administration expenses of \$285,028 compared to \$253,764 for the year ended March 31, 2025, an increase of \$31,264. Office and administration expenses include corporate overhead costs and other general corporate expenditures incurred in the normal course of business.

Share-based compensation

In the current period, options entitling the holders to acquire 16,300,000 common shares were granted to directors, officers, employees and consultants with a fair value at date of grant of \$1,397,026 and share-based compensation of \$1,397,026 was recorded. In the prior comparative period, options entitling the holders to acquire 1,200,000 common shares were granted to directors, officers, employees and consultants with a fair value at date of grant of \$77,547 and share-based compensation of \$77,547 was recorded.

RESULTS OF OPERATIONS

Three month period March 31, 2026 compared with three month period March 31, 2025
(Expressed in Canadian Dollars)

	Three month period ended	
	2026	2025
Expenses		
Directors fees	\$ 16,625	\$ 17,250
Exploration and evaluation	46,671	238,798
Investor/shareholder communications and filing fees	31,500	41,077
Legal, audit and audit related fees	156,042	95,122
Management and consulting fees and reimbursements	143,681	121,062
Office and administration	73,971	70,287
Rent and occupancy costs	305	314
Share-based compensation	1,397,026	-
Expenses before other items	(1,865,821)	(583,910)
Other items		
Foreign exchange gain (loss)	(5,958)	24,976
Impairment of mineral property	(17,954,840)	-
Interest expense	-	(20,997)
Share of loss of Tigray Resources Incorporated PLC	-	(43,828)
Net loss for period	\$ (19,826,619)	\$ (623,759)

NET LOSS

The net loss for the three month period ended March 31, 2026 amounted to \$19,826,619 compared to a net loss for the three month period ended March 31, 2025 of \$623,759. Included in the current period results are a foreign exchange loss of \$5,958 and an impairment loss on mineral property of \$17,954,840. The fluctuations in line item amounts are due to the same factors discussed in the above noted year-to-date analysis.

CAPITAL EXPENDITURES

During the year ended March 31, 2026, the Company accrued annual rental fees on the Magambazi and Handeni mining licenses in the amount of \$61,847.

SUMMARY OF QUARTERLY RESULTS

The following table details the Company's quarterly results:

Quarter Ended	Net revenues	Net income (loss) attributable to shareholders	Net income (loss) attributable to non-controlling interest	Net income (loss)	Income (loss) per share - basic	Income (loss) per share - diluted
	\$'s	\$'s	\$'s	\$'s	\$'s	\$'s
31-Mar-26	-	(14,359,210)	(5,467,409)	(19,826,619)	(0.05)	(0.05)
31-Dec-25	-	(322,095)	(10,358)	(332,453)	(0.01)	(0.01)
30-Sep-25	-	(180,585)	(10,023)	(190,608)	(0.00)	(0.00)
30-Jun-25	-	(858,000)	(4,839)	(862,839)	(0.00)	(0.00)
31-Mar-25	-	(613,675)	(10,083)	(623,758)	(0.01)	(0.01)
31-Dec-24	-	(644,532)	(12,425)	(656,957)	(0.00)	(0.00)
30-Sep-24	-	(369,724)	(6,044)	(375,768)	(0.00)	(0.00)
30-Jun-24	-	(674,889)	(17,882)	(692,771)	(0.00)	(0.00)

There are no meaningful trends evident from analysis of the summary of quarterly financial information over the last eight quarters.

Factors that can cause significant fluctuations in the Company's quarterly results are set out in the table below.

Quarter Ended	Exploration and evaluation expenses	Impairment of mineral property	Share-based compensation	Share of loss of Tigray Resources Incorporated PLC
	\$'s	\$'s	\$'s	\$'s
31-Mar-26	(88,197)	(17,954,840)	(1,397,026)	-
31-Dec-25	(95,403)		-	(16,901)
30-Sep-25	(105,336)		-	(71,710)
30-Jun-25	(351,146)		-	(46,685)
31-Mar-25	(238,798)		-	(43,828)
31-Dec-24	(235,201)		-	(92,204)
30-Sep-24	(103,846)		-	(19,411)
30-Jun-24	(167,269)		(77,547)	(29,176)

LIQUIDITY AND GOING CONCERN

As at March 31, 2026, the Company had cash of \$1,587,633 other current assets of \$4,721,022 and current liabilities of \$4,495,505 compared to cash of \$287,528, other current assets of \$4,795,288 and current liabilities of \$7,073,010 as at March 31, 2025. The Company's assets in Tanzania are reflected in the financial statements as held for sale ((March 31, 2026 - \$4,604,347) (March 31, 2025 - \$4,679,794)).

As of March 31, 2026, East Africa had working capital of \$1,813,150 (March 31, 2025 – working capital deficit of \$1,990,194). During the year ended March 31, 2026, the Company completed a non-brokered private placement for gross proceeds of \$5,522,000. The Company determined that available funds are not sufficient to meet requirements for the coming twelve months based on current planned expenditures for operations, exploration and development of its mineral property interests.

The Company's approximate sustaining monthly head office administration expenses are \$114,000. This cost estimate assumes an active investor relations / shareholder information program but excludes non-cash costs. Currently, the site and camp expenses (operating subsidiaries) are approximately \$20,000 monthly to maintain the normal operations in Ethiopia. The site and camp monthly administration expenses include Ethiopian costs for head office technical services,

Ethiopian administrative staff and costs of operating the Ethiopian offices and warehouses. Tanzanian expenses primarily relate to fees being incurred to resolve the ongoing issues relating to government arranged agreements with PMM Mining Company Limited, refer to Outlook Section of the MDA, pages 3 - 4. As at March 31, 2026, East Africa had received US\$1,900,000 (CAD\$2,431,291) and US\$100,000 of the sale proceeds were withheld by PMM and remitted to the Tanzanian Revenue Authority. The sale proceeds received are recorded in the consolidated financial statements as a deposit on sale of CTL. PMM has been removed as the third party developer. East Africa is now mandated and required to appoint a third-party developer to manage and operate the Magambazi Project pursuant to the terms of an agreement setting out the definitive terms for the arrangement. The liability on the deposit on sale will be derecognized and recognized in profit or loss if, as and when East Africa is assured PMM has no legal recourse to demand repayment.

As of March 31, 2026, the Company had cash of \$1,587,633 and accounts payable and accrued liabilities of \$873,660. The Company estimates that it does not have available funds to meet requirements for the coming twelve months based on current estimated expenditures for operations and development of its mineral properties. These uncertainties cast significant doubt on the ability of the Company to continue as a going concern. As at March 31, 2026, the financial statements were prepared on a going concern basis which contemplates the realization of assets and the settlement of liabilities in the normal course of operations.

The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate capital funds including and not limited to the sale of non-strategic assets, strategic alliances, debt financing, equity financing and optioning its mineral properties. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration and/or development activities or relinquish rights to certain of its interests. There is no assurance that East Africa will be able to obtain financing in the future or that such financing will be on terms acceptable to East Africa.

CAPITAL RESOURCES

The Company has historically met its exploration and corporate capital requirements predominantly through the completion of equity placements and may be impacted by continued poor North American market conditions for exploration and development resource companies with operations in emerging countries. Trends affecting the Company's liquidity may be dictated by the demands on financial resources created by the advancing nature of East Africa's mineral property assets, the pursuit of a growth strategy that targets property acquisitions, the exploration commitments and the Company's ability to access the financial resources required to meet these demands. As the projects advance through exploration, they typically require more capital-intensive programs that apply pressure to the Company's financial resources. The Company does not have any commitments as at March 31, 2026. East Africa's sustaining costs to maintain its head office and operating subsidiaries is approximately \$139,000 per month. During the year ended March 31, 2026, the Company completed a non-brokered private placement for gross proceeds of \$5,522,000 and paid out other issue costs totaling \$29,383. Based on the aforementioned items, the Company has determined it does not have sufficient funds to meet its cash flow requirements for the next 12 months without further funding.

Any additional planned work programs and any future development programs will result in a further decrease to the Company's current liquidity. In obtaining the required capital to pursue East Africa's business plan, capital may be generated from, debt financing, strategic alliances, accessing equity markets, procuring industry partners for its primary exploration assets or sale of exploration assets for equity positions or cash or some combination thereof. In the event that additional funding is required, there can be no assurances that such funds will be available and/or on terms acceptable by the Company.

Trends that affect the market generally, and the perception of East Africa within the marketplace, can affect the Company's ability to access capital in both a positive and negative way. Trends in this general market are defined by fluctuations in the global economy and the demand for metals and commodity prices. Trends in the perception of the Company in the resource marketplace may be affected by general trends in the resource equity markets which may in turn impact East Africa's performance in creating shareholder value and in demonstrating the ability to manage East Africa's affairs and achieve mandated objectives. Uncertainty is a prevalent element in exploration and development of mineral property assets, therefore it can, on occasion, impede the Company's ability to meet its financial requirements and result in an inability to advance exploration assets and meet objectives in a timely manner.

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration activities will result in discoveries of new resources or commercial mineral deposits. There is also no assurance that if a commercial mineral deposit is discovered that the deposit would be economical for commercial production. Discovery of mineral deposits is

dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit is also dependent upon a number of factors, which are beyond East Africa's control. Some of these factors are the attributes of the deposit, market conditions, environmental protection, foreign taxation, and government policies and regulation.

TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, the Company transacted with individuals and companies considered to be related parties. For the year ended March 31, 2026, the Company recorded the following significant related party transactions:

On August 31, 2017, SinoTech (Hong Kong) Corporation Limited ("SinoTech") provided an unsecured loan to the Company for \$600,000 with an interest rate of 12% per annum. During the year ended December 31, 2018, the Company repaid \$324,000 of the principal and interest. On August 6, 2025, the Company repaid the demand loan principal and accrued interest thereon (\$728,733).

For the year ended March 31, 2026, the Company recorded fees to directors and senior key management for directors' fees, management and consulting fees and reimbursements. Details are set out below:

	Year ended March 31, 2026	Year ended March 31, 2025
Directors fees		
Andrew Lee Smith	\$ 8,500	\$ 8,500
Anthony Harwood	10,000	10,000
Dr. Jingbin Wang	17,000	17,000
David Parsons	16,000	16,000
Sean Waller	667	10,000
Zhen Liao	7,500	7,500
Asa Chen	5,896	-
	\$ 65,563	\$ 69,000
	Year ended March 31, 2026	Year ended March 31, 2025
Management and consulting fees and reimbursements		
Andrew Lee Smith, CEO	\$ 319,077	\$ 340,134
Jacqueline Tucker, CFO	120,000	120,000
Sherry Siu, Corporate Secretary	95,120	84,480
	\$ 534,197	\$ 544,614

Details of share-based compensation for options granted to directors and officers are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
Share-based compensation		
Andrew Lee Smith, CEO & Director	231,409	-
Anthony Hardwood, Independent Director	128,561	-
David Parsons, Independent Director	154,273	-
Dr. Jingbin Wang, Independent Director	154,273	77,547
Zhen Liao, Independent Director	128,561	-
Asa Chen, Independent Director	128,561	-
Lingling Yang, Officer	102,848	-
Jacqueline M. Tucker, CFO	102,848	-
Sherry Siu, Corporate Secretary	102,848	-
	\$ 1,234,182	\$ 77,547

At March 31, 2026, the Company owed \$417,722 (March 31, 2025 - \$1,332,763) to key management personnel.

PROPOSED TRANSACTIONS

As of July 28, 2026, the Company has no proposed material transactions.

CRITICAL ACCOUNTING ESTIMATES

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant are disclosed in note 4 in the Company's audited annual consolidated financial statements for the year ended March 31, 2026.

ACCOUNTING POLICIES

The Company has applied IFRS, as disclosed in note 3 to the annual financial statements, which are applied on a consistent basis.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

Currently, the certification required by the Company's certifying officers under National Instrument 52-109 Certificate 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 are not making 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, summarised 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 ("GAAP").

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make 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.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Refer to elsewhere in the MD&A or the Company's financial statements for capitalized or expensed exploration and development costs, general and administrative expenses and other material costs. Additional information relating to the Company is on SEDAR www.sedarplus.ca

OUTSTANDING SHARE DATA

As at March 31, 2026, and at the date of this report the Company had 268,973,569, common shares issued and outstanding.

As at March 31, 2026 and at the date of this report, the Company had 11,476,700, warrants outstanding.

As at March 31, 2026, and at the date of this report the Company had 30,850,000 stock options outstanding and exercisable.

RISK FACTORS

Below are the known risk factors for this MD&A. You can review and obtain copies of the Company's filings from SEDAR at www.sedarplus.ca or from East Africa's website www.eastafricametals.com.

Financial (liquidity) Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with the financial liabilities. Historically East Africa predominately relies on equity financings to fund its activities. While it has been successful in raising funds in the past, there is no guarantee that adequate funds will be available in the future. The Company had cash and cash equivalents of \$1,587,633 and working capital of \$1,813,150 as at March 31, 2026. During the year ended March 31, 2026, the Company completed a non-broker private placement for gross proceeds of \$5,522,000. The Company estimates that it does not have available funds to meet requirements for the coming twelve months based on current planned expenditures for operations, exploration and development of its mineral property interests. See the "Liquidity" section of this MD&A for further discussion on the Company's ability to operate as a going concern.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. Cash and cash equivalents may consist of Guaranteed Investment Certificates and short-term deposits issued by major Canadian banks. Receivables mainly consist of non financial instruments and accounts receivables. The carrying amount of cash and cash equivalents, tax receivables and other accounts receivable represents the Company's maximum exposure to credit risk.

As at March 31, 2026, \$326,104 was due to the Company's foreign subsidiaries in Tanzania and Ethiopia from the foreign governments for Value Added Tax ("VAT"). East Africa is due refunds of certain taxes based on consumption, of which the timing of realization is uncertain. If these recoverable taxes are not collected, it could reduce the carrying value of these assets. Management has judged to raise a provision for 100% of the taxes recoverable given limited methods available to recover these taxes and the length of time it takes to recover these taxes. The Company continues to pursue approval of VAT refund claims from the various foreign governments.

Exploration and Commercial Viability Risk

The Company has no production of minerals and some of its properties are currently at the exploration stage. The exploration and development of mineral deposits involves significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be fully mitigated. The commercial viability of any mineral deposit

depends on many factors, not all of which are within the control of management. These factors include, but are not limited to, Government approval for EAM Mineral Resources targets applications; the ability to extend current EAM Mineral Resources targets within the available legislation; the size, grade and proximity to infrastructure of the deposit; Government regulations; taxes; royalties; land tenure; land use; environmental protection and reclamation and closure obligations. All or some of these factors may have an impact on the economic viability of a mineral deposit. These unique environments could limit or reduce production possibilities or if conditions are permissive for potential natural disasters, such as severe weather, could negatively impact facilities, equipment and the safety of its workers dramatically. One or more of these risk elements could have an impact on costs of the operations and if significant enough, reduce the profitability of future production and threaten the continuation of a particular project or operations altogether.

Licensing Matters

The Company's operations are subject to receiving and maintaining permits and licenses from appropriate governmental authorities. Title insurance is generally not available for permits and licenses and the Company's ability to ensure that it has obtained a secure claim to individual mineral properties or mining concessions may be severely constrained. East Africa's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. The Company has not conducted surveys of all of the mineral rights in which it holds direct or indirect interest.

Although, the Company currently has the required mining licenses for its Terakimti HL, Da Tambuk and Mato Bula Projects, there is no assurance that delays will not occur in connection with obtaining all necessary renewals for future existing applications or additional permits or licenses for all future operations. There can be no assurance that East Africa will continue to hold all permits and licenses necessary to develop or continue operating at any particular property, or that any such licenses or permits awarded will not be cancelled pursuant to applicable current or future legislation. The rights of East Africa's in the Terakimti HL, Mato Bula and Da Tambuk Projects are held through the mining agreements and mining licenses that sets out a tax regime and development and production framework. There can be no assurance that the Company will continue to be in compliance with all terms and conditions of the mining agreements and mining licenses or assurance that any dispute resolution process will decide in the Company's favour.

The Tanzanian Assets were held with two (2) mining licenses for the Magambazi Project and associated PLs for the exploration assets. Refer to the Outlook Section of the MDA, page 3 regarding the current status of the mining licenses.

Foreign Countries and Political Policy Risk

The Company has interests in exploration properties that are located in the developing countries of Ethiopia and Tanzania. The Company's mineral exploration may be affected in varying degrees by political instability and government regulations relating to foreign investment and the mining industry. Exploration and development activity was suspended in Ethiopia due to conflict in the Tigray region. Force Majeure Notices were filed and will commence when conditions declared safe to deploy equipment and personnel into the field, East Africa is not able to commence the exploration and development programs on these projects. Changes, if any, in mining or investment policies or shifts in political attitude in Tanzania and/or Ethiopia may adversely affect East Africa's operations. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, direct and indirect taxes, tax assessments, royalties, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Conflict of Interest

East Africa's directors and officers may serve as directors and/or officers, or may be associated with, other reporting companies, or may have significant shareholdings in other companies. To the extent that such other companies may participate in financing, business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of East Africa may have a conflict of interest in negotiating and concluding terms reflecting the transaction. 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 are 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.

Key Management individuals

The Company's success depends, to a certain degree, upon key members of the management. These individuals are a significant factor in the Company's growth and success and East Africa does not have key man insurance in place in respect of any of its directors, management or employees. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Company.

Information Technology Threats

Information systems and other technologies, including those related to the Company's financial and operational management, are an integral part of the Company's business activities. Network and information systems-related events, such as computer hackings, cyber-attacks, computer viruses, worms or other destructive or disruptive software, process breakdowns, denial of service attacks, power outages, natural disasters, terrorist attacks or any combination of the foregoing, could result in damage to the Company's property, equipment and data. These events also could result in significant expenditures to repair or replace the damaged property or information systems and/or to protect them from similar events in the future. Further, any security breaches, such as misappropriation, misuse, leakage, falsification or accidental release or loss of information maintained in the Company's information technology systems, including personnel and other data, could damage its reputation and require the Company to expend significant capital and other resources to remedy any such security breach. The Company does not have insurance coverage against losses resulting from any such events or security breaches and the occurrence of any such events or security breaches could have a material adverse effect on the business of the Company.