BENZ MINING CORP.

Financial Statements

April 30, 2022

(Expressed in Canadian dollars)

INDEPENDENT AUDITORS' REPORT

To the shareholders of Benz Mining Corp.:

Opinion

We have audited the financial statements of Benz Mining Corp. [the "Company"], which comprise the statements of financial position as at April 30, 2022 and 2021, and the statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ["IFRSs"].

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis, which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Michael J. David.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC
July 28, 2022

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	Note	Year ended April 30, 2022	2021
Operating Costs			
Exploration and evaluation costs	5	$ 19,034,483	$ 7,573,430
Listing and filing fees		141,752	$ 250,969
Management and consulting fees	6	768,646	$ 801,516
Office and miscellaneous		130,348	$ 47,542
Bad or doubtful debt expense	4	116,184	$ -
Professional fees		118,786	$ 67,726
Share-based payments	8	4,994	$ 2,158,003
Shareholder information		112,578	$ 26,896
Loss from operations		(20,427,771)	(10,926,082)
Other income (expense)			
Foreign exchange		(46,453)	$ (25,349)
Interest Income		23,833	$ 22,840
Settlement of flow-through share premium liability	7	7,813,644	$ 1,469,472
Net loss and comprehensive loss		$ (12,636,747)	$ (9,459,119)
Loss per share - basic and diluted		$ (0.12)	$ (0.11)
Weighted average number of shares outstanding - basic and diluted		106,130,750	84,413,756

See accompanying notes to the financial statements

	Note		April 30, 2022		April 30, 2021
ASSETS					
Current Assets					
Cash and cash equivalents		$	2,782,026	$	13,144,767
Sales taxes recoverable			1,225,057	$	376,697
Other receivables			168,885	$	-
Prepaid expenses and deposits			56,000	$	22,757
Total current assets			4,231,968		13,544,221
Exploration and evaluation assets	5		1,826,667	$	1,555,903
Total assets		$	6,058,635	$	15,100,124
LIABILITIES					
Current Liabilities					
Trade and other payables		$	2,544,545	$	1,168,547
Flow-through share premium liability	7		-	$	3,359,099
Total current liabilities			2,544,545		4,527,646
EQUITY					
Common shares	8	$	23,648,836	$	18,285,495
Equity reserves	8		8,863,788	$	8,648,770
Deficit			(28,998,534)		(16,361,787)
Total equity			3,514,090		10,572,478
		$	6,058,635	$	15,100,124

Nature of Operations (Note 1)
Subsequent Events (Note 12)

These financial statements are authorized for issue by the Board of Directors on July 28, 2022

Approved by the Board of Directors:

(Signed) Evan Cranston
Evan Cranston, Chairman of the Board

(Signed) Mathew O'Hara
Mathew O'Hara, Director

See accompanying notes to the financial statement

Benz Mining Corp.
Statements of Cash Flows

	Note	Year ended April 30, 2022	2021
Cash Flow from Operating Activities			
Net loss for the year		$ (12,636,747)	$ (9,459,119)
Adjustments for non-cash items:			
Share based payments	7	4,994	2,158,003
Settlement of flow-through share liability	6	(7,813,644)	(1,469,472)
Bad or doubtful debt expense		116,184	-
Changes in non-cash working capital:			
Sales taxes recoverable		(848,360)	(353,078)
Other receivables	4	(285,069)	-
Prepaid expenses and deposits		(33,243)	(17,607)
Trade and other payables		1,375,999	924,762
Net cash flows used in operating activities		$ (20,119,886)	$ (8,216,511)
Cash Flow from Investing Activities			
Additions to exploration and evaluation assets	5	(160,764)	(225,000)
Net cash flows used in investing activities		$ (160,764)	$ (225,000)
Cash Flow from Financing Activities			
Issuance of common shares for cash, net of costs	8	$ 9,660,435	$ 18,018,784
Proceeds from exercise of warrants	8	234,368	1,217,123
Proceeds from the exercise of options	8	23,106	-
Net cash flows provided by financing activities		$ 9,917,909	$ 19,235,907
Net change in cash and cash equivalents		$ (10,362,741)	$ 10,794,396
Cash and Cash Equivalents, Beginning of Year		13,144,767	2,350,371
Cash and Cash Equivalents, End of Year		$ 2,782,026	$ 13,144,767
Cash and cash equivalents consist of:			
Cash		$ 2,743,026	$ 13,119,767
Redeemable guaranteed investment certificate ("GIC")		39,000	$ 25,000
Total Cash and Cash Equivalents		$ 2,782,026	$ 13,144,767
Non-cash Investing and Financing Activities:			
Issuance of common shares for E&E assets	3	$ 110,000	$ 461,825
Fair value of compensation warrants issued	8	331,610	427,720
Issuance of warrants for E&E assets	3	$ -	$ 539,078

See accompanying notes to the financial statements

	Note	Common Shares Number	Common Shares Amount	Equity Reserves	Deficit	Total Equity
Balance, April 30, 2020		**57,215,118**	**$ 7,388,166**	**$ 1,981,393**	**$ (6,904,204)**	**$ 2,465,355**
Common shares issued for cash:						
Flow-through private placement	8	26,857,142	12,172,147	4,427,853	-	16,600,000
Premium on flow-through shares	7	-	(4,828,571)	-	-	(4,828,571)
Private placement	8	400,000	220,000	-	-	220,000
Prospectus offering	8	4,000,000	1,929,000	-	-	1,929,000
Share issuance costs	8	-	(1,157,936)	427,720	-	(730,216)
Exercise of warrants	8	4,791,819	922,657	(314,912)	-	607,745
Exercise of options	8	3,550,500	1,178,207	(568,829)	-	609,378
Shares issued for exploration and evaluation assets	5	2,124,177	461,825	-	-	461,825
Warrants issued for exploration and evaluation assets	5	-	-	539,078	-	539,078
Share based payments	8	-	-	2,158,003	-	2,158,003
Expired stock options	8	-	-	(1,536)	1,536	-
Net loss for the year		-	-	-	(9,459,119)	(9,459,119)
Balance, April 30, 2021		**98,938,756**	**18,285,495**	**8,648,770**	**(16,361,787)**	**10,572,478**
Common shares issued for cash:						
Private placement	8	9,090,909	10,000,000		-	10,000,000
Share issuance costs	8	-	(671,175)	331,610		(339,565)
Premium on flow-through shares	7	-	(4,454,545)	-	-	(4,454,545)
Exercise of warrants	8	1,744,737	336,127	(101,759)	-	234,368
Exercise of options	8	151,250	42,933	(19,827)	-	23,106
Shares issued for exploration and evaluation assets	5	174,658	110,000	-	-	110,000
Share based payments	8	-	-	4,994	-	4,994
Net loss for the year		-	-	-	(12,636,747)	(12,636,747)
Balance, April 30, 2022		**110,100,310**	**$ 23,648,836**	**$ 8,863,788**	**$ (28,998,534)**	**$ 3,514,090**

See accompanying notes to the financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY

Benz Mining Corp. ("Benz" or the "Company") is involved in the acquisition, exploration and exploitation of mineral properties located in the Americas. The Company's head and registered offices are located at Suite 1700, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. The Company's common shares are traded on the TSX-V Exchange and the Australian Securities Exchange.

Going Concern Uncertainty

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The use of these principles may not be appropriate.

To date, the Company has not earned significant revenues and is considered to be in the exploration phase. The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Company's activities. Mineral exploration and development is highly speculative and involves inherent risks.

The Company's current committed cash resources are insufficient to cover expected expenditures for the next 12 months. The Company's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurance that management will be successful in securing adequate financing. In addition, while the Company's future activities in relation to drilling on its mineral claims look promising, there can be no assurance that the results of its exploration activities will confirm the existence of economically viable quantities of ore or that the project will ultimately go into production.

The Company reported a net loss and total comprehensive loss in the year ended April 30, 2022 of $12,636,747 (2021 - $9,459,119). As at April 30, 2022, the Company's current assets exceed its current liabilities by $1,687,423 but its planned expenditures for fiscal 2023 exceeds the value of working capital currently on hand. These recurring losses and the need for continued financing to further successful exploration activities indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern.

The Company's financial statements do not give effect to any adjustments to the carrying values and classifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance

These audited financial statements for the year ended April 30, 2022 (“Financial Statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

Basis of measurement

These financial statements are expressed in Canadian dollars, the Company’s functional currency, and have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value.

Significant Accounting Judgements and Estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

a) Impairment of exploration and evaluation assets

Management considers both external and internal sources of information in assessing whether there are any indications that the Company’s exploration and evaluation assets are impaired. External sources of information that management considers include changes in the market, economic and legal environment, in which the Company operates, that are not within its control, and affect the recoverable amount of its mining interests.

b) Valuation of share-based payments

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company’s earnings and equity reserves.

c) Recognition and measurement of deferred tax assets and liabilities

Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Weight is attached to tax planning opportunities that are within the Company’s control and are feasible and implementable without significant obstacles. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets/liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are cashable and readily convertible into a known amount of cash.

Exploration and evaluation assets

The cost of a property acquired as an individual asset purchase or as part of a business combination represents the property's fair value at the date of acquisition. This cost is capitalized until the viability of the mining property is determined. When it is determined that a property is not economically viable, the amount capitalized is written off which includes expenditures which were capitalized to the carrying amount of the property subsequent to its acquisition.

The Company expenses all costs relating to the exploration for and evaluation of mineral claims until such time as a technical feasibility study has been completed and commercial viability of extracting the mineral resources is demonstrable. Such costs include, but are not limited to, geological, geophysical studies, exploratory drilling and sampling. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation expenses attributable to that area of interest will be capitalized to mineral properties. Costs will continue to be capitalized until the property to which they relate is ready for its intended use, sold, abandoned, or management has determined there is impairment. If economically recoverable reserves are developed, capitalized costs of the property are depleted using the units of production method.

The Company capitalizes acquisition costs related to mineral properties.

Impairment

Non-financial assets are reviewed for impairment at the end of each reporting period and throughout the year if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists. Where the asset does not generate cash inflows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill, any intangible asset with an indefinite useful life, or any intangible asset not yet available for use is tested for impairment annually and whenever there is an indication that the asset may be impaired.

An asset or cash-generating unit's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. Impairment of goodwill cannot be reversed.

Financial instruments

Financial assets and financial liabilities are classified into three categories: Amortized Cost, Fair Value through Other Comprehensive Income ("FVOCI") and Fair Value through Profit and Loss (“FVPL”). The classification of financial assets is determined by their context in the Company’s business model and by the characteristics of the financial asset’s contractual cash flows.

Financial assets and financial liabilities are measured at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument’s classification.

Cash and cash equivalents, other receivables, and trade and other payables are measured at amortized cost. The contractual cash flows received from the financial assets are solely payments of principal and interest and are held within a business model whose objective is to collect the contractual cash flows. The financial assets and financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Company has no financial instruments measured at FVPL or FVOCI.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Provisions

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in any provision due to passage of time is recognized as accretion expense.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Unit offerings

The Company has adopted the relative fair value method with respect to the measurement of shares and warrants issued as equity units. The relative fair value method requires an allocation of the net proceeds received based on the pro rata relative fair values of the components. If and when the warrants are ultimately exercised, the applicable amounts are transferred from equity reserves to share capital. If the warrants expire unexercised, the Company will transfer the value attributed to those warrants from equity reserves to deficit.

Share-based payment transactions

The share option plan allows Company employees, directors, and consultants to acquire shares of the Company. All options granted are measured at fair value and are recognized in expenses as share-based payments with a corresponding increase in equity reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of employee options is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. For non-employees, share-based payments are measured at the fair value of goods and services received or the fair value of the equity instruments issued, if it is determined that the fair value cannot be reliably measured and are recorded at the date the goods or services are received. The fair value of the options is accrued and charged either to operations or exploration and evaluation assets, with the offset credit to equity reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. Upon the expiration or cancellation of unexercised stock options, the Company will transfer the value attributed to those stock options from equity reserves to deficit.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. In the Company's case, diluted loss per share is the same as basic loss per share as the effects of including all outstanding options and warrants would be anti-dilutive.

Related party transactions

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

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized as equity.

Current tax expense is the expected tax payable on the taxable income for the year, using rates substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced using a valuation allowance.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

New accounting standards

There were no new or amended IFRS pronouncements effective for the year ended April 30, 2022 that impacted the Company’s financial statements.

4. OTHER RECEIVABLES

Other receivables as at April 30, 2022 and 2021 were as follows:

	April 30, 2022	April 30, 2021
Expenditures recoverable from third parties	$ 116,184	-
Amounts refundable from suppliers	168,885	-
Total other receivables	285,069	-
Less provision for doubtful debts	(116,184)	-
	$ 168,885	$ -

5. EXPLORATION AND EVALUATION ASSETS

The Company has accumulated the following acquisition expenditures:

	Eastmain Property	Windy Mountain Property	Total
Balance, April 30, 2020	$ 330,000	$ -	$ 330,000
Acquisition costs – issuance of shares	461,825	-	461,825
Acquisition costs – issuance of warrants	539,078	-	539,078
Acquisition costs – cash	225,000	-	225,000
Balance, April 30, 2021	$ 1,555,903	$ -	$ 1,555,903
Acquisition costs – issuance of shares	110,000	-	110,000
Acquisition costs – cash	150,000	10,764	160,764
Balance, April 30, 2022	**$ 1,815,903**	**$ 10,764**	**$ 1,826,667**

During the year ended April 30, 2022 and 2021 exploration and evaluation expenditures, recorded in the statements of operations and comprehensive loss, consisted of the following:

	April 30, 2022	April 30, 2021
Eastmain: Geology	1,600,205	720,003
Eastmain: Location/camp services	2,702,864	1,946,624
Eastmain: Drilling	10,787,669	3,442,244
Eastmain: Geochemical analysis	2,569,174	263,059
Eastmain: Geophysics	968,229	951,998
Eastmain: Environment	28,485	-
Eastmain: Health & safety	366,416	249,502
Eastmain: Property Maintenance	11,441	-
Total exploration and evaluation costs	**19,034,483**	**7,573,430**

Eastmain Property

In August 2019, the Company entered into an option agreement (the "Option Agreement") to acquire from Eastmain Resources Inc, ("Eastmain" or "the Vendor"), a 100% interest in the former producing Eastmain Gold project (the "Project") located in James Bay District, Quebec for $5,000,000. In April 2020, Benz entered into an amending agreement (the "Amending Agreement") in connection with the Project pursuant to which it acquired a further option to earn a 100% interest in the Ruby Hill West and Ruby Hill East properties ("Ruby Hill Properties"), located west of the Eastmain gold mine project.

Pursuant to the Option and Amendment Agreements, the Company retains the right and option to earn a 75% interest in the Project and Ruby Hill Properties by issuing the following cash and common shares payments to the vendor (the "Option Payments"):

	Option Payments Payable in Cash	Option Payments Payable in Cash or Shares
Option Agreement Effective date – October 23, 2019 (paid)	$75,000	-
Amending Agreement approval date by TSX-V Exchange – May 21, 2020 (paid)	$75,000	-
On or before the 1st Anniversary of the Effective Date (paid)	$150,000	$100,000
On or before the 2nd Anniversary of the Effective Date (paid)	$150,000	$110,000
On or before the 3rd Anniversary of the Effective Date	$200,000	$110,000
On or before the 4th Anniversary of the Effective Date	$1,250,000	$475,000
Total Price*	**$1,900,000**	**$795,000**

* Total in cash and shares is $2,695,000.

In addition to the Option Payments, the Company issued to Eastmain 3,000,000 common shares, with a value of $255,000 on grant date. Per the terms of the Amending Agreement, Benz made a share payment of 2,000,000 common shares valued at $360,000 and issued 4,000,000 share purchase warrants. Each warrant enables the holder to purchase one common share of Benz at a price of $0.12 per share until April 27, 2023. The additional 2,000,000 shares and 4,000,000 warrants were issued on May 21, 2020. The warrants were valued at $539,078 using the Black-Scholes pricing model with a share price of $0.18, risk-free rate of 0.29%, volatility of 117.92% and expected life of 2.93 years.

If and when the Company has made the Option Payments, issued shares and warrants and incurred expenditures as described above, the Company will be deemed to have exercised the options and a 75% right, title and interest to the Project and Ruby Hill Properties. The Company has the right to accelerate expenditures at any time.

Following the exercise of the options, the Company will be obligated to make the following additional payments to the vendor on the occurrence of the following events:

- $1,000,000 within five (5) business days of the closing of project financing to place the Project or any part thereof into commercial production in accordance with a feasibility study completed by the Company within 24 months of the exercise of the option. With this payment, Benz will have acquired 100% of Eastmain's recorded and/or leasehold interest in the Project. If Benz fails to make this milestone payment, Eastmain will have the right to buy back the Company's 75% interest in the Project for $3,500,000, of which up to $1,225,000 may be paid in common shares of Eastmain; and

- $1,500,000 within five (5) business days of the commencement of commercial production.

The Company may, at its election, pay up to 25% of this payment in common shares of the Company. The number of common shares required to be issued will be determined by the share equivalent of such payment on the date of issuance.

Eastmain would retain a 2% Net Smelter Return ("NSR") royalty in respect of the Project. The Company may, at any time, purchase one half of the NSR royalty, thereby reducing the NSR royalty to a 1% NSR royalty, for $1,500,000.

Benz will have the right to earn an additional 25% interest in the Ruby Hill Properties by paying an additional $100,000 to Eastmain by October 23, 2025, which can be paid in shares at the election of Eastmain based on the prevailing volume weighted average price ("VWAP") of the Company's shares up to a maximum of 500,000 shares.

Following the acquisition of a 100% interest in the Ruby Hill Properties, Eastmain will retain a 1% NSR royalty, of which one half may be purchased for $500,000 thereby reducing it to a 0.5% NSR royalty. The NSR royalty is also offset by any pre-existing royalties which may reduce the royalty burden.

The Project property expenditure schedule, as defined in the Option Agreement and updated in the Amending Agreement totals $3,500,000 as follows:

	Cash Spend
On or before the 1st Anniversary of the Effective Date	$0
On or before the 2nd Anniversary of the Effective Date	$1,000,000
On or before the 3rd Anniversary of the Effective Date	$1,500,000
On or before the 4th Anniversary of the Effective Date	$1,000,000
Total Property Expenditure	**$3,500,000**

During the year ended April 30, 2022, Benz completed exploration and evaluation activities totaling $19,034,483 at the Project.

Windy Mountain Property

In August 2021, the Company acquired the Windy Mountain property for cash totaling $10,764. The Windy Mountain project acquired consisted of 69 claims to which an additional 4 claims have been added in 2022, totaling 73 claims covering 3,846.3 hectares (38.46 km^2).

During the year ended April 30, 2022, Benz did not incur any exploration and evaluation activities on the Windy Mountain property.

6. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions are measured at the estimated fair values of the services provided or goods received. Related party transactions not disclosed elsewhere in these financial statements are as follows:

a) Key Management Compensation

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing, and controlling the activities of the Company. The remuneration of directors and officers for years ended April 30, 2022 and 2021 was as follows:

	April 30, 2022	April 30, 2021
Salaries, bonuses, fees and benefits		
Management, director and consulting fees to the officers and directors of the Company (including $266,084 (2021 - $219,105) classified with exploration and evaluation expenditures)	$ 961,440	$ 988,184
Share-based payments		
Officers and directors of the Company	-	1,838,283
	$ 961,440	$ 2,826,467

b) In the normal course of operations, the Company transacts with companies related to its directors or officers. The following amounts are payable to related parties, and are included in trade and other payables:

	April 30, 2022	April 30, 2021
Management fees	$ 73,206	$ 187,989

7. FLOW-THROUGH SHARE LIABILITY

The following is a continuity schedule of the liability portion of the flow-through share issuances.

Balance, April 30, 2020	$ -
Liability incurred on flow-through shares issued (June and October 2020)	4,828,571
Settlement of flow-through liability upon incurring exploration expenditures	(1,469,472)
Balance, April 30, 2021	**$ 3,359,099**
Liability incurred on flow-through shares issued (August 2021)	4,454,545
Settlement of flow-through liability upon incurring exploration expenditures	(7,813,644)
Balance, April 30, 2022	**$ -**

8. SHARE CAPITAL

a) Authorized: Unlimited common shares, without par value
Unlimited preferred shares, without par value

b) Issued: During the current year

On August 30, 2021, the Company closed a non-brokered flow-through private placement of 9,090,909 flow-through shares at a price of $1.10 per share, for gross proceeds of $10,000,000. The Company incurred share issuance costs of $339,565 in the form of finders' fees and professional fees in addition to issuing compensation warrants valued at $331,610.

On October 22, 2021 the Company issued 174,658 common shares pursuant to the terms of the Eastmain option agreement (see Note 5) with a value of $110,000.

During the year ended April 30, 2022, the Company issued 1,744,737 shares on the exercise of warrants for proceeds of $234,368. The fair value of these warrants, totaling $101,759, was transferred to share capital from equity reserves.

During the year ended April 30, 2022, the Company issued 151,250 shares on the exercise of options for proceeds of $23,106. The fair value of these options, totaling $19,827, was transferred to share capital from equity reserves. The weighted-average share price at the date of exercise for options exercised was $0.64.

c) Issued: During the previous year

In May 2020, the Company issued 2,000,000 common shares pursuant to the terms of the Eastmain option agreement (see Note 5) with a value of $360,000. In October 2020, a further 124,177 shares with a value of $101,825 were issued pursuant to the terms of the agreement.

In June 2020, the Company closed a non-brokered flow-through private placement of 12,000,000 flow through units at a price of $0.30 per unit, for gross proceeds of $3,600,000. Each flow-through unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one non-flow through common share at a price of $0.17 per share until June 1, 2023. The Company incurred share issuance costs of $181,633 in the form of finders' fees and professional fees in addition to issuing compensation units valued at $427,720.

In October 2020, the Company closed a non-brokered flow-through private placement of 14,857,142 flow through units at a price of $0.875 and 400,000 hard dollar units at $0.55 per unit, for aggregate gross proceeds of $13,219,999. Each flow-through unit and hard dollar unit consists of one common share of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one non-flow through common share at a price of $1.00 per share until October 29, 2022. The Company incurred share issuance costs of $457,417 in the form of finders' fees and professional fees.

In December 2020, the Company issued 4,000,000 common shares pursuant to a prospectus offering lodged with the Australian Securities and Investments Commission in relation to its dual listing on the Australian Securities Exchange. In exchange for the common shares, the Company received $1,929,000 and incurred share issuance costs of $91,166 in the form of finders' fees and professional fees.

During the year ended April 30, 2021, the Company issued 3,550,500 shares on the exercise of options for $609,378. The fair value of these options totaling $568,829 was transferred to share capital from reserves. The weighted-average share price at the date of exercise for options exercised was $0.47.

During the year ended April 30, 2021, the Company issued 4,791,819 shares on the exercise of warrants for $607,746. The fair value of these warrants totaling $314,912 was transferred to share capital from reserves.

Escrow Shares

As at April 30, 2022 and 2021, an amount of 222,857 common shares are being held in escrow subject to an escrow agreement with Tusk Exploration Ltd. These shares continue to be held due to unmet contractual obligations.

d) Share purchase warrants

A summary of changes in share purchase warrants is as follows:

	Underlying Shares		Weighted Average Exercise Price
Balance, April 20, 2020	27,773,024	$	0.12
Issued	23,628,571		0.43
Exercised	(4,791,819)		0.13
Balance, April 30, 2021	**46,609,776**	**$**	**0.28**
Exercised	(1,744,737)		0.13
Balance, April 30, 2022	**44,865,039**	**$**	**0.28**

On May 21, 2020, the Company issued 4,000,000 warrants pursuant to the terms of the Eastmain option agreement (see Note 5). Each warrant entitles the holder to acquire one additional share at the price of $0.12 until April 27, 2023.

On June 1, 2020, the Company issued 12,000,000 warrants through the financing described in the previous section. Each warrant entitles the holder to acquire one additional share at the price of $0.17 until June 1, 2023.

On October 29, 2020, the Company issued 15,257,142 half warrants through the financing described in the previous section. Each whole warrant entitles the holder to acquire one additional share at the price of $1.00 until October 29, 2022.

The warrants during the year ended April 30, 2021 were valued using the Black-Scholes pricing model. The following assumptions were used for the Black-Scholes valuation of the warrants granted:

	April 30, 2021
Weighted average assumptions:	
Risk-free interest rate	0.31%
Expected dividend yield	0.00%
Expected option life (years)	2.67
Expected stock price volatility	121%
Weighted average fair value at measurement date	$0.23

Warrants outstanding as at April 30, 2022 and 2021, are:

	Exercise Price	**Outstanding and Exercisable**	
Expiry Date	**per Share**	**April 30, 2022**	**April 30, 2021**
October 29, 2022	$1.00	7,628,571	7,628,571
April 27, 2023	$0.12	26,391,013	27,635,750
June 1, 2023	$0.17	10,845,455	11,345,455
		44,865,039	46,609,776

e) Compensation Units and Warrants

A summary of changes in compensation units and warrants is as follows:

	Compensation Units	**Compensation Warrants**	**Weighted Average Exercise Price**
Balance, April 30, 2020	2,115,652	-	$ 0.076
Issued	1,440,000	-	0.17
Balance, April 30, 2021	**3,555,652**	**-**	**$ 0.11**
Issued	-	909,090	0.65
Balance, April 30, 2022	**3,555,652**	**909,090**	**$ 0.23**

Pursuant to the August 2021 private placement of 9,090,909 flow-through shares, the Company paid finders' fees and professional fees consisting of a cash payment in the aggregate amount of $339,565 and the issue of 909,090 compensation warrants with a fair value of $331,610. Each compensation warrant is exercisable at a price of $0.65 until August 31, 2023 and entitles the holder to purchase one common share of the Company.

Pursuant to the June 2020 private placement of 12,000,000 flow-through units, the Company paid finders' fees and professional fees consisting of a cash payment in the aggregate amount of $144,000 and 1,440,000 compensation units with a fair value of $427,720. Each compensation unit is exercisable at a price of $0.17 until June 1, 2023 and entitles the holder to purchase one unit (comprised of one share and one warrant). Each warrant received upon the exercise of a compensation unit entitles the holder to purchase one share at price of $0.17 per warrant until June 1, 2023.

The following assumptions were used for the Black-Scholes valuation of the compensation units and warrants granted:

	April 30, 2022	April 30, 2021
Weighted average assumptions:		
Risk-free interest rate	0.41%	0.34%
Expected dividend yield	0.00%	0.00%
Expected option life (years)	2	3
Expected stock price volatility	121%	118%
Weighted average fair value at measurement date	$0.36	$0.15

Compensation units and warrants outstanding as at April 30, 2022 and 2021, are:

	Exercise Price	Outstanding and Exercisable	
Expiry Date	per Share/Unit	April 30, 2022	April 30, 2021
April 27, 2023	$0.076	2,115,652	2,115,652
June 1, 2023	$0.17	1,440,000	1,440,000
August 31, 2023	$0.65	909,090	-
		4,464,742	3,555,652

f) Stock options

The Company's stock option plan authorizes for the granting of options to directors, officers, employees, and consultants. Pursuant to the terms of the Stock Option Plan, the Board of Directors may from time to time, in its discretion, and in accordance with Exchange policies, grant incentive stock options ("Options") to purchase the Company's common shares to directors, officers, employees, and consultants. Under the Stock Option Plan, a maximum of 10% of the outstanding shares can be reserved for issuance. The number of shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding shares and the number of shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding shares.

A summary of changes in stock options is as follows:

	Underlying Shares	Weighted Average Exercise Price
Stock options outstanding, April 30, 2020	5,720,598	$0.16
Granted	5,300,000	$0.53
Exercised	(3,550,500)	$0.17
Cancelled	(12,885)	$3.00
Stock options outstanding, April 30, 2021	**7,457,213**	**$0.41**
Stock options exercisable, April 30, 2021	**7,422,838**	**$0.41**
Stock options outstanding, April 30, 2021	7,457,213	$0.41
Exercised	(151,250)	$0.15
Stock options outstanding, April 30, 2022	**7,305,963**	**$0.42**
Stock options exercisable, April 30, 2022	**7,305,963**	**$0.42**

In May 2020, Benz cancelled an aggregate of 12,885 stock options previously held by a consultant.

In June 2020, the Company granted 1,400,000 stock options to eligible parties, exercisable at a price of $0.21 per share for a period of five years.

In October 2020, the Company granted 3,900,000 stock options to eligible parties, exercisable at a price of $0.64 per share for a period of three years.

During the year ended April 30, 2022, 151,250 (2021 - 3,550,500) stock options were exercised for proceeds of $23,106 (2021 - $609,378).

During the years ended April 30, 2022 and 2021, the Company recorded share-based payments of $4,994 (2021 - $2,158,003), of which $Nil (2021 - $1,838,283) pertained to directors and officers of the Company. The fair value of stock options issued during these years was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

	April 30, 2022	April 30, 2021
Weighted average assumptions:		
Risk-free interest rate	0.85%	0.50%
Expected dividend yield	0.00%	0.00%
Expected option life (years)	6.00	4.17
Expected stock price volatility	127%	123%
Weighted average fair value at measurement date	$0.73	$0.46

A summary of stock options outstanding as at April 30, 2022, is as follows:

Number of Stock Options Outstanding	Number of Stock Options Exercisable	Exercise Price	Weighted Average Remaining Contractual Life (in years)	Intrinsic Value	Expiry Date
9,713	9,713	$3.00	2.72	$0.00	January 18, 2025
131,250	131,250	$0.265	5.34	$0.37	August 31, 2027
70,000	70,000	$0.076	2.84	$0.55	March 3, 2025
2,100,000	2,100,000	$0.12	2.99	$0.51	April 27, 2025
1,095,000	1,095,000	$0.21	3.09	$0.42	June 1, 2025
3,900,000	3,900,000	$0.64	1.42	$0.00	October 2, 2023
7,305,963	**7,305,963**		**2.21**		

9. CAPITAL MANAGEMENT

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 development of its properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to 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 or adjust the amount of cash and cash equivalents. Management reviews the capital structure on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes to the Company's capital management during the year ended April 30, 2022.

10. FINANCIAL INSTRUMENTS AND RISK

The Company's financial instruments consist of cash and cash equivalents, other receivables, and trade and other payables. The fair value of the financial instruments approximates their carrying values, unless otherwise noted.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit risk

The Company's credit risk is mainly attributable to its liquid financial assets: cash and cash equivalents. The Company deposits cash with high credit quality financial institutions and credit risk is considered to be minimal. The Company's maximum exposure to credit risk is $2,782,026, which is the carrying value of the Company's cash and cash equivalents at April 30, 2022.

b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2022, the Company had a cash and cash equivalents balance of $2,782,026 (April 30, 2021- $13,144,767) to settle current liabilities of $2,544,545 (April 30, 2021 - $4,527,646).

c) Foreign exchange risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at April 30, 2022, the Company is exposed to currency risk as some transactions and balances are denominated in Australian dollars. As at April 30, 2022, a 10% change of the Canadian dollar relative to the Australian dollar would have net financial impact of approximately $21,000 (2021 - $147,000). The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

11. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	April 30, 2022	April 30, 2021*
Statutory rates	26.5%	26.5%
Loss before income taxes	$ (12,636,747)	$ (9,459,119)
Expected income tax recovery at statutory rate	3,348,738	2,506,667
Non-deductible items and permanent differences	(2,869,447)	(2,092,963)
Effect of change in tax rates	-	(29,290)
Change in valuation allowance	(479,291)	(384,414)
Future income tax recovery	$ -	$ -

*Certain comparative figures have been restated to agree to the Company's income tax return as filed.

The significant components of the Company's future income tax assets are as follows:

	April 30, 2022	April 30, 2021*
Future income tax asset:		
Non-capital loss carryforwards	$ 1,808,147	$ 1,328,857
Exploration expenditure pool	439,497	441,947
Undeducted financing costs	281,169	305,145
	2,528,813	2,075,949
Less: valuation allowance	(2,528,813)	(2,075,949)
Net future income tax assets	$ -	$ -

*Certain comparative figures have been restated to agree to the Company's income tax return as filed.

The Company has non-capital losses for tax purposes of approximately $6,824,000 which may be used to reduce future taxable income in Canada. The losses expire in the following years:

Year	Amount
2031	$ 9,000
2032	4,000
2033	130,000
2034	185,000
2035	330,000
2036	104,000
2037	310,000
2038	1,079,000
2039	627,000
2040	676,000
2041	1,561,000
2042	1,809,000
	$ 6,824,000

12. SUBSEQUENT EVENT

In May 2022, the Company issued 500,000 common shares at $0.12 per share upon the exercise of warrants for total proceeds of $60,000.

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED APRIL 30, 2022

The following management's discussion and analysis of financial conditions and results of operations (the "MD&A") has been prepared by management and provides a review of the activities, results of operations, and financial condition of Benz Mining Corp. (the "Company" or "Benz"). This discussion dated July 28, 2022, complements and supplements the Company's audited financial statements and associated notes for the years ended April 30, 2022, and 2021. Please also refer to the cautionary statement of forward-looking information at the end of this document.

All financial information in this MD&A is prepared in accordance with International Financial Reporting Standards ("IFRS") and reported in Canadian dollars unless otherwise noted. Additional information about the Company is available under the Company's profile on SEDAR at www.sedar.com.

1. COMPANY OVERVIEW AND OVERALL PERFORMANCE

Benz is an exploration and development stage company existing under the *Canada Business Corporations Act*. It was incorporated under the laws of the Province of British Columbia on November 9, 2011. The Company's common shares trade on the TSX Venture Exchange under the symbol "BZ", the Frankfurt Exchange under the trading symbol "1VU", and commenced trading on the Australian Securities Exchange under the trading symbol "BNZ" on December 23, 2020.

On August 7, 2019, the Company entered into an option agreement with Eastmain Resources Inc. ("Eastmain" or "the Vendor") to acquire a 100% interest in the former producing Eastmain Gold project ("the Project") located in James Bay District, Quebec for $5,000,000. In April 2020, Benz entered into an amending agreement (the "Amending Agreement") in connection with the Project pursuant to which it acquired a further option to earn a 100% interest in the Ruby Hill West and Ruby Hill East properties ("Ruby Hill Properties"), located west of the Eastmain gold mine project.

Pursuant to the Option and Amendment Agreements, the Company retains the right and option to earn a 75% interest in the Project and Ruby Hill Properties by issuing the following cash and common shares payments to the Vendor (the "Option Payments"):

	Option Payments Payable in Cash	**Option Payments Payable in Cash or Shares**
Option Agreement Effective date – October 23, 2019 (paid)	$75,000	-
Amending Agreement approval date by TSX-V Exchange – May 21, 2020 (paid)	$75,000	-
On or before the 1st Anniversary of the Effective Date (paid)	$150,000	$100,000
On or before the 2nd Anniversary of the Effective Date (paid)	$150,000	$110,000
On or before the 3rd Anniversary of the Effective Date	$200,000	$110,000
On or before the 4th Anniversary of the Effective Date	$1,250,000	$475,000
Total Price*	**$1,900,000**	**$795,000**

* Total in cash and shares is $2,695,000.

In addition to the Option Payments, the Company issued to the Vendor 3,000,000 common shares, with a value of $255,000 on grant date. Per the terms of the Amending Agreement, in May 2020, Benz issued a further 2,000,000 common shares and 4,000,000 share purchase warrants, with a value of $360,000 and $539,078, respectively. Each warrant enabling the holder to purchase one common share of Benz at a price of $0.12 per share until April 27, 2023.

The Project property expenditure schedule, as defined in the Option Agreement and updated in the Amending Agreement totals $3,500,000 as follows:

	Cash Spend
On or before the 1st Anniversary of the Effective Date	$0
On or before the 2nd Anniversary of the Effective Date	$1,000,000
On or before the 3rd Anniversary of the Effective Date	$1,500,000
On or before the 4th Anniversary of the Effective Date	$1,000,000
Total Property Expenditure	**$3,500,000**

If and when the Company has made the Option Payments, issued shares and warrants and incurred expenditures as described above, the Company will be deemed to have exercised the options and a 75% right, title and interest to the Project and Ruby Hill Properties. The Company has the right to accelerate expenditures at any time.

Following the exercise of the options, the Company will be obligated to make the following additional payments to the Vendor on the occurrence of the following events:

- $1,000,000 within five (5) business days of the closing of project financing to place the Project or any part thereof into commercial production in accordance with a feasibility study completed by the Company within 24 months of the exercise of the option. With this payment, Benz will have acquired 100% of Eastmain's recorded and/or leasehold interest in the Project. If Benz fails to make this milestone payment, Eastmain will have the right to buy back Company's 75% interest in the Project for $3,500,000, of which up to $1,225,000 may be paid in common shares of Eastmain; and
- $1,500,000 within five (5) business days of the commencement of commercial production.

The Company may, at its election, pay up to 25% of this payment in common shares of the Company. The number of common shares required to be issued will be determined by the share equivalent of such payment on the date of issuance.

Eastmain would retain a 2% Net Smelter Return ("NSR") royalty in respect of the Project. The Company may, at any time, purchase one half of the NSR royalty, thereby reducing the NSR royalty to a 1% NSR royalty, for $1,500,000.

Benz will have the right to earn an additional 25% interest in the Ruby Hill Properties by paying an additional $100,000 to Eastmain by October 23, 2025, which can be paid in shares at the election of Eastmain based on the prevailing volume weighted average price ("VWAP") of the Company's shares up to a maximum of 500,000 shares.

Following the acquisition of a 100% interest in the Ruby Hill Properties Eastmain will retain a 1% NSR royalty, of which one half may be purchased for $500,000 thereby reducing it to a 0.5% NSR royalty. The NSR royalty is also offset by any pre-existing royalties which may reduce the royalty burden.

2. GOING CONCERN UNCERTAINTY

The Company's financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The use of these principles may not be appropriate.

To date, the Company has not earned significant revenues and is considered to be in the exploration phase. The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Company's activities. Mineral exploration and development is highly speculative and involves inherent risks.

The Company's current committed cash resources are insufficient to cover expected expenditures for the next 12 months. The Company's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurance that management will be successful in securing adequate financing. In addition, while the Company's future activities in relation to drilling on its mineral claims look promising, there can be no assurance that the results of its exploration activities will confirm the existence of economically viable quantities of ore or that the project will ultimately go into production.

The Company reported a net loss and total comprehensive loss in the year ended April 30, 2022 of $12,636,747 (2021 - $9,459,119). As at April 30, 2022, the Company's current assets exceed its current liabilities by $1,687,423 but its planned expenditures for fiscal 2023 exceeds the value of working capital currently on hand. These recurring losses and the need for continued financing to further successful exploration activities indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern.

The Company's financial statements do not give effect to any adjustments to the carrying values and classifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

3. OPERATIONS

Eastmain Project

The Eastmain Gold project located approximately 750 km northeast of Montreal, and 316 km northeast of Chibougamau, comprises 152 contiguous mining claims each with an area of approximately 52.7 ha covering a total of 8,014.36 ha plus one industrial lease permit owned by Eastmain Mines Inc., a wholly owned subsidiary of the Vendor.

The Project is road accessible via the Route 167 extension, a permanent all-season road, and is serviced by an existing camp, all season gravel roads, and an airstrip. The Project benefits from access to Chibougamau (population of 7,541) that serves as the main centre of communications and supplies for the area.

The Company has filed the NI 43-101 Technical Report titled "Technical Report and Mineral Resource Estimate on the Eastmain Mine Property, James Bay District, Quebec", prepared by P&E Mining Consultants Inc. ("P&E"). The Mineral Resource Estimate reported tonnes and contained gold ounces, stating Indicated Mineral Resource of 899kt at a grade of 8.19 g/t gold, 8 g/t silver and 0.13% copper

(236.5 koz contained gold), and Inferred Mineral Resources of 579 kt at a grade of 7.48 g/t gold, 8.2 g/t silver and 0.16% copper (139.3 koz contained gold). The resource estimate is based on a gold price of US$1,288 and a US$0.77 exchange rate.

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Mineral Resource Estimates do not account for mineability, selectivity, mining loss and dilution. Inferred Mineral Resources are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is also no certainty that Indicated Mineral Resources will be converted into Mineral Reserves, once economic considerations are applied; or that Inferred Mineral Resources will be converted to Measured and Indicated classifications through further drilling, or into Mineral Reserves, once economic considerations are applied.

The Technical Report, completed for Benz on September 3, 2019, and amended on October 21, 2019, is available on SEDAR under the Company's profile.

Benz' exploration activities

In 2020 Benz started exploration at the project. Very early, Benz identified the potential to target gold mineralization at Eastmain via electromagnetics (EM), as gold mineralisation at Eastmain is associated with pyrrhotite, an iron sulphide detectable by electromagnetics. Throughout 2020 and early 2021 Benz followed a simple exploration methodology based on the use of electromagnetics to target high grade gold mineralisation. EM is not commonly used to directly target gold mineralisation, however, it is a technique directly applicable at Eastmain (technique that has been successfully used by ASX listed explorer Bellevue Gold Limited (ASX: BGL) at its namesake gold project).

In the previous reporting year, Benz discovered two additional mineralised trends returning high grade gold intercepts, The Nisto and Kotak trends.

Benz also discovered:

- continuity of the high grade mineralised mine horizon at NW Zone;
- Downplunge extensions at A-B-C zones; and
- High grade gold in the mine horizon, along strike to the south of the Eastmain deposit.

As at April 30, 2021, Benz's 50,000m drilling campaign planned over CY2021 was well underway and an additional drill rig was added to the program, taking the total number of rigs to two, increasing drilling capacity to approximately 1,500m per week.

A new EM survey completed and interpreted in May 2021 showed the presence of EM conductors to the east of the newly discovered D Zone. Drilling would follow up in the area and the first two holes in the new sector returned visible gold, auguring well for the evolution of this newly coined E Zone.

Benz continued with its strategy of using electromagnetics to find gold in the belt and in May 2021, a new EM loop surveyed 2km to the North of the Eastmain mine highlighted multiple new conductors in a new structural position in the greenstone belt. The area had been succinctly explored by previous owners of the project and rock chips samples in the Placer Lake area had returned assay values up to 8.3 g/t gold at surface in the area.

In 2021, Benz had contracted Dominique Francois Bongarçon, a world-renowned specialist in gold sampling and assaying to conduct a full heterogeneity test on Eastmain's core, in order to define the influence of coarse (nuggetty) gold and measure the appropriateness of all assay techniques previously used at the project.

PhotonAssay in Perth

At the same time, Benz, in its search for the most appropriate assay method for the coarse gold mineralisation of the area had shipped all the rejects from the 2020 drilling campaign to Perth in order to assay them using Chrysos' PhotonAssay technology at the only commercial laboratory offering the method, Minanalytical, with facilities in Perth and Kalgoorlie.

The batch, shipped by sea from Canada to Australia was delivered to Minanalytical and contained ~8,500kg of crushed rocks to be assayed in individual samples of ~500g.

Assay results for the ~8,500kg of samples were completed in November 2021 and returned significant results. Of the 18,143 samples analysed by PhotonAssay from 8,500kg of coarse crushed material from the 2020 drilling campaign at the high-grade Eastmain Gold project, results showed:

- a 39% increase in the number of reportable intercepts (>0.2g/t Au) from 84 to 117;
- a 80% increase in the number of high-grade intercepts (>8g/t Au) from 5 to 9; and
- 85% of reportable samples returned higher gold value by PhotonAssays.

Following the success of the PhotonAssay re-assay in identifying more gold and more mineralized intervals, Benz elected to sign a cornerstone agreement with MSA laboratories for use of the first PhotonAssay facility to be installed in North America. The exclusivity agreement included 20,000 samples per month exclusivity which was supposed to give Benz a faster turnaround and better gold detection abilities

Coarse rejects explanation

When submitted to a conventional assay laboratory, a half core sample is crushed to 2mm. The whole half core sample has a weight commonly ranging between 1.0kg and 2.5kg. After the crushing, a 250g sample is extracted from the total ½ core and is then sent to pulverisation. From the 250g pulverised sample, a smaller 50g sample is extracted to be further analysed. This process means two main things:

a) If the sample is heterogeneous (i.e. contains a small number of large gold grains) there is a large statistical chance that some of the gold present in the half core does not get measured as it stays in the original sample and does not form part either of the 250g subsample or of the final 50g sample; and

b) A large portion of the original sample is not used. It is commonly called coarse reject as it has only been processed through the first pass of the assay method which is the crushing part down to 2.0mm.

The aim of using PhotonAssay on the whole lot of the coarse rejects was to compare assay results by conventional fire assays obtained from the 2020 drilling campaign and see, if any, how much more gold could be identified through a "whole rock" analysis method.

Drill results

Assay results received in August from drilling in the first half of CY2021 confirmed the high-grade nature of the NW zone discovery as well as high-grade assays from the Nisto Trend confirming this new trend as a potential high grade discovery. Best results included:

- 3.0m at 16.6g/t gold including 1.5m at 32.8g/t gold (EM21-143) (NW);

- 7.8m at 8.7g/t gold including 1.0m at 32.6g/t gold (EM21-146) (NW);
- 6.0m at 3.6g/t gold including 1.0m at 10.2g/t gold (EM21-145) (NW);
- 3.0m at 5.2g/t gold including 1.0m at 15.0g/t gold (EM21-159) (NW); and
- 8.9m at 1.5g/t gold including 1.5m at 7.3 g/t gold (EM21-157) (Nisto trend).

The last quarter of CY2021 saw Benz accelerate its activities with the addition of a third drill rig at site. The additional rig was motivated by the discovery of a new mineralized system at E zone with the uncovering of a mineralized tonalite intrusion within what was interpreted as the main mine horizon.

Assay results from the newly discovered D zone were received in December 2021. Benz was eagerly awaiting for those results as they included assays from drillhole EM21-168 which had displayed a substantial amount of gold nuggets spread over several meters with some of the nuggets reaching several millimeters in size.

Assays for this specific hole (EM21-168) returned the highest grade drilled by Benz in the system with 7.9m at 35.9g/t gold including 1.0m at 168.8g/t gold. Other significant assays were 1.5m at 16.4g/t gold (EM21-166), 5.3m at 3.5g/t gold including 1.3m at 6.0g/t gold (EM21-167) and 1.0m at 8.34g/t gold (EM21-171).

Throughout the summer of 2021, Benz field crews sampled multiple areas on regional targets as part of a regional field work campaign. Samples consisted mostly of soil samples but also included base of till samples. All samples had been collected by end of October and had been submitted for conventional assays at ALS laboratories in Montreal.

In January 2022, Benz re-started exploration with three drill rigs, following a short interruption over the festive period to allow for all employees and contractors to rejoin with their relatives. The camp was kept on winter care and maintenance over the three weeks of break

Lithium Pegmatite at Ruby Hill West and addition of Windy Mountain claims

October 2021 confirmed the macroeconomic trend driven by strong demand for so called "battery materials". Benz, working through its database of previous exploration, had identified a lithium pegmatite occurrence at Ruby Hill West, approximately 40km to the west of the Eastmain mine camp.

Helicopter supported field work confirmed the presence of spodumene (lithium) bearing pegmatite at site and Benz teams were in a position to collect additional samples from an area identified over 40m x 100m at Ruby Hill West.

Having realized the strong potential for the western end of the upper Eastmain Greenstone Belt, the Benz team conducted a review of regional geophysical datasets. From this review, it appeared that the extent of the greenstones had previously been poorly mapped and that a large portion of archean greenstones at a site called Windy Mountain, to the North of Ruby Hill West was not under claims.

Benz acquired 69 new claims from the Quebec authorities, representing an additional 36km^2 of land, prospective for base metals, gold and more importantly, hosting the right lithostructural environment for late pegmatites including ultra-differentiated lithium bearing pegmatites.

Assays from the rock chips sample collected by Benz Field crews confirmed that the outcrop at Ruby Hill West was consistently made of lithium bearing pegmatite with values such as:

- 1.9% Li_2O, 3160ppm Rb, >500ppm Cs, 274ppm Ta;
- 1.6% Li_2O, 3470ppm Rb, >500ppm Cs, >500ppm Ta;
- 0.8% Li_2O, 980ppm Rb, >500ppm Cs, >500ppm Ta; and
- 0.5% Li_2O, 3810ppm Rb, >500ppm Cs, 324ppm Ta.

Those assays, received in February 2022, prompted Benz to organise a drilling campaign at Ruby Hill West. As Ruby Hill West is 40km to the West of the Eastmain Camp and does not have any infrastructure, drilling needed to be conducted with a helicopter portable drill rig and the support of a sufficiently large helicopter.

The weather conditions are an important factor when working with a helicopter in northern Quebec and matching with contractor availability, the Lithium pegmatite drilling program was executed during April 2022. The program consisted of 6 drillhole for approximately 1,200m of drilling.

The first three holes were drilled toward the SE in a direction that was expected to intercept an extension of the outcrop at depth. All three holes intercepted small dykes of pegmatites but failed to identify any massive pegmatite intrusion.

A fourth hole was drilled as a scissor hole under the same outcrop and returned 200.0m of host basalt. Hole RHW22-005 drilled along strike from holes RHW22-001,002 and 003 returned similar results.

Hole RHW22-006, drilled from RHW22-004 pad in the opposite direction, which was expected to extend the cross section across the mineral system and give a better geological understanding of the mineralised system, intersected 31.1m of spodumene bearing pegmatite starting just below surface.

Regional drilling

Benz used the winter season to access remote locations with drilling equipment. The first quarter of CY2022 was dedicated to drilling regional targets identified from fixed loop electromagnetics and from the soils sampling conducted in the summer of 2021.

Assay results from the soils program were received in March 2022 and highlighted multiple anomalies, with the bulk of those anomalies coincident with geophysical targets.

Throughout the period January to April 2022, Benz kept drilling and added 20,000m of drilling to the original program of 50,000 (for CY2021).

All core from this drilling was submitted for assays and at the end of the reporting period, the Company was awaiting assays results for over 8,000 samples, including multiple intervals of strong mineralization from D and E zones with visible gold mineralization reported, as well as lithium assays from the Ruby Hill West program.

4. SELECTED ANNUAL INFORMATION

	2022	2021	2020
Net loss	$ (12,636,747)	$ (9,459,119)	$ (1,303,850)
Basic and diluted loss per share	(0.12)	(0.11)	(0.05)
Total assets	6,058,635	15,100,124	2,709,140
Total liabilities	2,544,545	4,527,646	243,785

For the year ended April 30, 2022, the Company had a net loss of $12,636,747 compared to a net loss of $9,459,119 in the prior year. The increase in net loss from the prior year primarily resulted from increased exploration and evaluation expenditures to $19,034,483 from $7,573,430 consisting of the Eastmain drilling program, offset by a corresponding increase in the value of the settlement of the flow-through share premium liability to $7,813,644 from $1,469,472. Exploration and evaluation expenditures for the Eastmain project consisted of the following:

	April 30, 2022	April 30, 2021
Eastmain: Geology	1,600,205	720,003
Eastmain: Location/camp services	2,702,864	1,946,624
Eastmain: Drilling	10,787,669	3,442,244
Eastmain: Geochemical analysis	2,569,174	263,059
Eastmain: Geophysics	968,229	951,998
Eastmain: Environment	28,485	-
Eastmain: Health & safety	366,416	249,502
Eastmain: Property Maintenance	11,441	-
Total exploration and evaluation costs	**19,034,483**	**7,573,430**

For the year ended April 30, 2022, the Company had total assets of $6,058,635 compared to total assets of $15,100,124 in the prior year. The decrease in net assets from the prior year primarily resulted from operating activities as discussed above.

5. REVIEW OF FINANCIAL RESULTS

Summary of Quarterly Results

	Apr. 30, 2022	Jan. 31, 2022	Oct. 31, 2021	Jul. 31, 2021	Apr. 30, 2021	Jan. 31, 2021	Oct. 31, 2020	Jul. 31, 2020
Interest Income	$4,153	$6,856	$ 5,553	$ 7,271	$ 8,712	$ 8,000	$ 4,105	$ 2,023
Net loss	(3,064,935)	(2,975,291)	(3,202,409)	(3,394,112)	(2,133,865)	(2,317,373)	(3,882,950)	(1,124,931)
Basic and diluted loss per share	(0.03)	(0.03)	(0.03)	(0.03)	(0.02)	(0.02)	(0.05)	(0.02)

Quarter ended April 30, 2022, compared with the quarter ended April 30, 2021.

During the quarter ended April 30, 2022, the Company had a net loss of $3,064,935 compared to a net loss of $2,133,865 for the quarter ended April 30, 2021. The difference between these two quarters is primarily due to the following:

- Increase in exploration and evaluation costs of $2,277,084 related to the Eastmain drilling program
- Decrease in management & consulting fees of $222,848
- Increase in bad and doubtful debt expense of $116,184
- Increase in listing and filing fees of $51,529
- Increase in settlement of flow-through share premium liability of $1,265,232

6. LIQUIDITY AND CAPITAL RESOURCES

A summary of the Company's working capital balances is as follows:

	April 30, 2022	April 30, 2021
Cash and cash equivalents	2,782,026	13,144,767
Sales taxes recoverable	1,225,057	376,697
Other receivables	168,885	-
Prepaid expenses and deposits	56,000	22,757
Trade and other payables	(2,544,545)	(1,168,547)
Flow-through share premium liability	-	(3,359,099)
Working Capital	**1,687,423**	**9,016,575**

The changes in working capital are primarily due to operating activities, as discussed in the previous section, and investing and financing activities as detailed below.

Cash Used in Investing Activities

Year ended April 30, 2022

Benz made cash payments of $150,000 pursuant to the terms of the Eastmain amended option agreement and also made a cash payment of $10,764 to acquire the Windy Mountain claim.

Year ended April 30, 2021

Benz made cash payments of $225,000 pursuant to the terms of the Eastmain amended option agreement.

Cash from Financing Activities

Year ended April 30, 2022

On August 30, 2021, the Company closed a non-brokered flow-through private placement of 9,090,909 flow-through shares at a price of $1.10 per share, for gross proceeds of $10,000,000. The Company incurred share issuance costs of $339,565 in the form of finders' fees and professional fees in addition to issuing compensation warrants valued at $331,610.

On October 22, 2021, the Company issued 174,658 common shares pursuant to the terms of the Eastmain option agreement with a value of $110,000.

During the year ended April 30, 2022, the Company issued 1,744,737 shares on the exercise of warrants for proceeds of $234,368.

During the year ended April 30, 2022, the Company issued 151,250 shares on the exercise of options for proceeds of $23,106.

Year ended April 30, 2021

In June 2020, the Company closed a non-brokered flow-through private placement of 12,000,000 flow through units at a price of $0.30 per unit, for gross proceeds of $3,600,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one non-flow through common share at a price of $0.17 per share until June 1, 2023. The Company incurred share issuance costs of $181,633 in the form of finders' fees and professional fees in addition to issuing compensation units valued at $427,720.

In October 2020, the Company closed a non-brokered flow-through private placement of 14,857,142 flow through units at a price of $0.875 and 400,000 hard dollar units at $0.55 per unit, for aggregate gross proceeds of $13.2 million. Each flow-through unit and hard dollar unit consists of one common share of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one non-flow through common share at a price of $1.00 per share until October 29, 2022. The Company incurred share issuance costs of $457,417 in the form of finders' fees and professional fees.

In December 2020, the Company issued 4,000,000 common shares pursuant to a prospectus offering lodged with the Australian Securities and Investments Commission in relation to its dual listing on the Australian Securities Exchange. In exchange for the common shares, the Company received $1,929,000 and incurred share issuance costs of $91,166 in the form of finders' fees and professional fees.

During the end ended April 30, 2021, the Company issued 3,550,500 shares on the exercise of options for $609,378.

During the end ended April 30, 2021, the Company issued 4,791,819 shares on the exercise of warrants for $607,746.

7. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements other than those discussed above.

8. RELATED PARTY TRANSACTIONS

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing, and controlling the activities of the Company. The remuneration of directors and officers for years ended April 30, 2022 and 2021 was as follows:

	April 30, 2022	April 30, 2021
Salaries, bonuses, fees and benefits		
Management, director and consulting fees to the officers and directors of the Company	$ 961,440	$ 988,184
Share-based payments		
Officers and directors of the Company	-	1,838,283
	$ 961,440	$ 2,826,467

9. PROPOSED TRANSACTIONS

As is typical of the mining industry, the Company is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value.

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, other receivables, and trade and other payables. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

11. ADDITIONAL DISCLOSURES

Additional Disclosure for Venture Issuers without Significant Revenue

Detail regarding material items within general and administrative expenses has been provided throughout this document.

Outstanding Shares

Authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

As at the date of this MD&A, the Company had the following issued and outstanding common shares and unexercised stock options, warrants and agent compensation options:

	Shares and Potential Shares
Common shares outstanding	110,600,310
Stock options (weighted average exercise price $0.42)	7,305,963
Warrants (weighted average exercise price $0.28)	44,365,039
Compensation units and warrants (weighted average exercise price $0.23)	8,020,394
Total common shares and potential common shares	170,291,706

As at April 30, 2022, an amount of 222,857 common shares were held in escrow subject to an escrow agreement with Tusk Exploration Ltd. These shares continue to be held due to unmet contractual obligations.

Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Therefore, even those systems determined to be effective can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Critical Judgements and Estimates

The financial statements are prepared in accordance with IFRS. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies that has the most significant effect on the amounts recognized in the Company's financial statements are the impairment of exploration and evaluation assets, the valuation of share-based payments and the valuation of deferred tax assets and liabilities.

For a summary of significant accounting judgements and estimates, please refer to Note 2 of the audited annual financial statements for the year ended April 30, 2022. Management believes it has made estimates that best reflect the facts and circumstances, however, actual results may differ from estimates.

Management Changes

In July 2020, Carlos Escribano and Ron Hall resigned as directors of the Company. Further, Miloje Vicentijevic resigned from his role as Director, President and CEO of the Company. Carlos Escribano continued as the Chief Financial Officer of the Company until his resignation effective September 30, 2021. He has been replaced as CFO, effective October 1, 2021, by Simon Sharp.

In September 2020, Evan Cranston and Peter Williams were appointed as directors of the Company. Mr. Cranston was also appointed Chairman, replacing Nick Tintor who will remain as a non-executive director. The Benz management team was further strengthened with the additions of Xavier Braud as Head of Corporate Development (Australia), Danielle Giovenazzo as Vice President Exploration, and Paul Fowler as Head of Corporate Development (Canada). Mr. Braud also acts as Chief Executive Officer of the Company.

12. RISKS AND UNCERTAINTIES

Our business, operating, and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing our Company. Additional risks not presently known, or that Benz currently deems immaterial, may also impair our business operations. If any such risks actually occur, the financial condition, liquidity, and results of operations of the Company as well as the ability of the Company to implement its growth plans could be materially adversely affected.

The following is a description of certain risks and uncertainties that may affect the business of the Company.

Limited Operating History

Benz is a relatively new company with limited operating history and no history of business or mining operations, revenue generation, or production history. Benz was incorporated on November 9, 2011 and has yet to generate a profit from its activities. The Company is subject to all the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it may take several years to achieve positive cash flow from operations.

Exploration, Development, and Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Few properties, which are explored, are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature, and there can be no assurance that any minerals discovered will be discovered in sufficient quantities to warrant commercial exploitation. The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development, and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding, and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations, and financial performance of the Company.

Substantial Capital Requirements and Liquidity

Substantial additional funds will be required and there can be no assurances given that the Company will be able to raise the necessary funds. To meet such funding requirements, the Company may undertake additional equity financing, which would be dilutive to shareholders. There is no assurance that additional financing will be available on terms acceptable to the Company, or at all. If the Company is unable to obtain additional financing as needed, it may be required to discontinue operations.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other mining companies, many of which have greater financial, technical, and other resources than the Company, for, among other things, the acquisition of minerals claims, leases, and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Company is currently largely dependent upon the performance of its directors and officers, and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. Benz will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Fluctuating Mineral Prices and Marketability of Minerals

The market price of any mineral is volatile and affected by many factors beyond the Company's control, including but not limited to: international supply and demand, consumer product demand levels, international economic trends, commodity prices, operations costs, variations in mineral grade, fluctuations in the market price of minerals, currency exchange rate fluctuations, the level of interest rates, the rate of inflation, global or regional political events, and international events as well as a range of other market forces. Depending on the price of certain minerals, the Company may determine that it is impractical to continue its mineral exploration or development operations, if any. Sustained downward movements in mineral market prices could render less economic, or uneconomic, some or all of the mineral extraction and/or exploration activities to be undertaken by the Company. The marketability of minerals is affected by factors such as government regulation of mineral prices, royalties, allowable production, and the importation and exportation of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of minerals found, if any, on the Company's properties.

No Mineral Reserves or Mineral Resources

Mineral resources are estimates of the size and grade of deposits based on limited sampling and on certain assumptions and parameters. No assurance can be given that the anticipated tonnages and grades will be achieved or realized. Prolonged declines in the market price of silver, copper, lead or zinc may render mineral resources containing relatively lower grades of mineralization uneconomic and could materially reduce any estimate of resources. Should such declines occur, the Company could be required to take a material write-down of its investment in mining properties or the development of new projects, resulting in increased net losses.

Environmental Risks

All phases of the mining business present environmental risks and hazards, and are subject to environmental regulation pursuant to a variety of international conventions, local laws, and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that operations be operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability, and potentially increased capital expenditures and operating costs.

Governmental Regulations and Processing Licenses and Permits

The activities of the Company are subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards, and occupational health, mine safety, toxic substances, and other matters. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner, which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations, and financial performance of the Company. Further, the mining licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in such projects may decline.

Conflicts of Interest

Certain directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The Business Corporations Act of British Columbia ("BCBCA") provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement, and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Markets for Securities

There can be no assurance that an active trading market in the Company's shares will be established and sustained. The market price for the Company's shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of the Company's peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of Company. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the mining sector.

Uninsurable Risks

Exploration, development, and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes, and other environmental occurrences. It is not always possible to obtain insurance against all such risks, and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition, and could cause a decline in the value of the Company's shares. The Company does not intend to maintain insurance against environmental risks.

Risks Relating to Infectious Diseases or Outbreaks of Viruses

Global markets have been adversely impacted by emerging infectious diseases and/or the threat of outbreaks of viruses, other contagions or epidemic diseases, including the novel COVID-19. A significant outbreak could result in a widespread crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn which could adversely affect the Company's business and the market price of the Common Shares. Many industries, including the mining industry, have been impacted by these market conditions. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Company's securities. In addition, there may not be an adequate response to emerging infectious diseases. There are potentially significant economic and social impacts, including labour shortages and shutdowns, delays and disruption in supply chains, social unrest, government or regulatory actions or inactions, including permanent changes in taxation or policies, decreased demand, declines in the price of commodities, delays in permitting or approvals, governmental disruptions or other unknown but potentially significant impacts. At this time, the Company cannot accurately predict what effects these conditions will have on its operations or financial results, including due to uncertainties relating to the ultimate geographic spread, the duration of the outbreak, and the length of restrictions or responses that have been or may be imposed by the governments. Given the global nature of the Company's operations, the Company may not be able to accurately predict which operations will be impacted. Any outbreak or threat of an outbreak of a contagions or epidemic disease could have a material adverse effect on the Company, its business and operational results.

13. APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

14. FORWARD LOOKING INFORMATION

This MD&A is based on a review of the Company's operations, financial position, and plans for the future based on facts and circumstances as of July 28, 2022. Certain statements contained in this MD&A constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements regarding the future financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes, plans, and objectives of or involving the Company. Particularly, statements regarding our future operating results and economic performance are forward-looking statements. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue", or other similar expressions concerning matters that are not historical facts. Forward-looking information is subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what we currently expect. Such factors include, but are not limited to, the risk that the Company's option agreements with Eastmain Resources may not be completed or fulfilled for any reason whatsoever and the potential development of the Eastmain project to a producing mine may not occur as planned or at all and the Company may not meet all requirements to maintain its listing on the TSX Venture Exchange. Forward-looking information contained in this MD&A is based on our current estimates, expectations, and projections, which we believe are reasonable as of the current date. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, except as required by law.

15. COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting information compiled by Mr Xavier Braud, who is a member of the Australian Institute of Geoscientists (AIG membership ID:6963). Mr Braud is the Company's Head of Corporate Development (Australia) and the Chief Executive Officer of the Company and has sufficient experience in the style of mineralization and type of deposits under consideration and qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (**JORC Code**). Mr Braud holds securities in Benz Mining Corp. and consents to the inclusion of all technical statements based on his information in the form and context in which they appear.

The information in this announcement that relates to the Inferred Mineral Resource was first reported under the JORC Code by the Company in its prospectus released to the ASX on December 21, 2020. The information in this announcement that relates to exploration results was first reported to the ASX in accordance with ASX Listing Rule 5.7 on May 5, 2021, August 2, 2021, August 26, 2021, October 14, 2021, October 20, 2021, November 3, 2021, December 2, 2021, February 3, 2022, February 16, 2022, March 2, 2022, April 29, 2022, 19 May 2022 and June 7, 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and confirms that all material assumptions and technical parameters underpinning the Resource estimate continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.