MANAGEMENT DISCUSSION AND ANALYSIS
European Energy Metals Corp. (formerly Hilo Mining Ltd.)
For the nine months ended February 28, 2023

As of May 1, 2023

This Management Discussion and Analysis ("MD&A") of European Energy Metals Corp., formerly Hilo Mining Ltd., (the "Company") provides a review of activities, results of operations and financial condition of the Company for the nine months ended February 28, 2023 and is performed by management using information available as of May 1, 2023. We have prepared this MD&A with reference to National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

The MD&A should be read in conjunction with the Company's audited financial statements for the year ended May 31, 2022 and the condensed interim financial statements for the nine months ended February 28, 2023 (the "Financial Statements"). The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. The reader will note several references cited in the text, the details of which are provided at the end of the document.

Forward-Looking Statements

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar terms, or statements that certain events or conditions "might", "may", "could" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking statements in this MD&A include, but are not limited to, statements relating to resource estimates and our ability to raise additional capital.

Forward-looking information is based on the opinions and estimates of management at the date the forward-looking statements are made, and is subject to a variety of risks, uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain qualified personnel, competition for drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under **Risk Factors**. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information, to conform such information to actual results or to changes in our expectations, except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

BUSINESS OVERVIEW

The Company was incorporated on February 2, 2021 under the laws of British Columbia as Hilo Mining Ltd. The Company commenced trading on the TSX Venture Exchange on April 29, 2022, under the trading symbol “HILO.V”. The address of the Company’s corporate office and its principal place of business is 503 - 905 Pender Street, Vancouver, British Columbia, Canada, V6C 1L6. The Company was incorporated as a subsidiary of Golden Independence Mining Corp. (“Golden”). On April 25, 2023, the Company changed its name to European Energy Metals Corp. and updated its trading symbol to “FIN”.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. On April 22, 2021, the Company entered into an arrangement agreement (the “Arrangement”) with its parent entity, Golden, whereby the Company issued 1,500,000 common shares to Golden in exchange for Golden’s mining claim representing the Champ exploration property (the “Champ Property”). Under the Arrangement, Golden distributed 1,000,000 of the common shares to its shareholders and Golden held 500,000 common shares of the Company. The Company completed the Arrangement on November 12, 2021.

The Company will need additional funding in the near future through equity financing to acquire new projects and further develop its existing asset. Many factors influence the Company’s ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company’s track record. Actual funding requirements may vary from those planned due to a number of factors, including the funding of new projects. Management is approaching all identifiable sources of equity capital, but there is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

EXPLORATION PROJECT

Champ Property

The Champ precious metals property lies 10 kilometers southwest of Castlegar, British Columbia and consists of 5 claims totaling 1369.6 hectares.

Golden explored the Champ Property in 2018 and 2019, undertaking programs of soil sampling, prospecting and limited hand trenching, concentrating largely on two known mineralized occurrences: Dirty Jack and Champ. The Dirty Jack showing consists of massive sulfide fractures and disseminated sulfides in calcsilicate altered rocks. Historic grab sample highlights include 5.157 g/t Au. Soil geochemistry surveys by Golden over the Dirty Jack showing showed parallel northwest trending soil anomalies, suggesting mineralization may continue along strike. The Champ showing is a zone of quartz veining and stock working associated with a granitic to more mafic intrusive rocks. Historic grab sample highlights include 3.353 g/t Au. Soil geochemistry surveys by Golden over the Champ showing, located several spot gold anomalies. Additional showings were located during the 2017 and 2018 programs, with one zone returned a highlight grab sample of 0.653 g/t Au and 24.3 g/t Ag.

Champ Exploration Completed During the nine months ended February 28, 2023

On February 7, the Company released the results of the 2022 induced polarization (IP) survey at the Champ Property. SJ Geophysics Ltd. completed 6.5-line km of 3D IP surveying centred on the Dirty Jack showing. The Dirty Jack is a zone of massive sulfide fracturing and disseminated sulfides in calc-silicate altered rocks with historic grab sampling highlights of 5.16 g/t gold.

The IP survey was successful in highlighting a series of parallel northwest-trending linear resistivity lows adjacent to the Dirty Jack showing, in addition to a linear east-northeast chargeability high and associated resistivity low to the south. These two geophysical features were distinct to a minimum of 100 metres of depth.

Finnish Lithium Project

Subsequent to the nine months ended February 28, 2023, the Company entered into a definitive earn-in agreement with Capella Minerals Ltd. to earn up to an 80-per-cent interest in a portfolio of lithium (lithium-cesium-tantalum (LCT)) and rare earth element (REE) pegmatite reservations held by Capella in central Finland.

The portfolio consists of five lithium and REE pegmatite reservations in central Finland. These reservations cover a total area of 2,300 square kilometres and are focused on LCT pegmatite complexes located within the Jarvi-Pohjanmaa and Seinajoki lithium-permissive tracts as defined by the Geological Survey of Finland (GTK). Four of the reservations (Nabba, Lappajarvi W, Lappajarvi E and Kaatiala) lie immediately adjacent to, and to the south of, Keliber Oy's spodumene mine development project in the Kaustinen district.

Terms of the earn-in agreement:

- The Company has the option to earn a 51% interest in the Property (the "Initial Option") by
    - (i) making a cash payment of $100,000 and issuing 100,000 common shares to Capella upon receiving TSX Venture Exchange approval of the Earn-In Agreement;
    - (ii) completing $500,000 in expenditures on the Property and issuing 150,000 common shares to Capella on before the first anniversary of the Earn-In Agreement; and
    - (iii) completing an additional $500,000 in expenditures on the Property, paying $100,000 in cash and issuing 250,000 common shares to Capella on or before the second anniversary of the Earn-In Agreement. Upon exercise of the Initial Option, the Company will become the operator of the Property.

- Following exercise of the Initial Option, the Company will have a further option to earn an additional 29% interest in the Property (the "Final Option") by
    - (i) completing $500,000 in expenditures on the Property, paying $150,000 in cash and issuing 750,000 common shares to Capella on or before the third anniversary of the Earn-In Agreement; and
    - (ii) completing $1,000,000 in expenditures on the Property, paying $150,000 in cash and issuing 750,000 common shares to Capella on or before the fourth anniversary of the Earn-In Agreement.

If, on the date of the exercise of the Final Option, the Property hosts a mineral resource equal or greater than 10 million metric tons with a minimum average grade of 1.0% Lithium Oxide (Li_2O) the Company will make a bonus cash payment of $500,000 and issue 1,000,000 common shares to Capella. The parties have the option to form a joint venture upon exercise of the Initial Option or to defer the joint venture formation until the exercise of the Final Option.

The Company received TSX Venture Exchange approval on April 6, 2023.

The technical content of this Management Discussion and Analysis has been reviewed and approved by R, Tim Henneberry, P.Geo. (BC) a Director of the Company and a Qualified Person under National Instrument 43-101.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Nine months ended February 28, 2023, compared to the nine months ended February 28, 2022

During the nine months ended February 28, 2023, the Company had a loss of $196,956 from operations. In the comparable period, the Company had a loss of $331,474.

As the Company does not yet generate revenue from its operations, changes in the financial performance and financial condition of the Company are driven solely by changes in the Company's expenses. Significant items affecting expenses are as follows:

- *Consulting fees de*creased by $55,250 as during the nine months ended February 28, 2022, the Company paid $60,000 to Golden, the Company's former parent, for work related to the Transaction. The Company had no comparable consulting work completed in the current year.
- *Filing and transfer agent fees* decreased by $8,485 mainly due to the venture sustaining fee paid to the TSX Venture Exchange ("TSX-V") in the previous period.
- *Management fees* increased by $69,284 due to fees accrued to the management team of the Company following the increase in operations. Refer to the related party transactions section below for details on management fees.
- *Office expenses* increased by $8,450 mainly due to the rent of $800 per month paid for the Company's office space.
- *Professional fees* decreased by $75,873 mainly due to changes in timing of legal, audit and accounting expenses. In the prior year, the Company was completing the TSX-V application, the private placement and the Arrangement.
- Share-based payments decreased by $74,105 due to the Company granted 550,000 stock options in the comparable period which vested immediately. No stock options were granted during the nine months ended February 28, 2023.

Three months ended February 28, 2023, compared to the three months ended February 28, 2022

During the three months ended February 28, 2023, the Company had a loss of $77,815 from operations. In the comparable period, the Company had a loss of $207,706.

As the Company does not yet generate revenue from its operations, changes in the financial performance and financial condition of the Company are driven solely by changes in the Company's expenses. Significant items affecting expenses are as follows:

- *Filing and transfer agent fees de*creased by $9,818 mainly due to the timing of filings and transfer agent expenses.
- *Management fees* increase by $3,031 due to fees accrued to the management team of the Company following the increase in operations. Refer to the related party transactions section below for details on management fees.
- *Professional fees* decreased by $52,252 mainly due to changes in timing of legal, audit and accounting expenses. In the prior year, the Company was completing the TSX-V application, the private placement and the Arrangement.
- Share-based payments decreased by $74,105 due to the Company granted 550,000 stock options in the comparable period which vested immediately. No stock options were granted during the three months ended February 28, 2023.

SUMMARY OF QUARTERLY RESULTS

	For the quarter ended	Revenue $	Net loss $	Net comprehensive loss $	Basic and diluted loss per common share $
Q3/23	February 28, 2023	-	(77,815)	(77,815)	(0.01)
Q2/23	November 30, 2022	-	(71,558)	(71,558)	(0.01)
Q1/23	August 31, 2022	-	(47,583)	(47,583)	(0.01)
Q4/22	May 31, 2022	-	(100,677)	(100,677)	(0.01)
Q3/22	February 28, 2022	-	(207,706)	(207,706)	(0.03)
Q2/22	November 30, 2021	-	(110,963)	(110,963)	(0.10)
Q1/22	August 31, 2021	-	(12,805)	(12,805)	(12,805)
Q4/21	May 31, 2021	-	-	-	-

During the quarter ended February 28, 2023, the net loss increased by $6,257 from the previous quarter. This was consistent with the prior quarter, but the net loss is expected to increase due to the work being completed in the Finland property.

During the quarter ended November 30, 2022, the net loss increased by $23,975 from the quarter ended August 31, 2022. This was mainly due to an increase in professional fees as the Company completed the annual audit of the financial statements during the quarter. In addition, the Company had increased management fees related to time spent on the completion of the audit.

During the quarter ended August 31, 2022, the net loss decreased by $53,094 from the quarter ended May 31, 2022. This was mainly due to the TSXV new listing fee of $20,000 and legal expenses of $26,333 in the previous quarter to complete the listing of the Company.

During the quarter ended May 31, 2022, the Company had a net loss of $100,677, a decrease of $107,029 from the previous quarter. This was mainly due to the issuance of the stock options which vested immediately and were expensed during the prior quarter. The remaining decrease was due to a reduction in professional fees as the Arrangement was completed in the prior quarter.

During the quarter ended February 28, 2022, the Company had a net loss of $207,706, an increase of $96,743 from the previous quarter. This was mainly due to the issuance of the stock options during the quarter which vested immediately and were expensed. Also, the Company began accruing management fees to certain executives and directors during the quarter.

OUTSTANDING SHARE DATA

The Company's authorized share capital consists of an unlimited number of common shares without par value. As of the date of this MD&A, the Company has:

- 21,991,163 common shares issued and outstanding (February 28, 2023 – 20,991,163)
- 966,068 brokers' warrants outstanding (February 28, 2023 – 966,068)
- 550,000 stock options outstanding (February 28, 2023 - 550,000)
- 800,000 restricted share units (February 28, 2023 – nil)

On March 6, 2023, the Company granted 800,000 Restricted Share Units ("RSU's") to certain directors, officers and consultants of the Company all will vest in one year from the grant date.

LIQUIDITY AND CAPITAL RESOURCES

The Company does not have sufficient working capital to continue operations in the normal course for the foreseeable future and will require additional financing to remain financially solvent.

At February 28, 2023, the Company had cash of $1,466,552 (May 31, 2022 - $576,344) and a working capital of $1,288,249 (May 31, 2022 - $500,804). Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. The Company intends to finance its future requirements through equity capital. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Company's ability to continue as a going concern.

During the nine months ended February 28, 2023, the Company used cash in operating activities of $94,193, mainly due to the net loss of $196,956 and offset by changes in non-cash working capital items.

During the nine months ended February 28, 2023, the Company used cash in investing activities of $75,000 on surveying on the Champ Property.

During the nine months ended February 28, 2023, the Company received $1,059,401 in cash from financing activities through completing a private placement.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances and/or other financing arrangements. While the Company's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future.

USE OF PROCEEDS FROM FINANCING

On February 24, 2023, the Company issued 12,800,000 common shares for gross proceeds of $1,152,000 Each Unit consists of one common share and one-half of a common share purchase warrant. The Company incurred cash finder's fees of $64,316 and has issued 918,799 finder's units with a fair value of $8,101. The Company issued 918,799 brokers' warrants with an exercise price of $0.15 and maturity 18 months after the grant date.

The Company intends to use the net proceeds of the Private Placement for exploration work on its properties and for working capital. As of February 28, 2023, the Company has used no funds raised in the private placement.

RELATED PARTY TRANSACTIONS AND BALANCES

During the nine months ended February 28, 2023, the Company had the following related party transactions and balances:

- The Company incurred $45,000 (2022 - $15,000) in management fees and $6,857 (2022 - $3,047) in rent expense to Nico Consulting Inc., a company that is controlled by the CEO of the Company. At February 28, 2023, the Company had $71,958 (May 31, 2022 - $30,000) included in accounts payable and accrued liabilities due to the company controlled by the CEO.
- The Company incurred $45,000 (2022 - $15,000) in management fees to A2 Capital Management Inc., a company that is controlled by a Director of the Company. At February 28, 2023, the Company had $69,057 (May 31, 2022 - $30,000) included in accounts payable and accrued liabilities due to the company controlled by the Director.
- The Company incurred $23,534 (2022 - $14,250) in management fees and $6,682 (2022 - $14,285) in professional fees to a company that employs Lachlan McLeod, the CFO of the Company. As at February 28, 2023, the Company has included $5,200 (May 31, 2022 - $3,768) due to the company that employs the CFO for management fees and professional fees in accounts payable and accrued liabilities.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair values of the Company's financial instruments approximate their carrying values due to their current nature.

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

At the date of this MD&A, there are no transactions outstanding that have been proposed, but not approved, by either the Company or regulatory authorities.

SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND NEW POLICIES

In applying the Company's accounting policies, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from the judgments, estimates and assumptions made by management and will seldom equal the estimated results. Please refer to the Financial Statements for a full list of policies.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements:

- The determination of categories of financial assets and financial liabilities; and
- The evaluation of the Company's ability to continue as a going concern.

RISK FACTORS

The Company is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory, and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company, or which are presently considered immaterial could adversely impact the Company's business, results of operations and financial performance in future periods.

Limited Operating History

The Company has not yet commenced operations, and therefore, has no history of earnings or of a return on investment, and there is no assurance that our asset will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of the Company must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

Disclosure Controls and Internal Control Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and CFO, as appropriate to permit timely decisions regarding public disclosure.

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting. Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time.

Government Laws, Regulation and Permitting

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its project. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Additional Financings

The Company expects to be substantially dependent upon the equity capital markets to pursue additional investments. There can be no assurance that such financing will be available to the Company on acceptable terms or at all.

Additional equity financings may significantly dilute shareholdings of its shareholders. If the Company is not able to obtain such financing, it may not be able to expand its portfolio of assets and may not be able to execute on its business strategy.

There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations or to complete proposed exploration programs or acquisitions. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Key Management and Competition

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Commodity Prices

Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

Conflicts of Interest

The Company’s directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company’s directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The Company will be Reliant on Third-party Reporting

The Company relies, and will rely, on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise as it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and engineering information. In addition, the Company must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties, and uses such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with respect to its streams and royalties. If the information provided by such third parties to the Company contains material inaccuracies or omissions, the Company’s disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Company.

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 sourcing and exploration of resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, reserves and deficit as capital. 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 dispose of assets or adjust the amount of cash.

EFFECTIVENESS OF DISCLOSURE CONTROLS

The Company has internal controls over financial reporting to provide reasonable assurance as to the reliability of financial reporting and that preparation of financial statements for external purposes are in accordance with IFRS. There is an inability to totally segregate duties due to the small size of the Company, but management believes these weaknesses have been mitigated through management’s and directors’ involvement.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A. The Company's Audit Committee has also approved the disclosures contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and is available on *www.sedar.com*.