AFRICAN ENERGY METALS INC.

(formerly Central African Gold Inc.)

MANAGEMENT DISCUSSION AND ANALYSIS

Three Months Ended March, 2023 and 2022

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This discussion and analysis should be read in conjunction with the unaudited condensed consolidated interim financial statements and related notes thereto for the three months ended March 31, 2022 and 2021 (the "Financial Statements"), and the audited consolidated financial statements and related notes thereto for years ended December 31, 2022 and 2021 which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by IASB. All amounts in the financial statements and this discussion and analysis are presented in United States dollars, unless otherwise indicated. This Management Discussion and Analysis ("MD&A") is dated May 30, 2023 and discloses specified information up to that date.

FORWARD LOOKING INFORMATION

This management discussion and analysis ("MD&A") contains certain forward-looking statements and information relating to African Energy Metals Inc. ("Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the exploration projects in Democratic Republic of Congo ("DRC") as described below. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

1. DESCRIPTION OF BUSINESS

On March 27, 2007, African Energy Metals Inc. (formerly Central African Gold Inc.), was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia). The Company commenced trading on the TSX Venture Exchange ("TSX-V") under the symbol NMD.V on February 7, 2010. On August 25, 2020, the Company changed its name to Central African Gold Inc. and commenced trading on the TSX-V under the symbol CAGR effective August 26, 2020. On February 7, 2022, the Company changed its name to African Energy Metals Inc. and commenced trading on the TSX-V under the symbol CUCO effective February 12, 2022.

On October 20, 2017, the Company acquired Katanga Cobalt Corp. ("Katanga") pursuant to the terms of a previously executed amalgamation agreement between Central African Gold, Katanga and a subsidiary of Central African Gold ("Subco"), under which Subco amalgamated with Katanga. For accounting purposes this was considered a reverse takeover whereby Katanga was identified as the acquirer of Central African Gold.

The Company is engaged in the acquisition, exploration, and development of mineral resources in the Democratic Republic of Congo.

In late February 2022, Russia launched a large-scale military attack on Ukraine. The invasion significantly amplified already existing geopolitical tensions among Russia, Ukraine, Europe, NATO and the West, including Canada. In response to the military action by Russia, various countries, including Canada, the United States, the United Kingdom and European Union issued broad-ranging economic sanctions against Russia. Such sanctions included, among other things, a prohibition on doing business with certain Russian companies, large financial institutions, officials and oligarchs.

A commitment by certain countries and the European Union to remove selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications, or SWIFT, the electronic banking network that connects banks globally; a ban of oil imports from Russia to the United States; and restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. Additional sanctions may be imposed in the future. Such sanctions (and any future sanctions) and other actions against Russia may adversely impact, among other things, the Russian economy and various sectors of the economy, including but not limited to, financials, energy, metals and mining, engineering and defense and defense-related materials sectors; result in a decline in the value and liquidity of Russian securities; result in boycotts, tariffs, and purchasing and financing restrictions on Russia's government, companies and certain individuals; weaken the value of the ruble; downgrade the country's credit rating; freeze Russian securities and/or funds invested in prohibited assets and impair the ability to trade in Russian securities and/or other assets; and have other adverse consequences on the Russian government, economy, companies and region. Further, several large corporations and U.S. states have announced plans to divest interests or otherwise curtail business dealings with certain Russian businesses.

The ramifications of the hostilities and sanctions may not be limited to Russia, Ukraine and Russian and Ukrainian companies and may spill over to and negatively impact other regional and global economic markets (including Europe, Canada and the United States), companies in other countries (particularly those that have done business with Russia and Ukraine) and on various sectors, industries and markets for securities and commodities globally, such as oil and natural gas. Accordingly, the actions discussed above and the potential for a wider conflict could increase financial market volatility and cause severe negative effects on regional and global economic markets, industries, and companies. In addition, Russia may take retaliatory actions and other countermeasures, including cyberattacks and espionage against other countries and companies around the world, which may negatively impact such countries and companies.

The extent and duration of the military action or future escalation of such hostilities, the extent and impact of existing and future sanctions, market disruptions and volatility, and the result of any diplomatic negotiations cannot be predicted.

While we expect any direct impacts to our business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect our business and may make it more difficult for us to raise equity or debt financing.

Previously completed Management Discussion and Analysis documents covering comments for earlier periods have been prepared and filed accordingly on www.sedar.com.

Update and preliminary projections for the industrial solar and carbon credit initiative

The Company retained EcoMetrix and Inerjys Ventures to assist in the development of a favorable business case utilizing industrial solar to generate positive revenue and carbon credits focused on the DRC. EcoMetrix is based in Johannesburg, South Africa and are experts on carbon credits in Africa. Inerjys Ventures is based in Montreal, Canada and are a cleantech investment fund. The approach taken by the Company was to develop a viable business model utilizing sustainable alternate energy to solve an existing problem while generating carbon credits and providing an Environmental, Social, and Governance (ESG) benefit.

The preliminary financial model indicates these goals can be achieved and provide a significant early stage and long-term revenue source for the Company. Like most African countries, the DRC is lacking dependable power in sufficient quantity due to an inadequate power grid. As a result, industrial facilities, and in particular mining processing operations, supplement electrical grid power with diesel generators.

In addition to the negative environmental impacts of burning diesel fuel, the cost per kilowatt-hour (kWh) for diesel generated power is roughly five times the cost per kWh of solar-generated power. African Energy Metals' business plan will provide a cleaner hybrid solar/diesel/grid power solution for mining processors, starting with a pilot solar project with a capacity up to 15mW. The business can be expanded to providing a stand-alone solution by the addition of power storage units. The Company is initially targeting mining processors through pre-existing relationships with the Company's DRC management team and their knowledge of the DRC mining sector.

2. CORPORATE AND OPERATIONAL HIGLIGHTS

4:1 Share Consolidation ("the Consolidation")

On April 10, 2023, the Company consolidated all its issued and outstanding common shares on the basis of 1 new share for every 4 old shares. All references herein to the number of shares, options, warrants, weighted average number of common shares and loss per share have been retrospectively restated for the Consolidation, including all such numbers presented for the prior periods.

Assignment Agreement

On January 3, 2023, the Company entered into an assignment agreement with AuClair ECC SASU ("AuClair") to acquire 100% interest in an agreement with Amur Sarl ("Amur") regarding a 60/40 joint venture on the project. The project is held 100% by Compagnie Miniere de Kalehe SA ("CMK") which is a joint venture between Amur and Societe Aurifere du Kivu et du Maniema SA ("Sakima"). The Company would acquire a 60% interest in CMK. In consideration of the assignment, the Company issued 3,000,000 common shares to AuClair, and will pay US$150,000 to Amur upon successful completion of due diligence and execution of formal agreements. The Company also paid a finder's fee of 300,000 common shares to arm's length parties in accordance with TSXV policies.

3. PROPOSED TRANSACTIONS

Mali Acquisition

On January 17, 2023, the Company entered into a definitive share purchase agreement pursuant to which African Energy Metals will acquire from GoviEx Uranium Inc. ("GoviEx") all of the issued and outstanding shares of GoviEx's indirectly owned Malian subsidiary, Delta Exploration Mali SARL ("the Transaction").

The Company will acquire all the outstanding shares of Delta Exploration Mali SARL for a purchase price of $5,500,000 which shall be satisfied as follows:

(i) a closing cash payment of $500,000;

(ii) the issuance of common shares of African Energy Metals having a value of $2,000,000 based on a 30 day VWAP; and

(iii) when and if the Falea License is renewed, the issuance of additional common shares of African Energy Metals to GoviEx having a value $3,000,000.

In connection with the Transaction, the Company intends to complete two private placements: a non-brokered private placement of 6,250,000 units at a price of CAD $0.08 per unit, for aggregate gross proceeds of approximately $500,000; and a brokered private placement of common shares for aggregate gross proceeds of at least $2,000,000. Each unit consisted of one common share and one common share purchase warrant exercisable into one additional share at a price of CDN $0.15 per share for a period of two years from the date of issue.

The Transaction and the Brokered Private Placement are expected to close on or before May 31, 2023, and remain subject to a several conditions, including but not limited to approval of the TSXV. The closing of the Brokered Private Placement is a condition of the closing of the Transaction.

4. LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

As at March 31, 2023, the Company had current assets of $27,583 (December 31, 2022 - $93,844) and current liabilities of $381,544 (December 31, 2022 - $249,777). There is a working capital deficit of $353,961 as at March 31, 2023 (December 31, 2022 – $155,933).

On May 17, 2023, the Company signed a Promissory Note with GR7 Holdings Inc., a company controlled by a related party, to provide a loan in the aggregate amount of CDN $13,000 with interest at a rate of 8% compounded semi-annually. The loan is secured for a period of one year.

The financial information presented in this MD&A is based on consolidated financial statements that have been prepared based on accounting principles applicable to a "going concern", which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company has not generated any revenues or cash flows from operations to date. The Company expects that it will require additional debt or equity funding in the next 12 months in order to continue its planned exploration and evaluation activities and meet its business objectives. The Company plans to raise the necessary funds primarily through issuance of shares. The Company's ability to continue on a going concern basis is therefore dependent on its ability to successfully raise additional funds. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

5. RESULTS OF OPERATIONS

The information for the three-month periods ended March 31, 2023 and 2022 is based on the consolidated financial statements:

	Three months ended March 31, 2023	Three months ended March 31, 2022
Expenses		
Filing fees	$ 7,991	$ 10,043
Investor relations	2,584	38,639
Management fees	62,849	39,490
Consulting fees	-	48,810
Office expense	3,335	2,525
Professional fees	65,482	24,151
Project generation	34,349	18,457
Share-based payments	12,322	-
Travel and accommodation	58,022	8,454
Total expenses	(246,934)	(190,569)
Other income (expense)		
Interest expense	(391)	-
Gain (loss) on foreign exchange	(1,801)	183
Total other income (expense)	(2,192)	183
Net loss	$ (249,126)	$ (190,386)

THREE MONTHS ENDED MARCH 31, 2023 COMPARED TO THREE MONTHS ENDED MARCH 31, 2022

For the quarter ended March 31, 2023, net loss was $249,126 compared to net income of $190,386 recorded during the same period in 2022. Material variances from the prior year period are as follows:

- A decrease of $36,055 in investor relations due to reduced activities in business development and shareholder awareness in the current quarter;
- An increase of $23,359 in management fees due to new services engaged in the current quarter;
- A decrease of $48,810 in consulting fees due to no services engaged for corporate development in the current quarter;
- An increase of $41,331 in professional fees due to legal services related to the DRC in the current quarter;
- An increase of $15,892 in project generation due to more cost incurred for sourcing new projects;
- An increase of $12,322 in share-based payments due to the share-based compensation in the current quarter;
- An increase of $49,568 in travel and accommodation due to expenses for trips to South Africa.

6. SUMMARY OF QUARTERLY FINANCIAL INFORMATION

The following Information is derived from the consolidated financial statements:

Fiscal quarter ended	Net income (loss), $	Income (loss) from continuing operations per share (1), $	Net comprehensive income (loss) (2), $
March 31, 2023	(249,126)	(0.01)	(247,920)
December 31, 2022	(653,362)	(0.04)	(632,699)
September 30, 2022	(168,532)	(0.01)	(182,105)
June 30, 2022	(182,219)	(0.01)	(180,170)
March 31, 2022	(190,386)	(0.01)	(189,909)
December 31, 2021	532,279	0.04	587,597
September 30, 2021	(558,653)	(0.05)	(513,847)
June 30, 2021	(249,733)	(0.03)	(259,214)

(1) Loss per share is rounded to the nearest whole cent

(2) Explanations for the increase in loss for the quarters ended can be found under Results of Operations.

7. TRANSACTIONS WITH RELATED PARTIES

Related party transactions for the three months ended March 31, 2023 and 2022 are as follows:

Period ended	March 31, 2023	March 31, 2022
Management fees accrued for or paid to companies controlled by officers of the Company	$ 22,182	$ 23,694

Included in trade payables and accrued liabilities at March 31, 2023, is $35,672 (December 31, 2022 - $33,721) due to directors and officers of the Company.

Amounts due to related parties are non-interest bearing, unsecured and due on demand.

8. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenues and expenses during this year.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

i) Going concern - The Company's assessment of its ability to continue as a going concern requires significant judgments about whether there are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. The Company must determine whether sufficient financing will be obtained in the near term.

ii) Economic recoverability and probability of future benefits of the advances for exploration and evaluation costs.

9. RISKS RELATED TO THE COMPANY'S BUSINESS

Resource exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis to further the development of a property. Capital expenditures to support the commercial production stage are also very substantial.

The following sets out the principal risks faced by the Company:

War in the Ukraine. Our business, financial condition and results of operations may be negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action.

In late February 2022, Russia launched a large-scale military attack on Ukraine. The invasion significantly amplified already existing geopolitical tensions among Russia, Ukraine, Europe, NATO and the West, including Canada. In response to the military action by Russia, various countries, including Canada, the United States, the United Kingdom and European Union issued broad-ranging economic sanctions against Russia. Such sanctions (and any future sanctions) and other actions against Russia may adversely impact, among other things, the Russian economy and various sectors of the economy, including but not limited to, financials, energy, metals and mining. Accordingly, the actions discussed above and the potential for a wider conflict could increase financial market volatility and cause severe negative effects on regional and global economic markets.

While we expect any direct impacts to our business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect our business and may make it more difficult for us to raise equity or debt financing.

Financing risks. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. As at March 31, 2023 the Company had not yet achieved profitable operations. During the period ended March 31, 2023, the Company incurred a net loss of $249,126 (period ended March 31, 2022 – $190,386), a cash outflow to operating activities of $106,868 (period ended March 31, 2022 - $162,850) and, as of March 31, 2023, the Company had a working capital deficit (current assets minus current liabilities) of $353,961 (December 31, 2022 – working capital deficit of $155,933).

The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Exploration risk. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Market risks. The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short term time horizons and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity price risks. The Company's exploration projects seek copper and cobalt in the DRC. While each of these minerals have recently been the subject of significant price increases from levels prevalent earlier in the decade, there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favour these target commodities. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that these price fluctuations and volatility will not continue to occur.

Currency risks. The Company's exploration expenditures are predominately in US dollars and equity raised is predominately in Canadian dollars. The financial risk is the risk to the Company's operations that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. The Company is subject to fluctuations in foreign currency exchange rates and currently does not use derivative instruments to reduce its exposure to foreign currency risk.

Key personnel risks. The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition. Significant and increasing competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Cyber Security Risks. As the Company continues to increase its dependence on information technologies to conduct its operations, the risks associated with cyber security also increase. The Company relies on management information systems and computer control systems. Business and supply chain disruptions, plant and utility outages and information technology system and network disruptions due to cyber-attacks could seriously harm its operations and materially adversely affect its operation results, Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, the issue or loss of control over computer control systems, and breaches due to employee error. The Company's exposure to cyber security risks includes exposure through third parties on whose systems it places significant reliance for the conduct of its business. The Company has implemented security procedures and measures in order to protect its systems and information from being vulnerable to cyber-attacks.

The Company believes these measures and procedures are appropriate. To date, it has not experienced any material impact from cyber security events. However, it may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to its information and control systems could have severe financial and other business implications.

Foreign Countries and Regulatory Requirements. Currently, the Company has joint-ventures located in the DRC. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency fluctuations, inflation, and political risk. Both mineral exploration and mining activities and production activities in foreign countries may be affected in varying degrees by political stability and government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to community rights, restrictions on production, price controls, export controls, restriction of earnings, taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety. The Company maintains the majority of its funds in Canada and only forwards sufficient funds to meet current obligations.

Environmental and Other Regulatory Requirements. The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining or extraction operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties. To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations. The Company has incurred net losses to date. Its deficit as of March 31, 2023 was $28,647,741. Even if the Company commences development of certain properties, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably, or provide a return on investment in the future.

Uninsurable risks. The Company and its subsidiaries may become subject to liability for pollution, fire, explosion, against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

10. OTHER MD&A DISCLOSURE REQUIREMENTS

Information available on SEDAR

As specified by National Instrument 51-102, the Company advises readers of this MD&A that important additional information about the Company is available on the SEDAR website http://www.sedar.com/

Outstanding Share Data

As at the date of this MD&A, the Company had 20,067,952 shares outstanding. As at the same date there were 5,810,924 warrants outstanding at exercise prices ranging from CDN $0.40 to $0.60 per share and 1,286,250 stock options outstanding at exercise prices ranging from CDN $0.20 to $0.80 per share.

Outstanding Warrants	Exercise Price (CDN$)	Expiry Date
2,496,092	0.40	July 17, 2023
1,562,499	0.60	September 17, 2023
2,333	0.60	September 17, 2023
750,000	0.60	June 24, 2024
325,000	0.40	October 19, 2024
300,000	0.40	December 16, 2024
375,000	0.40	December 29, 2024
5,810,924		

Outstanding Options	Vested Options	Exercise Price (CDN$)	Expiry Date
75,000	75,000	0.40	September 28, 2025
250,000	250,000	0.80	March 31, 2026
400,000	400,000	0.80	March 31, 2026
498,750	498,750	0.20	November 23, 2027
62,500	62,500	0.28	February 6, 2028
1,286,250	**1,286,250**		

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Vancouver, British Columbia May 30, 2023