APPIA RARE EARTHS AND URANIUM CORP.
(formerly "APPIA ENERGY CORP.")

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended September 30, 2021

Management’s Discussion and Analysis – September 30, 2021
As of January 25, 2022

The following management’s discussion and analysis (“MD&A”) of the financial condition and results of operations of Appia Rare Earths and Uranium Corp. (“Appia” or the “Company”) constitutes management’s review of the factors that affected the Company’s financial and operating performance for the year ended September 30, 2021. The MD&A was prepared as of January 25, 2022 and should be read in conjunction with the audited financial statements (“Financial Statements”) for the year ended September 30, 2021, including the notes thereto. Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars. These Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as described in Note 2 to the Financial Statements.

Appia is a Canadian mineral exploration company listed on the Canadian Securities Exchange under the trading symbol “API”, and in the USA the shares trade on the OTCQB platform as ”APAAF”. In Germany the shares trade under the symbols A0I.F, A0I.MU and A0I.BE. Appia is focused on the rare earth element (“REE”) deposits at Alces Lake, particularly high priced “critical REE’s”, and on exploring high-grade, near-surface uranium deposits in the Athabasca Basin area.

ALCES LAKE HIGH-GRADE REE PROJECT

Appia began this season’s diamond drilling program at Alces Lake with two diamond drill rigs in mid-July and the summer field exploration consisted of a team of 11 geologists onsite. The airborne geophysical survey over the entire property was completed in July. Notable results include:

- **Completion of an airborne radiometric/magnetic survey over the property has highlighted numerous extensive thorium anomalies, most notably in the previously under-explored western portion of the claim block. There are now several newly-discovered monazite occurrences;**
- **Acquisition by staking of 7,049.4 hectares (17,419.4 acres) of land contiguous to the existing claim block at Alces Lake, increasing 100% owned landholdings to 25,083.8 hectares (61,983.4 acres);**
- **One drill was dedicated to the WRCB zones, while the other moved across the claims block, testing an ever-growing list of previously undrilled and newly-discovered targets; and**
- **Diamond drilling continued into December with 8,075 metres in 100 holes.**

Alces Lake Field Assays

Appia conducted an extensive field geology and sampling program earlier in 2021, sampling previously untested occurrences of REE across the claims block. Multiple radiometric anomalies were identified with the full-property aerial geophysics conducted this year and confirmed as REE occurrences with field work. The association between REEs and radioactivity is due to the thorium content of the REE host mineral, monazite. High-grade REE mineralization has now been identified throughout an area covering approximately 27 square kilometres. Elevated gallium (Ga2O3) values have also been identified throughout the area. Assay results have been returned from channel and grab samples and are reported in wt % TREO (total rare earth oxides) (see Table 1). Highlights include:

- **High grade REE mineralization has now been identified over an estimated 27 square kilometre area**
- **Channel sample of 14.71 wt % TREO from Sweet Chili Heat and 11.94 wt % TREO from Diablo.**
- **10.35 wt % TREO returned from grab sample at Zesty.**
- **7.86 wt % TREO returned from grab sample along the Oldman River trend.**
- **New discovery of REEs with 2.27 wt % TREO grab sample from “Train Domain”**
- **Elevated Gallium values have been returned for all samples enriched in TREO**

Table 1 – Summary of channel sample composites.

					Including		
Zone Name	**Channel**	**Width (m)**	**TREO (wt %)**	**Ga2O3 (wt %)**	**Width (m)**	**TREO (wt %)**	**Ga2O3 (wt %)**
Augier	1	7.00	0.57	0.006	1.84	1.20	0.008
Buffalo	1	0.90	0.85	0.005	0.56	1.05	0.005
Cool Ranch	1	6.63	0.77	0.006	0.80	3.17	0.014
Cool Ranch	2	4.27	0.56	0.005	0.61	1.13	0.007
Diablo	1	3.32	2.22	0.008	1.02	5.07	0.015
Diablo	2	2.50	5.83	0.014	1.20	11.94	0.027
Gilligan	1	4.00	1.40	0.007			
HH	1	2.16	1.83	0.007	0.87	4.35	0.013
Roulette	1	1.00	1.97	0.008			
Roulette	2	1.30	0.96	0.006			
Sweet Chili Heat	1	3.00	2.91	0.010	0.50	14.71	0.031
Sweet Chili Heat	2	2.03	3.94	0.014	0.70	10.38	0.030
Sweet Chili Heat	3	2.68	4.60	0.017			
Sweet Chili Heat	4	0.25	1.60	0.010			
Zesty	1	3.04	0.49	0.005			
Zesty	2	3.83	0.26	0.003			
Zesty	3	1.25	0.71	0.004	0.20	1.64	0.008

The Company’s channel sampling program consists of continuous samples, each of which did not exceed 1.2 m, taken along the exposed rock at surface.

ALCES LAKE SUMMARY

Appia’s 2021 exploration program included drilling a total of 100 core holes with approximately 8,075 metres of diamond drill core. Initial assay results from the Wilson North and Richards drill holes were announced on November 29, 2021 and confirmed some of the highest recorded rare earth grades discovered to date on the Alces Lake property. In addition, high-grade REE mineralization has now been identified throughout an area covering approximately 27 km^2 of the Alces Lake block. Initial assay results have been returned from channel and grab samples but the Company is still awaiting further drilling core and channel sample assay results from the 2021 program.

With the largest exploration and diamond drilling program in the Company’s history this past year, exploration results will be released as received and analyzed by the Company. Analysis of the summer exploration and drilling program will follow and may lead to the preparation of an NI 43-101 (Technical Report with 3D Geophysical-geological Models) report expected in 2022. The Alces Lake project encompasses some of the highest-grade total and critical* REEs and gallium mineralization in the world, hosted within a number of surface and near-surface monazite occurrences that remain open at depth and along strike.

* Critical rare earth elements are defined here as those that are in short-supply and high-demand for use in permanent magnets and modern electronic applications such as electric vehicles and wind turbines (i.e: neodymium (Nd), praseodymium (Pr), dysprosium (Dy) and terbium (Tb)).

The Alces Lake project is located in northern Saskatchewan, the same provincial jurisdiction that is developing a “first-of-its-kind” rare earth processing facility in Canada (currently under construction by the Saskatchewan Research Council, with the Monazite Processing Unit scheduled to become operational in 2023). The Alces Lake project area is 35,682 hectares (88,173 acres) in size and is 100% owned by Appia.

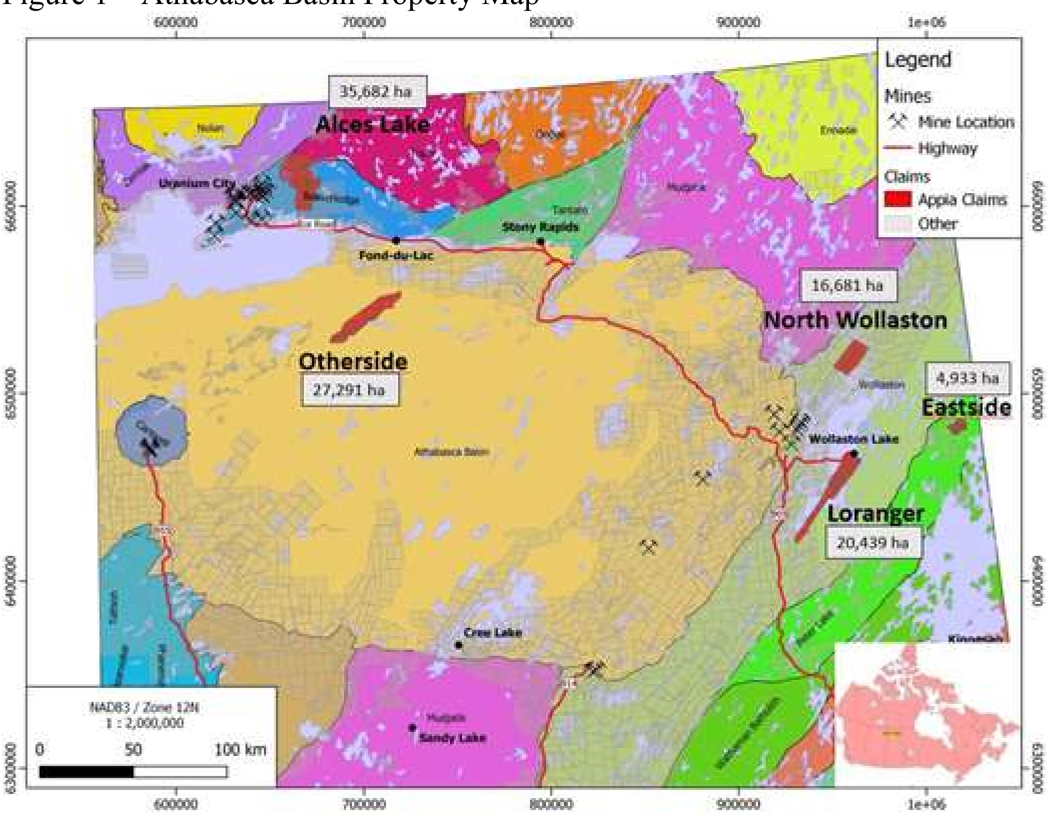
Athabasca Basin Uranium Properties

In January 2022 Appia announced the acquisition of contiguous new mineral claims in the Athabasca Basin area, northwest Saskatchewan. Portions of the newly acquired *Otherside* claims block were previously held by Appia.

The Otherside claim block is 27,291 contiguous hectares (67,437 acres) located approximately 50 kilometres south of Fond du Lac. The claims were staked on the basis of similar geological and geophysical signatures to the Company's Loranger property as well as other known high-grade, large-tonnage uranium deposits in the Athabasca Basin including Fission Uranium Corp's Triple R deposit, NexGen Energy's Arrow deposits and others. Otherside straddles a 40 km long corridor hosting multiple discrete conductors with associated magnetic gradients and gravity lows, within the north central Athabasca Basin.

Appia now holds a total of 69,344 hectares (171,351 acres) of land on four uranium claims (Otherside, Eastside, North Wollaston and Loranger) as shown in Figure 1 below. Appia recently completed 925 line kilometres of airborne radiometric survey over North Wollaston and an additional 379 line kilometres of airborne radiometrics over Loranger to supplement the existing database on these properties. Additional VTEM™ (Versatile Time Domain Electromagnetic) surveys over both the North Wollaston and Loranger properties were commenced late in 2021 but have not yet been completed.

Figure 1 – Athabasca Basin Property Map



Appia has commenced the permitting process for a winter drilling program on the Loranger property and anticipates commencement of drilling in February 2022, depending on weather and permits. The Company is fully funded for this program.

Health and safety

The declaration by the World Health Organization that the COVID-19 infectious virus is a global pandemic delayed the start of the 2020 exploration program. Although Saskatchewan has not experienced the dire results in other Provinces, there are government-imposed restrictions on access to the properties and regulation of proposed activity.

To ensure safe work conditions are met for the workforce, the Company developed exploration guidelines that comply with the Saskatchewan Public Health Order and the specific Northern Saskatchewan Administration District Order in order to maintain social distancing and help prevent the transmission of the COVID-19 infectious virus.

Uranium and REEs Outlook

The trade war between the USA and China is jeopardizing the availability of critical REEs. The Company's Alces Lake project contains some of the highest-grade total critical REE mineralization in the world.

A shortage of critical REEs has developed, largely a result of the increase in electric vehicle production. China continues to control the pricing of REEs, but its share of the world's REE production has dropped from 80% to 60% and China has lost some of its pricing power. Some of the REE concentrates is imported, processed in China to final form and re-exported.

Since the coup in Myanmar in February 2021 the Chinese are illegally mining across the border in areas controlled by a junta-sponsored militia. Myanmar is China's largest rare earth source. In 2020 Myanmar accounted for 35,500 tons of concentrates, 74% of Chinese imports of rare earths for refining, processing and sale around the world. Around ten rare earth mines have opened illegally across an uncontrolled border in Myanmar, with considerable environmental damage and pollution of the rivers. In mid 2021 the border was closed for six months, so there was a build up of mined material at the start of 2022, but prices have not dropped so far.

For the supply of critical REEs required by the defence industry and for electronics, Washington is working on plans to reduce the dependence on China for the supply of critical REEs. There is a growing cooperation between Canada and USA in finding and producing REEs in North America, a long-term objective. A bipartisan bill was introduced in the American Senate which would force the US defence contractors to avoid use of China-sourced rare earth metals; it would also seek to create a strategic stockpile in the US.

Cameco indefinitely shut down the McArthur River uranium mine and recently suspended operations at Cigar Lake, the world's largest single largest uranium mine. Cameco is using its inventory of mined uranium and is expected to continue purchasing 5 million pounds on the spot market this year in order to satisfy its contractual delivery requirements.

The uranium demand forecast shows an increase from China, and in 2021 known supply sources are projected to be unable to match demand. Industry opinion is that a contract price of US$60 per pound is needed before any new mining project advances. The spot price remains around US$46. The World Nuclear Association recently projected an annual production shortfall of 50 million pounds in the near future, but there is idle production capacity available at this time.

The political stability of countries supplying the US with uranium and REEs has caused concern in the United States, as it relies on imports of uranium for reactors and for the supply of REEs required by the defence industry, for electronics and high strength magnets needed in the electric vehicle and wind farm applications.

Ontario Properties

Appia holds over 13,008 hectares (32,143 acres) encompassing five mineralized zones in the Elliot Lake area of northern Ontario. The zones are called Teasdale, Banana Lake, Canuc, Bouck Lake and Buckles Lake. The Elliot Lake area produced some 360 M lbs. of U_3O_8 from 13 underground mines between 1955 and 1996 and is the only mining camp in Canada that had significant historical commercial REE production.

No work has been carried out in recent years, as the current market price for uranium oxide does not warrant additional work at this time.

The Company is considering the next stage of the Teasdale exploration and evaluation. The longer-term outlook for uranium prices is positive and the successful recovery of the REEs, particularly the critical elements of the total rare earths encountered, is very encouraging. Factors favourable for the project include the following:

- new mine infrastructure development would be in brownfield areas already disturbed by industrial and mining activity;
- water, electrical, transportation and communications infrastructure are in place or close at hand;
- the recovery of uranium from Elliot Lake ore is well known. Based on Teasdale Lake test results, the recovery of REEs appears to face no significant technical uncertainties;

- Appia is not responsible in any manner for potential future environmental impacts arising out of historical mining operations or waste disposal; and,
- The Cameco uranium refinery is located approximately 60 km away, near Blind River.

Results of Operations

At the end of the fiscal year 2020 the Company reviewed its accounting policy of expensing its exploration and evaluation expenditures and determined that the financial statements would be more relevant to the economic decision-making needs of users if the expenditures for the properties that the Company has an ongoing interest in would be capitalized as deferred expenditures until the projects reach a pre-development decision stage. Properties that have been abandoned or are not in the Company's near-term plans remained expensed.

Fiscal year 2021 financial statements are presented with exploration and evaluation costs as assets. The 2020 financial statements have been restated to retrospectively reflect the change in policy adopted for 2021. The effect of this voluntary change in accounting policy on the September 30, 2020 figures is more fully described in note 3 to the consolidated financial statements.

The Company spent $4,566,310 on deferred expenditures in the current year (2020 - $3,290,821) (Note 5 of the Financial Statements).

Total general and administrative expenses for the year ended September 30, 2021 were $1,305,786 compared to $546,887 in 2020 higher due to the increase in professional fees to $96,248 (2020 - $66,995), management fees and salaries to $188,977 (2020 - $155,154), investor relations to $191,068 (2020 - $118,705), and an increase in non-cash share-based compensation to $739,500 (2020 - $157,553) reflects an increase in activity as well as fund raising.

The Company's net loss and comprehensive loss (exploration and administration costs) for the year was $1, 278,359, compared to $455,758 in fiscal 2020 when the Loranger drilling took place.

Fourth Quarter

The Company's net loss and comprehensive loss for the three months ended September 30, 2021 was $212,043 compared to $177,142 in the prior year. The change in the fourth quarter of 2021 compared to 2020 was due to the decrease share based compensation to 110,832 (2020 - $137,945), and management fees and salaries to $27,067 (2020 - $44,238) and offset by deferred income tax recovery to $nil (2020 - $80,790).

Selected Quarterly Information

2020 – 2021	**Sep 30, 2021**	**Jun 30, 2021**	**Mar 31, 2021**	**Dec 31, 2020**
	$	**$**	**$**	**$**
Net loss and comprehensive loss (restated)	(212,043)	(396,699)	(534,353)	(135,264)
Net loss per share – basic and diluted	(0.00)	(0.01)	(0.01)	(0.00)
Total assets	17,800,420	16,763,110	11,162,337	9,861,455

2019 – 2020	**Sep 30, 2020**	**Jun 30, 2020**	**Mar 31, 2020**	**Dec 31, 2019**
	$	**$**	**$**	**$**
Net loss and comprehensive loss (restated)	(177,142)	(77,438)	(87,905)	(113,273)
Net loss per share – basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	6,137,746	6,815,029	6,629,078	6,680,501

Capital Resources and Liquidity

At September 30, 2021, the Company had working capital of $5,616,025 (after providing $680,242 owing to related parties) compared to a working capital of $610,000 as at September 30, 2020 and had working capital of $11,400,000 at January 25, 2022 .

On December 16, 2019, the Company closed the first tranche of a non-brokered private placement with the sale of 5,087,500 flow-through units ("FT Units) at $0.16 per FT Unit for gross proceeds of $814,000 and 43,500 working capital units ("WC Units") at $0.15 per WC Unit for proceeds of $6,525, for an aggregate $820,525 of the total funds raised.

Each FT Unit consists of one common share and one half of a share purchase warrant entitling the holder to purchase one common share for one full warrant at a price of $0.25 for twelve months from Closing. Each WC Unit comprises one common share and one common share purchase warrant entitling the holder to purchase one common share at a price of $0.25 for twelve months from Closing.

The Company paid cash finder's fees of $8,050, issued 322,467 common shares and issued 251,876 FT broker warrants. Each FT broker warrant entitles the holder to acquire one common share at a price of $0.16 for twelve months from Closing. An insider of the Company subscribed for 50,000 FT Units.

On December 31, 2019, the Company closed the final tranche of a non-brokered private placement with the sale of 2,991,500 FT Units for gross proceeds of $478,640.

Eligible finders were paid cash fees totalling $22,655 and issued 101,138 FT broker warrants. An insider of the Company subscribed directly and indirectly for 468,750 FT Units.

The Company raised total gross proceeds of $1,299,165 in the two private placements.

On September 14, 2020, the Company closed the first tranche of a non-brokered private placement with the sale of 2,640,000 flow-through units ("FT Units) at $0.25 per FT Unit for gross proceeds of $660,000 and 500,000 working capital units ("WC Units") at $0.20 per WC Unit for proceeds of $100,000, for an aggregate $760,000.

On September 24, 2020, the Company closed the second tranche of the non-brokered private placement with the sale of 660,000 flow-through units ("FT Units) at $0.25 per FT Unit for gross proceeds of $165,000 and 200,000 working capital units ("WC Units") at $0.20 per WC Unit for proceeds of $40,000, for an aggregate $205,000.

Each FT Unit consists of one common share and one half of a share purchase warrant entitling the holder to purchase one common share for one full warrant at a price of $0.35 for eighteen months from Closing. Each WC Unit comprises one common share and one common share purchase warrant entitling the holder to purchase one common share at a price of $0.30 for eighteen months from Closing.

Of the total funds raised in the year ended September 30, 2020 on FT offerings an amount of $245,790 (2019 - $nil) has been calculated as a FT share premium.

In October, 2020, the Company closed non-brokered private placements with the sale of 2,737,500 FT Units at $0.40 per FT Unit for gross proceeds of $1,095,000 and 597,285 WC Units at $0.35 per WC Unit for proceeds of $209,050, for an aggregate $1,304,050.

In November, 2020, the Company closed non-brokered private placements with the sale of 1,315,000 FT Units at $0.40 per FT Unit for gross proceeds of $526,000 and 57,000 WC Units at $0.35 per WC Unit for proceeds of $19,950, for an aggregate $1,850,000.

In December, 2020, the Company closed non-brokered private placements with the sale of 1,000,000 FT Units at $0.40 per FT Unit for gross proceeds of $400,000 and 1,000,000 WC Units at $0.40 per FT Unit for gross proceeds of $400,000 for an aggregate $800,000.

On May 19, 2021 a "bought deal" private placement closed with gross proceeds of $5,750,000. 5,782,333 units were issued at $0.60 and 3,258,000 flow-through units were issued at $0.70. Each unit included one common share and a warrant entitling the holder to acquire one common share at an exercise price of $0.75 for a period of 24 months. The Underwriter received a cash fee of 7% of the gross proceeds and 632,823 compensation warrants exercisable at $0.60 entitling the holder to purchase one common share plus a warrant for an additional share at $0.75 for a period of 24 months.

In November, 2021, the Company closed non-brokered private placements with the sale of 2,222,222 FT Units at $0.90 per FT Unit for gross proceeds of $2,000,000 and 6,500,000 FT Units at $1.00 per FT Unit for proceeds of $6,500,000, for an aggregate $8,500,000.

The Company has no operating revenue and has historically funded its operations with equity based private placements. The Company's future exploration plans are contingent on raising capital but has financial resources to fund its planned exploration program and administration costs for the next twelve months.

The Company's ability to meet its obligations and continue as a going concern is dependent on the ability to identify and complete future financings. While the Company has been successful in raising financings, there can be no assurance that it will be able to do so in the future.

Common Share Data

The Company is authorized to issue an unlimited number of no-par value common shares. The following table provides the details of changes in the number of issued common shares.

	Number #	**Amount** $
Balance, September 30, 2019	65,312,468	12,206,321
Working capital units private placement December 16, 2019	43,500	6,525
Flow-through units private placement December 16, 2019	5,087,500	814,000
Finder's fee shares issued December 16, 2019	322,467	48,370
Flow-through units private placement December 31, 2019	2,991,500	478,640
Working capital units private placement September 14, 2020	500,000	100,000
Flow-through units private placement September 14, 2020	2,640,000	660,000
Working capital units private placement September 24, 2020	200,000	40,000
Flow-through units private placement September 24, 2020	660,000	165,000
Warrants exercised	1,919,283	482,380
Less: Value associated with warrants issued	-	(568,714)
Share issue costs	-	(123,267)
Allocated to flow-through premium (note 8)	-	(245,790)
Balance, September 30, 2020	79,676,718	14,063,465
Warrants exercised	11,343,563	3,507,894
Flow-through units private placement October 28, 2020	2,737,500	1,095,000
Working capital units private placement October 28, 2020	597,285	209,050
Flow-through units private placement November 18, 2020	1,315,000	526,000
Working capital units private placement November 18, 2020	57,000	19,950
Flow-through units private placement December 4, 2020	1,000,000	400,000
Working capital units private placement December 31, 2020	1,000,000	400,000
Flow-through units private placement May 19, 2021	3,258,000	2,280,600
Working capital units private placement May 19, 2021	5,782,333	3,469,400
Stock options exercised	1,400,000	320,000
Less: Value associated with warrants issued	-	(1,896,974)
Less: Value associated with broker warrants issued	-	(265,649)
Allocated to flow-through premium (note 8)	-	(528,425)
Share issue costs	-	(706,655)
Balance, September 30, 2021	108,167,399	22,893,656
Flow-through units private placement November 17, 2021	2,222,222	2,000,000
Flow-through units private placement November 17, 2021	6,500,000	6,500,000
Warrants exercised	625,000	312,500
Stock options exercised	1,565,000	469,500
Less: Value associated with warrants issued	-	(370,628)
Less: Value associated with broker warrants issued	-	(93,387)
Share issue costs	-	(57,347)
Balance, January 25, 2022	119,079,621	31,654,294

Common share purchase stock options

The Company has a stock option plan (the "Plan") for the benefit of directors, officers and consultants. The total number of shares which may be reserved and set aside for issuance to eligible persons may not exceed 10% of the issued and outstanding common shares.

As at September 30, 2021, 5,200,000 common shares were reserved for the exercise of stock options granted under the Plan.

The following table provides the details of changes in the number of issued common share purchase options during the period:

	Options	**Weighted-average exercise price $**
Outstanding at September 30, 2019	4,050,000	0.29
Expired	(300,000)	0.40
Granted	1,200,000	0.25
Outstanding at September 30, 2020	4,950,000	0.27
Granted	1,650,000	0.71
Exercised	(1,400,000)	0.23
Outstanding at September 30, 2021	5,200,000	0.42
Exercisable at September 30, 2021	3,633,333	0.38
Exercised	(1,565,000)	0.30
Outstanding at January 25, 2022	3,635,000	0.49
Exercisable at January 25, 2022	2,068,333	0.45

A summary of the outstanding stock options as at January 25, 2022 is as follows:

Number of stock options	**Number exercisable**	**Remaining contractual life**	**Exercise price per share**	**Expiry date**
585,000	585,000	0.2 months	$0.30	February 1, 2022
200,000	200,000	18.2 months	$0.30	August 1, 2023
1,200,000	600,000	42.3 months	$0.25	August 4, 2025
200,000	200,000	48.5 months	$0.68	February 10, 2026
1,000,000	333,333	49.3 months	$0.65	March 5, 2026
150,000	150,000	52.3 months	$0.91	June 3, 2026
300,000	-	55.2 months	$0.84	September 1, 2026
3,635,000	2,068,333			

The weighted average fair value of all the options Issued in the year was calculated as $0.45 per share option. The fair value was estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate of 0.490-0.86% expected dividend yield of nil expected volatility of 126.72-180.31% and expected life term of 60 months. Options that have been issued generally vest one-half immediately on the date of grant and one-half twelve months from the date of grant.

Warrants

On certain issuances of common shares, the units include warrants entitling the holder to acquire additional common shares of the Company, and the Company also grants warrants as consideration for services associated with the private placement of such issues.

The following table provides the details of changes in the number of outstanding common share purchase warrants

	Number of shares	**Value $**
Balance September 30, 2019	15,742,364	447,807
Expired, unexercised	(7,078,243)	(159,895)
Private placement warrants issued	6,436,014	568,714
Warrants exercised	(1,919,283)	(119,191)
Balance September 30, 2020	13,180,852	737,435
Private placement warrants issued	13,946,021	2,162,623
Warrants exercised	(11,343,563)	(521,615)
Warrants expired	(743,289)	(25,293)
Balance September 30, 2021	15,040,021	2,353,150
Private placement warrants issued	5,271,095	464,015
Warrants exercised	(625,000)	(20,902)
Balance January 25, 2022	19,686,116	2,796,263

A summary of the outstanding warrants is as follows:

	Number of shares	Remaining contractual life	Exercise price per share	Expiry date
Warrants	1,300,000	2.5 months	$0.35	March 14, 2022
Warrants	125,000	2.5 months	$0.30	March 14, 2022
Warrants	330,000	2.8 months	$0.35	March 24, 2022
Warrants	743,750	3.9 months	$0.50	April 28, 2022
Warrants	9,750	3.9 months	$0.40	April 28, 2022
Warrants	248,642	3.9 months	$0.50	April 28, 2022
Warrants	3,000	3.9 months	$0.35	April 28, 2022
Warrants	345,000	4.6 months	$0.50	May 18, 2022
Warrants	3,900	4.6 months	$0.40	May 18, 2022
Warrants	500,000	5.1 months	$0.50	June 4, 2022
Warrants	500,000	6 months	$0.50	June 30, 2022
Warrants	9,040,333	16.6 months	$0.75	May 19, 2023
Warrants	632,823	16.6 months	$0.75	May 19, 2023
Warrants	632,823	16.6 months	$0.60	May 19, 2023
Warrants	4,361,111	22.6 months	$1.10	November 17, 2023
Warrants	909,984	22.6 months	$0.97	November 17, 2023
Balance, January 25, 2022	19,686,116			

The number of common shares outstanding on January 25, 2022 was 119,079,621. Taking into account outstanding share purchase options and warrants, the fully diluted number of common shares that could have been outstanding on January 25, 2022 was 142,400,737.

Related Party Transactions

During the year ended September 30, 2021, the Company incurred related party expenses totaling $253,092 (2020 – $269,461). These expenses related to management fees paid or payable to key management personnel; Tom Drivas, Chief Executive Officer, Frederick Kozak, President from March 8, 2021, Frank van de Water, Chief Financial Officer, James Sykes, former Vice-President, Exploration and Development, and office administration services paid to Romios Gold Resources Inc., a company with a number of common directors and officers. The amount charged for office administration services is included under office and general expenses. At September 30, 2021, $570,375 (2020 - $655,375) of accumulated related party expenditures was payable to Tom Drivas and $25,588 (2020 - $11,033) was payable to the other officers and Romios Gold Resources Inc.

Two insiders subscribed for 518,750 FT units in the December 2019 private placements. Three insiders subscribed for 660,000 FT units and 200,000 WC units in the September 2020 private placements.

Key management personnel were not paid post-retirement benefits, termination benefits, or other long-term benefits during the years ended September 30, 2021 and 2020.

During the year ended September 30, 2021, the Company incurred expenses of $20,000 (2020 - $20,000) for independent directors' fees. At September 30, 2021, $76,500 (2020 - $117,000) of accrued directors' fees was outstanding.

During the year ended September 30, 2021, the Company incurred expenses of $150,602 (2020 - $61,569) for legal fees to a law firm related to a director of the Company, William R. Johnstone. At September 30, 2021 $7,779 (2020 – $22,147) was payable to this related party.

As disclosed in Note 5 to the financial statements, the Elliot Lake exploration properties were acquired from a related party that holds a 1% Uranium Production Payment Royalty and a 1% NSR Royalty on any precious or base metals payable provided that the price of uranium is greater than US$130 per pound.

Carrying value of exploration and evaluation assets

The Company regularly reviews the carrying value of its properties to determine whether the cost of these assets will be recoverable from future cash flows or from the proceeds of their disposal. Assumptions underlying the cash flow estimates would include the forecasted prices for uranium and rare earth elements, planned production levels, and operating, capital, exploration and reclamation costs, which are all subject to risks and uncertainties. Management has determined that there is no impairment of the carrying value of its exploration properties.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Financial Instruments and risk management

The Company is required to disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet dates, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The Company's financial instruments recognized in the balance sheet consist of cash and cash equivalents, HST/GST receivable and current liabilities. The fair value of these financial instruments approximates their carrying value due to the short maturity or current market rate associated with these instruments.

Risk Factors

There are a number of risks that could affect Appia's business prospects. They include the speculative nature and the ability to finance the exploration and development of the Company's mineral properties, operating hazards, environmental and other government regulations, competition in the marketplace, markets for the Company's securities and the demand for uranium and rare earth elements. The Company's viability will depend on defining recoverable and economic resources and establishing positive comprehensive feasibility studies leading to production decisions. After completion of positive feasibility studies, the Company's success is dependent on maintaining the title and beneficial interest in the properties, obtaining the necessary governmental approvals and the successful financing, construction and operation of a facility to profitably extract the contained metals.

Financial Capability and Additional Financing

The Company had a cash position of $11,700,000 and working capital of $11,400,000 at January 25, 2022, has no source of operating income and has no assurance that additional funding will be available to it for further exploration and development of its projects. Although the Company has been successful in the past in financing its activities through the sale of equity securities, there can be no assurance that it will be able to obtain sufficient financing in the future to continue as a going concern.

Pandemic COVID-19 risk

The declaration by the World Health Organization that the COVID-19 infectious virus is a global pandemic delayed the start of the 2021 exploration program this calendar year. Although Saskatchewan has not experienced the dire results in other Provinces, there are government-imposed restrictions on access to the properties and regulation of proposed activity. It is uncertain what restrictions may be applied in the summer of 2022.

To ensure safe work conditions are met for the workforce, the Company developed exploration guidelines that comply with the Saskatchewan Public Health Order and the specific Northern Saskatchewan Administration District Order, in order to maintain social distancing and help prevent the transmission of the COVID-19 infectious virus.

Land access

Under the modified Mining Act (Ontario), the Company is required to obtain permits to conduct exploration and evaluation activities on its Ontario properties. The Ontario Government is required to consult with the First Nations in order to reach agreement to permit activity in areas considered to have been historically inhabited.

Similar restrictions have been enacted in Saskatchewan, requiring the Company to obtain permission to occupy the camp at Alces Lake. Necessary Permits are in place.

Special Note Regarding Forward-Looking Statements

Certain statements in this MD&A may constitute “forward-looking” statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from the statements made. When used in this report, the words “estimate”, “believe”, “anticipate”, “intend”, “expect”, “plan”, “may”, “should”, and “will”, are intended to identify forward-looking statements, and reflect the current expectations of the management of the Company with respect to future events, and are subject to risks and uncertainties, such as reduced funding and general economic and market factors. New risk factors may arise from time to time and it is not possible for management of the Company to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance or achievements of the Company to be materially different from those expressed or implied in such forward-looking statements. Investors should not place undue reliance on forward-looking statements as a prediction of actual results. The Company does not undertake or assume any obligation to update these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

Additional Information

Additional information may be found on the Company’s website at www.appiaenergy.ca and on SEDAR.

The technical information included in this MD&A regarding Saskatchewan was reviewed and approved by Dr. Irvine Annesley, P.Geo, advisor to the Board of Directors of Appia, a Qualified Person as defined by National Instrument 43-101.