



## **Group Eleven Resources Corp.**

Management Discussion and Analysis

For the Three Months Ended March 31, 2021

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Group Eleven Resources Corp. ("Group Eleven" or "the Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended March 31, 2021. The MD&A was prepared as of May 28, 2021 and should be read in conjunction with the Company's condensed consolidated interim financial statements ("Financial Statements") and related notes for the three months ended March 31, 2021 and 2020, the annual audited Consolidated Financial Statements for the years ended December 31, 2020 and 2019, which were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), as well as the annual MD&A's for the years ended December 31, 2020 and 2019. The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

## **Overview**

Group Eleven is an emerging zinc exploration and development company, focused on resource expansion and drill target testing to discover Ireland's next major zinc deposit. The Company holds 44 licences in Ireland, comprising over 1,304 square kilometres on four main properties which are highly prospective for Irish Type zinc-lead mineralization. Ireland ranks as one of the largest zinc producers in Europe and is host to some of the world's largest zinc deposits.

## **2021 Highlights**

- The Company completed two diamond drill holes stepping out from the existing mineral resource estimate ("MRE") at the 76.6% owned Stonepark project. One hole, G11-2638-04, targeted a 135-metre gap within the Stonepark North portion of the MRE and intersected a thick package of brecciation and low-grade mineralization yielding 17.95 metres of 1.02% zinc and 0.23% lead (1.25% combined). The second hole, G11-2638-05, was drilled 85 metres from the west portion of the MRE and intersected moderate mineralization (2.0 metres of 1.21% zinc and trace lead or 1.21% combined), extending the mineralized system.
- The Company's first ever drill campaign at Gortdrum was completed in March, with two holes drilled (380.9 metres total) along the main mineralizing structure, the "Gortdrum Fault Zone", from the old Gortdrum copper mine. G11-4498-01 intersected 14.4 metres of 0.221% Cu and 2.1 g/t Ag (0.240% CuEq), including 0.80 metres of 0.620% Cu and 4.4 g/t Ag (0.660% CuEq) and including 0.90 metres of 0.387% copper and 3.1 g/t silver (0.416% CuEq). The second hole, G11-350-01, intersected a broad zone of highly anomalous copper (31.7 metres of 0.080% Cu and 1.6 g/t Ag), including 1.6 meters of 0.532% Cu and 22.3 g/t Ag (0.735% CuEq) and 2.9 metres of 0.151% Cu and 0.5 g/t Ag (0.156% CuEq).
- On January 8, 2021, the Company issued 11,492,384 common shares at a subscription price of \$0.065 per common share, for total proceeds of \$747,005. Glencore subscribed for 6,097,615 shares in the private placement. The Company issued 323,686 non-transferable finder's warrants related to a portion of the private placement to parties at arm's length to the Company. Each finder's warrant entitles a finder to purchase one common share at a price of \$0.065 per share for two years from the date of issue.

## **Report on Operations**

During the three months ended March 31, 2021, the Company received the results from the step-out drill program at Stonepark and completed drilling at Gortdrum, located within the PG West project area. The Company also initiated drilling at Zone 2 in Carrickittle, testing key fault structures and strong chargeability anomalies identified from the induced polarization ("IP") survey completed earlier in the quarter.

## **PG West (Limerick Region, Ireland)**

The PG West project comprises 25 PLs covering 707 square kilometres and is contiguous with the Company's Stonepark project, covering additional prospective stratigraphy in the Limerick region. The project hosts the Carrickittle area, an advanced zinc prospect within the Pallas Green Corridor, a 25-kilometre-long trend of mineralization defined by the Pallas Green deposit in the north and the Company's Carrickittle, Ballywire and Denison prospects to the south. The recently acquired Tullacondra prospect (two PLs; 44 square kilometres) is included in the PG West project.

The Company completed its first-ever drill program at Gortdrum during the three months ended March 31, 2021, a project area that had not had any drilling since 1975. The two diamond drill holes (totalling 380.9 metres) were drilled 1.0 km and 2.2 km, respectively, from the old Gortdrum copper mine, along the main mineralizing structure. Both holes intersected significant mineralization starting at relatively shallow depths. G11-4498-01 intersected 14.4 metres of 0.221% Cu and 2.1 g/t Ag (0.240% CuEq), including 0.80 metres of 0.620% Cu and 4.4 g/t Ag (0.660% CuEq) and including 0.90 metres of 0.387% copper and 3.1 g/t silver (0.416% CuEq) at 46.2 metres downhole (true width estimated at 60%). G11-350-01 intersected a broad zone of highly anomalous copper (31.7 metres of 0.080% Cu and 1.6 g/t Ag), including 1.6 metres of 0.532% Cu and 22.3 g/t Ag (0.735% CuEq) and 2.9 metres of 0.151% Cu and 0.5 g/t Ag (0.156% CuEq) starting at 32.4 metres downhole (true width estimated at 60%). The results suggest that mineralization is associated with a series of steeply-dipping and sub-parallel faults within the Gortdrum Fault Zone.

The Company incurred \$139,573 in exploration expenditures at PG West during the three months ended March 31, 2021, primarily on drilling at Gortdrum (\$45,950), data compilation and supervision (\$57,285) and completion of an IP survey (\$16,776) at Zone 2 of the Carrickittle prospect.

## **Stonepark Project (Limerick Region, Ireland)**

The Stonepark project ("Stonepark") holds six prospecting licences ("PLs") covering an area of 183.5 square kilometres and hosting three main zones of known mineralization, Stonepark North, Stonepark and Stonepark West, located west of Glencore's Pallas Green deposit. The Company holds a 76.56% interest in TILZ Minerals Ltd. ("TILZ"), the legal entity that holds the licences comprising Stonepark. The remaining 23.44% equity interest in TILZ is held by Arkle Resources PLC ("Arkle"), an Ireland-based company focused on zinc and gold exploration. The interest in TILZ is consolidated, with the acquisition value of the project reflected in exploration and evaluation assets and ongoing exploration costs reflected as expenses on the income statement. The carrying value ascribed to Arkle's 23.44% interest in TILZ is captured as non-controlling interest in the Financial Statements.

Stonepark has a Mineral Resource Estimate ("MRE") of 5.1 million tonnes grading 11.3% zinc and lead combined (8.7% zinc and 2.6% lead) in the Inferred Mineral Resource category. The details and supporting information for the MRE are filed on [www.sedar.com](http://www.sedar.com) and in the NI 43-101 Independent Report on the Zinc-Lead Exploration Project at Stonepark, County Limerick, Ireland, with an effective date of April 26, 2018.

During the three months ended March 31, 2021, the Company received the results from the two step-out drill holes (864 metres in total) recently completed at Stonepark. Drill hole G11-2638-04 was drilled within a 135-metre gap between the northern-most and central wireframes of the Stonepark North portion of the MRE and intersected a thick package of brecciation and low-grade mineralization yielding 17.95 metres of 1.02% zinc and 0.23% lead from 213.05 metres. The second hole drilled at Stonepark was G11-2638-05, located near the Stonepark West portion of the MRE. This hole intersected moderate mineralization (2.0 metres of 1.21% zinc and trace lead or 1.21% combined from 451.00 metres; and a number of lower grade intercepts elsewhere in the hole).

The Company spent \$41,350 during the three months ended March 31, 2021 on the Stonepark project, primarily on consulting (\$20,894), rental (\$6,355) and data compilation and supervision (\$6,321).

### **Ballinalack Project (Ireland)**

The Ballinalack project ("Ballinalack") consists of six PLs covering 211 square kilometres and is located approximately 50 kilometres west of the currently producing Navan Zinc-Lead Mine (Boliden AB). The Company holds a 60% interest in Ballinalack Resources Limited ("BRL"), the legal entity that owns the licences comprising Ballinalack. The remaining 40% of BRL is owned by Shenzhen Zhongjin Lingnan Nonfemet Company Limited ("Nonfemet"), one of the largest zinc producers in China. The interest in BRL is consolidated, with the acquisition value of the project reflected in exploration and evaluation assets and ongoing exploration expenditures reflected on the income statement. The carrying value ascribed to the 40% interest in BRL held by Nonfemet is captured as non-controlling interest in the Financial Statements.

Ballinalack has a Mineral Resource Estimate ("MRE") of 5.4 million tonnes grading 8.7% zinc and lead combined (7.6% zinc and 1.1% lead) in the Inferred Mineral Resource category. The details and supporting information of the MRE are filed on [www.sedar.com](http://www.sedar.com) and in the NI 43-101 Independent Report on Base Metal Exploration Project at Ballinalack, County Westmeath, Ireland, with an effective date of January 11, 2019.

The Company incurred minimal costs (\$3,486 in total) in the three months ended March 31, 2021, primarily as the Company waited on license renewals expected earlier in the year.

### **Silvermines (Ireland)**

Silvermines is comprised of 5 PLs covering a total of 133 square kilometres (reduced from 18 PLs in 2021, noted below). The Silvermines project is considered highly prospective for Irish Type zinc-lead deposits. The Cooleen prospect (e.g. 7.3 metres grading 16.0% zinc and lead in hole NX-11) has seen limited exploration activity over the past 20 years (the PLs were released from long-term moratorium in May 2015). The project is located adjacent to the historic Silvermines Zinc Mine which produced approximately 10.8 million tonnes grading 7.4% zinc and 2.7% lead between 1968 and 1982 (Boland et al, 1992). The Silvermines region is unique from a global perspective given that four past producing zinc mines (Galmoy, Lisheen, Tynagh and Silvermines) and three known zinc prospects (Rapla, Dearykearn and Cooleen) exist within a relatively short (30 kilometre) radius.

Group Eleven has reduced the existing PL's to focus on the core Silvermines licence block of 5 PLs (133.7 square kilometres) located in the lower southwestern section of the project. The other 13 PL's (465 square kilometres) have not been renewed in early 2021. These surrendered northern PL's are viewed as greenfield exploration and early stage compared to Group Eleven's other project areas, with significant minimum expenditures (€135,000) required to maintain in good standing.

For the three months ended March 31, 2021, the Company incurred minimal expenditures at the Silvermines project while focusing on the key project areas in Limerick, with a total of \$2,959 incurred primarily for personnel costs.

### **Tralee (Ireland)**

The Tralee project covers approximately 70 square kilometres and consists of two PLs. The project area was reduced significantly during the period to focus on areas of highest prospectivity. Tralee hosts high-grade drill intercepts (up to 17% zinc and lead, 0.73% Cu and 185 g/t Ag over 1.5 metres) and several lead-silver, zinc and copper showings (including medieval mine workings). Significant historical drilling (approximately 14,000 metres) has been conducted in the Tralee region, though much of this was shallow (particularly at Kerry Head where drilling was completed to approximately 20 metre depths).

For the three months ended March 31, 2021, the Company did not incur any costs on the Tralee project.

### Exploration Property Expenditures

Exploration and evaluation expenditures incurred by the Company, excluding acquisition costs, have been expensed in the audited annual consolidated statements of loss and comprehensive loss, the details of which are as follows:

|                                      | Three months ended<br>March 31, 2021 | From Acquisition to<br>March 31, 2021 |
|--------------------------------------|--------------------------------------|---------------------------------------|
| PG West Project                      | \$ 139,573                           | \$ 1,520,771                          |
| Stonepark Project                    | 41,530                               | 1,023,627                             |
| Ballinalack Project                  | 3,486                                | 1,039,951                             |
| Silvermines Project                  | 2,959                                | 615,791                               |
| Tralee Project                       | –                                    | 356,559                               |
| Other Projects                       | –                                    | 19,788                                |
| <b>Total Cumulative Expenditures</b> | <b>\$ 187,548</b>                    | <b>\$ 4,576,487</b>                   |

### Results from Operations

The following is a summary of results from the Company's consolidated financial statements:

| Three months ended March 31      | 2021         | 2020         | 2019         |
|----------------------------------|--------------|--------------|--------------|
| Loss and Comprehensive loss      | \$ (447,429) | \$ (339,019) | \$ (801,246) |
| Basic and diluted loss per share | (0.00)       | (0.01)       | (0.01)       |

  

| As at         | March 31,<br>2021 | December 31,<br>2019 | December 31,<br>2018 |
|---------------|-------------------|----------------------|----------------------|
| Cash          | \$ 2,372,718      | \$ 2,282,719         | \$ 862,018           |
| Total Assets  | 11,364,616        | 11,324,936           | 9,910,197            |
| Share capital | 18,088,060        | 17,367,286           | 14,307,404           |
| Deficit       | (11,141,077)      | (10,704,910)         | (8,843,534)          |

For the three months ended March 31, 2021, the loss and comprehensive loss was \$108,410 higher than the same period in 2020 as a result of increased exploration activity (\$91,434 higher), largely due to the drilling completed at Gortdrum and the commencement of drilling at Zone 2 at the Carrickittle prospect, whereas in Q1 2020 there was minimal active exploration.

Cash increased \$89,999 from December 31, 2020 due to the closing of the second tranche of financing in early January for total proceeds of \$747,005, offset by funds used in operations of \$657,006, including a \$210,756 decrease in working capital due to the paydown of vendor payables, primarily related to drilling at the Stonepark project completed late in the fourth quarter of 2020.

The following selected financial information is a summary of the eight most recently completed quarters up to March 31, 2021.

|                                  | Mar 31,<br>2021 | Dec 31,<br>2020 | Sept 30,<br>2020 | June 30,<br>2020 | Mar 31,<br>2020 | Dec 31,<br>2019 | Sept 30,<br>2019 | June 30,<br>2019 |
|----------------------------------|-----------------|-----------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| Comprehensive Loss               | \$447,429       | \$764,218       | \$527,709        | \$340,438        | \$339,018       | \$867,865       | \$664,593        | \$794,188        |
| Basic and Diluted Loss per Share | 0.00            | 0.01            | 0.01             | 0.01             | 0.01            | 0.01            | 0.01             | 0.01             |

The Company's expenses fluctuate from period to period primarily as a result of exploration activity during the period and, therefore, lack some degree of comparability. Exploration activity will vary depending on the availability of funding, primarily sourced from equity financing, and property expenditure requirements needed to maintain the PLs in good standing.

During the first three months of 2021, the Company compiled the assay results received from the 2020 drill program in Stonepark and completed 380.9 metres of drilling at the Gortdrum prospect,

located within the PG West project. An IP survey was completed at Zone 2 of the Carrickittle prospect, with drilling commencing late in the quarter to follow up the compelling anomalies identified from the IP survey.

### **Liquidity and Capital Resources**

The Company had cash of \$2,372,718 as of March 31, 2021 compared to \$2,282,719 at December 31, 2020. During the three months ended March 31, 2021, the Company continued exploration at the PG West project area within the Limerick region. The Company also completed the second tranche of a private placement (the first tranche closed on December 30, 2020), for total proceeds of \$747,005.

The Company has forecast its cash requirements for the next year and believes it has sufficient cash resources and liquidity to support the ongoing sustaining costs for the Company. To continue meeting future property expenditure requirements and continue exploration activities at historic levels, the Company will need to raise additional funds. While the Company has been successful in doing so in the past, there can be no assurance that the Company will be able to do so in the future. Factors that affect the availability of financing include the progress and results of ongoing exploration at the Company's mineral properties, the state of international debt and equity markets, and investor perceptions and expectations of the global markets, mining, and the zinc sector in particular.

The Company is required to make exploration expenditures in 2021 to meet spending requirements at PG West (€20,000) and Tralee (€30,000) to maintain existing licence holdings. Approximately €250,000 of spending requirements (exact amount to be confirmed on renewal) related to Ballinalack, originally due in 2021, is expected to be deferred into 2022 due to delays in processing renewals by the Geoscience Regulation Office (GSRO, formerly the Exploration and Mining Division) at the Department of Environment, Climate and Communications of the Government of Ireland.

### **Financial Instruments**

The Company's activities potentially expose it to a variety of financial risks, including liquidity risk, interest rate risk, foreign exchange currency risk, and commodity price risk.

#### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. As at March 31, 2021, the Company had working capital of \$2,018,035 compared with working capital of \$1,704,326 as of December 31, 2020. Within current liabilities, \$225,182 (December 31, 2020 - \$238,136) pertains to the joint venture partner contributions from Nonfemet, for the purposes of exploration at Ballinalack. On July 12, 2019, Nonfemet contributed €298,600 (\$435,448) to fund future exploration at Ballinalack. As at December 31, 2020, €146,027 had been converted to equity along with a matching contribution of €219,041 from the Company. The Company is required to fund the remaining €228,859 to BRL to maintain the current 60% interest or, alternatively, reduce the Company's current interest in BRL or return the remaining excess contribution amount to Nonfemet. Once the Company has made the required advances, BRL intends to issue shares to the Company and Nonfemet to recognize the advances as capital contributions.

Management believes that the Company has sufficient financial resources to meet its obligations as they come due and to maintain existing operations, however will need to raise additional funds in the future to continue advancing exploration on key projects.

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is currently not exposed to any interest rate risk as cash is held in a non-interest bearing account and the Company does not hold any interest bearing liabilities.

### Foreign Exchange Risk

The Company's functional currency is the Canadian dollar. There is a foreign exchange risk to the Company as its exploration and evaluation property interests and resulting future commitments are located in Ireland. The Euro translation rate has experienced volatility over the last several years as a result of monetary policies adopted by the European Central Bank. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company has a policy of not engaging in hedging activities to address this foreign currency risk. At March 31, 2021, the Company had Euro denominated current assets of €839,986 and Euro denominated current liabilities of €210,655. Accordingly, a 10% change in the foreign exchange rate would result in a \$92,881 credit or charge to operations.

### Commodity Price Risk

While the value of the Company's exploration and evaluation assets is related to the price of zinc and other minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity-based risks with respect to its operational activities. Zinc and other mineral prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, the perception of market participants about the price and future price prospects for zinc, changes in manufacturing and construction activity as well as other industrial demands, levels of worldwide production, and forward sales by producers and speculators.

### Subsequent Events

None.

### Contractual Obligations

The Company does not have any contractual obligations as at March 31, 2021.

### Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

### Related Party Transactions

The key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Their remuneration includes the following:

|   |                       | March 31, |           |
|---|-----------------------|-----------|-----------|
|   | Position              | 2021      | 2020      |
| Salaries and benefits paid or accrued to: |                       |           |           |
| Bart Jaworski (Note 1)                    | CEO, Director         | \$ 52,616 | \$ 42,780 |
| David Furlong (Note 2)                    | COO                   | 39,462    | 34,976    |
| Shaun Heinrichs (Note 3)                  | CFO                   | 33,000    | 26,400    |
| Spiros Cacos (Note 4)                     | VP Investor Relations | –         | 30,000    |
| Professional fees paid or accrued to:     |                       |           |           |
| Sheryl Dhillon (Note 5)                   | Corporate Secretary   | 5,250     | 3,939     |
| Share-based payments paid to:             |                       |           |           |
| Bart Jaworski                             | CEO, Director         | 2,059     | 5,467     |
| David Furlong                             | COO                   | 1,454     | 3,842     |
| Shaun Heinrichs                           | CFO                   | 1,454     | 3,842     |
| Spiros Cacos                              | VP Investor Relations | –         | 2,817     |

Note 1: Compensation paid to Bart Jaworski has been reported as salaries and benefits.

Note 2: Compensation paid to David Furlong has been reported as salaries and benefits (2021 - \$19,857; 2020 - \$17,010) or exploration expense (2021 - \$19,605; 2020 - \$6,581).

Note 3: Compensation paid to Shaun Heinrichs has been reported as salaries and benefits.

Note 4: Compensation paid to Spiros Cacos has been reported as salaries and benefits. Spiros Cacos ceased being an insider of the Company on March 31, 2020.

Note 5: The professional fees paid to Sheryl Dhillon has been reported as professional fees.

## **Outlook**

As a result of Group Eleven's regional synthesis conducted over the last few years, the Stonepark (76.56% interest) and PG West (100%) projects, in the Limerick basin, have been identified as the clear 'flagship' and value-driver assets for the Company. As a result, the Company plans to keep this Limerick ground position, plus smaller core prospects at the Ballinalack, Silvermines and Tralee projects, in good standing. At the same time, all other non-core licences have or are expected to be surrendered in order to maximize focus on the Limerick basin.

The fully funded exploration program for 2021, including drilling, will continue to be focused on the Limerick area, primarily on PG West. Results from drilling at Carrickittle during 2020 are being followed up with further drilling in 2021, with the initial follow up occurring on Zone 2 of the Carrickittle prospect (an area with significant historical intercepts, including 4.9 metres of 11.4% zinc and 1.4% lead) with approximately 400 metres starting in February 2021. Including the above, approximately 5,000 metres of drilling is planned for 2021 in the Limerick region, primarily focused on Carrickittle.

## **Critical Accounting Estimates**

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities; as well as the reported expenses during the reporting period. Such estimates and assumptions affect the determination of the carrying value and the recoverability of exploration and evaluation assets and the inputs used in calculating the fair value of share-based payment expense. Management re-evaluates its estimates and assumptions on an ongoing basis; however, due to the nature of estimates, actual amounts could differ from its estimates. The most critical accounting estimates upon which the Company depends are those requiring estimates of reserves and resources, future recoverability of assets, and assumptions around future commodity prices.

## **Share-based Payments**

The Company provides compensation benefits to its employees, directors, officers and consultants through a share-based compensation plan. All share-based awards are measured and recognized based on the grant date fair value. Fair value is determined using the Black Scholes option pricing model. The Company uses the share trading history to determine the volatility. The Company utilizes historical data to estimate the expected option term for input into the valuation model. The risk-free rate for the expected term of the applicable option is based on the risk-free lending rate for the Bank of Canada.

## **Significant and Recently Adopted Accounting Policies**

The Company's significant account policies are described in Note 2 of the audited annual consolidated financial statements for year ended December 31, 2020.

## **Disclosure Controls and Procedures**

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in National Instrument



52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### ***Outstanding Share Data***

As at May 28, 2021, there were 137,469,836 common shares outstanding and warrants outstanding to purchase an aggregate of 25,838,110 common shares. Directors, consultants and employees of the Company hold 4,750,000 stock options.

### ***Risks and Uncertainties***

In conducting its business, the Company faces a number of risks and uncertainties, many of which are beyond its ability to control or predict. Because of these risks and uncertainties, actual results may differ materially from those expressed or implied by forward-looking statements, and investors are cautioned not to place undue reliance on such statements, which speak only as of the date hereof. Investors are urged to review the discussion of risk factors associated with the Company's business as set out in the Company's annual Management Discussion and Analysis for the year ended December 31, 2020 as well as in the Company's audited consolidated financial statements (under the headings "Nature and Continuance of Operations" and "Significant Accounting Policies" and elsewhere within that document) for the year ended December 31, 2020, as filed on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### ***Forward Looking Information***

This MD&A provides management's analysis of Group Eleven's historical financial and operating results and provides estimates of Group Eleven's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Company's future plans and operations, contains forward-looking information. By their nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, undue reliance should not be placed on forward-looking information. Group Eleven's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur or, if any of them do so, what benefits Group Eleven will derive there from. Group Eleven disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise except as required by applicable law.