MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) AS OF FEBRUARY 28, 2025 TO ACCOMPANY THE CONSOLIDATED FINANCIAL STATEMENTS OF CLOUD3 VENTURES INC. AND ITS SUBSIDIARIES (THE "COMPANY" or "CLOUD3") FOR THE SIX MONTHS ENDED DECEMBER 31, 2024 AND 2023

This Management's Discussion and Analysis ("MD&A") of Cloud3 Ventures Inc. (formerly, Orthogonal Global Group Inc.) (the "Company" or "Cloud3") has been prepared by management as of February 28, 2025 and should be read in conjunction with the consolidated financial statements for the six months ended December 31, 2024 and 2023, and related notes thereto of the Company.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Readers are also advised to read the Company's consolidated financial statements and accompanying notes for the six months ended December 31, 2024 and 2023 (the "Financial Statements"), which have been prepared in accordance with IFRS as issued by the IASB. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in the Company's presentation currency which is Canadian dollars.

Our consolidated financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say "we", "us", "our", the "Company" we mean Cloud3 Ventures Inc. as it may apply.

FORWARD LOOKING INFORMATION

The following discussion contains, in addition to historical information, forward-looking statements that involve risks and uncertainties. These forward-looking statements may include, among other things, statements concerning plans, objectives and future economic prospects, expectations, beliefs, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements and industry result, to be materially different from what is said or implied with such forward-looking statements.

OVERVIEW AND DESCRIPTION OF BUSINESS

The Company was incorporated on April 6, 1990 under the laws of the Province of British Columbia, and on June 19, 1997, the Company continued as a federal corporation under the Canada Business Corporation Act. The Company changed its name to La Jolla Capital Inc. on May 21, 2015 and to Web3 Ventures Inc. on April 19, 2022, to Orthogonal Global Group, Inc. on January 8, 2024, and to Cloud3 Ventures Inc. on July 12, 2024. The Company continues to be a reporting issuer in the Provinces of British Columbia, Alberta and Ontario. The Company operates at the forefront of blockchain innovation. Specializing in the LIF3 ecosystem, the Company provides infrastructure solutions to enable the next generation of decentralized applications. The Company's registered office is located at 409-22 Leader Lane, Toronto, Ontario, M5E 0B2. On July 12, 2024, the Company completed a vertical short form amalgamation pursuant to the Canada Business Corporations Act with the Company's wholly-owned subsidiary 16156754 Canada Inc. (formerly 1000147857 Ontario Inc.) and changed its name from "Orthogonal Global Group Inc." to "Cloud3 Ventures Inc."

LISTING ON THE STOCK EXCHANGE

On September 13, 2023, the Company's subordinate voting shares ("SVS") were listed on the Canadian Securities Exchange ("CSE") under the symbol "WEBV". The stock symbol was changed to "CLDV" on July 12, 2024 when the Company changed its name to Cloud3 Ventures Inc. The Company is also listed on the OTC Pink under symbol "CLDVF".

KEY DEVELOPMENTS

On February 26, 2025, the Company announced that it has entered into a letter agreement with Integral Wealth Securities Limited to provide market-making services with the objectives of maintaining a reasonable market and improving the liquidity of the Issuer's SVS, in accordance with the Canadian Securities Exchange policies.

On February 26, 2025, the Company issued 2,62,112 SVS for the gross proceeds of $768,633.42 at CAD$0.30 per share. A significant portion of the Financing was led by Lif3.One Ltd., a Singapore based investment firm co-founded by Harry Yeh and Jonathan Teo. CEO and co-founder David Nikzad, and co-founder Jason Hobson, participated in the Financing, acquiring 952,000 SVS. As part of this transaction, Cloud3 has acquired over 111 million Lif3 Tokens, deepening its integration within the rapidly expanding Lif3 ecosystem and positioning itself for strategic opportunities within the DeFi sector.

On February 25, 2025, the Company issued 2,340,000 SVS at a deemed price of CAD$0.20 per share to settle aggregate debt of CAD$468,000 of accrued liabilities owed to an insider and a consultant. The securities issued under the Debt Settlement to the insider are subject to a hold period under applicable Canadian securities laws expiring four months and one day from the closing date of the debt settlement.

On February 14, 2025, the Company converted 1,890 MVS to 189,000 SVS.

On February 11, 2025, the Company announced a development in its investment in the Lif3 Ecosystem with Lif3 unveiling of the Lif3 Phone Jambo v2, which marked another significant milestone in the Issuer's commitment to decentralized technology and infrastructure innovation.

On December 18, 2024, the Company announced that Shidan Gouran has resigned as a director of the Company effective December 17, 2024.

On December 5, 2024, the Company completed the consolidation of its issued and outstanding shares on the basis of one post-consolidation Subordinate Voting Shares ("SVS") for each twenty (20) pre-consolidation SVS and one post-consolidation Multiple Voting Shares ("MVS") for each twenty (20) pre-consolidation MVS (the "Consolidation"). Unless otherwise noted, all shares and per share information relating to the Company's shares in the Management Discussion and Analysis have been adjusted to reflect the share consolidation.

On December 3, 2024, Reliant CPA, Chartered Professional Accountants (the "Former Auditor") resigned as auditor of the Company at its own initiative. The Company's Audit Committee and Board of Directors considered and approved the resignation of the Former Auditor as auditor of the Company and the appointment of SRCO Professional Corporation, Chartered Professional Accountants as successor auditor effective as of December 3, 2024.

On December 2, 2024, the Company held its annual general and special meeting (the "Meeting") of the holders ("Shareholders") of SVS and MVS, and approved or defeated the following Company actions:

1. Set the number of Directors at five (5).
2. Re-elected David Nikzad, Jason Hobson, Jack Rentz, Shidan Gouran and Mona Coyle as Directors of the Company.
3. Appointed Reliant CPA, Chartered Professional Accountants as the auditors for the ensuing year and authorized the Directors to fix the auditor's remuneration.
4. Motion to approve the Company's 2024 Equity Incentive Plan was defeated.
5. Approved the consolidation of the issued and outstanding shares of the Company on the basis of one post-consolidation SVS for every twenty (20) pre-consolidation SVS and one post-consolidation MVS for every twenty (20) pre-consolidation MVS (the "Share Consolidation"), as

and when determined by the Board of Directors of the Company. Subsequent to the Meeting, the Board re-appointed Mr. Nikzad as Chairman, CEO and Interim CFO, and Mr. Hobson as Chief Operations Officer and Corporate Secretary. Messrs. Gouran and Rentz and Ms. Coyle were appointed as members of the Audit Committee.

On November 12, 2024, the Company announced that Kyle Appleby has resigned as Chief Financial Officer of the Company effective October 28, 2024. On November 26, 2024, the Company announced that David Nikzad, current CEO, will serve as the Company's Interim CFO while the Company continues the search for a permanent CFO.

On October 29, 2024, the Company announced it had applied to the British Columbia Securities Commission (the "BCSC") for a temporary management cease trade order (the "MCTO") under National Policy 12-203 Management Cease Trade Orders ("NP 12-203"). The Company is required to file its audited consolidated financial statements for the financial year ended June 30, 2024, and related management's discussion and analysis, Chief Executive Officer and Chief Financial Officer certification of filings for this period (collectively, the "Required Filings") on or before the filing deadline of October 28, 2024 (the "Filing Deadline"). The Required Filings were not filed by the Filing Deadline due to the Company's recent hiring of a new CFO in June 2024, and the large increase in the volume of digital asset transactions, which necessitated additional time for management to thoroughly review and prepare the necessary working papers for the auditors. Consequently, the auditors also required extra time to complete their audit procedures. On October 29, 2024, the BCSC granted the temporary MCTO, which prohibited trading in securities of the Company by the Chief Executive Officer and Chief Financial Officer. On January 25, 2025 all required filings were submitted to the BCSC and the cease trade order was lifted.

On October 7, 2024, the Company provided a notice to all shareholders of record of an Annual General Meeting and Special Meeting of the Company on December 2, 2024.

On September 30, 2024, the Company announced an update for two of the Company's holdings: (i) Dynasty Studios, Inc. closed an oversubscribed token round; and (ii) Contango Digital Assets raised additional capital for its AI blockchain fund. Further, the Company indicated its intent to act as an advisory firm to several web3 and token projects.

On July 12, 2024, the Company completed a vertical short form amalgamation pursuant to the Canada Business Corporations Act with its wholly owned subsidiary 16156754 Canada Inc. (the "Amalgamation") and changed its name from "Orthogonal Global Group Inc." to "Cloud3 Ventures Inc." The Company began trading on the Canadian Securities Exchange under the new name on or about July 12, 2024, under new stock symbol "CLDV" on the CSE and "CLDVF" on the OTC Pink.

On July 11, 2024, the Company converted 275 MVS to 27,500 SVS.

On August 12, 2024, the Company converted 6,421 MVS to 642,095 SVS.

No shares were issued during the six months period ended December 31, 2024.

SAFE AGREEMENTS AND STRATEGIC INVESTMENTS

Unstoppable Domains

On August 30, 2023, the Company issued 15,109 MVS to Pluto 11.11 Inc., in exchange for 24,084 shares of Series A-1 Preferred Stock (the "Transaction") of Unstoppable Domains Inc. The Transaction constitutes a related party transaction.

As a condition of the Transaction, the Company entered into several agreements with Unstoppable Domains and its existing shareholders, including a Voting Agreement, ROFR and Co-Sale Agreement, Investors' Rights Agreement, and Token Agreement.

Unstoppable Domains is at the forefront of revolutionizing digital identity and web presence by launching domains secured by blockchains and creating un-censorable websites. Their groundbreaking NFT domains empower individuals with control over their online identities, allowing usernames to serve as access keys to over 150 Web3.0 applications, facilitating seamless interactions within the decentralized web landscape.

The Transaction constitutes a "related party transaction" in accordance with Multilateral Instrument 61-101.

Contango Digital Assets

On March 27, 2023, the Company entered into a Simple Agreement for Future Equity (the "Contango SAFE") and paid $165,500 (US $125,000). In connection with the Contango SAFE, the Company has been granted the right to nominate a member to the board of directors of Contango. The SAFE Note has not been converted and in February 2025, Contango and the Company agreed to terminate the SAFE Note and Contango refunded US$125,000 to the Company without interest.

Contango is a venture capital firm seeking to make web3 more globally accessible by investing in early-stage infrastructure and consumer applications while delivering added-value services such as advisory, launch support and staffing for its portfolio companies. Contango is domiciled in the British Virgin Islands and regulated by the British Virgin Islands Financial Services Commission. Former Director Mike Grantis is a co-founder and managing partner at Contango.

Novobeing Inc. (formerly known as Rocket Wellness Inc.); Convertible Debenture and Share Swap Agreement

On April 27, 2023, the Company completed a share swap with Novobeing, whereby the Company issued 83,334 SVS with a fair value of $166,667, using the Company's recent financing price per share, in exchange for 1,250,000 Novobeing shares. As at June 30, 2024, based upon the investee's limited capital, and the lack of progress with its initial projections, management has determined that the fair value of its investment has declined to $nil.

On February 13, 2023, the Company closed an unsecured convertible debenture (the "Debenture") with Novobeing Inc. (formerly known as Rocket Wellness Inc.) ("Novobeing") for $331,000. The Debenture bears interest of 8% compounded annually, maturing in 12 months and the principal and interest are convertible into preferred shares at the next equity financing, with a 20% discount, at the option of the debenture holders. The debentures allow for early redemption. The Company recorded interest income of $16,116 (2023 - $8,496).

As at June 30, 2024, based upon the investee's limited capital, inability to raise significant additional capital since executing the Debenture, subsequent maturity of the Debentures without conversion, and the investee's inability to repay the Debenture, management has determined that the fair value of its investment has declined to $nil

Dynasty Studios

On March 20, 2023, the Company entered into a Simple Agreement for Future Equity (the "Dynasty SAFE") and paid $72,820 (US $55,500).

Dynasty is a venture capital firm backed game company creating next-generation games. Striving to lead the mass adoption of blockchain technology through never-before-seen gameplay experiences, Dynasty aims to shape the future of gaming by creating new, superior player experiences powered through community ownership and player-driven economies.

CoachK

During the year ended June 30, 2024, the Company invested $33,877 in Coach K investments. This investment was represented by three NFTs. Due to the overall market condition for private sales of NFTs, management has determined the fair value of its investment has declined to $Nil.

Amendments to 2023 Equity Incentive Plan

The Company's 2023 Equity Incentive Plan was approved by its Shareholders on December 21, 2023. Under the 2023 Equity Incentive Plan, the aggregate number of shares that may be issued under all Awards under the plan is 10% of the total number of equity shares of the Company, including the Company's MVS (on an as-converted basis) together with the total number of issued and outstanding SVS from time to time ("Total Outstanding Equity"). On October 24, 2024, the Board approved of the 2024 Equity Incentive Plan to replace the 2023 Equity Incentive Plan, subject to disinterested shareholder approval and any applicable CSE approval, to increase the aggregate number of shares that may be issuable pursuant to the 2024 Equity Incentive Plan to not exceed 20% of the Total Outstanding Equity. The motion to approve of the 2024 Equity Incentive Plan was defeated at the 2024 AGM, and rendered the 2024 Equity Incentive Plan of no further force and effect. No options or Awards were granted under the 2024 Equity Incentive Plan. The 2023 Equity Incentive Plan remains the effective Equity Incentive Plan of the Company.

FINANCINGS AND SHARE CONSOLIDATION

A) Share Capital

(a) Authorized:

On February 24, 2023, the Company filed articles of amendment to redesignate the existing class of Common Shares as Subordinate Voting Share ("SVS") and authorize a class of Multiple Voting Share ("MVS"). The Company is authorized to issue unlimited number of SVS without par value and an unlimited number of MVS without par value. Each MVS has a restricted right to convert into 100 SVS. MVS and SVS have the same priority. Pursuant to articles of amalgamation filed on July 12, 2024, there is no change to the Company's authorized share capital. The Company remains authorized to issue unlimited number of SVS without par value and an unlimited number of MVS without par value. Each MVS has a restricted right to convert into 100 SVS. MVS and SVS have the same priority.

i. <u>Subordinate Voting Shares</u>

Holders of SVS will be entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company will have the right to vote. At each such meeting, holders of SVS will be entitled to one vote in respect of each SVS held.

As long as any SVS remain outstanding, the Company will not, without the consent of the holders of the SVS by separate special resolution, prejudice or interfere with any right or special right attached to the SVS.

Holders of SVS will be entitled to receive as and when declared by the directors of the Company, dividends in cash or property of the Company. No dividend will be declared or paid on the SVS unless the Company simultaneously declares or pays, as applicable, equivalent dividends (assuming conversion of all MVS into SVS at the Conversion Ratio) on the MVS.

ii. <u>Multiple Voting Shares</u>

Holders of MVS will be entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company will have the right to vote. At each such meeting, holders of MVS will be entitled to one vote in respect of each SVS into which such MVS could then be converted (100 votes per MVS held).

The holders of the MVS are entitled to receive such dividends as may be declared and paid to holders of the SVS in any financial year as the Board may by resolution determine, on an as-converted to SVS basis. No dividend will be declared or paid on the MVS unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on a 100-to-1 ratio to SVS) on the SVS.

On July 11, 2024, the Company converted 275 MVS to 27,500 SVS. On August 12, 2024, the Company converted 6,421 MVS to 642,095 SVS. On February 14, 2025, the Company converted 1,890 MVS to 189,000 SVS.

BOARD AND ADVISORY BOARD UPDATES

Advisory board update:

As of the date of this MD&A the Company's advisory board is comprised of Sebastien Badault, Kevin Soltani, Phillip Lord, Walid Benothman, Yu-Kai Chao and Brian Johnson.

Board updates:

On December 17, 2024, Mr. Shidan Gouran resigned from the Board.

SELECTED ANNUAL INFORMATION

The following table summarizes selected financial data for the Company for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the consolidated financial statements. Financial Statements for all years presented are prepared in accordance with IFRS as issued by the IASB.

Years ended June 30,	2024	2023	2022
	$	$	$
Revenues	113,246	48,260	Nil
Gross loss	(26,993)	(6,444)	Nil
Operating expense	2,625,998	931,128	724,893
Other (expenses) income	(648,366)	87,491	257,685
Net loss for the year	(3,301,357)	(850,081)	(467,208)
Basic and diluted loss per share	(0.40)	(0.16)	(0.71)
Total assets	437,796	2,009,173	502,872
Total long-term liabilities	Nil	Nil	Nil
Cash dividends declared	Nil	Nil	Nil

During fiscal year 2024, the Company engaged in mining digital currencies (BTC) and recorded revenues from operations of $113,246 (2023 - $48,260).

During fiscal year 2024, the Company ceased to mine digital currencies. Mining equipment was returned to their original seller in April 2024 with final currency being mined in April 2024. Accordingly, hosting costs of the mining equipment ceased.

During fiscal year 2023, the Company began to mine digital currencies and recorded revenues from operations of $48,260 (2022 - $Nil). The Company's assets increased to $2,009,173 (2022 - $502,872) as the Company deployed capital to make various investments and raised capital through equity financings.

RESULTS OF OPERATIONS

For the six months ended December 31, 2024, the Company incurred a loss and comprehensive loss of $210,472 compared to $1,839,159 for the six months ended December 31, 2023. The Company's operating expenses decreased to $279,806 from $1,952,005. No Stock Based Compensation was incurred during the period, compared to $1,200,292 for the six months ended December 31, 2023. Other income decreased to $5,232 from $67,134 and is attributed to fair value adjustments to investments interest income, foreign exchange gains and write down of accounts payables.

Some of the significant charges to operations are as follows:

- Consulting and management fees decreased to $88,187 from $287,485 as the Company's management changed during the year. The Company engages various consultants to assist with the Company's operations.
- Investor relations fees decreased to $404 from $53,498, as the company ceased utilizing contracted investor relations service providers. Rather, the Company switched to automating routine investor relations tasks with Artificial intelligence, which allows the Company to focus on strategic initiatives. The transfer agent and filing fees decreased to $20,512 from $54,329.
- General and administrative expenses decreased to $89,525 from $458,271, primarily due to a decline in consulting and management fees.
- Professional fees decreased to $169,365 from $170,786.
- Share based compensation decreased to $Nil from $1,200,292, and is related to the Company granting stock options to management, advisors and consultants related to the company listing in the period ended December 31, 2023.
- The Company recorded a loss on revaluation of digital assets of $11 (2023 - $Nil) related to the fair value revaluation of the Company's SCAPEs NFTs and other digital assets.

Cash Flow Analysis

Operating Activities

During the six months ended December 31, 2024 and 2023, cash change due to operating activities was $(2,629) and $(669,052), respectively.

Investing Activities

During the year ended June 30, 2024, the Company received net proceeds in investing activities of $224,681 (2023 – used $503,235 in investing activities). The Company received a net amount of $258,558 from sales and exchanges of digital assets and used $33,877 (2023 - $247,285) for purchase of investments.

Financing Activities

During the period ended December 31, 2024, the Company received $Nil (2023 - $4,000) from financing activities.

SUMMARY OF QUARTERLY RESULTS

2024	Q2 2025	Q1 2025	Q4 2024	Q3 2024
	$	$	$	$
Total assets	435,610	439,925	437,796	4,325,798
Net loss	(163,148)	(47,323)	(965,393)	(457,203)
Basic and diluted loss per share	(0.02)	(0.01)	(0.12)	(0.05)

2023	Q2 2024	Q1 2024	Q4 2023	Q3 2023
	$	$	$	$
Total assets	4,402,854	4,812,334	2,009,173	2,179,455
Net (loss) income	(723,459)	(1,155,302)	(616,349)	25,557
Basic and diluted loss per share	(0.08)	(0.14)	(0.11)	0.01

There are no general trends regarding the Company's quarterly results and the Company's business is not seasonal, as it can develop and progress on a year-round basis, funding permitting. Quarterly results may vary significantly depending mainly on whether the Company has engaged in new activities or abandoned any projects and these factors which may account for material variations in the Company's quarterly losses are not predictable. See also the results of operations discussion above.

During Q2 2025, the Company's total assets decreased from $437,796 to $435,610, primarily due to the change in fair value of its investments.

During Q1 2025, the Company's total assets increased from $437,796 to $439,925, primarily due to the change in fair value of its investments.

During Q4 2024, the companies total assets decreased from $4,325,798 to $437,796 related to losses of $965,393 due to write down of convertible notes receivable, disposal of capital assets and conversion of investments in related parties to share capital.

During Q3 2024, the Company's net loss decreased from $723,459 to $457,203 due to lower travel costs incurred (dropped to $13,119 in Q3 from $154,204 in Q2). The Company's travel costs are based on the strategic investment plans for the Company. The Company determined to decrease fees and/or eliminate certain consultants of the Company in light of projected cash flow needs of the Company.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2024, the Company had cash of $(104) (September 30, 2024 - $2,652).

On September 7, 2023, the Company closed a non-brokered private placement through the issuance of 33,485 Units at a price of $2.00 per Unit for aggregate gross proceeds of $66,969. Each Unit consists of one subordinate voting share "SVS" of the Company and one SVS purchase warrant. Each SVS purchase warrant entitles its holder to purchase one additional SVS at an exercise price of $4.00 per SVS for a period of 24 months from the date of issue.

On March 21, 2023, the Company completed a non-brokered private placement and issued 15,505 Units for gross proceeds of $1,550,475. Each unit consists of 50 SVS, 0.5 MVS, 25 warrants to purchase one

SVS and 0.25 warrants to purchase one MVS in the capital of the Company. In aggregate, the Company issued 775,237 SVS and 7,752 MVS. Each SVS warrant is exercisable at $3 and matures two years from the date of issuance. Each MVS warrant is exercisable at $300 and matures two years from the date of issuance. No finder's fee was paid. The full proceeds were allocated to the shares under the residual value method.

The Company ceased digital mining operations during the prior fiscal year.

The Company is currently not generating sufficient cash flows and as a result the Company is dependent on external financing to fund its operations.

As at December 31, 2024, the Company had cash of $(104) (2023 - $125,492) to pay current liabilities of $582,861 (2023 - $287,356), which is normally due within one year.

As at December 31, 2024, the Company expects that it will be able to obtain funding from investors in order to meet its obligations. Additional financing needs for planned developments will be obtained in the normal course of operations.

Outstanding Share Data

On December 5, 2024, the Company consolidated its issued and outstanding shares on the basis of one post-consolidation SVS for each twenty (20) pre-consolidation SVS and one post-consolidation MVS for each twenty (20) pre-consolidation MVS.

As at the date of this report, the Company has the following outstanding share data:

- 11,909,221 post-consolidation SVS outstanding;
- 15,930 post-consolidation MVS outstanding;
- 2,941,104 post-consolidation SVS warrants;
- 29,076 post-consolidation MVS warrants; and
- 752,500 post-consolidation SVS stock options.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

As of the date of this MD&A, the Company's directors and officers are as follows:

Mona Coyle	Director
Jason Hobson	Director and COO
David Nikzad	Director, CEO and interim CFO
Jack Rentz	Director
Orthogonal Thinker Inc.	Related entity
Pluto 11.11, Inc.	Related entity

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.

As of December 31, 2024, the Company owed $269,055 (2023 - $Nil) to related parties.

On January 12, 2023, the Company entered into a promissory note agreement with Orthogonal Thinker

Inc, an entity with common directors, whereby the Company had a loan payable of $480,000. The note was non-interest bearing, unsecured and due on demand. On March 21, 2023, the Company issued 240,000 SVS, 120,000 SVS warrants, 2,400 MVS and 1,200 MVS warrants to settle the loan payable. Each SVS warrant is exercisable at $3.00 and matures two years from the date of issuance. Each MVS warrant is exercisable at $300 and matures two years from the date of issuance.

On March 27, 2023, the Company invested $165,500 into Contango Digital Assets Inc., a private company, with common directors. As of the date pf this MD&A, there is no longer any common directors.

The remuneration of directors who resigned during the year, and former directors and key management personnel during the year ended June 30, 2024, are as follows:

All related party transactions are in the normal course of operations.

The Company has a loan receivable of $69,396 (2023 - $84,700) for expenditures paid for on behalf of Orthogonal Thinker Inc., who is a majority shareholders of the Company. The amount is non-interest bearing, unsecured and due on demand.

On March 21, 2023, the Company completed an equity financing and debt settlement, and issued 1,015,237 SVS and 10,152 MVS for $2,030,475. As part of the financing, Pluto 11.11 Inc. ("Pluto) participated in the financing. Pluto participated in the financing in the amount of $995,600 and acquired 497,800 SVS, 4,978 MVS, 248,900 SVS Warrants and 2,489 MVS Warrants. Prior to the financing, Pluto held no securities of the Company. Following the financing, Pluto owns approximately 14.43% of the issued and outstanding SVS (calculated by the total number of MVS held on an as-converted basis) on a non-diluted basis and 14.48% on a fully diluted basis.

On February 25, 2025, the Company completed a debt settlement and issued 2,340,000 SVS for $468,000. at a deemed price of CAD$0.20 per share to settle aggregate debt of CAD$468,000 of accrued liabilities owed to an insider and a consultant.

On February 26, 2025, the Company completed an equity financing round and issued 2,562,112 SVS for $768,633. As part of the financing, CEO and co-founder David Nikzad and co-founder Jason Hobson participated in the financing acquiring 952,000 SVS.

PROPOSED TRANSACTION

There was no proposed transaction.

BASIS OF PRESENTATION

The Company's consolidated financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

At June 30, 2024, the Company incurred a loss of $3,301,357 for the year then ended (2023 - $850,081), had a working capital deficiency of ($224,548) (2023 – working capital of $704,056) and has accumulated losses of $21,797,023 (203 -$18,495,666) since its inception. The Company expects to incur further losses in the development of its new business. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management estimates that the Company has sufficient funds to maintain its operations and activities for the upcoming year. These material uncertainties may cast significant doubt as to the Company's ability to continue as a going concern.

The Company's consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue to realize its assets and discharge its obligations and commitments in the normal course of operations. These consolidated financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

The Company's consolidated financial statements have been prepared on an accrual basis and are based on the historical cost basis except for certain financial instruments measured at fair value. The consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is the Company's functional currency.

The preparation of consolidated financial statements in compliance with IFRS as issued by the IASB requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

CHANGES IN ACCOUNTING STANDARDS NOT YET EFFECTIVE

Other standards have been issued for future adoption. The Company is in the process of assessing the impact of these pronouncements but does not expect their impact to be material.

FINANCIAL INSTRUMENTS RISK EXPOSURE

Fair value information

As of June 30, 2024, the Company's financial instruments consist of cash, convertible note receivable, loan receivable, investments, and accounts payable. The carrying values of loan receivable and accounts payable approximate their fair values because of their current nature. All financial assets and financial liabilities are recorded at fair value on initial recognition.

The categories of the fair value hierarchy that reflect the significance of inputs used in making fair value measurements are as follows:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity);

There were no transfers between levels during the six months ended December 31, 2024 and 2023.

Where the fair values of investments in private companies and convertible note receivable recorded on the consolidated statements of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgment is required to establish fair value.

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at December 31, 2024 and December 31, 2023:

	As at December 31, 2024		
	Level 1	**Level 2**	**Level 3**
Investments	$ -	$ -	$ 287,767

	As at December 31, 2023		
	Level 1	**Level 2**	**Level 3**
Convertible note receivable	$ -	$ 352,428	$ -
Loan receivable	$ 84,700	$ -	$ -
Investments	$ -	$ -	$ 3,533,924

Digital assets and risk management

Cryptocurrency held by the Company is measured using Level 2 fair values, determined by taking the rate from CoinAPI (Binance) and benchmarked against CoinMarketCap. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets.

Digital assets have a limited history and the fair value historically has been relatively volatile. Historical performance of digital assets is not indicative of their future price performance.

The Company's digital assets currently consist of Bitcoin, Ethereum, NFTs and other digital assets. As at December 31, 2024, if the market price of digital currencies increased or decreased by 10% with all other variables held constant, the corresponding digital assets value increase or decrease respectively would amount to approximately $4,692.

Difficulty to Determine Fair Value of Strategic Investments, SAFEs and Convertible Notes (Private Companies) under IFRS 13 Standards

The valuation of private companies and the shares, SAFEs and convertible notes held the Company in such private companies is difficult to determine under IFRS 13 accounting standards given the limited financial information shared privately or available publicly (e.g., audited financials were not available nor required to be made available), as well as the illiquid nature of such private shares and private assets. Accordingly, fair value of certain strategic investments, SAFES and convertible notes are not able to be made under Level 1 or Level 2 accounting standards. The Company made determinations based upon Level 3 IFRS 13 accounting standards (Fair Value Measurement) by the Company given the circumstance presented notwithstanding non-measurable value or market performance of investee otherwise for the private investees. Based upon the foregoing and the rationale provided below for each SAFE, convertible note, equity or tokens, as applicable, management of the Company has determined the following fair valuations of the following holdings of the Company to comply with IFRS 13 accounting standards:

Unstoppable Domains. On August 30, 2023, the Company issued 15,109 MVS with a fair value of $37,773 to Pluto 11.11 Inc., a Delaware corporation ("Pluto") in exchange for 24,084 shares of Series A-1 Preferred Stock of Unstoppable Domains Inc. This transaction constitutes a related party transaction. The investee is a private company.

Novobeing (formerly known as Rocket Wellness Inc.). During the year ended June 30, 2023, the Company completed a share swap with Novobeing (formerly known as Rocket Wellness Inc.), an AR/VR start-up company, whereby the Company issued 83,334 Subordinate Voting Shares in exchange for 1,250,000 Novobeing shares. Novobeing is a start-up, private company with little or no public information available for valuation of the shares held by the Company. The Company is in its start-up stage, thinly traded, and under a Management Cease Trade Order ("MCTO") around the Valuation Date, and therefore, the valuation of the Warrant was considered negligible. As such, the fair value of one SVS was estimated to be $200 per share in fiscal 2024 based on the private placement. Based upon the limited capital, and the lack of progress with its initial projections, management has determined that the fair value of its investment has declined to $nil (June 30, 2023: $166,667).

On February 13, 2023, the Company closed an unsecured convertible debenture (the "Debenture") with Novobeing (formerly known as Rocket Wellness Inc.) for $331,000 (USD$250,000). During the year ended June 30, 2023, the Company paid $165,500 and Orthogonal Thinker Inc. paid $165,500 on behalf of the Company, which formed a portion of the loan payable. The Debenture bears interest of 8% compounded annually, maturing in 12 months and the principal and interest are convertible into preferred shares at the next equity financing, with a 20% discount, at the option of the debenture holders. Based upon the investee's limited capital on hand and inability to raise additional significant, additional capital since the Debenture was executed, and since the Debenture has since matured (without conversion) with a lack of investee's ability to repay the Debenture, management has recognized an impairment provision of $364,969 for the Debenture, which includes its accrued interest of $24,612.

Liquidity Risk

As at December 31, 2024, the Company held cash of $(104) (December 31, 2023 - $125,492), had working capital (deficiency) of ($435,019) (December 31, 2023 $120,403). At December31, 2024, the Company expects that it will be able to meet its obligations through additional financing from investors or related parties.

Interest Rate Risk

Interest rate risk is the result that the fair values and future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company currently has no interest-bearing financial instruments, so its exposure to interest rate risk is not significant.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company was mainly exposed to credit risk from holding cash, which it mitigates from holding balances with major financial institutions.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk and foreign currency risk. The Company holds investments in securities that will fluctuate in value as a result of fluctuations in estimated fair values of those securities. Furthermore, as the Company's activities are early-stage Web 3.0 development companies, market values will fluctuate subject to economic cycles and political events.

OTHER RISKS AND UNCERTANTIES

The Company operates at the forefront of blockchain innovation. Specializing in the LIF3 ecosystem, the company provides strategic investments and infrastructure solutions to enable the next generation of decentralized applications. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, application prices, political and economic risk.

The decentralized web business is risky and most projects will not be successful. The Company may offer an opportunity to another company to acquire an interest in a project in return for funding all or part of the project. For the funding of project acquisitions and development that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive decentralized web environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations following the cessation of its mining activities. The Company has not yet determined whether its projects are successful and are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish successful projects.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the applications development needed for the decentralized web, and may fail to meet its incubating, accelerating and developing projects and applications for the decentralized web commitments. The projects that the Company has an interest in is in the development stages only, are without known commercial success. The process of incubating, accelerating and developing projects and applications for the decentralized web involves a high degree of risk and few projects, that are developed, are ultimately developed into income producing projects.

If the Company's efforts do not result in any discovery of commercially viable projects, the Company will be forced to look for other commercially viable projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to the discharge of hazardous material and other matters.

Reliance on Management and Key Personnel

The success of the Company is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. The Company attempts to enhance its management and technical expertise by recruiting qualified individuals who possess desired skills and experience in certain targeted areas. The Company's inability to retain employees and attract and retain sufficient additional employees as well as information technology, engineering, and technical support resources could have a material adverse impact on the Company's financial condition and results of operation. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Lack of Operating History

Many of the Company's activities have only recently started to carry their businesses. The Company will therefore be subject to many of the risks common to early-stage enterprises, including under- capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. The failure by the Company to meet any of these conditions could have a materially adverse effect on the Company and may force it to reduce, curtail, or discontinue operations. There is no assurance that the Company will be successful in achieving a return on the Company's Shareholders' investment and the likelihood of success must be considered in light of the early stage of operations. The Company may not successfully address all of the risks and uncertainties or successfully implement its existing and new products and services. If the Company fails to do so, it could materially harm its business and impair the value of its common stock, resulting in a loss to Company Shareholders. Even if the Company accomplishes these objectives, the Company may not generate the anticipated positive cash flows or profits. No assurance can be given that the Company can or will ever be successful in its operations and operate profitably.

Volatile Market Price for SVS

The market price for the SVS may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following:

- actual or anticipated fluctuations in the Company's quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Company operates;
- addition or departure of the Company's executive officers and other key personnel;
- release or expiration of transfer restrictions on outstanding SVS;
- sales or perceived sales of additional SVS;
- operating and financial performance that vary from the expectations of management, securities analysts and investors;

- regulatory changes affecting the Company's industry generally and its business and operations;
- announcements of developments and other material events by the Company or its competitors;
- fluctuations to the costs of vital production materials and services;
- changes in global financial markets and global economies and general market conditions, such as interest rates;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors;
- operating and share price performance of other companies that investors deem comparable to the Company or from a lack of market comparable companies; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of SVS may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are lasting and not temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in share price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the SVS may be materially adversely affected.

Additional Financing

The Company's future capital requirements depend on many factors, including its ability to market cash flows from operations, locating and retaining talent, and competing market developments. The Company's business model requires spending funds in order to generate revenue. Based on the Company's current financial situation, the Company may have difficulty continuing its operations at the current level, or at all, if it does not raise additional financing in the near future.

In order to execute the Company's business plan, the company has closed a new round of equity and debt conversion on February 26, 2025. In the future the Company may require some additional equity and/or debt financing to undertake capital expenditures. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise financing to support on-going operations or to fund capital expenditures could limit the Company's operations and may have a material adverse effect upon future profitability. The Company may require additional financing to fund its operations to the point where it is generating positive cash flows.

If additional funds are raised through further issuances of equity or convertible debt securities, existing Company Shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of SVS. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital or to pursue business opportunities, including potential acquisitions. If adequate funds are not obtained, the Company may be required to reduce, curtail, or discontinue operations. There is no assurance that the Company's future cash flow, if any, will be adequate to satisfy its ongoing operating expenses and capital requirements.

In Certain Circumstances, the Company's Reputation Could be Damaged

Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views regarding the Company and its activities, whether true or not. Although the Company believes that it operates in a manner that is respectful to all stakeholders and that it takes care in protecting its image and reputation, the Company does not ultimately have direct control over how it is perceived by others. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on financial performance, financial condition, cash flows and growth prospects.

Difficult to Forecast

The Company will have to rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this stage of the industry in Canada and the United States. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Environmental and Employee Health and Safety Regulations

The Investments' operations may be subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes, and employee health and safety. Accordingly, the Investments will incur ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in costs for corrective measures, penalties or restrictions on certain Investments' production operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Investments' operations or give rise to material liabilities, which could have a material adverse effect on the business, financial condition and/or results of operations of the Investments and the Company.

Operations in Emerging Markets

The Company's Investments may have operations in various emerging markets in the future. Such operations expose the Company to the socio-economic conditions as well as the laws governing the industry in such countries.

Inherent risks with conducting foreign operations include, but are not limited to: high rates of inflation; extreme fluctuations in currency exchange rates, military repression; war or civil war; social and labour unrest; organized crime; hostage taking; terrorism; violent crime; expropriation and nationalization; renegotiation or nullification of existing licences, approvals, permits and contracts; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political norms, banking and currency controls and governmental regulations that favour or require the Investments to award contracts in, employ citizens of, or purchase supplies from, the jurisdiction.

Governments in certain foreign jurisdictions intervene in their economies, sometimes frequently, and occasionally make significant changes in policies and regulations. Changes, if any, in industry or investment policies or shifts in political attitude in the countries in which the Company invests may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of licences, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety. Failure to comply strictly with applicable laws, regulations and local practices could result in loss, reduction or expropriation of licences, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The Company continues to monitor developments and policies in the emerging markets in which it invests and the Investments operate and assess the impact thereof to its operations; however, such developments cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

Operating Risk and Insurance Coverage

The Company will obtain and maintain insurance to protect its assets, operations and employees. However, insurance that is otherwise readily available, such as workers compensation, general liability, and directors and officers' insurance, may be more difficult for the Company to obtain and more costly because the Company will be engaged in the cannabis industry. There are no guarantees that the Company will be able to find adequate insurance coverage in the future or that the cost will be affordable to the Company. While the Company believes it will be able to obtain sufficient insurance coverage to address all material risks to which it will be exposed, such insurance will be subject to coverage limits and exclusions and may not be available for all risks and hazards to which the Company is exposed. In addition, no assurance can be given that such insurance will be adequate to cover all of the Company's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Management of Growth

Should the Company experience rapid growth and development in its business in a relatively short period of time the Company may encounter growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Certain of the directors and officers of the Company are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies. For more information see Section 13.10 "*Conflicts of Interest*" of this Listing Statement.

Litigation

The Company may be forced to litigate, enforce, or defend its intellectual property rights, protect its trade secrets, or determine the validity and scope of other parties' proprietary rights. Such litigation would be a drain on the financial and management resources of the Company which may affect the operations and business of the Company.

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for SVS and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant company resources.

Subsequent to the year ended June 30, 2024, the Company received a letter from the legal counsel representing certain shareholders, claiming the return of their total investment of US$175,000. The letter includes certain allegations against the Company and its directors. However, management and legal counsel believes the claim is without merit and will not have a material adverse effect on the financial position or results of operations of the Company.

The market price of SVS may be subject to wide price fluctuations

The market price of SVS may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, legislative changes, and other events and factors outside of the Company's control. In addition, stock markets have from time-to-time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for SVS.

Resale of Shares and Liquidity

There can be no assurance that an active and liquid market for the SVS will develop or be maintained and an investor may find it difficult to resell any securities of the Company. In addition, there can be no assurance that the publicly-traded share price of the Company will be high enough to create a positive return for investors. Further, there can be no assurance that the shares of the Company will be sufficiently liquid so as to permit investors to sell their position in the Company without adversely affecting the share price. In such event, the probability of resale of the SVS would be diminished. An active public market for the SVS might not develop or be sustained after the completion of the listing of the SVS on the CSE. If an active public market for the SVS does not develop, the liquidity of a shareholder's investment may be limited, and the share price may decline.

Risks Relating to Investments in Cryptocurrency & Cybersecurity

Lack of Regulation of Cryptocurrency Market

Cryptocurrency exchanges are largely unregulated. Over the past several years, several cryptocurrency exchanges have been closed due to fraud, failure or security breaches. In many of these instances, the customers of such cryptocurrency exchanges were not compensated or made whole for the partial or complete losses of their account balances in such cryptocurrency exchanges. The closure or temporary shutdown of cryptocurrency exchanges due to fraud, business failure, hackers or malware, or government-mandated regulation may reduce confidence in cryptocurrency. These potential consequences could adversely affect the value of the Company's investments in cryptocurrency and the Company's ability to exchange cryptocurrency for other forms of liquid capital.

Inherent Instability of the Cryptocurrency Market

The further development and acceptance of the cryptocurrency industry is subject to a variety of factors that are difficult to anticipate and evaluate. The use of cryptocurrency to buy and sell goods and services, among other things, is a new and rapidly evolving industry. There is no assurance that cryptocurrency will become a leading means of digital payment. Any slowing or stopping of the development in the acceptance of cryptocurrency may adversely affect an investment in the Company. For a number of reasons, including for example, the lack of recognized security technologies, inefficient processing of payment transactions, problems in the handling of warranty claims, limited user-friendliness, inconsistent quality, and lack of clear universally applicable regulation as well as uncertainties regarding proprietary rights and other legal issues, cryptocurrency activities may in fact prove in the long run to be an unprofitable means for businesses. Factors affecting the further development of the cryptocurrency industry include: (i) continued worldwide growth in the adoption and use of cryptocurrency; (ii) government and quasi-government regulation of cryptocurrency and their use, or restrictions on or regulation of access to and operation of cryptocurrency systems; (iii) changes in consumer demographics and public tastes and preferences; (iv) the availability and popularity of other forms or methods of buying and selling goods and services; and (v) the regulatory environment and general economic conditions and the regulatory environment related to cryptocurrency. A decline in the popularity or acceptance of cryptocurrency would harm the business and affairs of the Company.

Volatility of Cryptocurrency Markets

The markets for cryptocurrencies have experienced much larger fluctuations than other markets, and there can be no assurances that erratic swings in price will slow in the future. In the event that the price of cryptocurrency declines, the value of an investment in the Company could also decline. Several factors may affect the price and volatility of cryptocurrency including, but are not limited to: (i) global cryptocurrency demand, depending on the acceptance of cryptocurrency by retail merchants and commercial businesses; (ii) the perception that the use and holding of cryptocurrency is safe and secure, and the related lack of or inconsistency in regulatory restrictions, particularly across various jurisdictions; (iii) conversely, heightened regulatory measures restricting the use of cryptocurrency as a form of payment or the purchase of cryptocurrency; (iv) investor's expectations with respect to the rate of inflation; (v) interest rates; (vi) currency exchange rates, including exchange rates between cryptocurrency and fiat currency; (vii) fiat currency withdrawal and deposit policies on cryptocurrency exchanges and liquidity on such cryptocurrency exchanges; (viii) interruption of services or failures of major cryptocurrency exchanges; (ix) general governmental monetary policies, including trade restrictions, currency revaluations; (x) global or regional political, economic or financial events and situations, including increased threat or terrorist activities; and/or (xi) self-fulfilling expectations of changes in the cryptocurrency market. As well, momentum pricing is typically associated with assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Momentum pricing of cryptocurrency may result in speculation regarding future appreciation in the value of cryptocurrency. As a result, changing investor confidence could adversely affect an investment in the Company.

Exposure to Hacking

Cryptocurrency trading platforms, or the Company's digital wallets may be hacked. Access to the Company's crypto-assets, maintained in a hosted online wallet, could also be restricted by cybercrime. Any of these events may adversely affect the operations of the Company and, consequently, its business and profitability. The loss or destruction of a private key required to access the Company's digital wallets may be irreversible. Any loss of access to its private keys or its experience of a data loss relating to the Company's digital wallets could adversely affect its business. To the extent such private keys are lost, destroyed or otherwise compromised, the Company will be unable to access coins held for users, and such private keys will not be capable of being restored by network. Any loss of private keys relating to digital wallets used to store the Company's cryptocurrency could adversely affect its business and profitability.

Technology Obsolescence and Difficult Obtaining Hardware

To remain competitive, the Company will have to continue to invest in further updating online platforms and hardware required for its activities. Should competitors introduce new services/software embodying new technologies, the Company recognizes its hardware and equipment and its underlying technology may become obsolete and require substantial capital to replace such equipment. The advances in technology in the cryptocurrency sector is rapid, and is likely to continue to evolve quickly. There is no assurance the Company will be able to maintain any technological edge over the competition.

Banking Regulations

A number of companies that provide cryptocurrency-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to cryptocurrency-related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide cryptocurrency-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks were to close the accounts of many or of a few key businesses providing cryptocurrency-related services. The inability of the Company or any subsidiary to maintain a bank account could have a negative impact on its business.

Intellectual Property Rights Claims against Crypto-Assets

Third parties may assert intellectual property claims relating to the holding and transfer of cryptocurrency and their source code, or claims against any of the Company's or any of its subsidiaries' patents or intellectual property rights associated with online platforms or NFTs. Regardless of the merit of any intellectual property claim or other legal action, any threatened action that reduces confidence in the cryptocurrency network's long-term viability or the ability of end-users to hold and transfer cryptocurrency may adversely affect an investment in the Company. As a result, an intellectual property claim could adversely affect the business and affairs of the Company.

Risks Relating to Multiclass Share Structure

Allocation of Multiple Voting Shares has the Effect of Concentrating Voting Control

The Company's MVS will have one hundred (100) votes per share and its SVS will have one (1) vote per share. Due to the 100-to-1 voting ratio between the MVS and SVS, the holders of MVS will continue to control a majority of the combined voting power of the Company until such time as the MVS represent a substantially reduced percentage of the total outstanding shares of the Company. The concentrated voting control could limit the ability of holders of SVS to influence corporate matters for the foreseeable future, including the election of directors as well as with respect to decisions regarding amendments to share capital, creating and issuing additional classes of shares, making significant acquisitions, selling significant assets or parts of the Company's business, merging with other companies and undertaking significant transactions. As a result, holders of MVS will have the ability to substantially influence most matters affecting the Company and actions may be taken that holders of SVS may not view as beneficial. The market price of the SVS could be adversely affected due to the significant influence and voting power of the holders of MVS. Additionally, the significant voting interest of holders of MVS may discourage transactions involving a change of control, including transactions in which an investor, as a holder of the SVS, might otherwise receive a premium for the SVS over then-current market price, or discourage competing proposals if a going private transaction is proposed by one or more holders of MVS.

MANAGEMENT OF CAPITAL

The Company's objectives of capital management are to safeguard its ability to support the Company's normal operating requirements on an ongoing basis. The Company includes shareholders' equity in the definition of capital.

The Company sets the amount of capital required in proportion to its operating requirements and perceived risk of loss. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company has historically relied on the equity markets to fund its activities and is open to new sources of financing to manage its expenditures in the interest of sustaining long-term viability. The Company's capital management objectives, policies and processes have not changed over the periods presented. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital requirements.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and interim Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the consolidated financial statements of the Company for the period ended June 30, 2024 (together the "Annual Filings").

The Chief Executive Officer and interim Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim and Annual Filings on SEDAR at www.sedarplus.ca.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations 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 NI 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.

CAUTIONARY STATEMENT

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration plans and our other future plans and objectives are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, (i) estimates of projects and scope of projects and programs, and (ii) estimates of stock-based compensation expense. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statement. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date of statements are made, and the Company endeavors to update corporate information and material facts on a timely basis. Forward-looking statements are subject to risks, uncertainties and other actors, including risks associated with incubating, accelerating and developing projects and applications for the decentralized web, price volatility in the decentralized web commodities we seek, and operational and political risks.