SOL Global Investments Corp.

FINANCIAL STATEMENTS

For the years ended November 30, 2024, and 2023

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of SOL Global Investments Corp.

Opinion

We have audited the financial statements of SOL Global Investments Corp. (the "Company"), which comprise the statements of financial position as at November 30, 2024, and 2023, and the statements of net loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2024, and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $51,625,647 for the year ended November 30, 2024, and, as of that date, had an accumulated deficit of $167,141,733. Further, total liabilities exceeded total assets by $37,110,045. As stated in Note 1, these events and conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements as at and for the year ended November 30, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter Description	How the Key Audit Matter was Addressed in the Audit
Fair value measurement of private investments based on unobservable inputs - Refer to Notes 3 and 4 to the Financial Statements As disclosed in Note 4 of the financial statements, as of November 30, 2024, the total fair value of the Company's Level 3 investments including securities of private issuers, promissory notes, and warrants, was $4,579,315. Management uses various valuation methodologies with unobservable market inputs in its determination of the fair value of private investments. The valuation methodologies used in estimating the fair value of these private investments vary based on the specific characteristics of the private investments. The valuation of private investments is inherently subjective and involves the use of significant management judgment and unobservable market inputs. As a result, the procedures related to the valuation methodologies and unobservable market inputs required a high degree of auditor judgment and increased audit effort, including the involvement of our fair valuation experts.	Among others, our audit procedures related to the valuation methodologies and unobservable market inputs used by management to estimate the fair value of the private investments included the following, together with the use of our fair valuation experts having specialized skill and knowledge: • We evaluated the appropriateness of the methodologies used in the valuation of private investments and the reasonableness of significant changes in valuation methodologies or significant unobservable market inputs, if any. • We reviewed relevant internal and external information, including industry data, to assess the reasonability of unobservable market inputs in instances where these inputs were more subjective. For certain investments, we developed independent fair value estimates by using financial information related to private investments and comparing it to the agreements or underlying source documents, and available market information from third party sources such as market spreads, market multiples, and leverages. • We scrutinized significant judgments and estimates to gain insights into their nature and impact. This involved identifying significant issues, actions taken to address them, and conclusions reached based on our assessment. • We evaluated management's fair value estimates by comparing them to subsequent transactions, taking into account changes in market or investment specific conditions. • We verified the fair value adjustments recorded by the management in these financial statements. • We also evaluated the appropriateness and adequacy of disclosures and presentation in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis ("MD&A") but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read MD&A identified above and, in doing so, consider whether MD&A is materially inconsistent with the financial statements, or our knowledge obtained in the audits, or otherwise appears to be misstated.

We obtained the MD&A prior to the date of this auditor's report. If based on the work we have performed on this MD&A, we conclude that there is a material misstatement of this MD&A, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audits. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Company audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the Company's financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Company's audits. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

The engagement partner on the audits resulting in this independent auditor's report is Ahmad Aslam, CPA,CA.

Zeifmans LLP

Toronto, Ontario
March 31, 2025

Chartered Professional Accountants
Licensed Public Accountants

SOL Global Investments Corp.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at	Notes	November 30, 2024 $	November 30, 2023 $
ASSETS			
Current assets			
Cash		**1,476,834**	113,841
Other receivables	5	**205,911**	1,933,982
Deferred tax asset	9	**-**	1,513,422
Investments	4	**36,137,145**	102,451,786
Intangible asset – held for trading – Digital currency	4	**2,705,941**	-
Promissory notes receivable	4	**318,143**	20,000
Prepaid expenses		**32,732**	37,179
Total current assets		**40,876,706**	106,070,210
Non-current assets			
Right of use asset	15	**-**	303,862
Leasehold improvements	16	**-**	22,221
Total non-current assets		**-**	326,083
Total assets		**40,876,706**	106,396,293
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	10	**10,587,909**	17,429,211
Severance payable	11	**23,899,206**	4,911,533
Promissory notes payable	12	**-**	1,029,961
Lease liability	15	**-**	326,352
Income tax payable	9	**24,646,821**	25,515,583
Term loan	13	**8,685,764**	10,202,340
Debenture	13	**10,167,051**	20,610,880
Total current liabilities		**77,986,751**	80,025,860
Non-current liabilities			
Severance Payable	11	**-**	18,658,284
Total non-current liabilities		**-**	18,658,284
Total liabilities		**77,986,751**	98,684,144
SHAREHOLDERS' EQUITY(DEFICIENCY)			
Share capital	6	**135,620,794**	128,889,904
Contributed surplus (deficit)		**(5,983,559)**	(5,983,559)
DSU/PSU reserve	8	**394,453**	321,890
Accumulated deficit		**(167,141,733)**	(115,516,086)
Total shareholders' equity (deficiency)		**(37,110,045)**	7,712,149
Total liabilities and shareholders' equity (deficiency)		**40,876,706**	106,396,293

The accompanying notes are an integral part of these financial statements.

Nature of operations and going concern (note 1), Basis of presentation (note 2), Commitments and contingencies (note 14) Subsequent events (note 20)

On behalf of the Board of Directors, on March 31, 2025:

/s/ Jason Batista
Director

/s/ John Zorbas
Director

SOL Global Investments Corp.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Note	**Year ended Nov 30, 2024 $**	Year ended Nov 30, 2023 $
Revenue (Loss)			Restated
Net change in fair value of investments	4	**(38,846,796)**	(38,884,508)
Interest and other income	4	**221,919**	838,789
Foreign exchange loss		**(10,800)**	(20,637)
Total revenue (loss)		**(38,635,677)**	(38,066,356)
Expenses			
Salaries and consulting		**2,012,388**	2,365,454
Share-based compensation	8	**72,563**	15,438
General and administrative		**689,600**	441,612
Interest expense		**6,924,239**	2,905,407
Financing expense		**2,125,710**	4,373,189
Professional fees and transaction costs		**1,111,038**	1,461,310
Settlement		**-**	338,538
Revaluation loss on digital currency		**54,432**	-
Total expenses		**12,989,970**	11,900,948
Loss before income taxes		**(51,625,647)**	(49,967,304)
Deferred income tax expense(recovery)	9	**1,513,422**	(1,513,422)
Current income taxes recovery	9	**(1,513,422)**	(14,319,778)
Net loss		**(51,625,647)**	(34,134,104)
Net loss per share, basic	7	**(0.93)**	(0.63)
Net loss per share, diluted	7	**(0.93)**	(0.63)
Weighted average number of shares o/s - basic	7	**55,548,429**	54,441,981
Weighted average number of shares o/s - diluted	7	**55,548,429**	54,441,981

The accompanying notes are an integral part of these financial statements.

SOL Global Investments Corp.
Statements of Shareholders' Equity (Deficiency)
(Expressed in Canadian Dollars)

	Note	Number of common Shares	Share capital	Contributed surplus (deficit)	DSU/PSU Reserve	Accumulated deficit	Total
			$	$	$	$	$
Balance, November 30, 2022		54,441,981	128,889,904	(6,255,159)	578,052	(81,381,982)	41,830,815
Share-based compensation	8	-	-	-	15,438	-	15,438
PSUs cancelled		-	-	271,600	(271,600)	-	-
Net loss		-	-	-	-	(34,134,104)	(34,134,104)
Balance November 30, 2023		54,441,981	128,889,904	(5,983,559)	321,890	(115,516,086)	7,712,149
Share-based compensation	8	-	-	-	72,563	-	72,563
Shares issued for indebtedness		36,872,601	5,530,890	-	-	-	5,530,890
Financing fee - Shares issued to Debenture holder		8,000,000	1,200,000				1,200,000
Net loss		-	-	-	-	(51,625,647)	(51,625,647)
Balance, November 30, 2024		**99,314,582**	**135,620,794**	**(5,983,559)**	**394,453**	**(167,141,733)**	**(37,110,045)**

The accompanying notes are an integral part of these financial statements.

SOL Global Investments Corp.
Statements of Cash Flows
(Expressed in Canadian Dollars)

For the year ended	November 30, 2024 $	November 30, 2023 $
OPERATING ACTIVITIES		
Net loss	**(51,625,647)**	(34,134,104)
Items not affecting cash:		
Unrealized loss on investments	**39,102,093**	28,451,069
Realized (gain) loss on investments	**(200,865)**	10,145,787
Depreciation expense	**199,870**	697,165
Accrued interest income	**(4,948)**	(607,466)
Accretion expenses	**1,475**	95,805
Share-based compensation	**72,563**	15,438
Changes in non-cash working capital:		
Prepaid expenses	**4,447**	(4,447)
Other receivables	**(1,151,794)**	(1,615,647)
Interest payable	**6,002,078**	1,921,885
Accounts payable and accrued liabilities	**1,287,868**	(348,130)
Miami office lease termination	**-**	(1,350,047)
Income tax payable (recovery)	**644,662**	(15,833,200)
Purchase of investments, promissory notes & convertible debentures	**(5,273,119)**	(9,549,392)
Proceeds of disposition of investments & convertible debentures	**31,162,679**	18,570,938
Net cash (used in)/from operating activities	**20,221,362**	(3,256,693)
FINANCING ACTIVITIES		
Principal repayment on debentures	**(15,817,082)**	(2,884,895)
Financing fees on debenture/term loan	**2,961,094**	1,927,976
Severance repayment	**(3,159,965)**	(6,171,798)
Financing expense on severance payable	**476,185**	287,653
Additional debt on debenture	**6,265,020**	9,849,827
Principal repayment on Term loan	**(2,000,000)**	-
Promissory Note payable repayment	**(1,029,961)**	-
Term loan interest payment	**(783,917)**	-
Interest payment on debenture	**(5,769,743)**	-
Term loan interest transferred to Principal	**-**	577,500
Net cash from/(used in) financing activities	**(18,858,369)**	3,298,610
Net change in cash during the year	**1,362,993**	41,917
Cash, beginning of year	**113,841**	71,924
Cash, end of year	**1,476,834**	113,841
Supplemental cash flow disclosure:		
Shares issued to reduce indebtedness	**5,530,890**	-
Financing fee – Shares issued to Debenture holder	**1,200,000**	-

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

SOL Global Investments Corp. (the "Company" or "SOL Global") was incorporated under the laws of the Province of Ontario, Canada on January 28, 2005. The common shares of the Company ("Common Shares") are listed on the Canadian Securities Exchange ("CSE") under the symbol "SOL", the OTCPK in the United States of America under the symbol "SOLCF", and on the Frankfurt Exchange under the symbol "9SB". The Company is a diversified international investment and private equity holding Company engaged in investing in small and mid-cap sectors. On November 4, 2024, the company announced a strategic shift, with the Company now focusing on investing in the Solana blockchain network. The Company is pioneering institutional investment in the Solana ecosystem. As one of the first publicly traded companies globally focused on Solana investment, SOL Global aims to provide significant public exposure to the Solana blockchain through token acquisition, staking for yield generation, and investments in early-stage ventures being built on Solana.

The Company's registered office and principal place of business is 5600-100 King Street West, Toronto, ON, Canada, M5X 1C9.

These financial statements were approved by the Board of Directors of the Company (the "Board") and authorized for issuance on March 31, 2025. The Board has the power to amend the financial statements after issue.

GOING CONCERN

These financial statements have been prepared on a going concern basis which presumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. These financial statements do not reflect any adjustments that would be necessary if the going concern assumption were not appropriate. Should the Company be unable to generate sufficient cash flows from the financing and operating activities and in case such events impair the Company's ability to continue as a going concern, adjustments may be necessary to the carrying values of the Company's assets and liabilities to state them at the realizable and settlement values. Such adjustments could be to material to these financial statements.

For the year ended November 30, 2024, the Company incurred a net loss of $51,625,647 (2023 - $34,134,104) and as at November 30, 2024, the Company has an accumulated deficit of $167,141,733 (2023: $115,516,086). In addition, the total liabilities exceeded assets by 37,110,045. These events and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company anticipates that it has sufficient funds and investments to service its liabilities and fund its operating costs for the immediate future. The Company's ability to continue as a going concern is dependent upon obtaining sufficient additional funding from its stakeholders and to generate sufficient revenues and positive cash flows from its operating activities to meet its obligations and fund its planned investments and operations.

2. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") using the significant accounting policies outlined in Note 3.

These Financial Statements have been prepared on a going concern basis are presented in Canadian dollars, which is the function and reporting currency of the Company and its subsidiaries.. These financial statements have been prepared using the accrual basis of accounting, except for cash flow information. In addition, these financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

Investment Company Status

In accordance with IFRS 10 *Consolidated Financial Statements* ("IFRS 10"), an investment entity is an entity that: "obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis." In addition, IFRS 10 clarifies that an investment entity may earn fee income from the provision of investment-related services to external parties. As at August 1, 2018 and up to the date of these financial statements, the Company determined that it met the definition of an investment entity based on the above-noted criteria. Accordingly, all investments are classified at FVTPL.

The company, being an investment entity as per IFRS 10, applies the investment entity exemption. Consequently, those subsidiaries and investee companies in which the Company holds a partial ownership interest and which at their own meet the investment entity criteria, are not consolidated but are measured at fair value through profit or loss. The Company holds a 63% interest in House of Lithium Ltd. and a 27.81% interest (indirectly) in Livwrk SOL Wynwood LLC. These entities are measured at fair value through profit or loss as required by IFRS 10, The fair value is determined using the Net Asset Valuation method for House of Lithium Ltd. and the Income Approach for Livwrk SOL Wynwood LLC.

The company's wholly owned subsidiaries, namely SOL Focused Investments LLC (formerly SOL Verano Blocker 1 LLC), SOL Verano Blocker 2 LLC, and Blue Sky Holdings USA Inc., perform investment related activities for the Company, and do not meet the investment entity criteria on their own. These subsidiaries are controlled by the Company through 100% ownership and are consolidated in these financial statements in accordance with IFRS 10 guidance. All intercompany transactions and balances are fully eliminated upon their consolidation. In addition, there are certain other entities wholly or partially owned and/or controlled by the Company which are inactive for long and have no transactions and balances to report. Therefore, those entities have no impact on these financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Significant Accounting Judgements and Estimates

The preparation of financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could differ from these estimates. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to:

Classification of the Company as an investment entity under IFRS 10 – Judgment is required when making the determination that the Company meet's the definition of an investment entity under IFRS. The assessment is described in note 2 above.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Going concern risk assessment - The assessment of the Company's ability to continue as a going concern and whether it is able to meet its liabilities for the ensuing year, involves significant judgment based on expectation of future events that are believed to be reasonable under the circumstances. In making its determination that the Company is able to continue as a going concern, the Company has taken into consideration its cash position, the fact that some of its publicly traded and certain private investments can be liquidated in a short time period and its current liabilities, which consist amounts owed to key/former management, income taxes payable, term loan and the debenture liability.

Fair value of financial assets including equity investments and convertible debentures held - The Company reviews its investments and records their fair value at each financial statement reporting date. For investments in public companies, fair value is determined based on the quoted market price. The company invests in Limited partnerships, "LPs" through cash investments or asset transfers in return the company receives LP units. A limited partnership (LP) is a business entity that requires at least one general partner and one or more limited partners. The limited partnership business structure is often used as a vehicle for individuals who pool their money to invest in real estate or other assets. For investments in private companies and Limited partnerships ("LPs"), certain subjective measures, including recent share transactions, prices for comparable entities, review of cash flow projections and the investee's prospects, financial ratios and discounted cash flows are techniques used to determine fair value. Where possible the Company uses inputs obtained from observable market data for its valuation models. However, if observable market data is not available the Company uses judgement to determine fair value of such investments.

Income Taxes - Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Management exercises judgment in estimating the provision for taxes. The Company is subject to tax laws in various jurisdictions where it operates. Various tax laws are potentially subject to different interpretations by the taxpayer and the relevant tax authority. To the extent that the Company's interpretations differ from
those of tax authorities, or the timing of realization is not as expected, the provision for taxes may increase or decrease in future periods to reflect actual experience.

Share-based Compensation - The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions in certain instances requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option or deferred share unit, volatility and dividend yield and making assumptions about them.

Cash and Cash Equivalents
Cash and cash equivalents include cash at banks, cash held in trust accounts with lawyers, cash on hand, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

Other Receivables
Other receivables are measured at fair value.

Leasehold Improvements
Leasehold improvements are recorded at cost less accumulated amortization. Leasehold improvements are amortized on a straight-line basis over the term of the lease.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Income Taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting period, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when the related asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at the end of the reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Digital Currencies – Accounting Treatment

Initial Recognition:

Digital currencies acquired through mining activities are recognized at their fair value on the date they are received as consideration for mining services. Digital currencies obtained through purchases are initially recognized at cost, which includes any directly attributable transaction costs.

Subsequent Measurement:

The Company applies the revaluation model as outlined in IAS 38, given the existence of an active market for digital currencies. Digital currencies are measured at fair value at each reporting date. Any revaluation gains are recognized in Other Comprehensive Income (OCI) and accumulated in the revaluation surplus within equity. Revaluation losses that exceed previously recognized gains in OCI are recorded in Profit or Loss (P&L).

Derecognition:

Upon the sale or disposal of digital currencies, the carrying amount is derecognized, and any resulting gain or loss is recognized in Profit or Loss. The revaluation surplus associated with the disposed digital currencies is transferred directly to retained earnings and is not recycled through Profit or Loss.

Future Guidance Considerations:

As the accounting treatment of digital currencies continues to evolve, management will monitor IFRS developments and adjust the accounting policy if authoritative guidance is issued by the IASB. Any required changes in accounting policy may have a material impact on the financial statements.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average number of shares outstanding are increased to include additional shares for the assumed exercise of stock options, warrants, deferred share units and performance share units, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. In a loss reporting period, potentially dilutive equity instruments are excluded from the loss per share calculation as the effect would be anti-dilutive.

Share Capital

Common shares are classified as equity. Costs directly attributable to the raising of share capital are charged against share capital. The Company follows the relative fair value method with respect to the measurement of Common Shares and warrants issued as units and bifurcate the value of warrants and shares in units. The proceeds from the issuance of units are allocated between share capital and warrants. The warrant component is recorded in equity reserve.

Foreign Currency Translation

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company is the Canadian dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, the Effects of Changes in Foreign Exchange Rates. Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the date of the transaction. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in a foreign currency are translated at the rate of exchange prevailing at the statement of financial position date, while non-monetary assets and liabilities are translated at the exchange rate prevailing on the transaction date. Revenues and expenses are translated at the exchange rate in effect on the date of the transaction. Exchange gains and losses arising on translation of amounts denominated foreign currencies to the Company's functional currency are included in profit or loss.

Share-based compensation

The Company has an Incentive Plan in which it may grant stock options, deferred share units (DSUs), and performance share units (PSUs) to directors, employees, and consultants. The Company measures share-based compensation at fair value for all share-based awards granted.

Equity settled service award

Stock options are measured at fair value of the instrument on grant date and recognized over the vesting period on a straight-line basis. The fair value of the options is determined using the Black Scholes Option Pricing Model which incorporates all market vesting conditions. Service vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest.

DSUs are granted as a long-term incentive component of compensation. The DSU are measured on grant date and recognized in the statement comprehensive loss over the vesting period on a straight-line basis. The grant date fair value of DSU is based on the Company's closing stock price on the date of the grant.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Equity settled performance award

The Company's PSU plan provides for share unit grants to officers, employees, directors, and consultants as an incentive component of their compensation. Whether units are earned at the end of the performance period will be determined based on the achievement of certain performance objectives over the performance period. The performance objective includes achieving a Net Asset Value (NAV) per shares greater than $4.00 at the end of the performance period. Depending on the results achieved during the performance period, the actual number of shares that a grant recipient receives at the end of the period range from 0% to 100% of the PSU granted. The PSU can either be paid in cash or shares at the discretion of the Company, the Company intends to settle the PSU through issuance of shares. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Financial Instruments

When a financial instrument is initially recognized, its fair value is generally the value of consideration paid or received, any transaction costs are not included as part of the cost of the financial instrument. Purchases and sales of investments are recognized on the trade date. Transactions pending settlement are reflected on the statement of financial position as accounts receivable or in accounts payable and accrued liabilities. Gains and losses arising from the sale of investments are recognized in the Statements of Comprehensive Income. When units are purchased that consist of shares and warrants, the warrants received are also recognized at fair value, but any resulting gain or loss is deferred to the extent that the warrant fair value is determined using unobservable input.

Valuation of Financial Instruments

The fair value of equity investments traded in the active market are based on quoted market prices on the principal exchange on which the equity instrument is traded. For equity investments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions, and other risks affecting the specific investment. Investments that are restricted as to sale or transfer are recorded at a value which takes into account the restrictions. In determining the fair value for such investments, the Company considers the nature and length of the restriction, business risk of the investee Company, its stage of development, market potential, relative trading volume and price volatility and any other factors that may be relevant to the ongoing and realizable value of the investments. The amounts at which the publicly traded investments could be disposed of may differ from this fair value and the differences could be material. Differences could also arise as the value at which significant ownership positions are sold is often different from the quoted market price due to a variety of factors such as premiums paid for large blocks or discounts due to illiquidity. These estimated costs of disposition are not included in the fair value determination.

Fair value of equity instruments not quoted are measured using a combination of market and income approach. These approaches include the use of recent arm's length transactions, comparable Company transactions, earnings multiples, net assets, discounted cash flows, industry valuation benchmarks, and available market prices. The most appropriate valuation methodology is chosen that makes maximum use of inputs observed from the markets, on an investment-by-investment basis, after considering the history and nature of the business, operating results and financial conditions, industry and market conditions, capital market and transaction market conditions, contractual rights relating to the investment, public market comparables, private Company transaction multiples and, where applicable, other pertinent considerations. The process of valuing investments for which no published market exists is based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investment. The amounts at which the privately held investments could be disposed of may differ from the fair value assigned and the differences could be material.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

The Company uses widely recognized valuation models for determining the fair value of other financial instruments such as convertible debt and warrants of public and private investments. Some or all of the significant inputs into these models may not be observable in the market and may be derived from market prices or rates or estimates based on assumptions. Valuation models that apply significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value.

Classification of Financial Instruments

In accordance with IFRS 9 *Financial Instruments* ("IFRS 9"), all Investments and convertible debt are classified upon initial recognition at fair value through profit or loss (“FVTPL”) on the basis that they are a part of a group of financial assets that are managed and have their performance evaluated on a fair value basis in accordance with risk management and investment strategy of the Company. Changes in fair value at each reporting date is recorded in the Statements of Comprehensive Income. Financial instruments classified as FVTPL include cash and cash equivalents, equity investments, other receivables and convertible debentures. Accounts payables and accrued liabilities are recognized at amortized cost in accordance with IFRS 9. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the effective rate of interest, net of allowance of expected credit losses.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

The Company has classified its financial instruments as follows:

Financial Instruments (continued)

Financial Instrument	IFRS 9 Classification
Cash	FVTPL
Promissory notes receivable	FVTPL
Investments	FVTPL
Convertible debentures	FVTPL
Other receivables	FVTPL
Accounts payable	Amortized cost
Lease payable	Amortized cost
Debenture	Amortized cost
Promissory note payable	Amortized cost

Financial Instruments Hierarchy

The following describes the three-level hierarchy for fair value measurements based on transparency of inputs to the valuation of an asset or liability as at the measurement dates. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable market inputs (Level 3). The Company's financial instruments measured at fair value on the statements of financial position are measured using one of the three levels of the fair value hierarchy are as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

Transaction costs

Transaction costs for financial instruments classified as FVTPL are recognized as an expense in the year they are incurred.

Comprehensive Income (Loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in profit or loss. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts reported as other comprehensive income are accumulated in a separate component of shareholders' equity as accumulated other comprehensive income. The Company has not had other comprehensive income since inception.

Revenue recognition

Realized gains or losses on disposition of investments and change in unrealized gains or losses in the value of investments are calculated based on weighted average cost and are included in net investment gain (loss) in the statements of comprehensive loss. Realized gains and losses on disposal of investments and unrealized gains and losses, determined based on the change in the fair value of the investments, are reflected in the Statements of loss and comprehensive loss. Upon disposal of an investment, previously recognized unrealized gains or losses are reversed to recognize the full realized gain or loss in the period of disposition. All transaction costs associated with the acquisition and disposition of investments are expensed in the Statements of loss and comprehensive loss as incurred. The coupon interest on convertible

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Revenue recognition (Continued)
bonds are recognized on an accrual basis. Dividend income is recorded on the ex-dividend date and when the right to receive the dividend has been established.

Leases
IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to finance lease accounting, with limited exceptions for short-term leases or leases of low value assets.

As at the commencement date of a lease, the Company recognizes a lease liability and an asset representing the right to use the underlying asset during the lease term (i.e. the “right-of-use” asset) unless the underlying asset has a low value or the lease term is twelve months or less, which are expensed in the period incurred. At this date, the right-of-use asset is measured at cost, which includes the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred and also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset. The right-of-use asset is then depreciated using the straight-line method from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. The right-of-use asset may also be reduced for any impairment losses, if any.

At the lease commencement date, the lease liability is measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, then the Company uses its incremental borrowing rate as the discount rate, which is the rate the Company would pay for similar assets at similar locations over a similar term. The lease liability is measured at amortized cost using the effective interest method.

The lease liability is re-measured when there is a change in future lease payments due to a change in an index or rate, a change in the Company’s estimate of an amount payable under residual value guarantee, or if there is a change in the assessment of whether the Company will exercise a purchase, termination or extension option. When the lease liability is re-measured, a corresponding adjustment is made to the right-of-use asset or recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Related party transactions
Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Expected Credit Losses (“ECL”)
The Company has two types of financial assets that are subject to the expected credit loss model: (a) other receivables from government agency and third parties; and (b) promissory notes. While cash and cash equivalents are subject to the impairment requirements of IFRS 9, the identified credit risk and impairment loss is immaterial, as these funds are held with reputable financial institutions. The Company applies the simplified approach to providing for ECL prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all promissory notes and other receivables.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Accounting Standards issued but not yet effective

Application of new and revised accounting standards -

The Company adopted the amendments to IAS 1 Presentation of Financial Statements regarding the classification of liabilities as current or non-current and non-current liabilities with covenants, amendments to IFRS 16 Leases regarding the measurement requirements for sale and leaseback transactions, and amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Statements: Disclosures regarding additional disclosures about supplier finance arrangements, which were effective for annual periods beginning on or after January 1, 2024. These amendments did not have a material impact on the financial statements.

Future changes in significant accounting policies - At December 31, 2024, the following standards and interpretations which may be applicable to the Company, but have not yet been applied in these financial statements, were in issue but not yet effective:

IFRS 18 Presentation and Disclosure in Financial Statements and consequential amendments to other IFRS standards:

In April 2024, the IASB released IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1, IFRS 18 introduces new requirements to: i) present specified categories and defined subtotals in the statement of earnings, ii) provide disclosures on management-defined performance measures in the notes to the financial statements, iii) improve aggregation and disaggregation. Some of the requirements in IAS 1 are moved to IAS 8

Accounting Policies, Changes in Accounting Estimates and Errors and IFRS 7 Financial Instruments:

Disclosures. The IASB also made minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share in connection with the new standard. IFRS 18 requires retrospective application with specific transition provisions. The Company is required to apply IFRS 18 for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company has not early adopted this IFRS.

Amendments to IAS 21

Lack of exchangeability requires an entity to use a consistent approach when exchanging a currency into another. If the currency is unexchangeable, a consistent approach must be used in determining the exchange rate and necessary disclosures.

The Company does not anticipate these amendments to have a significant impact on its financial statements.

(Expressed in Canadian Dollars)

4. INVESTMENTS

Investments are measured and carried at fair value at each reporting period. Fair value measurements are based on a three-level fair value hierarchy, based on inputs used in determining the fair value of financial assets and liabilities. The hierarchy of inputs is summarized as follows:

Investments consisted of the following at November 30, 2024:

Financial assets measured at fair value	Cost $	Level 1 $	Level 2 $	Level 3 $	Total Fair Value $
Common shares	222,629,900	6,108,570	3,492,882	4,261,172	13,862,624
Commercial Asset	15,922,537	-	21,434,298	-	21,434,298
Warrants	4,350,485	-	840,223	-	840,223
Investments Subtotal	242,902,922	6,108,570	25,767,403	4,261,172	36,137,145
Intangible asset- held for trading- digital currency	2,760,373	2,705,941	-	-	2,705,941
Promissory notes receivable	278,262	-	-	318,143	318,143
Total	**245,941,557**	**8,814,511**	**25,767,403**	**4,579,315**	**39,161,229**

Investments consisted of the following at November 30, 2023:

Financial assets measured at fair value	Cost $	Level 1 $	Level 2 $	Level 3 $	Total Fair Value $
Common shares	269,955,997	3,834,599	38,036,717	39,778,668	81,649,984
Commercial Asset	15,170,102	-	18,498,695	-	18,498,695
Warrants	4,350,485	-	1,263,926	1,039,181	2,303,107
Investments Subtotal	289,476,584	3,834,599	57,799,338	40,817,849	102,451,786
Promissory notes receivable	1,085,849	-	-	20,000	20,000
Total	**290,562,433**	**3,834,599**	**57,799,338**	**40,837,849**	**102,471,786**

(Expressed in Canadian Dollars)

4. INVESTMENTS (Continued)

Change in Level 3 investments

The following table presents the changes in assets classified in Level 3 of the fair value hierarchy for the year-ended November 30, 2024, and the year-ended November 30, 2023.

	Private Equities $	Convertible debentures $	Promissory notes $	Warrants $	Total Fair Value $
Balance November 30, 2022	**70,783,430**	**2,260,370**	**2,519,842**	**992,726**	**76,556,368**
Purchases	8,883,085	-	-	-	8,883,085
Unrealized gains (losses)	(29,145,847)	1,488,018	(797,354)	46,455	(28,408,728)
Disposal	(9,418,219)	(3,748,388)	(1,702,488)	-	(14,869,095)
Transfer from Level 3 to Level 2(1)	(1,323,781)	-	-	-	(1,323,781)
Balance, November 30, 2023	**39,778,668**	**-**	**20,000**	**1,039,181**	**40,837,849**
Purchases	-	-	313,195	-	313,195
Unrealized gains (losses)	(35,328,550)	-	-	(1,039,181)	(36,367,731)
Disposal	-	-	(20,000)	-	(20,000)
Interest Income on prom note	-	-	4,948	-	4,948
Transfer from Level 3 to Level 2(2)	(188,946)	-	-	-	(188,946)
Balance, November 30, 2024	**4,261,172**	**-**	**318,143**	**-**	**4,579,315**

1. Private Companies were previously included part of level 3 for period ending November 30, 2022 and they were reclass to Level 2 for period ending November 30, 2023 and November 30, 2024.

(Expressed in Canadian Dollars)

4. INVESTMENTS (Continued)

Significant unobservable inputs

The key assumptions the Company used in the valuation of Level 3 investments include, but are not limited to, the value of recently completed financings by the investee, entity-specific information, and publicly available information of comparable entities.

	Fair value as at November 30, 2024 $	Fair value as at November 30, 2023 $	Range of Input	Valuation technique	Unobservable inputs
Private company common shares	**4,261,172**	**39,778,668**	Lack of Marketability Discount: 20%, Discount Rates: 9.0% Other Investment Specific Discounts: 24%-100%	Recent transaction and financings, Discounted cash flow methodology, trends in comparable companies and/or transactions	Period-end transaction prices, discount rates, growth and margin estimates, investment specific adjustments
Promissory notes	**318,143**	**20,000**	Discount rate 2% - 100%	Discounted cash flow methodology	Discount rate
Warrants	**-**	**1,039,181**	Volatility: 80.1%-81.7% Illiquidity discount for Private Warrants: 20%	Black-Scholes option pricing	Expected volatility, investment specific adjustments
Total	**4,579,315**	**40,837,849**			

For the Level 3 investments, the inputs used are judgmental using management's best estimates. A small increase or decrease in the key assumptions would result in a corresponding significant change to the total fair value of Level 3 investments. The overall effect of changing the values of the unobservable inputs by a set percentage, the significance of the impact and the range of reasonably possible alternative assumptions may differ significantly between investments, given their different terms and circumstances. The results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of these investments. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments.

The Company used a combination of valuation techniques as determined by the nature of each investment and security type. All valuation techniques rely on assumptions that may differ, to a reasonable degree, between informed professionals. This may include, but is not limited to, comparable multiples, discount rates, growth rates, increases or decreases in margins, the likelihood of certain events to take place in the future, the intensity of competition in a market, future volatility of market prices, credit worthiness of borrowers, and adjustments for investee specific factors.

(Expressed in Canadian Dollars)

4. INVESTMENTS (Continued)

	November 30, 2024 $	November 30, 2023 $
Investments		
Common shares, in public and private companies	**13,862,624**	81,649,984
Commercial assets	**21,434,298**	18,498,695
Common share purchase warrants, in public & private companies	**840,223**	2,303,107
Total Investments	**36,137,145**	102,451,786
Promissory notes, in public & private companies	**318,143**	20,000
Intangible asset – held for trading – Digital currency	**2,705,941**	-

As at November 30, 2024, the fair value of the Company's investments in cannabis and related investments in the United States of America totaled $272,137 (2023: $6,689,137). The fair value of non-United States of America cannabis, cannabis related investments and non-cannabis investments totaled $35,865,008 (2023: $95,762,649).

Investments
The Company's investments totalling $36,137,145 (2023: $102,451,786) include common shares in public and private companies, commercial assets, and common share purchase warrants of public companies. The Company values its common shares of public companies at price quotations in active markets. The Company values its common shares in private companies based on various factors including, but not limited to, present market conditions, values of comparable companies, internal or external valuations, the per share price of recent financings or transactions undertaken by the private Company, and the like. Internal valuations of private companies generally rely on a combination of approaches including market multiples of comparable companies, valuations and multiples of comparable transactions and intrinsic estimates of value such as discounted or capitalized cash flow methodologies.

Comparable market multiples rely on assumptions about the comparability of publicly traded companies. Multiples are adjusted for factors that are specific to private companies or the investment. For example, an illiquidity discount of 20% was applied to value companies that are not publicly traded based on the trading multiples of publicly traded comparable companies. Additional adjustments for size, market share, superior or inferior margins, among other considerations were applied where appropriate. The application and size of each adjustment is subject to professional judgement. A 10% change in a revenue or earnings multiple may significantly change the estimated value of an investment.

Often, private companies raise capital in multiple rounds. Occasionally, the Company invests in a round that was subsequently followed by another capital raise at a different valuation and a different price per share where unrelated third-party investors subscribed. The Company generally considers these arm's-length equity financing to be strong evidence of the fair market value of the investment at, or near, the time of the raise.

Intrinsic methods for valuing private companies are highly subject to professional judgement and are recorded as the midpoint of a range following a sensitivity analysis. Factors specific to each investment, such as forward-looking projections of sales and costs often rely on material non-public information provided by investees to investors. Small changes in discount rates, meant to reflect the risk of future cash flows, can have material effects on valuations. Many of the Company's investments are of a "high risk, high reward" nature due to the relatively early-stage of investee Company operations and industry and market volatility.

(Expressed in Canadian Dollars)

4. INVESTMENTS (Continued)

With the exception of warrants which are publicly traded, common share purchase warrants are valued using the Black- Scholes option pricing model. The following are the assumptions used in valuing the common share purchase warrants using the Black-Scholes option pricing model:

	November 30, 2024	November 30, 2023
Expected volatility	80%-82%	87%-111%
Risk-free interest rate	3.0%-3.3%	4.22%-5.41%
Expected life (in years)	0.2-0.9	0.21-1.94
Expected dividend yield	0.0%	0.0%
Underlying share price	$0.00-$1.00	$0.21-$14.73

Promissory Notes

As of November 30, 2024, a total of $318,143 with a cost of $313,195 (2023: $20,000 with a cost of $1,085,849) was held in promissory notes that were due from private companies. Interest accrued for the promissory notes as of November 30, 2024, was $4,948 (2023 - $Nil).

Commercial Asset

On March 23, 2021, one of the Company's subsidiaries invested in a Tampa real estate property valued at $860,370 CDN ($672,096 USD). As of November 30, 2023, Tampa real estate was disposed for $858,332 CDN ($636,944 USD) resulted in a realized loss of $47,370 CDN ($35,152 USD). On July 23, 2021, one of the Company's subsidiaries entered into a joint venture agreement on a real estate development project, in which SOL currently owns 27.81% of the joint venture. The Company has advanced $15,922,537 CDN ($12,178,569 USD) to the joint venture. As of November 30, 2024, the Miami commercial asset was valued at $21,434,298 (2023 - $18,498,695).

Intangible Asset- held for trading – Digital currency

The Company classifies its digital currencies as intangible assets under IAS 38 – Intangible Assets, as they are identifiable, non-monetary assets without physical substance. The Company has elected to apply the revaluation model, given the existence of an active market for Solana (SOL) tokens.

Initial Recognition

On November 18, 2024, the Company acquired 8,123 Solana (SOL) tokens at a price of US$246.21 per token, for a total investment of US$2.0 million (CAD $2,760,373).

Subsequent Measurement

In accordance with the revaluation model under IAS 38, digital currencies are measured at fair value at each reporting date, with changes recognized in Profit & Loss statement. As of November 30, 2024, the Company revalued its Solana holdings and recorded an unrealized revaluation loss of CAD $54,432, recognized in Profit & Loss statement. The updated carrying value of the Solana intangible asset at the reporting date was CAD $2,705,941.

Impairment and Derecognition

If the fair value of the digital currencies decreases below their historical cost, the impairment loss will be recognized in profit or loss, in accordance with IAS 38. Upon disposal of digital currencies, any gains or losses will be recognized in profit or loss, and the corresponding revaluation surplus will be transferred to retained earnings.

(Expressed in Canadian Dollars)

5. OTHER RECEIVABLES

As of November 30, 2024, the Company had receivables of **$205,911** (2023: $1,933,982).

	November 30, 2024	November 30, 2023
Beginning Balance	1,933,982	318,335
Recoveries	(490,208)	(556,438)
Additions – House of Lithium (1)	1,658,341	858,473
Additions – Third Parties (2)	-	1,313,612
Impairment	(2,896,204)	-
Total receivables	**205,911**	**1,933,982**

1. SOL Global and SOL subsidiary SOL Focused Investments Inc wired $1,658,341 to House of Lithium
2. In 2019, SOL Global invested in a convertible note with a private company which matured in 2023. The private company has agreed to repay the full note, valued at $1,313,612 and had repaid $354,581 as of November 30, 2023. As of November 30, 2024, the Company had not received payments from the private company, and the receivables were written off $753,120.
3 During the year, House of Lithium, a subsidiary of the Company, incurred significant losses, resulting in its equity turning negative. Given the subsidiary's financial position and uncertainty regarding its ability to recover, the Company has assessed the recoverability of its receivables from House of Lithium. As a result, management has determined that the receivables are fully impaired, and an impairment loss of $2,143,084 has been recognized in the statement of loss and comprehensive loss under impairment expenses. Management will continue to monitor the financial condition of House of Lithium and assess any potential future recoveries.

6. SHARE CAPITAL

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. Changes in the share capital of the Company during the period ended November 30, 2024, were as follows:

	November 30, 2024		November 30, 2023	
	Quantity	Amount	Quantity	Amount
Balance, beginning of period	54,441,981	$128,889,904	54,441,981	$128,889,904
Shares issued to reduce indebtedness	36,872,601	$5,530,890	-	-
Financing Fee – SOL Shares issued to Debenture holder	8,000,000	$1,200,000	-	-
Total shares outstanding at November 30, 2024	**99,314,582**	**$135,620,794**	**54,441,981**	**$128,889,904**

Changes in the share capital of the Company during the year-ended November 30, 2024, were as follows:

- 36,872,601 common shares valued at $5,530,890 issued to reduce outstanding indebtedness to several arms-length creditors
- The company issued 8,000,000 common shares, valued at $1,200,000, to Debenture holder as part of a financing fee, securing an extension of both the SOL Global and HOL debentures to September 30, 2025.

Changes in the share capital of the Company during the year-ended November 30, 2023, were as follows:

- Nil

(Expressed in Canadian Dollars)

7. EARNINGS PER SHARE

Earnings per share is based on the weighted average number of common shares outstanding during the period. The following table summarizes the calculation of the weighted average number of basic and diluted Common Shares:

	November 30, 2024	November 30, 2023
Issued common shares, beginning of period	53,099,576	54,441,981
Shares issued for indebtedness	2,448,853	-
Weighted average number of basic common shares	**55,548,429**	**54,441,981**
Weighted average number of dilutive common shares	**55,548,429**	**54,441,981**

8. SHARE-BASED COMPENSATION

The maximum aggregate number of Common shares that may be issued under the incentive plan shall not exceed, including the Company's Option Plan, the Company's DSU Plan, and the Company's PSU Plan, 15% of the issued and outstanding common shares at the grant date.

Stock options

The following table summarizes the Option Plan activity for the year-ended November 30, 2024, and year-ended November 30, 2023:

	Number of Options		Weighted Average Exercise Price
Balance, November 30, 2023	**79,000**	$	**2.58**
Expired	(79,000)		2.58
Balance, November 30, 2024	**-**		-

(Expressed in Canadian Dollars)

8. SHARE-BASED COMPENSATION (Continued)

Share units

The following table summarizes DSUs and PSUs activity for the year ended November 30, 2024, and November 30, 2023.

	Number of Performance Share Units	**Number of Deferred Share Units**	**Reserve**
Balance, November 30, 2022	**70,000**	**638,000**	**$578,052**
Cancelled	(70,000)	-	(271,600)
Granted	-	650,000	15,438
Balance, November 30, 2023	-	**1,288,000**	**$321,890**
Granted		**250,000**	**72,563**
Balance, November 30, 2024	-	**1,538,000**	**$394,453**

DSUs:

Each DSU entitles the holder to receive one common share in the future, based on continued service during the applicable period. During the year ended November 30, 2024, the Company granted 250,000 to directors (2023 – 650,000 to officer). The weighted-average grant date fair value of the DSUs granted on November 30, 2024, was $0.105 per share (2023 – $0.095). The weighted average vesting period for the outstanding DSUs is 3 years. The Company recorded share-based compensation of $72,563 (2023 - $15,438) related to the DSUs.

PSUs:

On September 1, 2023, the Company cancelled 70,000 PSUs that were not issued due to personnel departures and the Company recorded $271,600 to Contributed Surplus.

(Expressed in Canadian Dollars)

9. INCOME TAXES

The Company's provision for income taxes differs from the amount computed by applying the combined Canadian federal and provincial income tax rates to income (loss) before income taxes as a result of the following: A reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (year ended November 30, 2023: 26.5%) to the effective tax rate is as follows:

	November 30, 2024	November 30, 2023
	$	$
Loss before recovery of income taxes	**(51,625,647)**	(49,967,304)
Expected income tax (recovery) expense	**(13,375,048)**	(13,241,336)
Prior year adjustment	-	12,518,308
Realized loss (gain) on investments	**(377)**	1,065,495
Unrealized fair value loss (gain) adjustment on securities	**4,842,291**	3,057,970
Other adjustments	-	(5,225)
Other permanent differences	**(357,080)**	879,933
Change in tax benefits not recognized	**8,945,314**	(21,308,345)
Internal Revenue Service reassessment for prior year	**(55,100)**	-
Interest & Penalties	-	1,200,000
Income tax (recovery) expense	-	(15,833,200)

The Company's income tax (recovery) expense is allocated as follows:

Current tax (recovery)	**(1,513,422)**	(14,319,778)
Deferred tax (recovery) expense	**1,513,422**	(1,513,422)
Income tax (recovery) expense	-	(15,833,200)

The following table summarizes the components of deferred tax:

As at	November 30, 2024	November 30, 2023
	$	$
Deferred tax assets	**1,513,422**	**-**
Recognized in profit/loss	(1,513,422)	1,513,422
Deferred tax liability	-	**1,513,422**
Net deferred tax asset (liability)	-	**1,513,422**

(Expressed in Canadian Dollars)

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	November 30, 2024	November 30, 2023
Accounts payable(1)	**6,260,843**	7,350,726
Accrued liabilities(2)	**4,327,066**	7,634,311
Due to House of Lithium	**-**	1,948,081
HST payable(3)	**-**	496,093
Total	**10,587,909**	17,429,211

1. $6.3M related to legal, tax and other external consultants (November 30, 2023 -$7.4M)
2. $4.3M in accruals related to bonus payables to employees, accruals for audit, consulting etc. (November 30, 2023 - $7.6M)
3. Canada Revenue Agency ("CRA") re-assessed Company's prior periods HST filings and as a result the Company owes $Nil CDN (November 30, 2023 - $496,093) to CRA. As of November 30, 2024, $496,093 in payments were paid to CRA.

11. SEVERANCE PAYABLE

On April 25, 2022, the Company announced the appointment of Kevin Taylor as CEO and Chairman, succeeding Andrew DeFrancesco. Under the Severance Agreement dated April 24, 2022, Mr. DeFrancesco is entitled to severance payments totaling $24,000,000 over six years, paid in quarterly installments of $1,000,000. As of November 30, 2021, the Company had accrued $11,400,000 as a bonus payable to Mr. DeFrancesco. In compliance with IAS 19, the Company discounted and recorded the fair value of this liability. SOL Global's obligations are secured by the assets of Blue Sky Holdings USA Inc., a wholly-owned subsidiary with a 27% interest in SOL Global's North Miami real estate investment. Mr. DeFrancesco holds a subordinate position regarding collateral on the Company's assets. The Company agreed to: (i) refrain from incurring new debt, except for trade payables and debt up to $10 million, and (ii) grant Mr. DeFrancesco participation rights in future offerings to maintain his ownership stake in the Company.

On November 17, 2023, the Company entered into a revised agreement with Mr. DeFrancesco, which included changes such as a 7% interest rate on severance and bonus amounts, effective January 1, 2024. A fair value reserve, established at a 4% rate as of April 25, 2022, was also addressed. The revised agreement stipulated that the entire outstanding balance would be due by June 30, 2024. Consequently, the Company reversed the previous fair value reserve and recognized a new liability at fair value, bringing the total outstanding balance to $23,899,206, classified as current liabilities.

During FY 2022, the Company made severance payments totaling $3,815,675, and in FY 2023, made additional payments of $6,146,748. Under the revised agreement, the Company accrued 7% interest on the severance balance of $25,437,577 CAD from January 1, 2024, to November 18, 2024. The Company issued 8,666,667 SOL shares at $0.15 each, valued at $1,300,000, and transferred $1,859,964 in Damon convertible notes, reducing the severance balance to $22,277,613. Interest was accrued on this balance from November 19, 2024, to November 30, 2024. By November 30, 2024, the Company had accrued $1,621,593 CAD in interest, recorded as part of the severance payable, with no interest payments made as of that date (November 30, 2023 - $0).

12. PROMISSORY NOTES PAYABLE

The Company had the following promissory note payable:

On August 22, 2022, and November 24, 2022, the Company secured a promissory note of $600,000 and $80,000 from a private company for total of $680,000 CDN. As of November 30, 2024, the Company incurred $36,485 (November 30, 2023, $46,596 in accrued interest) in accrued interest for total owing of $771,666 (November 30, 2023 -$726,596. As part of shares for debt settlement, the company issued 5,144,441 shares @ $0.15 per share for total value of $771,666 and the promissory note is paid in full.

On October 31, 2023, the Company terminated the Miami Beach office lease agreement, both landlord and the company entered into a promissory note payable agreement for the rent owing and other expenses incurred by the landlord in the amount of $303,365 CDN ($207,355 USD). As part of shares for debt settlement, the company issued 2,022,433 shares @ $0.15 per share for total value of $303,365 and the promissory note is paid in full.

13. DEBENTURE

Non-revolving loan term facility
On September 3, 2021, the Company entered into a secured loan from an arm's length private lender (the "Lender") in the principal amount of $50,000,000 (the "Loan"). The Loan had a term of 12 months, bared interest at the rate of 9% per annum and was secured by a general security agreement. The Loan was entered into for the sole purpose of facilitating its subsidiary's acquisition of all of 1235 Fund LP's rights under the Debenture. To secure the Loan, the Company pledged shares in SOL Verano Blocker 1 LLC, Blue Sky Holdings USA Inc. and other wholly-owned subsidiaries and units in limited partnerships of the Company. Pursuant to the Loan, the Lender charged the Company a standby fee of 1.2% per annum until the drawdown date, 2% facility fee and 9% interest per annum calculated on an actual/360 basis. Due to the Company defaulting on the payments the rate of interest increased by five percent (5%) per annum to fourteen percent (14%). Interest continued to accrue at default rate (14%) until all outstanding obligations, including unpaid interest are fully paid.

The Loan matured and was payable in full one year from the date of the advance of the Loan (the "Maturity Date"). The company amended the payment terms several times which resulted in increased financing ("facility expense") expense. On September 3, 2021, the Company drew down the entire loan in the amount of $50 million to fund the settlement payment in connection with the settlement of litigation with 1235 Fund LP relating to the Debenture. The Company paid a facility fee of $1 million to the Lender and $0.1 million in legal fees. Pursuant to the Loan, commencing sixty days from the advance date and continuing until the earlier of the demand and the Maturity Date, 10% of the outstanding balance of the amount of the Loan should be paid on the 7th day of each month along with interest. As of November 30, 2024, the Company had made principal payments totaling $9.3 million, $5.8M in interest payment and $6.7M in financing fee towards the Loan (2023 – Principal - $2.0 million, Interest - $0.9 million, Financing fee - $1M). The Company accrued $0.2M in legal fee (2023 - $0.1M) and $1.8M in financing fee (2023 - $4.4M) and $3.2 million in interest expense (2023 - $1.3 million). The Company drew down additional loans of $6.3M (2023 - $8.9M) for Company's working capital. The company issued 8,000,000 common shares, valued at $1,200,000, to Braebeacon Holdings as part of a financing fee, securing an extension of both the SOL Global and HOL debentures to September 30, 2025.

(Expressed in Canadian Dollars)

13. DEBENTURE (Continued)

TERM LOAN

On June 3, 2022, the Company entered into a loan agreement with a private lender for a secured loan in the principal amount of $10 million (the "June 2022 Loan"). The June 2022 Loan had a term of 12 months and bared interest at the rate of 9% per annum. The June 2022 Loan was guaranteed by SOL Verano Blocker 1 LLC, a wholly owned subsidiary of SOL Global, and Blue-Sky Holdings USA Inc. ("Blue Sky"), an indirect subsidiary of SOL Global; and was secured with a general security agreement of Blue Sky, which consists primarily of an indirect interest in real estate located in Miami, Florida. The use of proceeds of the June 2022 Loan (net of fees and expenses of the lender) was to reduce the principal amount of an existing secured loan in the principal amount of $50,000,000 received from the Company from a separate arm's length private lender on September 3, 2021. Both parties agreed to extend the term loan which matured June 2, 2023, to April 2, 2024. As part of the extension, the Company agreed to the following terms: transfer interest owing $577,500 CDN to the principal balance, increase interest on the loan from 11% to 12.5% and additional financing fee of $50,000. The company made additional principal payment of $2M and $783,917 in principal and interest respectively (November 30, 2023 -Principal/Interest repayments - $0). Both parties agreed to extend the term loan which matured April 2, 2024 to May 31, 2025 as part of the extension agreement the company agreed to following a) interest rate increased to 18% per annum from 12.5% per annum, b) $50,000 default fee for any missed interest payments and c) $100,000 default fee and increased interest rate to 24% per annum if the company fails to repay the full loan balance (including principal, interest and fees) by May 31, 2025.

	Debenture	Term Loan	Total
As at November 30, 2022	11,826,333	9,081,370	20,907,703
Additions	8,866,513	-	8,866,513
Interest transfer to principal	-	496,130	496,130
Financing fee transfer to principal	(1,992,862)	-	(1,992,862)
Accrued Interest	1,304,788	599,840	1,904,628
Accrued facility fees	4,379,460	50,000	4,429,460
Accrued legal fees	111,623	-	111,623
Financing fee repayment	(1,000,000)	(25,000)	(1,025,000)
Principal Repayments	(2,000,000)	-	(2,000,000)
Interest repayments	(884,975)	-	(884,975)
As at November 30, 2023	20,610,880	10,202,340	30,813,220
Additions	6,265,020	-	6,265,020
Accrued Interest	3,116,882	1,267,341	4,384,223
Accrued facility fees	1,761,094	-	1,761,094
Accrued legal fees	247,285	-	247,285
Financing fee repayment	(6,725,565)	-	(6,725,565)
Principal Repayments	(9,338,803)	(2,000,000)	(11,338,803)
Interest repayments	(5,769,742)	(783,917)	(6,553,659)
As at November 30, 2024	**10,167,051**	**8,685,764**	**18,852,815**

14. COMMITMENTS AND CONTINGENCIES

Litigation

The Company will record a provision for losses when claims become probable, and the amounts can be reasonably estimated. The Company is subject to various claims, lawsuits and other complaints arising in its ordinary course of business.

On August 8, 2022, Reby and Restanca LLC (Reby's largest shareholder and the party appointed to represent the remaining selling shareholders) brought a claim against House of Lithium in the Delaware Court of Chancery alleging a breach of a stock purchase agreement between Reby and House of Lithium (the "Reby Agreement"). House of Lithium's position is that no such breach under the agreement occurred. The final Debrief took place March 30, 2023, and on June 30, 2023, the court ruled in favour of House of Lithium. Reby appealed the decision. On December 8, 2023, Delaware trial court ruled in favour of House of Lithium and was awarded $2,781,804.48 in costs and expenses including reasonable attorneys' fees. On October 9, 2024, Delaware Supreme court affirmed the rulings of trial court and the matter is now closed.

SOL Global is not a party to the action and SOL Global has not been named in any action relating to the Reby Agreement. As at November 30, 2024, the company owned approximately 63% of the common shares of House of Lithium.

On July 14, 2022, an external party filed a lawsuit against SOL former management pertaining to sale of the external party's equity shares in a publicly traded company. On June 8, 2023, both parties settled on the lawsuit. Total settlement amount was $250,000 USD. The Company wired $33,148 CDN ($25,000 USD) as outlined in the agreement and the remaining $225,000 USD was to be settled on December 1, 2023,through equity shares. The Company and the counterparty are still in negotiations regarding the settlement. For year-ended November 30, 2023, the Company accrued $305,390 CDN ($225,000 USD) as part of accounts payable and accrued liabilities.

The Company is party to certain management contracts. These contracts require additional payments of up to approximately in accrued bonuses of $1,825,000. Minimum commitments were approximately $6,359,106 all due within one year which includes accrued salary receivables to management of $1,339,857.

15. RIGHT OF USE ASSET AND LEASE LIABILITY

On May 30, 2020, the Company commenced a new office lease for office space in Miami, Florida, which expires on May 30, 2025, and recorded a lease liability and a corresponding right of use asset in the amounting to $1,276,775. The lease liability was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate which was determined to be 9% per annum for similar assets. The right of use asset was initially recorded at the present value of the lease obligation and the Company recorded depreciation of $117,038 for the year-ending November 30, 2023. On October 31, 2023, the Company terminated the Miami office space lease and accordingly wrote off the right of use asset and lease liability amounting to $1,035,575 and $1,147,416 respectively and resulted in a gain of $111,841.

On August 1, 2021, the Company commenced a new office lease for office space in Toronto, Ontario which expired on September 30, 2024, and recorded a lease liability of $1,367,377 and a corresponding right of use asset adjusted in the amount of $1,559,485. The lease liability was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate which was determined to be 4.99% per annum for prepaid rent and the Company recorded depreciation of $187,000 for the year-ended November 30, 2024 (2023: $466,474). On April 19, 2024, landlord terminated the Toronto office space lease and accordingly wrote off the right of use asset and lease liability amounting to $116,862 and $327,827 respectively and resulted in a gain of $210,965. As of November 30, 2024, the company owes landlord $884,703 CDN in unpaid rent.

(Expressed in Canadian Dollars)

15. RIGHT OF USE ASSET AND LEASE LIABILITY (Continued)

Set out below are the carrying amounts of right of use assets and lease liabilities recognized and the movements during the year:

	Right-of-use asset $	Lease Liabilities $
As at November 30, 2022	1,922,948	2,616,169
Depreciation	(583,512)	-
Rentals repaid adjustments	-	(1,238,206)
Miami Lease Termination	(1,035,574)	(1,147,416)
Finance Cost	-	95,805
As at November 30, 2023	**303,862**	**326,352**
Depreciation	(187,000)	-
Toronto office termination	(116,862)	(327,827)
Finance Cost	-	1,475
As at Nov 30, 2024	**-**	**-**

16. LEASEHOLD IMPROVEMENTS

As of November 30, 2024, the Company leasehold improvements balance was $Nil (2023: $22,221). The Company recorded depreciation expense of $12,870 for the year-ended November 30, 2024 (2023 - $113,653).

Miami office lease termination

On October 31, 2023, the Company terminated the Miami office space lease and accordingly wrote off $496,787 CDN incurred on Miami office lease renovation costs.

Toronto office lease termination

On April 19, 2024, the landlord terminated the Toronto office space lease and accordingly wrote off $9,351 CDN incurred on Toronto office lease renovation costs.

(Expressed in Canadian Dollars)

17. RELATED PARTY TRANSACTIONS AND BALANCES

Key management compensation

During the year ended November 30, 2024, the Company incurred payroll related costs of $704,879 CDN (2023 - $842,952) to directors and senior officers as key management. As of November 30, 2024, $1,339,857 (2023: $2,949,997) was included in account payable and accrued liabilities related to amounts due to directors and senior officers as key management that had not been paid. As of November 30, 2024, the Company recorded share-based compensation of $72,563 to directors (2023 - $15,438 to an officer).

During the year ended November 30, 2024, the Company incurred the following payroll related costs:

	November 30, 2024	November 30, 2023
Salaries & Consulting fees	**632,316**	827,514
Share-based compensation	**72,563**	15,438
Total	**704,879**	842,952

(b) Transactions with related parties

Transactions with House of Lithium

On November 9, 2021, the Company announced it had completed the disposition of its electric vehicle and clean technology investment portfolio (“the assets”, or collectively “the portfolio”) to House of Lithium, an electric mobility platform and climate tech focused spinoff company, preparing for an upcoming public listing. 38,758,776 Class B and 2,000,000 Class B common shares valued at $2 per share were issued. 5,000,000 warrants exercisable at $2 for two years, and 2,777,777 warrants exercisable for $3.60 for two years were issued.

	Cost	**FMV**
Total assets transferred to HOL – November 30, 2021	66,058,969	-
Purchase of equity units and warrants – November 30, 2021	4,000,000	-
Shares transferred from LP’s – November 30, 2023	5,894,204	-
Total	75,953,173	-

As at November 30, 2024, the Company owned approximately 63% of the common shares of House of Lithium on a partially diluted basis. The fair market value of the Company’s position in House of Lithium as at November 30, 2024, was $Nil (2023 - $33,121,208). As of November 30, 2024, the Company accrued management fee of $180,000 CDN (2023 - $114,081) and the Company had receivable of $0 (2023 – Owed $1,089,609)

17. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Transactions with SOL Focused Investments LLC (Formerly SOL Verano Blocker 1 LLC)

SOL Focused Investments LLC was incorporated in Delaware on October 22, 2018, as a wholly owned subsidiary of SOL Global Investments Corp. This entity functions as the Company's U.S. investment vehicle. As of November 30, 2024, the intercompany balances were as follows: Intercompany payable: $277,409,637 (2023: $249,134,933) and Intercompany investment: $118,500,000 (unchanged from 2023). For the year ending November 30, 2024, SOL Focused Investments LLC made payments of $28,274,703 on behalf of SOL Global Investments Corp.

Transactions with SOL Verano Blocker 2

SOL Verano Blocker 2 LLC was incorporated in Delaware on October 22, 2018, as a wholly owned subsidiary of SOL Global Investments Corp. As of November 30, 2024, the intercompany balances were as follows: Intercompany receivable: $97,355,760 (2023: $97,279,554). For the year ending November 30, 2024, SOL Global incurred expenses of $76,206 on behalf of SOL Verano Blocker 2 LLC. During the year end November 30, 2023, an intercompany interest income and interest expense of $ 6,533,701 remained unadjusted. During the year ended November 30, 2024, the company eliminated this interest income and interest expense. This restatement has no impact on the Statement of loss and comprehensive loss.

Transactions with Blue Sky Holdings USA Inc

Blue Sky Holdings USA Inc. was incorporated in Florida on April 21, 2020, as a wholly owned subsidiary of SOL Global Investments Corp., focused on U.S. real estate investments. As of November 30, 2024, the intercompany balances were as follows: Intercompany receivable: $14,251,562 (2023: $13,491,986).For the year ending November 30, 2024, SOL Global processed payments totaling $759,576 on behalf of Blue Sky Holdings USA Inc.

Transactions with SOL Wynwood LLC

SOL Wynwood LLC was incorporated in Florida on June 23, 2021. The Company holds a 46.97% interest in the entity, which is classified as a joint operation under IFRS 11. As of November 30, 2024, the intercompany balances were as follows: Intercompany receivable: $1,342 (2023: $1,042). For the year ending November 30, 2024, SOL Global processed payments totaling $300 on behalf of SOL Wynwood LLC.

Transactions with Captor Capital

On January 9, 2024, the Company appointed Mr. John Zorbas, to the board of directors. Mr. Zorbas currently serves as the President and CEO of Captor Capital Corp. As of November 30, 2024, the Company held: 137,410 Captor Capital shares valued at $109,928 CAD (2023: 5,188,647 shares valued at $415,092 CAD).

During the year 2023 an intercompany interest income and interest expense of $ 6,533,701 remained unadjusted. During the year the company has eliminated this interest income and interest expense. This restatement has no impact on the Statement of loss and comprehensive loss.

(Expressed in Canadian Dollars)

Executive Compensation

The following table sets out all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries for the two most recently completed financial years of the year ended November 30, 2024 and 2023, in respect of the NEOs as well as the directors of the Company.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission ($)	Share-based awards ($)	Option-based awards[7] ($)	Non-equity incentive plan compensation ($)	Value of all Other Compensation ($)	Total Compensation ($)
Paul Kania[1]	2024	530,616	-	-	-	-	530,616
Interim Chief Executive Officer & Chief Financial Officer	2023	589,117	-	-	-	-	589,117
Pad Gopal[2]	2024	181,333	-	-	-	-	181,333
Vice President & Controller	2023	179,792	-	-	-	-	179,792
Deena Siblock[3]	2024	101,700	-	-	-	-	101,700
Vice President & Director	2023	101,775	-	23,750	-	-	125,525
Mehdi Azodi[4]	2024	-	-	-	-	-	-
Director	2023	-	-	19,000	-	-	19,000
Jason Batista[5]	2024	-	-	-	-	-	-
Director	2023	-	-	19,000	-	-	19,000
John Zorbas[6]	2024	-	-	26,250	-	-	26,250
Director	2023	-	-	-	-	-	-

Notes:

(1) Mr. Kania was appointed Chief Financial Officer of the Corporation on May 20, 2020, and was appointed as interim Chief Executive Officer on February 27, 2023.

(2) Mr. Gopal was appointed Controller of the Corporation on September 24, 2018, and as was appointed as Vice President on November 1, 2020.

(3) Ms. Siblock was appointed Vice President and Director of the Corporation on February 27, 2023. She formerly served as Corporate Secretary of the Corporation.

(4) Mr. Azodi was appointed Director of the Corporation on February 27, 2023.

(5) Mr. Batista was appointed Director of the Corporation on May 15, 2023.

(6) Mr. Zorbas was appointed Director of the Corporation on January 9, 2024.

(7) Deferred Share Units (DSUs) were calculated using the Grant date share price

18. FINANCIAL RISK MANAGEMENT

The Company is exposed to certain financial risks. The impact on these financial statements are summarized below:

Market Risk
Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavorable market conditions could result in dispositions of investments at less than favourable prices. The market risks to which the Company is exposed are equity price risk and interest rate risk.

- Equity price risk - Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market or the cannabis sub- market. The Company's investments are subject to fluctuations in fair value arising from changes in the equity market. As at November 30, 2024, a 30% change in closing trade price of the Company's equity investment portfolio would impact net loss by $10,841,144 (2023: $30,735,536).

- Interest rate risk - Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash and cash equivalents, promissory notes and convertible debts held. The change in fair value of the Company's cash and cash equivalents, promissory notes and convertible debts held, due to changes of interest rates, is considered low.

Currency Risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company does not hedge its currency risk. The Company holds financial instruments that are denominated in a currency other than the Canadian dollar. A significant portion of the Company's cash outflows are in United States Dollars. In addition, numerous of the Company's investments are denominated in foreign currencies. During the year-ended November 30, 2024, a 10% change in foreign currencies held would have resulted in a change in loss by $126,372 (2023: loss of $6,429). During the year-ended November 30, 2024, the Company recognized a foreign currency exchange loss of $10,800 (2023: loss of $20,637).

(Expressed in Canadian Dollars)

18. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity Risk

Liquidity risk refers to the risk that the Company will not be able to meet its obligations as they become due. A Company's ability to continue as a going concern is dependent on receiving continued financial support from its stakeholders and, ultimately, on the ability to generate continued and sustainable profitable operations. The Company generates cash flow from the disposal of investments, financing activities, fees and dividend and interest income. The Company primarily invests in equity and debt instruments of various public and private companies. Due to a lack of an active market, the return on the disposal of investments in non-publicly traded companies may differ significantly from the carrying value of these investments. As of November 30, 2024, the Company's contractual cash flows, which were payable under financial liabilities consists of accounts payables, accrued liabilities, term loans, debenture and severance payable with payments due in less than one year. The Company's financial assets are classified as being convertible into cash in less than one year. Management is of the opinion that sufficient working capital is available from its financing, its operations and its divestiture to meet the Company's liabilities and commitments as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Given the relatively small size of the Company's staff, senior management and the Board are actively involved in the review, planning and approval of significant expenditures and commitments. The Company's financial liabilities are due within the next 12 months.

Concentration risk

Concentration risk is the risk that any single investment or group of investments will have the potential to materially affect the Company's operating results. As at November 30, 2024, the Company has invested in common shares, commercial asset, and warrants of public and private companies in the cannabis and non-cannabis sectors. The allocation between public and private companies is as follows:

	Cost	**Fair value**	**Fair Value Percentage**
	$	$	%
Public company common shares	24,933,614	6,108,570	17%
Private company common shares	197,696,286	7,754,054	21%
Warrants held in public company	4,350,485	840,223	2%
Commercial Asset	15,922,537	21,434,298	60%
	242,902,922	**36,137,145**	**100%**

As at November 30, 2024, 87% (2023: 65%) of the total fair value of the Company's investments were United States based companies while 7% (2023: 34%) and 6% (2023: 1%) of the total fair value of the Company's investments were in Canada and UK, respectively.

The primary goals of the Company's risk management programs are to ensure that the outcomes of activities involving elements of risk are consistent with the Company's objectives and risk tolerance. The Company's investment strategy requires a level of risk in exchange for an above average return on investment. The Company plans to maintain an appropriate risk and reward balance while protecting the Company's financial operations from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through aligning risk tolerance with the Company's business strategy, diversifying risk, pricing appropriately for risk, mitigating risk through preventative controls and transferring risk to third parties. The Company considers its shareholders' equity as its capital. The Company has no externally imposed capital requirements.

(Expressed in Canadian Dollars)

18. FINANCIAL RISK MANAGEMENT (Continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has two types of financial assets that are subject to the expected credit loss model:(a) other receivables from government agency and third parties; and (b) promissory notes. While cash and cash equivalents are subject to the impairment requirements of IFRS 9, the identified credit risk and impairment loss is immaterial, as these funds are held with reputable financial institutions. The Company applies the simplified approach to providing for ECL prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all promissory notes and other receivables while ECL calculation based on stage assessment has been performed for promissory notes. Below is a summary of credit ratings of debt instruments including convertible debentures and promissory notes held by the Company as part of its investment portfolio.

Credit Ratings	Percentage of Total Convertible Debentures & Promissory Notes (%)	Percentage of Total Investments (%)
Unrated (Promissory Notes)	100%	1.33%

19. CAPITAL MANAGEMENT

The Company's objectives when managing capital are: (a) to allow the Company to respond to changes in economic and/or marketplace conditions by maintaining the Company's ability to purchase new investments; (b) to give shareholders sustained growth in shareholder value by increasing shareholders' equity. It is the intention of the Company in the long term to pay out a portion of its future annual earnings to shareholders in the form of dividends; and (c) to maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk of its underlying assets. The Company has the ability to maintain or adjust its capital level to enable it to meet its objectives by: (a) realizing proceeds from the disposition of its investments; (b) utilizing leverage in the form of margin (due to brokers) and long- term debt from financial lenders; and (c) raising capital through equity financings.

20. SUBSEQUENT EVENTS

On December 3, 2024, SOL Global successfully closed its previously announced brokered private placement, raising $3.6 million by selling 18,000,000 units at $0.20 per unit. Each unit consists of one common share and one-half of one common share purchase warrant, with each full warrant exercisable at $0.30 per share for 24 months. The net proceeds from the offering will be used to purchase Solana tokens through reputable exchanges, and these tokens will be excluded as collateral from any future secured indebtedness.

On December 5, 2024, SOL Global invested $1.5 million in Solana tokens, acquiring 4,533 tokens at CDN $331 each, reflecting confidence in Solana’s role in blockchain, DeFi, and derivatives markets. The investment supports SOL Global’s strategy of owning and staking Solana tokens. The company also engaged OTB, Machai Capital, and Quantum Ventures for promotional and investor relations services under the following terms: OTB for CAD $50,000 (1 month), Machai for CAD $150,000 (3 months), and Quantum for USD $60,000 (2 months).

20. SUBSEQUENT EVENTS (Continued)

On December 9, 2024, SOL Global made an additional $1.5 million acquisition of Solana tokens at a price of CDN $343 per token, acquiring 4,372 tokens. This acquisition further strengthens the company's strategic investment in Solana, bringing SOL Global's total holdings to 17,028 tokens. On March 3, 2025, SOL Global acquired 12,828 Solana tokens and an additional 9,716 tokens for US$1,410,624, increasing its total holdings to 40,350 tokens.

On December 11, 2024, SOL Global successfully repaid $3.4 million of its outstanding debt to Braebeacon Holdings Inc., reducing the loan balance to $10.2 million.

On December 20, 2024, SOL Global signed a Letter of Intent (LOI) to transfer all assets, except Solana tokens, into a newly formed entity, focusing on blockchain innovation. The non-Solana assets and liabilities will be moved to a special purpose vehicle (SPV), with SOL Global receiving a 5-10% minority equity stake. SOL Global will settle most liabilities with equity in the SPV, relieving it of responsibility for the transferred liabilities. The proceeds from asset liquidation will be used to buy more Solana tokens. SOL Global can later repurchase the assets at transfer value. The transaction was completed by February 28, 2025, enabling the company to focus on Solana and reduce non-core liabilities. This reorganization clears SOL Global's liabilities, enabling it to focus on expanding its Solana holdings.

On December 31, 2024, SOL Global settled $9,598,162 in debt by issuing 23,995,405 Common Shares at $0.40 per share. This move simplifies the company's balance sheet, aiding future capital raising. The shares are subject to a four-month-and-one-day hold period. Related party transactions include PLK Accounting & Finance (owned by Paul Kania, Interim CEO & CFO) receiving 3,000,000 shares for $1,200,000 of debt and Pad Gopal, a Vice President of SOL Global receiving 500,000 shares for $200,000 of debt.

On January 21, 2025, SOL Global raised C$1,000,000 in the first tranche of its private placement, selling 1,000 Units at C$1,000 each. Each Unit includes a C$1,000 convertible debenture, convertible at C$0.40 per share until January 21, 2026, and 1,818 warrants, exercisable at C$0.55 per share for 12 months. The company can force conversion or redeem the debentures under certain conditions and accelerate the warrant expiry if the share price reaches C$0.88 for 5 days. SOL Global received the additional C$3,000,000 in three tranches i) February 5, 2025 - C$1,000,000, ii) February 19, 2025- C$1,000,000 iii) March 3, 2025 - C$1,000,000. Seventy-five percent of the proceeds will go toward purchasing Solana tokens. The offering was brokered by Canaccord Genuity Corp. and Clarus Securities Inc., with a 7% commission. A four-month hold period applies to the debentures and warrants.

On January 22, 2025, SOL Global launched SOL Global Ventures Inc. to invest in early-stage companies using Solana blockchain. Its first investment is a US$1 million to US$1.5 million stake in Stay Inc. ("STAY"), a short-term rental platform co-founded by Scott McGillivray. On March 21, 2025, both parties mutually agreed to halt the transaction after reviewing their strategic priorities.

On January 23, 2025, SOL Global announced a C$10,000,000 unsecured convertible debenture, convertible into units at C$0.50 per unit. Each unit includes one common share and one-half warrant, with full warrants exercisable at C$0.65 for 12 months. The financing will start with an initial C$2 million advance, followed by four additional C$2 million advances every 60 days. The debenture carries a 10% interest rate, with 70% of proceeds allocated to acquiring Solana tokens. The financing was structured to provide C$10 million in five C$2 million advances, with the first advance of C$2 million received on February 13, 2025. On March 21, 2025, due to market conditions and mutual discussions, SOL Global and its strategic investor agreed to cancel the remaining advances and obligations under the debenture.

20. SUBSEQUENT EVENTS (Continued)

On January 28, 2025, SOL Global announced a binding letter of intent to increase its investment in McQueen Labs Inc. a company using Solana blockchain for data authentication in the collector car market. SOL Global will acquire an additional 2,155,556 shares of MCQ at US$0.54 (C$0.691) per share, totaling US$1,164,000 (C$1,684,028). This will be paid with 3,125,000 SOL shares at C$0.40 per share and US$300,000 in cash.

On February 4, 2025, SOL Global entered into a Purchase and Sale Agreement for the acquisition of 12,828 Solana tokens (the "Tokens"). The Tokens will be purchased at US$192 each, totaling US$2,462,976. The transaction will be conducted using USDC stablecoin for efficiency and security. The Tokens will be subject to a vesting schedule, with a percentage released monthly, and the final tokens expected to be released by January 7, 2028.

On February 11, 2025, SOL Global engaged U.S. investment bank Joseph Gunnar & Co., LLC to up-list its securities to a senior U.S. exchange and conduct an IPO. The goal is to expand investments in the Solana blockchain ecosystem. Joseph Gunnar will serve as book-runner, underwriter, placement agent, investment banker, and advisor, subject to customary conditions. Offering details, including size and price, will be negotiated. The Underwriting Agreement includes a 7% underwriting discount, a 1% non-accountable expense allowance, and reduced fees for President's List investors. Additionally, the Company will issue Underwriter Warrants to purchase shares at 110% of the offering price. The Nasdaq listing aims to broaden SOL Global's investor base and access new capital.

On March 4, 2025, SOL Global completed the reorganization of its assets and liabilities, transferring all assets, except for its Solana token holdings, into a newly formed special purpose vehicle (the "Asset Vehicle"). This strategic move allows the Company to focus on blockchain innovation, particularly its significant position in Solana, while decoupling from historical liabilities. Here are the key details: Transferred Assets: All non-Solana assets, including electric vehicle company securities and real estate, were moved to the Asset Vehicle, Liabilities: Certain liabilities, including secured obligations, were assumed by the Asset Vehicle, which is now an independent entity, Ownership Structure: SOL Global holds all Non-Voting Common Shares in the Asset Vehicle, while the Second Lien Lender holds all Voting Shares. Impact on SOL Global: The reorganization clears historical liabilities from SOL Global’s balance sheet and allows the Company to focus on expanding its Solana holdings.