



**ANONYMOUS INTELLIGENCE COMPANY INC.**

**Management's Discussion and Analysis**

Three months ended December 31, 2024

## Management's Discussion & Analysis

This Management's Discussion and Analysis (the "MD&A") of the financial condition and results of operations of Anonymous Intelligence Company Inc. (the "Company" or "ANON") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended December 31, 2024.

The MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements and related notes thereto (the "Interim Financial Statements") of the Company for the three months ended December 31, 2024, which were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and the annual audited consolidated financial statements of the Company for the year ended September 30, 2024, and the notes related thereto (the "Annual Financial Statements"), which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

All information in the MD&A is as of February 27, 2025, unless otherwise indicated. The Annual Financial Statements and MD&A have been reviewed by the Company's Audit Committee and approved by the Board of Directors on February 27, 2025.

This MD&A may contain forward-looking statements and should be read in conjunction with the cautionary statement on forward-looking statements at the end of this MD&A. These forward-looking statements are based on assumptions and judgments of management regarding events or results that may prove to be inaccurate resulting from risk factors beyond its control. Actual results may differ materially from the expected results.

The Annual Financial Statements, Interim Financial Statements, MD&As and other information, including news releases and other continuous disclosure documents are available on SEDAR+ at <https://www.sedarplus.ca> and on the Company's website at <https://anonintelligence.com>.

### Significant Events and other Corporate Developments during the Quarter

The following is a summary of significant events and transactions that occurred during the three months ended December 31, 2024:

#### Strategic Alliance with CannÖgen International Inc.

The Company entered into a strategic alliance with CannÖgen International Inc. ("CannÖgen"), a health and wellness, nutrient formulation company based in Vancouver, BC, whereby ANON provides the technology products and services needed by CannÖgen to support their global sales and marketing initiatives (the "Transaction"). As part of the strategic agreement between ANON and CannÖgen and in consideration for ANON's services, CannÖgen issued to ANON 444,444 warrants exercisable to acquire one common share of CannÖgen at a price of \$0.1125 per share for a period of two years. The Transaction is a non-arm's length transaction as Allan Larmour, a director of the Company, also serves as CEO and a director of CannÖgen.

## Appointment

On October 10, 2024, the Company announced the appointment of Kevin Kowbel to its Board of Directors.

## Company Overview

ANON is a computational intelligence, decentralized network and data technology company, focused on leveraging and developing proprietary suite of Artificial Intelligence (“AI”) and privacy-enabled products to increase confidence in technology for consumers and businesses also known as the “Limitless” Virtual Private Network (VPN). Its platforms enable a privacy first AI enabled world where decentralized users and machines are able to interact with data, value and other counterparties without the need for third parties creating many benefits such as giving each user privacy, full control, and ownership of all personal and corporate data. The Company’s products consist of the Limitless VPN, which is currently functional and offered to the public without charge, Turminal.ai, which is currently in beta development and Haller.ai, all of which the Company is currently developing and enhancing in order to meet global industry standards.

Although the Company is in the pre-revenue phase, it is currently focusing its business efforts on customer acquisition and product development and improvement. In broadening ANON’s business model, it is currently in negotiations with global entities, with the intention of licensing and partnerships utilizing its AI technology, including, but not limited to AI data software development in the oil and gas sector along with forest fire mitigation and fighting.

The improvement of the Limitless VPN, Turminal.ai and Haller.ai is ongoing, and they are currently all offered to the public free of charge. Users who wish to use the Limitless VPN or Turminal.ai products are simply required to agree to the Company’s terms of use and privacy policies. The Company is currently under contract with a global leading international web data collection and proxy B2B company to monetize ANON’s Limitless VPN and Turminal.ai products by utilizing its in-house developed ANON SDK public data mining plugin. The company may look to rename and rebrand both technologies in 2025 as they evolve to meet consumers/ subscribers needs.

## Limitless VPN

Upgraded to a global standard, ANON’s Limitless VPN is a proprietary product that provides end users the usage of network infrastructure to perform distributed computational processing with secure and encrypted connection to the internet. Consumers receive the benefits and features of a paid VPN subscription, e.g., unlimited bandwidth and number of devices, for free.

ANON’s upgraded Limitless VPN, housed on multiple powerful new servers, offers comprehensive and free virtual private network service that prioritizes user privacy, performance and accessibility, includes the following main features:

*Robust Security and Privacy:* Limitless VPN offers global end-to-end encryption to ensure all data remains private and secure. It adheres to a strict no-data-logging policy, meaning user activities are not tracked or stored, thus maintaining complete anonymity.

*High Performance for Gaming:* The service is optimized for gamers, offering virtually zero latency and high-speed connections, which are crucial for online gaming experiences.

*Multiple new Custom-Built Servers and Network Optimization:* Unlike many VPNs that rent servers, Limitless VPN operates its custom-built servers, providing extremely reliable and faster connections, and unmatched modular infrastructure. This setup is complemented by a unique Compression Engine that fully optimizes data transmission, particularly beneficial for users with slower internet connections.

*User-Friendly Interface:* The VPN is designed for ease of use, ensuring that even users who are not tech-savvy can navigate and utilize the service effectively, for ease of user experience.

*No Cost with Unlimited Access:* It is a completely free service, requiring no payment or credit card details. Users enjoy unthrottled bandwidth and unlimited access, which is a significant advantage over many other VPN services that limit bandwidth or offer tiered pricing.

*Cross-Platform Compatibility:* Limitless VPN is designed to be compatible across various platforms, ensuring users can secure their internet connection regardless of the device they are using.

This service is ideal for individuals who prioritize complete privacy and security online, especially for activities like streaming, browsing, and gaming. Limitless VPN's commitment to user privacy, combined with its high-performance capabilities and user-friendly design, makes it a competitive option in the VPN market.

For a complete description of the Limitless VPN including VPN Security, Services Provided to the Company by Custodians, Regulatory Frameworks Applicable to Custodians, Cryptocurrencies and Privacy and Terms of Use, please see the Company's + AIF and Filing Statement dated May 12, 2023 filed by the Company on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

ANON's future intention is to monetize the technology through accessing the VPN users' unused computational power. Through the Limitless VPN infrastructure, the hose can perform distributed computing, which is the process of connecting multiple servers though a network to share data and monetize. Once a critical mass of users is obtained, the collective processing power could be simultaneously converting user data into revenue. ANON is seeking partnerships and is in negotiations with third parties that would perform the cryptocurrency mining, and in exchange, ANON would receive a profit share via Decentralized Applications (dApps) for Payment (Cryptocurrency) for cryptocurrency mined.

The initial version of the Limitless VPN was released and available to the public on September 23, 2021. By December 31, 2021, the Limitless VPN had approximately 13,000 unique users registered to the platform. By August 2022, there were 55,000 registered users, of which, 31,078 were active users.

In the second quarter of 2023, due to the volatility in the cryptocurrency sector, ANON shifted its business model from crypto currency mining to public data gathering, i.e., to gather and monetize the Limitless VPN users' information and activities undertaken while using the Limitless VPN. During this time, the Company raised capital to fund the research and development, specifically, in the development of a proprietary plugin that gathers and sanitizes user data to remove personally identifiable information. User data can include websites visited, advertisements viewed, purchases made and other activities the users undertake while using the Limitless VPN. The anonymous user data could then be sold to third parties. The plugin with data anonymization capabilities is referred to as SDK. The newest version of the Limitless VPN including the SDK plugin will be launched between Q2-Q3 (June-December) 2025.

The Company offers the Limitless VPN to uses at no charge at [www.limitlessvpn.com](http://www.limitlessvpn.com), and in exchange,

the users are simply required to agree to ANON's terms of use and privacy policies including the download of the SDK plugin.

### Monetization of VPN

The Limitless VPN's monetization strategy is unique in that it does not rely on traditional methods such as subscription fees. Instead, it generates revenue only when the VPN is actively used. This model aligns the service's financial interests with user activity, ensuring that the service remains free for users while still supporting its operational costs. The specifics of this monetization method, however, are clearly detailed below, and is designed to be non-intrusive as it respects user privacy.

The VPN is now monetized by the ANON SDK, an innovative app monetization solution that takes a different approach compared to traditional methods. It moves away from the usual reliance on in-app purchases and advertisements, aiming to improve and vastly simplify user experience, along with revenue generation for app developers.

Key features of the ANON SDK include:

*Non-Ad Based Monetization:* ANON SDK deviates from the standard advertising SDKs by not displaying ads or requiring direct payments from users. Instead, it utilizes unused bandwidth from users' devices to collect publicly accessible data like product prices and reviews from the internet.

*User Privacy and GDPR Compliance:* The platform strictly adheres to GDPR regulations. It primarily uses the user's IP address to gather publicly available information from reputable websites without collecting any personal data, ensuring user anonymity and data security.

*Seamless Integration and User Experience:* ANON SDK is designed to function in the background, offering a non-intrusive experience for the user. This aspect is crucial as it does not disrupt the app's functionality or the user experience, differentiating it from traditional advertisements which can be seen as intrusive and annoying.

*Empowering Developers and Users:* The tool operates only with user consent to join the ANON SDK network. For developers, this means a potential revenue stream when the app is in active use. For users, it offers an ad-free app experience.

*Versatility Across Multiple Platforms:* ANON SDK is adaptable across a variety of platforms, including mobile devices, desktops, and smart TVs. This flexibility ensures developers can maximize their revenue potential across different channels while maintaining a consistent user experience.

*Partnership and Support:* The platform offers a lucrative partner program, investing in the success of its partners through marketing and R&D funds. It also provides personal support and exclusive resources to help businesses grow and develop innovative applications.

By incorporating ANON SDK, developers can engage in a modern monetization approach that prioritizes user-centered design and data privacy, fostering a more harmonious and beneficial relationship between developers, users, and businesses in the app ecosystem.

## **Turminal.ai**

The Turminal.ai app, developed by ANON, is a sophisticated platform designed with a focus on privacy and AI integration. Built on ANON's Limitless privacy technology, Turminal.ai creates a secure connection between users and the AI infrastructure, addressing widespread concerns about data and privacy breaches often associated with AI technologies. This initiative is a response to the discomfort expressed by thought leaders and governments regarding the current state of AI privacy.

Key features of the Turminal.ai include:

*Privacy-Centric Design:* The app is tailored to ensure user privacy in AI interactions, creating a private tunnel that secures data exchange between users and the AI system.

*Innovative Functionality:* Turminal.ai has been developed to include a 'jailbreak' feature, which allows it to access and utilize language learning models (LLMs) to build live links for various projects. This feature enables the platform to provide practical assistance, such as creating shopping lists for specific projects with live online purchase links.

*Accessibility and User Engagement:* Initially launched in a private alpha stage, the app has moved to a public beta phase, with a significant number of sign-ups indicating strong consumer interest. The beta version is aimed at refining the platform based on user feedback and ensuring a high-quality product experience.

*Mobile App Development:* The mobile version of Turminal.ai, which will initially be available on iOS, focuses on enhancing user convenience and functionality, particularly for on-the-go use.

*Monetization Strategy:* The app plans to shift to a freemium model, powered by the ANON SDK. This strategy aims to provide value to shareholders and generate revenue for the Company without compromising user data. The ANON SDK, integral to this approach, harvests public data instead of private user information, aligning with the Company's privacy commitment.

*Corporate Synergies and Marketing:* The development of Turminal.ai is part of a broader strategy by ANON, which includes the acquisition of Haller.ai and partnerships to build a suite of enterprise AI products. Marketing and investor relations efforts are underway to broaden the Company's reach and enhance public and investor awareness of its products and technologies.

Turminal.ai represents a significant step in ANON's mission to leverage proprietary Web 3.0 technology, enabling decentralized interactions among users and machines. The Company's vision is to create a sustainable world where data, value, and interactions occur on a peer-to-peer basis without third-party intermediaries, ensuring full control and ownership of personal and corporate data for users.

## **Haller.ai**

While the Haller AI, was developed by Haller.ai, and is an innovative AI platform ("Haller.ai Platform") The ANON AI team of developers have exponentially improved the technology and is not only tailored for enterprise use, emphasizing ease of use and versatility across various markets and industries. Following ANON's acquisition of Haller.ai, Haller AI was been positioned to address the enterprise-level AI market with several key features:

*Intuitive Interface:* Haller AI was designed to simplify the AI experience, making it accessible and effective even for users without technical knowledge. This approach is intended to significantly boost productivity

at a low cost. This has now been vastly improved to a global standard, including full autonomous AI learning.

*Privacy and Data Security:* Haller.ai incorporated top-tier security features, such as state-of-the-art encryption protocols, multi-factor authentication mechanisms, and secure data storage solutions, to ensure data integrity and confidentiality. As above, this also has been vastly improved to a global standard, including full autonomous AI learning.

*Market Adaptability:* The platform was adaptable to all markets and industries, offering AI solutions tailored to the unique needs of different enterprises. Now, with the exponential expansion and evolution of Artificial Intelligence, ANON's AI technology is poised for a considerable market share.

*Focus on Enterprise Solutions:* The platform is being developed with a strong focus on providing enterprise-level AI products to enhance productivity and address intellectual property issues that many current AI platforms face.

*Integration with ANON's Technology:* ANON's AI's development aligns with ANON's strategy to combine best-in-class AI assets with internally developed Company assets. This integration aims to commercialize AI applications for users who are not familiar with 'prompting', enhancing the usability of AI technology.

The Company provides access to Haller.ai for users via [Anonintelligence.com](https://anonintelligence.com)

## **Trends, Commitments, Events or Uncertainties**

The field of SDK AI technologies is marked by rapid advancements, emerging trends, and evolving uncertainties. A key trend is the growing demand for seamless integration of AI capabilities into applications, driving the development of highly modular and developer-friendly SDKs. Innovations such as improved natural language processing, real-time computer vision, and on-device machine learning are transforming the landscape, enabling more personalized and efficient user experiences. However, this growth also brings uncertainties, including challenges around data privacy, ethical AI deployment, and the need for robust security frameworks to mitigate risks associated with AI misuse. Additionally, the pace of technological evolution creates pressure for continuous updates, compatibility with diverse platforms, and staying ahead of vast global competitors. External factors, such as fluctuating regulatory policies and the global economic climate, further add complexity to the adoption and scalability of SDK AI technologies. These dynamics underscore both the opportunities and challenges faced by companies operating in this fast-paced sector.

## **Summary of Quarterly Results**

The following table sets forth selected financial information of the Company for each of the last eight quarters:

Three months ended	Dec 2024	Sep 2024 <sup>(1)</sup>	June 2024 <sup>(2)</sup>	March 2024 <sup>(2)</sup>	Dec 2023 <sup>(2)</sup>	Sep 2023 <sup>(3)</sup>	Jun 2023 <sup>(4)</sup>	Mar 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Total expenses	225,901	367,473	263,830	229,094	399,156	813,520	933,896	448,252
Net loss	(232,113)	(1,254,469)	(164,155)	(152,521)	(632,450)	(4,662,032)	(958,837)	(462,628)
Total comprehensive loss	(232,113)	(1,254,469)	(164,155)	(152,521)	(632,450)	(5,535,032)	(977,837)	(463,628)
Weighted average number of shares outstanding	16,866,775	13,006,482	10,978,776	10,978,776	10,934,372	8,368,625	7,911,828	6,843,557
Income (loss) per share – basic and diluted	(0.01)	(0.10)	(0.01)	(0.01)	(0.06)	(0.56)	(0.12)	(0.07)

<sup>(1)</sup> The increase in net loss during the quarter was primarily attributable to an impairment charge to intangible assets related to the Limitless VPN of \$1,057,000.

<sup>(2)</sup> The decrease in loss during the quarter was largely due to reduced expenditures resulting from the Company's cost-cutting measures and a gain on write-off of loan and accounts payable of \$100,000.

<sup>(3)</sup> Restated, please refer to the Annual Financial Statements. The increase in net loss during the quarter was primarily attributable to an impairment charge to intangible assets related to the Haller.ai Platform of \$3,047,692 and an impairment charge on derivative of \$861,000.

<sup>(4)</sup> Higher expenditures and net loss due to higher investor and public relations costs during the June 2023 quarter.

The Company has not declared nor paid any cash dividends on any of its issued Common Shares since its inception. The Company does not anticipate paying any dividends on its Common Shares in the foreseeable future. Other than requirements imposed under applicable corporate law, there are no other restrictions on the Company's ability to pay dividends under the Company's constating documents. Subject to the BCBCA, payment of any dividends, if any, will be at the discretion of the Board after taking into account many factors, including operating results, financial condition, and current and anticipated cash needs. All of the Common Shares will be entitled to an equal share in any dividends declared and paid on a per share basis.

## Results of Operations

The following selected financial information is derived from the financial statements of the Company prepared within acceptable limits of materiality and is in accordance with IFRS.

	Q1 2025	Q1 2024
	\$	\$
Expenses:		
Investor and public relations	-	66,903
Office and administration	-	15,891
Professional fees	3,243	16,979
Research and development	35,391	26,100
Salaries and benefits	15,000	91,674
Other items:		
Finance costs	6,212	411
Net loss	(232,113)	(399,610)
Net loss per share	(0.01)	(0.04)



## **Q1 2025 compared with Q1 2024**

During Q1 2025 and Q1 2024, the Company has not generated any revenues from operations and recorded a net loss of \$232,113 and \$399,610, respectively. The overall decrease in net loss of \$167,497 during Q1 2025 was primarily attributable to the implementation of cost-cutting measures while focusing on improving and upgrading ANON's technology to a global standard.

### Expenses

As part of the Company's cost-cutting measures, the following expenditures decreased during Q1 2025:

- There were no investor and public relations expenditures in Q1 2025 as the Company focused on upgrading ANON's technology to a global standard. In Q1 2024, the Company incurred \$66,903 in investor and public relations as it carried out investor relations campaigns to increase public awareness of the Company's activities, strategic plans and investment opportunities related to its change of business to a technology issuer.
- The Company did not incur office and administration expenses in Q1 2025 mainly due to the termination of shared office arrangement consisting of rent, staff and other office costs.
- The decrease in professional fees of \$13,736 during Q1 2025 was a result of decreased corporate activities as the Company focused on upgrading its technology platforms.
- Research and development (R&D) in Q1 2025 was assumed by the new CEO and his private company's development team at a nominal cost. The CEO's fees of \$21,000 along with other incidental expenses covered the R&D costs for the period. In Q1 2024, R&D expenses were covered by the former CEO's fees before the transition to the new management team.
- The decrease in salaries and benefits of \$76,674 in Q1 2025 was primarily attributable to staff lay-offs, the CFO's voluntary salary reduction and lower fees paid to the new CEO.

### Other item

- Included in finance costs In Q1 2025, were interest expense of \$4,500 and accretion expense of \$1,395 related to the \$100,000 convertible debenture.

## **Liquidity and Capital Resources**

The Company manages liquidity risk by ensuring, as far as reasonably possible, that it has sufficient capital to meet working capital and operating requirements as well as its financial obligations and commitments. The Company has historically financed its operations and met its capital requirements primarily through debt and equity financing.

As of December 31, 2024, the Company had working capital deficiency of \$328,719 (2023 – working capital deficiency of \$206,051) and cash of \$115,318 (2023 – \$233,072). The decrease in working capital of \$122,668 as at Q1 2025 was primarily attributable to the funding of the Company's operating expenses.

The Company requires additional funds in order to fulfill its expenditure requirements to meet existing and any new business objectives and expects to either issue additional securities or incur debt to do so. There can be no assurance that additional funding required by the Company will be available on acceptable terms or at all. The Company's inability to raise financing to fund capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon future profitability.

### Cash Flow Highlights

The table below summarizes the Company's cash flows for the three months ended December 31, 2024 and 2023:

	Q1 2025	Q1 2024
	\$	\$
Cash used in operating activities	(67,754)	(138,219)
Cash used in investing activities	(50,000)	(32,976)
Cash provided by financing activities	-	94,000
Decrease in cash	(117,754)	(77,195)

Cash flow used for operations decreased by \$70,465 in Q1 2025 as a result of a decrease in general and administrative expenditures as part of the cost-cutting measures implemented by the Company.

Investing activities during Q1 2025 consisted of the Company's investment in CannÖgen International Inc.'s ("CannÖgen") shares of \$50,000 through the Company's exercise of 444,444 warrants of CannÖgen at \$0.1125 per share. See a full discussion of the transaction under "*Strategic Alliance with CannÖgen International Inc.*" on page 2. In Q1 2024, investing activities consisted of the Limitless VPN development costs of \$32,976.

There were no financing activities in Q1 2025, Financing activities in Q1 2024 consisted of \$82,000 raised from exercise of warrants and \$12,000 from a third-party loan.

### Contractual Obligations and Commitments

A summary of the Company's contractual obligations and commitments, which outlines the year the payments are due are as follows:

	Total	< 1 year	1 – 3 years	3 – 5 years
	\$	\$	\$	\$
Accounts payable and accrued liabilities	366,504	366,504	-	-
Loans and borrowings	12,000	12,000	-	-
Convertible debenture	95,258	95,258	-	-
	473,762	473,762	-	-

Management is committed to raising additional capital to meet its financial obligations and commitments, fund its operations, growth initiatives and capital expenditures.

The Company considers its capital structure to include net residual equity of all assets, less liabilities. Capital is comprised of the Company's shareholders' equity and any debt that it may issue. Management's objective is to manage its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of share capital and working capital.

To achieve this objective, management adjusts its capital resources to respond to changes in economic conditions and risk characteristics of the underlying assets. The capital resources used for operations were mainly from loans and borrowings and proceeds from the issuance of common shares.

There are no third-party working capital requirements, covenants or other similar restrictions. There were no capital expenditure commitments as at the reporting date or as of the date of this MDA.

### Off-Balance Sheet Arrangements

The Company had no material off-balance sheet arrangements as at December 31, 2024, and as at the date of this MD&A, that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company.

### Transactions with Related Parties

Key management compensation for the three months ended December 31, 2024 and 2023, consisted of the following:

#### Compensation of key management personnel

	Q1 2025	Q1 2024
	\$	\$
CEO fees <sup>(1)</sup>	21,000	-
Former CEO fees <sup>(2)</sup>	-	30,000
CFO fees <sup>(3)</sup>	15,000	29,293
Share-based compensation <sup>(3)</sup>	6,860	9,968

(1) Recorded under research and development.

(2) Former CEO fees paid to Walrus Enterprises, a company controlled by Lucas Russell, were recorded under research and development.

(3) Share-based compensation represents the fair value of options and RSUs granted and vested to directors and officers of the Company.

As at December 31, 2024, included in accounts payable and accrued liabilities was \$80,379 (September 30, 2024 - \$89,379) due to a director, former director and officers of the Company related to accrued management fees and salaries. The amounts are unsecured, non-interest bearing and without fixed terms of repayment.

As at December 31, 2024, included in prepaids and other assets was a CFO fee of \$7,000 (September 30, 2024 - \$7,000).

## **Critical Accounting Estimates**

The preparation of consolidated financial statements in conformity with IFRS requires management to exercise judgment and to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Estimates and associated assumptions are based on historical experience and other factors. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated for reasonableness and relevancy. Where revisions to accounting estimates are required, they are recognized in the period in which the estimates are revised for the current as well as future periods that are affected.

Significant judgments, estimates and assumptions that have the most significant effect on the amounts recognized in the Company's consolidated financial statements are described in note 2 to the Annual Financial Statements.

## **New Accounting Pronouncements**

### New accounting standards issued but not yet effective

#### IFRS 18 - Presentation and Disclosure in Financial Statements

IFRS 18 is effective for reporting periods beginning on or after January 1, 2027. It introduces several new requirements that are expected to impact the presentation and disclosure of most, if not all, entities. The Company is in the process of assessing the impact on the financial statements of the new standard

## **Financial Instruments**

At December 31, 2024, the Company's financial instruments consist of cash, accounts payable and accrued liabilities and loans and borrowings. The carrying amounts of these financial instruments approximate fair value due to their immediate or short-term maturity.

The Company may be exposed to risks of varying degrees of significance from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. A discussion of the types of risks the Company is exposed to and how such risks are managed by the Company is provided in note 13 to the Annual Financial Statements.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations associated with its financial liabilities as they come due. The Company's approach to managing liquidity risk is to ensure that it has sufficient liquidity to settle obligations and liabilities when they are due. As at December 31, 2024, the Company had working capital deficiency of \$328,719 (September 30, 2024 – working capital deficiency of \$206,051). The Company is pursuing additional sources of financing to ensure that it can meet its ongoing operating requirements and planned capital expenditures. There is no assurance that the Company will be successful in these initiatives. The Company's capital expenditures mainly consist of the development of its technology platforms. Accounts payable and accrued liabilities are due within 90 days and loans and borrowings mature within a year.

As at December 31, 2024, the Company did not have any financial instruments subject to significant credit, price or interest rate risks. The Company employs risk management strategies and policies to ensure that any exposures to risk are in compliance with the Company's business objectives and risk tolerance levels.

## Other Risks and Uncertainties

The Company's business is subject to other risks and uncertainties that may have a material adverse effect on the Company's business, assets, liabilities, financial condition, results of operations, prospects, and cash flows and the future trading price of the common shares. Due to the nature of ANON's business, the legal and economic climate in which it operates and its present stage of development and proposed operations, ANON is subject to significant risks. For additional risk factors, please refer to the Company's AIF dated January 17, 2023.

## Summary of Outstanding Share Data

As at the date of this MD&A, the Company had the following issued and outstanding securities:

Description of securities	Number of securities
Issued and outstanding common shares	19,485,811
Stock options	590,000
Warrants	6,485,894
RSUs	341,563
	<b>26,903,268</b>

## Controls and Procedures

In connection with National Instrument 52-109 ("NI 52-109"), the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Interim Financial Statements and accompanying MD&A as at and for the three months ended December 31, 2024 (together the "Interim Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Disclosure Controls and Procedures

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

Venture companies are not required to provide representations in the Annual Filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### **Cautionary Note Regarding Forward-Looking Statements**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. For a complete list of the factors that could affect the Company, please make reference to those risk factors further detailed under the heading "*Risk Factors*". Readers are cautioned that such risk factors, uncertainties and other factors are not exhaustive. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

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- timelines;
- the Company's anticipated cash needs and its needs for additional financing;

- the Company's anticipated use of proceeds and business strategy;
- the Company's ability to protect, maintain and enforce its intellectual property;
- the Company's future growth plans, including growth of its userbase;
- the Company's expectations with respect to advancement of its business, operations, products, and services, including its monetization strategies;
- the Company's ability to attract new customers and develop and maintain existing customers;
- the Company's competitive position; and
- anticipated trends and challenges in the Company's business.

The actual results, performance or achievements of the Company could differ materially from those anticipated in the Forward-Looking Statements as a result of the risk factors set forth below and under the heading "Risk Factors", including, but not limited to, risks related to: (i) the Company's ability to generate sufficient cash flow from operations and obtain financing, if needed, on acceptable terms or at all; (ii) general economic, financial market and regulatory conditions in which the Company operates; (iii) advancement of technology to support the Company's operations; (iv) customer interest in the Company's products; (v) competition; (vi) anticipated and unanticipated costs; (vii) government regulation of the Company's products and operations, including privacy, cryptocurrency and cybersecurity laws and regulations; (viii) the timely receipt of any required regulatory approvals; (ix) the Company's ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; (x) the Company's ability to conduct operations in a safe, efficient and effective manner; and (xi) the Company's plans and timeframe for completion of such plans.

Readers are cautioned that these factors are difficult to predict and that the assumptions used in developing the Forward-Looking Statements may prove to be incorrect. Readers are also cautioned that the list of risk factors contained in this MD&A is not exhaustive. Accordingly, readers are cautioned that the Company's actual results may vary from the Forward-Looking Statements, and the variations may be material.

Although the Company believes that the expectations reflected in the Forward-Looking Statements are reasonable, it can give no assurance that such expectations will prove to be correct, and the Forward-Looking Statements are expressly qualified in their entirety by this cautionary statement. The purpose of the Forward-Looking Statements is to provide the reader with a description of management's expectations, and the Forward-Looking Statements may not be appropriate for any other purpose. The reader should not place undue reliance on the Forward-Looking Statements. The Forward-Looking Statements are made as at the date hereof and the Company undertakes no obligation to update or revise any of the Forward-Looking Statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.