This Management Discussion and Analysis ("MD&A") of Web3 Ventures Inc. (formerly, La Jolla Capital Inc.) (the "Company" or "Web3") ("La Jolla") and before that MicroCoal Technologies Inc. and previous to that Carbon Friendly Solutions Inc. ("MicroCoal"), has been prepared by management as of May 24, 2022 and should be read in conjunction with the consolidated financial statements for the nine months ended March 31, 2022 and related notes thereto of the Company.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and should be read in conjunction with the financial statements and accompanying notes for the nine months ending March 31, 2022. Readers are also advised to read the Company's audited financial statements and accompanying notes for the year ended June 30, 2021, (the "Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in the Company's presentation currency which is Canadian dollars.

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

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

Where we say "we", "us", "our", the "Company" we mean La Jolla Capital Inc., as it may apply.

FORWARD LOOKING INFORMATION

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

OVERVIEW AND DESCRIPTION OF BUSINESS

The Company was incorporated on April 6, 1990 as a provincial company under the laws of British Columbia, and on June 19, 1997 the Company continued as a federal corporation under the Canada Business Corporation Act. The Company changed its name to La Jolla Capital Inc. on May 21, 2015. The Company changed its name to Web3 Ventures Inc. on April 25, 2022 and continues to be a reporting issuer in the Provinces of British Columbia, Alberta and Ontario. The Company currently intends to apply to list the shares with the CSE once it has met the listing criteria. The Company is focused on incubating, accelerating and developing projects and applications for the decentralized web.

STRATEGIC INVESTMENT IN BY-LINES

On April 28, 2022, the Company completed a strategic investment in encrypted wallet-to-wallet on-chain messaging company By-Lines. Founded by a team from Harvard, By-Lines is building the missing communications platform for web3, making it possible to send and receive encrypted messages to and from any crypto wallet and supporting integrations with web2 platforms like Telegram and Discord.

By-Lines is focused on more than simply attaching a wallet identity to chat - they are building a web3 native messaging experience: DAOs can suddenly send all of their token holders a DM or an airdrop, their members can vote inside their group chat, and a user can spin up a chat with all the people who hold a specific token or NFT, allowing effortless token-gated access to communities and channels, unlocking significant utility and value on the decentralized web.

FINANCINGS AND SHARE CONSOLIDATION

On May 17, 2022, the Company closed a non-brokered private placement of 53,125,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $1,062,500. Each unit is comprised of one common share and one transferable share purchase warrant. Each warrant entitles the holder to purchase one share for a period of five years at an exercise price of $0.10 per share.

On April 22, 2022, the Company closed a non-brokered private placement of 22,000,000 units of the Company issued at a price of $0.005 per unit for gross proceeds of $110,000. Each unit is comprised of one common share and one transferable share purchase warrant. Each warrant entitles the holder to purchase one share for a period of five years at an exercise price of $0.10 per share.

On April 19, 2022, the Company consolidated all of its issued and outstanding common shares on the basis of every ten old common shares into one new common share. Unless otherwise noted, all share information has been retroactively adjusted to reflect this consolidation.

On February 25, 2022, the Company closed a non-brokered private placement of 400,000 common shares of the Company issued at a price of $0.50 per share for gross proceeds of $200,000. Proceeds from the Offering will be used for repayment of related party debt and general working capital.

BOARD UPDATES

The Company also announced the appointment of Stan Fainzilberg and Kirill Kompaniyets as directors of the Company. The Board of Directors has also appointed Mr. Kompaniyets as the Company's Interim Chief Financial Officer effective February 25, 2022. Mr. Aman Thindal has resigned as a director and Mr. Damanjit Gahunia has resigned as a director and as the Chief Financial Officer effective immediately to pursue other business opportunities.

Stan Fainzilberg is a lawyer and partner with a Toronto law firm. Mr. Fainzilberg is a fierce advocate for his clients, representing them before the Superior Court of Ontario and the Human Rights Tribunal of Ontario.

Kirill Kompaniyets is a lawyer, recruiter, and business owner. He has experience with respect to public companies and capital markets. After beginning his legal career as a student at a prominent Toronto law firm, he spent 4 years as a legal recruitment manager. In 2021 Mr. Kompaniyets started his recruitment firm, focused on executive and legal recruitment where he's advised public companies. Mr. Kompaniyets was called to the Ontario Bar in 2020.

Cash Flow Analysis

Operating Activities
During the nine months ended March 31, 2022 and 2021, cash used in operating activities was $24,984 and $10,338, respectively. See also discussions under results of operations.

Investing Activities
During the nine months ended March 31, 2022 and 2021, there were no investing activities by the Company.

Financing Activities
During the nine months ended March 31, 2022 and 2021, cash provided by financing activities was $227,500 (2021 - $10,000) being $27,500 (2021 - $10,000) from loans received and $200,000 (2021 - $Nil) as proceeds from private placement. The Company also paid loans of $200,000 (2021 - $Nil) during the period.

RESULTS OF OPERATIONS

		Three Months Ended,				Nine Months Ended,		
		March 31, 2022		March 31, 2021		**March 31, 2022**		March 31, 2021
Expenses								
Consulting and management fees	**$**	9,000	**$**	24,000	$	**57,000**	$	72,000
Investor relations, agents and fees		12,305		-		**12,905**		-
Miscellaneous office		19		18		**55**		79
Professional fees		10,575		10,500		**31,942**		31,200
Operating expenses		(31,899)		(34,518)		**(101,902)**		(103,279)
Other Expenses								
Write off of liabilities		5,000		-		236,634		-
Net income (loss) for the period		(26,899)		(34,518)		**134,732**		(103,279)
Other comprehensive income (loss)								
Foreign currency translation adjustment		-		939		**(1,699)**		6,299
Total comprehensive income (loss) loss	**$**	(26,899)	**$**	(33,579)	$	**133,033**	$	(96,980)

RESULTS OF OPERATIONS (CONTINUED)

During the three months ended March 31, 2022, the Company accrued consulting fees of $9,000 (2021 – $24,000) and accounting fees of $9,000 (2021 - $9,000) to related parties. The Company also incurred marketing expenses of $12,305 (2021 - $Nil). Total loss from operations was $31,899 (2021 - $34,518). The Company also wrote off $5,000 of loans payable during the three months ended March 31, 2022.

During the nine months ended March 31, 2022, the Company accrued consulting fees of $57,000 (2021 – $72,000) and recorded professional fees of $31,942 (2021 - $31,200). The Company also incurred marketing expenses of $12,905 (2021 - $Nil). Total loss from operations was $101,902 (2022 - $103,279). The Company also wrote off $82,734 of loans payable and $153,900 of trade payables and accrued liabilities.

The Company continues to keep its office expenses limited in an attempt to preserve cash.

SUMMARY OF QUARTERLY RESULTS

	Q3 2022	Q2 2022	Q1 2022	Q4 2021
	$	$	$	$
Total assets	4,354	3,290	1,345	1,363
Net income (loss)	(26,899)	196,601	(34,593)	(34,518)
Income (loss) per share				
- post consolidation	0.05	0.45	(0.08)	(0.08)

	Q3 2021	Q2 2021	Q1 2021	Q4 2020
	$	$	$	$
Total assets	1,399	1,399	11,167	1,444
Net loss	(34,518)	(33,984)	(34,777)	(34,518)
Loss per share				
- post consolidation	(0.08)	(0.08)	(0.08)	(0.08)

SUMMARY OF QUARTERLY RESULTS

Over the eight quarters operational expenses have remained fairly consistent due to attempts to preserve cash spending on general and administrative expenses and the fact that the Company is still seeking operational opportunities. Total assets in quarter one of 2021 was higher than the other quarters, as a loan was made shortly before quarter end. Liabilities over the eight quarters have increased as a result of the decrease in cash to fund operations.

Net income during the second quarter of 2022 was the result of the Company recognizing a gain upon the write off of $231,634 of liabilities.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2022 the Company had cash of $3,520 (June 30, 2021 - $1,004) and working capital deficiency of $835,288 (June 30, 2021 - $1,168,321).

On May 17, 2022, the Company closed a non-brokered private placement of 53,125,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $1,062,500. Each unit is comprised of one common share and one transferable share purchase warrant. Each warrant entitles the holder to purchase one share for a period of five years at an exercise price of $0.10 per share.

On April 22, 2022, the Company closed a non-brokered private placement of 22,000,000 units of the Company issued at a price of $0.005 per unit for gross proceeds of $110,000. Each unit is comprised of one common share and one transferable share purchase warrant. Each warrant entitles the holder to purchase one share for a period of five years at an exercise price of $0.10 per share.

On February 25, 2022, the Company closed a non-brokered private placement of 400,000 common shares of the Company issued at a price of $0.50 per share for gross proceeds of $200,000.

The Company is currently not generating any cash flows and as a result the Company is dependent on external and related party financing to fund its costs. The Company does not have any working capital and will need to raise additional capital in order to meet its obligations. Companies in this stage typically rely upon equity and debt financing to fund operations. The Company was not listed on any stock exchanges at the date of this Management Discussion and Analysis. There is no certainty with respect to the Company's ability to raise capital.

As at March 31, 2022, the Company had loans in the aggregate amount of $Nil (June 30, 2021 - $82,734) payable to an unrelated party and $76,604 (June 30, 2021 - $49,104) payable to previous directors of the Company. The loans are unsecured, non-interest bearing and are due on demand.

At March 31, 2021, the Company expects that it will be able to obtain funding from investors in order to meet its obligations. Additional financing will need to be obtained for the planned development in the normal course of operations.

Outstanding Share Data

The authorized share capital consists of an unlimited number of common shares without par value.

As at the date of this report, there were 75,958,241 common shares outstanding and 53,125,000 warrants exercisable at $0.10 until May 17, 2027 and 22,000,000 warrants exercisable at $0.10 until April 22, 2032.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Directors and Executive Officers of the Company are as follows:

Stan Fainzilberg	Director and CEO
Kirill Kompaniyets	Director and Chief Financial Officer
Gerald Kelly	Director

Former Directors and Executive Officers of the Company are as follows:

Eugene Beukman	Former Director and CEO
Damanjit Gahunia	Former Director and Chief Financial Officer
Aman Tindal	Former Director and Corporate Secretary

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

During the nine months ended March 31, 2022, the Company accrued accounting fees of $27,000 (2021 - $27,000) to a company controlled by a director of the Company.

During the nine months ended March 31, 2022, the Company accrued consulting fees of $57,000 (2021 - $72,000) to directors of the Company.

As at March 31, 2022, the Company owed $690,500 to various previous directors and their companies, which is included in accounts payable and accrued liabilities.

As at March 31, 2022, the Company had loans payable of $76,604 to directors of the Company.

BASIS OF PRESENTATION

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

The preparation of financial statements in compliance with IFRS requires management to make certain critical judgements and accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. Actual results may differ from this estimate as the estimation process is inherently uncertain.

CHANGES IN ACCOUNTING STANDARDS

As at the date of authorization of these financial statements, the IASB and the IFRS Interpretations Committee had issued certain pronouncements that are mandatory for the Company's accounting periods commencing on or after October 1, 2021. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company had assessed that no material impact is expected upon the adoption of the following amendments on its consolidated financial statements:

CHANGES IN ACCOUNTING STANDARDS (CONTINUED)

Amendments to IAS 1

In January 2020, the IASB issued amendments to IAS 1 which clarify the requirements for classifying liabilities as either current or non-current by: (i) specifying that the conditions which exist at the end of the reporting period determine if a right to defer settlement of a liability exists; (ii) clarifying that settlement of a liability refers to the transfer to the counterparty of cash, equity instruments, other assets or services; (iii) clarifying that classification is unaffected by management's expectation about events after the balance sheet date; and (iv) clarifying the classification requirements for debt an entity may settle by converting it into equity.

The amendments clarify existing requirements, rather than make changes to the requirements, and so are not expected to have a significant impact on an entity's financial statements. However, the clarifications may result in reclassification of some liabilities from current to non-current or vice-versa. Because of this impact, the IASB has provided a longer effective date to allow entities to prepare for these amendments. In July 2020, the IASB issued an amendment to defer the effective date of the amendments by one year from its originally planned effective date to annual periods beginning on or after January 1, 2023 due to the impact of COVID-19. Early application is permitted.

Amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37")

In May 2020, the IASB issued amendments to update IAS 37. The amendments specify that in assessing whether a contract is onerous under IAS 37, the cost of fulfilling a contract includes both the incremental costs and an allocation of costs that relate directly to contract activities. The amendments also include examples of costs that do, and do not, relate directly to a contract. These amendments are effective for annual periods beginning on or after January 1, 2022. Earlier application is permitted.

CHANGES IN ACCOUNTING STANDARDS NOT YET EFFECTIVE

Other standards have been issued for future adoption. The Company is in the process of assessing the impact of these pronouncements. The extent of the impact has not yet been determined.

FINANCIAL INSTRUMENTS RISK EXPOSURE

As at March 31, 2022, the Company's financial instruments consist of cash, accounts payable and loans payable. The carrying values of these financial instruments approximate their fair values because of their current nature. All financial assets and financial liabilities are recorded at fair value on initial recognition. All financial assets and financial liabilities are recorded at fair value on initial recognition.

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

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;
- Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity);

At March 31, 2022 and June 30, 2021, cash was classified in the fair value hierarchy as level 1. There were no transfers between levels during the period ended March 31, 2022.

FINANCIAL INSTRUMENTS RISK EXPOSURE (CONTINUED)

Liquidity Risk

At March 31, 2022, the Company held cash of $3,520 (June 30, 2021 - $1,004), had negative working capital of $835,288 (June 30, 2021 - $1,168,321). At March 31, 2022, the Company expects that it will be able to obtain funding from investors in order to meet its obligations.

Interest rate Risk

Interest rate risk is the result that the fair values and future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company was not exposed to significant interest rate risk as loans payable were at fixed interest rates with short-term maturities.

Credit Risk

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

Currency Risk

The Company is exposed to currency risk related to certain accounts payable and accrued liabilities and other payable amounts which were denominated in US$. As at March 31, 2022, there were denominated in USD $Nil (June 30, 2021 – USD $59,820).

OTHER RISKS AND UNCERTANTIES

The Company's principal activity is focused on incubating, accelerating and developing projects and applications for the decentralized web. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, application prices, political and economic risk.

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

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

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

The process of incubating, accelerating and developing projects and applications for the decentralized web.

OTHER RISKS AND UNCERTANTIES (CONTINUED)

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

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

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's unaudited financial statements of the Company for the period ended March 31, 2022 (together the "Interim Filings").

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

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

CAUTIONARY STATEMENT

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