FORM 2A

LISTING STATEMENT

WEB3 VENTURES INC.

Dated as at September 7, 2023

Neither the Canadian Securities Exchange nor any securities regulatory authority has in any way passed upon the merits of the Issuer described in this Listing Statement.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Listing Statement may contain "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "may", "will," "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue" and similar expressions. The forward-looking information contained in this Listing Statement is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although management believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the management can give no assurance that such expectations will prove to be correct. Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information including, but not limited to, limited operating history and history of no earnings; competition, project risks, industry conditions, changes to government, laws and regulations, dependence on key personnel, general economic conditions, political and foreign exchange risks in the jurisdictions in which the Issuer conducts its business activities, actual results of current projects, interest rates, availability of financing, insurance limitations, and risks and uncertainties including those discussed within Section 17 "*Risk Factors*" of this Listing Statement and elsewhere in this Listing Statement. Although the forward-looking information contained herein is based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with such forward looking information. Investors should not place undue reliance on forward-looking information.

Forward-looking information included in this Listing Statement include, but is not limited to:

- the ability of the Issuer to obtain necessary financing;
- the performance of the Issuer's business and operations as it relates to any of the Issuer's investments;
- the Issuer's expected market and the profitability thereof;
- the Issuer's future liquidity and financial capacity;
- anticipated and unanticipated costs;
- the Issuer's ability to identify new opportunities;
- costs, timing and future plans concerning the business and operations of the Issuer;
- results and expectations concerning various partnerships, strategic alliances, projects and marketing strategies of the Issuer; and
- the economy generally.

Some of the risks and other factors, which could cause results to differ materially from those expressed in the forward-looking information contained in this Listing Statement include, but are not limited to:

- the Issuer's ability to raise capital.
- the Issuer's ability to satisfy certain requirements as an "investment company" pursuant to

Section 1.7 of Appendix "A" to CSE Policy 2 "*Qualifications for Listing*";

- costs, timing and future plans concerning operations of the Issuer and/or its Investments being consistent with current expectations; and

- the other factors outlined in Section 17 "*Risk Factors*" of this Listing Statement.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this Listing Statement are expressly qualified by this cautionary statement.

The forward-looking information contained in this Listing Statement is made as of the date of this Listing Statement, and the Issuer disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required under applicable securities laws.

Market and Industry Data

Any market data or industry forecasts used in this Listing Statement, unless otherwise specified, were obtained from publicly available sources. Although the Issuer believes these sources to be generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified.

Statistical information included in this Listing Statement and other data relating to the industry in which the Issuer intends to operate is derived from recognized industry reports published by industry analysts, industry associations and independent consulting and data compilation organizations. Although the Issuer believes these sources to be generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified.

1. GLOSSARY OF TERMS

Unless otherwise indicated, the following terms used in this Listing Statement and the Appendices hereto shall have the meanings ascribed to them as set forth below:

"**2015 Consolidation**" means a consolidation of Common Shares pursuant to the Plan of Arrangement on a basis of one (1) post-consolidation Common Share for fifty (50) pre-consolidation Common Shares which took place on May 21, 2015, and which resulted in 179,500,076 Common Shares being consolidated into 3,589,990 Common Shares.

"**2022 Consolidation**" means a consolidation of Common Shares on the basis of one (1) post-consolidation Common Share for ten (10) pre-consolidation Common Shares which took place on April 19, 2022, and which resulted in 8,332,390 Common Shares being consolidated into 833,239 Common Shares.

"**Affiliate**" has the meaning ascribed to such term in the CBCA.

"**April 2022 Offering**" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"**Associate**" has the meaning ascribed to such term in the *Securities Act* (Ontario).

"**Awards**" has the meaning ascribed to such term in Section 9.2.1 "*Summary of the Omnibus Plan"* of this Listing Statement.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Board**" means the board of directors of the Issuer.

"**Buyers**" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"**ByLines**" means ByLines Inc.

"**ByLines SAFE**" has the meaning ascribed to such term in Section 3.4 *"Material Assets and Investments"* of this Listing Statement.

"**ByLines Shares**" preferred stock in the capital of ByLines issued pursuant to the ByLines SAFE.

"CBCA" means the *Canada Business Corporations Act*.

"CEO" means the Chief Executive Officer of the Issuer.

"CFO" means the Chief Financial Officer of the Issuer.

"**CTO**" means cease trade order.

"**Coinbase Custody**" means Coinbase Custody Trust Company, LLC.

"**Column**" means Column Inc.

"**Column SAFE**" has the meaning ascribed to such term in Section 3.4 *"Material Assets and Investments"* of this Listing Statement.

"**Column Shares**" preferred stock in the capital of Column issued pursuant to the Column SAFE.

"**Common Shares**" means common shares in the capital of the issuer existing prior to the Share Capital Amendments.

"Contango" means Contango Digital Assets Inc.

"**Contango SAFE**" has the meaning ascribed to such term in Section 3.4 *"Material Assets and Investments"* of this Listing Statement.

"**Contango Shares**" preferred stock in the capital of Contango issued pursuant to the Contango SAFE.

"**Conversion Ratio**" has the meaning ascribed to such term Section 10.1.1 *"Subordinate Voting Shares and Multiple Voting Shares"* of this Listing Statement.

"**COO**" means the Chief Operating Officer of the Issuer.

"**Creditor Release Agreements**" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"**CSE Policies**" means the policies of the CSE, as amended from time to time.

"CSE" or "**Exchange**" means the Canadian Securities Exchange operated by the CNSX Markets Inc.

"CTO" means a cease trade order.

"Director" means a director of the Issuer.

"**Dynasty**" means Dynasty Studios Inc.

"**Dynasty SAFE**" has the meaning ascribed to such term in Section 3.4 *"Material Assets and Investments"* of this Listing Statement.

"**Dynasty Shares**" preferred stock in the capital of Dynasty issued pursuant to the Dynasty SAFE.

"Escrow Agent" means Endeavor Trust Corporation.

"Escrow Agreement" means the escrow agreement to be entered into on the Listing Date among the Issuer, the Escrow Agent, and Escrowed Persons, providing for the escrow of the Escrowed Securities.

"**Escrowed Persons**" means Pluto and OT.

"**Escrowed Securities**" means the securities subject to escrow pursuant to the Escrow Agreement.

"February 2022 Offering" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"**Form 51-102F6V**" means National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers.*

"**Investment**" has the meaning ascribed to such term in Section 4).1 *"General Business of the Issuer"* of this Listing Statement.

"**Investment Committee**" means the investment committee established by the Board in accordance with the Investment Policy consisting of David Nikzad, Jason A. Hobson and Anthony Tijero.

"**Investment Policy**" means the Issuer's investment policy, a complete copy of which is attached hereto as Appendix "A", as may be amended from time to time.

"**Investor Rights Agreement**" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"**Issuer**" means Web3 Ventures Inc., a corporation incorporated under the laws of British Columbia on April 6, 1990 and continued as a federal company under the CBCA on June 19, 1997.

"**Issuer Shareholders**" mean holders of the SVS or MVS.

"**June 2022 Offering**" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"Listing Date" means the date the SVS are listed for trading on the CSE.

"**Listing Statement**" means this Listing Statement including the Appendices hereto, dated September 7, 2023.

"**Lock-Up Agreements**" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"March 2023 Offering" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"**May 2022 Offering**" has the meaning ascribed to such term in Section 3.1 *"General Development"* of this Listing Statement.

"**MD&A**" means management's discussion and analysis of financial condition and operating results.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"**MVS**" means multiple voting shares in the capital of the Issuer.

"**MVS Warrant**" means a purchase warrant exercisable into one MVS.

"**Named Executive Officer**" or "**NEO**" has the meaning ascribed to such term in Section 15.1 *"Compensation Discussion and Analysis"* of this Listing Statement.

"**NFT**" means non-fungible token.

"NI 52-110" means National Instrument 52-110 — *Audit Committees*.

"**Omnibus Plan**" means the omnibus incentive plan of the Issuer which was adopted on March 21, 2023 and amended on September 1, 2023.

“**OpenPool**” means OpenPool Inc.

“**Options**” mean incentive stock options to purchase SVS granted to directors, officer, key employees, and consultants of the Issuer under the Omnibus Plan.

“**OSC**” means the Ontario Securities Commission.

“**OT**” means Orthogonal Thinker Inc.

“**OT Agreement**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**OT Transaction**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**Participants**” has the meaning ascribed to such term in Section 9.2.1 *“Summary of Omnibus Plan”* of this Listing Statement.

“**Partum Agreement**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**Plan of Arrangement**” has the meaning ascribed to such term in Section 2.2 *“Incorporation”* of this Listing Statement.

“Pluto” means Pluto 11.11 Inc.

“PrintCrypto” means Print Crypto Inc.

“**PrintCrypto Agreement**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**PunkScape NFTs**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**Restricted Securities**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“RSU” means restricted share units granted to directors, officer, key employees, and consultants of the Issuer under the Omnibus Plan.

“**RWI**” means Rocket Wellness Inc.

“**RWI Acquisition**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**RWI Agreement**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**RWI Note**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**RWI Shares**” means common shares in the capital of RWI.

“**Secretary**” means the corporate secretary of the Issuer.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**Seller**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**Seller MVS Option**” means options to purchase MVS and MVS Warrants, at a price of $$0.000001065 per MVS and MVS Warrant, from the Sellers.

“**September 2023 Offering**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**Share Capital Amendments**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**Share Pledge Agreement**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**Stock Option Plan**” the Issuer’s stock option plan which was repealed on March 21, 2023 and replaced by the Omnibus Plan.

“SVS” means subordinate voting shares in the capital of the Issuer.

“**SVS Warrant**” means a purchase warrant entitling the holder to purchase one SVS.

“**TMS**” means Targeted Microwave Solutions Inc.

“**TSXV**” means the TSX Venture Exchange.

“**Unstoppable**” means Unstoppable Domains Inc.

“**Unstoppable Acquisition**” has the meaning ascribed to such term in Section 3.1 *“General Development”* of this Listing Statement.

“**Unstoppable Agreement**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**Unstoppable Ancillary Agreements**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**Unstoppable Investors’ Rights Agreement**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**Unstoppable ROFR and Co-Sale Agreement**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**Unstoppable Shares**” means Series A-1 preferred stock in the capital of Unstoppable.

“**Unstoppable Token Agreement**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**Unstoppable Voting Agreement**” has the meaning ascribed to such term in Section 3.4 *“Material Assets and Investments”* of this Listing Statement.

“**US**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

Unless otherwise specified, all dollar amounts in this Listing Statement and the Appendices, including the symbol “$”, are expressed in Canadian dollars.

2. CORPORATE STRUCTURE

2.1 Corporate Name

The full corporate name of the Issuer is "Web3 Ventures Inc." The head office and registered office of the Issuer is located at 409-22 Leader Lane, Toronto, Ontario, M5E 0B2.

2.2 Incorporation

The Issuer was incorporated as "Anthian Resources Inc." on April 6, 1990, under the provisions of BCBCA. On June 19, 1997, the Issuer continued out of the provincial jurisdiction of British Columbia pursuant to the BCBCA into the federal jurisdiction under the CBCA.

On August 18, 2000, the Issuer filed articles of amendment to change its name from "Anthian Resource Corp." to "Sudamet Ventures Inc."

On May 4, 2005, the Issuer filed articles of amendment to change its name from "Sudamet Ventures Inc." to "Avigo Resources Corp."

On August 25, 2008, the Issuer filed articles of amendment to change its name from "Avigo Resources Corp." to "Carbon Friendly Solutions Inc."

On June 25, 2013, the Issuer filed articles of amendment to change its name from "Carbon Friendly Solutions Inc." to "MicroCoal Technologies Inc."

On May 21, 2015, the Issuer completed a plan of arrangement (the "**Plan of Arrangement**") under the CBCA with its security holders and its wholly-owned subsidiary, TMS by filing articles of arrangement. Pursuant to the Plan of Arrangement, the Issuer caused substantially all of its business, operations, assets and liabilities to be transferred to TMS. As a result of the Plan of Arrangement, among other things: (i) each holder of Common Shares as at the effective time of the Plan of Arrangement received one common share of TMS and, subject to rounding of fractions, received 0.02 of a Common Share for each Common Share held at the effective time of the Plan of Arrangement; (ii) the shareholders of the Issuer received 100% of the common shares of TMS in the same proportion as they previously held in the Issuer and holders of warrants to purchase Common Shares or units received warrants to purchase TMS shares or units in replacement therefor; (iii) TMS assumed the business and operations carried on by the Issuer; and (iv) changed its name from "MicroCoal Technologies Inc." to "La Jolla Capital Inc."

On April 19, 2022, the Issuer filed articles of amendment to change its name from "La Jolla Capital Inc." to its current name, "Web3 Ventures Inc."

On February 24, 2023, the Issuer filed articles of amendment to redesignate the existing class of Common Shares as SVS and authorize a class of MVS.

2.3 Inter-corporate Relationships

This is not applicable to the Issuer.

2.4 Requalification following a Fundamental Change

This is not applicable to the Issuer.

2.5 Non-Corporate Issuers and Issuers Outside of Canada

This is not applicable to the Issuer.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development

Corporate Development of the Issuer's Business

The Issuer was previously in the business of exploration and development of mineral properties. In 2008, the Issuer changed its principal business to researching and developing coal technology using patented technologies to dewater, decontaminate and upgrade low-rank coals for use by power utilities and coal companies. In May 2015, following the Plan of Arrangement, the Issuer changed its principal business back to the exploration and development of mineral properties. In April 2022, the Issuer changed its principal business to investing in companies focused on technology, development of web 3.0 applications and platforms, and cryptocurrency.

The Issuer is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. The Issuer's securities are not listed or posted for trading on any recognized stock exchange or quotation and trading system in Canada, or elsewhere.

Developments during the Financial Year ended June 30, 2024

On September 7, 2023, the Issuer completed a private placement (the "September 2023 Offering") through the issuance of units comprised of 1 SVS and 1 SVS Warrant (each a "Unit"), for a total of 669,691 SVS and 669,691 SVS Warrants at a price of $0.10 per Unit for gross proceeds of $66,969.10. Each SVS Warrant issued in the September 2023 Offering is exercisable for one SVS at a price of $0.20 and expires two years from the date that it was issued.

On September 6, 2023, Jack Rentz was appointed to the Board to fill the vacancy left by Brain D. Keane's resignation.

On September 6, 2023, the Issuer issued a total of 2,400,000 Options to various Directors, officers, consultants and advisory board members. Each of the Options are exercisable at $0.05 and expire on September 6, 2027.

On September 1, 2023, the Issuer issued a total of 10,550,000 Options to various Directors, officers, consultants and advisory board members. Each of the Options are exercisable at $0.05 and expire on September 1, 2027.

On August 30, 2023, pursuant to the Unstoppable Agreement, the Issuer purchased 24,084 Unstoppable Shares from Pluto for an aggregate purchase price of US$1,110,978. Unstoppable is a platform that allows users to build, verify and safeguard digital identities across web 3.0 platforms, linking users' access keys, payment information, crypto wallets and various other personalized information. For more information with respect to the acquisition of Unstoppable Shares see Section 3.4 "*Materials Assets and Investments*" of this Listing Statement. David Nikzad and Jason A. Hobson who are both Directors, are also directors of Pluto, accordingly, Pluto is considered a "related party" to the Issuer under MI 61-101. Accordingly, the acquisition of Unstoppable Shares pursuant to the Unstoppable Agreement (the "**Unstoppable**

Acquisition”) is considered a “related party transaction” pursuant MI 61-101. The Issuer relied upon the “Issuer Not Listed on Specified Markets” and “Fair Market Value Not More Than $2,500,000” exemptions from the formal valuation and minority shareholder approval requirements, respectively, under MI 61-101. The Issuer will be filing a material change report in respect of the Unstoppable Acquisition on SEDAR less than 21 days prior to the closing of the Unstoppable Acquisition due to the fact that the Issuer wished to close the Unstoppable Acquisition as soon as practicable.

On July 18, 2023, Brian D. Keane resigned as a Director. In connection with Mr. Keane’s resignation, he was issued 400,000 SVS and 1,000,000 fully vested Options each exercisable at $0.05 and expiring on July 19, 2027.

Developments during the Financial Year ended June 30, 2023

On June 7, 2023, Kirill Kompaniyets resigned as CFO. In connection with such resignation, James Henning was appointed as CFO.

On May 11, 2023, Yu-Kai Chao and Brian Johnson were appointed to the advisory board of the Issuer.

On April 26, 2023, Billy Huang was appointed to the advisory board of the Issuer.

On March 21, 2023 the transactions contemplated by the OT Agreement (the “**OT Transaction**”) were completed. Pursuant to the OT Agreement, the following transactions occurred:

1. 45,700,000 SVS held by the Sellers were exchanged for 457,500 MVS, and 45,700,000 SVS Warrants were exchanged for 457,500 MVS Warrants;

2. the Sellers transferred 4,300,000 SVS, 220,531 MVS, 246,969 Seller MVS Options, 4,300,000 SVS Warrants and 457,500 MVS Warrants to the Buyers for aggregate consideration of $1,000,000;

3. Issuer Shareholders that acquired Common Shares or SVS at a price of $0.05 or less, or MVS at a price of $5.00 or less (together, the “**Restricted Securities**”) entered into lock-up agreements with the Issuer (together, the “**Lock-Up Agreements**”), whereby such Issuer Shareholders agreed not to sell or transfer any Restricted Securities for a period of 12 months following the Listing Date;

4. a shareholder of the Issuer entered into a guarantee and share pledge agreement in favour of the Buyers in support of the Seller’s obligations pursuant to the OT Agreement (the “**Share Pledge Agreement**”) and pledged 5,000,000 SVS thereto;

5. all Options of the Issuer that existed prior to the completion of the OT Transaction were forfeited by the holders thereof;

6. the Issuer completed a private placement (the “**March 2023 Offering**”) by issuing 20,302 units at a price of $100 per unit for gross proceeds of $2,030,200. Each unit was comprised of (i) 1,000 SVS, (ii) 500 SVS Warrants which are exercisable for the purchase of one SVS at a price of $0.15 per share for a period of two years, (iii) 10 MVS, and (iv) 5 MVS Warrants which are exercisable for the purchase of one MVS at a price of $15 per share for a period of two years;

7. the Issuer entered into an investor rights agreement with OT, pursuant to which, OT holds the right to appoint a majority of the Directors, the right to appoint two officers of the Issuer, rights of first refusal in respect of a third-party change of control transaction and participation rights in relation

to subsequent financings following the OT Transaction (the "**Investor Rights Agreement**");

8. the Sellers delivered to the Issuer releases of all liabilities of the Issuer, duly executed by the Issuer's various creditors, including release of all loans and accounts payable by the Issuer to its creditors ("**Creditor Release Agreements**");

9. the Issuer entered into a service agreement with Partum Advisory Services Corp. for a monthly retainer rate equal to $7,500 per month plus applicable tax in connection with consultancy services, bookkeeping and back-office matters (the "**Partum Agreement**"); and

10. James Henning and Gerald Kelly resigned as Directors. Kirill Kompaniyets resigned as interim CEO. David Nikzad, Jason A. Hobson, Brian D. Keane, and Eric Baum were appointed to the Board. Mr. Nikzad was appointed CEO and Mr. Hobson was appointed COO.

On March 17, 2023 the Issuer completed a strategic investment in Dynasty in the amount of US$55,500. Dynasty is a video game developer focused on developing content specifically for web 3.0. For more information see Section 3.4 "*Materials Assets and Investments*" of this Listing Statement.

On March 17, 2023, the Issuer completed a strategic investment in Contango in the amount of US$125,000. Contango is a venture capital company focused on investing in developers of web 3.0 applications and platforms. For more information see Section 3.4 "*Material Assets and Investments*" of this Listing Statement.

On February 24, 2023, the Issuer filed articles of amendment pursuant to the CBCA to amend the rights and restrictions of the existing class of Common Shares and re-designated such class as SVS. Further, the Issuer created a new class of shares designated as MVS (the "**Share Capital Amendments**"). For more information see Section 10 *"Description of Securities"* of this Listing Statement.

On February 13, 2023, the Issuer entered into agreements with respect to a strategic investment in RWI in the amount of US$500,000. RWI is a digital health platform company designed to help users improve their mental health and well-being through virtual reality. For more information see Section 3.4 "*Material Assets and Investments*" of this Listing Statement.

On January 23, 2023, the Issuer completed a strategic investment through the acquisition of PrintCrypto mining rigs. For more information see Section 3.4 "*Material Assets and Investments*" of this Listing Statement.

On December 16, 2022, certain shareholders and warrantholders of the Issuer (collectively, the "**Sellers**"), OT and certain other parties (collectively the "**Buyers**") entered into a securities purchase agreement (the "**OT Agreement**"), whereby, among other things, certain Sellers sold, (i) 4,300,000 SVS, (ii) 222,832 MVS, (iii), 234,668 Seller MVS Options and (iv) 4,250,000 SVS Warrants, which are exercisable for the purchase of one SVS at a price of $0.10 per share for a period of 5 years from the date of their original issuance, (iv) 457,500 MVS Warrants, which are exercisable for the purchase of one MVS at a price of $10 per share for a period of 5 years from the date of their original issuance, to the Buyers.

On November 10, 2022, James Henning was appointed to the Board.

On October 24, 2022, Stan Fainzilberg resigned as CEO and a Director. In connection with such resignation, Kirill Kompaniyets was appointed as interim CEO.

On July 27, 2022, the Issuer changed its auditors from Adam Sung Kim Ltd. to WDM Professional

Chartered Accountants.

Developments during the Financial Year ended June 30, 2022

On June 18, 2022, the Issuer acquired 150 NFTs from "PunkScape.xyz" (the "**PunkScape NFTs**") collection, a digital identity and immersive land project. For more information see Section 3.4 "*Material Asset and Investments*" of this Listing Statement.

On June 9, 2022, the Issuer completed a strategic investment in Column in the amount of $25,000. Column is a decentralized social media network focused on generating and incentivizing topic-specific discussions. For more information see Section 3.4 "*Material Asset and Investments*" of this Listing Statement.

On June 3, 2022, the Issuer completed a private placement (the "**June 2022 Offering**") by issuing 3,000,0000 units at a price of $0.02 per unit for gross proceeds of $60,000. Each unit was comprised of (i) one (1) Common Share and (ii) and one (1) Common Share purchase warrant. Each Common Share purchase warrant entitles the holder thereof to purchase one (1) Common Share at an exercise price of $0.10 for a period of five (5) years following the June 2022 Offering.

On May 30, 2022, the Issuer completed a strategic investment in OpenPool in the amount of $25,000. OpenPool is a decentralized web company focused on simplifying crypto-investing and working to provide institutional-quality funds at a fraction of the cost of traditional markets. For more information see Section 3.4 "*Material Asset and Investments*" of this Listing Statement.

On May 24, 2022, the Issuer completed the second tranche of a private placement (the "**May 2022 Offering**") through the issuance of 18,375,000 units at a price of $0.02 per unit for gross proceeds of $367,000. Each unit was comprised of: (i) one (1) Common Share and (ii) one (1) Common Share purchase warrant. Each Common Share purchase warrant entitles the holder thereof to purchase one (1) Common Share at an exercise price of $0.10 for a period of five (5) years from the date of issuance.

On May 17, 2022, the Issuer completed the first tranche of the May 2022 Offering through the issuance of 53,125,000 units at a price of $0.02 per unit for gross proceeds of $1,062,500. Each unit was comprised of (i) one (1) Common Share and (ii) one (1) Common Share purchase warrant. Each Common Share purchase warrant entitles the holder thereof to purchase one (1) Common Share at an exercise price of $0.10 for a period of five (5) years from the date of issuance.

On April 28, 2022, the Issuer completed a strategic investment in ByLines in the amount of $25,000. ByLines is a web 3.0 application developer that specializes in integrating web 3.0 and web 2.0 technology. For more information see Section 3.4 "*Material Asset and Investments*" of this Listing Statement.

On April 25, 2022, the Issuer changed its name from "La Jolla Capital Inc." to its current name, "Web3 Ventures Inc."

On April 22, 2022, the Issuer completed a private placement (the "**April 2022 Offering**") through the issuance of 22,000,000 units at a price of $0.005 per unit, for gross proceeds of $110,000. Each unit was comprised of (i) one (1) Common Share and (ii) one Common Share purchase warrant. Each Common Share purchase warrant entitles the holder thereof to purchase one (1) Common Share at an exercise price of $0.10 for a period of five (5) years from the date of issuance.

On April 19, 2022, the Issuer filed articles of amendment pursuant to the CBCA and completed the 2022 Consolidation. Following the 2022 Consolidation, the Issuer had 833,239 Common Shares issued and outstanding.

On April 13, 2022, Gerald Kelly resigned as CEO and Stan Fainzilberg was appointed as CEO.

On March 3, 2022, Eugene Beukman resigned as a Director and CEO. In connection with the resignation, Gerald Kelly was appointed to the Board and as CEO.

On February 25, 2022, the Issuer completed a private placement (the "**February 2022 Offering**") through the issuance of 4,000,000 Common Shares at a price of $0.05 per Common Shares for gross proceeds of $200,000.

On February 25, 2022, Aman Thindal and Damanjit Gahunia resigned as Directors. Damanjit Gahunia resigned as CFO. Stan Fainzilberg and Kirill Kompaniyets were appointed to the Board. Kirill Kompaniyets was appointed CFO.

Developments during the Financial Year ended June 30, 2021

During the financial year ended June 30, 2021, the Issuer did not engage any significant operations, nor were there any developments related to the Issuer's business.

Developments during the Financial Year ended June 30, 2020

During the financial year ended June 30, 2020, the Issuer did not engage in any significant operations, nor were there any developments related to the Issuer's business.

Developments prior to the fiscal year ended June 30, 2020

On May 21, 2015, the Issuer completed the 2015 Consolidation. Following the 2015 Consolidation and the completion of the Plan of Arrangement, there were 3,589,990 Common Shares issued and outstanding.

On May 21, 2015, the Issuer completed the Plan of Arrangement. For more information see Section 2.2 "*Incorporation*" of this Listing Statement.

Listing History

The Issuer was listed on the Vancouver Stock Exchange from January 3, 1995, to August 17, 2000, under the symbol "ANR". On August 17, 2000, the Issuer's listing was migrated to the Canadian Venture Exchange following the merger of the Vancouver Stock Exchange with the Canadian Venture Exchange.

The Issuer was listed on the Canadian Venture Exchange from August 17, 2000, to August 17, 2003, under the trading symbol "SDA" and then on the Canadian Venture Exchange's successor exchange, the TSXV, from August 17, 2003, to May 4, 2005.On May 10, 2005, the Issuer traded under the trading symbol "TMX.H". On September 2, 2008 the Issuer traded under the trading symbol "CFQ". On December 31, 2010, the Issuer delisted its securities from the TSXV and migrated its listing to the Canadian National Stock Exchange, a predecessor of the CSE.

The Issuer was listed on the Canadian National Stock Exchange from December 31, 2010, to July 22, 2013, under the trading symbol "CFQ". On July 22, 2013, the Issuer changed its trading symbol to "MTI". On May 11, 2015, the Issuer's securities were halted from trading on the Canadian National Stock Exchange.

The Issuer was issued a CTO by the OSC on November 20, 2015, for failure to file its annual audited financial statements, management discussion and analysis, and related CEO and CFO certifications for the fiscal year ending June 30, 2015. The Issuer's securities were de-listed from the Canadian National National

Stock Exchange following the CTO. On December 11, 2015, the OSC revoked the CTO. To date, the Issuer has yet to recommence trading its securities on any stock exchange.

Additional information pertaining to the Issuer, including financial information, is contained in the various disclosure documents of the Issuer filed with applicable securities commissions and the CSE and made available on the SEDAR website at www.sedar.com and on the CSE website at www.thecse.com.

3.2 Significant Acquisitions or Disposition

The Issuer has not completed any significant acquisitions or dispositions during the most recently completed financial year ended June 30, 2022 or the current financial year.

3.3 Transition to an Investment Issuer

In 2022, following a thorough evaluation of the Issuer's existing resources and a review of its strategic options, the Issuer made a decision to refocus its business operations from the exploration and development of mineral properties to an investment company. The Board takes the position that the Issuer satisfies all criteria to be categorized as an "investment entity" as defined under IFRS[1]: (a) the Issuer has raised capital from multiple arm's length parties for the purpose of providing investors with the ability to pool funds to earn returns on the capital invested through the appreciation of the Issuer's share price or through investment income from its Investments; (b) the Issuer has the Investments (as defined herein) as detailed in its Listing Statement, and it intends to invest funds solely for returns from capital appreciation, investment income or both; (c) the Issuer intends to evaluate the performance of its Investments on a fair value basis as it continues to invest in further Investments, which will include both private investments and the marketable securities of public companies; and (d) the Issuer plans to continue seeking opportunities to diversify and expand its portfolio of Investments which will be primarily companies with operations in technology, web 3.0 application and platform development and cryptocurrency, which the Investment Committee evaluates and deems value creating to both existing and prospective shareholders.

The Board believes that its network of business contacts and its depth of investment experience will enable the Issuer to identify and capitalize on investment opportunities that will bring greater value to the Issuer Shareholders. Specifically, the Issuer will focus on investing in private and public companies whose businesses involve technology, web 3.0 application and platform development and cryptocurrency, with strong intellectual property, exceptional management and high growth potential that may be strategically positioned in the global market. However, the Issuer may take advantage of special situations and other opportunities, as such opportunities arise, and make investments in other sectors which the Investment Committee identifies from time to time as offering particular value. For a full description of the Issuer's current holdings, please see Section 3.4 "*Material Assets and Investments*" of this Listing Statement. For a full description of the Issuer's investment strategy, please refer to Section 4.1 "*General Business of the Issuer*" of this Listing Statement.

There are significant risks associate with the business of the Issuer, as described above and in Section 17 "*Risk Factors*" of this Listing Statement. Readers are strongly encouraged to carefully read all of the risk factors contained in Section 17 "*Risk Factors*" of this Listing Statement. In addition, readers encouraged to review the forward-looking statements under the heading *"Cautionary Note Regarding Forward-Looking Information"* in the preamble of this Listing Statement.

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[1] See IFRS 10 – *Consolidated Financial Statements* and see IFRS 9 – *Financial Instruments.*

3.4 Material Assets and Investments

The following chart is a summary of the Issuer material assets and investment as of the date of this Listing Statement.

Asset/Issuer Name	Description of Investment	Type of Investment, Classification and Jurisdiction
Unstoppable	Unstoppable is a platform that allows users to build, verify and safeguard digital identities across web 3.0 platforms, linking users' access keys, payment information, crypto wallets and various other personalized information. On August 30, 2023, the Issuer entered into a stock transfer agreement with Pluto (the "**Unstoppable Agreement**"). Pursuant to the Unstoppable Agreement, the Issuer acquired 24,084 Unstoppable Shares for an aggregate purchase price of US$1,110,978. The Issuer satisfied the aggregate purchase price of $1,110,978 through the issuance of 302,186 MVS, each with a deemed value of $5.00. The Issuer's acquisition of 24,084 Unstoppable Shares represents 4% % of the issued and outstanding share capital of Unstoppable. Together with entering into the Unstoppable Agreement, the Issuer entered into certain ancillary agreements together with the other shareholders of the Unstoppable. These agreements include: the Voting Agreement by and between Unstoppable, Pluto and other parties thereto, dated April 6, 2022 (the "**Unstoppable Voting Agreement**"), the Right of First Refusal and Co-Sale Agreement by and between Unstoppable, Pluto and other parties thereto, dated April 6, 2022 (the "**Unstoppable ROFR and Co-Sale Agreement**"), the Investors' Rights Agreement by and between Unstoppable, Pluto and other parties thereto, dated April 6, 2022 (the "**Unstoppable Investors' Rights Agreement**"), the Token Side Letter Agreement by and between Unstoppable, Pluto and other parties thereto, dated April 6, 2022 (the "**Unstoppable Token Agreement**") (together with the other agreements referenced in this paragraph, the "**Unstoppable Ancillary Agreements**"). The Unstoppable Voting Agreement creates certain obligations for the Issuer, including the obligation to vote in favour of a certain director as nominee and drag-along obligations in the event of a "Sale of the Company" as defined in the Unstoppable Voting Agreement. A "Sale of the Company" under the Voting Agreement includes: (a) a liquidation event and (b) a transaction or series of related transactions in which an acquiror or a group of related	**Amount of Investment:** US$1,100,000 **Investment Date**: August 30, 2023 **Investment Type:** 24,084 A-1 preferred stock **Current Ownership % in Investee Company:** 4% **Jurisdiction of Investee Company:** Delaware, USA **Classification:** Direct

	persons, acquires shares representing more than fifty percent (50%) of the outstanding voting power of Unstoppable. The Issuer has also agreed to vote in favour of increasing the number of common shares of Unstoppable in the event that there are insufficient common shares reserved for issuance to convert the issued and outstanding preferred shares into common shares. Pursuant to the Unstoppable Investor Rights Agreement, the Issuer has agreed to restrict its ability to further transfer its Unstoppable Shares under the conditions imposed by the Unstoppable Investor Rights Agreement. The Issuer has also agreed to assist Unstoppable in the event that the Unstoppable Shares become registrable under U.S securities laws. The Issuer has also retained rights to information regarding budgets and financial planning of Unstoppable under the Unstoppable Investor Rights Agreement. Pursuant to the Unstoppable ROFR and Co-Sale Agreement, the Issuer has agreed to rights of co-sale in the event that a “Key Holder” (as defined in the Unstoppable ROFR and Co-Sale Agreement) receives an offer to purchase its Unstoppable Shares. The Issuer has also agreed to lock up its Unstoppable Shares for a period of one year following the date that the Unstoppable Shares are first listed on a stock exchange for sale. Pursuant to the Unstoppable Token Agreement, the Issuer has agreed that in the event that cryptocurrency tokens are generated by Unstoppable, the Issuer may be required to lock up such tokens that it would have otherwise been entitled to in the event that tokens are distributed as dividends to holders of Unstoppable Shares. The Unstoppable Ancillary Agreements were entered into as a condition of completing the acquisition of the Unstoppable Shares, and management determined that the investment in the Unstoppable Shares was beneficial to the Issuer notwithstanding that the Issuer would be required to enter into the Unstoppable Ancillary Agreements.	
Dynasty	Dynasty is a video game developer that develops content specifically for web 3.0. On March 17, 2023, the Issuer made a US$55,500 equity investment providing for the acquisition of an interest (less than 1%) in Dynasty. The Issuer purchased a SAFE note (the “**Dynasty SAFE**”) at a price of US$55,500 with a post-money valuation cap of US$40,000,0000.	**Amount of Investment:** US$55,500 **Investment Date:** March 17, 2023 **Investment Type:** SAFE convertible into equity with a valuation

	Upon conversion of the Dynasty SAFE the Issuer will have approximately less than 1% interest in Dynasty. The Issuer will not have an advisory position in Dynasty and will not otherwise have a controlling position in Dynasty. The Dynasty SAFE will convert upon a (i) financing event, (ii) a liquidity event, or (iii) dissolution event. If there is a financing involving the issuance of preferred stock in the capital of Dynasty (the "**Dynasty Shares**"), the Dynasty SAFE will automatically convert into the greater of (i) the number of preferred stock in the capital of Dynasty issued pursuant to the financing equal to $55,500 divided by the lowest price per share of the issued preferred stock, or (ii) the number of Dynasty Shares equal to $55,500 divided by the quotient of: (a) $40,000,000 divided by (b) the sum of the fully diluted capitalization of Dynasty and any options authorized to be issued but not yet issued by Dynasty. In the case of a liquidity event, which includes a change of control, direct listing, or initial public offering, the Issuer is entitled to receive a portion of the proceeds. The amount payable is the greater of (i) $55,500 or (ii) the conversion amount, calculated by dividing $55,500 by the number that is equal to $40,000,000 divided by the sum of the fully diluted capitalization of Dynasty and any options authorized to be issued but not yet issued by Dynasty. If a dissolution event occurs, the Issuer is entitled to receive a portion of the proceeds equal to $55,500, subject to liquidation priority. The Issuer's right to receive payments is junior to outstanding indebtedness but on par with other holders of SAFE notes and preferred stock in the capital of Dynasty. The Dynasty SAFE will only terminate upon a financing event, a liquidity event, or a dissolution event.	cap of US$40,000,000 **Current Ownership % in Investee Company:** <1% equity ownership position assuming conversion of the Dynasty SAFE **Jurisdiction of Investee Company:** Delaware, USA **Classification:** Direct
Contango	Contango is a venture capital firm focused on investments in technology and web 3.0 applications. On March 17, 2023, the Issuer made a US$125,000 equity investment providing for the acquisition of a 5% interest in Contango. The Issuer purchased a SAFE note (the "**Contango SAFE**") at a price of US$125,000 with a post-money valuation cap of US$2,500,000. Upon conversion of the Contango SAFE, the Issuer will have approximately 5% interest in Contango. The Issuer will not have an advisory position in Contango and will not	**Amount of Investment:** US$125,000 **Investment Date:** March 17, 2023 **Investment Type:** SAFE convertible into equity with a valuation cap of US$2,500,000 **Current Ownership %**

	otherwise have a controlling position in Contango. The Contango SAFE will convert upon a (i) financing event, (ii) a liquidity event, or (iii) dissolution event. If there is a financing involving the issuance of preferred stock in the capital of Contango (the "**Contango Shares**"), the Contango SAFE will automatically convert into the greater of (i) the number of preferred stock in the capital of Contango issued pursuant to the financing equal to $125,000 divided by the lowest price per share of the issued preferred stock, or (ii) the number of Contango Shares equal to $125,000 divided by the quotient of: (a) $2,500,000 divided by (b) the sum of the fully diluted capitalization of Contango and any options authorized to be issued but not yet issued by Contango. In the case of a liquidity event, which includes a change of control, direct listing, or initial public offering, the Issuer is entitled to receive a portion of the proceeds. The amount payable is the greater of (i) $125,000 or (ii) the conversion amount, calculated by dividing $125,000 by the number that is equal to $2,500,000 divided by the sum of the fully diluted capitalization of Contango and any options authorized to be issued but not yet issued by Contango. If a dissolution event occurs, the Issuer is entitled to receive a portion of the Proceeds equal to $125,000, subject to liquidation priority. The Issuer's right to receive payments is junior to outstanding indebtedness but on par with other holders of SAFE notes and preferred stock in the capital of Contango. The Contango SAFE will only terminate upon a financing event, a liquidity event, or a dissolution event. Michael Grantis and Eric Baum, both directors of the Issuer, remain involved in Contango as directors.	**in Investee Company:** 5% equity ownership position assuming conversion of the Contango SAFE **Jurisdiction of Investee Company:** British Virgin Islands **Classification:** Direct
RWI	RWI, a company operating out of Wakefield, Massachusetts, is a digital health platform designed to help users improve their mental health and well-being through virtual reality. RWI provides guided live support groups, engaging mindfulness meditations, and transformational VR experiences. On February, 13, 2023, the Issuer entered into a subscription agreement with RWI (the "**RWI Agreement**") wherein the Issuer agreed to advance funds to RWI in the principal amount US$250,000 evidenced by a convertible promissory note (the "**RWI Note**") bearing	**Amount of Investment:** US$500,000 **Investment Date:** February 13, 2023 **Investment Type:** Convertible promissory note(1) and 1,250,000 common shares(2) **Current Ownership %**

	interest at a rate of 8% interest per annum and convertible into preferred shares in the capital of RWI at a US$2,000,0000 valuation with a maturity date of 12 months following the date of the RWI Agreement. The funds provided to RWI pursuant to the RWI Agreement are being applied by RWI for general working capital purposes. The funds advanced by the Issuer pursuant the RWI Agreement were transferred in two tranches, as follows: (i) US$125,000 was advanced on February 14, 2023; and (ii) US$125,000 was advanced on March 17, 2023. Pursuant to the RWI Agreement, the Issuer and RWI completed a share exchange on April 27, 2023 wherein, the Issuer issued 1,666,667 SVS in exchange for 1,250,000 RWI Shares. The 1,666,667 SVS and 1,250,000 RWI Shares were each valued at US$250,000. Assuming conversion of the RWI Note, the Issuer's acquisition of 1,250,000 RWI Shares and the RWI Note represents 25% of the issued and outstanding share capital of RWI (the "**RWI Acquisition**"). Additionally, on February 14, 2023, RWI and the Issuer entered into an investor rights agreement as a condition to the RWI Agreement. Under the investor rights agreement, the Issuer has the right to appoint one director to RWI's board of directors. Pursuant to the investor rights agreement, the Issuer retains a pre-emptive right and top-up right to maintain their equity interest in RWI.	**in Investee Company:** 25% equity ownership position assuming conversion of the RWI Note. **Jurisdiction of Investee Company:** Delaware, USA **Classification:** Direct
PrintCrypto	PrintCrypto is a crypto-currency mining and hosting services company that sells computer hardware for the purposes of gaining revenue from the provision of transaction verification services within digital asset networks, commonly described as "crypto currency mining". As consideration for these services, the verifier of those transactions receives digital assets from each specific cryptocurrency mining pool in which it participates. On January 23, 2023, the Issuer paid an initial deposit for the purchase of 55 units of hardware referred to as "mining rigs" from PrintCrypto for the purposes of solving complex computational problems to validate transactions on the Bitcoin blockchain. The Issuer will receive Bitcoin in return for successful service. Furthermore, any service will be provided using PrintCrypto's servers for the purposes of online hosting. On April 3, 2023, the Issuer entered into a hosting services agreement with PrintCrypto (the "**PrintCrypto Agreement**") for a term of 12 months, whereby,	**Amount of Investment:** US$105,832 **Investment Date:** January 24, 2023 **Investment Type:** Purchase of assets and hosting services

	PrintCrypto will operate and provide hosting services for the mining rigs in exchange for $190 per month. The Issuer's proposed bit mining operations are currently on hold pending managements review of strategic alternatives which may include purchasing new hardware, pursuing proof of stake crypto asset-based revenue models, or alternative investments.	
PunkScape NFTs	The PunkScape.xyz NFT collection is a collection of 10,000 pieces of digital artwork, otherwise known as 'NFTs', that are stored on Ethereum blockchain. On June 18, 2022, the Issuer acquired the PunkScape NFTs. This investment represents a 1.50% stake in the fixed supply of all existing and outstanding NFTs produced by PunkScape.xyz. In addition to the market price appreciation of the PunkScape NFTs, the Issuer is granted a 50% royalty revenue from the sale of copies of the PunkScape NFTs through PunkScape.xyz's online auction platform.	**Amount of Investment:** US$71,326 **Investment Date:** June 18, 2022 **Investment Type:** Purchase of assets
Column	Column is a decentralized social media network focused on generating topic-specific discussions. On June 9, 2022, the Issuer made a US$25,000 equity investment to acquire an interest (less than 1%) in Column. The Issuer purchased a SAFE note (the "**Column SAFE**") at a price of $25,000 with a post-money valuation cap of US$10,000,000. Upon conversion of the Column SAFE the Issuer will have approximately less than 1% interest in Column. The Issuer will not have an advisory position in Column and will not otherwise have a controlling position in Column. The Column SAFE will convert upon a (i) financing event, (ii) a liquidity event, or (iii) dissolution event. If there is a financing involving the issuance of preferred stock in the capital of Column (the "**Column Shares**"), the Column SAFE will automatically convert into the greater of (i) the number of preferred stock in the capital of Column issued pursuant to the financing equal to $25,000 divided by the lowest price per share of the issued preferred stock, or (ii) the number of Column Shares equal to $25,000 divided by the quotient of: (a) $10,000,000 divided by (b) the sum of the fully diluted capitalization of Column and any options authorized to be issued but not yet issued by Column.	**Amount of Investment:** US$25,000 **Investment Date:** June 9, 2022 **Investment Type:** SAFE note convertible into equity with a valuation cap of US$10,000,000 **Current Ownership % in Investee Company:** <1% equity ownership position assuming conversion of the Column SAFE **Jurisdiction of Investee Company:** Delaware, USA **Classification:** Direct

	In the case of a liquidity event, which includes a change of control, direct listing, or initial public offering, the Issuer is entitled to receive a portion of the proceeds. The amount payable is the greater of (i) $25,000 or (ii) the conversion amount, calculated by dividing $25,000 by the number that is equal to $10,000,000 divided by the sum of the fully diluted capitalization of Column and any options authorized to be issued but not yet issued by Column. If a dissolution event occurs, the Issuer is entitled to receive a portion of the proceeds equal to $25,000, subject to liquidation priority. The Issuer's right to receive payments is junior to outstanding indebtedness but on par with other holders of SAFE notes and preferred stock in the capital of Column. The Column SAFE will only terminate upon a financing event, a liquidity event, or a dissolution event.	
OpenPool	OpenPool, a decentralized web company focused on facilitating crypto-investing. OpenPool's platform provides individuals and firms with the ability to set up on-chain cryptocurrency pools and their own customized governance token, as well as discovering and joining hundreds of other on-chain pools. Every on-chain pool on OpenPool is built on the Ethereum blockchain and has its own customized governance token, representing a share of that respective portfolio. Both the individual fund managers and the OpenPool platform earn revenue when capital is deployed and held within these on-chain pools. On May 30, 2021, the Issuer subscribed for a limited partnership interest in 'OP15 Fund I, a series of Roll Up Vehicles, LP' operated by OpenPool, in the amount of US$25,000.	**Amount of Investment:** US$25,000 **Investment Date:** May 30, 2022 **Investment Type:** Limited partnership interest **Current Ownership % in Investee Company:** <1% equity interest **Jurisdiction of Investee Company:** Delaware, USA **Classification:** Direct
ByLines	ByLines is a web 3.0 application developer that specializes in integrating web 3.0 and web 2.0 technology. ByLines is building a communications platform for web 3.0, making it possible to send and receive encrypted messages to and from crypto-wallets and supporting integrations with web 2.0 platforms. On April 14, 2022, the Issuer made a US$25,000 equity investment to acquire an interest (less than 1%) in ByLines. The Issuer purchased a SAFE note (the "**ByLines SAFE**") at a price of US$25,000 with a post-money valuation cap	**Amount of Investment:** US$25,000 **Investment Date:** April 14, 2022 **Investment Type:** SAFE note convertible into equity with a valuation cap of US$32,000,000

	of US$32,000,000. Upon conversion of the ByLines SAFE, the Issuer will have less than 1% interest in ByLines. The Issuer will not have an advisory position in ByLines and will not otherwise have a controlling position in ByLines. The ByLines SAFE will convert upon a (i) financing event, (ii) a liquidity event, or (iii) dissolution event. If there is a financing involving the issuance of preferred stock in the capital of ByLines (the "**ByLines Shares**"), the ByLines SAFE will automatically convert into the greater of (i) the number of preferred stock in the capital of ByLines issued pursuant to the financing equal to $25,000 divided by the lowest price per share of the issued preferred stock, or (ii) the number of ByLines Shares equal to $25,000 divided by the quotient of: (a) $32,000,000 divided by (b) the sum of the fully diluted capitalization of ByLines and any options authorized to be issued but not yet issued by ByLines. In the case of a liquidity event, which includes a change of control, direct listing, or initial public offering, the Issuer is entitled to receive a portion of the proceeds. The amount payable is the greater of (i) $25,000 or (ii) the conversion amount, calculated by dividing $25,000 by the number that is equal to $32,000,000 divided by the sum of the fully diluted capitalization of ByLines and any options authorized to be issued but not yet issued by ByLines. If a dissolution event occurs, the Issuer is entitled to receive a portion of the proceeds equal to $25,000, subject to liquidation priority. The Issuer's right to receive payments is junior to outstanding indebtedness but on par with other holders of SAFE notes and preferred stock in the capital of ByLines. The ByLines SAFE will only terminate upon a financing event, a liquidity event, or a dissolution event.	**Current Ownership % in Investee Company:** <1% equity ownership position assuming conversion of the ByLines SAFE **Jurisdiction of Investee Company:** Delaware, USA **Classification:** Direct

3.5 Safeguard of Crypto Assets

All of the Issuer's crypto assets, including the Bitcoin that may be acquired through crypto mining completed by the PrintCrypto bit mining hardware, are managed by its custodian, Satstreet Inc., and held through its sub-custodian, Coinbase Custody. Satstreet Inc., a company with offices located at 100 Wellington Street West, Floor 23, Toronto, ON M5J 2R2, is a money services business under FINTRAC that has recently submitted a pre-registration undertaking with the OSC as a restricted dealer. Satstreet Inc. provides the Issuer with over-the-counter digital assets trading services, as well as custodial services for the

Issuer's crypto assets. All of the Issuer's assets held by Satstreet Inc. are held in trust as a safeguard for the benefit of its clients should Satstreet Inc. become insolvent or bankrupt. On April 24, 2023 the Issuer opened its account with Satstreet Inc. and entered into a customary agreement with Satstreet Inc. with respect to wallet custody.

The sub-custodian, Coinbase Custody, a company with offices located at 200 Park Avenue South, Suite 1208, New York, NY 10003, USA, implements secure storage practices to ensure the safety of all digital assets held in custody. The central facets of Coinbase Custody's security practices are as follows:

- Cold Wallet Storage: The Issuer's digital assets held by Coinbase Custody are stored in offline cold storage. This means that the private keys, which grant access to the assets, are stored on devices that are not connected to the internet. Cold storage significantly reduces the risk of unauthorized access and hacking attempts since the assets are not directly accessible online.

- Geographically Distributed Storage: Coinbase Custody utilizes geographically distributed storage locations to minimize the risk of physical threats like theft, natural disasters, or localized disruptions. By spreading the storage of assets across multiple secure facilities, Coinbase Custody enhances the resilience of its storage infrastructure.

- Institutional-Grade Security Practices: Coinbase Custody adheres to industry-leading security practices. This includes robust physical security measures at their storage facilities, such as surveillance, access controls, and alarm systems. Additionally, the digital infrastructure is protected with advanced firewalls, intrusion detection systems, and regular security audits.

- Insurance Coverage: Coinbase Custody provides insurance coverage for digital assets held in custody. This insurance policy provides an added layer of protection in case of theft, hacking, or other unforeseen events. The specifics of the insurance coverage may vary depending on the assets and the jurisdiction.

- Ongoing Security Audits: Coinbase Custody regularly conducts comprehensive security audits to identify vulnerabilities and ensure the effectiveness of their security measures. These audits are performed by reputable third-party security firms to maintain a high standard of security and protect against emerging threats.

Neither Coinbase Custody nor Satstreet Inc. are related to parties to the Issuer.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General Business of the Issuer

Overview

The Issuer has refocused its business operations from a mineral exploration company to an investment company. The Issuer believes that the experience and industry contacts of the Board and management enables it to identify and capitalize upon investment opportunities as an investment company operating in accordance with the Investment Policy, which is summarized below. The Issuer's primary focus is to seek returns through investments in equity, debt or other securities of publicly traded or private companies or other entities in the web 3.0 space or other selected sectors with exceptional management and high growth potential, providing financing in exchange for financial appreciation and investment income (the "**Investments**").

The Issuer may take advantage of special situations and other opportunities, as such opportunities arise, and make investments in other sectors which the Investment Committee identifies from time to time as offering particular value.

The Issuer has adopted the Investment Policy to govern its investment activities and investment strategy. A full and final copy of the Investment Policy is attached hereto as Appendix "A".

Investment Objectives

The principal investment objectives of the Issuer will be as follows:

- Investment in high growth companies and technologies.
- Investment in private companies that intend to go public.
- Investing in companies that require capital markets expertise and leadership.

The Issuer's investment objectives, strategy and investment restrictions may be amended from time to time on the recommendations made by senior management and approval of the Board. The Issuer does not anticipate the declaration of dividends to Issuer Shareholders during its initial stages and plans to reinvest profits on its investments toward the further growth and development of the Issuer's investment portfolio.

Investment Strategy

To achieve the investment objectives as stated above and in pursuit of returns, the Issuer shall employ the following guidelines:

- The Issuer may invest in securities of both public and private companies or other entities in technology, Web 3.0 application development and cryptocurrency, that the Issuer and its Investment Committee believe have potential for superior investment returns.
- The Issuer will maintain a prudent and flexible position with respect to the form of investments taken and may employ a wide range of investment instruments, including equity, bridge loans, secured loans, unsecured loans, convertible debentures, warrants and options, royalties, net profit interests and other hybrid instruments. The Issuer will not employ joint ventures.
- The Issuer will obtain detailed knowledge of the relevant business the investment shall be made in, as well as the investee company.
- The Issuer will work closely with the investee company's management and board of directors, and in some cases assist in sourcing experienced and qualified persons to add to the board of directors and/or management of the investee companies
- The Issuer will seek to maintain the ability to actively review and revisit all of its investments on an ongoing basis and investments will require to provide continuous disclosure of operations and financial status.
- From time to time, the Issuer may insist on board or management representation on target companies.

- The Issuer will watch for liquidity of its investments and seek to realize value from same in a prudent and orderly fashion.

- The Issuer will take holdings in companies within the framework of the above guidelines, and which from time to time may result in the Issuer holding a control position in a target company.

- The Issuer will utilize the services of independent technology organizations, advisors and consultants to gain additional information on target investments where appropriate.

- To the extent permissible by law, the Issuer will obtain contractual rights of access to the books and records of the investee companies.

- A minimum of 50% of the Issuer's available funds will have been allocated to a minimum of two specific investments as required under Policy 2 of the CSE.

Notwithstanding the foregoing, from time to time, the Board may authorize such investments outside of these disciplines as it sees fit for the benefit of the Issuer and Issuer Shareholders.

Investment Restrictions

The Issuer will not be bound or restricted as to the overall size of its investment portfolio. The Issuer may raise additional capital funds from time to time, for purposes of expanding its investment portfolio, or may choose to limit its size based on available management time or investment opportunities. Nor will the Issuer choose to limit as to the size of any particular investment it may make or the percentage interest any one investment may be of the Issuer's overall portfolio. No individual investment is subject to a minimum amount. The Issuer may hold a material or majority of its investments in one investee company or a relatively few number of investee companies. Further, the Issuer will not be limited as to the percentage interest it may hold in any investee, which may result in the Issuer holding a control position or even complete ownership of an investee company. The Issuer will not require Issuer Shareholder approval for any investment made within the scope of the Investment Policy.

The Issuer will seek to invest at least 60% of its available capital resources in investee companies, in accordance with the investment objectives and strategy outlined herein, at all times (subject to a reasonable period of time following each raising of additional capital).

Implementation and Investment Evaluation Process

The Directors, officers and management of the Issuer will work jointly and severally to uncover appropriate investment opportunities. However, the Issuer's Investment Committee will monitor the Issuer's investment portfolio on an ongoing basis and will review the status of its Investments.

Prospective investments will be first presented to the Investment Committee. The Investment Committee will make an assessment of (a) whether the proposal is consistent with the Issuer's Investment Policy, (b) whether the proposal fits with the investment and corporate strategy of the Issuer, (c) the merits of the proposed investment; and (d) whether the investment has the potential to create value of the Issuer Shareholders. If the proposed investment is approved in principle by the Investment Committee, the Issuer will then conduct a preliminary due diligence investigation and, based on that investigation, the Investment Committee will decide whether to undertake more robust due diligence, move forward with the proposed investment or abandon the proposed investment. The Investment Committee may engage the participation of outside professional consultants to assist in its decision making.

All prospective investments will be submitted by the Investment Committee to the Board for final approval. The Board may delegate the management and oversight of any investment to the Investment Committee or certain members of the Investment Committee.

Composition of Investment Portfolio

The nature and timing of the Issuer's investments will depend, in part, on available capital at any particular time and the investment opportunities identified and available to the Issuer.

As noted above, subject to the availability of capital, the Issuer intends to create a diversified portfolio of investments. The composition of its investment portfolio will vary over time depending on its assessment of a number of factors including the performance of financial markets and credit risk.

Investment Committee

The Issuer will establish the Investment Committee to monitor its investment portfolio on an ongoing basis and review the status of each investment at least once a month or on an as needed basis. Nominees for the Investment Committee shall be recommended by the Board.

The members of the Investment Committee shall be appointed annually by the Board at the first directors' meeting subsequent to the annual meeting of the Issuer Shareholders or on such other date as determined by the Board. For more details on the members of the Investment Committee, please refer to subsection "*Current Members of the Investment Committee"* in Section 4.1 "*General Business of the Issuer*" of this Listing Statement.

Members of the Investment Committee may be removed or replaced by the Board. Officers of the Issuer may be members of the Investment Committee. Each member of the Investment Committee shall be financially literate.

Investment Evaluation Process

The Directors, officers and management of the Issuer will work jointly and severally to uncover appropriate investment opportunities. However, the Issuer's Investment Committee will monitor the Issuer's investment portfolio on an ongoing basis and will review the status of its investments.

1) Prospective investments will be first presented to the Investment Committee.

2) The Investment Committee will consider various factors in relation to any particular issuer, including:

    - Inherent value of its assets

    - Proven management, clearly-defined management objectives and strong technical and professional support;

    - Future capital requirements to develop the full potential of this business and the expected ability to raise the necessary capital;

    - Anticipated rate of return and the level of risk; and

    - Financial performance, including consistency of positive cash flow.

3) If the proposed investment is approved in principle by the Investment Committee, the Corporation will then conduct a preliminary due diligence investigation.

4) Based on the results of that investigation, the Investment Committee will decide whether to undertake more robust due diligence, move forward with the proposed investment or abandon the proposed investment. The Investment Committee may engage the participation of outside professional consultants to assist in its decision making.

All prospective investments will be submitted by the Investment Committee to the Board for final approval. The Board may delegate the management and oversight of any investment to the Investment Committee or certain members of the Investment Committee.

Financial Reporting

The CFO shall be primarily responsible for the reporting process whereby the performance of each of the Issuer's investments is monitored. Quarterly financial and other progress reports shall be gathered from each corporate entity, and these shall form the basis for a quarterly review of the Issuer's investment portfolio by the Investment Committee. Any deviations from expectation are to be investigated by the Investment Committee and, if deemed to be significant, reported to the Board.

With public company investments, the Issuer is not likely to have any difficulty accessing financial information relevant to its investment. In the event the Issuer invests in private enterprises, it shall endeavour in each case to obtain a contractual right to be provided with timely access to all books and records it considers necessary to monitor and protect its investment in such private enterprises.

A full report of the status and performance of the Issuer's investments is to be prepared by the CFO and presented to the Board at the end of each fiscal year.

Conflicts of Interest

The Issuer has no restrictions with respect to investing in companies or other entities in which a member of the Issuer's management or the Board may already have an interest or involvement. However, prior to the Issuer making an investment, all members of senior management and the Board shall be obligated to disclose any such other interest or involvement. In the event that a conflict is determined to exist, the Issuer may only proceed after receiving approval from disinterested members of the Board.

The Issuer is also subject to the "non-arm's length" and "related party transaction" policies of the CSE, which mandates disinterested shareholder approval for certain transactions.

The management of the Issuer and Directors may be involved in other activities which may on occasion cause a conflict of interest with his or her duties to the Issuer. These include serving as directors, officers, promoters, advisors or agents of other public and private companies, including of companies in which the Issuer may invest, or being shareholders or having an involvement or financial interest in one or more shareholders of existing or prospective investee companies of the Issuer. The management of the Issuer and Directors may also engage from time to time in transactions with the Issuer where any one or more of such persons is acting in his or her capacity as financial or other advisor, broker, intermediary, principal or counterparty.

The management of the Issuer and Directors are aware of the existence of laws governing the accountability of directors and officers for corporate opportunities and requiring disclosure of conflicts of interest, and the

Issuer will rely upon such laws in respect of any conflict of interest. Further, to the extent that management or directors of the Issuer engage in any transactions with the Issuer, such transactions will be carried out on customary and arm's length commercial terms.

Investment Exit Strategies

The Issuer's business purpose is to invest funds solely for returns from capital appreciation and investment income. The Issuer's current portfolio and prospective portfolio will primarily consist of (i) investments in the marketable securities of publicly traded companies, (ii) investments in equity of private companies, and (iii) secured debt facilities for growth stage companies. The Issuer expects that its exit strategies will be determined on a case-by-case basis having reference to each particular market situation and will generally be considered within one or two years following the date the investment was made.

Investments in Publicly Traded Companies

- The Issuer will continue to evaluate opportunities to invest in other publicly traded companies in order to diversify and expand its current investment portfolio.

- Marketable securities, by their virtue, will be traded on a public exchange such as the CSE or the TSXV, whereby the Issuer will have the ability to reduce exposure in and/or liquidate an Investment at the discretion of the Investment Committee.

Investments in Private Companies

- The Issuer may provide consulting services such as further funding, IPOs or mergers and acquisitions.

Management will closely monitor the market and the potential exit strategies available to the Issuer at various times. Management is open to a wide variety of exit strategies such as initial public offerings, private placements, sale of investment holdings, distribution of ownership interests in its investment portfolio, and other potential exit strategies as outlined in B85G of IFRS 10. Management has not determined specific exit strategies with respect to any of its investments at this time and will review available options at a future date with a view to maximizing shareholder value.

Investments in Cryptocurrencies

Management has taken the view that cryptocurrencies generally, and Bitcoin in particular, are undervalued in the market. Therefore, the current value of crypto assets within the Issuer's broader investment portfolio is minimal, and the Issuer's senior management intends to both hold crypto assets for capital appreciation and generate income for the Issuer's shareholders.

Management intends to continue to monitor the market for crypto assets and Bitcoin with a view to generate income for the Issuer's shareholders by partial liquidation of its crypto assets at a future date when market conditions are favourable with respect to crypto assets. As the "mining rigs" purchased from PrintCrypto are likely to be obsolete in five years, senior management of the Issuer intends to generate income during the useful life of the mining machines. Management does not intend to take an active role in expanding its Bitcoin mining strategy but rather intends to use the mining machines to generate passive income and capital appreciation.

At this time, senior management of the Issuer does not have a specific restriction on what portion of its portfolio will be represented by crypto assets. Management will continue to monitor the market for crypto assets to determine what strategies may be most beneficial to maximize shareholder value.

Amendments

The Issuer's investment objectives, investment strategy and investment restrictions may be amended from time to time on the recommendation of the Investment Committee or senior management and approval by the Board. Shareholder approval will not be required to amend the Issuer's investment objectives, investment strategy or investment restrictions.

Current Investments

For more information please see Section 3.4 "*Material Assets and Investments"* of this Listing Statement.

Current Members of the Investment Committee

The Investment Committee shall be comprised of the following individuals:

David Nikzad, Chairman

For David Nikzad's full biography see Section 13.11 "*Management*" of this Listing Statement.

Jason A. Hobson, Member

For Jason A. Hobson's full biography see Section 13.11 "*Management*" of this Listing Statement.

Anthony Tijero, Member

Anthony Tijero is the managing partner of Magmetis Ventures, a premier investment management firm trading in procognitive, psychedelic-inspired assets in the public markets, dedicated to producing exceptional returns for its investors through unique insights and partnerships.

Mr. Tijero has a bachelor's degree in history and statistics from Harvard University and has been a financial analyst, investment strategist, and acted as chief financial officer for capital management companies and hedge funds throughout his career.

Mr. Tijero is a Series 65 investment adviser certified by the Financial Industry Regulatory Authority (FINRA) since September 2016.

4.1.1 Business Objectives and Milestones

Over the next 12-month period, the Issuer will continue to monitor its current investment portfolio and evaluate whether the Issuer's Investments should continue to be held in whole or in part, or expanded, or be divested of. The Issuer's key objective over the next year is to enhance shareholder value by remaining flexible and capable of adapting to changing market conditions. To review a copy of the Investment Policy, please refer to Section 4.1 *"General Business of the Issuer"* of this Listing Statement.

In order to meet the Issuer's key objective, management will continue to source and identify potential investment opportunities to present to the Investment Committee, should management determine that explanation of the Issuer's Investments is warranted. Management intends to devote a significant amount of time over the next year in working to identify investments for review by the Investment Committee. To grow the Issuer's investment portfolio quickly if management determines such growth is required, the Issuer will need additional investment capital. While the Issuer will initially have approximately US$850,000 in cash available to acquire investments, management would like to maintain flexibility by having access to additional capital. The Issuer will obtain such capital either from the divestiture of existing Investments or from the sale of its own securities. There can be no assurance that the Issuer will be successful in raising additional capital. For more information please refer to Section 17 *"Risk Factors"* of this Listing Statement.

The Issuer does not have any stated business objectives for the next 12 months and no funds have been allocated in respect of any particular business objectives as management has taken the view that the rapidly evolving market requires flexibility and vigilance. It is the intention of the Issuer to monitor its positions in the Investments and evaluate whether its current investment portfolio will be expanded; however, there is currently no particular plan for which issuers such investments will be made. The Issuer will make investment decisions in accordance with its Investment Policy as appropriate, with the ultimate goal of maximizing shareholder value.

4.1.2 Use of Available Funds

As of the date of this Listing Statement, the Issuer has a working capital position of approximately of $1,581,328 including available cash of approximately $1,282,328. The Issuer anticipates that the following funds will be used to fund the Issuer's estimated expenditures during the twelve-month period after listing its SVS on the CSE:

Description of Funds	Amount
Available Funds for General Working Capital	$1,581,328
General and Administrative Expenses(1)	$299,000
Total Unallocated Working Capital Intended for Future Investments	$1,282,328

Notes:

(1) The General and Administrative Expenses of $299,000 is representative of $90,000 in consulting fees, $15,000 in listing fees, $94,000 in professional fees, $30,000 in accounting and auditing fees, $20,000 in transfer agent fees, and $50,000 for investor relations and marketing activities.

4.2 Asset Backed Securities

This section is not applicable to the Issuer.

4.3 Companies with Mineral Projects

This section is not applicable to the Issuer.

4.4 Companies with Oil and Gas Operations

This section is not applicable to the Issuer.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Selected Consolidated Financial Information

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Issuer as at and for the years ended June 30, 2022, June 30, 2021, and June 30, 2020, attached as Appendix "B" to this Listing Statement, and should be read in conjunction with such financial statements and the related notes thereto, included in Appendix "B" of this Listing Statement, along with the related MD&As thereto attached as Appendix "C" to this Listing Statement. All financial statements of the Issuer are prepared in accordance with International Financial Reporting Standards.

	As at and for the year June 30, 2022 (audited) (CAD$)	**As at and for the year June 30, 2021 (audited) (CAD$)**	**As at and for the year ended June 30, 2020 (audited) (CAD$)**
Statement of Loss and Comprehensive Loss			
Total revenue	-	-	-
Net income (loss) from continuing operations	(467,208)	(137,797)	(145,389)
Net Profit (Loss)	(468,907)	(130,415)	(148,625)
Basic and diluted loss per share	(0.04)	(0.30)	(0.03)
Statement of financial position			
Total Assets	502,872	1,363	1,444
Total Long-Term Liabilities	-	-	-
Total Liabilities	237,791	1,169,684	1,039,350
Shareholder's Equity (Deficiency)	265,081	(1,168,321)	(1,037,906)

See Appendix "B" – *Issuer's Consolidated Financial Statements.*

5.2 Quarterly Information

The following table sets out selected historical financial information of the Issuer for each of the eight most recently completed quarters ending at June 30, 2022, as well as the subsequent periods to the most recently completed financial year;

Three Months Ended	**March 31, 2023**	**December 31, 2022**	**September 30, 2022**	**June 30, 2022**	**March 31, 2022**	**December 31, 2021**	**September 30, 2021**	**June 30, 2021**	**March 31, 2021**	**December 31, 2020**	**September 30, 2020**
Total Revenues	-	-	-	-	-	-	-	-	-	-	-
Net Income (loss)	25,557	(107,122)	(150,327)	(602,317)	(26,899)	196,224	(34,593)	(34,518)	(34,518)	(33,984)	(34,777)
Net Income (loss) per share-basic and diluted	0.00	0.00	0.00	(0.36)	(0.05)	0.45	(0.08)	(0.01)	(0.01)	(0.01)	(0.01)

See Appendix “B” – *Issuer’s Consolidated Financial Statements.*

5.3 Dividends

There are no restrictions in the Issuer’s articles or by-laws or pursuant to any agreement or understanding which could prevent the Issuer from paying dividends. The Issuer has not declared or paid any dividends on any class of securities. It is expected that the Issuer will retain future earnings, if any, to fund the development and growth of its business and does not intend to pay any cash dividends on the SVS for the foreseeable future. Any decision to pay dividends on the SVS in the future will be made by the Board on the basis of earnings, financial requirements and other conditions existing at the time.

5.4 Foreign GAAP

The financial statements included in this Listing Statement have been, and the future financial statements of the Issuer shall be, prepared in accordance with IFRS.

6. MANAGEMENT’S DISCUSSION AND ANALYSIS

The Issuer’s MD&A as at and for the nine-month period ended March 31, 2023, and the financial years ended June 30, 2022, June 30, 2021, and June 30, 2020, are attached as Appendix “C” hereto.

7. MARKET FOR SECURITIES

The Issuer’s securities are not currently listed for trading on any stock exchange.

8. CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Issuer as of June 30, 2022, and as of the date of this Listing Statement.

Designation of Security	Amount Outstanding as of June 30, 2022	Amount Outstanding as of the date of this Listing Statement
Common Shares(1)	97,333,241	N/A
SVS(1)	N/A	72,374,345
MVS	N/A	985,233
Options	10,725,000	13,950,000(3)
Warrants	96,500,000	71,974,464(2)

Notes:

(1) On February 24, 2023, the Issuer completed the Share Capital Amendments replacing the Common Shares with SVS.

(2) Comprised of (i)25,072,064 warrants to purchase SVS, and (ii) 569,024 warrants which are convertible into an aggregate of 56,902,400 SVS warrants, for clarity the table above assumes conversion of all MVS to SVS. Assumes the issuance of

(3) On July 18, 2023, the Issuer issued 1,000,000 Options to purchase SVS to Brian Keane pursuant to its Omnibus Plan. On September 1, 2023, the Issuer issued 10,550,000 Options to purchase SVS to eligible persons pursuant to its Omnibus Plan. On September 6, 2023, the Issuer issued 2,400,000 Options to purchase SVS to eligible persons pursuant to its Omnibus Plan.

9. OPTIONS TO PURCHASE SECURITIES

9.1 Outstanding Options

As at the date of the Listing Statement, there are 13,950,000 Options issued and outstanding under the Omnibus Plan. The following table summarizes the Options issued and outstanding as of the date of the Listing Statement.

Group	Number of Options/ Rights	Securities Under Options/ Rights	Grant Date	Expiry Date	Exercise Price per SVS	Market Value of SVS on Grant Date ($)[(1)]	Market Value of SVS as of the Date of this Listing Statement ($)[(1)]
Brian D. Keane	1,000,000	1,000,000	July 18, 2023	July 19, 2023	$0.05	N/A	N/A
Executive officers of the Issuer as a group	3,500,000[(2)]	3,500,000	September 1, 2023	September 1, 2027	$0.05	N/A	N/A
Directors of the Issuer as a group who are not also officers	3,000,000[(2)]	3,000,000	September 1, 2023	September 1, 2027	$0.05	N/A	N/A
Consultants of the Issuer as a group	1,550,000[(3)]	1,550,000	September 1, 2023	September 1, 2027	$0.05	N/A	N/A
Consultants of the Issuer as a group	500,000[(4)]	500,000	September 1, 2023	September 1, 2027	$0.05	N/A	N/A
Consultants of the Issuer as a group	2,000,000[(2)]	2,000,000	September 1, 2023	September 1, 2027	$0.05	N/A	N/A
Executive officers of the Issuer as a group	250,000[(2)]	250,000	September 6, 2023	September 6, 2027	$0.05	N/A	N/A
Consultants of the Issuer as a group	2,150,000[(3)]	2,150,000	September 6, 2023	September 6, 2027	$0.05	N/A	N/A

Notes:

(1) The Issuer's SVS do not yet trade on any market.

(2) The Options are subject to a time-based vesting schedule with 50% vesting immediately and 50% vesting each calendar quarter for a period of one year.
(3) These Options all vest immediately.
(4) These Options are subject to a time-based vesting schedule with 25% vesting each calendar quarter in equal amounts over a twelve month period.

9.2 Incentive Plans

9.2.1 Summary of the Omnibus Plan

On March 21, 2023, the Issuer implemented the Omnibus Plan and repealed and replaced the Stock Option Plan. Options issued under the previous Stock Option Plan are now being governed by the Omnibus Plan. On September 1, 2023, the Issuer amended its Omnibus Plan to accurately reflect the number of awards available for issuance under the Omnibus Plan.

The Omnibus Plan permits the grant of (i) Options, (ii) RSUs, (iii) performance compensation awards, and (iv) unrestricted stock bonuses or purchases, which are referred to collectively as "**Awards**", all as more fully described below.

The Board shall have the power to manage the Omnibus Plan and may delegate such power at its discretion to any committee of the Board.

Eligibility

Any non-employee director of the Issuer or any employee, officer, director, consultant, independent contractor or advisor providing services to the Issuer or any Affiliate, or any such person to whom an offer of employment or engagement with the Issuer or any Affiliate is extended, are eligible to participate in the Omnibus Plan if selected by the Board (the "**Participants**"). The basis of participation of an individual under the Omnibus Plan, and the type and amount of any Award that an individual will be entitled to receive under the Omnibus Plan, will be determined by the Board based on its judgment as to the best interests of the Issuer and its shareholders, and therefore cannot be determined in advance.

The maximum number of SVS that may be issued under the Omnibus Plan shall be fixed by the Board to be 10% of the SVS outstanding, from time to time, subject to adjustment in the Omnibus Plan.

The maximum number of SVS that may be issued under the Omnibus Plan to any one Related Person, or the number of securities that may be issuable on exercise of the Options granted to any one Related Person, as compensation within any one-year period, excluding performance-based Awards (with the performance target being set as the market capitalization of the SVS outstanding), shall not exceed 5.0% of the outstanding SVS, at the time of grant, subject to adjustment in the Omnibus Plan. The maximum number of the SVS that may be issued under the Omnibus Plan to the Issuer's non-executive directors, as a whole, or the number of securities that may be issuable on exercise of the Awards granted to the Issuer's non-executive directors, as a whole, as compensation within any one- year period, shall not exceed 1.0% of the outstanding SVS, (excluding grants made under the Omnibus Plan, at the time of grant, subject to adjustment in the Omnibus Plan). The Board will not grant Options to any one non-executive director in which the aggregate fair market value (determined as of the time the Options are granted) of such Options during any calendar year (under the Omnibus Plan and all other plans of the Issuer and its Affiliates (as defined in the Omnibus Plan)) shall exceed $100,000, or will not grant Awards in which the aggregate fair market value (determined as of the time the Awards are granted) of the SVS in respect to which the Awards are exercisable by such non-executive director during any calendar year (under the Omnibus Plan and all other plans of the Issuer and its Affiliates) shall exceed $150,000.

Any shares subject to an Award under the Omnibus Plan that are not purchased or are forfeited, cancelled, expire unexercised, are settled in cash, or are used or withheld to satisfy tax withholding obligations of a Participant shall again be available for Awards under the Omnibus Plan. Financial assistance or support agreements may be provided by the Issuer or any related entity to Participants in connection with grants under the Omnibus Plan, including full, partial or non-recourse loans if approved by the Board (with interested persons abstaining, if applicable).

In the event of any dividend (other than a regular cash dividend) or other distribution (whether in the form of cash, Shares, other securities or other property), recapitalization, forward stock split, reverse stock split, reorganization, plan of arrangement, merger, amalgamation, consolidation, split-up, spin-off, combination, repurchase or exchange of the SVS or other securities of the Issuer, issuance of warrants or other rights to acquire SVS or other securities of the Issuer, or other similar corporate transaction or event which affects the SVS or unusual or nonrecurring events affecting the Issuer or the financial statements of the Issuer, or changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange or inter-dealer quotation system, accounting principles or law, the Board may, subject to any required regulatory or Exchange approvals, make such adjustment which it deems appropriate in its discretion in order to prevent dilution or enlargement of the rights of Participants under the Omnibus Plan, to (i) the number and kind of SVS (or other securities or other property) that may thereafter be issued in connection with Awards, (ii) the number and kind of SVS (or other securities or other property) subject to outstanding Awards, (iii) the purchase price or exercise price relating to any Award or, if deemed appropriate, make provision for a cash payment with respect to any outstanding Award, and/or (iv) any share limit set forth in the Omnibus Plan.

Awards

Options

The Board is authorized to grant Options to purchase SVS. Issuers Options granted under the Omnibus Plan will be subject to the terms and conditions established by the Board. Options granted under the Omnibus Plan will be subject to such terms, including the exercise price and the conditions and timing of exercise, as may be determined by the Board and specified in the applicable award agreement. The maximum term of an Option granted under the Omnibus Plan will be ten years from the date of grant (or five years in the case of an ISO granted to a 10% shareholder). Payment in respect of the exercise of an Option may be made in cash or by check, by surrender of unrestricted shares (at their fair market value on the date of exercise) or by such other method as the Board may determine to be appropriate.

RSUs

RSUs are granted in reference to a specified number of SVS and entitle the holder to receive, on achievement of specific performance goals established by the Board or after a period of continued service with the Issuer or its affiliates or any combination of the above as set forth in the applicable award agreement, one SVS for each such SVS covered by the RSU; provided, that the Board may elect to pay cash, or part cash and part SVS in lieu of delivering only SVS. The Board may, in its discretion, accelerate the vesting of RSUs. Unless otherwise provided in the applicable award agreement or as may be determined by the Board upon a Participant’s termination of employment or service with the Issuer, the unvested portion of the RSUs will be forfeited and re-acquired by the Issuer for cancellation at no cost.

Unrestricted Stock Bonuses or Purchases

The Board is authorized to grant unrestricted SVS as consideration for services rendered to the Issuer or an Affiliate in the prior calendar year, or may offer a Participant the opportunity to purchase unrestricted SVS for cash consideration equal to the fair market value of the unrestricted SVS.

Dividend Equivalents

The Board is authorized to grant dividend equivalents, under which the holder shall be entitled to receive payments (in cash, SVS, other securities or other property, as determined by the Board) equivalent to the amount of cash dividends paid by the Issuer to holders of SVS with respect to a number of SVS determined by the Board. Subject to the terms of the Omnibus Plan and any applicable award agreement, such dividend equivalents may have such terms and conditions as the Board shall determine. Notwithstanding the foregoing, (i) the Board may not grant dividend equivalents to Participants in connection with grants of Options or other Awards, the value of which is based solely on an increase in the value of the SVS after the date of grant of such Award, and (ii) dividend and dividend equivalent amounts may be accrued but shall not be paid unless and until the date on which all conditions or restrictions relating to such Award have been satisfied, waived or lapsed.

The Board may impose restrictions on the vesting, exercise or payment of an Award as it determines appropriate. Generally, no Awards (other than fully vested and unrestricted SVS issued pursuant to any Award) granted under the Omnibus Plan shall be transferable except by will or by the laws of descent and distribution. No Participant shall have any rights as a shareholder with respect to the SVS covered by Options or RSUs, unless and until such Awards are settled in the SVS.

No Option shall be exercisable, no SVS shall be issued, no certificates, registration statements or electronic positions for SVS shall be delivered and no payment shall be made under the Omnibus Plan except in compliance with all applicable laws and the Exchange and any other regulatory requirements.

General

The maximum term of the Awards eligible for grant under the Omnibus Plan will be 10 years.

10. DESCRIPTION OF SECURITIES

10.1 General

10.1.1 Subordinate Voting Shares and Multiple Voting Shares

Authorization

The Issuer is authorized to issue unlimited number of SVS without par value and an unlimited number of MVS without par value.

Subordinate Voting Shares

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

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

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

In the event of the liquidation, dissolution or winding-up of the Issuer, whether voluntary or involuntary, or in the event of any other distribution of assets of the Issuer among its shareholders for the purpose of winding up its affairs, the holders of SVS will, subject to the prior rights of the holders of any shares of the Issuer ranking in priority to the SVS, be entitled to participate rateably along with all other holders of SVS, and MVS (assuming conversion of all MVS into SVS at the Conversion Ratio).

Holders of SVS will not be entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of SVS, or bonds, debentures or other securities of the Issuer now or in the future.

No subdivision or consolidation of the SVS or MVS shall occur unless, simultaneously, the SVS, or MVS are subdivided or consolidated in the same manner or such other adjustment is made so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

Multiple Voting Shares

The MVS were implemented in order to minimize the proportion of the outstanding voting securities of the Issuer that are held by “U.S. persons” for purposes of determining whether the Issuer is a “foreign private issuer” for purposes of United States securities laws.

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

As long as any MVS remain outstanding, the Issuer will not, without the consent of the holders of the MVS by separate special resolution, prejudice or interfere with any right attached to the MVS. Holders of MVS will not be entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of SVS, or bonds, debentures or other securities of the Issuer.

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

In the event of the liquidation, dissolution or winding-up of the Issuer, whether voluntary or involuntary, or in the event of any other distribution of assets of the Issuer among its shareholders for the purpose of winding up its affairs, the holders of MVS will, subject to the prior rights of the holders of any shares of the Issuer ranking in priority to the MVS, be entitled to participate rateably along with all other holders of MVS (on an as-converted to SVS basis), SVS (on an as-converted to SVS basis).

No subdivision or consolidation of the SVS or MVS shall occur unless, simultaneously, the SVS and MVS are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

The MVS each have a restricted right to convert into 100 SVS (the “**Conversion Ratio**”), subject to adjustments for certain customary corporate changes. The ability to convert the MVS is subject to a restriction that the aggregate number of SVS and MVS held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rules 3b-4 and 12g3-2(a) under the Securities Exchange Act of 1934, as amended), may not exceed forty percent (40%) of the aggregate number of SVS and MVS issued and outstanding after giving effect to such conversions and to a restriction on beneficial ownership of SVS exceeding certain levels. In addition, the MVS will be automatically converted into SVS in certain circumstances, including upon the registration of the SVS under the United States Securities Act of 1933, as amended. In the event that an offer is made to purchase SVS and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the SVS are then listed, to be made to all or substantially all the holders of SVS in a given province or territory of Canada to which these requirements apply, each MVS shall become convertible at the option of the holder into SVS at the Conversion Ratio at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may be exercised in respect of MVS for the purpose of depositing the resulting MVS pursuant to the offer. Should the SVS issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the SVS resulting from the conversion shall be automatically reconverted, without further intervention on the part of the Issuer or on the part of the holder, into MVS at the inverse of the Conversion Ratio then in effect.

As at the date of this Listing Statement, the Issuer has 72,374,345 issued and outstanding SVS on an undiluted basis and 985,233 issued and outstanding MVS on an undiluted basis. Approximately 5.8% of those SVS and 48.5% of those MVS will be held by the Escrowed Persons, which are controlled by certain current directors and officers of the Issuer.

10.1.2 Miscellaneous Securities Provisions

The Issuer is not listing any debt securities.

None of the matters set out in sections 10.2 to 10.6 of CSE Form 2A are applicable to the share structure of the Issuer.

10.2 Prior Sales

The following table summarizes the issuances of securities of the Issuer within the previous 12 months before the date of the Listing Statement:

Date of Issuance	Type of Securities	Number of Securities Sold	Issue Price Per Security ($)	Details of Consideration
April 22, 2022	Units(1)	22,000,000	$0.005	$110,000
May 17, 2022	Units(2)	53,125,000	$0.02	$1,062,500
May 24, 2022	Units(3)	18,375,000	$0.02	$367,000
June 3, 2022	Units(4)	3,000,000	$0.02	$60,000
February 13, 2023	SVS(5)	1,666,667	$0.15	$250,000
March 21, 2023	Units(6)	20,302	$100	$2,030,200

July 17, 2023	SVS(7)	400,000	$0.05	$20,000
August 30, 2023	MVS(8)	302,186	$5.00	$1,510,930
September 7, 2023	Units(9)	669,691	$0.10	$66,691

Notes:

(1) Issued to various subscribers pursuant to the April 2022 Offering. Each unit issued pursuant to the April 2022 Offering was comprised of (i) one Common Share and (ii) one Common Share purchase warrant. Each Common Share purchase warrant issued pursuant to the April 2022 Offering entitles the holder thereof to subscribe for and purchase one Common Share at a price of $0.10 and expires on April 22, 2027.

(2) Issued to various subscribers pursuant to the first tranche of the May 2022 Offering. Each unit issued pursuant to the first tranche of the May 2022 Offering was comprised of (i) one Common Share and (ii) one Common Share purchase warrant. Each Common Share purchase warrant issued pursuant to the first tranche of the May 2022 Offering entitles the holder thereof to subscribe for and purchase one Common Share at a price of $0.10 and expires on May 17, 2027.

(3) Issued to various subscribers pursuant to the second tranche of the May 2022 Offering. Each unit issued pursuant to the second tranche of the May 2022 Offering was comprised of (i) one Common Share and (ii) one Common Share purchase warrant. Each Common Share purchase warrant issued pursuant to the second tranche of the May 2022 Offering entitles the holder thereof to subscribe for and purchase one Common Share at a price of $0.10 and expires on May 24, 2027.

(4) Issued to various subscribers pursuant to the June 2022 Offering. Each unit issued pursuant to the June 2022 Offering was comprised of (i) one Common Share and (ii) one Common Share purchase Warrant. Each Common Share purchase warrant issued pursuant to the June 2022 Offering entitles the holder thereof to subscribe for and purchase one Common Share at a price of $0.10 and expires on June 3, 2027.

(5) Issued to RWI pursuant to RWI Agreement in consideration for 1,250,000 RWI Shares valued at $250,000.

(6) Issued to various subscribers pursuant to the March 2023 Offering. Each unit issued pursuant to the March 2023 Offering was comprised of (i) 1,000 SVS, (ii) 500 SVS Warrants which are exercisable for the purchase of one SVS at a price of $0.15 per share for a period of two years, (iii) 10 MVS, and (iv) 5 MVS Warrants which are exercisable for the purchase of one MVS at a price of $15 per share for a period of two years.

(7) Issued to Brian D. Keane in connection with his resignation.

(8) Issued to Pluto in consideration for the Unstoppable Shares pursuant to the Unstoppable Acquisition.

(9) Issued to subscribers pursuant to the September 2023 Offering. Each Unit consists of one SVS and one SVS Warrant, exercisable for $0.20 for up to two years from the date of issuance.

10.3 Stock Exchange Price

Neither the Common Shares nor the SVS have been listed on a Canadian stock exchange in the past two fiscal years.

11. ESCROWED SECURITIES

On or before the Listing Date, in accordance with CSE Policy 2, the Escrowed Persons will enter into the Escrow Agreement with the Escrow Agent, pursuant to which these parties will collectively deposit 57,740,500 Escrowed Securities (inclusive of SVS and MVS on an as-converted basis in accordance with the Conversion Ratio) with the Escrow Agent, representing 33.79% of the issued and outstanding SVS on a partially-diluted basis.

The Escrowed Securities are subject to the terms and conditions set out in the Escrow Agreement, which is substantially in the form of 46-201F1 – *Escrow Agreement*, the form of agreement for escrow arrangements under National Policy 46-201.

Pursuant to the Escrow Agreement, the Escrowed Persons may not sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way with their respective Escrowed Securities or any related share certificates or other evidence of their Escrowed Securities for a period of 36 months beginning on the Listing Date as set out below. In addition, any SVS received upon the conversion of Issuer Warrants, Options, or RSUs by the Escrowed Persons are required to be deposited in escrow and are releasable upon the same terms as set out below.

As of the Listing Date, the Escrowed Securities will be subject to a three-year escrow and subject to the following release schedule:

Time or event for release of Escrowed Securities	**Percentage of SVS to be Released**	**Number of SVS to be Released**
On the Listing Date	10% of the Escrowed Securities	5,774,050
6 months after the Listing Date	15% of the Escrowed Securities	8,661,100
12 months after the Listing Date	15% of the Escrowed Securities	8,661,100
18 months after the Listing Date	15% of the Escrowed Securities	8,661,100
24 months after the Listing Date	15% of the Escrowed Securities	8,661,100
30 months after the Listing Date	15% of the Escrowed Securities	8,661,100
36 months after the Listing Date	15% of the Escrowed Securities	8,661,100
TOTAL		**57,740,500**

12. PRINCIPAL SHAREHOLDERS

To the best of the knowledge of the directors and senior officers of the Issuer and based on existing information, the following listed persons or companies beneficially own, directly or indirectly, or exercise control or direction over, SVS carrying more than 10% of the voting rights attached to all outstanding SVS.

Shareholder Name	**Type of Ownership**	**Number of SVS**	**Percentage of Issued Capital**
Orthogonal Thinker Inc.(2)(3)	Direct	7,609,000(1)	4.44%(1)
Pluto 11.11 Inc.	Direct	50,130,600(1)	29.22%(1)

__**Notes**__:
(1) Assuming conversion of the MVS into SVS at the Conversion Ratio.
(2) David Nikzad a Director and the CEO, is also the chief executive officer and a director of OT.
(3) Jason A. Hobson, a Director and the COO, is also the chief operating officer and a director of OT.

13. DIRECTORS AND OFFICERS

13.1 to 13.5. Directors, Officers and Management of the Issuer

The following table sets forth the name, province and country of residence, position or offices of the directors and officers of the Issuer, date appointed or elected, principal occupation and the number of SVS that each of the directors and executive officers own, of record or beneficially, directly or indirectly, or over which they exercise control or direction, as of the date of this Listing Statement.

Name and Province/State and Country of Residence	Position Director(s) or Office(s) held with the Issuer (or any subsidiaries thereof) and Date Appointed/Elected	Principal Occupation During Five Preceding Years	Number of SVS Owned/ Controlled/ Directed
David Nikzad, *CEO and Chairman* Kihei, Hawaii, USA	CEO and Chairman from March 21, 2023 to present.	Chairman and President, Orthogonal Thinker Inc. (2016 to present) Chief Executive Officer and Chief Financial Officer, Ei. Ventures Inc. (2019 to present) Independent business advisor and investor	57,740,500[3] [5][7] (33.65%)
James Henning *CFO and Former Director* White Rock, BC	CFO from June 7, 2023 to present Director from April 13, 2022 to March 21, 2023	Chartered Professional Accountant, and founder and president of Corpfinance Advisors Inc. (from 1995 to present)	Nil
Kirill Kompaniyets, *Secretary, Director and Former Interim CEO* Toronto, Ontario, Canada	CFO from February 25, 2022 to June 7, 2023 Secretary from June 7, 2023 to present Interim CEO from October 24, 2022 to March 21, 2023	Owner and founder of Bridge Recruiters (2021 to present)	Nil
Jason A. Hobson, *COO and Director* Los Angeles, California, USA	COO, and Director from March 21, 2023 to present	Chief Operating Officer and corporate secretary, Ei. Ventures (2019 to present)	57,740,500[3] [5][7] (33.65%)
Eric Baum,[1][2] *Director* Charlotte, North Carolina, USA	Director from March 21, 2023 to present	Managing Director, Acquis Consulting Group (2006 to present); Managing Director, Solidea Capital (2006 to present)	Nil
Michael Grantis,[1][2] *Director* Niagara, Ontario, Canada	Director from March 21, 2023 to present	Co-Founder & Managing Director, Contango Digital Assets (2021 to present); Founder, CryptoWeekly (2020 to present); Founder, AdTurbine (2018 to 2020)	3,423,800 2%[6]
Jack Rentz[1][2]	Director from September 1, 2023 to present	Owner, Denver Diagnostic Pain (2017 to present); Founder and owner, Denver Diagnostic Surgery Center (2019 to present)	1,711,300 1%

Notes:

(1) Member of the Audit Committee.
(2) Independent director within the meaning of NI 52-110.
(3) David Nikzad is a director and officer of OT and Pluto.
(4) Jason Hobson is a director and officer of OT and Pluto.
(5) Assuming conversion of the MVS into SVS at the Conversion Ratio.
(6) Michael Grantis is a director of Contango Digital Assets Inc., a shareholder of the Issuer.
(7) The aggregate of 57,740,500 SVS are held directly by Pluto and OT which hold 50,130,600 and 7,609,000

SVS, respectively, on an as converted basis. Neither David Nikzad nor Jason Hobson directly own the 57,740,500 SVS but do exercise control over them by virtue of their positions as directors and officers of OT and Pluto.

The term of office of the directors expires annually at the time of the Issuer's annual general meeting. The term of office of the executive officers expires at the discretion of the Board.

As of the date of this Listing Statement, the directors and executive officers of the Issuer, as a group, will beneficially own, directly or indirectly, or exercise control or direction over 63,875,600 SVS, representing approximately 37.23% of the issued and outstanding SVS on a consolidated basis. The statement as to the number of SVS beneficially owned, directly or indirectly, or over which control or direction will be exercised by the directors and executive officers of the Issuer as a group is based upon information furnished by the directors and executive officers.

Audit Committee

The Audit Committee will be responsible for monitoring the Issuer's systems and procedures for financial reporting and internal controls, compliance with legal and regulatory requirements relevant to the financial statements and financial reporting, ensuring an appropriate standard of corporate conduct for senior financial personnel and employees, reviewing certain public disclosure documents and monitoring the performance and independence of the Issuer's external auditors. The committee will also be responsible for reviewing the Issuer's annual audited financial statements, unaudited quarterly financial statements and management's discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the Board.

The Issuer's Audit Committee will be comprised of three directors: Jack Rentz, Eric Baum and Michael Grantis. Jack Rentz, Eric Baum and Michael Grantis are independent as required by NI 52-110. In addition to being independent directors as described above, the members of the Audit Committee must meet an additional "independence" test under NI 52-110 in that their directors' fees are the only compensation they, or their firms, receive from the Issuer and that they are not affiliated with the Issuer. All members of the Audit Committee are financially literate as defined by NI 52-110.

Relevant Education and Experience

Each member of the Audit Committee is financially literate by virtue of business experience acting in senior officer positions or similar roles, or service as a company director.

Set out below is a description of the education and experience of each Audit Committee member relevant to the performance of his responsibilities as a member of the Audit Committee:

Jack Rentz – Dr. Rentz is the owner and operator Denver Diagnostic Pain and Denver Diagnostic Surgery Center where he has provided care to patients in addition to managing and operating the business aspect of his clinics. Dr. Rentz routinely reviews the preparation of financial statements for his clinics and understands accounting standards and procedures. Further, Dr. Rentz acts as an independent angel investor in various private and public companies, and regularly reviews financial statements and financial control procedures of companies for which he looks to invest in and is invested in. Between his experience owning and operating his clinics, and his investing experience, Dr. Rentz is "financially literate" within the meaning of NI 52-110.

Eric Baum – Mr. Baum obtained a Bachelors of Business Administration from Emory University. He has served as the Managing Director of Acquis Consulting Group, where he has gained insight into the internal procedures required to be compliant with accounting standards and overseen the preparation of financial statements. Mr. Baum routinely reviews financial disclosure in his dealings with public companies, as well as in his role as an audit committee member of Proteic Bioscience, Starton Therapeutics, Big Rentz, KushCo Holdings, and Trip Kicks, and is "financially literate" within the meaning of NI 52-110.

Michael Grantis – Mr. Grantis holds a Bachelors of Business Administration from Lazaridis School of Business and Economics. He is the Co-founder and Managing Director of Contango Digital Assets Inc., a venture capital firm. In his capacity of Managing Director of Contango Digital Assets Inc., he has overseen the preparation of financial disclosure, and regularly reviews financial statements of companies for which his company looks to invest in. Between his educational background in business and finance, and his experience in the venture capital sector, Mr. Grantis is "financially literate" within the meaning of NI 52-110.

13.6 Corporate Cease Trade Orders or Bankruptcies

As at the date of this Listing Statement, no director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 Penalties or Sanctions

No director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or has been subject to:

(a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.8 Settlement Agreements

This is not applicable to the Issuer.

13.9 Bankruptcies

As at the date of this Listing Statement, no director, officer, promoter of the Issuer, or to the knowledge of management of the Issuer, a security holder anticipated to hold sufficient securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such person has, within the past ten years, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

13.10 Conflicts of Interest

Certain of the proposed directors and officers of the Issuer are currently, or may in the future become, involved in managerial or director positions with other issuers, both reporting and non-reporting, whose operations may, from time to time, be in direct competition with those of the Issuer or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of the Issuer.

In such event, the directors and officers of the Issuer will be required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interests which they may have in any project or opportunity of the Issuer and abstain from voting thereon. In determining whether or not the Issuer will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at that time.

The proposed directors and officers of the Issuer also have either other employment or other business or time restrictions placed on them and accordingly, these directors and officers will only be able to devote part of their time to the affairs of the Issuer.

Conflicts, if any, will be subject to the procedures and remedies prescribed by the CBCA, the CSE and applicable securities law, regulations and policies.

To the knowledge of the Issuer, other than as disclosed in Section 20 "*Interest of Management and Others in Material Transactions*" of this Listing Statement, there will not be any known existing or potential conflicts of interest among the Issuer and its promoters, directors, officers or other members of management, as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promotes and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

13.11 Management

The following biographies provide certain selected information in respect of persons who will be serving as directors and/or officers of the Issuer as well as their roles:

David Nikzad (Age: 46) — CEO and Chairman

President of OT since 2016. Mr. Nikzad has been an advisor to early-stage companies in Silicon Valley and has led the development of new and existing companies, built teams and guided operations. Mr. Nikzad was also an investor in Betterment and is an investor in several other Y Combinator companies, and cofounder of Reinmkr Satsang, a Venture capital firm. Mr. Nikzad has invested in start-up and emerging companies over the last twenty years.

Mr. Nikzad is CEO and a Director, and 40% of his time will be devoted to the Issuer.

James Henning (Age: 74) – CFO

Mr. Henning is a Chartered Professional Accountant and the founder and president of Corpfinance Advisors Inc. since 1995. Mr. Henning has experience in valuating businesses in a broad range of industries. He has assisted companies in financing, public offerings and restructuring. Areas of expertise include retail cannabis, manufacturing, telecommunications, software, biomedical, oil and gas services, and renewable energy industries. Mr. Henning has served as a Chief Financial Officer and director for a number of TSX Venture Exchange and Canadian Securities Exchange-listed companies.

Mr. Henning is CFO, and approximately 15% of his time will be devoted to the Issuer.

Kirill Kompaniyets (Age: 35) –Secretary and Director

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.

Mr. Kompaniyets is Secretary and a Director, and approximately 50% of his time will be devoted to the Issuer.

Jason A. Hobson (Age: 51) — COO and Director

Mr. Jason A. Hobson joined PSLY, upon its formation. Mr. Hobson has worked as Chief Operating Officer and Corporate Secretary of Ei. Ventures Inc. since 2019, and as Corporate Secretary of OT since 2016. Mr. Hobson is an experienced operator, entrepreneur, and angel investor, and was a founding partner of the law firm of Hobson Bernardino + Davis LLP in 2009. He was previously in-house counsel for a national tax credit equity syndication firm which syndicated limited partnership interests and was also previously a senior attorney with the Century City and San Francisco offices of Pillsbury Winthrop Shaw Pittman LLP (formerly Pillsbury Madison & Sutro LLP), where he was a member of Corporate and Securities Practice Group. In 2012, Mr. Hobson was appointed to a state commission with an oversight function to the California Public Utilities Commission with respect to energy programs across the State of California. He is a graduate of the University of California Hastings College of Law, UCLA Anderson School of Management (Management Development for Entrepreneurs Certificate Program), Waseda University (Tokyo Japan) and California State University.

Mr. Hobson is COO and a Director, and 50% of his time will be devoted to the Issuer.

Eric Baum (Age: 36) — Director

Eric Baum brings over twenty years of experience in advising Executive leadership teams for both Fortune 50 companies and emerging ventures, across multiple industries including life sciences, legal cannabis, education, travel, technology, and real estate. In his concurrent roles as Managing Director of Acquis Consulting Group and Partner / Co-Founder of its affiliate company, Solidea Capital, Mr. Baum provides advisory service to companies in areas of corporate strategy, market positioning, growth and scale strategies, trajectory management, partnering frameworks, and risk evaluation. He also sits on the board of director, as well as the compensation and audit committees for Proteic Bioscience, Starton Therapeutics, Big Rentz, KuschCo Holdings, and Trip Kicks.

Mr. Baum founded and currently leads a real estate investment firm operating in the U.S. He is also involved in venture capital activities through participation in several investment-focused groups, such as the Charlotte Angel Fund.

Mr. Baum holds a Bachelor of Business Administration from Emory University, where he graduated Valedictorian. He was awarded the Goizueta Business School Organizational Management Highest Award for Excellence and was inducted into Beta Gamma Sigma.

Mr. Baum is a Director, and 15% of his time will be devoted to the Issuer.

Michael Grantis (Age: 29) – Director

Mike Grantis brings more than 6 years experience researching and investing in digital assets in both public markets as well in private allocations as an angel investor and later as a VC. Mike is the Co-founder and Managing Director at Contango Digital Assets, a venture capital firm focused on building and investing in companies that make web3 more globally accessible. Previously, Mike founded Cryptoweekly.co, a multi-channel media outlet focused on crypto related news. Mike holds a Bachelor of Business Administrations from Lazaridis School of Business and Economics.

Mr. Grantis is a Director, and 15% of his time will be devoted to the Issuer.

Jack Rentz (Age: 43) – Director

Dr. Jack Rentz, M.D. is a board certified anesthesiologist and pain medicine doctor. After completing his undergraduate degree at the University of Georgia, he attended the Medical School of Georgia where he received his doctorate in medicine. Dr. Rentz then moved to New Orleans where he completed his residency in anesthesiology. He accepted a fellowship at the Pain Medicine Center at Texas Tech University. After completing his double board certification, he moved to Denver.

In addition to practicing medicine through patient care, Dr. Rentz owns his practice, Denver Diagnostic Pain, surgery center, Denver Diagnostic Ambulatory Surgery Center, and regenerative medicine company, Colorado Stem Cells. As a consultant and instructor, Dr. Rentz travels the country lecturing and teaching labs to fellow doctors for medical device companies. With a comprehensive knowledge of technology as well as medicine, Dr. Rentz partners with emerging companies as an angel investor and consultant.

Dr. Rentz is a Director, and 15% of his time will be devoted to the Issuer.

None of the directors or officers of the Issuer have entered into non-competition or non-disclosure agreements with the Issuer and will be independent contractors of the Issuer. Please refer to Section 13.1 "*Directors, Officers and Management of the Issuer*" of this Listing Statement for further information.

13.12 Other Reporting Issuer Experience

The following table sets out the directors and executive officers of the Issuer, that are, or have been within the last five years, directors, officers, or promoters of other reporting issuers.

Name of Director or Officer	Reporting Issuer and Name of Trading Market(s)	Position	Time of Involvement
James Henning, CFO	• Major Precious Metals Corp. • ArcPacific Resources Corp. (Formerly Plate Resources Inc.) • i3 Interactive Inc. (Formerly Interactive Games Technologies Inc.) • Stellar AfricaGold Inc. • Alma Gold Inc. • Polaris Northstar Capital Corp. (Formerly Global Care Capital Inc.) • DeepMarkit Corp. • Wellbing Digital Sciences Inc.	• Director • Officer • Officer • Officer • Officer • Officer • Director • Director	• September 1, 2021 to March 23, 2023 • October 1, 2020 to Present • June 29, 2020 to November 12, 2022 • April 1, 2021 to Present • December 1, 2021 to Present • April 14, 2020 to March 1, 2022 • December 9, 2021 to Present • May 26, 2020 to November 12, 2022
Kirill Kompaniyets, Secretary and Director	• Cult Food Science Corp. (formerly Triangle Industries Ltd.)	• Director	• August 12, 2021 to Present

14. CAPITALIZATION

14.1 Pro Forma Capitalization

There will be 171,569,395 SVS (assuming the conversion of MVS into SVS at the Conversion Ratio) issued and outstanding immediately following the Listing.

14.2 Securities Convertible or Exchangeable for SVS

The following tables set forth the securities convertible or exchangeable for the SVS, not including MVS.

Description of Security (include conversion/exercise terms, including conversion/exercise price)			Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Type of security	Exercise Price	Expiry Date		
Warrants(1)	$0.10	April 22, 2027	22,000,000	22,000,000
Warrants(2)	$0.10	May 17, 2027	53,125,000	53,1250,000
Warrants(3)	$0.10	May 24, 2027	18,375,000	18,375,000
Warrants(4)	$0.10	June 3, 2027	3,000,000	3,000,000
Warrants(5)	$0.15	March 21, 2023	10,152,373	10,152,373
Warrants(6)	$0.15	March 21, 2023	10,152,373	10,152,373
RSUs	N/A	N/A	1,000,000	1,000,000
Options(7)	$0.05	July 19, 2027	1,000,000	1,000,000
Options(8)	$0.05	September 1, 2027	10,550,000	10,550,000
Options(8)	$0.05	September 6, 2027	2,400,000	2,400,000
Warrants(9)	$0.20	September 7, 2023	669,691	669,691

Notes:

(1) Issued on April 22, 2022, pursuant to the April 2022 Offering.
(2) Issued on May 17, 2022, pursuant to the first tranche of the May 2022 Offering.
(3) Issued on May 24, 2022, pursuant to the second tranche of the May 2022 Offering.
(4) Issued on June 3, 2022, pursuant to the June 2022 Offering.
(5) Issued on March 21, 2023 pursuant to the March 2023 Offering.
(6) Issued on March 21, 2023 pursuant to the March 2023 Offering, as MVS but expressed in SVS for the purposes of the above table. The MVS Warrants issued pursuant to the March 2023 Offering are exercisable at a price of $15.
(7) Issued on July 18, 2023 to Brian D. Keane in connection with his resignation.
(8) Issued to various directors, officers and consultants.
(9) Issued on September 7, 2023 pursuant to the September 2023 Offering.

Please also refer to Section 10 "*Description of Securities"* of this Listing Statement for details on SVS reserved for issuance.

15. EXECUTIVE COMPENSATION

15.1 Compensation Discussion and Analysis

The following disclosure (presented in accordance with Form 51-102F6V) sets forth the compensation paid, awarded, granted, given or otherwise provided to each named executive officer and director for the most recently completed financial year.

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

a. the CEO;

b. the CFO;

c. the most highly compensated executive officer of the Corporation, including any of its subsidiaries, or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year; and

d. each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity.

The following table (presented in accordance with Form 51-102F6V) sets forth all annual and long term compensation for services paid to or earned by each NEO and Director for the fiscal years ending on June 30, 2023, June 30, 2022 and June 30, 2021, excluding compensation securities.

Table of Compensation excluding Compensation Securities							
Name and position	**Year Ended**	**Salary consulting fee, retainer, commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Stan Fainzilberg[(1)] *Former CEO and Director*	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Kirill Kompaniyets[(2)] *Secretary and Director*	2023 2022 2021	Nil 4,000 Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil 4,000 Nil
Gerald Kelly[(3)] *Director*	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Eugene Beukman[(4)] *Former CFO and Director*	2022 2021	49,025 72,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	49,025 72,000
Damanjit Gahunia[(5)] *Former CFO and Director*	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Aman Tindal[6] *Former Secretary and Director*	2022 2021	30,000 60,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	30,000 60,000
James Henning[7] *CFO and Former Director*	2023 2022 2021	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
David Nikzad[8] *CEO and Director*	2023 2022 2021	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
Jason A. Hobson[9] *COO and Director*	2023 2022 2021	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
Brian D. Keane[10] *Former VP Capital Markets & Acquisitions and Director*	2023 2022 2021	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
Eric Baum[11] *Director*	2023 2022 2021	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
Michael Grantis[12] *Director*	2023 2022 2021	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
Jack Rentz[13]	2023 2022 2021	Nil N/A N/A	Nil N/A N/A	N/A N/A N/A	Nil N/A N/A	Nil N/A N/A	7,500 N/A N/A

<u>Notes</u>:

(1) Mr. Fainzilberg resigned as CEO and as a Director on October 24, 2022.
(2) Mr. Kompaniyets resigned as interim CEO on March 21, 2023 and resigned as CFO on June 7, 2023.
(3) Mr. Kelly resigned as a Director on March 21, 2023.
(4) Mr. Beukman resigned as CEO and as a Director of the Issuer on March 3, 2022.
(5) Mr. Gahunia resigned as CFO and as a Director on February 25, 2022.
(6) Mr. Thindal resigned as Secretary and Director on February 25, 2022.
(7) Mr. Henning was appointed as a Director on November 10, 2022, resigned as a Director on March 21, 2023 and was appointed as CFO on June 7, 2023.
(8) Mr. Nikzad was appointed as CEO and director on March 21, 2023.
(9) Mr. Hobson was appointed as COO and as a Director on March 21, 2023.
(10) Mr. Keane was appointed as a Director on March 21, 2023 and resigned as a director on July 18, 2023.
(11) Mr. Baum was appointed as a Director on March 21, 2023.
(12) Mr. Grantis was appointed as a Director on March 21, 2023.
(13) Dr. Rentz was appointed as a Director on September 1, 2023.

15.2 Stock Options and other Compensation Securities

15.2.1 Omnibus Plan

Set forth in the table below is a summary of all compensation securities granted or issued pursuant to the Omnibus Plan, as amended on September 1, 2023, to each of the Named Executive Officers and directors of the Issuer during the financial year ended June 30, 2023 and as of the date of this Listing Statement.

Compensation Securities								
Name and Position	**Year**	**Type of compensation security**	**Number of compensation securities, number of underlying securities, and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
David Nikzad *CEO and Director*	2023	Options	750,000	September 1, 2023	$0.05	N/A	N/A	September 1, 2027
Jason A. Hobson *COO and Director*	2023	Options	750,000	September 1, 2023	$0.05	N/A	N/A	September 1, 2027
Eric Baum *Director*	2023	Options	750,000	September 1, 2023	$0.05	N/A	N/A	September 1, 2027
Michael Grantis *Director*	2023	Options	750,000	September 1, 2023	$0.05	N/A	N/A	September 1, 2027
Jack Rentz *Director*	2023	Options	750,000	September 1, 2023	$0.05	N/A	N/A	September 1, 2027
Kiril Kompaniyets *Director*	2023	Options	750,000	September 1, 2023	$0.05	N/A	N/A	September 1, 2027

15.2.2 Previous Stock Option Plan

As of the date of this Listing Statement, nil compensation securities were granted or issued pursuant to the Stock Option Plan to any Named Executive Officers or directors of the Issuer during the financial year ended June 30, 2023.

15.3 Omnibus Plan and Other Incentive Plans

For further details in respect of the Omnibus Plan, please see Section 9.2.1 "*Summary of the Omnibus Plan*" of this Listing Statement.

15.4 Employment, Consulting and Management Agreements

The Issuer did not have any agreement or arrangement under which compensation was provided during the fiscal year ending on June 30, 2023 or is payable in respect of services provided to the Issuer or any of its subsidiaries that were performed by a Director or NEO, or performed by any other party (but are services typically provided by a director or an NEO).

15.5 Oversight and Description of Director and Named Executive Officer Compensation

The primary goal of the Issuer's executive compensation program is to attract and retain the key executives necessary for the Issuer's long-term success, to encourage executives to further the development of the Issuer and its operations, and to motivate top quality and experienced executives. The key elements of the executive compensation program are: (i) base salary; (ii) potential annual incentive award; and (iii) incentive stock options. The directors are of the view that all elements of the total program should be considered, rather than any single element.

The Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO, or such person acting in capacity of CEO, a Director and management, and for reviewing the recommendations respecting compensation of the other officers of the Issuer, to ensure such arrangements reflect the responsibilities and risks associated with each position.

The Board periodically reviews the compensation paid to directors, officers, and management based on such factors as: i) recruiting and retaining executives critical to the success of the Issuer and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Issuer's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

In general, the Issuer will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. The limited perquisites the Issuer provides its executives may include a parking allowance or a fee for each board or Audit Committee meeting attended, to assist with their out-of-pocket costs, such benefits and perquisites as set out, respectively, in the "Table of compensation excluding compensation securities" above.

15.6 Pension Disclosure

The Issuer does not currently have any pension, defined benefit, defined contribution or deferred compensation plans in place.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former directors, executive officers or employees of the Issuer, its predecessors or any of their subsidiaries are or were indebted to the Issuer or its predecessors and no current or director or executive officer or any associate of the foregoing is or was indebted to the Issuer, its predecessors or any of their subsidiaries or has any indebtedness to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer, its predecessors or any of its subsidiaries.

None of the persons who are directors, employees or executive officers of the Issuer, and none of the associates of such persons, is or has been indebted to the Issuer, its predecessors or any of their subsidiaries at any time during the most recently completed financial year of the Issuer, or will be indebted to the Issuer. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer, its predecessors or any of their subsidiaries.

17. RISK FACTORS

The following are certain factors relating to the business of the Issuer, which investors should carefully consider when making an investment decision concerning the securities of the Issuer. For the purposes of this section, any reference to the Issuer's business and operations includes the business and operations of the Investments. Any explicit use of the term "Investments" or discussion of specific Investment is for narrative purposes only and should be understood to include the Issuer.

The risks presented below may not be all of the risks that the Issuer may face. The Issuer will face a number of challenges in the development of its business due to the nature of the present stage of the business and operations of its Investments and its Investment Policy. Sometimes new risks emerge and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. Readers should not rely upon forward-looking statements as a prediction of future results. Readers should carefully consider all such risks, including those set out in the discussion below and elsewhere in this Listing Statement.

General Risks

Volatile Market Price for SVS

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

- actual or anticipated fluctuations in the Issuer's quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Issuer operates;
- addition or departure of the Issuer's executive officers and other key personnel;
- release or expiration of transfer restrictions on outstanding SVS;
- sales or perceived sales of additional SVS;
- operating and financial performance that vary from the expectations of management, securities analysts and investors;
- regulatory changes affecting the Issuer's industry generally and its business and operations;
- announcements of developments and other material events by the Issuer or its competitors;
- fluctuations to the costs of vital production materials and services;
- changes in global financial markets and global economies and general market conditions, such as interest rates;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Issuer or its competitors;
- operating and share price performance of other companies that investors deem comparable to the Issuer or from a lack of market comparable companies; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Issuer's industry or target markets.

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

Lack of Operating History

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

Reliance on Management and Key Personnel

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

Additional Financing

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

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

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

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

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

Environmental and Employee Health and Safety Regulations

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

Difficult to Forecast

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

Operations in Emerging Markets

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

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

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

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

Operating Risk and Insurance Coverage

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

Management of Growth

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

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

Uncertainty Related to the Conversion of SAFE Notes

SAFE notes have no maturity date. As such, there is a chance that the SAFE notes held by the Issuer will never convert into equity. If there is not a qualified financing, or a sale event, the last vestige for the SAFE investor is a company windup or liquidation, wherein the investor may receive up to their original investment back, and that's only if (a) the company has enough assets to liquidate, and (b) those assets are not eaten up by secured and even unsecured creditors. In the meantime, SAFE investors do not have any of the rights that shareholders would have, or any strong claim for breach of contract.

Litigation

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

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

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

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

Resale of Shares and Liquidity

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

Employee Health and Safety Regulations

The Issuer's operations will be subject to safety laws and regulations concerning, among other things, employee health and safety. The Issuer will incur ongoing costs and obligations related to compliance with employee health and safety matters. Failure to comply with safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions on the Issuer's operations. In addition, changes in employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Issuer's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Issuer.

Coronavirus (COVID-19) and health crises

The current outbreak of novel Coronavirus (COVID-19) and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Issuer's operations and the operations of its Investors, and the ability to obtain financing and maintain necessary liquidity. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in prices. The outbreak is causing companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions.

While these effects are expected to be temporary, the duration of the business disruptions and related financial impact cannot be reasonably estimated at this time. Similarly, the Issuer cannot estimate whether or to what extent this may affect its plan of distribution, use of proceeds and timelines, business and disclosed milestones and corporate structure. In particular, travel bans and other government restrictions may adversely impact the Investments' ability to begin operations on its projects. Furthermore, if any Issuer personnel or consultants become infected with COVID-19 or similar pathogens and/or the Issuer is unable to source necessary supplies, due to government restrictions or otherwise, it could have a material negative impact on the Issuer's operations and prospects.

Beyond the duration of restrictions imposed by governments, the potential for immense financial damage to the global economy may result in governments resorting to further mitigative, preservative or restorative policy measures to maintain their economies, including the imposition of royalties, net profits payments, new taxes, tax increases or other claims by government entities; a disregard for due process and the rule of law by local courts; renegotiation or nullification of existing permits, licenses and concessions and contracts; the risk of expropriation and nationalization of assets and delays in obtaining or the inability to obtain necessary governmental permits.

Risks Relating to Investments in Cryptocurrency, NFTs, Blockchain & Cybersecurity

Inherent Instability of the Cryptocurrency Market

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

Volatility of Cryptocurrency Markets

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

Lack of Regulation of Cryptocurrency Market

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

Exposure to Hacking

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

Technology Obsolescence and Difficult Obtaining Hardware

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

Banking Regulations

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

Intellectual Property Rights Claims against Crypto-Assets

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

Valuation of NFTs

The Issuer will offer, hold, or have funds associated with NFTs. NFTs are unique, one-of-a- kind digital assets made possible by certain digital asset network protocols. Because of their non-fungible nature, NFTs introduce digital scarcity and have become popular as online "collectibles," similar to physical rare collectible items, such as trading cards or art. Like real world collectibles, the value of NFTs may be prone to "boom and bust" cycles as popularity increases and subsequently subsides. Certain metadata pertaining to NFTs may be stored "offchain," i.e., not on a decentralized digital asset network. If the entity behind an NFT project ceases hosting relevant metadata relating to NFTs, such NFTs may become worthless. If any of these events were to occur, it could adversely affect the value of certain of the Issuer's future strategies. In addition, because NFTs generally rely on the same types of underlying technologies as digital assets, most risks applicable to digital assets (including phishing, hacking, blockchain risks) are also applicable to NFTs and hence any investment into NFTs will be subject to general digital assets risks as described elsewhere in these risk factors. There is uncertainty in determining the value of NFTs when the Issuer introduces an NFT collection to the market. The valuation of NFTs depends considerably on uniqueness, scarcity and the perception of owners and buyers alongside the availability of distribution channels. It is extremely difficult to anticipate the possible factors which can drive a potential buyer's purchase. Therefore, the value of NFTs would basically depend on how the buyer perceives the NFT in terms of desirability, thereby leading to fluctuations in demand and price.

Difficulty of Market Forecast for NFTs

The Issuer must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the NFT industry. A failure in the demand for its products to materialize as a result of competition, trends, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Issuer. Demand for NFTs and Volatility NFTs are unique, one-of-a- kind digital assets made possible by certain digital asset network protocols. Because of their non-fungible nature, NFTs introduce digital scarcity and have become popular as online "collectibles," similar to physical rare collectible items, such as trading cards or art. Like real world collectibles, the demand for and value of NFTs may be prone to "boom and bust" cycles as popularity increases and subsequently subsides. The demand for the Issuer's products and services will correlate with the general NFT market conditions.

Dependence on Internet Infrastructure; Risk of System Failures, Security Risks and Rapid Technological Change

The success as a developer of blockchain-based offerings and platforms will depend by and large upon the continued development of a stable public infrastructure, with the necessary speed, data capacity and security, and the timely development of complementary products such as high-speed modems for providing reliable internet access and services. It cannot be assured that the infrastructure that supports blockchain-based technologies will continue to be able to support the demands placed upon it by this continued growth or that the performance or reliability of the technology will not be adversely affected by this continued growth. It is further not assured that the infrastructure or complementary products or services necessary to make blockchain-based technologies viable will be developed in a timely manner, or that such development will not result in the requirement of incurring substantial costs in order to adapt the Issuer's services to changing technologies.

Risk of Regulatory Restrictions on NFTs

As NFTs have grown in both popularity and market size, governments around the world may reacted differently. Ongoing and future regulatory actions may alter, perhaps to a materially adverse extent, the ability of the Issuer to continue to operate. The effect of any future regulatory change with respect to the use of NFTs is impossible to predict, but any such change could be substantial and adverse to the Issuer. Governments may in the future take regulatory actions that prohibit or severely restrict the right to acquire, own, hold, sell, use or trade digital assets, or to exchange digital assets for fiat currency. These government actions may result in the restriction of the acquisition, ownership, holding, selling, use or trading in NFTs. Any such restriction could result in decreased market demand for the Issuer's products and services, and may adversely affect the price of the Common Shares.

Irrevocability Digital Asset Transactions

Digital asset transactions are not reversible without the consent and active participation of the recipient of the transaction. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of digital assets, such as NFTs, will not be reversible. To the extent that the Issuer is unable to effect a corrective transaction with a third party, or is incapable of identifying the recipient of its NFTs through error or theft, the Issuer will not be able to revert or otherwise recover any incorrectly transferred NFTs, or to convert or recover NFTs transferred to uncontrolled accounts.

Risks Relating to Multiclass Share Structure

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

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

18. PROMOTERS

This is not applicable to the Issuer.

19. LEGAL PROCEEDINGS

The Issuer

There are no actual or pending material legal proceedings to which the Issuer is a party or of which may of its assets are the subject matter.

Management of the Issuer is not aware of any such material legal proceedings contemplated against the Issuer. There are no penalties or sanctions imposed against the Issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this Listing Statement. There are no other penalties or sanctions imposed by a court or regulatory body against the Issuer necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed. There are no settlement agreements that the Issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date this Listing Statement.

Investments

As of the date of this Listing Statement, to the reasonable knowledge of management, there are no legal proceedings to which any of the Investments is a party or of which any of its property is the subject matter. Additionally, to the reasonable knowledge of the management of each of the Investments, there are no such proceedings contemplated.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

On March 21, 2023, pursuant to the OT Transaction, OT acquired 76,099 MVS, 76,099 MVS Warrants and 246,969 Seller MVS Options, representing 5.52% of the issued and outstanding SVS (assuming conversion of MVS to SVS at the Conversion Ratio) and 31.33% of the issued and outstanding SVS (assuming conversion of MVS to SVS at the Conversion Ratio) for aggregate consideration of $646,136.

Pluto participated in the March 2023 Offering in the amount of $995,600 and acquired 9,956,000 SVS, 99,560 MVS, 4,978,000 SVS Warrants and 49,780 MVS Warrants. Further, on August 30, 2023, the Issuer entered into the Unstoppable Agreement with Pluto whereby the Issuer acquired 24,084 Unstoppable Shares from Pluto in exchange for an aggregate purchase price of $1,110,978. The aggregate purchase price of $1,110,978 was satisfied through the issuance of 302,186 MVS each with a deemed price of $5 per MVS. Pluto now owns approximately 29.21% of the issued and outstanding SVS Shares (assuming conversion of MVS to SVS at the Conversion Ratio) on a non-diluted basis and 41.16% on a fully diluted basis.

Together, Pluto and OT now hold [477,845] MVS, 76,099 MVS Purchase Warrants, 49,780 MVS Warrants, 9,956,000 SVS, 4,978,000 SVS Warrants, and 246,969 Seller MVS Options, representing approximately 33.65% of the issued and outstanding SVS Shares (assuming conversion of MVS to SVS at the Conversion Ratio) on a non-diluted basis and 67.69% on a fully diluted basis.

David Nikzad, Director and CEO, is a director and the chief executive officer of OT and Pluto. Jason A. Hobson, Director and COO, is a director and the chief operating officer of OT, and a director of Pluto..

Except as set out above, the directors, senior officers, and principal shareholders of the Issuer, a person or company that beneficially owns or controls or directs, directly or indirectly more than 10% of the voting securities of the Issuer, or any associate or affiliate of the foregoing have had no material interest, direct or indirect, in any transaction in which the Issuer has participated within the three year period prior to the date of this Listing Statement, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Issuer.

21. AUDITORS, TRANSFER AGENT AND REGISTRAR

21.1 Auditors

The auditors of the Issuer are WDM Chartered Professional Accountant, with a principal office located at 1501 West Broadway, Suite 420, Vancouver, British Columbia, V6J 4Z6.

21.2 Transfer Agent and Registrar

The transfer agent and registrar of the Issuer is Endeavor Trust Corporation, with principal offices located at Suite 702-777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

22. MATERIAL CONTRACTS

Other than as disclosed in this Listing Statement, the Issuer will not have entered into any material contracts, other than contracts entered into the ordinary course of business.

Copies of the following material contract is, or will be, available under the Issuer's profile on SEDAR at www.sedar.com upon Listing:

(a) The PrintCrypto Agreement, between the Issuer and PrintCrypto. See Section 3.4 *"Material Assets and Investments"* of this Listing Statement.

(b) The Unstoppable Agreement, between the Issuer and Pluto. See Section 3.1 "*General Development*" of this Listing Statement.

(c) The RWI Agreement, between the Issuer and RWI. See Section 3.1 "*General Development*" of this Listing Statement.

(d) The Investor Rights Agreement between the Issuer and OT. See Section 3.1 "*General Development*" of this Listing Statement.

(e) The Escrow Agreement, between the Issuer and the Escrow Agent.

A copy of the material contracts may be inspected during normal business hours at the offices of the Issuer's counsel, Garfinkle Biderman LLP, located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9.

23. INTEREST OF EXPERTS

No person or corporation whose profession or business gives authority to a statement made by the person or corporation and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Issuer and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Issuer and no such person is a promoter of the Issuer.

24. OTHER MATERIAL FACTS

There are no other material facts that are not elsewhere disclosed herein and which are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

25. FINANCIAL STATEMENTS

Appendix "B" contains the audited consolidated financial statements of the Issuer for the fiscal years ended June 30, 2022, 2021 and 2020 and the interim financial statements for the nine-month period ended March 31, 2023.

Appendix "C" contains the Issuer's MD&A for the fiscal years ended June 30, 2022, 2021 and 2020, and the nine-month period ended March 31, 2023.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by the Board, Web3 Ventures Inc., hereby applies for the listing of the above-mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to Web3 Ventures Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario, this 7th day of September, 2023.

/s/ David Nikzad	*/s/ Jason Hobson*
David Nikzad, Chief Executive Officer	Jason A. Hobson, Chief Operating Officer
/s/ Jack Rentz	*/s/ Eric Baum*
Jack Rentz, Director	Eric Baum, Director

APPENDIX "A"

INVESTMENT POLICY

[See attached.]

WEB3 VENTURES INC.

INVESTMENT POLICY

Web3 Ventures Inc. (the "**Corporation**") is an investment company that carries on business with the objective of enhancing shareholder value. The Corporation will seek to accomplish this objective by making use of the experience, expertise and opportunity flow of its management and board of directors (the "**Board**") to opportunistically make investments in situations that the Corporation believes will provide superior returns. Such investments may include the acquisition of equity, debt or other securities of publicly traded or private companies or other entities.

Investment Objectives

The principal investment objectives of the Corporation will be as follows:

- Investing in high growth companies and technologies;
- Investing in companies that intend to go public; and
- Investing in companies where the Corporation can provide capital markets expertise and leadership.

Investment Strategy

The following shall be the guidelines for the Corporation's investment strategy:

- The Corporation may invest in securities of both public and private companies or other entities that the Corporation believes have the potential for superior investment returns, with a particular emphasis on small capitalization companies looking to grow or expand.
- The Corporation will maintain a flexible position with respect to the form of investment taken and may employ a wide range of investment instruments, including equity, bridge loans, secured loans, unsecured loans, convertible debentures, warrants, options, royalties, net profit interests and other hybrid instruments.
- The Corporation will not invest in physical commodities, derivatives, "short" sales or other similar transactions (except that the Corporation may sell call options to purchase securities owned by the Corporation as a means of locking in gains or avoiding future losses).
- The Corporation will not be precluded from investing in any particular industry but the Corporation shall initially focus on the emerging technology, companies involved in web 3.0 application and platform development, cryptocurrency (collectively, the "**Industries**"). These Industries will primarily be North American based entities, although certain properties owned by companies engaged in the resource sector may be located outside of North America. The Corporation's management and the Board have experience and expertise in such Industries and will pursue opportunities in those sectors that the Corporation believes from time to time offer the best opportunities for the creation of enhanced value for the Corporation's shareholders. Similarly, there are no restrictions on the size or market capitalization of companies or other entities in which the Corporation may invest, subject to the provisions hereof.
- The Corporation has no specific policy with respect to investment diversification. Each investment will be assessed on its own merits and based upon its potential to generate above market gains for the Corporation.

- Immediate liquidity shall not be a requirement.

- The Corporation may, from time to time and in appropriate circumstances, seek a more active role in regard to investment situations and investee companies where the involvement of the Corporation is expected to make a significant difference to the success of the Corporation's investment. In appropriate circumstances, this may involve the Corporation, either alone or jointly with other shareholders, seeking to influence the governance of public or private issuers by seeking board seats, launching proxy contests or taking other actions to enhance shareholder value, or becoming actively involved in the management or board oversight of investee companies.

- The Corporation may also make investments in special situations, including event-driven situations such as corporate restructurings, mergers, spin offs, friendly or hostile take-overs, bankruptcies or leveraged buyouts. Such special situations may include, without limitation, investments in one or more public companies, by take-over bid or otherwise, where there is an opportunity to invest to gain control over the strategic direction of such public companies, whether using the shares of the Corporation as currency or otherwise. Such situations may also involve the Corporation lending money, directly or indirectly.

- Depending upon market conditions and applicable laws, the Corporation may seek to sell any or all of its investments when it concludes that those investments no longer offer the potential to generate appropriate gains for the Corporation, or when other investment opportunities reasonably available to the Corporation are expected to offer superior returns. This may include the disposition of any or all of the Corporation's investments in a particular Industry sector or of a particular nature, or any or all of the Corporation's investments more generally, without prior notice to the Corporation's shareholders.

- Subject to applicable laws and regulatory requirements, the Corporation may also from time to time seek to utilize its capital to repurchase shares of the Corporation.

- The Corporation may, from time to time, use borrowed funds to purchase or make investments or to fund working capital requirements, or may make investments jointly with third parties.

- Depending upon the Corporation's assessment of market conditions and investment opportunities, the Corporation may, from time to time, be fully invested, partially invested or entirely uninvested such that theCorporation is holding only cash or cash-equivalent balances while the Corporation actively seeks to redeploy such cash or cash-equivalent balances in suitable investment opportunities. Funds that are not invested or expected to be invested in the near-term, while the Corporation actively seeks to redeploy such funds in one or more suitable investment opportunities, may, from time to time as appropriate, be placed into high quality money market investments.

- All investments shall be made in compliance with applicable laws in relevant jurisdictions, and shall be made in accordance with the rules and policies of any applicable regulatory authorities.

Implementation

Management of the Corporation and the Board will work jointly to uncover appropriate investment opportunities that meet the Corporation's investment strategy as outlined above and the Corporation's objective of enhancing shareholder value. These individuals have a broad range of business and investing experience and networks through which potential investments are expected to be identified.

Prospective investments will be channeled through the investment committee of the Board (the "**Investment Committee**"). The Investment Committee shall make an assessment of whether the proposal fits with the investment and corporate strategy of the Corporation in accordance with the investment evaluation process below, and then proceed with preliminary due diligence, leading to a decision to reject or move the proposal to the next stage of detailed due diligence.

This process may involve the participation of outside professional consultants.

All investments shall be submitted to the Board for final approval. The Investment Committee will select all investments for submission to the Board and monitor the Corporation's investment portfolio on an ongoing basis, and will be subject to the direction of the Board. One member of the Investment Committee may be designated and authorized to handle the day-to-day trading decisions in keeping with the directions of the Board and the Investment Committee.

Negotiation of terms of participation is a key determinant of the ultimate value of any opportunity to the Corporation. Negotiations may be ongoing before and after the performance of due diligence. The representative(s) of the Corporation involved in these negotiations will be determined in each case by the circumstances.

Investment Evaluation Process

The directors, officers and management of the Corporation will work jointly and severally to uncover appropriate investment opportunities. However, the Investment Committee will monitor the Corporation's investment portfolio on an ongoing basis and will review the status of its investments. Prior to making an investment the following steps will be taken:

5) Prospective investments will be first presented to the Investment Committee.

6) The Investment Committee will consider various factors in relation to any particular issuer, including:

    - Inherent value of its assets

    - Proven management, clearly-defined management objectives and strong technical and professional support;

    - Future capital requirements to develop the full potential of this business and the expected ability to raise the necessary capital;

    - Anticipated rate of return and the level of risk; and

    - Financial performance, including consistency of positive cash flow.

7) If the proposed investment is approved in principle by the Investment Committee, the Corporation will then conduct a preliminary due diligence investigation.

8) Based on the results of that investigation, the Investment Committee will decide whether to undertake more robust due diligence, move forward with the proposed investment or abandon the proposed investment. The Investment Committee may engage the participation of outside professional consultants to assist in its decision making.

All prospective investments will be submitted by the Investment Committee to the Board for final approval. The Board may delegate the management and oversight of any investment to the Investment Committee or certain members of the Investment Committee.

Composition of Investment Portfolio

The nature and timing of the Corporation's investments will depend, in part, on available capital at any particulartime and the investment opportunities identified and available to the Corporation.

The Corporation intends to create a diversified portfolio of investments. The composition of its investment portfoliowill vary over time depending on its assessment of a number of factors including the performance of financial markets and credit risk.

Conflicts of Interest

The Corporation has no restrictions with respect to investing in companies or other entities in which a member of the Corporation's management or Board may already have an interest or involvement. However, prior to the Corporation making an investment, all members of senior management and the Board shall be obligated to disclose any such other interest or involvement. In the event that a conflict is determined to exist, the Corporation may only proceed after receiving approval from disinterested members of the Board.

The Corporation is also subject to the "non-arm's length" and "related party transaction" policies of the applicable securities regulators, which mandates disinterested shareholder approval for certain transactions.

The management and directors of the Corporation may be involved in other activities which may on occasion causea conflict of interest with his or her duties to the Corporation. These include serving as directors, officers, promoters, advisors or agents of other public and private companies, including of companies in which the Corporation may invest, or being shareholders or having an involvement or financial interest in one or more shareholders of existing or prospective investee companies of the Corporation. The management and directors of the Corporation may also engage from time to time in transactions with the Corporation where any one or more of such persons is acting in his or her capacity as financial or other advisor, broker, intermediary, principal or counterparty.

The management and directors of the Corporation are aware of the existence of laws governing the accountability ofdirectors and officers for corporate opportunities and requiring disclosure of conflicts of interest, and the Corporation will rely upon such laws in respect of any conflict of interest. Further, to the extent that management or directors of the Corporation engage in any transactions with the Corporation, such transactions will be carried out oncustomary and arm's length commercial terms.

Monitoring and Reporting

The Corporation's Chief Financial Officer shall be primarily responsible for the reporting process whereby the performance of each of the Corporation's investments is monitored. Quarterly financial and other progress reports shall be gathered from each corporate entity, and these shall form the basis for a quarterly review of the Corporation's investment portfolio by the Investment Committee. Any deviations from expectation are to beinvestigated by the Investment Committee and, if deemed to be significant, reported to the Board.

With public company investments, the Corporation is not likely to have any difficulty accessing financial information relevant to its investment. In the event the Corporation invests in private enterprises, it shall endeavour in each case to obtain a contractual right to be provided with timely access to all books and records it considers necessary to monitor and protect its investment in such private enterprises.

A full report of the status and performance of the Corporation's investments is to be prepared by the Chief Financial Officer and presented to the Board at the end of each fiscal year.

Amendment

This investment policy may be amended from time to time with the prior approval of the Board.

APPENDIX "B"

ISSUER'S FINANCIAL STATEMENTS

[See attached.]

WEB3 VENTURES INC.

(Formerly La Jolla Capital Inc.)

Consolidated Financial Statements

For the years ended June 30, 2022 and 2021

(Expressed in Canadian dollars)

WDM CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of:
WEB3 VENTURES INC.
(formerly La Jolla Capital Inc.)

SERVICE

INTEGRITY

TRUST

Opinion
We have audited the consolidated financial statements of Web3 Ventures Inc. (formerly La Jolla Capital Inc.) and its subsidiaries (collectively "the Company"), which comprise the consolidated statement of financial position as at June 30, 2022 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 2(b) in the consolidated financial statements, which indicates that the Company incurred a net loss of $468,907 during the year ended June 30, 2022, and as of that date, had accumulated losses since inception of $17,645,585. As stated in Note 1, these events or 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.

Other Matter
The consolidated financial statements for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on October 26, 2021.

Other Information
Management is responsible for the other information. The other information comprises Management's Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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WDM

In preparing the consolidated 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 Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 Canadian generally accepted auditing standards 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 consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 the audit 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

The engagement partner on the audit resulting in this independent auditor's report is Mike Kao.

WDM

Chartered Professional Accountants

Vancouver, B.C.
October 24, 2022

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Consolidated Statements of Financial Position
As at June 30, 2022 and 2021
(Expressed in Canadian dollars)

	Note		2022		2021
ASSETS					
Current assets					
Cash		**$**	**329,932**	$	1,004
Receivables			**4,722**		359
Investments	4		**96,645**		-
Digital assets	5		**71,573**		-
Total assets		**$**	**502,872**	$	1,363
LIABILITIES					
Current					
Accounts payable and accrued liabilities	6	**$**	**185,049**	$	1,037,846
Loans payable	7		**52,742**		131,838
Total liabilities			**237,791**		1,169,684
SHAREHOLDERS' EQUITY (DEFICIENCY)					
Share capital	8		**17,903,979**		16,103,979
Reserves			**102,309**		-
Deficit			**(17,645,585)**		(17,178,377)
Accumulated other comprehensive loss			**(95,622)**		(93,923)
Total Shareholders' Equity (Deficiency)			**265,081**		(1,168,321)
Total Liabilities and Shareholders' Equity (Deficiency)		**$**	**502,872**	$	1,363

Nature and Continuance of Operations (Note 1)
Subsequent Event (Note 16)

Approved on behalf of the Board of Directors on October 24, 2022:

"Kirill Kompaniyets"
Director

"Gerald Kelly"
Director

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Consolidated Statements of Loss and Comprehensive Loss
For the years ended June 30, 2022 and 2021
(Expressed in Canadian dollars)

	Note		2022		2021
EXPENSES					
Consulting and management fees	13	$	**354,942**	$	96,000
Investor relations			**135,038**		-
Office expense			**2,649**		97
Professional fees	13		**80,791**		41,700
Share based compensation	13		**102,309**		-
Transfer agent and filing fees			**16,949**		-
Operating expenses			**(692,678)**		(137,797)
Other income (expenses)					
Bad debt expense			**(32,215)**		-
Foreign exchange gain			**216**		-
Loss on revaluation of digital assets	5		**(136)**		-
Loss on use of digital assets	5		**(6,180)**		-
Write off of liabilities	6,7		**263,785**		-
Other income			**225,470**		-
Net loss for the year			**(467,208)**		(137,797)
Other comprehensive (income) loss					
Foreign currency translation adjustment			**(1,699)**		7,382
Total loss and comprehensive loss for the year		$	**(468,907)**	$	(130,415)
Loss per share, basic and diluted		$	**(0.04)**	$	(0.30)
Weighted average number of common shares outstanding, basic and diluted			**13,217,830**		433,239

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
For the years ended June 30, 2022 and 2021
(Expressed in Canadian dollars)

	Shares	Amount	Reserves Contributed Surplus	Deficit	Cumulative other comprehensive loss	Total
Balance, June 30, 2020	433,241	$ 16,103,979	$ -	$ (17,040,580)	$ (101,305)	$ (1,037,906)
Net loss for the year	-	-	-	(137,797)	-	(137,797)
Other comprehensive loss for the year	-	-	-	-	7,382	7,382
Balance, June 30, 2021	433,241	$ 16,103,979	$ -	$ (17,178,377)	$ (93,923)	$ (1,168,321)
Private placement	96,900,000	1,800,000	-	-	-	1,800,000
Stock based compensation	-	-	102,309	-	-	102,309
Net loss for the year	-	-	-	(467,208)	-	(467,208)
Other comprehensive loss for the year	-	-	-	-	(1,699)	(1,699)
Balance, June 30, 2022	97,333,241	$ 17,903,979	$ 102,309	$ (17,645,585)	$ (95,622)	$ 265,081

On April 19, 2022, the Company completed a one-for-ten share consolidation.
All references to share capital and per share data have been adjusted retrospectively to reflect the Company's one-for-ten share consolidation for the years ended June 30, 2022 and 2021.

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Consolidated Statements of Cash Flows
For the years ended June 30, 2022 and 2021
(Expressed in Canadian dollars)

		2022		2021
Cash provided by (used in):				
Operating Activities				
Net loss for the year	$	(467,208)	$	(137,797)
Items not involving cash:				
Foreign exchange gain (loss)		(1,914)		7,382
Accrued interest		442		-
Bad debt expense		32,215		-
Share based compensation		102,309		-
Loss on revaluation of digital assets		136		-
Loss on use of digital assets		6,180		-
Digital assets used to pay for services		2,101		-
Write off of liabilities		(263,785)		-
		(589,524)		(130,415)
Change in non-cash working capital:				
Receivables		(36,578)		(275)
Accounts payable and accrued liabilities		(696,050)		120,334
Cash Used in operating activities		(1,322,152)		(10,356)
Investing Activities				
Purchase of digital assets		(79,990)		-
Purchase of investments		(96,430)		-
Cash used in Investing activities		(176,420)		-
Financing Activities				
Loans received		27,500		10,000
Proceeds from private placement		1,800,000		-
Cash provided by financing activities		1,827,500		10,000
Increase (decrease) in cash		328,928		(356)
Cash, beginning of the year		1,004		1,360
Cash, end of the year	$	329,932	$	1,004

1. NATURE AND CONTINUANCE OF OPERATIONS

Web3 Ventures Inc. (Formerly La Jolla Capital Inc.), (the "Company") was incorporated on April 6, 1990 under the laws of the Province of British Columbia as MicroCoal Technologies Inc. and on June 19, 1997 the Company continued as a federal corporation under the Canada Business Corporation Act. The Company changed its name from MicroCoal Technologies Inc. to La Jolla Capital Inc. on May 21, 2015, and the Company changed its name from La Jolla Capital Inc. to Web3 Ventures Inc. on April 19, 2022. The Company is an investment holding firm focused on incubating, accelerating and developing projects and applications for Web 3.0.

The Company's registered office is located at 409-22 Leader Lane, Toronto Ontario, M5E 0B2.

2. BASIS OF PREPARATION

(a) Statement of Compliance

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

These audited consolidated financial statements were approved and authorized for issue by the Board of Directors on October 24, 2022.

(b) Going Concern

At June 30, 2022, the Company incurred a loss of $467,208 for the year then ended (2021 - $137,797), had a working capital of $265,081 (2021 - $1,168,321 deficit) and has accumulated losses of $17,645,585 (2021 - $17,178,377) since its inception. The Company expects to incur further losses in the development of its new business. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These circumstances indicate the existence of material uncertainty related to events and conditions that may cast significant doubt about the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of accounting principles applicable.

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

(c) Basis of Measurement

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

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

2. BASIS OF PREPARATION (continued)

(d) Basis of Consolidation

As of the date of these consolidated financial statements, the Company's structure is represented by Web3 Ventures Inc. as the parent company, and the following wholly owned subsidiaries:

Name	Country of incorporation	Interest
Microcoal USA Inc. (Inactive)	U.S	100%
CO2 Reduction Poland Sp.z.o.o (Inactive)	Poland	100%
Carbiopel – ESP SA (Inactive)	Poland	100%
1000147857 Ontario Inc. (Inactive)	Canada	100%

These consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. All intercompany transactions and balances between the Company and its subsidiaries are eliminated.

(e) Functional and presentation currency

In management's judgement, the functional currency of the Company and subsidiaries are the Canadian dollar except for the United States dollar subsidiary Microcoal USA Inc. The presentation currency used in preparing these consolidated financial statements of the Company is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currency translation

The results and financial position of subsidiaries whose functional currency differs from that of the parent company ("foreign operations") are translated into the Canadian dollar presentation currency as follows: (i) assets and liabilities are translated at the closing rate as at the reporting date, and (ii) income and expenses are translated at the average exchange rate of transactions for the period. All resulting exchange differences are recognized as other comprehensive income (loss).

A foreign currency translation is a transaction denominated or requiring settlement in a foreign currency and is initially recorded in the functional currency of the subsidiary by applying the spot exchange rate on the date of the transaction. At the end of each reporting period, these balances are translated as: (i) foreign currency monetary assets and liabilities are translated using the prevailing exchange rate at the balance sheet date; (ii) non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; (iii) non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate when the fair value was measured; and (iv) income statement items denominated in foreign currencies are translated using the average monthly exchange rates, except for depreciation which is translated at historical exchange rates.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss). Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(c) Financial instruments

Financial assets

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified at fair value through profit or loss (“FVTPL”), directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial instrument has been classified and measured at:

(i) amortized cost; (ii) fair value through other comprehensive income (“FVOCI”); or (iii) FVTPL. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. The classification determines the method by which financial assets are carried on the balance sheet subsequent to inception and how changes in value are recorded.

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) other financial liabilities. Financial liabilities, other than financial liabilities classified as FVTPL, are measured in subsequent periods at amortized cost using the effective interest method. Accounts payable and accrued liabilities and loans payable are classified as other financial liabilities and carried on the balance sheet at amortized cost.

Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence that can be estimated reliably indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. If a financial asset measured at amortized cost is impaired, an amount equal to the difference between its carrying value and the present value of the estimated future cash flows discounted at the original effective interest rate is recognized as an impairment loss in the consolidated statements of loss and comprehensive loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Financial instruments (continued)

If it has been determined that the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount to a maximum of the carrying amount that would have been determined had no impairment charge been recognized in prior periods. Reversals of impairment charges are recognized in the consolidated statements of loss and comprehensive loss in the period in which they occur.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognized in other gains/(losses) in the consolidated statements of loss and comprehensive loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Digital Assets

Digital assets meet the definition of intangible assets in IAS 38 Intangible Assets as they are identifiable nonmonetary assets without physical substance. The Company's digital assets consist of Ethereum and Non-Fungible Tokens (NFTs) purchased for investment purposes.

Ethereum

Ethereum is initially recorded at cost and the revaluation method is used to measure the digital assets subsequently. Under the revaluation method, increases in fair value are recorded in other comprehensive income, while decreases are recorded in profit or loss. The Company revalues its digital assets at the end of each of its three interim financial reporting periods and at its annual financial reporting period end date. There is no recycling of gains from other comprehensive income to profit or loss. However, to the extent that an increase in fair value reverses a previous decrease in fair value that has been recorded in profit or loss, that increase is recorded in profit or loss. Decreases in fair value that reverse gains previously recorded in other comprehensive income are recorded in other comprehensive income.

Ethereum is measured at fair value using the quoted price on yahoo.com. Management considers this fair value to be a Level 1 input under IFRS 13 Fair Value Measurement fair value hierarchy as this represents unadjusted quoted prices in active markets for identical assets and liabilities. The Company's determination to classify its holding of Ethereum as current assets is based on management's assessment that its Ethereum held can be considered to be a commodity, based on the availability of liquid markets to which the Company may sell a portion of its holdings.

NFTs

The Company has purchased NFTs for investment purposes. NFTs are initially recorded at cost and under the cost model are carried at cost less any accumulated amortization and accumulated impairment losses.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for impairment at each reporting date, or whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. If there are indicators of impairment, a review is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. Reviews are undertaken on an asset-by-asset basis. If the carrying amount of a non-financial asset exceeds the recoverable amount, being the higher of its fair value less costs to sell and its value-in-use, an impairment loss is recognized in net earnings as the excess of the carrying amount over the recoverable amount.

Where the recoverable amount is assessed using discounted cash flow techniques, the resulting estimates are based on detailed production plans. The mine plan is the basis for forecasting production output in each future year and for forecasting production costs. For value-in-use calculations, production costs and output may be revised to reflect the continued use of the asset in its present form.

(f) Share-based payments

The fair value of equity settled stock options awarded to certain parties (i.e. employees for legal and tax purposes, directors and certain consultants), determined as of the date of grant, and awarded to non-employees, as of the date of delivery of service, is recognized as share-based compensation expense, included in general and administrative expenses in the Consolidated Statements of Comprehensive Income (Loss), over the vesting period of the stock options based on the estimated number of options expected to vest, with a corresponding increase to equity. The fair value of stock options is determined using the Black-Scholes option pricing model with market related inputs as of the date of grant or the date of delivery of service. Stock options with graded vesting schedules are accounted for as separate grants with different vesting periods and fair values. Changes to the estimated number of awards that will eventually vest are accounted for prospectively.

(g) Basic and diluted loss per share

Basic earnings or loss per share represents the income or loss for the year, divided by the weighted average number of common shares outstanding during the year. Diluted earnings or loss per share represents the income or loss for the year, divided by the weighted average number of common shares outstanding during the year plus the weighted average number of dilutive shares resulting from the exercise of stock options, warrants and other similar instruments where the inclusion of these would not be anti-dilutive.

(h) Significant estimates and assumptions

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments and estimates in applying the Company’s consolidated financial statements include:

Going concern

The assessment of the Company’s ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty involves significant judgement based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Significant estimates and assumptions (continued)

Investment entity

Management has applied judgment in determining whether the Company meets the criteria required under IFRS 10, in order to be classified as an investment entity. Management has applied the following typical characteristics of an investment entity:

a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
c) measures and evaluates the performance of substantially all of its investments on a fair value basis.

Digital assets

Digital assets are considered to be identifiable non-monetary assets without physical substance. Management has determined that the digital assets are accounted for as intangible assets in accordance with IAS 38 Intangible Assets.

Digital currency valuation

Digital assets include cryptocurrency denominated assets and NFTs. The digital asset market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices for digital assets would have a significant impact on the Company's earnings and financial position. In addition, management estimates that selling costs will be nominal. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its digital assets.

There is currently no specific definitive guidance in IFRS or alternative accounting frameworks on accounting for the subsequent measurement of digital assets held. Management has exercised significant judgment in determining the appropriate accounting treatment. In the event authoritative guidance is enacted by the IASB, the Company may be required to change its policies which could result in a change in the Company's financial position and earnings.

Stock-based compensation

The fair value of stock-based compensation requires estimates of assumptions that are used in the Black-Scholes option pricing model.

(i) Accounting standards issued but not yet effective

As at the date of authorization of these consolidated 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 July 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company has assessed that no material impact is expected upon the adoption of the following amendments on its consolidated financial statements:

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Accounting standards issued but not yet effective (continued)

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.

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, which could impact an entity's loan covenants. 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 IFRS 9 – Financial Instruments

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendments to IFRS 9. The amendments clarify the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Company applies the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendments.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier adoption permitted. The Company does not believe that these amendments will have a material impact on the consolidated financial statements.

The Company continues to review changes to IFRS standards. There are no other pending IFRS or IFRIC interpretations that are expected to be relevant to the Company's consolidated financial statements.

4. INVESTMENTS

(a) Simple Agreement for Future Equity ("SAFE") Agreements

Pursuant to the terms of the SAFE Agreements, if there is an equity financing before the instrument expires or is terminated, the investee will automatically issue to the investors either: 1) the greater of: the number of Standard Preferred Shares equal to the Purchase Amount divided by the lowest price per share of the Standard Preferred Shares, or the number of SAFE Preferred Shares equal to the Purchase Amount divided by the SAFE Price or 2) in case the agreement specifies a discount rate, a number of shares of SAFE Preferred Stock equal to the Purchase Amount divided by the Conversion Price. The Conversion Price means either the SAFE Price or the Discount Price, whichever calculation results in a greater number of shares of SAFE Preferred Stock.

The SAFE Price means the price per share equal to the Valuation Cap or Post–Money Valuation Cap divided by the Company Capitalization. The Discount Price means the price per share of the Standard Preferred Stock sold in the equity financing multiplied by the Discount Rate.

If there is a liquidation event before the expiration or termination of the SAFE Agreement, the investor will at its option either: 1) receive a cash payment equal to the purchase amount or 2) automatically receive from the investee a number of shares of common stock equal to the purchase amount divided by the liquidity price, if the investor fails to select the cash option.

Alternatively, the investor will automatically receive a portion of Proceeds, due and payable to the investor, equal to the greater of the Purchase Amount or the amount payable on the number of shares of Common Stock equal to the Purchase Amount divided by the liquidity price. Thereafter the SAFE Agreement will terminate. In connection with a cash payment through a liquidity event, if there are not enough funds to pay the investors and holders of the SAFE Agreements in full, funds will be distributed pro-rata and based on the purchase price and the remaining amounts will be covered with common stock equal to the remaining unpaid purchase price divided by the liquidity event. In a dissolution event, SAFE Agreement holders will be paid out of remaining assets prior to holders of the investee's capital stock.

In accordance with IFRS 9, the Company initially recorded these SAFE investments at cost, which approximates fair value.

The Company holds the following SAFE investments:

i. Bylines Inc. - $32,215 SAFE investment in Bylines Inc, a private company, to invest in future rights to shares of Bylines Inc. capital stock. The "PostMoney Valuation Cap" is US$32,000,000.
ii. Column Inc. - $32,215 SAFE investment in Column Inc., a private company, to invest in future rights to shares of Column Inc. capital stock. The "PostMoney Valuation Cap" is US$10,000,000.

(b) Strategic Investment

During the year ended June 30, 2022, the Company completed a $32,215 investment in OpenPool, a private decentralized web company focused on simplifying crypto-investing. In accordance with IFRS 9, the Company initially recorded these SAFE investments at cost, which approximates fair value.

(Expressed in Canadian dollars)

5. DIGITAL ASSETS

a) Ethereum

Ethereum is recorded at fair value on the acquisition date and revalued to their current market value at each reporting date. The fair value is determined using the spot rate based on reported prices on the date the tokens are received or recorded as a receivable. Ethereum held are revalued each reporting period based on the fair market value of the price of Ethereum on the reporting date. As at June 30, 2022, the price of Ethereum was $1,374 (continued)

Ethereum transacted during the period was as follows:

	$	Ethereum
Balance, June 30, 2021	-	-
Ethereum purchased	79,990	37.34
Acquired NFTs	(71,326)	(35.63)
Transaction costs	(2,101)	(1.53)
Loss on use of digital assets (i)	(6,180)	-
Loss on revaluation of digital assets	(136)	-
Balance June 30, 2022	247	0.18

(i) During the year ended June 30, 2022, the Company purchased NFTs and services with Ethereum for $73,427 with a cost of $79,610, which resulted in a realized loss on sale of $6,180.

b) NFT

During May and June 2022, the Company purchased 180 NFTs for $71,326 worth of Ethereum. NFTs are initially recorded at cost and under the cost model are carried at cost less any accumulated amortization and accumulated impairment losses. NFTs have an indefinite life and at June 30, 2022, no impairment was recorded.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

During the year ended June 30, 2022, the Company wrote-off $181,051 (2021 - $Nil) of trade payables and accrued liabilities that have been outstanding for several years without any claims from the past vendors. The Company recorded a gain on write-off of debt of $181,051.

Accounts payable and accrued liabilities consists of:

		2022		2021
Accounts payable	$	27,500	$	184,684
Due to related parties		79,932		806,500
Accrued liabilities		77,617		46,662
Total	$	185,049	$	1,037,846

7. LOANS PAYABLE

As at June 30, 2022, the Company had loans payable of $Nil (2021 - $82,734) to unrelated parties and $52,742 (2021 - $49,104) to former related parties (Note 9). The loans are unsecured, non-interest bearing and are due on demand, except for one loan of $20,000 that bears interest at 8% p.a. and had $442 interest accrued during the year (2021 - $Nil).

During the year ended June 30, 2022, the Company wrote-off $82,734 (2021 – $Nil) from loans payable that were determined to be no longer liabilities.

8. SHARE CAPITAL

(a) Authorized:

Unlimited number of common shares, voting

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

(b) Issued and Outstanding

As at June 30, 2022 there were 97,333,241 (2021 – 433,241) shares issued and outstanding.

i) Shares issued during the year ended June 30 2022.

On June 3, 2022, the Company closed a non-brokered private placement of 3,000,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $60,000. 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 May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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 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.

ii) Shares issued during the year ended June 30, 2021.

No shares were issued during the year ended June 30, 2021.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

(c) Warrants

The following is a summary of the Company's share purchase warrant activity for the years ended June 30, 2022 and 2021.

	Number of Warrants
Outstanding, June 30, 2020 and 2021	-
Issued	96,500,000
Outstanding, June 30, 2022	96,500,000

Details of warrants outstanding as at June 30, 2022 are as follows:

Exercise price	Number of Warrants Outstanding	Expiry date
$0.10	22,000,000	April 22, 2027
$0.10	53,125,000	May 17, 2027
$0.10	18,375,000	May 24, 2027
$0.10	3,000,000	June 3, 2027
	96,500,000	

The weighted average price of warrants outstanding was $0.10, and the weighted average life was 4.87 years.

(d) Stock options

The Company has adopted an incentive stock option plan and restricted stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the requirements of the Exchange, grant to directors, officers, employees and technical consultants to the Company, options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the issued and outstanding common shares of the Company. Such options will be exercisable for a period of up to five years from the date of grant.

On June 30, 2022, the Company granted incentive stock options to a consultant to purchase an aggregate of 25,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $224. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.09%. As at June 30, 2022 $Nil was recorded as vested.

On June 15, 2022, the Company granted incentive stock options to consultants to purchase an aggregate of 100,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $900. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.37%. As at June 30, 2022 $45 was recorded as vested.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

(d) Stock options (continued)

On June 14, 2022, the Company granted incentive stock options to consultants to purchase an aggregate of 10,600,000 common shares at an exercise price of $0.10 per common share for up to five years. Of the options issued, 750,000 options vest 36 months from grant date and 9,850,000 options vested upon grant. The total grant date fair value of the options was measured at $109,928. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.10; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.54%. As at June 30, 2022 $102,263 was recorded as vested.

The following is a summary of the Company's option activity for the years ended June 30, 2022 and 2021.

	Number of Options
Outstanding, June 30, 2020 and 2021	-
Issued	10,725,000
Outstanding, June 30, 2022	10,725,000

Details of options outstanding as at June 30, 2022 are as follows:

Exercise price	**Number of Options outstanding**	**Expiry date**
$0.10	10,600,000	June 14, 2027
$0.10	100,000	June 15, 2027
$0.10	25,000	June 30, 2027
Total	10,725,000	

The weighted average price of options outstanding was $0.10, and the weighted average life was 4.96 years.

(d) Reserve

The share-based payment reserves record items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

9. FINANCIAL INSTRUMENTS

(a) Fair value information

As at June 30, 2022, the Company's financial instruments consist of cash, receivables, investments, accounts payable and loans payable. The carrying values of receivables, accounts payable and loans payable 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.

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS (continued)

(a) Fair value information (continued)

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

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

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

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

There were no transfers between levels during the years ended June 30, 2022 and 2021.

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

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at June 30, 2022 and 2021:

	As at June 30, 2022		
	Level 1	**Level 2**	**Level 3**
Cash	$ 329,932	$ -	$ -
Investments	$ -	$ -	$ 96,645

	As at June 30, 2021		
	Level 1	**Level 2**	**Level 3**
Cash	$ 1,004	$ -	$ -

10. DIGITAL ASSETS AND RISK MANAGEMENT

Digital assets and risk management

Cryptocurrency held by the Company is measured using Level 1 fair values, determined by taking the rate from yahoo.com. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets.

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

10. DIGITAL ASSETS AND RISK MANAGEMENT (continued)

Digital assets and risk management (continued)

The Company's digital assets currently consist of Ethereum and NFTs. As at June 30, 2022, had the market price of Ethereum increased or decreased by 10% with all other variables held constant, the corresponding digital assets value increase or decrease respectively would amount to $24.

Liquidity Risk

As at June 30, 2022, the Company held cash of $329,932 (2021 - $1,004), had working capital of $265,081 (2021 - $1,168,321 negative). At June 30, 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 Risks

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 June 30, 2022, there were $Nil US liabilities denominated in US$ (2021 – US$59,820).

11. MANAGEMENT OF CAPITAL

The Company's objectives of capital management are to safeguard its ability to support the Company's normal operating requirements on an ongoing basis and to start to development its mining interest. The Company considers its capital to be share capital.

The Company's operations are currently not generating any cash flows; as such, the Company is dependent on external and related party financing to fund its costs. The Company will need to raise additional amount in order to meet its obligations. Companies in this stage typically rely upon equity and debt financing to fund operations. The Company is not listed on a stock exchange at June 30, 2022. There is no certainty with respect to the Company's ability to raise capital.

Additional financing may be required to meet the Company's business objectives.

At June 30, 2022, there was no externally imposed capital requirement to which the Company is subject.

(Expressed in Canadian dollars)

12. SUPPLEMENTAL CASH FLOW INFORMATION

		2022		2021
Interest paid	**$**	**-**	$	-
Income taxes paid	**$**	**-**	$	-

13. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

As at June 30, 2022, the Company owed $1,000 (2021 - $Nil) to the current CFO of the Company.

As at June 30, 2022, the Company owed $78,932 (2021 - $806,500) to various former directors and their companies, which is included in accounts payable and accrued liabilities.

As at June 30, 2022, the Company had loans payable of $52,742 (2021 - $49,104) to former directors of the Company (Note 7).

The remuneration of directors and key management personnel during the years ended are as follows:

	Year ended			
		June 30, 2022		June 30, 2021
Management, consulting, directors' and professional fees	**$**	**132,525**	$	132,000
Share based compensation		**2,706**		-
	$	**135,231**	$	132,000

The Company issued on June 14, 2022, 250,000 Options at $0.10 for five years vesting immediately, to former directors, recording a fair value and vesting of $2,592.

The Company also issued on June 14, 2022, 750,000 Options to the new directors at $0.10 for five years, to be vested 36 months from grant date, fair valued at $7,778. As at June 30, 2022 a vesting of $114 was recorded.

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

14. SEGMENTED INFORMATION

The Company operates in one industry segment. At June 30, 2022 and June 30, 2021, the Company has operations on the web and there was no property and equipment in any geographical area.

(Expressed in Canadian dollars)

15. INCOME TAXES

The difference between tax expense for the year and the expected income taxes based on the statutory tax rate arises as follows:

		2022		2021
Loss for the year	**$**	**(467,208)**	$	(137,797)
Tax recovery based on the statutory rate of 27% (2021: 27%)		**(126,146)**		(37,205)
Non-deductible and deductible expenses		**27,623**		-
Change in tax rate		**-**		-
Changes in unrecognized deferred tax assets		**98,523**		37,205
	$	**-**	$	-

The nature and tax effect of the temporary differences giving rise to the deferred tax assets and liabilities at June 30, 2022 and 2021 are summarized as follows:

		2022		2021
Tax losses carried forward	**$**	**620,200**	$	521,677
Capital assets		**8,172**		8,172
Undeducted financing costs and other tax assets		**7,318**		7,318
		635,690		537,167
Unrecognized deferred tax assets		**(635,690)**		(537,167)
	$	**-**	$	**-**

The Company has approximately $2,297,000 of non-capital losses available, which expire through to 2042 and may be applied against future taxable income. At June 30, 2022, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in future years.

16. SUBSEQUENT EVENT

Subsequent to the year end of June 30, 2022 the Company issued 100,000 options, exercisable at $0.15 for five years. These options vest one third every six months for eighteen months.

La Jolla Capital Inc.

Consolidated Financial Statements

For the year ended June 30, 2021

(in Canadian dollars)

Adam Kim

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ADAM SUNG KIM LTD.
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
La Jolla Capital Inc.

Opinion
I have audited the consolidated financial statements of La Jolla Capital Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2021 and June 30, 2020, and the consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and consolidated statements of changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2021 and June 30, 2020, and its consolidated financial performance and its cash flow for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion
I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of consolidated the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern
I draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $130,415 during the year ended June 30, 2021 and, as of that date, the Company had not yet achieved profitable operations, had accumulated losses of $17,178,377 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or 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. My opinion is not modified in respect of this matter.

Other Information
Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

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

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I are required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Audit of the Consolidated financial statements
My objectives are to obtain reasonable assurance about whether the consolidated 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards 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 consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

• Identify and assess the risks of material misstatement of the consolidated 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 my 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 the audit 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 I conclude that a material uncertainty exists, I are required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Adam Kim, CPA, CA.

"Adam Sung Kim Ltd."
Chartered Professional Accountant

Unit# 168 – 4300 North Fraser Way
Burnaby, BC, Canada V5J 5J8
October 26, 2021

La Jolla Capital Inc.
Consolidated Statements of Financial Position
As at June 30, 2021 and 2020
(in Canadian dollars)

	Notes		2021		2020
ASSETS					
Current					
Cash		**$**	**1,004**	$	1,360
Receivables			**359**		84
Total assets		**$**	**1,363**	$	1,444
LIABILITIES AND CAPITAL DEFICIT					
Current					
Accounts payable and accrued liabilities	9	**$**	**1,037,846**	$	917,512
Loans payable	4		**131,838**		121,838
			1,169,684		1,039,350
CAPITAL DEFICIT					
Share capital	5		**16,103,979**		16,103,979
Deficit			**(17,178,377)**		(17,040,580)
Accumulated other comprehensive loss			**(93,923)**		(101,305)
			(1,168,321)		(1,037,906)
		$	**1,363**	$	1,444

Nature of Operations and Going Concern (Note 1 and 2(b))

Approved on behalf of the Board of Directors on October 26, 2021:

"Eugene Beukman"
Director

"Aman Thindal"
Director

La Jolla Capital Inc.
Consolidated Statements of Loss and Comprehensive Loss
For the year ended June 30, 2021 and 2020
(in Canadian dollars)

	Notes		2021		2020
Expenses					
Investor relations, agents and fees		**$**	**-**	$	6,386
Consulting, management and director fees	9		**96,000**		96,000
Office, premise and other			**97**		828
Professional fees	9		**41,700**		42,175
Net loss for the year			**(137,797)**		(145,389)
Other comprehensive loss					
Foreign currency translation adjustment			**7,382**		(3,236)
Total comprehensive loss		**$**	**(130,415)**	$	(148,625)
Loss per share, basic and diluted		**$**	**(0.03)**	$	(0.03)
Weighted average number of common shares outstanding, basic and diluted			**4,332,390**		4,332,390

The accompanying notes form an integral part of these consolidated financial statements.

La Jolla Capital Inc.
Consolidated Statements of Changes in Equity
For the years ended June 30, 2021 and 2020
(in Canadian dollars)

	Shares	Amount	Deficit	Cumulative other comprehensive loss	Total
Balance, June 30, 2019	4,332,390	$ 16,103,979	$ (16,895,191)	$ (98,069)	$ (889,281)
Loss for the year	-	-	(145,389)	-	(145,389)
Other comprehensive loss	-	-	-	(3,236)	(3,236)
Balance, June 30, 2020	4,332,390	$ 16,103,979	$ (17,040,580)	$ (101,305)	$ (1,037,906)
Loss for the year	-	-	(137,797)	-	(137,797)
Other comprehensive loss	-	-	-	7,382	7,382
Balance, June 30, 2021	4,332,390	$ 16,103,979	$ (17,178,377)	$ (93,923)	$ (1,168,321)

The accompanying notes form an integral part of these consolidated financial statements.

La Jolla Capital Inc.
Consolidated Statements of Cash Flows
For the years ended June 30, 2021 and 2020
(in Canadian dollars)

		2021		2020
Cash provided by (used in):				
Operating Activities				
Net loss for the year	$	**(137,797)**	$	(145,389)
Items not involving cash:				
Unrealized foreign exchange		**7,382**		(3,236)
		(130,415)		(148,625)
Change in non-cash working capital:				
Receivables		**(275)**		(44)
Accounts payable and accrued liabilities		**120,334**		138,936
Cash Used in operating activities		**(10,356)**		(9,733)
Financing Activities				
Loans received		**10,000**		10,000
Cash received from financing activities		**10,000**		10,000
Increase/(Decrease) in cash		**(356)**		267
Cash, beginning of the year		**1,360**		1,093
Cash, end of the year	$	**1,004**	$	1,360

The accompanying notes form an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS

La Jolla Capital Inc., (formerly MicroCoal Technologies Inc.) (the "Company") was incorporated on April 6, 1990 under the laws of the Province of British Columbia and on June 19, 1997 the Company continued as a federal corporation under the Canada Business Corporation Act. On May 21, 2015, MicroCoal Technologies Inc. ("MicroCoal" or "MTI") completed a Plan of Arrangement (the "Plan of Arrangement" or "Arrangement") with a newly formed company called Targeted Microwave Solutions Inc. ("TMS") pursuant to the British Columbia Business Corporations Act. Under terms of the Arrangement, every MicroCoal shareholder received one share in the Company for every share held in MicroCoal at the effective date. The Company changed its name from MicroCoal Technologies Inc. to La Jolla Capital Inc. on May 21, 2015.

The Company's registered office is located at 810-789 West Pender Street, Vancouver, British Columbia, V6C 1H2. The Company`s principal business activity is the exploration and development of mineral properties.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These 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").

(b) Going Concern

At June 30, 2021, the Company incurred a loss of $137,797 for the year then ended (2020 - $145,389), had a working capital deficit of $1,168,321 (2020 - $1,037,906) and has accumulated losses of $17,178,377 (2020 - $17,040,580) since its inception. The Company expects to incur further losses in the development of its new business. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These circumstances indicate the existence of material uncertainty related to events and conditions that may cast significant doubt about the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of accounting principles applicable.

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

During the year ended June 30, 2021, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2021 and beyond.

2. BASIS OF PREPARATION (continued)

(c) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for those assets and liabilities that are measured at fair value at the end of each reporting period. Certain comparative amounts have been re-presented to conform to the current year presentation.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. Considering the status of the Company, the only estimate with a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year relates to income taxes. Tax legislation, regulation and interpretation require estimates and judgments which have a bearing on the amounts recorded in the tax provision and income taxes payable. The Company's tax filings are continually subject to review by the applicable tax authorities who make the final determination of the actual amounts of taxes payable or receivable. There are transactions and calculations for which the ultimate tax treatment is uncertain and may be subject to change on assessment with the relevant tax authority.

(d) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. All intercompany transactions and balances between the Company and its subsidiaries are eliminated.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currency translation

The results and financial position of subsidiaries whose functional currency differs from that of the parent company ("foreign operations") are translated into the Canadian dollar presentation currency as follows: (i) assets and liabilities are translated at the closing rate as at the reporting date, and (ii) income and expenses are translated at the average exchange rate of transactions for the period. All resulting exchange differences are recognized as other comprehensive income (loss).

A foreign currency translation is a transaction denominated or requiring settlement in a foreign currency and is initially recorded in the functional currency of the subsidiary by applying the spot exchange rate on the date of the transaction. At the end of each reporting period, these balances are translated as: (i) foreign currency monetary assets and liabilities are translated using the prevailing exchange rate at the balance sheet date; (ii) non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; (iii) non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate when the fair value was measured; and (iv) income statement items denominated in foreign currencies are translated using the average monthly exchange rates, except for depreciation which is translated at historical exchange rates.

(b) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Income taxes (continued)

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(c) Financial instruments

Financial assets

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified at FVTPL, directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial instrument has been classified and measured at:

(i) amortized cost; (ii) fair value through other comprehensive income (“FVOCI”); or (iii) fair value through profit or loss (“FVTPL). All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. The classification determines the method by which financial assets are carried on the balance sheet subsequent to inception and how changes in value are recorded. Cash and cash equivalents, and accounts receivable are measured at amortized cost with subsequent impairments recognized in the statements of operations and comprehensive loss.

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. Financial liabilities, other than financial liabilities classified as FVTPL, are measured in subsequent periods at amortized cost using the effective interest method. Accounts payable and accrued liabilities and loans payable are classified as other financial liabilities and carried on the balance sheet at amortized cost.

Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence that can be estimated reliably indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. If a financial asset measured at amortized cost is impaired, an amount equal to the difference between its carrying value and the present value of the estimated future cash flows discounted at the original effective interest rate is recognized as an impairment loss in the consolidated statement of operations. If it has been determined that the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount to a maximum of the carrying amount that would have been determined had no impairment charge been recognized in prior periods. Reversals of impairment charges are recognized in the consolidated statements of operations and comprehensive loss in the period in which they occur.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for impairment at each reporting date, or whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. If there are indicators of impairment, a review is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. Reviews are undertaken on an asset-by-asset basis. If the carrying amount of a non-financial asset exceeds the recoverable amount, being the higher of its fair value less costs to sell and its value-in-use, an impairment loss is recognized in net earnings as the excess of the carrying amount over the recoverable amount.

Where the recoverable amount is assessed using discounted cash flow techniques, the resulting estimates are based on detailed production plans. The mine plan is the basis for forecasting production output in each future year and for forecasting production costs. For value-in-use calculations, production costs and output may be revised to reflect the continued use of the asset in its present form.

(e) Share-based payments

The fair value of equity settled stock options awarded to employees (i.e. employees for legal and tax purpose, directors and certain consultants), determined as of the date of grant, and awarded to non-employees, as of the date of delivery of service, is recognized as share-based compensation expense, included in general and administrative expenses in the Consolidated Statements of Comprehensive Income (Loss), over the vesting period of the stock options based on the estimated number of options expected to vest, with a corresponding increase to equity. The fair value of stock options is determined using the Black-Scholes option pricing model with market related inputs as of the date of grant or the date of delivery of service. Stock options with graded vesting schedules are accounted for as separate grants with different vesting periods and fair values. Changes to the estimated number of awards that will eventually vest are accounted for prospectively.

(f) Basic and diluted loss per share

Basic earnings or loss per share represents the income or loss for the year, divided by the weighted average number of common shares outstanding during the year. Diluted earnings or loss per share represents the income or loss for the year, divided by the weighted average number of common shares outstanding during the year plus the weighted average number of dilutive shares resulting from the exercise of stock options, warrants and other similar instruments where the inclusion of these would not be anti-dilutive.

4. LOANS PAYABLE

As at June 30, 2021, the Company had loans payable of $82,734 (June 30, 2020 - $82,734) to unrelated parties and $49,104 (June 30, 2020 - $39,104) to related parties (Note 9). The loans are unsecured, non-interest bearing and are due on demand.

5. SHARE CAPITAL

(a) Authorized: Unlimited number of common shares, voting

(b) Issued and Outstanding

Share Consolidation

On May 21, 2015, pursuant to the Plan of Arrangement, the Company consolidated its issued and outstanding common shares on a 50:1 basis (the "Share Consolidation"). This Share Consolidation resulted in the pre-consolidation issued and outstanding total shares of 179,500,076 being consolidated on a 50:1 basis. After effecting all transactions, there were 3,589,990 issued and outstanding common shares which became the new share capital of the Company. The Share Consolidation affected all of MTI's issued and outstanding common shares on May 21, 2015. Fractional shares were not issued. Pre-consolidation there were 32,913,886 (post-consolidation 658,278) MTI warrants issued and outstanding. These warrants were transferred to TMS and do not exist post-consolidation. Prior to the Plan of Arrangement, there were pre-consolidation 3,220,000 (post-consolidation 64,400) stock options all of which were cancelled.

As at June 30, 2021 and June 30, 2020 there were 4,332,390 shares issued and outstanding.

No shares were issued during the years ended June 30, 2021 and 2020.

6. FINANCIAL INSTRUMENTS

(a) Fair value information

As at June 30, 2021, 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 June 30, 2021 and June 30, 2020, cash was classified in the fair value hierarchy as level 1. There were no transfers between levels during the year ended June 30, 2021.

(b) Financial instruments and related risks

Liquidity Risk

At June 30, 2021, the Company held cash of $1,004 (June 30, 2020 - $1,360), had negative working capital of $1,168,321 (June 30, 2020 - $1,037,906). At June 30, 2021, the Company expects that it will be able to obtain funding from investors in order to meet its obligations.

6. FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments and related risks (continued)

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 Risks

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 June 30, 2021, there were US$59,820 denominated in US$ (June 30, 2020 – US$59,820).

7. MANAGEMENT OF CAPITAL

The Company's objectives of capital management are to safeguard its ability to support the Company's normal operating requirements on an ongoing basis and to start to development its mining interest. The Company considers its capital to be share capital.

The Company’s is currently not generating any cash flows; as such, 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 amount in order to meet its obligations. Companies in this stage typically rely upon equity and debt financing to fund operations. The Company is not listed on a stock exchange at June 30, 2021. There is no certainty with respect to the Company’s ability to raise capital.

At June 30, 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 and exploration of the mining interest.

At June 30, 2021, there was no externally imposed capital requirement to which the Company is subject.

8. SUPPLEMENTAL CASH FLOW INFORMATION

	Year ended June 30, 2021	Year ended June 30, 2020
Interest paid	**$ -**	$ -
Income taxes paid	**$ -**	$ -

(in Canadian dollars)

9. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

As at June 30, 2021, the Company owed $806,500 (June 30, 2020 - $674,500) to various directors and their companies, which is included in accounts payable and accrued liabilities.

As at June 30, 2021, the Company had loans payable of $49,104 (June 30, 2020 - $39,104) to directors of the Company (Note 4).

The remuneration of directors and key management personnel during the year ended June 30, 2021 and 2020 are as follows:

		2021		2020
Management, consulting, directors' and professional fees	$	132,000	$	132,000
	$	132,000	$	132,000

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

10. SEGMENTED INFORMATION

The Company previously operated in one industry segment. At June 30, 2021 and 2020, the Company has no operations and there was no property and equipment in any geographical area.

11. INCOME TAXES

The difference between tax expense for the year and the expected income taxes based on the statutory tax rate arises as follows:

		2021		2020
Loss for the year	$	(137,797)	$	(145,389)
Tax recovery based on the statutory rate of 27% (2020: 27%)		(37,205)		(39,255)
Changes in unrecognized deferred tax assets		37,205		39,255
	$	-	$	-

The nature and tax effect of the temporary differences giving rise to the deferred tax assets and liabilities at June 30, 2021 and 2020 are summarized as follows:

		2021		2020
Tax losses carried forward	$	521,677	$	484,472
Equipment		8,172		8,172
Undeducted financing costs and other tax assets		7,318		7,318
		537,167		499,962
Unrecognized deferred tax assets		(537,167)		(499,962)
	$	-	$	-

11. INCOME TAXES (continued)

The Company has approximately $1,900,000 of non-capital losses available, which begin to expire through to 2041 and may be applied against future taxable income. At June 30, 2021, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

La Jolla Capital Inc.

Consolidated Financial Statements

For the year ended June 30, 2020

(in Canadian dollars)

Adam Kim

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ADAM SUNG KIM LTD.
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
La Jolla Capital Inc.

Opinion

I have audited the consolidated financial statements of La Jolla Capital Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2020 and June 30, 2019, and the consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and consolidated statements of changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2020 and June 30, 2019, and its consolidated financial performance and its cash flow for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of consolidated the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $145,389 during the year ended June 30, 2020 and, as of that date, the Company had not yet achieved profitable operations, had accumulated losses of $17,040,580 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or 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. My opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

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

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I are required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements

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

In preparing the consolidated 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 Audit of the Consolidated financial statements
My objectives are to obtain reasonable assurance about whether the consolidated 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards 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 consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

• Identify and assess the risks of material misstatement of the consolidated 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 my 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 the audit 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 I conclude that a material uncertainty exists, I are required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Adam Kim, CPA, CA.

"Adam Sung Kim Ltd."
Chartered Professional Accountant

Unit# 168 – 4300 North Fraser Way
Burnaby, BC, Canada V5J 5J8
October 5, 2020

La Jolla Capital Inc.
Consolidated Statements of Financial Position
As at June 30, 2020 and 2019
(in Canadian dollars)

	Notes		2020		2019
ASSETS					
Current					
Cash		**$**	**1,360**	$	1,093
Receivables			**84**		40
Total assets		**$**	**1,444**	$	1,133
LIABILITIES AND CAPITAL DEFICIT					
Current					
Accounts payable and accrued liabilities		**$**	**917,512**	$	778,576
Loans payable	5		**121,838**		111,838
			1,039,350		890,414
CAPITAL DEFICIT					
Share capital	6		**16,103,979**		16,103,979
Deficit			**(17,040,580)**		(16,895,191)
Accumulated other comprehensive loss			**(101,305)**		(98,069)
			(1,037,906)		(889,281)
		$	**1,444**	$	1,133

Nature of Operations and Going Concern (Note 1 and 2(b))

Approved on behalf of the Board of Directors:

"Eugene Beukman"
Director

"Aman Thindal"
Director

The accompanying notes form an integral part of these consolidated financial statements.

La Jolla Capital Inc.
Consolidated Statements of Loss and Comprehensive Loss
For the year ended June 30, 2020 and 2019
(in Canadian dollars)

	Notes	2020	2019
Expenses			
Investor relations, agents and fees		$ **6,386**	$ 8,432
Consulting, management and director fees	10	**96,000**	96,000
Office, premise and other		**828**	2,153
Professional fees	10	**42,175**	28,834
Net loss for the year		**(145,389)**	(135,419)
Other comprehensive loss			
Foreign currency translation adjustment		**(3,236)**	484
Total comprehensive loss		$ **(148,625)**	$ (134,935)
Loss per share, basic and diluted		$ **(0.03)**	$ (0.03)
Weighted average number of common shares outstanding, basic and diluted		**4,332,390**	5,983,324

The accompanying notes form an integral part of these consolidated financial statements.

La Jolla Capital Inc.
Consolidated Statements of Changes in Equity
For the years ended June 30, 2020 and 2019
(in Canadian dollars)

	Shares		Amount		Deficit		Cumulative other comprehensive loss		Total
Balance, June 30, 2018	5,983,324	$	22,240,685	$	(22,896,478)	$	(98,553)	$	(754,346)
Shares returned to treasury	(1,650,934)		(6,136,706)		6,136,706		-		-
Loss for the year	-		-		(135,419)		-		(135,419)
Other comprehensive loss	-		-		-		484		484
Balance, June 30, 2019	4,332,390	$	16,103,979	$	(16,895,191)	$	(98,069)	$	(889,281)
Loss for the year	-		-		(145,389)		-		(145,389)
Other comprehensive loss	-		-		-		(3,236)		(3,236)
Balance, June 30, 20	4,332,390	$	16,103,979	$	(17,040,580)	$	(101,305)	$	(1,037,906)

The accompanying notes form an integral part of these consolidated financial statements.

La Jolla Capital Inc.
Consolidated Statements of Cash Flows
For the years ended June 30, 2020 and 2019
(in Canadian dollars)

	Notes		2020		2019
Cash provided by (used in):					
Operating Activities					
Net loss for the year		$	**(145,389)**	$	(135,419)
Items not involving cash:					
Unrealized foreign exchange			**(3,236)**		484
			(148,625)		(134,935)
Change in non-cash working capital:					
Receivables			**(44)**		1,821
Accounts payable and accrued liabilities			**138,936**		122,857
Cash Used in operating activities			**(9,733)**		(10,257)
Financing Activities					
Loans received			**10,000**		11,300
Cash received from financing activities			**10,000**		11,300
Increase/(Decrease) in cash			**267**		1,043
Cash, beginning of the year			**1,093**		50
Cash, end of the year		$	**1,360**	$	1,093

1. NATURE OF OPERATIONS

La Jolla Capital Inc., (formerly MicroCoal Technologies Inc.) (the "Company") was incorporated on April 6, 1990 under the laws of the Province of British Columbia and on June 19, 1997 the Company continued as a federal corporation under the Canada Business Corporation Act. On May 21, 2015, MicroCoal Technologies Inc. ("MicroCoal" or "MTI") completed a Plan of Arrangement (the "Plan of Arrangement" or "Arrangement") with a newly formed company called Targeted Microwave Solutions Inc. ("TMS") pursuant to the British Columbia Business Corporations Act. Under terms of the Arrangement, every MicroCoal shareholder received one share in the Company for every share held in MicroCoal at the effective date. The Company changed its name from MicroCoal Technologies Inc. to La Jolla Capital Inc. on May 21, 2015.

The Company's registered office is located at 810-789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

The Company`s principal business activity is the exploration and development of mineral properties.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These 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”).

These financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on October 5, 2020.

(b) Going Concern

At June 30, 2020, the Company incurred a loss of $145,389 for the year then ended (2019 - $135,419), had a working capital deficit of $1,037,906 (2019 - $889,281) and has accumulated losses of $17,040,580 (2019 - $16,895,191) since its inception. The Company expects to incur further losses in the development of its new business. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These circumstances indicate the existence of material uncertainty related to events and conditions that may cast significant doubt about the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of accounting principles applicable.

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

During the year ended June 30, 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2020 and beyond.

2. BASIS OF PREPARATION (continued)

(c) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for those assets and liabilities that are measured at fair value at the end of each reporting period. Certain comparative amounts have been re-presented to conform to the current year presentation.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. Considering the status of the Company, the only estimate with a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year relates to income taxes. Tax legislation, regulation and interpretation require estimates and judgments which have a bearing on the amounts recorded in the tax provision and income taxes payable. The Company's tax filings are continually subject to review by the applicable tax authorities who make the final determination of the actual amounts of taxes payable or receivable. There are transactions and calculations for which the ultimate tax treatment is uncertain and may be subject to change on assessment with the relevant tax authority.

(d) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. All intercompany transactions and balances between the Company and its subsidiaries are eliminated.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currency translation

The results and financial position of subsidiaries whose functional currency differs from that of the parent company ("foreign operations") are translated into the Canadian dollar presentation currency as follows: (i) assets and liabilities are translated at the closing rate as at the reporting date, and (ii) income and expenses are translated at the average exchange rate of transactions for the period. All resulting exchange differences are recognized as other comprehensive income (loss).

A foreign currency translation is a transaction denominated or requiring settlement in a foreign currency and is initially recorded in the functional currency of the subsidiary by applying the spot exchange rate on the date of the transaction. At the end of each reporting period, these balances are translated as: (i) foreign currency monetary assets and liabilities are translated using the prevailing exchange rate at the balance sheet date; (ii) non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; (iii) non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate when the fair value was measured; and (iv) income statement items denominated in foreign currencies are translated using the average monthly exchange rates, except for depreciation which is translated at historical exchange rates.

(b) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Income taxes

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(c) Financial instruments

Financial assets

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified at FVTPL, directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial instrument has been classified and measured at:

(i)amortized cost; (ii) fair value through other comprehensive income (“FVOCI”); or (iii) fair value through profit or loss (“FVTPL). All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. The classification determines the method by which financial assets are carried on the balance sheet subsequent to inception and how changes in value are recorded. Cash and cash equivalents, and accounts receivable are measured at amortized cost with subsequent impairments recognized in the statements of operations and comprehensive loss.

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. Financial liabilities, other than financial liabilities classified as FVTPL, are measured in subsequent periods at amortized cost using the effective interest method. Accounts payable and accrued liabilities and long-term debt are classified as other financial liabilities and carried on the balance sheet at amortized cost.

Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence that can be estimated reliably indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. If a financial asset measured at amortized cost is impaired, an amount equal to the difference between its carrying value and the present value of the estimated future cash flows discounted at the original effective interest rate is recognized as an impairment loss in the consolidated statement of operations. If it has been determined that the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount to a maximum of the carrying amount that would have been determined had no impairment charge been recognized in prior periods. Reversals of impairment charges are recognized in the consolidated statements of operations and comprehensive loss in the period in which they occur.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for impairment at each reporting date, or whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. If there are indicators of impairment, a review is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. Reviews are undertaken on an asset-by-asset basis. If the carrying amount of a non-financial asset exceeds the recoverable amount, being the higher of its fair value less costs to sell and its value-in-use, an impairment loss is recognized in net earnings as the excess of the carrying amount over the recoverable amount.

Where the recoverable amount is assessed using discounted cash flow techniques, the resulting estimates are based on detailed production plans. The mine plan is the basis for forecasting production output in each future year and for forecasting production costs. For value-in-use calculations, production costs and output may be revised to reflect the continued use of the asset in its present form.

(e) Share-based payments

The fair value of equity settled stock options awarded to employees (i.e. employees for legal and tax purpose, directors and certain consultants), determined as of the date of grant, and awarded to non-employees, as of the date of delivery of service, is recognized as share-based compensation expense, included in general and administrative expenses in the Consolidated Statements of Comprehensive Income (Loss), over the vesting period of the stock options based on the estimated number of options expected to vest, with a corresponding increase to equity. The fair value of stock options is determined using the Black-Scholes option pricing model with market related inputs as of the date of grant or the date of delivery of service. Stock options with graded vesting schedules are accounted for as separate grants with different vesting periods and fair values. Changes to the estimated number of awards that will eventually vest are accounted for prospectively.

(f) Basic and diluted loss per share

Basic earnings or loss per share represents the income or loss for the year, divided by the weighted average number of common shares outstanding during the year. Diluted earnings or loss per share represents the income or loss for the year, divided by the weighted average number of common shares outstanding during the year plus the weighted average number of dilutive shares resulting from the exercise of stock options, warrants and other similar instruments where the inclusion of these would not be anti-dilutive.

(g) Changes in Accounting Standards

IFRS 9 – Financial Instruments. The Company adopted IFRS 9, which replaced IAS 39 – Financial Instruments: Recognition and Measurement, in its consolidated financial statements beginning July 1, 2018.

IFRS 15 – Revenue from contracts with customers. On May 28, 2014 the IASB issued IFRS 15, Revenue from Contracts with Customers. IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard replaces IAS 18 Revenue and IAS 11 Construction contracts and related interpretations.

The adoption of IFRS 9 and IFRS 15 did not have a material impact on the Company's consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Changes in Accounting Standards not yet effective

IFRS 16 – Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company is in the process of assessing the impact of this pronouncement. The extent of the impact has not yet been determined.

4. GOLDSMITH PROPERTY ACQUISITION

On July 8, 2015, the Company purchased the Goldsmith Property, a gold exploration property located near Kaslo, British Columbia. The Company acquired the vendor's right, title and interest in the Goldsmith Property for a total of 2,393,334 common shares.

The Company's interest in the Goldsmith Property was subject to an underlying option agreement pursuant to which the Company would be required to make the following payments to maintain its interest: (i) $35,000 on or before April 30, 2016 (extended for 6 months, not paid); (ii) $75,000 on or before April 30, 2017; (iii) $110,000 on or before April 30, 2018; and (iv) $1,000,000 upon any commencement of commercial production. In addition, the Goldsmith Property was subject to a 3.0% net smelter returns royalty in favour of a prior claimholder, 50% of which may be repurchased for $1,500,000.

During the year ended June 30, 2016, the option agreement was terminated; subsequently, the Company recorded a provision for write-down of $50,000 related to the Goldsmith Property.

5. LOANS PAYABLE

As at June 30, 2020, the Company had loans payable of $82,734 (June 30, 2019 - $82,734) to unrelated parties and $39,104 (June 30, 2019 - $29,104) to related parties (Note 10). The loans are unsecured, non-interest bearing and are due on demand.

6. SHARE CAPITAL

(a) Authorized: Unlimited number of common shares, voting

(b) Issued and Outstanding

<u>Share Consolidation</u>

On May 21, 2015, pursuant to the Plan of Arrangement, the Company consolidated its issued and outstanding common shares on a 50:1 basis (the "Share Consolidation"). This Share Consolidation resulted in the pre-consolidation issued and outstanding total shares of 179,500,076 being consolidated on a 50:1 basis. After effecting all transactions, there were 3,589,990 issued and outstanding common shares which became the new share capital of the Company. The Share Consolidation affected all of MTI's issued and outstanding common shares on May 21, 2015. Fractional shares were not issued. Pre-consolidation there were 32,913,886 (post-consolidation 658,278) MTI warrants issued and outstanding. These warrants were transferred to TMS and do not exist post-consolidation. Prior to the Plan of Arrangement, there were pre-consolidation 3,220,000 (post-consolidation 64,400) stock options all of which were cancelled.

6. SHARE CAPITAL (continued)

(b) Issued and Outstanding (continued)

On October 29, 2018 and November 14, 2018, shareholders returned a total of 1,650,934 common shares to the treasury as a gift and these common shares were subsequently cancelled.

As at June 30, 2020 and June 30, 2019 there were 4,332,390 shares issued and outstanding.

No shares were issued during the year ended June 30, 2020 and 2019.

7. FINANCIAL INSTRUMENTS

(a) Fair value information

As at June 30, 2019, 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 June 30, 2020 and June 30, 2019, cash was classified in the fair value hierarchy as level 1. There were no transfers between levels during the year ended June 30, 2020.

(b) Financial instruments and related risks

Liquidity Risk

At June 30, 2020, the Company held cash of $1,360 (June 30, 2019 - $1,093), had negative working capital of $1,037,906 (June 30, 2019 - $889,281). At June 30, 2020, 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.

7. FINANCIAL INSTRUMENTS (Continued)

(b) Financial instruments and related risks (Continued)

Currency Risks

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 June 30, 2020, there were US$59,820 denominated in US$ (June 30, 2019 – US$59,820).

8. MANAGEMENT OF CAPITAL

The Company's objectives of capital management are to safeguard its ability to support the Company's normal operating requirements on an ongoing basis and to start to development its mining interest. The Company considers its capital to be share capital.

The Company’s is currently not generating any cash flows; as such, 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 amount in order to meet its obligations. Companies in this stage typically rely upon equity and debt financing to fund operations. The Company is not listed on a stock exchange at June 30, 2020. There is no certainty with respect to the Company’s ability to raise capital.

At June 30, 2020, 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 and exploration of the mining interest.

At June 30, 2020, there was no externally imposed capital requirement to which the Company is subject.

9. SUPPLEMENTAL CASH FLOW INFORMATION

		Year ended June 30, 2020		Year ended June 30, 2019
Interest paid	**$**	**-**	$	-
Income taxes paid	**$**	**-**	$	-

10. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

As at June 30, 2020, the Company owed $674,500 (June 30, 2019 - $543,843) to various directors and their companies, which is included in accounts payable and accrued liabilities.

As at June 30, 2020, the Company had loans payable of $39,104 (June 30, 2019 - $29,104) to directors of the Company (Note 5).

The remuneration of directors and key management personnel during the year ended June 30, 2020 and 2019 are as follows:

		2020		2019
Management, consulting, directors’ and professional fees	**$**	**132,000**	$	132,000
	$	**132,000**	$	132,000

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

(in Canadian dollars)

11. SEGMENTED INFORMATION

The Company previously operated in one industry segment. At June 30, 2020 and 2019, the Company has no operations and there was no property and equipment in any geographical area.

12. INCOME TAXES

The difference between tax expense for the year and the expected income taxes based on the statutory tax rate arises as follows:

		2020		2019
Loss for the year	**$**	**(145,389)**	$	(135,419)
Tax recovery based on the statutory rate of 27% (2019: 27%)		**(39,255)**		(36,563)
Non-deductible and deductible expenses		**-**		-
Change in tax rate		**-**		-
Changes in unrecognized deferred tax assets		**39,255**		36,563
	$	**-**	$	-

The nature and tax effect of the temporary differences giving rise to the deferred tax assets and liabilities at June 30, 2019 and 2019 are summarized as follows:

		2020		2019
Tax losses carried forward	**$**	**1,794,341**	$	1,755,086
Capital assets		**30,266**		30,266
Undeducted financing costs and other tax assets		**27,102**		27,102
		1,851,709		1,812,454
Unrecognized deferred tax assets		**(1,851,709)**		(1,812,454)
	$	**-**	$	-

The Company has approximately $6,600,000 of non-capital losses available, which begin to expire through to 2040 and may be applied against future taxable income. At June 30, 2020, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

WEB3 VENTURES INC.

(Formerly La Jolla Capital Inc.)

Condensed Interim Consolidated Financial Statements

For the six months ended December 31, 2022 and 2021

(Expressed in Canadian dollars - Unaudited)

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars - Unaudited)

	Note		At December 31, 2022		At June 30, 2022
ASSETS					
Current assets					
Cash		**$**	**15,493**	$	**329,932**
Receivables			**5,496**		**4,722**
Investments	4		**101,580**		**96,645**
Digital assets	5		**71,614**		**71,573**
Total assets		**$**	**194,183**	$	**502,872**
LIABILITIES					
Current					
Accounts payable and accrued liabilities	6	**$**	**125,315**	$	**185,049**
Loans payable	7		**53,548**		**52,742**
Total liabilities			**178,863**		**237,791**
SHAREHOLDERS' EQUITY					
Share capital	8		**17,903,979**		**17,903,979**
Reserves			**106,902**		**102,309**
Deficit			**(17,904,874)**		**(17,645,585)**
Accumulated other comprehensive loss			**(90,687)**		**(95,622)**
Total Shareholders' Equity			**15,320**		**265,081**
Total Liabilities and Shareholders' Equity		**$**	**194,183**	$	**502,872**

Nature and Continuance of Operations (Note 1)
Proposed Transaction (Note 15)
Subsequent events (Note 16)

Approved on behalf of the Board of Directors on February 27, 2023:

"Kirill Kompaniyets"
Director

"Gerald Kelly"
Director

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the six-months periods ended December 31, 2022 and 2021
(Expressed in Canadian dollars - Unaudited)

	Note	Three months ended		Six months ended	
		December 31, 2022	December 31, 2021	**December 31, 2022**	December 31, 2021
EXPENSES					
Consulting and management fees	13	**$ 67,010**	$ 24,000	**$ 186,974**	$ 48,000
Interest paid		**403**	-	**806**	-
Investor relations, agents and fees		**-**	600	**-**	600
Office expense		**103**	18	**192**	36
Professional fees	13	**26,093**	10,792	**49,193**	21,367
Share based compensation	13	**3,364**	-	**4,593**	-
Transfer agent and filing fees		**12,030**	-	**17,572**	-
Operating expenses		**(109,003)**	(35,410)	**(259,330)**	(70,003)
Other income (expenses)					
Foreign Exchange		41	**-**	41	-
Write off of liabilities		-	**231,634**	-	231,634
Other income (expenses)		**41**	231,634	**41**	231,634
Net income (loss) for the period		(108,962)	**196,224**	(259,289)	161,631
Other comprehensive (income) loss					
Foreign currency translation adjustment		**(885)**	377	**4,935**	(1,699)
Total (loss) income and comprehensive (loss) income for the period		**$ (109,847)**	$ 196,601	**$ (254,354)**	$ 159,932
Loss per share, basic and diluted		**$ (0.00)**	$ 0.45	**$ (0.00)**	$ 0.37
Weighted average number of common shares outstanding, basic and diluted		**97,333,241**	433,241	**97,333,241**	433,241

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
For the six months periods ended December 31, 2022 and 2021
(Expressed in Canadian dollars - Unaudited)

	Shares		Amount		Reserves Contributed Surplus		Deficit		Cumulative other comprehensive loss		Total
Balance, June 30, 2021	433,241	$	16,103,979	$	-	$	(17,178,377)	$	(93,923)	$	(1,168,321)
Net loss for the period	-		-		-		161,631		-		161,631
Other comprehensive loss for the period	-		-		-		-		(1,699)		(1,699)
Balance, December 31, 2021	433,241	$	16,103,979	$	-	$	(17,016,746)	$	(95,622)	$	(1,008,389)
Balance, June 30, 2022	97,333,241	$	17,903,979	$	102,309	$	(17,645,585)	$	(95,622)	$	265,081
Stock based compensation	-		-		4,593		-		-		4,593
Net loss for the period	-		-		-		(259,289)		-		(259,289)
Other comprehensive loss for the period	-		-		-		-		4,935		4,935
Balance, December 31, 2022	97,333,241	$	17,903,979	$	106,902	$	(17,904,874)	$	(90,687)	$	15,320

On April 19, 2022, the Company completed a one-for-ten share consolidation.
All references to share capital and per share data have been adjusted retrospectively to reflect the Company's one-for-ten share consolidation.

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Condensed Interim Consolidated Statements of Cash Flows
For the six months periods ended December 31, 2022 and 2021
(Expressed in Canadian dollars - Unaudited)

		Six Months Ended		
		December 31, 2022		December 31, 2021
Cash provided by (used in):				
Operating Activities				
Net gain/(loss) for the period	**$**	**(259,289)**	$	161,631
Items not involving cash:				
Foreign exchange gain (loss)		**(41)**		(1,699)
Accrued interest		**806**		-
Share based compensation		**4,593**		-
Write off of liabilities		**-**		(231,634)
		(253,931)		(71,702)
Change in non-cash working capital:				
Receivables		**(774)**		(309)
Accounts payable and accrued liabilities		**(59,734)**		66,129
Cash Used in operating activities		**(314,439)**		(5,882)
Financing Activities				
Loans received		**-**		7,500
Cash (Used in) Provided by Financing activities		**-**		7,500
(Decrease)Increase in cash		**(314,439)**		1,618
Cash, beginning of the period		**329,932**		1,004
Cash, end of the period	**$**	**15,493**	$	2,622

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Web3 Ventures Inc. (Formerly La Jolla Capital Inc.), (the "Company") was incorporated on April 6, 1990 under the laws of the Province of British Columbia as MicroCoal Technologies Inc. and on June 19, 1997 the Company continued as a federal corporation under the Canada Business Corporation Act. The Company changed its name from MicroCoal Technologies Inc. to La Jolla Capital Inc. on May 21, 2015, and from La Jolla Capital Inc. to Web3 Ventures Inc. on April 19, 2022. The Company is an investment holding firm focused on incubating, accelerating and developing projects and applications for Web 3.0.

The Company's registered office is located at 409-22 Leader Lane, Toronto Ontario, M5E 0B2.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee.

These unaudited condensed interim consolidated financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these unaudited condensed interim consolidated financial statements be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2022.

These unaudited condensed interim consolidated financial statements were authorized for issue on February 27, 2023 by the directors of the Company.

(b) Going Concern

At December 31, 2022, the Company incurred a loss of $259,289 for the six-months period then ended (December 31, 2021 - $161,631), had a working capital of $15,320 (June 30, 2022 - $265,081) and has accumulated losses of $17,904,874 (June 30, 2022 - $17,645,585) since its inception. The Company expects to incur further losses in the development of its new business. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These circumstances indicate the existence of material uncertainty related to events and conditions that may cast significant doubt about the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of accounting principles applicable.

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

2. BASIS OF PREPARATION (continued)

(c) Basis of Measurement

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

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

(d) Basis of Consolidation

As of the date of these unaudited condensed interim consolidated financial statements, the Company's structure is represented by Web3 Ventures Inc. as the parent company, and the following wholly owned subsidiaries:

Name	Country of incorporation	Interest
Microcoal USA Inc. (Inactive)	U.S	100%
CO2 Reduction Poland Sp.z.o.o (Inactive)	Poland	100%
Carbiopel – ESP SA (Inactive)	Poland	100%
1000147857 Ontario Inc. (Inactive)	Canada	100%

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the unaudited condensed interim consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. All intercompany transactions and balances between the Company and its subsidiaries are eliminated.

(e) Functional and presentation currency

In management's judgement, the functional currency of the Company and subsidiaries are the Canadian dollar except for the United States dollar subsidiary Microcoal USA Inc. The presentation currency used in preparing these unaudited condensed interim consolidated financial statements of the Company is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

In preparing these condensed interim consolidated financial statements, the significant accounting policies and the significant judgments made by management in applying the Company's significant accounting policies and key sources of estimation uncertainty were the same as those that applied to the Company's audited consolidated financial statements for the year ended June 30, 2022.

(Expressed in Canadian dollars - Unaudited)

4. INVESTMENTS

(a) Simple Agreement for Future Equity ("SAFE") Agreements

Pursuant to the terms of the SAFE Agreements, if there is an equity financing before the instrument expires or is terminated, the investee will automatically issue to the investors either: 1) the greater of: the number of Standard Preferred Shares equal to the Purchase Amount divided by the lowest price per share of the Standard Preferred Shares, or the number of SAFE Preferred Shares equal to the Purchase Amount divided by the SAFE Price or 2) in case the agreement specifies a discount rate, a number of shares of SAFE Preferred Stock equal to the Purchase Amount divided by the Conversion Price. The Conversion Price means either the SAFE Price or the Discount Price, whichever calculation results in a greater number of shares of SAFE Preferred Stock.

The SAFE Price means the price per share equal to the Valuation Cap or Post–Money Valuation Cap divided by the Company Capitalization. The Discount Price means the price per share of the Standard Preferred Stock sold in the equity financing multiplied by the Discount Rate.

If there is a liquidation event before the expiration or termination of the SAFE Agreement, the investor will at its option either: 1) receive a cash payment equal to the purchase amount or 2) automatically receive from the investee a number of shares of common stock equal to the purchase amount divided by the liquidity price, if the investor fails to select the cash option.

Alternatively, the investor will automatically receive a portion of Proceeds, due and payable to the investor, equal to the greater of the Purchase Amount or the amount payable on the number of shares of Common Stock equal to the Purchase Amount divided by the liquidity price. Thereafter the SAFE Agreement will terminate. In connection with a cash payment through a liquidity event, if there are not enough funds to pay the investors and holders of the SAFE Agreements in full, funds will be distributed pro-rata and based on the purchase price and the remaining amounts will be covered with common stock equal to the remaining unpaid purchase price divided by the liquidity event. In a dissolution event, SAFE Agreement holders will be paid out of remaining assets prior to holders of the investee's capital stock.

In accordance with IFRS 9, the Company initially recorded these SAFE investments at cost, which approximates fair value.

The Company holds the following SAFE investments:

i. Bylines Inc. - $32,215 SAFE investment in Bylines Inc, a private company, to invest in future rights to shares of Bylines Inc. capital stock. The "PostMoney Valuation Cap" is US$32,000,000.

ii. Column Inc. - $32,215 SAFE investment in Column Inc., a private company, to invest in future rights to shares of Column Inc. capital stock. The "PostMoney Valuation Cap" is US$10,000,000.

(b) Strategic Investment

During the year ended June 30, 2022, the Company completed a $32,215 investment in OpenPool, a private decentralized web company focused on simplifying crypto investing. In accordance with IFRS 9, the Company initially recorded these SAFE investments at cost, which approximates fair value.

Summary of investments as at December 31, 2022, and June 30, 2022

	Fair Value - CAD December 31 2022 $	Cost – CAD June 30 2022 $	Cost – USD June 30 2022 $
Bylines Inc.	33,860	32,215	25,000
Column Inc.	33,860	32,215	25,000
Open Pool	33,860	32,215	25,000
	101,580	96,645	75,000

(Expressed in Canadian dollars - Unaudited)

5. DIGITAL ASSETS

a) Ethereum

Ethereum is recorded at fair value on the acquisition date and revalued to their current market value at each reporting date. The fair value is determined using the spot rate based on reported prices on the date the tokens are received or recorded as a receivable. Ethereum held are revalued each reporting period based on the fair market value of the price of Ethereum on the reporting date. As at December 31, 2022, the price of Ethereum was $1,623.96 (June 30, 2022 - $1,374).

Ethereum transacted during the period was as follows:

	$	Ethereum
Balance, June 30, 2021	-	-
Ethereum purchased	79,990	37.34
Acquired NFTs	(71,326)	(35.63)
Transaction costs	(2,101)	(1.53)
Loss on use of digital assets (i)	(6,180)	-
Loss on revaluation of digital assets	(136)	-
Balance June 30, 2022	247	0.18
Foreign Exchange	41	-
Balance December 31, 2022	288	0.18

(i) During the year ended June 30, 2022, the Company purchased NFTs and services with Ethereum for $73,427 with a cost of $79,610, which resulted in a realized loss on sale of $6,180.

b) NFT

During May and June 2022, the Company purchased 180 NFTs for $71,326 worth of Ethereum. NFTs are initially recorded at cost and under the cost model are carried at cost less any accumulated amortization and accumulated impairment losses. NFTs have an indefinite life and at December 31, 2022, and June 30, 2022, no impairment was recorded.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

During the six months ended December 31, 2022, the Company wrote-off $Nil (Year ended June 30, 2022 - $181,051) of trade payables and accrued liabilities that have been outstanding for several years without any claims from the past vendors. The Company recorded a gain on write-off of debt of $Nil (Year ended June 30, 2022 - $181,051).

Accounts payable and accrued liabilities consists of:

		December 31, 2022		June 30, 2022
Accounts payable	$	22,569	$	27,500
Due to related parties		2,050		79,932
Accrued liabilities		100,696		77,617
Total	$	125,315	$	185,049

7. LOANS PAYABLE

As at December 31, 2022, the Company had loans payable of $53,548 (June 30, 2022 - $52,742) to former related parties (Note 13). The loans are unsecured, non-interest bearing and are due on demand, except for one loan of $20,000 that bears interest at 8% p.a. and had $806 (2022 - $442) interest accrued during the six months period.

During the six-months period ended December 31, 2022, the Company wrote-off $Nil (year ended June 30, 2022 – $82,734) from loans payable that were determined to be no longer liabilities.

8. SHARE CAPITAL

(a) Authorized:

Unlimited number of common shares, voting.

On April 19, 2022, the Company consolidated all of its issued and outstanding common shares on the basis of one new common share for every ten old common shares. Unless otherwise noted, all share information has been retroactively adjusted to reflect this consolidation. Also see subsequent event Note 15.

(b) Issued and Outstanding

As at December 31, 2022 there were 97,333,241 (June 30, 2022 – 97,333,241) shares issued and outstanding.

i) Shares issued during the six-months period ended December 31, 2022.

There were no shares issued during the six months period ending December 31, 2022.

ii) Shares issued during the year ended June 30, 2022.

On June 3, 2022, the Company closed a non-brokered private placement of 3,000,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $60,000. 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 May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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 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.

(Expressed in Canadian dollars - Unaudited)

8. SHARE CAPITAL (continued)

(c) Warrants

The following is a summary of the Company's share purchase warrant activity for the six months period ended December 31, 2022 and for the year ended June 30, 2022.

	Number of Warrants
Outstanding, June 30, 2021	-
Issued	96,500,000
Outstanding, June 30 2022	96,500,000
Issued	-
Outstanding, December 31, 2022	96,500,000

Details of warrants outstanding as at December 31, 2022 are as follows:

Exercise price	Number of Warrants Outstanding	Expiry date
$0.10	22,000,000	April 22, 2027
$0.10	53,125,000	May 17, 2027
$0.10	18,375,000	May 24, 2027
$0.10	3,000,000	June 3, 2027
	96,500,000	

The weighted average price of warrants outstanding was $0.10, and the weighted average life was 4.37 years.

(d) Stock options

The Company has adopted an incentive stock option plan and restricted stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the requirements of the Exchange, grant to directors, officers, employees and technical consultants to the Company, options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the issued and outstanding common shares of the Company. Such options will be exercisable for a period of up to five years from the date of grant.

On July 15, 2022, the Company granted incentive stock options to a consultant to purchase an aggregate of 75,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $672. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.02%. As at December 31, 2022, $362 was recorded as vested.

(Expressed in Canadian dollars - Unaudited)

8. SHARE CAPITAL (continued)

(d) Stock options (continued)

On July 4, 2022, the Company granted incentive stock options to a consultant to purchase an aggregate of 25,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $225. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.02%. As at December 31, 2022 $135 was recorded as vested.

On June 30, 2022, the Company granted incentive stock options to a consultant to purchase an aggregate of 25,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $224. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.09%. As at December 31, 2022 $136 was recorded as vested.

On June 15, 2022, the Company granted incentive stock options to consultants to purchase an aggregate of 100,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $900. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.37%. As at December 31, 2022 $572 was recorded as vested.

On June 14, 2022, the Company granted incentive stock options to consultants to purchase an aggregate of 10,600,000 common shares at an exercise price of $0.10 per common share for up to five years. Of the options issued, 750,000 options vest 36 months from grant date and 9,850,000 options vested upon grant. The total grant date fair value of the options was measured at $109,928. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.10; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.54%. As at December 31, 2022 $105,689 was recorded as vested.

The following is a summary of the Company's option activity.

	Number of Options
Outstanding, June 30, 2020 and 2021	-
Issued	10,725,000
Outstanding, June 30, 2022	10,725,000
Issued	100,000
Cancelled	(300,000)
Outstanding, December 31, 2022	10,525,000
Exercisable December 31, 2022	9,841,665

(Expressed in Canadian dollars - Unaudited)

8. SHARE CAPITAL (continued)

(d) **Stock options** (continued)

Details of options outstanding as at December 31, 2022 are as follows:

Exercise price	Number of Options outstanding	Expiry date
$0.10	10,300,000	June 14, 2027
$0.10	100,000	June 15, 2027
$0.10	25,000	June 30, 2027
$0.15	25,000	July 4, 2027
$0.15	75,000	July 15, 2027
Total Options	10,775,000	

The weighted average price of options outstanding was $0.10, and the weighted average life was 4.46 years.

(d) Reserve

The share-based payment reserves record items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

9. FINANCIAL INSTRUMENTS

(a) Fair value information

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

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

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

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

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

There were no transfers between levels during the six-month period ended December 31, 2022 and during the year ended June 30, 2022.

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

(Expressed in Canadian dollars - Unaudited)

9. FINANCIAL INSTRUMENTS (continued)

(a) Fair value information (continued)

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at December 31, 2022 and June 30, 2022:

	As at December 31, 2022		
	Level 1	Level 2	Level 3
Cash	$ 15,493	$ -	$ -
Investments	$ -	$ -	$ 101,580

	As at June 30, 2022		
	Level 1	Level 2	Level 3
Cash	$ 329,932	$ -	$ -
Investments	$ -	$ -	$ 96,645

10. DIGITAL ASSETS AND RISK MANAGEMENT

Digital assets and risk management

Cryptocurrency held by the Company is measured using Level 1 fair values, determined by taking the rate from yahoo.com. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets.

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

The Company's digital assets currently consist of Ethereum and NFTs. As at December 31, 2022, if the market price of Ethereum increased or decreased by 10% with all other variables held constant, the corresponding digital assets value increase or decrease respectively would amount to approximately $28.

Liquidity Risk

As at December 31, 2022, the Company held cash of $15,493 (June 30, 2022 - $329,932), had working capital of $15,320 (June 30, 2022 - $265,081). At December 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.

10. DIGITAL ASSETS AND RISK MANAGEMENT (continued)

Currency Risks (continued)

The Company is from time to time, exposed to currency risk related to certain accounts payable and accrued liabilities and other payable amounts which were denominated in USD. As at December 31, 2022, there were USD Nil (June 30, 2022 – USD Nil) liabilities denominated in USD.

11. MANAGEMENT OF CAPITAL

The Company's objectives of capital management are to safeguard its ability to support the Company's normal operating requirements on an ongoing basis and to start to development its mining interest. The Company considers its capital to be share capital.

The Company's operations are currently not generating any cash flows; as such, the Company is dependent on external and related party financing to fund its costs. The Company will need to raise additional amount in order to meet its obligations. Companies in this stage typically rely upon equity and debt financing to fund operations. The Company is not listed on a stock exchange at December 31, 2022. There is no certainty with respect to the Company's ability to raise capital.

Additional financing may be required to meet the Company's business objectives.

At December 31, 2022, there was no externally imposed capital requirement to which the Company is subject.

12. SUPPLEMENTAL CASH FLOW INFORMATION

		December 31, 2022		December 31, 2021
Interest paid	**$**	**-**	$	-
Income taxes paid	**$**	**-**	$	-

13. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

As at December 31, 2022, the Company owed $1,000 (June 30, 2022 - $1,000) to the current CFO and $1,050 (June 30, 2022 - $Nil) to a current director of the Company.

As at December 31, 2022, the Company owed $Nil (June 30, 2022 - $78,932) to various former directors and their companies.

As at December 31, 2022, the Company had loans payable of $53,548 (June 30, 2022 - $52,742) to the Company of a former director (Note 7).

(Expressed in Canadian dollars - Unaudited)

13. RELATED PARTY TRANSACTIONS (continued)

The remuneration of current and former directors and key management personnel during the six-months periods ended December 31, 2022 are as follows:

	Six-month period ended **December 31, 2022**	Six-month period ended December 31, 2021
Management, consulting, directors' and professional fees	**$ 12,000**	$ 66,000
Share based compensation	**3,432**	-
	$ 15,425	$ 66,000

The Company issued on June 14, 2022, 250,000 Options at $0.10 for five years vesting immediately, to a former director, recording a fair value and vesting of $2,592.

The Company also issued on June 14, 2022, 750,000 Options to the new directors at $0.10 for five years, to be vested 36 months from grant date, fair valued at $7,778. As at December 31, 2022 a further $3,432 (June 30, 2022 - $114) vesting was recorded and 250,000 Options were cancelled.

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

14. SEGMENTED INFORMATION

The Company operates in one industry segment. At December 31, 2022 and June 30, 2022, the Company has operations on the web and there was no property and equipment in any geographical area.

15. PROPOSED TRANSACTION

The Company have entered into a Securities Purchase Agreement, the "**Agreement**" with a group of purchasers, the "**Purchasers**" to complete a sale of securities of the Company, the "**Transaction**". The group of Purchasers under the Agreement are led by Orthogonal Thinker Inc.

The Transaction remains subject to the receipt of all necessary corporate and regulatory approvals.

In accordance with the Agreement, it is proposed that the following are to occur:

1. the calling of an Annual and Special Meeting of the Company to address: among other matters, the reconstitution of the board of directors and management of the Company such that the majority directors and officers of the Company are comprised of Orthogonal Thinker Inc.'s nominees and to make changes to the Company's articles to reclassify its common shares into a Multiple Voting Share "**MVS**" and Subordinated Voting Share ("**SVS**") class structure;

2. the Purchasers will purchase from the Vendors an aggregate of 50,000,000 shares and 50,000,000 warrants of the Company. The existing shares and warrants of the Company will be adjusted on a 1:1 basis, in the case of SVS, or 100:1 basis, in the case of MVS, with certain Purchasers to receive units to purchase SVS and corresponding warrants, and others to receive MVS and corresponding warrants; and

15. PROPOSED TRANSACTION (continued)

3. the Company, with the support of the new management proposed following the Transaction, will launch a non-brokered private placement on December 20th, 2022, which will be an offering of units, the "**Financing Units**" for aggregate proceeds of at least $1,000,000. Each Financing Unit consisting of 10 MVS and 1,000 SVS, to be priced at $100 per such Financing Unit. Each Financing Unit will therefore consist of 2,000 SVS on an as-converted basis, resulting in an effective price of $0.05 per SVS.

The AGM took place on December 19th, 2022, at 1:00 PM (Toronto time) and all matters to be proposed at the AGM as per the Agreement were approved.

16. SUBSEQUENT EVENTS

On January 12, 2023, the Company received a loan in the amount of $480,000 and issued a promissory note for this amount to the lender. The loan matures in ninety days, is unsecured and bears no interest.

On February 13, 2023, the Company closed an unsecured convertible debenture financing (“Debenture”) with an aggregate face value of USD $250,000 with Rocket Wellness Inc. (the “Issuer”). The Debenture bears interest of 8% compounded annually, maturing in 12 months and the principal and interest are convertible into preferred shares at the next equity financing, with a 20% discount, at the option of the debenture holders. The debentures allow for early redemption. The Company also entered into an investor rights agreement with the Issuer, a corporation existing under the laws of Delaware, the Company will receive the right to appoint a director on the board of the Rocket.

WEB3 VENTURES INC.

(Formerly La Jolla Capital Inc.)

Condensed Interim Consolidated Financial Statements

For the three months ended September 30, 2022 and 2021

(Expressed in Canadian dollars - Unaudited)

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars - Unaudited)

	Note		At September 30, 2022		At June 30, 2022
ASSETS					
Current assets					
Cash		$	171,036	$	329,932
Receivables			5,150		4,722
Prepaid expenses			8,025		-
Investments	4		102,465		96,645
Digital assets	5		71,573		71,573
Total assets		$	358,249	$	502,872
LIABILITIES					
Current					
Accounts payable and accrued liabilities	6	$	183,301	$	185,049
Loans payable	7		53,145		52,742
Total liabilities			236,446		237,791
SHAREHOLDERS' EQUITY					
Share capital	8		17,903,979		17,903,979
Reserves			103,538		102,309
Deficit			(17,795,912)		(17,645,585)
Accumulated other comprehensive loss			(89,802)		(95,622)
Total Shareholders' Equity			121,803		265,081
Total Liabilities and Shareholders' Equity		$	358,249	$	502,872

Nature and Continuance of Operations (Note 1)

Approved on behalf of the Board of Directors on November 24, 2022:

"Kirill Kompaniyets"
Director

"Gerald Kelly"
Director

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three-months periods ended September 30, 2022 and 2021
(Expressed in Canadian dollars - Unaudited)

			Three months ended		
	Note		**September 30, 2022**		September 30, 2021
EXPENSES					
Consulting and management fees	13	$	**119,964**	$	24,000
Interest paid			**403**		-
Office expense			**89**		18
Professional fees	13		**23,100**		10,575
Share based compensation	13		**1,229**		-
Transfer agent and filing fees			**5,542**		-
Net loss for the period			**(150,327)**		(34,593)
Other comprehensive (income) loss					
Foreign currency translation adjustment			**5,820**		(2,076)
Total loss and comprehensive loss for the period		$	**(144,507)**	$	(36,669)
Loss per share, basic and diluted		$	**(0.00)**	$	(0.08)
Weighted average number of common shares outstanding, basic and diluted			**97,333,241**		433,239

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
For the three months periods ended September 30, 2022 and 2021
(Expressed in Canadian dollars - Unaudited)

	Shares		Amount		Reserves Contributed Surplus		Deficit		Cumulative other comprehensive loss		Total
Balance, June 30, 2021	433,241	$	16,103,979	$	-	$	(17,178,377)	$	(93,923)	$	(1,168,321)
Net loss for the period	-		-		-		(34,539)		-		(34,539)
Other comprehensive loss for the period	-		-		-		-		(2,076)		(2,076)
Balance, September 30, 2021	433,241	$	16,103,979	$	-	$	(17,212,970)	$	(95,999)	$	(1,204,990)
Balance, June 30, 2021	97,333,241	$	17,903,979	$	102,309	$	(17,645,585)	$	(95,622)	$	265,081
Stock based compensation	-		-		1,229		-		-		1,229
Net loss for the period	-		-		-		(150,327)		-		(150,327)
Other comprehensive loss for the period	-		-		-		-		5,820		5,820
Balance, September 30, 2022	97,333,241	$	17,903,979	$	103,538	$	(17,795,912)	$	(89,802)	$	121,803

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

WEB3 VENTURES INC.
(Formerly La Jolla Capital Inc.)
Condensed Interim Consolidated Statements of Cash Flows
For the three months periods ended September 30, 2022 and 2021
(Expressed in Canadian dollars - Unaudited)

		Three Months Ended		
		September 30, 2022		September 30, 2021
Cash provided by (used in):				
Operating Activities				
Net loss for the period	**$**	**(150,327)**	$	(34,593)
Items not involving cash:				
Foreign exchange gain (loss)		**5,820**		(2,076)
Accrued interest		**403**		-
Share based compensation		**1,229**		-
Gain on revaluation of digital assets		**(5,820)**		-
		(148,695)		(36,669)
Change in non-cash working capital:				
Receivables		**(428)**		-
Prepaid		**(8,025)**		-
Accounts payable and accrued liabilities		**(1,748)**		36,651
Cash Used in operating activities		**(158,896)**		(18)
Decrease in cash		**(158,896)**		(18)
Cash, beginning of the period		**329,932**		1,004
Cash, end of the period	**$**	**171,036**	$	986

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Web3 Ventures Inc. (Formerly La Jolla Capital Inc.), (the "Company") was incorporated on April 6, 1990 under the laws of the Province of British Columbia as MicroCoal Technologies Inc. and on June 19, 1997 the Company continued as a federal corporation under the Canada Business Corporation Act. The Company changed its name from MicroCoal Technologies Inc. to La Jolla Capital Inc. on May 21, 2015, and the Company changed its name from La Jolla Capital Inc. to Web3 Ventures Inc. on April 19, 2022. The Company is an investment holding firm focused on incubating, accelerating and developing projects and applications for Web 3.0.

The Company's registered office is located at 409-22 Leader Lane, Toronto Ontario, M5E 0B2.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee.

These unaudited condensed interim consolidated financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these unaudited condensed interim consolidated financial statements be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2022.

These unaudited condensed interim consolidated financial statements were authorized for issue on November 24, 2022 by the directors of the Company.

(b) Going Concern

At September 30, 2022, the Company incurred a loss of $150,327 for the three-months period then ended (2022 - $34,593), had a working capital of $121,803 (June 30 2022 - $265,081) and has accumulated losses of $17,795,912 (June 30, 2022 - $17,645,585) since its inception. The Company expects to incur further losses in the development of its new business. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These circumstances indicate the existence of material uncertainty related to events and conditions that may cast significant doubt about the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of accounting principles applicable.

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

2. BASIS OF PREPARATION (continued)

(c) Basis of Measurement

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

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

(d) Basis of Consolidation

As of the date of these unaudited condensed interim consolidated financial statements, the Company's structure is represented by Web3 Ventures Inc. as the parent company, and the following wholly owned subsidiaries:

Name	Country of incorporation	Interest
Microcoal USA Inc. (Inactive)	U.S	100%
CO2 Reduction Poland Sp.z.o.o (Inactive)	Poland	100%
Carbiopel – ESP SA (Inactive)	Poland	100%
1000147857 Ontario Inc. (Inactive)	Canada	100%

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the unaudited condensed interim consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. All intercompany transactions and balances between the Company and its subsidiaries are eliminated.

(e) Functional and presentation currency

In management's judgement, the functional currency of the Company and subsidiaries are the Canadian dollar except for the United States dollar subsidiary Microcoal USA Inc. The presentation currency used in preparing these unaudited condensed interim consolidated financial statements of the Company is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

In preparing these condensed interim consolidated financial statements, the significant accounting policies and the significant judgments made by management in applying the Company's significant accounting policies and key sources of estimation uncertainty were the same as those that applied to the Company's audited condensed interim consolidated financial statements for the year ended June 30, 2022.

(Expressed in Canadian dollars - Unaudited)

4. INVESTMENTS

(a) Simple Agreement for Future Equity ("SAFE") Agreements

Pursuant to the terms of the SAFE Agreements, if there is an equity financing before the instrument expires or is terminated, the investee will automatically issue to the investors either: 1) the greater of: the number of Standard Preferred Shares equal to the Purchase Amount divided by the lowest price per share of the Standard Preferred Shares, or the number of SAFE Preferred Shares equal to the Purchase Amount divided by the SAFE Price or 2) in case the agreement specifies a discount rate, a number of shares of SAFE Preferred Stock equal to the Purchase Amount divided by the Conversion Price. The Conversion Price means either the SAFE Price or the Discount Price, whichever calculation results in a greater number of shares of SAFE Preferred Stock.

The SAFE Price means the price per share equal to the Valuation Cap or Post–Money Valuation Cap divided by the Company Capitalization. The Discount Price means the price per share of the Standard Preferred Stock sold in the equity financing multiplied by the Discount Rate.

If there is a liquidation event before the expiration or termination of the SAFE Agreement, the investor will at its option either: 1) receive a cash payment equal to the purchase amount or 2) automatically receive from the investee a number of shares of common stock equal to the purchase amount divided by the liquidity price, if the investor fails to select the cash option.

Alternatively, the investor will automatically receive a portion of Proceeds, due and payable to the investor, equal to the greater of the Purchase Amount or the amount payable on the number of shares of Common Stock equal to the Purchase Amount divided by the liquidity price. Thereafter the SAFE Agreement will terminate. In connection with a cash payment through a liquidity event, if there are not enough funds to pay the investors and holders of the SAFE Agreements in full, funds will be distributed pro-rata and based on the purchase price and the remaining amounts will be covered with common stock equal to the remaining unpaid purchase price divided by the liquidity event. In a dissolution event, SAFE Agreement holders will be paid out of remaining assets prior to holders of the investee's capital stock.

In accordance with IFRS 9, the Company initially recorded these SAFE investments at cost, which approximates fair value.

The Company holds the following SAFE investments:

i. Bylines Inc. - $32,215 SAFE investment in Bylines Inc, a private company, to invest in future rights to shares of Bylines Inc. capital stock. The "PostMoney Valuation Cap" is US$32,000,000.
ii. Column Inc. - $32,215 SAFE investment in Column Inc., a private company, to invest in future rights to shares of Column Inc. capital stock. The "PostMoney Valuation Cap" is US$10,000,000.

(b) Strategic Investment

During the year ended June 30, 2022, the Company completed a $32,215 investment in OpenPool, a private decentralized web company focused on simplifying crypto-investing. In accordance with IFRS 9, the Company initially recorded these SAFE investments at cost, which approximates fair value.

Summary of investments as at September 30 2022 and June 30 2022

	Fair Value - CAD September 30 2022	Cost – CAD June 30 2022	Cost – USD June 30 2022
Bylines Inc.	34,155	32,215	25,000
Column Inc.	34,155	32,215	25,000
Open Pool	34,155	32,215	25,000
	102,465	96,645	75,000

(Expressed in Canadian dollars - Unaudited)

5. DIGITAL ASSETS

a) Ethereum

Ethereum is recorded at fair value on the acquisition date and revalued to their current market value at each reporting date. The fair value is determined using the spot rate based on reported prices on the date the tokens are received or recorded as a receivable. Ethereum held are revalued each reporting period based on the fair market value of the price of Ethereum on the reporting date. As at September 30, 2022, the price of Ethereum was $1,458 (June 30, 2022 - $1,374).

Ethereum transacted during the period was as follows:

	$	Ethereum
Balance, June 30, 2021	-	-
Ethereum purchased	79,990	37.34
Acquired NFTs	(71,326)	(35.63)
Transaction costs	(2,101)	(1.53)
Loss on use of digital assets [(i)]	(6,180)	-
Loss on revaluation of digital assets	(136)	-
Balance June 30, 2022	247	0.18
Balance September 30, 2022	247	0.18

[(i)] During the year ended June 30, 2022, the Company purchased NFTs and services with Ethereum for $73,427 with a cost of $79,610, which resulted in a realized loss on sale of $6,180.

b) NFT

During May and June 2022, the Company purchased 180 NFTs for $71,326 worth of Ethereum. NFTs are initially recorded at cost and under the cost model are carried at cost less any accumulated amortization and accumulated impairment losses. NFTs have an indefinite life and at June 30, 2022, no impairment was recorded.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

During the three months ended September 30, 2022, the Company wrote-off $Nil (Year ended June 30, 2022 - $181,051) of trade payables and accrued liabilities that have been outstanding for several years without any claims from the past vendors. The Company recorded a gain on write-off of debt of $Nil (Year ended June 30 2022 - $181,051).

Accounts payable and accrued liabilities consists of:

		September 30, 2022		June 30, 2022
Accounts payable	$	231	$	27,500
Due to related parties		1,000		79,932
Accrued liabilities		182,070		77,617
Total	$	183,301	$	185,049

7. LOANS PAYABLE

As at September 30, 2022, the Company had loans payable of $53,145 (June 30, 2022 - $52,742) to former related parties (Note 9). The loans are unsecured, non-interest bearing and are due on demand, except for one loan of $20,000 that bears interest at 8% p.a. and had $403 (2022 - $Nil) interest accrued during the three months period.

During the three-months period ended September 30, 2022, the Company wrote-off $Nil (year ended June 30, 2022 – $82,734) from loans payable that were determined to be no longer liabilities.

8. SHARE CAPITAL

(a) Authorized:

Unlimited number of common shares, voting

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

(b) Issued and Outstanding

As at September 30, 2022 there were 97,333,241 (June 30, 2022 – 97,333,241) shares issued and outstanding.

i) Shares issued during the three-months period ended September 30, 2022.

There were no shares issued during the three months period ending September 30, 2022.

ii) Shares issued during the year ended June 30 2022.

On June 3, 2022, the Company closed a non-brokered private placement of 3,000,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $60,000. 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 May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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 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.

(Expressed in Canadian dollars - Unaudited)

8. SHARE CAPITAL (continued)

(c) Warrants

The following is a summary of the Company's share purchase warrant activity for the three months period ended September 30, 2022 and for the year ended June 30, 2022.

	Number of Warrants
Outstanding, June 30, 2021	-
Issued	96,500,000
Outstanding, June 30 2022	96,500,000
Issued	-
Outstanding, September 30, 2022	96,500,000

Details of warrants outstanding as at September 30, 2022 are as follows:

Exercise price	Number of Warrants Outstanding	Expiry date
$0.10	22,000,000	April 22, 2027
$0.10	53,125,000	May 17, 2027
$0.10	18,375,000	May 24, 2027
$0.10	3,000,000	June 3, 2027
	96,500,000	

The weighted average price of warrants outstanding was $0.10, and the weighted average life was 4.62 years.

(d) Stock options

The Company has adopted an incentive stock option plan and restricted stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the requirements of the Exchange, grant to directors, officers, employees and technical consultants to the Company, options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the issued and outstanding common shares of the Company. Such options will be exercisable for a period of up to five years from the date of grant.

On July 15, 2022, the Company granted incentive stock options to a consultant to purchase an aggregate of 75,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $672. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.02%. As at September 30, 2022 $165 was recorded as vested.

(Expressed in Canadian dollars - Unaudited)

8. SHARE CAPITAL (continued)

(d) Stock options (continued)

On July 4, 2022, the Company granted incentive stock options to a consultant to purchase an aggregate of 25,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $225. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.02%. As at September 30, 2022 $66 was recorded as vested.

On June 30, 2022, the Company granted incentive stock options to a consultant to purchase an aggregate of 25,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $224. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.09%. As at September 30, 2022 $65 was recorded as vested.

On June 15, 2022, the Company granted incentive stock options to consultants to purchase an aggregate of 100,000 common shares at an exercise price of $0.15 per common share for up to five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $900. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.15; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.37%. As at September 30, 2022 $322 was recorded as vested.

On June 14, 2022, the Company granted incentive stock options to consultants to purchase an aggregate of 10,600,000 common shares at an exercise price of $0.10 per common share for up to five years. Of the options issued, 750,000 options vest 36 months from grant date and 9,850,000 options vested upon grant. The total grant date fair value of the options was measured at $109,928. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.02; exercise price - $0.10; expected life – 5 years; volatility – 100%; dividend yield – $0; and risk-free rate – 3.54%. As at September 30, 2022 $102,883 was recorded as vested.

The following is a summary of the Company’s option activity.

	Number of Options
Outstanding, June 30, 2020 and 2021	-
Issued	10,725,000
Outstanding, June 30, 2022	10,725,000
Issued	100,000
Cancelled	(50,000)
Outstanding, September 30, 2022	10,775,000
Exercisable September 30, 2022	9,800,000

(Expressed in Canadian dollars - Unaudited)

8. SHARE CAPITAL (continued)

(d) **Stock options** (continued)

Details of options outstanding as at September 30, 2022 are as follows:

Exercise price	Number of Options outstanding	Expiry date
$0.10	10,550,000	June 14, 2027
$0.10	100,000	June 15, 2027
$0.10	25,000	June 30, 2027
$0.15	25,000	July 4, 2027
$0.15	75,000	July 15, 2027
Total Options	10,775,000	

The weighted average price of options outstanding was $0.10, and the weighted average life was 4.72 years.

(d) Reserve

The share-based payment reserves record items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

9. FINANCIAL INSTRUMENTS

(a) Fair value information

As at September 30, 2022, the Company’s financial instruments consist of cash, receivables, investments, accounts payable and loans payable. The carrying values of receivables, accounts payable and loans payable approximate their fair values because of their current nature. All financial assets and financial liabilities are recorded at fair value on initial recognition.

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

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

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

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

There were no transfers between levels during the three-month period ended September 30, 2022 and during the year ended June 30, 2022.

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

(Expressed in Canadian dollars - Unaudited)

9. FINANCIAL INSTRUMENTS (continued)

(a) Fair value information (continued)

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at September 30, 2022 and June 30, 2022:

	As at September 30, 2022		
	Level 1	Level 2	Level 3
Cash	$ 171,036	$ -	$ -
Investments	$ -	$ -	$ 102,465

	As at June 30, 2022		
	Level 1	Level 2	Level 3
Cash	$ 329,932	$ -	$ -
Investments	$ -	$ -	$ 96,645

10. DIGITAL ASSETS AND RISK MANAGEMENT

Digital assets and risk management

Cryptocurrency held by the Company is measured using Level 1 fair values, determined by taking the rate from yahoo.com. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets.

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

The Company's digital assets currently consist of Ethereum and NFTs. As at September 30, 2022, the market price of Ethereum increased or decreased by 10% with all other variables held constant, the corresponding digital assets value increase or decrease respectively would amount to approximately $24.

Liquidity Risk

As at September 30, 2022, the Company held cash of $171,036 (June 30, 2022 - $329,932), had working capital of $121,803 (June 30, 2022 - $265,081). At September 30, 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.

10. DIGITAL ASSETS AND RISK MANAGEMENT (continued)

Digital assets and risk management (continued)

Currency Risks

The Company is from time to time, exposed to currency risk related to certain accounts payable and accrued liabilities and other payable amounts which were denominated in USD. As at September 30, 2022, there were USD Nil (June 30, 2022 – USD Nil) liabilities denominated in USD.

11. MANAGEMENT OF CAPITAL

The Company's objectives of capital management are to safeguard its ability to support the Company's normal operating requirements on an ongoing basis and to start to development its mining interest. The Company considers its capital to be share capital.

The Company's operations are currently not generating any cash flows; as such, the Company is dependent on external and related party financing to fund its costs. The Company will need to raise additional amount in order to meet its obligations. Companies in this stage typically rely upon equity and debt financing to fund operations. The Company is not listed on a stock exchange at September 30, 2022. There is no certainty with respect to the Company's ability to raise capital.

Additional financing may be required to meet the Company's business objectives.

At September 30, 2022, there was no externally imposed capital requirement to which the Company is subject.

12. SUPPLEMENTAL CASH FLOW INFORMATION

		September 30, 2022		September 30, 2021
Interest paid	**$**	**-**	$	-
Income taxes paid	**$**	**-**	$	-

13. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

As at September 30, 2022, the Company owed $1,000 (June 30, 2022 - $1,000) to the current CFO of the Company.

As at September 30, 2022, the Company owed $Nil (June 30, 2022 - $78,932) to various former directors and their companies, which is included in accounts payable and accrued liabilities.

As at September 30, 2022, the Company had loans payable of $53,145 (June 30, 2022 - $52,742) to former directors of the Company (Note 7).

(Expressed in Canadian dollars - Unaudited)

13. RELATED PARTY TRANSACTIONS (continued)

The remuneration of directors and key management personnel during the three-months periods ended September 30, 2022 are as follows:

	Three-month period ended			
		September 30, 2022		September 30, 2022
Management, consulting, directors' and professional fees	**$**	**5,500**	$	33,000
Share based compensation		**1,229**		-
	$	**135,231**	$	33,000

The Company issued on July 15, 2022, 75,000 Options at $0.15 for five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $672.

The Company issued on July 4, 2022, 25,000 Options at $0.15 for five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $225.

The Company issued on June 14, 2022, 250,000 Options at $0.10 for five years vesting immediately, to former directors, recording a fair value and vesting of $2,592.

The Company also issued on June 14, 2022, 750,000 Options to the new directors at $0.10 for five years, to be vested 36 months from grant date, fair valued at $7,778. As at June 30, 2022 a vesting of $114 was recorded.

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

14. SEGMENTED INFORMATION

The Company operates in one industry segment. At September 30, 2022 and June 30, 2022, the Company has operations on the web and there was no property and equipment in any geographical area.

APPENDIX "C"

ISSUER'S MANAGEMENT'S DISCUSSION & ANALYSIS

[See attached]

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 October 24, 2022 and should be read in conjunction with the consolidated financial statements for the year ended June 30, 2022 and related notes thereto of the Company.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Readers are also advised to read the Company's audited financial statements and accompanying notes for the year ended June 30, 2022, (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 an investment holding firm focused on incubating, accelerating and developing projects and applications for Web 3.0.

STRATEGIC INVESTMENTS

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.

Column

On June 9, 2022, the Company announced the completion of a strategic investment in Column, a decentralized social media network focused on generating, socially-validating, and incentivizing high-quality, topic-specific discussions.

With past experience from Amazon, Facebook, Spotify, and multiple technology startups, Column's core team is leveraging web3 to influence and build an intelligent social community, giving content and therefore users a value.

Billed as a decentralized intelligence network, Column's platform revolves around the concept of empowering users to pull signal from noise, positioning high-quality content from subject matter experts to the top of a reader's feed, or 'Column'. For example, a reader looking to track emerging technologies could join a 'Column' for that topic, and instantly receive a content stream on that subject from authors that the platform's users have deemed reputable.

Columns are sensibility-specific rooms: they can be public or private. In them, you can follow professional fields, discover new ideas, share information, and discuss. Typically, they are invite-only. Members of the platform can join as many Columns as they want. Some Columns are large and public, others are small and private. Columns persist for as long as they are useful. Some Columns may encompass a whole field and will last for decades, and some may be more temporary.

Web3 Ventures' core investment pillars are identity, communication, and gaming. Web3 believes that the future of social media will be driven and heavily-influenced by decentralized communities, and Column offers a unique model that incentivizes the creation of community, as well as the digital identity aspect of reputational currency and community content validation. Column's network and its further development has them well positioned to capitalize on these trends, and Web3 sees multiple synergistic partnership and collaborative opportunities to accelerate Column's user adoption through the projects, companies, and applications that Web3 is developing and accelerating internally.

NFTs

On June 18, 2022, the Company announced that it has acquired 150 NFTs from the PunkScape collection, a digital identity and immersive land project. This investment represents a 1.50% stake in the fixed supply of all existing and outstanding PunkScape non-fungible tokens.

PunkScape is an NFT collection of 10,000 unique banner landscapes stored on the Ethereum Blockchain that are sold on OpenSea, LooksRare, and major NFT marketplaces. PunkScape is a metaverse space for digital-art that takes aim at the existing Web2 configurable "locations" - locations like banners on Twitter, LinkedIn, and so forth–and carries them into the Web3 space. Every Scape is digital land, a home for your digital assets and identity. https://punkscape.xyz/intro / https://opensea.io/collection/punkscapes

Launched in September 2021, PunkScape has a passionate community base of 3,000+ token holders, including notable members such as Tobi Lütke, CEO of Shopify ($SHOP) and Jack Butcher, founder of leading media platform Visualize Value. Since launch, the PunkScape collection has over 1,600 Ethereum in secondary sales volume. Focused on providing interactive digital real estate and immersive experience applications, PunkScapes are designed to integrate with social profile banner sections such as Twitter, Discord, LinkedIn, OpenSea, the Ethereum Name Service, and more.

In addition to potential market price appreciation of the PunkScape NFTs that Web3 Ventures has acquired, Web3 will earn royalty revenue from their PunkScape NFTs through Gallery27, an internally developed daily auction platform that utilizes AI technology to mint generative art derivatives of PunkScape NFTs. Web3 and other collection holders earn a 50% royalty on the winning bids.

FINANCINGS AND SHARE CONSOLIDATION

On May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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 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.

On June 14, 2022, the Company announced the addition of Neer Sharma to its Advisory Board. A Forbes 30 Under 30 Award recipient in building consumer tech and a former analyst at Rothschild, Mr. Sharma has extensive experience founding and operating technology companies. Mr. Sharma currently serves as Head of Product at mayk.it, a platform that enables users to create and mint audio NFTs directly from their mobile device, and was the co-founder of HaikuJAM, a social writing game that he helped scale to millions of users across India.

On June 14, 2022, the Company announced the addition of Zach Rosen to its Advisory Board. A Berkeley alum and experienced founder that has built and scaled a startup to eight figures in revenue, Mr. Rosen is a founder at Brydge, a startup that enables dApps (decentralized applications) to deploy on one chain and accept payments from the rest. Mr. Rosen holds previous experience in both software engineering and investment banking.

SELECTED ANNUAL INFORMATION FOR THE PAST THREE YEARS

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

Years ended June 30:	**2022**	2021	2020
	$	$	$
Revenues	**Nil**	Nil	Nil
Gross profit (loss)	**Nil**	Nil	Nil
Operating expense	**692,462**	137,797	145,389
Other income (expense)	**225,254**	Nil	Nil
Net income (loss) for the year	**(467,208)**	(137,797)	(145,389)
Earnings (loss) per share	**(0.04)**	(0.03)	(0.03)
Total assets	**502,872**	1,363	1,444
Total long-term liabilities	**Nil**	Nil	Nil
Cash dividends declared	**Nil**	Nil	Nil

During fiscal 2022, the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web. This resulted in an increase of operating expenses, net loss and total assets for 2022.

During fiscal 2021 and 2020, net losses, loss per share and total assets remained consistent due to attempts to preserve cash spending on general and administrative expenses and the fact that the Company is still seeking operational opportunities.

RESULTS OF OPERATIONS

		Years Ended,		
		June 30, 2022		June 30, 2021
Expenses				
Consulting and management fees	$	**354,942**	$	96,000
Foreign exchange gain		**(216)**		-
Investor relations		**135,038**		-
Office expense		**2,649**		97
Professional fees		**80,791**		41,700
Share-based compensation		**102,309**		-
Transfer agent and filing fees		**16,949**		-
Operating expenses		**(692,462)**		(137,797)
Other income (expenses)				
Bad debt expense		**(32,215)**		-
Gain on revaluation of digital assets		**(136)**		-
Loss on use of digital assets		**(6,180)**		
Write off of liabilities		**263,785**		-
Net income (loss) for the period		**467,208**		(137,797)
Other comprehensive income (loss)				
Foreign currency translation adjustment		**(1,699)**		7,382
Total comprehensive income (loss) loss	$	**(468,907)**	$	(130,415)

RESULTS OF OPERATIONS (CONTINUED)

During the year ended June 30, 2022, the Company incurred consulting fees of $354,942 (2021 – $96,000) and recorded professional fees of $80,791 (2021 - $41,700). The Company also incurred investor relations expenses of $135,038 (2021 - $Nil), stock-based compensation of $102,309 (2021 - $Nil) and transfer agent and filing fees of $16,949 (2021 - $Nil). During fiscal 2022, the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web. This resulted in a general increase of operating expenses. The Company also granted 10,825,000 stock options to advisors and consultants in fiscal 2022 compared to no stock option grants in fiscal 2021 which resulted in an increase in stock-based compensation in fiscal 2022.

During the year ended Just 30, 2022, the Company incurred bad debt expense of $32,215, and losses on digital assets of $6,316. The Company also wrote off $82,734 of loans payable and $181,051 of trade payables and accrued liabilities resulting in a gain on the write off of liabilities of $263,785. Total loss from operations was $467,208 (2022 - $137,797).

Cash Flow Analysis

Operating Activities
During the year ends June 30, 2022 and 2021, cash used in operating activities was $1,322,152 and $10,356, respectively. This increase was the result of commencing and increasing operations. See also discussions under results of operations.

Investing Activities
During the year ended June 30, 2022, the Company made its initial investments in decentralized web projects and as a result purchased digital assets of $79,990 and investments of $96,430. During the year ended June 30, 2021, there were no investing activities by the Company.

Financing Activities
During the year ended June 30, 2022 and 2021, cash provided by financing activities was $1,827,500 (2021 - $10,000) being $27,500 (2021 - $10,000) from loans received and $1,800,000 (2021 - $Nil) as proceeds from private placement.

SUMMARY OF QUARTERLY RESULTS

	Q4 2022	Q3 2022	Q2 2022	Q1 2022
	$	$	$	$
Total assets	502,872	4,354	3,290	1,345
Net income (loss)	(602,317)	(26,899)	196,601	(34,593)
Income (loss) per share - post consolidation	(0.36)	(0.05)	0.45	(0.08)

	Q4 2021	Q3 2021	Q2 2021	Q1 2021
	$	$	$	$
Total assets	1,363	1,399	1,399	11,167
Net loss	(34,518)	(34,518)	(33,984)	(34,777)
Loss per share - post consolidation	(0.01)	(0.01)	(0.01)	(0.01)

SUMMARY OF QUARTERLY RESULTS (CONTINUED)

Over the quarters from Q1 2021 to Q3 2022 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. 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. 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.

During Q4 2022, net loss and total assets increased as the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2022, the Company had cash of $329,932 (June 30, 2021 - $1,004) and working capital of $265,081 (working capital deficiency June 30, 2021 - $1,168,321).

On May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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 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 June 30, 2022, the Company had loans in the aggregate amount of $Nil (June 30, 2021 - $82,734) payable to an unrelated party and $52,742 (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 June 30, 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 97,333,241 common shares outstanding, 10,825,000 options outstanding and 96,500,000 warrants exercisable.

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 year ended June 30, 2022, the Company accrued accounting and corporate service fees of $49,500 (2021 - $36,000) to a company controlled by a former director of the Company.

During the year ended June 30, 2022, the Company accrued consulting fees of $83,025 (2021 - $96,000) to directors of the Company.

During the year ended June 30, 2022, the Company recorded stock-based compensation of $2,706 (2021 - $Nil) to directors of the Company.

As at June 30, 2022, the Company owed $1,000 to the current CFO of the Company.

As at June 30, 2022, the Company owed $78,932 to various previous directors and their companies, and $1,000 to the current CFO of the Company, which is included in accounts payable and accrued liabilities.

As at Jun 30, 2022, the Company had loans payable of $52,742 to directors of the Company.

FOURTH QUARTER RESULTS

The following table summarizes selected financial data for the fourth quarter of the Company for each of the two most recently completed financial years. The information set forth below should be read in conjunction with the Financial Statements.

	Three-month period ending	
	June 30, 2020	**June 30, 2021**
Expenses		
Consulting and management fees	**297,942**	24,000
Foreign exchange gain	**(216)**	-
Investor relations	**122,133**	-
Office expense	**2,594**	18
Professional fees	**48,849**	10,500
Share based compensation	**102,309**	-
Transfer agent and filing fees	**16,949**	-
Bad debt expense	**(32,215)**	-
Gain on revaluation of digital assets	**(136)**	-
Loss on use of digital assets	**(6,180)**	-
Write off of liabilities	**27,151**	-
Net loss for the period	**(579,180)**	(34,518)
Other comprehensive loss		
Foreign currency translation adjustment	**-**	1,083
Total comprehensive loss	**$ (579,180)**	$ (33,435)

During Q4 2021 operational expenses were minimal due to attempts to preserve cash spending on general and administrative expenses and the fact that the Company is still seeking operational opportunities. During Q4 2022, operating expenses increased as the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web.

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:

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.

Amendments to IFRS 9 – Financial Instruments

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendments to IFRS 9. The amendments clarify the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Company applies the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendments.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier adoption permitted. The Company does not believe that these amendments will have a material impact on the consolidated financial statements.

The Company continues to review changes to IFRS standards. There are no other pending IFRSs or IFRIC interpretations that are expected to be relevant to the Company's consolidated financial statements.

CHANGES IN ACCOUNTING STANDARDS NOT YET EFFECTIVE

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

FINANCIAL INSTRUMENTS RISK EXPOSURE

As at June 30, 2022, the Company's financial instruments consist of cash, receivables, investments, accounts payable and loans payable. The carrying values of receivables, accounts payable and loans payable 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);

There were no transfers between levels during the year ended June 30, 2022 or the year ended June 30, 2021.

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

Digital assets and risk management

Cryptocurrency held by the Company is measured using Level 1 fair values, determined by taking the rate from yahoo.com. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets.

Digital assets have a limited history and the fair value historically has been relatively volatile. Historical performance of digital assets is not indicative of their future price performance. The Company's digital assets currently consist of Ethereum and NFTs. As June 30, 2022, had the market price of Ethereum increased or decreased by 10% with all other variables held constant, the corresponding digital assets value increase or decrease respectively would amount to $24.

Liquidity Risk

At June 30, 2022, the Company held cash of $329,932 (2021 - $1,004), had working capital of $265,081 (2021 - $1,168,321 negative). At June 30, 2022, the Company expects that it will be able to obtain funding from investors in order to meet its obligations.

FINANCIAL INSTRUMENTS RISK EXPOSURE (CONTINUED)

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 Risks

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 June 30, 2022, there were $Nil US liabilities denominated in US$ (2021 – US$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. 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.

OTHER RISKS AND UNCERTANTIES (CONTINUED)

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 audited financial statements of the Company for the period ended June 30, 2022 (together the "Annual 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.

This Management Discussion and Analysis ("MD&A") of La Jolla Capital Inc. (the "Company" or "La Jolla") (formerly MicroCoal Technologies Inc. and previous to that Carbon Friendly Solutions Inc. ("MicroCoal"), has been prepared by management as of October 26, 2021 and should be read in conjunction with the consolidated financial statements for the year ended June 30, 2021 and related notes thereto of the Company.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), 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.

COMPANY 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. On September 2, 2008, the Company completed a share exchange with Global CO2 Reduction Inc. (Global CO2) and changed its name to Carbon Friendly Solutions Inc. On June 25, 2013 the Company changed its name to MicroCoal Technologies Inc. ("MicroCoal" or "MTI"). MicroCoal was listed on the Canadian Securities Exchange ("CSE") under the symbol "MTI" and the Frankfurt Stock Exchange under the symbol "0FS-FRA" ("zero FS-FRA"). On May 21, 2015, pursuant to a Plan of Arrangement the Company transferred certain assets in exchange for shares of a new entity called Targeted Microwave Solutions Inc. ("TMS"). The common shares of MicroCoal were delisted from the CSE concurrent with the listing of the TMS common shares.

The Company changed its name to La Jolla Capital Inc. 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 La Jolla Shares with the CSE once it has met the listing criteria.

Until May 2015, the Company was in the business of researching and developing a coal technology using patented technologies to dewater, decontaminate and upgrade low-rank coals for use by power utilities and coal companies. Subsequent to the Plan of Arrangement, the principal business is the exploration and development of mineral properties.

Plan of Arrangement

On May 21, 2015, the Company completed a previously announced Plan of Arrangement under the Canada Business Corporations Act (the "Plan of Arrangement" or "Arrangement") with its security holders and its wholly-owned subsidiary Targeted Microwave Solutions Inc. ("TMS"). Pursuant to the Arrangement, the

Plan of Arrangement (continued)

Company caused substantially all of its business, operations, assets and liabilities to be transferred to TMS. Following completion of the Arrangement, the Company and TMS had substantially the same management and consultants as MicroCoal had prior to the Arrangement.

As a result of the Arrangement, among other things: (i) each holder of MicroCoal's common shares as at the effective time of the Arrangement was entitled to receive 1 common share of TMS for each common share of MicroCoal held at the effective time of the Arrangement; and (ii) the shareholders of MicroCoal received 100% of the common shares of TMS in the same proportion as they previously held in TMS and holders of warrants to purchase MicroCoal shares or units are entitled to receive warrants to purchase TMS shares or units.

Share Consolidation

On May 21, 2015, pursuant to the Plan of Arrangement, the Company consolidated its issued and outstanding common shares on a 50:1 basis (the "Share Consolidation"). This Share Consolidation resulted in the pre-consolidation issued and outstanding total shares of 179,500,076 being consolidated on a 50:1 basis. After effecting all transactions, there were 3,589,990 issued and outstanding common shares which became the new share capital of the Company. The Share Consolidation affected all of MicroCoal's issued and outstanding common shares on May 21, 2015. Fractional shares were not issued. Pre-consolidation there were 32,913,886 MicroCoal warrants issued and outstanding. These warrants were transferred to TMS and do not exist post-consolidation. Prior to the Plan of Arrangement, there were 3,220,000 stock options all of which were cancelled. Certain comparative information regarding issued and outstanding common shares, warrants, stock options and weighted average number of share amounts have been re-presented on a post-consolidation basis.

On October 29, 2018 and November 14, 2018, shareholders returned a total of 1,650,934 common shares to the treasury as a gift and these common shares were subsequently cancelled.

OVERALL PERFORMANCE

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

SELECTED ANNUAL INFORMATION FOR THE PAST THREE YEARS

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

Years ended June 30:	**2021**	2020	2019
	$	$	$
Revenues	**Nil**	Nil	Nil
Gross profit (loss)	**Nil**	Nil	Nil
Operating expense	**137,797**	145,389	135,419
Other income (expense)	**Nil**	Nil	Nil
Net income (loss) for the year	**(137,797)**	(145,389)	(135,419)
Earnings (loss) per share	**(0.03)**	(0.03)	(0.03)
Total assets	**1,363**	1,444	1,133
Total long-term liabilities	**Nil**	Nil	Nil
Cash dividends declared	**Nil**	Nil	Nil

Net losses, loss per share and total assets have remained consistent due to attempts to preserve cash spending on general and administrative expenses and the fact that the Company is still seeking operational opportunities.

RESULTS OF OPERATIONS

La Jolla intends to focus on the exploration and development of mineral properties and/or considering a range of opportunities across various industry segments to create shareholder value.

		2021		2020
Expenses				
Investor relations, agents and fees	$	-	$	6,386
Consulting, management and director fees		96,000		96,000
Office, premise and other		97		828
Professional fees		41,700		42,175
Net loss for the year		(137,797)		(145,389)
Other comprehensive loss				
Foreign currency translation adjustment		7,382		(3,236)
Total comprehensive loss	$	(130,415)	$	(148,625)

During the year ended June 30, 2021, the Company accrued consulting fees of $96,000 (2020 – 96,000) and accounting fees of $36,000 (2020 - $36,000) to related parties. The Company also incurred other operating expenses including investor relations, agents and fees of $nil (2020 - $6,386). Total loss from operations was $137,797 (2020 - $145,389).

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

Cash Flow Analysis

Operating Activities
During the years ended June 30, 2021 and 2020, cash used in operating activities was $10,356 and $9,733, respectively. Cash used from operating activities was consistent for the last two fiscal years.

Investing Activities
During the years ended June 30, 2021 and 2020, there were no investing activities by the Company.

Financing Activities
During the years ended June 30, 2021 and 2020, cash provided by financing activities was $10,000 and $10,000, respectively. Financing activities consisted of proceeds from loans during the periods.

SUMMARY OF QUARTERLY RESULTS

	Q4 2021	Q3 2021	Q2 2021	Q1 2021
	$	$	$	$
Total assets	1,363	1,399	1,399	11,167
Net loss	(34,518)	(34,518)	(33,984)	(34,777)
Loss per share				
- post consolidation	(0.01)	(0.01)	(0.01)	(0.01)

SUMMARY OF QUARTERLY RESULTS (continued)

	Q4 2020	Q3 2020	Q2 2020	Q1 2020
	$	$	$	$
Total assets	1,444	1,462	1,396	9,385
Net loss	(34,518)	(34,518)	(41,217)	(35,136)
Loss per share				
- post consolidation	(0.01)	(0.01)	(0.01)	(0.01)

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 and 2020 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.

LIQUIDITY AND CAPITAL RESOURCES

The Company had cash of $1,004 at June 30, 2021 (June 30, 2020 - $1,360) and working capital deficiency of $1,168,321 (June 30, 2020 - $1,037,906).

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 October 26, 2021. There is no certainty with respect to the Company's ability to raise capital.

As at June 30, 2021, the Company had loans in the aggregate amount of $82,734 payable to various unrelated parties and $49,104 payable to directors of the Company. The loans are unsecured, non-interest bearing and are due on demand.

At June 30, 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 and exploration of the mining interest and normal course 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 4,332,390 common shares outstanding.

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:

Eugene Beukman	Director, President and chief Financial Officer
Damanjit Gahunia	Director and Chief Financial Officer
Aman Tindal	Director and Corporate Secretary

TRANSACTIONS WITH RELATED PARTIES (continued)

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 year ended June 30, 2021, the Company accrued accounting fees of $36,000 (2020 - $36,000) to a company controlled by a director of the Company.

During the year ended June 30, 2021, the Company accrued consulting fees of $96,000 (2020 - $96,000) to directors of the Company.

As at June 30, 2021, the Company owed $806,500 to various directors and their companies, which is included in accounts payable and accrued liabilities.

As at June 30, 2021, the Company had loans payable of $49,104 to directors of the Company.

FOURTH QUARTER RESULTS

The following table summarizes selected financial data for the fourth quarter of the Company for each of the two most recently completed financial years. The information set forth below should be read in conjunction with the Financial Statements.

	Notes	Three-month period ending			
			June 30, 2021		**June 30, 2020**
Expenses					
Consulting, management and director fees	10		**24,000**		24,000
Office, premise and other			**18**		18
Professional fees	10		**10,500**		10,500
Net loss for the period			**(34,518)**		(34,518)
Other comprehensive loss					
Foreign currency translation adjustment			**1,083**		3,344
Total comprehensive loss		**$**	**(33,435)**	$	(31,174)

Over the two 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.

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").

BASIS OF PRESENTATION (continued)

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 July 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:

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 June 30, 2021, 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.

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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 June 30, 2021 and June 30, 2020, cash was classified in the fair value hierarchy as level 1. There were no transfers between levels during the period ended June 30, 2021.

Liquidity Risk

At June 30, 2021, the Company held cash of $1,004 (June 30, 2020 - $1,360), had negative working capital of $1,168,321 (June 30, 2020 - $1,037,906). At June 30, 2021, 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 June 30, 2021, there were US$59,820 denominated in US$ (June 30, 2020 – US$59,820).

OTHER RISKS AND UNCERTANTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economic risk.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration 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 mineral exploration 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 mineral property contains mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments. The property that the Company has an option to earn an interest in is in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

Exploration of the Company's mineral property may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration 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 property reclamation, 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 audited financial statements of the Company for the year ended June 30, 2021 (together the "Annual 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

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES (continued)

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.

TRENDS

Trends in the industry can materially affect how well any junior exploration company is performing and by the capital markets which have made the raising of finance difficult. Under the current economic conditions, the Company is advancing its property as quickly as possible while still remaining prudent when considering large cost items such as drilling and geophysics.

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 exploration investment and scope of exploration 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 mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks.

This Management Discussion and Analysis ("MD&A") of La Jolla Capital Inc. (the "Company" or "La Jolla") (formerly MicroCoal Technologies Inc. and previous to that Carbon Friendly Solutions Inc. ("MicroCoal"), has been prepared by management as of October 05, 2020 and should be read in conjunction with the consolidated financial statements for the year ended June 30, 20120 and related notes thereto of the Company.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), 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 prospect, 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.

COMPANY 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. On September 2, 2008, the Company completed a share exchange with Global CO2 Reduction Inc. (Global CO2) and changed its name to Carbon Friendly Solutions Inc. On June 25, 2013 the Company changed its name to MicroCoal Technologies Inc. ("MicroCoal" or "MTI"). MicroCoal was listed on the Canadian Securities Exchange ("CSE") under the symbol "MTI" and the Frankfurt Stock Exchange under the symbol "0FS-FRA" ("zero FS-FRA"). On May 21, 2015, pursuant to a Plan of Arrangement the Company transferred certain assets in exchange for shares of a new entity called Targeted Microwave Solutions Inc. ("TMS"). The common shares of MicroCoal were delisted from the CSE concurrent with the listing of the TMS common shares.

The Company changed its name to La Jolla Capital Inc. 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 La Jolla Shares with the CSE once it has met the listing criteria.

Until May 2015, the Company was in the business of researching and developing a coal technology using patented technologies to dewater, decontaminate and upgrade low-rank coals for use by power utilities and coal companies. Subsequent to the Plan of Arrangement, the principal business is the exploration and development of mineral properties.

Plan of Arrangement

On May 21, 2015, the Company completed a previously announced Plan of Arrangement under the Canada Business Corporations Act (the "Plan of Arrangement" or "Arrangement") with its security holders and its wholly-owned subsidiary Targeted Microwave Solutions Inc. ("TMS"). Pursuant to the Arrangement, the

Plan of Arrangement (continued)

Company caused substantially all of its business, operations, assets and liabilities to be transferred to TMS. Following completion of the Arrangement, the Company and TMS had substantially the same management and consultants as MicroCoal had prior to the Arrangement.

As a result of the Arrangement, among other things: (i) each holder of MicroCoal's common shares as at the effective time of the Arrangement was entitled to receive 1 common share of TMS for each common share of MicroCoal held at the effective time of the Arrangement; and (ii) the shareholders of MicroCoal received 100% of the common shares of TMS in the same proportion as they previously held in TMS and holders of warrants to purchase MicroCoal shares or units are entitled to receive warrants to purchase TMS shares or units.

Share Consolidation

On May 21, 2015, pursuant to the Plan of Arrangement, the Company consolidated its issued and outstanding common shares on a 50:1 basis (the "Share Consolidation"). This Share Consolidation resulted in the pre-consolidation issued and outstanding total shares of 179,500,076 being consolidated on a 50:1 basis. After effecting all transactions, there were 3,589,990 issued and outstanding common shares which became the new share capital of the Company. The Share Consolidation affected all of MicroCoal's issued and outstanding common shares on May 21, 2015. Fractional shares were not issued. Pre-consolidation there were 32,913,886 MicroCoal warrants issued and outstanding. These warrants were transferred to TMS and do not exist post-consolidation. Prior to the Plan of Arrangement, there were 3,220,000 stock options all of which were cancelled. Certain comparative information regarding issued and outstanding common shares, warrants, stock options and weighted average number of share amounts have been re-presented on a post-consolidation basis.

On October 29, 2018 and November 14, 2018, shareholders returned a total of 1,650,934 common shares to the treasury as a gift and these common shares were subsequently cancelled.

OVERALL PERFORMANCE

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

SELECTED ANNUAL INFORMATION FOR THE PAST THREE YEARS

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

Years ended June 30:	**2020**	2019	2018
	$	$	$
Revenues	**Nil**	Nil	Nil
Gross profit (loss)	**Nil**	Nil	Nil
Operating expense	**145,389**	135,419	143,722
Other income (expense0	**Nil**	Nil	Nil
Net income (loss) for the year	**(145,389)**	(135,419)	(143,722
Earnings (loss) per share	**(0.03)**	(0.03)	(0.02)
Total assets	**1,444**	1,133	1,911
Total long-term liabilities	**Nil**	Nil	Nil
Cash dividends declared	**Nil**	Nil	Nil

Loss per share increase in 2018 can be partially explained by the return of some shares to treasury.

RESULTS OF OPERATIONS

La Jolla intends to focus on the exploration and development of mineral properties and/or considering a range of opportunities across various industry segments to create shareholder value.

	Notes		2020		2019
Expenses					
Investor relations, agents and fees		**$**	**6,386**	$	8,432
Consulting, management and director fees	10		**96,000**		96,000
Office, premise and other			**828**		2,153
Professional fees	10		**42,175**		28,834
Net loss for the year			**(145,389)**		(135,419)
Other comprehensive loss					
Foreign currency translation adjustment			**(3,236)**		484
Total comprehensive loss		**$**	**(148,625)**	$	(134,935)

During the year ended June 30, 2020, the Company accrued consulting fees of $96,000 (2019 – 96,000) and accounting fees of $36,000 (2019 - $36,000) to related parties. The Company also incurred other operating expenses including investor relations, agents and fees of $6,386 (2019 - $8,432). Total loss from operations was $145,389 (2019 - $135,419).

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

Cash Flow Analysis

Operating Activities
During the year ended June 30, 2020 and 2019, cash used in operating activities was $9,733 and $10,257, respectively. The decrease is primarily due to less spending on operational activities as discussed above.

Investing Activities
During the year ended June 30, 2020 and 2019, there were no investing activities by the Company.

Financing Activities
During the year ended June 30, 2020 and 2019, cash provided by financing activities was $10,000 and $11,300, respectively. The financing activities is primarily due to proceeds from loans during the periods.

SUMMARY OF QUARTERLY RESULTS

	Q4 2020	Q3 2020	Q2 2020	Q1 2020
	$	$	$	$
Total assets	1,444	1,462	1,396	9,385
Net loss	(34,518)	(34,518)	(41,217)	(35,136)
Loss per share				
- post consolidation	(0.01)	(0.01)	(0.01)	(0.01)

SUMMARY OF QUARTERLY RESULTS (continued)

	Q4 2019	Q3 2019	Q2 2019	Q1 2019
	$	$	$	$
Total assets	1,133	1,112	1,107	6,193
Net loss	(26,332)	(33,468)	(42,601)	(33,018)
Loss per share				
- post consolidation	(0.01)	(0.01)	(0.01)	(0.01)

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 2020 appears 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.

LIQUIDITY AND CAPITAL RESOURCES

The Company had cash of $1,360 at June 30, 2020 (June 30, 2019 - $1,093) and working capital deficiency of $1,037,906 (June 30, 2019 – deficiency of $889,281).

The Company's is currently not generating any cash flows; as such, 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 amount 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 a stock exchange at June 30, 2020. There is no certainty with respect to the Company's ability to raise capital.

As at June 30, 2020, the Company had loans in the aggregate amount of $82,734 payable to various unrelated parties and $39,104 payable to directors of the Company. The loans are unsecured, non-interest bearing and are due on demand.

At June 30, 2020, 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 and exploration of the mining interest and normal course 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 4,332,390 common shares outstanding.

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:

Eugene Beukman	Director, President and chief Financial Officer
Damanjit Gahunia	Director and Chief Financial Officer
Aman Tindal	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

TRANSACTIONS WITH RELATED PARTIES (continued)

management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the year ended June 30, 2020, the Company accrued accounting fees of $36,000 (2019 - $36,000) to a company controlled by a director of the Company.

During the year ended June 30, 2019, the Company accrued consulting fees of $96,000 (2019 - $96,000) to directors of the Company.

As at June 30, 2020, the Company owed $674,500 to various directors and their companies, which is included in accounts payable and accrued liabilities.

As at June 30, 2020, the Company had loans payable of $39,104 to directors of the Company.

FOURTH QUARTER RESULTS

The following table summarizes selected financial data for the fourth quarter of the Company for each of the two most recently completed financial years. The information set forth below should be read in conjunction with the Financial Statements.

		Three-month period ending	
	Notes	**June 30, 2020**	**June 30, 2019**
Expenses			
Investor relations, agents and fees		**$ -**	$ 600
Consulting, management and director fees	10	**24,000**	24,000
Office, premise and other		**18**	18
Professional fees	10	**10,500**	1,714
Net loss for the period		**(34,605)**	(26,332)
Other comprehensive loss			
Foreign currency translation adjustment		**3,344**	1,651
Total comprehensive loss		**$ (31,174)**	$ (24,681)

Over the two 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. Professional fees appear as increased due to legal fees being written back in the comparative period.

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").

BASIS OF PRESENTATION (continued)

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

IFRS 9 – Financial Instruments. The Company adopted IFRS 9, which replaced IAS 39 – Financial Instruments: Recognition and Measurement, in its consolidated financial statements beginning July 1, 2018.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities, however it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

Under IFRS 9 there are three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit and lost ("FVTPL"). The classification of financial assets under IFRS 9 is based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

IFRS replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model. The new impairment model applies to financial assets measure at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39.

The adoption of IFRS 9 did not have a material impact on the Company's consolidated financial statements.

IFRS 15 – Revenue from contracts with customers. On May 28, 2014 the IASB issued IFRS 15, Revenue from Contracts with Customers. IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard replaces IAS 18 Revenue and IAS 11 Construction contracts and related interpretations. IFRS15 is effective for reporting periods beginning on or after January 1, 2018 with early application permitted. Since the Company has no revenues, there was no material impact on the Company's consolidated financial statements upon adoption of this standard.

IFRS 16 – Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019.

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 June 30, 2020, 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.

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

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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 June 30, 2020 and June 30, 2019, all financial assets and liabilities were classified in the fair value hierarchy as level 1. There were no transfers between levels during the period ended June 30, 2020.

Liquidity Risk

At June 30, 2020, the Company held cash of $1,360 (June 30, 2019 - $1,093), had negative working capital of $1,037,906 (June 30, 2018 - $889,281). At June 30, 2020, 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 June 30, 2020, there were US$59,820 denominated in US$ (June 30, 2019 – US$59,820).

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The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economic.

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

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments. The property that the Company has an option to earn an interest in is in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

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

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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

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES (continued)

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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 exploration investment and scope of exploration 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 mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks.

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 February 27, 2023 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the six months period ended December 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 interim consolidated financial statements and accompanying notes for the six months ending December 31, 2022. Readers are also advised to read the Company's audited consolidated financial statements and accompanying notes for the year ended June 30, 2022, (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 consolidated financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

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

Where we say "we", "us", "our", the "Company" we mean Web3 Ventures Inc. as it may apply.

FORWARD LOOKING INFORMATION

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

OVERVIEW AND DESCRIPTION OF BUSINESS

The Company was incorporated on April 6, 1990 under the laws of 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 to Web3 Ventures Inc. on April 19, 2022. The Company 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 an investment holding company focused on incubating, accelerating and developing projects and applications for Web 3.0.

ORTHOGONAL TRANSACTION

The Company have entered into a Securities Purchase Agreement (the "**Agreement**") with a group of purchasers (the "**Purchasers**") to complete a sale of securities of the Company (the "**Orthogonal Transaction**"). The group of Purchasers under the Agreement are led by Orthogonal Thinker Inc.

The Transaction remains subject to the receipt of all necessary corporate and regulatory approvals.

In accordance with the Agreement, it is proposed that the following are to occur:

1. the calling of an Annual and Special Meeting of the Company (the "**AGM**") to address: among other matters, the reconstitution of the board of directors and management of the Company such that the majority directors and officers of the Company are comprised of Orthogonal Thinker Inc.'s

ORTHOGONAL TRANSACTION (continued)

nominees and to make changes to the Company's articles to reclassify its common shares into a Multiple Voting Share ("**MVS**") and Subordinated Voting Share ("**SVS**") class structure;

2. the Purchasers will purchase from the Vendors an aggregate of 50,000,000 shares and 50,000,000 warrants of the Company ("**Proposed Securities Sale**"). The existing shares and warrants of the Company will be adjusted on a 1:1 basis, in the case of SVS, or 100:1 basis, in the case of MVS, with certain Purchasers to receive units to purchase SVS and corresponding warrants, and others to receive MVS and corresponding warrants; and

3. the Company, with the support of the new management, proposed thel launch of a non-brokered private placement on December 20th, 2022, which will be an offering of units (the "**Financing Units**") for aggregate proceeds of at least $1,000,000 (the “**Proposed Financing**”). Each Financing Unit consists of 10 MVS and 1,000 SVS, to be priced at $100 per Financing Unit. Each Financing Unit will therefore consist of 2,000 SVS on an as-converted basis, resulting in an effective price of $0.05 per SVS.

The AGM took place on December 19th 2022 at 1:00 PM (Toronto time) and all matters to be proposed at the AGM as per the Agreement were approved.

STRATEGIC INVESTMENTS

<u>BY-LINES</u>

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.

<u>Column</u>

On June 9, 2022, the Company announced the completion of a strategic investment in Column, a decentralized social media network focused on generating, socially-validating, and incentivizing high-quality, topic-specific discussions.

With past experience from Amazon, Facebook, Spotify, and multiple technology startups, Column’s core team is leveraging web3 to influence and build an intelligent social community, giving content and therefore users a value.

Billed as a decentralized intelligence network, Column’s platform revolves around the concept of empowering users to pull signal from noise, positioning high-quality content from subject matter experts to the top of a reader’s feed, or ‘Column’. For example, a reader looking to track emerging technologies could join a ‘Column’ for that topic, and instantly receive a content stream on that subject from authors that the platform’s users have deemed reputable.

Columns are sensibility-specific rooms: they can be public or private. In them, you can follow professional fields, discover new ideas, share information, and discuss. Typically, they are invite-only. Members of the

STRATEGIC INVESTMENTS (continued)

platform can join as many Columns as they want. Some Columns are large and public, others are small and private. Columns persist for as long as they are useful. Some Columns may encompass a whole field and will last for decades, and some may be more temporary.

Web3 Ventures' core investment pillars are identity, communication, and gaming. Web3 believes that the future of social media will be driven and heavily influenced by decentralized communities, and Column offers a unique model that incentivizes the creation of community, as well as the digital identity aspect of reputational currency and community content validation. Column's network and its further development has them well positioned to capitalize on these trends, and Web3 sees multiple synergistic partnership and collaborative opportunities to accelerate Column's user adoption through the projects, companies, and applications that Web3 is developing and accelerating internally.

NFTs

On June 18, 2022, the Company announced that it has acquired 150 NFTs from the PunkScape collection, a digital identity and immersive land project. This investment represents a 1.50% stake in the fixed supply of all existing and outstanding PunkScape non-fungible tokens.

PunkScape is an NFT collection of 10,000 unique banner landscapes stored on the Ethereum Blockchain that are sold on OpenSea, LooksRare, and major NFT marketplaces. PunkScape is a metaverse space for digital-art that takes aim at the existing Web2 configurable "locations" - locations like banners on Twitter, LinkedIn, and so forth–and carries them into the Web3 space. Every Scape is digital land, a home for your digital assets and identity. https://punkscape.xyz/intro / https://opensea.io/collection/punkscapes

Launched in September 2021, PunkScape has a passionate community base of 3,000+ token holders, including notable members such as Tobi Lütke, CEO of Shopify ($SHOP) and Jack Butcher, founder of leading media platform Visualize Value. Since launch, the PunkScape collection has over 1,600 Ethereum in secondary sales volume. Focused on providing interactive digital real estate and immersive experience applications, PunkScapes are designed to integrate with social profile banner sections such as Twitter, Discord, LinkedIn, OpenSea, the Ethereum Name Service, and more.

In addition to potential market price appreciation of the PunkScape NFTs that Web3 Ventures has acquired, Web3 will earn royalty revenue from their PunkScape NFTs through Gallery27, an internally developed daily auction platform that utilizes AI technology to mint generative art derivatives of PunkScape NFTs. Web3 and other collection holders earn a 50% royalty on the winning bids.

The 179 total PunkScape NFTs held have been converted to 179 "PunkScape Relics", 179 new "Scapes" and child NFTs "SES", extensions, dropped as part of migration on chain, Ethereum Blockchain.

FINANCINGS AND SHARE CONSOLIDATION

On June 3, 2022, the Company closed a non-brokered private placement of 3,000,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $60,000. 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 May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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 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

FINANCINGS AND SHARE CONSOLIDATION (continued)

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 its issued and outstanding common shares on the basis of ten old common shares for 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

On November 16, 2022 the Company announced that James Henning has been appointed to the Board of Directors of the Company (the "Board") effective November 10, 2022. The appointment of Mr. Henning fills the vacancy on the Board upon the resignation of a director announced on October 24, 2022. The Board now consists of Messrs. Henning, Kirill Kompaniyets and Gerald Kelly. Mr. Henning is a Chartered Professional Accountant and the founder and president of Corpfinance Advisors Inc. since 1984. Mr. Henning has expertise and experience in valuating businesses in a broad range of industries. He has assisted companies in financing, public offerings and restructuring. Areas of expertise include retail cannabis, manufacturing, telecommunications, software, biomedical, oil and gas services, and renewable energy industries. Mr. Henning has served as a Chief Financial Officer and director for a number of TSX Venture Exchange and Canadian Securities Exchange-listed companies over the past several years.

On October 24, 2022 the Company announced that Stan Fainzilberg has resigned from its Board of Directors as well as Chief Executive Officer of the Company effective October 24, 2022. The Company would like to thank Mr. Fainzilberg for his contributions to the Company and wishes him well with his future endeavors. Mr. Kirill Kompaniyets will assume the role of interim Chief Executive Officer while the Company seeks a suitable replacement.

On February 25, 2022 the Company 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.

On June 14, 2022, the Company announced the addition of Neer Sharma to its Advisory Board. A Forbes 30 Under 30 Award recipient in building consumer tech and a former analyst at Rothschild, Mr. Sharma has extensive experience founding and operating technology companies. Mr. Sharma currently serves as Head of Product at mayk.it, a platform that enables users to create and mint audio NFTs directly from their mobile

BOARD UPDATES (continued)

device, and was the co-founder of HaikuJAM, a social writing game that he helped scale to millions of users across India.

On June 14, 2022, the Company announced the addition of Zach Rosen to its Advisory Board. He is a University of California, Berkeley alumni and experienced founder who has built and scaled a startup to eight figure revenues, Mr. Rosen is a founder at Brydge, a startup that enables dApps (decentralized applications) to deploy on one chain and accept payments from the rest. Mr. Rosen holds previous experience in both software engineering and investment banking.

RESULTS OF OPERATIONS

	Three months ended		Six months ended	
	December 31, 2022	**December 31, 2022**	**December 31, 2022**	December 31, 2021
Expenses				
Consulting and management fees	$ **67,010**	$ 24,000	$ **186,974**	$ 48,000
Interest paid	**403**	-	**806**	-
Investor relations, agents and fees	**-**	600	**-**	600
Office expense	**103**	18	**192**	36
Professional fees	**26,093**	10,792	**49,193**	21,367
Share-based compensation	**3,364**	-	**4,593**	-
Transfer agent and filing fees	**12,030**	-	**17,572**	-
Operating expenses	**(109,003)**	(35,410)	**(259,330)**	(70,003)
Other income (expenses)				
Foreign Exchange	**41**	-	41	-
Write off of liabilities	**-**	231,634	-	231,634
Other income (expenses)	**41**	231,634	**41**	231,634
Net (loss) income for the period	**(108,962)**	196,224	**(259,289)**	161,631
Other comprehensive income (loss)				
Foreign currency translation adjustment	**(885)**	377	**4,935**	(1,699)
Total comprehensive (loss) income	**(109,847)**	196,601	$ **(254,354)**	$ 159,932

For the six-month period ended December 31, 2022, the Company incurred a net loss of $259,289 compared to an income of $161,631 for the six-month period ended December 31, 2021. The comparative six-month period includes the write-off of liabilities of $231,634. The current six-month period also included non-cash stock-based compensation of $4,593 (2021 - $Nil).

Some of the significant charges to operations are as follows:

- Consulting and management fees of $186,974 (2021 - $48,000) as the Company incurred these expenses in developing its business.
- Professional fees of $49,193 (2021 – $21,367) Consists of accounting and legal expenses. The increase is mainly due to legal inputs in operations, as the Company intends to apply to list the shares with the CSE once it has met the listing criteria.
- Transfer agent and filing fees of $17,572 (2021 - $Nil) increased as the Company keep its filing up to date, as the Company intends to apply to list the shares with the CSE once it has met the listing criteria.

RESULTS OF OPERATIONS (continued)

Share based compensation of $4,593 (2021 - $Nil) increased as non-cash stock option expense, to provide incentives to advisors and consultants. The share based compentation reflects the value of these stock options, which were issued at the end of the prior year based on the vesting of the stock options.

During fiscal 2022, the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web. This resulted in a general increase of operating expenses. The Company also granted 100,000 (year ended June 30, 2022 - 10,825,000) stock options to advisors and consultants in fiscal 2022, which resulted in an increase in stock-based compensation.

For the three-month period ended December 31, 2022, the Company incurred a net loss of $108,962 compared to an income of $196,224 for the three-month period ended December 31, 2021. The comparative six-month period includes the write-off of liabilities totaling $231,634. The current three-month period also included non-cash stock-based compensation of $3,364 (2021 - $Nil) as the stock options issued previously vest.

Some of the significant charges to operations are as follows:

- Consulting and management fees of $67,010 (2021 - $24,000) as the Company incurred these expenses in developing its business, negotiating the Orthogonal Transaction and Strategic Investments.
- Professional fees of $26,093 (2021 – $10,792) Consists of accounting and legal expenses. The increase is mainly due to legal costs related to the Orthogonal Transaction, Share Consolidation and potential CSE listing..
- Transfer agent and filing fees of $12,030 (2021 - $Nil) increased as a result of the number of filings related to its business and its transactions.
- Share-based compensation of $3,364 (2021 - $Nil) increased as a result of the issue stock options to provide incentives to advisors and consultants.

Cash Flow Analysis

Operating Activities

During the six-months periods ended December 31, 2022 and 2021, cash used in operating activities was $314,439 and $5,882, respectively. This increase was the result of commencing and increasing operations (See also discussions under results of operations).

Investing Activities

During the six-month periods ended December 31, 2022, and December 31, 2021, there were no investing activities by the Company.

Financing Activities

During the six-month period ended December 31, 2022, there were no financing activities by the Company. During the six-month periods ended December 31, 2021, the Company received $7,500 from the proceeds of loans loans.

SUMMARY OF QUARTERLY RESULTS

2023/2022	Q2 2023	Q1 2023	Q4 2022	Q3 2022
	$	$	$	$
Total assets	194,183	358,249	502,872	4,354
Net income (loss)	(107,122)	(150,327)	(602,317)	(26,899)
Income (loss) per share				
- post consolidation	(0.00)	(0.00)	(0.34)	(0.05)

2022/2021	Q2 2022	Q1 2022	Q4 2021	Q3 2021
	$	$	$	$
Total assets	3,290	1,345	1,363	1,399
Net loss	196,224	(34,593)	(34,518)	(34,518)
Loss per share				
- post consolidation	0.45	(0.08)	(0.01)	(0.01)

During Q2 2023, compared to Q1 of 2023 the total assets decreased mainly due to the decline in cash to $15,493 from $171,036 at Q1 2023, as a result of the increased operating activities. The Company obtained the approval of the Orthogonal Transaction at the Board of Directors meeting of December 19, 2022 subject to various corporate and regulatory approvals.

During Q1 2023, total assets decreased mainly due to the decline in cash to $171,036 from $329,932 at Q4 2022, as a result of the operating activities. The total assets of $358,249 increased compared to Q1 as a result of the investments in digital assets. The net loss increased from $34,593 in Q1 2022 to $150,327 in Q1 2023 as the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web.2022 as a result of SAFE investments, the OpenPool

During Q4 2022, net loss and total assets increased as the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web.

During the quarters from Q2 2021 to Q3 2022 operational expenses have remained consistent due to management's aim to control general and administrative expenses and the fact that the Company is still seeking operational opportunities. Net income during Q2 2022 was the result of the Company recognizing a gain upon the write off of $231,634 of liabilities. Liabilities over the eight quarters have increased as a result of the decrease in cash to fund operations.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2022, the Company had cash of $15,493 (June 30, 2022 - $329,932) and working capital of $15,040 (June 30, 2022 - $265,081).

On June 3, 2022, the Company closed a non-brokered private placement of 3,000,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $60,000. 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 May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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.

LIQUIDITY AND CAPITAL RESOURCES (continued)

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 December 31, 2022, the Company had loans in the aggregate amount of $53,548 (June 30, 2022 - $52,742) payable to previous directors of the Company. The loans are unsecured, non-interest bearing and are due on demand, except for one loan of $20,000 that bears interest at 8% p.a. and had accrued interest for the six-month period of $806 (2022 - $442).

At December 31, 2022, the Company expects that it will be able to obtain funding from investors in order to meet its obligations. Additional financing needs for planned developments will be obtained in the normal course of operations.

Outstanding Share Data

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

As at the date of this report, there were 97,333,241 common shares outstanding, 10,525,000 options outstanding and 96,500,000 warrants exercisable.

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:

James Henning	Director
Kirill Kompaniyets	Director, Interim Chief Financial Officer and CEO
Gerald Kelly	Director

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

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

TRANSACTIONS WITH RELATED PARTIES (continued)

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

As at December 31, 2022, the Company owed $1,000 (June 30, 2022 - $1,000) to the current CFO of the Company.

As at December 31, 2022, the Company owed $1,050 (June 30, 2022 - $78,932) to a current director and their companies, which is included in accounts payable and accrued liabilities.

As at December 31, 2022, the Company had loans payable of $53,548 (June 30, 2022 - $52,742) to former directors of the Company.

The remuneration of directors and key management personnel during the six-months periods ended December 31, 2022 are as follows:

	Six-month period ended			
		December 31, 2022		December 31, 2021
Management, consulting, directors' and professional fees	**$**	**12,000**	$	66,000
Share based compensation		**3,432**		-
	$	**13,312**	$	33,000

The Company issued on July 15, 2022, 75,000 Options at $0.15 for five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $672.

The Company issued on July 4, 2022, 25,000 Options at $0.15 for five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $225.

The Company issued on June 14, 2022, 250,000 Options at $0.10 for five years vesting immediately, to former directors, recording a fair value and vesting of $2,592.

The Company also issued on June 14, 2022, 750,000 Options to the new directors at $0.10 for five years, to be vested 36 months from grant date, fair valued at $7,778.

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

PROPOSED TRANSACTION

The Company have entered into a Securities Purchase Agreement, the "**Agreement**" with a group of purchasers, the "**Purchasers**" to complete a sale of securities of the Company, the "**Transaction**". The group of Purchasers under the Agreement are led by Orthogonal Thinker Inc.

The Transaction remains subject to the receipt of all necessary corporate and regulatory approvals.

PROPOSED TRANSACTION (Continued)

In accordance with the Agreement, it is proposed that the following are to occur:

1. the calling of an Annual and Special Meeting of the Company to address: among other matters, the reconstitution of the board of directors and management of the Company such that the majority directors and officers of the Company are comprised of Orthogonal Thinker Inc.'s nominees and to make changes to the Company's articles to reclassify its common shares into a Multiple Voting Share "**MVS**" and Subordinated Voting Share ("**SVS**") class structure;

2. the Purchasers will purchase from the Vendors an aggregate of 50,000,000 shares and 50,000,000 warrants of the Company. The existing shares and warrants of the Company will be adjusted on a 1:1 basis, in the case of SVS, or 100:1 basis, in the case of MVS, with certain Purchasers to receive units to purchase SVS and corresponding warrants, and others to receive MVS and corresponding warrants; and

3. the Company, with the support of the new management proposed following the Transaction, will launch a non-brokered private placement on December 20th, 2022, which will be an offering of units, the "**Financing Units**" for aggregate proceeds of at least $1,000,000. Each Financing Unit consisting of 10 MVS and 1,000 SVS, to be priced at $100 per such Financing Unit. Each Financing Unit will therefore consist of 2,000 SVS on an as-converted basis, resulting in an effective price of $0.05 per SVS.

The AGM took place on December 19th, 2022, at 1:00 PM (Toronto time) and all matters relating to the Orthogonal Transaction proposed at the AGM were approved.

SUBSEQUENT EVENTS

On January 12, 2023, the Company received a loan in the amount of $480,000 and issued a promissory note for this amount to the lender. The loan matures in ninety days, is unsecured and bears no interest.

On February 13, 2023, the Company closed an unsecured convertible debenture financing (“Debenture”) with an aggregate face value of USD $250,000 with Rocket Wellness Inc. (the “Issuer”). The Debenture bears interest of 8% compounded annually, maturing in 12 months and the principal and interest are convertible into preferred shares at the next equity financing, with a 20% discount, at the option of the debenture holders. The debentures allow for early redemption. The Company also entered into an investor rights agreement with the Issuer, a corporation existing under the laws of Delaware, the Company will receive the right to appoint a director on the board of the Rocket.

BASIS OF PRESENTATION

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee.

These unaudited condensed interim consolidated financial statements for the six months ended December 31, 2022, do not include all of the information required of a full annual financial report and is intended to

BASIS OF PRESENTATION (Continued)

provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these unaudited condensed interim consolidated financial statements be read in conjunction with the audited consolidated financial statements of the Company for the year ended June 30, 2022.

The preparation of unaudited condensed interim 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:

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.

Amendments to IFRS 9 – Financial Instruments

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendments to IFRS 9. The amendments clarify the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Company applies the amendments

CHANGES IN ACCOUNTING STANDARDS (Continued)

to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendments.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier adoption permitted. The Company does not believe that these amendments will have a material impact on the consolidated financial statements.

The Company continues to review changes to IFRS standards. There are no other pending IFRSs or IFRIC interpretations that are expected to be relevant to the Company's consolidated financial statements.

CHANGES IN ACCOUNTING STANDARDS NOT YET EFFECTIVE

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

FINANCIAL INSTRUMENTS RISK EXPOSURE

As at December 31, 2022, the Company's financial instruments consist of cash, receivables, investments, accounts payable and loans payable. The carrying values of receivables, accounts payable and loans payable 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).

There were no transfers between levels during the six-month period ended December 31, 2022 or the year ended June 30, 2022.

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

Digital assets and risk management

Cryptocurrency held by the Company is measured using Level 1 fair values, determined by taking the rate from yahoo.com. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets.

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

FINANCIAL INSTRUMENTS RISK EXPOSURE (Continued)

assets currently consist of Ethereum and NFTs. At December 31, 2022, had the market price of Ethereum increased or decreased by 10% with all other variables held constant, the corresponding digital assets value increase or decrease respectively would amount to approximately $28.

Liquidity Risk

At December 31, 2022, the Company held cash of $15,493 (June 30, 2022 - $329,932), had working capital of $15,320 (June 30, 2022 - $265,081). At December 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 Risks

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

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.

OTHER RISKS AND UNCERTANTIES (Continued)

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

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

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 condensed interim financial statements of the Company for the period ended December 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.

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 November 24, 2022 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months period ended September 30, 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 three months ending September 30, 2021. Readers are also advised to read the Company's audited financial statements and accompanying notes for the year ended June 30, 2022, (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 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 an investment holding firm focused on incubating, accelerating and developing projects and applications for Web 3.0.

STRATEGIC INVESTMENTS

<u>BY-LINES</u>
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.

Column
On June 9, 2022, the Company announced the completion of a strategic investment in Column, a decentralized social media network focused on generating, socially-validating, and incentivizing high-quality, topic-specific discussions.

With past experience from Amazon, Facebook, Spotify, and multiple technology startups, Column's core team is leveraging web3 to influence and build an intelligent social community, giving content and therefore users a value.

Billed as a decentralized intelligence network, Column's platform revolves around the concept of empowering users to pull signal from noise, positioning high-quality content from subject matter experts to the top of a reader's feed, or 'Column'. For example, a reader looking to track emerging technologies could join a 'Column' for that topic, and instantly receive a content stream on that subject from authors that the platform's users have deemed reputable.

Columns are sensibility-specific rooms: they can be public or private. In them, you can follow professional fields, discover new ideas, share information, and discuss. Typically, they are invite-only. Members of the platform can join as many Columns as they want. Some Columns are large and public, others are small and private. Columns persist for as long as they are useful. Some Columns may encompass a whole field and will last for decades, and some may be more temporary.

Web3 Ventures' core investment pillars are identity, communication, and gaming. Web3 believes that the future of social media will be driven and heavily influenced by decentralized communities, and Column offers a unique model that incentivizes the creation of community, as well as the digital identity aspect of reputational currency and community content validation. Column's network and its further development has them well positioned to capitalize on these trends, and Web3 sees multiple synergistic partnership and collaborative opportunities to accelerate Column's user adoption through the projects, companies, and applications that Web3 is developing and accelerating internally.

NFTs
On June 18, 2022, the Company announced that it has acquired 150 NFTs from the PunkScape collection, a digital identity and immersive land project. This investment represents a 1.50% stake in the fixed supply of all existing and outstanding PunkScape non-fungible tokens.

PunkScape is an NFT collection of 10,000 unique banner landscapes stored on the Ethereum Blockchain that are sold on OpenSea, LooksRare, and major NFT marketplaces. PunkScape is a metaverse space for digital-art that takes aim at the existing Web2 configurable "locations" - locations like banners on Twitter, LinkedIn, and so forth–and carries them into the Web3 space. Every Scape is digital land, a home for your digital assets and identity. https://punkscape.xyz/intro / https://opensea.io/collection/punkscapes

Launched in September 2021, PunkScape has a passionate community base of 3,000+ token holders, including notable members such as Tobi Lütke, CEO of Shopify ($SHOP) and Jack Butcher, founder of leading media platform Visualize Value. Since launch, the PunkScape collection has over 1,600 Ethereum in secondary sales volume. Focused on providing interactive digital real estate and immersive experience applications, PunkScapes are designed to integrate with social profile banner sections such as Twitter, Discord, LinkedIn, OpenSea, the Ethereum Name Service, and more.

In addition to potential market price appreciation of the PunkScape NFTs that Web3 Ventures has acquired, Web3 will earn royalty revenue from their PunkScape NFTs through Gallery27, an internally developed daily auction platform that utilizes AI technology to mint generative art derivatives of PunkScape NFTs. Web3 and other collection holders earn a 50% royalty on the winning bids.

FINANCINGS AND SHARE CONSOLIDATION

On May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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 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

On November 16, 2022 the Company announced that James Henning has been appointed to the Board of Directors of the Company (the "Board") effective November 10, 2022. The appointment of Mr. Henning fills the vacancy on the Board upon the resignation of a director announced on October 24, 2022. The Board now consists of Messrs. Henning, Kirill Kompaniyets and Gerald Kelly. Mr. Henning is a Chartered Accountant and the founder and president of Corpfinance Advisors Inc. since 1984. Mr. Henning has expertise and experience in valuating businesses in a broad range of industries. He has assisted companies in financing, public offerings and restructuring. Areas of expertise include retail cannabis, manufacturing, telecommunications, software, biomedical, oil and gas services, and renewable energy industries. Mr. Henning has served as a Chief Financial Officer and director for a number of TSX Venture Exchange and Canadian Securities Exchange-listed companies over the past several years.

On October 24, 2022 the Company announced that Stan Fainzilberg has resigned from its Board of Directors as well as Chief Executive Officer of the Company effective October 24, 2022. The Company would like to thank Mr. Fainzilberg for his contributions to the Company and wishes him well with his future endeavors. Mr. Kirill Kompaniyets will assume the role of interim Chief Executive Officer while the Company seeks a suitable replacement.

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.

BOARD UPDATES (continued)

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.

On June 14, 2022, the Company announced the addition of Neer Sharma to its Advisory Board. A Forbes 30 Under 30 Award recipient in building consumer tech and a former analyst at Rothschild, Mr. Sharma has extensive experience founding and operating technology companies. Mr. Sharma currently serves as Head of Product at mayk.it, a platform that enables users to create and mint audio NFTs directly from their mobile device, and was the co-founder of HaikuJAM, a social writing game that he helped scale to millions of users across India.

On June 14, 2022, the Company announced the addition of Zach Rosen to its Advisory Board. A Berkeley alum and experienced founder that has built and scaled a startup to eight figures in revenue, Mr. Rosen is a founder at Brydge, a startup that enables dApps (decentralized applications) to deploy on one chain and accept payments from the rest. Mr. Rosen holds previous experience in both software engineering and investment banking.

RESULTS OF OPERATIONS

	Three months ended, September 30, 2022	September 30, 2021
Expenses		
Consulting and management fees	$ **119,964**	$ 24,000
Interest paid	**403**	-
Office expense	**89**	18
Professional fees	**23,100**	10,575
Share-based compensation	**1,229**	-
Transfer agent and filing fees	**5,542**	-
Operating expenses	**(150,327)**	(34,593)
Net loss for the period	**(150,327)**	(34,593)
Other comprehensive income (loss)		
Foreign currency translation adjustment	**5,820**	(2,076)
Total comprehensive loss	$ **(76,632)**	$ (36,669)

RESULTS OF OPERATIONS (CONTINUED)

For the three-month period ended September 30, 2022, the Company incurred a net loss of $150,327 compared to a loss of $34,593 for the three-month period ended September 30 2021. The current three-month period also included non-cash stock-based compensation of $1,229 (2021 - $Nil).

Some of the significant charges to operations are as follows:

- Consulting and management fees of $119,964 (2021 - $24,000) as the Company incurred these expenses in developing its business.
- Professional fees of $23,100 (2021 – $10,757) Consists of accounting and legal expenses. The increase is mainly due to legal inputs in operations, as the Company intends to apply to list the shares with the CSE once it has met the listing criteria.
- Transfer agent and filing fees of $5,542 (2021 - $Nil) increased as the Company keep its filing up to date, as the Company intends to apply to list the shares with the CSE once it has met the listing criteria.
- Share based compensation of $1,229 (2021 - $Nil) increased as non-cash stock option expenses, in an attempt to preserve cash but still provide incentives. The non-cash expenses, reflecting the Black-Scholes value of these stock options, which were issued at the end of the prior year and during the current quarter, had graded vesting values as the Company recorded these graded vesting values.

During fiscal 2022, the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web. This resulted in a general increase of operating expenses. The Company also granted 100,000 (year ended June 30, 2022 - 10,825,000) stock options to advisors and consultants in fiscal 2022 which resulted in an increase in stock-based compensation.

Cash Flow Analysis

Operating Activities
During the three-months periods ended September 30, 2022 and 2021, cash used in operating activities was $158,896 and $18, respectively. This increase was the result of commencing and increasing operations. See also discussions under results of operations.

Investing Activities
During the three-month periods ended September 30, 2022, and September 30, 2021, there were no investing activities by the Company.

Financing Activities
During the three-month periods ended September 30, 2022, and September 30, 2021, there were no financing activities by the Company.

SUMMARY OF QUARTERLY RESULTS

2023/2022	Q1 2023	Q4 2022	Q3 2022	Q2 2022
	$	$	$	$
Total assets	358,249	502,872	4,354	3,290
Net income (loss)	(150,327)	(602,317)	(26,899)	196,601
Income (loss) per share - post consolidation	(0.00)	(0.34)	(0.05)	0.45

SUMMARY OF QUARTERLY RESULTS (CONTINUED)

2022/2021	Q1 2022	Q4 2021	Q3 2021	Q2 2021
	$	$	$	$
Total assets	1,345	1,363	1,399	1,399
Net loss	(34,593)	(34,518)	(34,518)	(33,984)
Loss per share				
- post consolidation	(0.08)	(0.01)	(0.01)	(0.01)

During Q1 2023, total assets decreased mainly due to the decline in cash to $171,036 from $329,932 at Q4 2022, as a result of the operating activities. The total assets of $358,249 increased compared to Q1 2022 as a result of SAFE investments,the OpenPool investment and investments in digital assets. The net loss increased from $34,593 in Q1 2022 to $150,327 in Q1 2023 as the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web.

During Q4 2022, net loss and total assets increased as the Company ceased seeking operational opportunities and commenced operations focused on incubating, accelerating and developing projects and applications for the decentralized web.

Over the quarters from Q2 2021 to Q3 2022 operational expenses have remained fairly consistent due to management's aim to control on general and administrative expenses and the fact that the Company is still seeking operational opportunities. Net income during Q2 2022 was the result of the Company recognizing a gain upon the write off of $231,634 of liabilities. Liabilities over the eight quarters have increased as a result of the decrease in cash to fund operations.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2022, the Company had cash of $171,036 (June 30, 2022 - $329,932) and working capital of $121,803 (June 30, 2022 - $265,081).

On May 24, 2022, the Company closed a non-brokered private placement of 18,375,000 units of the Company issued at a price of $0.02 per unit for gross proceeds of $367,500. 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 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.

LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)

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 September 30, 2022, the Company had loans in the aggregate amount of $53,145 (June 30, 2022 - $52,742) payable to previous directors of the Company. The loans are unsecured, non-interest bearing and are due on demand.

At September 30, 2022, the Company expects that it will be able to obtain funding from investors in order to meet its obligations. Additional financing needs for planned developments will be obtained in the normal course of operations.

Outstanding Share Data

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

As at the date of this report, there were 97,333,241 common shares outstanding, 10,775,000 options outstanding and 96,500,000 warrants exercisable.

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:

James Henning	Director and CEO
Kirill Kompaniyets	Director and Chief Financial Officer
Gerald Kelly	Director

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

Stan Fainzilberg	Former Director and CEO
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.

As at September 30, 2022, the Company owed $1,000 (June 30, 2022 - $1,000) to the current CFO of the Company.

As at September 30, 2022, the Company owed $Nil (June 30, 2022 - $78,932) to various former directors and their companies, which is included in accounts payable and accrued liabilities.

TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

As at September 30, 2022, the Company had loans payable of $53,145 (June 30, 2022 - $52,742) to former directors of the Company.

The remuneration of directors and key management personnel during the three-months periods ended September 30, 2022 are as follows:

	Three-month period ended			
		September 30, 2022		September 30, 2022
Management, consulting, directors' and professional fees	**$**	**5,500**	$	33,000
Share based compensation		**1,229**		-
	$	**135,231**	$	33,000

The Company issued on July 15, 2022, 75,000 Options at $0.15 for five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $672.

The Company issued on July 4, 2022, 25,000 Options at $0.15 for five years. The options issued vest 1/3 every six months for 18 months from grant date. The total grant date fair value of the options was measured at $225.

The Company issued on June 14, 2022, 250,000 Options at $0.10 for five years vesting immediately, to former directors, recording a fair value and vesting of $2,592.

The Company also issued on June 14, 2022, 750,000 Options to the new directors at $0.10 for five years, to be vested 36 months from grant date, fair valued at $7,778. As at June 30, 2022 a vesting of $114 was recorded.

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

BASIS OF PRESENTATION

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee.

These unaudited condensed interim consolidated financial statements for the three months ended September 30, 2022, do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these unaudited condensed interim consolidated financial statements be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2022.

BASIS OF PRESENTATION (CONTINUED)

The preparation of unaudited condensed interim 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:

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.

Amendments to IFRS 9 – Financial Instruments

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendments to IFRS 9. The amendments clarify the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Company applies the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendments.

CHANGES IN ACCOUNTING STANDARDS (continued)

Amendments to IFRS 9 – Financial Instruments (continued)

The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier adoption permitted. The Company does not believe that these amendments will have a material impact on the consolidated financial statements.

The Company continues to review changes to IFRS standards. There are no other pending IFRSs or IFRIC interpretations that are expected to be relevant to the Company's consolidated financial statements.

CHANGES IN ACCOUNTING STANDARDS NOT YET EFFECTIVE

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

FINANCIAL INSTRUMENTS RISK EXPOSURE

As at September 30, 2022, the Company's financial instruments consist of cash, receivables, investments, accounts payable and loans payable. The carrying values of receivables, accounts payable and loans payable 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).

There were no transfers between levels during the three-month period ended September 30, 2022 or the year ended June 30, 2022.

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

Digital assets and risk management

Cryptocurrency held by the Company is measured using Level 1 fair values, determined by taking the rate from yahoo.com. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets.

FINANCIAL INSTRUMENTS RISK EXPOSURE (CONTINUED)

Digital assets have a limited history and the fair value historically has been relatively volatile. Historical performance of digital assets is not indicative of their future price performance. The Company's digital assets currently consist of Ethereum and NFTs. As September 30, 2022, had the market price of Ethereum increased or decreased by 10% with all other variables held constant, the corresponding digital assets value increase or decrease respectively would amount to approximately $24.

Liquidity Risk

At September 30, 2022, the Company held cash of $171,036 (June 30, 2022 - $329,932), had working capital of $121,803 (June 30, 2022 - $265,081). At September 30, 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 Risks

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

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.

OTHER RISKS AND UNCERTANTIES (CONTINUED)

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

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

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 condensed interim financial statements of the Company for the period ended September 30, 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.