

Cult Food Science Corp.

(formerly Triangle Industries Ltd.)

Condensed Interim Financial Statements
Unaudited - Prepared by Management

(Expressed in Canadian dollars)

For the nine months ended September 30, 2021 and 2020

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Condensed Interim Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

		September 30, 2021	December 31, 2020
	Note	\$	(audited) \$
Assets			
Current assets			
Cash		4,848,445	1,727
Amounts receivable	7	51,600	-
Prepaid	3	377,840	-
		5,277,885	1,727
Non-current assets			
Investments	5	2,158,957	-
Equipment	4	11,656	15,016
Total assets		7,448,498	16,743
Liabilities and shareholders' equity (deficiency)			
Current liabilities			
Accounts payable and accrued liabilities	9	821,666	118,344
Loans payable	6, 9	-	21,210
Total liabilities		821,666	139,554
Shareholders' equity (deficiency)			
Share capital	7	14,979,018	8,162,830
Share subscriptions received in advance	7	201,000	-
Share-based payment reserve	7	582,709	110,056
Deficit		(9,135,895)	(8,395,697)
Total shareholders' equity (deficiency)		6,626,832	(122,811)
Total liabilities and shareholders' equity (deficiency)		7,448,498	16,743

Corporate Information and going concern (Note 1)

Commitment (Note 10)

Subsequent Events (Note 11)

Approved on behalf of the Board of Directors by:

"Dorian Banks"

Director

"Kirill Kompaniyets"

Director

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

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended		Nine months ended	
		September 30,		September 30,	
		2021	2020	2021	2020
		\$	\$	\$	\$
Expenses					
Advertising and marketing		75,382	-	75,382	-
Consulting fees	5	21,648	-	21,648	-
Depreciation	4	1,132	1,619	3,360	4,818
Management fees	9	11,648	9,450	30,548	28,350
Office and administration	6, 9	2,719	473	4,427	1,031
Professional fees		94,644	14,370	120,794	38,915
Transfer agent and filing fees		18,995	-	22,219	2,875
Share-based compensation	7	461,820	-	461,820	-
Loss from operating activities		(687,988)	(25,912)	(740,198)	(75,989)
Interest and other income		-	1,512	-	4,504
Loss and comprehensive loss for the period		(687,988)	(24,400)	(740,198)	(71,485)
Loss per share, basic and diluted		(0.02)	(0.00)	(0.03)	(0.01)
Basic and diluted weighted average number of common shares outstanding		30,985,414	5,224,544	27,291,518	5,224,544

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

Cult Food Science Corp. (formerly Triangle Industries Ltd.)Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)
(Unaudited - Expressed in Canadian dollars)

	Share Capital					Total Shareholder's Equity (Deficiency)
	Number of Shares*	Amount \$	Share subscriptions received in advance \$	Share-based Payment Reserve \$	Deficit \$	\$
Balance, December 31, 2019	5,224,544	8,162,830	-	110,056	(8,189,300)	83,586
Loss for the period	-	-	-	-	(71,485)	(71,485)
Balance, September 30, 2020	5,224,544	8,162,830	-	110,056	(8,260,785)	12,101
Balance, December 31, 2020	5,224,544	8,162,830	-	110,056	(8,395,697)	(122,811)
Private placements, net of share issue cost	121,599,000	6,696,188	-	10,833	-	6,707,021
Debt settlement	11,000,000	120,000	-	-	-	120,000
Share subscriptions received in advance	-	-	201,000	-	-	201,000
Share-based compensation	-	-	-	461,820	-	461,820
Loss for the period	-	-	-	-	(740,198)	(740,198)
Balance, September 30, 2021	137,823,544	14,979,018	201,000	582,709	(9,135,895)	6,626,832

* The number of shares have been adjusted to reflect a stock-split of the Company's share capital on a 1:2 basis.

The accompanying notes are an integral part of these condensed interim financial statements

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Condensed Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian dollars)

		Nine months ended September 30,	
	Note	2021	2020
		\$	\$
Cash flows used in operating activities			
Loss for the period		(740,198)	(71,485)
Adjustments for:			
Depreciation		3,360	4,818
Interest income		-	(4,504)
Interest expense		384	-
Share-based compensation		461,820	-
Net change in non-cash working capital:			
Prepaid		(377,840)	-
Accounts payable and accrued liabilities		169,768	52,270
Total cash flows used in operating activities		(482,706)	(18,901)
Cash flows used in investing activities			
Acquisition of investments		(1,526,997)	-
Total cash flows used in investing activities		(1,526,997)	-
Cash flows from financing activities			
Proceeds from loans		25,000	20,000
Repayment of loans		(25,000)	-
Proceeds from issuance of shares, net of share issue cost		6,655,421	-
Share subscriptions received in advance		201,000	-
Total cash flows from financing activities		6,856,421	20,000
Change in cash during the period		4,846,718	1,099
Cash at beginning of period		1,727	672
Cash at end of period		4,848,445	1,771
Other supplemental information			
Interest paid	9	-	807
Fair value of shares issued for debt	7	120,000	-
Fair value of warrants issued for finder's fee	7	10,833	-

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

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2021 ad 2020

(Unaudited - Expressed in Canadian Dollars)

1. Corporate Information and going concern

Cult Food Science Corp. (formerly Triangle Industries Ltd.) (the “Company”) was incorporated on November 16, 1983 under the British Columbia Companies Act and was in the business of providing freight, reloading and warehousing services, collectively called “transloading”. The Company wound up its transloading business and disposed of substantially all related assets in the year ended December 31, 2010. The Company has voluntary delisted from the NEX but remains a reporting issuer in certain jurisdictions in Canada. Effective July 28, 2021, the Company changed its name to Cult Food Science Corp. During the nine months ended September 30, 2021, the Company transitioned to become an investment issuer focusing on early stage investments in cultivated meat and cultured dairy companies around the world.

The Company’s registered address is Suite 810 – 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2.

On August 12, 2021, the Company completed a share-split of the issued and outstanding share capital on the basis of two new shares for one old share. Accordingly, all current and comparative share capital amounts within these financial statements have been retroactively restated to adjust for the share consolidation.

These condensed interim financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business and that management neither intends to liquidate the entity nor does it have no realistic alternative to do so. The Company incurred a net loss of \$740,198 (2020 - \$71,485) during the nine-month period ended September 30, 2021 and as of the date of the financial statements the Company’s accumulated deficit is \$9,135,895 (December 31, 2020 - \$8,395,697). These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

The Company’s ability to continue its operations is dependent upon its ability to restructure its debt and raise financing. Although the Company has been successful in obtaining the necessary financing to continue operations in the past, there can be no assurance that it will be able to continue to do so in the future and that such funds will be available on terms acceptable by the Company. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and to restructure the Company’s debt. These condensed interim 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 condensed interim financial statements.

Since March 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), which include the implementation of travel bans, self-imposed quarantine periods and social distancing. COVID-19 has caused material disruption to businesses globally resulting in an economic slowdown. These measures could adversely affect and harm the Company by limiting the ability to evaluate various opportunities by limiting in person meetings and potential travel to perform due diligence. 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. It is difficult to reliably measure the potential impact of this uncertainty on the Company’s future financial results.

These financial statements were authorized for issue by the Audit Committee and Board of Directors on November 29, 2021.

2. Basis of Presentation and Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below.

1) Basis of preparation and Measurement

a) Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”). They do not include all the information required for annual financial statements, and therefore should be read in conjunction with the Company’s annual financial statements for the years ended December 31, 2020 and 2019.

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2021 ad 2020

(Unaudited - Expressed in Canadian Dollars)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

I) Basis of preparation and Measurement (Continued)

b) Basis of Measurement

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out in Note 2(II) of the annual financial statements for the years ended December 31, 2020 and 2019. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

The preparation of condensed interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates and exercise judgement in applying the Company's policies.

c) Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation. Such reclassification is for presentation purpose only and has no effect on previously reported results.

d) Significant accounting judgements, estimates and assumptions

(i) Determination of investment entity

During the nine months ended September 30, 2021, the Company transitioned to become an investment issuer.

Management has applied judgement 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.

In addition, IFRS 10 clarifies that an investment entity may earn fee income from the provision of investment related services to external parties. In determining its status as an investment entity, the Company has determined that fair value is the primary measurement attribute used to monitor and evaluate its investments.

II) Significant Accounting Policies

a) Financial instruments

Investment transactions are recorded on a trade date basis. The cost of investments represents the amount paid for each investment and is determined on an average cost basis excluding transaction costs. The Company classifies its investments as fair value through profit or loss, with unrealized gains and losses recognized in profit or loss. The fair value of the Company's investments as at the financial reporting date are determined as follows: Common shares in quoted companies – All securities listed on a recognized public stock exchange are generally valued at their last bid price. Options and warrants – The options and warrants are valued at fair value using the Black-Scholes pricing model which considers factors such as market value of the underlying security, strike price, volatility and expected life. Investments in private companies and other investments – When the fair values of financial assets and financial liabilities 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, judgement is required to establish fair value.

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2021 ad 2020

(Unaudited - Expressed in Canadian Dollars)

3. Prepaid

	September 30, 2021	December 31, 2020
	\$	\$
Transfer agent and filing fees	5,250	-
Marketing fees	372,590	-
	377,840	-

4. Equipment

	Office Furniture and Equipment
Cost	\$
Balance, December 31, 2020	39,231
Additions	-
Balance, September 30, 2021	39,231
Accumulated Amortization	
Balance, December 31, 2020	24,215
Amortization	3,360
Balance, September 30, 2021	27,575
Carrying value	
As at December 31, 2020	15,016
As at September 30, 2021	11,656

5. Investments**i) 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:

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2021 ad 2020

(Unaudited - Expressed in Canadian Dollars)

5. Investments (continued)**i) Simple Agreement for Future Equity (“SAFE”) Agreements (continued)****a) Biftek INC. (“Biftek”)**

Pursuant to the term 1 of the SAFE Agreements, \$160,999 SAFE investment in Biftek, a private company, to invest in future rights to shares of Biftek’s capital stock. The “Post-Money Valuation Cap” is US\$12,500,000.

b) Cell AG Tech Inc. (“Cell”)

Pursuant to the term 1 of the SAFE Agreements, \$631,960 SAFE investment in Cell, a private company, to invest in future rights to shares of Cell’s capital stock. The “Post-Money Valuation Cap” is US\$13,000,000.

c) MeliBio Inc. (“MeliBio”)

Pursuant to the term 2 of the SAFE Agreements, \$255,308 SAFE investment in MeliBio, a private company, to invest in future rights to shares of MeliBio’s capital stock. The “Post-Money Valuation Cap” is US\$12,000,000. The “Discount Rate” is 80%.

d) Mogale Meat Co. (“Mogale”)

Pursuant to the term 2 of the SAFE Agreements, \$572,594 SAFE investment in Mogale, a private company, to invest in future rights to shares of Mogale’s capital stock. The “Post-Money Valuation Cap” is US\$7,000,000. The “Discount Rate” is 80%.

e) Novel Farms (“Novel”)

Pursuant to the term 2 of the SAFE Agreements, \$190,896 SAFE investment in Novel, a private company, to invest in future rights to shares of Novel’s capital stock. The “Valuation Cap” is US\$18,000,000. The “Discount Rate” is 80%.

ii) Equity investment**EatJust Inc. (“EatJust”)**

On September 28, 2021, the Company acquired 15,000 common shares of EatJust at a cost of \$347,200. Transaction costs of \$17,448 were expensed as incurred in the statement of loss and comprehensive loss.

At September 30, 2021, the Company held the following investments:

	Cost \$	Level 3 \$	Total FV \$
Equity Investment			
EatJust Inc.	347,200	347,200	347,200
SAFE Agreements			
Biftek	160,999	160,999	160,999
Cell	631,960	631,960	631,960
MeliBio.	255,308	255,308	255,308
Mogale	572,594	572,594	572,594
Novel	190,896	190,896	190,896
	2,158,957	2,158,957	2,158,957

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2021 ad 2020
(Unaudited - Expressed in Canadian Dollars)

6. Loans Payable

	September 30, 2021	December 31, 2020
	\$	\$
Balance, beginning of the year	21,210	-
Addition	25,000	20,000
Interest	384	1,210
Repayment in cash	(25,000)	-
Settlement by shares	(20,000)	-
Reclassified to accounts payable and accrued liabilities	(1,594)	-
Balance, end of period	-	21,210

During the year ended December 31, 2020, the Company obtained two promissory notes totalling \$20,000 from a company controlled by a former director. The loans are unsecured and due upon demand. The promissory notes bear interest at 8% per annum (Note 9). As at September 30, 2021, the loan balance was \$Nil.

During the nine months ended September 30, 2021, the Company obtained a series of promissory notes totalling \$25,000 from an unrelated third-party. The loans are unsecured and due upon demand. The promissory notes bear interest at 8% per annum. As at September 30, 2021, the loan balance was \$Nil.

7. Share Capital

On August 12, 2021, the Company completed a share-split of the issued and outstanding share capital on the basis of two new shares for one old share. Accordingly, all current and comparative share capital amounts within these financial statements have been retroactively restated to adjust for the share consolidation.

Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value.

Issued share capital

As at September 30, 2021, the Company had 137,823,544 (December 31, 2020 – 5,224,544) shares outstanding.

On September 22, 2021, the Company issued 1,210,000 units at a price of \$0.25 per unit for gross proceeds of \$302,500 pursuant to a non-brokered private placement. Each unit will be comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.75 for a period of two years from the date of issuance. The full proceeds were allocated to the shares under the residual value method.

On September 15, 2021, the Company issued 10,752,000 units at a price of \$0.25 per unit for gross proceeds of \$2,688,000 pursuant to a non-brokered private placement, of which \$55,000 net of cash share issuance costs of \$3,400 was received in October 2021 and included in amounts receivable. Each unit will be comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.75 for a period of two years from the date of issuance. The full proceeds were allocated to the shares under the residual value method. The Company paid cash share issuance costs of \$97,975 and issued 104,700 finder's warrants, exercisable at \$0.75 per common share, and expiring two years from the grant date. The fair value of the finder's warrants was estimated to be \$7,543 using the Black-Scholes option pricing model with the following assumptions: term - 2 years; expected volatility - 100%; risk-free rate - 0.42%; and expected dividends - \$Nil.

On September 3, 2021, the Company issued 8,262,000 units at a price of \$0.25 per unit for gross proceeds of \$2,065,500 pursuant to a non-brokered private placement. Each unit will be comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.75 for a period of two years from the date of issuance. The full proceeds were allocated to the shares under the residual value method. The Company paid cash share issuance costs of \$25,105 and issued 31,620 finders warrants, exercisable at \$0.75 per common share, and expiring two years from the grant date. The fair value of the finder's warrants was estimated to be \$3,290 using the Black-Scholes option pricing model with the following assumptions: term - 2 years; expected volatility - 100%; risk-free rate - 0.39%; and expected dividends - \$Nil.

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements
 For the Nine Months ended September 30, 2021 ad 2020
 (Unaudited - Expressed in Canadian Dollars)

7. Share Capital (continued)**Issued share capital (continued)**

On August 23, 2021, the Company issued 76,375,000 units at a price of \$0.02 per unit for gross proceeds of \$1,527,500 pursuant to a non-brokered private placement. Each unit will be comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.10 for a period of five years from the date of issuance. The full proceeds were allocated to the shares under the residual value method.

On August 23, 2021, the Company issued 1,000,000 units at a fair value of \$20,000, to settle an outstanding loan of \$20,000. Each unit consists of one common share in the capital of the Company and one share purchase warrant, exercisable at \$0.10 per common share, and expiring five years from the grant date. \$Nil value was allocated to the warrants under the residual value method.

On August 3, 2021, the Company issued 25,000,000 units at \$0.01 per unit for gross proceeds of \$250,000 pursuant to a non-brokered private placement. Each unit will be comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.05 for a period of five years from the date of issuance. The full proceeds were allocated to the shares under the residual value method.

On May 29, 2021, the Company completed a debt settlement agreement and settled debts of \$100,000 and issued 10,000,000 units. Each unit consists of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.05 for a period of five years from the date of issuance. \$Nil value was allocated to the warrants under the residual value method.

Share subscriptions received in advance

As at September 30, 2021, the Company had \$201,000 (December 31, 2020 - \$Nil) of subscriptions received in advance related to the closing of non-brokered private placements subsequent to the nine months ended September 30, 2021 (Note 11).

Stock Option Plan Details

The Company's Board of Directors, at its discretion may grant non-transferable options for the purchase of common shares to its directors, officers, employees, consultants, or service providers of the Company provided that the maximum number of options that may be reserved for issuance or issued is limited to 20% of the issued and outstanding securities under the plan adopted on March 12, 2021. The Company's stock option plan allows for options to be granted for a maximum term of 5 years and vest at the discretion of the Board of Directors.

The continuity for stock options granted to directors, officers, employees and consultants of the Company for the period ended September 30, 2021 is as follows:

Grant date	Expiry date	Number of options	Exercise price
			\$
August 30, 2021	August 30, 2026	12,200,000	0.10
Balance at September 30, 2021		12,200,000	

On August 30, 2021, the Company granted 12,200,000 stock options with an exercise price of \$0.10 per share expiring on August 30, 2026. One-quarter of the stock options vest every three months for a year after the date of grant. The fair value of the stock options was estimated to be \$2,576,957 for the full vesting period of the options, with a current period charge of \$461,820. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate - 0.83% and expected dividends – \$Nil.

Warrants

The continuity for warrants for the period ended September 30, 2021 is as follows:

	Number of warrants	Weighted average exercise price
		\$
Balance at December 31, 2020	-	-
Warrants issued	132,735,320	0.19
Balance at September 30, 2021	132,735,320	0.19

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2021 ad 2020
(Unaudited - Expressed in Canadian Dollars)

7. Share Capital (continued)**Warrants (continued)**

As at September 30, 2021, the following warrants remain outstanding:

Number of warrants	Exercise price	Expiry date
10,000,000	\$0.05	May 29, 2026
25,000,000	\$0.05	August 3, 2026
77,375,000	\$0.10	August 23, 2026
8,293,620	\$0.75	September 3, 2023
10,856,700	\$0.75	September 15, 2023
1,210,000	\$0.75	September 22, 2023
132,735,320		

8. Financial Instruments, Capital Management and Risk Management

I) Financial Instruments

The Company's financial instruments include cash, investments, and accounts payable and accrued liabilities and loans payable.

Determination of Fair Value

The carrying value of cash, accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments. The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Fair Value Measurement Hierarchy	Financial assets at FVTPL	Financial liabilities at amortized cost
As at September 30, 2021:			
Cash	Level 1	\$ 4,848,445	\$ -
Investments	Level 3	2,158,957	-
Accounts payable and accrued liabilities	Not applicable	-	(821,666)
Loans payable	Not applicable	-	-
As at December 31, 2020:			
Cash	Level 1	\$ 1,727	\$ -
Accounts payable and accrued liabilities	Not applicable	-	(118,344)
Loans payable	Not applicable	-	(21,210)

Fair Value Hierarchy

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2021 ad 2020

(Unaudited - Expressed in Canadian Dollars)

8. Financial Instruments, Capital Management and Risk Management (continued)

II) Capital Management

The Company's capital management objectives are to safeguard its ability to continue as a going concern and to seek new investment opportunities for the benefit of its shareholders. The Company includes shareholders' equity in the definition of capital.

The Company sets the amount of capital required in proportion to its operating requirements and perceived risk of loss. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company has historically relied on the equity markets to fund its activities and is open to new sources of financing to manage its expenditures in the interest of sustaining long-term viability. The Company's capital management objectives, policies and processes have not changed over the years presented.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital requirements.

III) Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and loan receivable. The Company's credit exposure is limited to the carrying amount of its financial assets.

The Company's cash is held with a high-credit-rated financial institution and, as such, the Company does not believe there to be a significant credit risk in respect to cash.

The Company manages its credit risk on equity investments through thoughtful planning, significant due diligence of investment opportunities and by conducting activities in accordance with the investment policies that are approved by the Board of Directors. Management reviews the financial conditions of its investee companies regularly.

b) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of four types of risk: foreign currency risk, interest rate risk, commodity price risk and equity price risk.

(i) Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and a foreign currency will affect the Company's operations and financial results. The functional currency of the Company is the Canadian dollar.

The Company holds investments in US dollar, as such, it is subject to fluctuations in the exchange rates for the Canadian dollar and US dollar.

(ii) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Its interest rate risk is limited to potential decreases on the interest rate offered for cash held with chartered Canadian financial institutions. The Company considers the risk to be immaterial.

(iii) Commodity price risk

Commodity risk is the exposure to fluctuations in the market price of commodities. The Company does not have any commodity exposure.

(iv) Equity price risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Company exposes to the equity price risk associated with the Company's equity investments.

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2021 ad 2020
(Unaudited - Expressed in Canadian Dollars)

8. Financial Instruments, Capital Management and Risk Management (continued)

e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can only do so at excessive cost. The key success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

The Company's policy is to ensure that it will have sufficient cash to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

	Up to 3 months	3 to 12 months	1 to 2 years	Over 2 years	Total
Accounts payable and other liabilities:					
September 30, 2021	\$ 821,666	\$ -	\$ -	\$ -	\$ 821,666
December 31, 2020	\$ 118,344	\$ 21,210	\$ -	\$ -	\$ 139,554

9. Related Party Transactions

As at September 30, 2021, the balance due to related parties was \$3,043 (December 31, 2020 - \$3,043) which is included in accounts payable and accrued liabilities.

On March 17, 2020 and April 14, 2020, the Company obtained two promissory notes totalling \$20,000 from a company controlled by a former director. The loans are unsecured and due upon demand. The promissory notes bear interest at 8% per annum. As at September 30, 2021, the accrued interest of \$622 was included in the accounts payable and accrued liabilities, and the loan balance was \$Nil (Note 6).

10. Commitment

The Company entered into a corporate management agreement with Partum Advisory Services Corp. ("PASC"). The agreement is for twelve months and automatically renews for a further twelve months unless the Company or PASC give ninety days notice. As at September 30, 2021, total commitment under the agreement was \$42,000.

11. Subsequent Events

On October 8, 2021, the Company granted 200,000 stock options to directors of the Company at a price of \$0.25 per common share for a period of five years from the date of grant. The options vest over twelve months, with 25% vested each quarter.

On October 4, 2021, the Company closed a non-brokered private placement by the issuance of 420,000 units (the "Units") at a price of \$0.25 per Unit for gross proceeds of \$105,000. Each Unit is comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.75 for a period of two years from the date of issuance.

On October 13, 2021, the Company completed a strategic investment into Ohayo Valley Inc. ("Ohayo"), which is a cultivated meat science and cell biology company. US\$100,000 SAFE investment in Ohayo to invest in future rights to shares of Ohayo's capital stock, subject to the terms described in Note 5. The "Post-Money Valuation Cap" is US\$8,000,000.

By entering into a subscription agreement on October 31, 2021, the Company completed a strategic investment into 3D Bio-Tissues Limited (the "Venture") by acquiring 1,356,852 common shares of the Venture at a cost of £100,000. The Venture is an innovative biotechnology start-up that was spun-out from Newcastle University and subsequently is to be acquired by BSF Enterprise PLC (LON: BSFA), which is a Special Purpose Acquisition Company listed on the London Stock Exchange.

On November 5, 2021, the Company closed a non-brokered private placement by the issuance of 1,060,606 units (the "Units") at a price of \$0.33 per Unit for gross proceeds of \$350,000. Each Unit is comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.75 for a period of two years from the date of issuance.

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

11. Subsequent Events (continued)

On November 17, 2021, the Company granted 100,000 stock options to a director of the Company at a price of \$0.33 per common share for a period of five years from the date of grant. The options vest over twelve months, with 25% vested each quarter.

On November 19, 2021, the Company completed a strategic investment into Fiction Foods Inc. ("Fiction"). US\$250,000 SAFE investment in Fiction to invest in future rights to shares of Fiction's capital stock, subject to the terms described in Note 5. The "Post-Money Valuation Cap" is US\$10,000,000.