

Cult Food Science Corp.

(formerly Triangle Industries Ltd.)

Condensed Interim Financial Statements
Unaudited

(Expressed in Canadian dollars)

For the nine months ended September 30, 2022 and 2021

Notice of No Auditor Review of Condensed Interim Financial Statements

Under National Instrument 51-102, Part 4 subsection 4.3 (3), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the unaudited condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Cult Food Science Corp. (formerly Triangle Industries Ltd.) have been prepared by and are the responsibility of management.

These condensed interim financial statements for the nine months ended September 30, 2022 have not been reviewed or audited by the Company's independent auditors in accordance with standards established by the Chartered Professional Accountants of Canada.

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

Condensed Interim Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

		September 30, 2022	December 31, 2021
	Note	\$	(audited) \$
Assets			
Current assets			
Cash and cash equivalents		97,401	2,020,714
Prepaid expenses		352,113	915,484
		449,514	2,936,198
Non-current assets			
Investments	4	4,879,543	3,501,002
Equipment	3	8,170	10,524
Total assets		5,337,227	6,447,724
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities	7	68,611	218,167
Total liabilities		68,611	218,167
Shareholders' equity			
Share capital	5	17,581,729	15,427,717
Contingent consideration	4	227,235	-
Share-based payment reserve	5	3,508,075	1,749,189
Deficit		(16,048,423)	(10,947,349)
Total shareholders' equity		5,268,616	6,229,557
Total liabilities and shareholders' equity		5,337,227	6,447,724

Corporate Information and Going Concern (Note 1)

Subsequent Event (Note 8)

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,	
		2022	2021	2022	2021
		\$	\$	\$	\$
Expenses					
Consulting fees	7	81,750	21,648	504,789	21,648
Depreciation	3	793	1,132	2,354	3,360
Foreign exchange gain		(276,628)	-	(277,008)	-
Management fees		-	11,648	-	30,548
Marketing		357,209	75,382	1,930,753	75,382
Office and administration	7	20,462	2,719	43,590	4,427
Professional fees		93,793	94,644	618,426	120,794
Share-based compensation	5	734,426	461,820	1,880,341	461,820
Regulatory fees		21,793	18,995	72,725	22,219
Loss from operating activities		(1,033,598)	(687,988)	(4,775,970)	(740,198)
Unrealized loss on fair value of investments	4	(77,278)	-	(305,736)	-
Realized loss on sale of investments	4	(19,368)	-	(19,368)	-
Loss and comprehensive loss for the period		(1,130,244)	(687,988)	(5,101,074)	(740,198)
Loss per share, basic and diluted		(0.01)	(0.02)	(0.03)	(0.03)
Basic and diluted weighted average number of common shares outstanding		164,073,679	30,985,414	156,114,269	27,291,518

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		Share subscriptions received in advance	Contingent Consideration	Share-based Payment Reserve	Deficit	Total Shareholders' Equity
	Number of Shares	Amount					
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	-	-	-	-	100,000
Share subscription 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
Balance, December 31, 2021	139,304,150	15,427,717	-	-	1,749,189	(10,947,349)	6,229,557
Warrant exercises	17,855,000	1,074,500	-	-	-	-	1,074,500
Option exercises	575,000	178,955	-	-	(121,455)	-	57,500
Share exchange agreement (Note 4)	1,672,862	150,557	-	-	-	-	150,557
Share purchase agreement (Note 4)	15,000,000	750,000	-	227,235	-	-	977,235
Share-based compensation	-	-	-	-	1,880,341	-	1,880,341
Loss for the period	-	-	-	-	-	(5,101,074)	(5,101,074)
Balance, September 30, 2022	174,407,012	\$ 17,581,729	-	\$ 227,235	\$ 3,508,075	\$ (16,048,423)	\$ 5,268,616

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	2022	2021
		\$	\$
Cash flows from operating activities			
Loss for the period		(5,101,074)	(740,485)
Adjustments for:			
Depreciation	3	2,354	3,360
Interest expense		-	384
Unrealized foreign exchange gain		(276,932)	-
Unrealized loss on fair value of investments		305,736	-
Realized loss on sale of investments	4	19,368	-
Share-based compensation		1,880,341	461,820
Net change in non-cash working capital:			
Accounts payable and accrued liabilities		(149,555)	(377,840)
Prepaid		563,371	169,768
Total cash flows used in operating activities		(2,756,391)	(482,706)
Cash flows from investing activities			
Acquisition of investments		(387,121)	(1,526,997)
Proceeds from sale of investments	4	88,199	-
Total cash flows used in investing activities		(298,922)	(1,526,997)
Cash flows from financing activities			
Proceeds from loans payable		-	25,000
Repayment of loans payable		-	(25,000)
Proceeds from issuance of shares, net of share issue cost		-	6,655,421
Share subscriptions received in advance		-	201,000
Proceeds from warrant exercises	5	1,074,500	-
Proceeds from option exercises	5	57,500	-
Total cash flows provided by financing activities		1,132,000	6,856,421
Increase (decrease) in cash and cash equivalents during the period		(1,923,313)	4,846,718
Cash and cash equivalents at beginning of period		2,020,714	1,727
Cash and cash equivalents at end of period		97,401	4,848,445
Comprised as following:			
Cash		68,651	-
Redeemable guaranteed investment certificates		28,750	-
Supplemental information:			
Taxes paid		-	-
Interest paid		-	-

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(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 is an investment issuer focused on early stage investments in cultivated meat and cultured dairy companies around the world. Effective July 28, 2021, the Company changed its name to Cult Food Science Corp.

The Company’s head office address is 82 Richmond St. Toronto, Ontario, Canada.

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 \$5,101,074 (September 30, 2021 - \$740,198) during the period ended September 30, 2022 and as of the date of the financial statements the Company’s accumulated deficit is \$16,048,423 (December 31, 2021 - \$10,947,349). 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 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 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 28, 2022.

2. Basis of Presentation and Summary of Significant Accounting Policies

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

I) 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”).

These unaudited 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 this financial report be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2021.

b) Basis of Measurement

These interim condensed 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). In addition, these interim condensed financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These interim condensed financial statements are presented in Canadian dollars, which is the Company’s functional currency.

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

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

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

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.

II) 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 December 31, 2021.

d) 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.

3. Equipment

	Office Furniture and Equipment
Cost	\$
Balance, December 31, 2021 and September 30, 2022	39,231
Accumulated Amortization	
Balance, December 31, 2021	28,707
Depreciation	2,354
Balance, September 30, 2022	31,061
Carrying value	
As at December 31, 2021	10,524
As at September 30, 2022	8,170

4. 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.

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

4. Investments (Continued)

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:

a) Biftek INC. ("Biftek")

\$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")

\$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")

\$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")

\$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, Inc. ("Novel")

\$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%.

f) De Novo Foods, Inc. ("De Novo")

\$63,390 SAFE investment in De Novo, a private company, to invest in future rights to shares of De Novo's capital stock. The "Post-Money Valuation Cap" is US\$12,000,000.

g) Fiction Foods Inc. ("Fiction Foods")

\$317,815 SAFE investment in Fiction Foods, a private company, to invest in future rights to shares of Fiction Food's capital stock. The "Post-Money Valuation Cap" is US\$10,000,000.

h) Jellatech ("Jellatech")

\$95,137 SAFE investment in Jellatech, a private company, to invest in future rights to shares of Jellatech's capital stock. The "Post-Money Valuation Cap" is US\$28,000,000.

i) Ohayo Valley Inc. ("Ohayo")

\$124,575 SAFE investment in Novel, a private company, to invest in future rights to shares of Oyaho's capital stock. The "Post-Money Valuation Cap" is US\$8,000,000.

j) Umami Meats Pte. Ltd. ("Umami")

\$189,407 SAFE investment in Novel, a private company, to invest in future rights to shares of Umami's capital stock. The "Post-Money Valuation Cap" is US\$11,500,000.

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

4. Investments (Continued)

k) Opalia Co. (formerly BetterMilk, Inc.) (“Opalia”)

\$317,692 SAFE investment in Opalia, a private company, to invest in future rights to shares of Opalia’s capital stock. The “Post-Money Valuation Cap” is US\$10,000,000.

l) California Cultured Inc. (“California”)

\$63,955 SAFE investment in California Cultured, a private company, to invest in future rights to shares of California Cultured’s capital stock. The “Post-Money Valuation Cap” is US\$8,000,000. The “Discount Rate” is 80%.

m) Pearlita Foods (“Pearlita”)

\$64,133 SAFE investment in Pearlita, a private company, to invest in future rights to shares of Pearlita’s capital stock. The “Post-Money Valuation Cap” is US\$6,000,000.

ii) Equity investment

a) 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.

b) BSF Enterprise Plc (“BSF”)

On October 30, 2021, the Company acquired 1,356,852 common shares of BSF at a cost of \$170,639. During the period ended September 30, 2022, the Company sold 550,000 BSF common shares for gross proceeds of \$47,346 and recorded a realized loss on sale of investment of \$21,823.

c) Meatech 3D Ltd. (“Meatech”)

On December 30, 2021, the Company acquired 9,000 common shares of Meatech, a company listed on NASDAQ, at a cost of \$63,390. During the period ended September 30, 2022, the Company sold 9,000 Meatech common shares for gross proceeds of \$40,854 and recorded a realized gain on sale of investment of \$2,455.

d) Change Foods (“Change”)

On February 7, 2022, the Company acquired 24,480 Series Seed-1 Stock of Change, at a cost of \$54,301.

e) Compound Foods (“Compound”)

On June 3, 2022, the Company purchased an investment at a cost of \$31,661.

f) Food Revolution Media Inc. (“FRM”)

On September 2, 2022, the Company acquired 100% of FRM’s issued and outstanding shares and issued 15,000,000 common shares with a fair value of \$750,000. An additional 15,000,000 common shares of the Company can be earned by the sellers of FRM through the achievement of certain milestones:

- 2,000,000 Milestone Shares issuable upon the Company generating \$500,000 in annual revenue, with reference to the Company’s accounting records;
- 3,000,000 Milestone Shares issuable upon the Company generating \$1,000,000 in annual revenue, with reference to the Company’s accounting records;
- 3,000,000 Milestone Shares issuable upon the Company achieving a total Audience of 50,000 across all Platforms;
- 4,000,000 Milestone Shares issuable upon the Company achieving a total Audience of 100,000 across all Platforms; and
- 3,000,000 Milestone Shares issuable upon the Company achieving total Impressions of 1,000,000 across all Platforms.

The Company recorded contingent consideration of \$227,235.

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

4. Investments (Continued)

iii) Convertible notes

a) Change Foods (“Change”)

Convertible Note in the principal amount of \$9,582, bearing interest at 8% per annum with a maturity date at the earlier of August 7, 2023 or the time at which the principal amount of the note is due and payable upon an Event of Default.

b) Unicorn Biotech. (“Unicorn”)

Convertible Note in the principal amount of \$63,929, bearing interest at 2% per annum with a maturity date on two years from the date of the convertible loan note instrument.

c) Vevolution Education (“Vevolution”)

Convertible Note in the principal amount of \$46,042, bearing interest at 2% per annum with a maturity date on two years from the date of the convertible loan note instrument.

iv) Other

a) Sdysel Africa (“Sdysel Africa”)

\$53,519 contribution in Sdysel Africa, a private company, in respect to the research and development project undertaken by Sdysel Africa. For a period of two years following the advance of the contribution, the Company can acquire for \$100 (a) 1/3 interest in the Project IP and (b) a perpetual, irremovable, royalty-free license to use the intellectual property.

b) Cella Food Systems Inc (“Cella”)

On May 9, 2022, the Company issued 1,672,862 common shares at a fair value of \$150,557 of the Company pursuant to a Share Exchange Agreement with Cella. In addition, the parties will enter into a license agreement pursuant to which Cella will grant the Company and its affiliates a 15-year non-exclusive right to use Cella’s intellectual property. The Company received 30,000 common shares of Cella.

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

4. Investments (Continued)

At September 30, 2022, the Company held the following investments:

	Cost \$	Level 1 \$	Level 3 \$	Total FV \$
Equity Investments				
EatJust Inc.	144,968	102,803	-	102,803
BSF	101,470	66,357	-	66,357
Change Foods	54,301	-	68,535	68,535
Compound	31,661	-	31,661	31,661
FRM	977,235	-	977,235	977,235
SAFE Agreements				
Biftek	160,999	-	171,338	171,338
Cell	631,960	-	685,350	685,350
MeliBio	255,308	-	274,140	274,140
Mogale	572,594	-	616,815	616,815
Novel	190,896	-	205,605	205,605
De Novo	63,954	-	68,535	68,535
Fiction Foods	317,815	-	342,675	342,675
Jellatech	95,137	-	102,803	102,803
Ohayo	124,575	-	137,070	137,070
Umami	189,407	-	205,605	205,605
BetterMilk	317,692	-	342,675	342,675
California Cultured	63,955	-	68,535	68,535
Pearlita	64,133	-	68,535	68,535
Convertible Notes				
Change Foods	9,582	-	9,582	9,582
Unicorn Biotech	63,929	-	68,535	68,535
Vevolution Education	46,042	-	46,042	46,042
Other				
Sydsel Africa	53,518	-	68,554	68,554
Cella	150,557	-	150,558	150,558
	4,681,689	169,160	4,710,383	4,879,543

At December 31, 2021, the Company held the following investments:

	Cost \$	Level 1 \$	Level 3 \$	Total FV \$
Equity Investment				
EatJust Inc.	347,200	-	347,200	347,200
BSF	170,639	-	170,639	170,639
Meatech	63,390	63,390	-	63,390
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
De Novo	63,390	-	63,390	63,390
Fiction Foods	317,815	-	317,815	317,815
Jellatech	95,137	-	95,137	95,137
Ohayo	124,575	-	124,575	124,575
Umami	189,407	-	189,407	189,407
BetterMilk	317,692	-	317,692	317,692
	3,501,002	63,390	3,437,612	3,501,002

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

5. Share Capital

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, 2022, the Company had 174,407,012 (December 31, 2021 – 139,304,150) shares outstanding.

During the period ended September 30, 2022, the Company issued 17,855,000 common shares upon exercise of warrants for total proceeds of \$1,074,500.

On September 2, 2022, the Company issued 15,000,000 common shares at a fair value of \$750,000 of the Company pursuant to a Share Purchase Agreement with FRM (Note 4).

On May 9, 2022, the Company issued 1,672,862 common shares at a fair value of \$150,557 of the Company pursuant to a Share Exchange Agreement with Cella (Note 4).

During the period ended September 30, 2022, the Company issued 575,000 common shares upon exercise of stock options for total proceeds of \$57,500. The Company reclassified \$121,455 from share-based payment reserve to share capital to account for the fair value of the options.

During the period ended September 30, 2021, the Company completed a debt settlement agreement and settled debts of \$100,000 and issued 10,000,000 units on May 29, 2021. 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.

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.

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.

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

5. Share Capital (continued)

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.

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 10 years and vest at the discretion of the Board of Directors.

Stock Options

On August 29, 2022, the Company granted 3,000,000 stock options with an exercise price of \$0.05 per share expiring on August 29, 2027. 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 \$113,511 for the full vesting period of the options, with a current period charge of \$38,142. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 3.17% and expected dividends – \$Nil.

On April 20, 2022, the Company granted 500,000 stock options with an exercise price of \$0.17 per share expiring on April 20, 2027. 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 \$53,153 for the full vesting period of the options, with a current period charge of \$38,880. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 2.70% and expected dividends – \$Nil.

On April 4, 2022, the Company granted 50,000 stock options with an exercise price of \$0.255 per share expiring on April 4, 2027. 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 \$9,368 for the full vesting period of the options, with a current period charge of \$7,303. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 2.41% and expected dividends – \$Nil.

On March 8, 2022, the Company granted 100,000 stock options with an exercise price of \$0.33 per share expiring on March 8, 2027. 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 \$22,901 for the full vesting period of the options, with a current period charge of \$18,956. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.61% and expected dividends – \$Nil.

On January 31, 2022, the Company granted 200,000 stock options with an exercise price of \$0.27 per share expiring on January 31, 2027. 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 \$35,979 for the full vesting period of the options, with a current period charge of \$33,730. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.62% and expected dividends – \$Nil.

On November 17, 2021, the Company granted 100,000 stock options with an exercise price of \$0.33 per share expiring on November 17, 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 \$24,619 for the full vesting period of the options, with a current period charge of \$17,689. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.47% and expected dividends – \$Nil.

On November 8, 2021, the Company granted 50,000 stock options with an exercise price of \$0.33 per share expiring on November 8, 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 \$12,300 for the full vesting period of the options, with a current period charge of \$8,274. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.39% and expected dividends – \$Nil.

On November 3, 2021, the Company granted 100,000 stock options with an exercise price of \$0.33 per share expiring on November 3, 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 \$17,715 for the full vesting period of the options, with a current period charge of \$11,466. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.45% and expected dividends – \$Nil.

On October 24, 2021, the Company granted 50,000 stock options with an exercise price of \$0.33 per share expiring on October 24, 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 \$8,847 for the full vesting period of the options, with a current period charge of \$5,286. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.33% 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, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

5. Share Capital (continued)

Stock Options (continued)

On October 20, 2021, the Company granted 50,000 stock options with an exercise price of \$0.25 per share expiring on October 20, 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 \$9,310 for the full vesting period of the options, with a current period charge of \$5,378. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.28% and expected dividends – \$Nil.

On October 8, 2021, the Company granted 200,000 stock options with an exercise price of \$0.25 per share expiring on October 8, 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 \$37,209 for the full vesting period of the options, with a current period charge of \$19,296. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.19% and expected dividends – \$Nil.

On September 1, 2021, the Company granted 50,000 stock options with an exercise price of \$0.33 per share expiring on September 1, 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 \$8,803 for the full vesting period of the options, with a current period charge of \$4,218. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate - 0.82% and expected dividends – \$Nil.

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 \$994,645. 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.

A summary of stock option activity for the years ended September 30, 2022 and December 31, 2021 is as follows:

	Period ended September 30, 2022		Year ended December 31, 2021	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Options outstanding, beginning of year	12,800,000	\$0.11	-	-
Options granted	3,850,000	\$0.22	12,800,000	\$0.11
Options exercised	(575,000)	(\$0.10)	-	-
Options cancelled	(100,000)	(\$0.33)	-	-
Options outstanding, end of period	15,975,000	\$0.10	12,800,000	\$0.11
Options exercisable, end of period	12,925,000	\$0.11	3,062,500	\$0.10

At September 30, 2022, the weighted average remaining contractual life of the outstanding options is 4.14 years (December 31, 2021- 4.67 years).

As at September 30, 2022, the Company had the following outstanding stock options outstanding:

Number of Stock Options Outstanding	Exercise Price \$	Expiry Date	Average Remaining Contractual Life (Years)
11,625,000	0.10	August 30, 2026	2.85
50,000	0.33	September 1, 2026	0.01
200,000	0.25	October 8, 2026	0.05
50,000	0.25	October 10, 2026	0.01
50,000	0.33	October 20, 2026	0.01
100,000	0.33	October 24, 2026	0.03
50,000	0.33	November 3, 2026	0.01
200,000	0.27	November 8, 2026	0.05
100,000	0.33	January 31, 2027	0.03
50,000	0.26	March 8, 2027	0.01
500,000	0.17	April 20, 2027	0.14
3,000,000	0.05	August 2027	0.92
15,975,000			4.14

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

5. Share Capital (continued)

Warrants

The Company has issued warrants entitling the holders to acquire common shares of the Company. The following table is a reconciliation of outstanding and exercisable warrants as at September 30, 2022 to December 31, 2021:

	Period ended September 30, 2022		Year ended December 31, 2021	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding, beginning of year	134,215,926	\$0.19	-	-
Warrants issued	-	-	134,215,926	\$0.19
Warrants exercised	(17,855,000)	\$(0.06)	-	-
Warrants outstanding, end of period	116,360,926	\$0.21	134,215,926	\$0.19

At September 30, 2022, the weighted average remaining contractual life of the outstanding options is 3.33 years (December 31, 2021-4.14 years).

As at September 30, 2022, the Company had the following outstanding warrants:

Number of Warrants Outstanding	Exercise Price \$	Expiry Date	Average Remaining Contractual Life (Years)
8,293,620	0.75	September 3, 2023	0.07
10,856,700	0.75	September 15, 2023	0.09
1,210,000	0.75	September 21, 2023	0.01
420,000	0.75	October 4, 2023	0.00
1,060,606	0.75	November 5, 2023	0.01
4,200,000	0.05	May 29, 2026	0.13
16,600,000	0.05	August 3, 2026	0.55
73,720,000	0.10	August 23, 2026	2.47
116,360,926			3.33

Restricted Share Units

The Company adopted a Restricted Share Unit Plan in March 2021. The Board may, in its discretion, at any time, and from time to time, issue Restricted Share Units ("RSU") as it determines appropriate. The aggregate number of shares that may be reserved for issuance, at any time, under this plan and under any other share compensation agreement adopted by the Company, including the Company's Stock Option Plan, shall not exceed up to a maximum of 20% of the issued and outstanding shares at the time of grant.

On August 19, 2022, the Company has granted an aggregate of 10,000,000 RSUs to consultants of the Company. The RSUs vested immediately. The RSUs shall entitle the eligible parties the ability to acquire one common share in the capital of the Company for a period of five years from issuance (the "Term"). The RSUs had a fair value of \$550,000, based on the closing price of the Company's common shares on the date of grant.

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

6. Financial Instruments, Capital Management and Risk Management

D) 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, investments, 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, 2022:			
Cash	Level 1	\$ 97,401	\$ -
Investments	Level 1	169,160	-
Investments	Level 3	4,710,383	-
Accounts payable and accrued liabilities	Not applicable	-	(68,609)
As at December 31, 2021:			
Cash	Level 1	\$ 2,020,714	\$ -
Investments	Level 1	63,390	-
Investments	Level 3	3,437,612	-
Accounts payable and accrued liabilities	Not applicable	-	(218,167)

I) Financial Instruments

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).

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.

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

6. Financial Instruments, Capital Management and Risk Management (Continued)

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.

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 Company does not have significant exposure to foreign exchange rate fluctuations.

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. Based upon the Company's financial instruments at September 30, 2022, a 2% increase or decrease in the US dollar would result in an increase/decrease to profit or loss of approximately \$81,801.

(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. The Company is not exposed to a financial liability with fluctuating interest rates. 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) Other risks

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk and foreign currency risk. The Company holds investments in securities that will fluctuate in value as a result of fluctuations in estimated fair values of those securities. Furthermore, as the Company's investments are early stage cultivated meat and cultured dairy companies, market values will fluctuate subject to the price of meat and dairy prices, economic cycles and political events. Based upon the Company's investment portfolio at September 30, 2022, a 50% (December 31, 2021 - 50%) increase or decrease in the fair value of the securities held would result in an increase/decrease to profit or loss of approximately \$2,439,772 (December 31, 2021 - \$1,750,501).

b) 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, 2022	\$ 68,611	\$ -	\$ -	\$ -	\$ 68,611
December 31, 2021	218,167	\$ -	\$ -	\$ -	218,167

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

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

7. Related Party Transactions

The Company considers its related parties to comprise directors, officers, companies controlled by directors and officers and companies with common directors. The key management compensation and fees consist of the following for the periods ended September 30, 2022 and 2021:

	Period ended	
	September 30,	September 30,
	2022	2021
Consulting fees	\$ 142,450	\$ -
Interest accrued	-	622
	142,450	622

As at September 30, 2022, the balance due to related parties was \$Nil (December 31, 2021 - \$4,725) which is included in accounts payable and accrued liabilities.

8. Subsequent Event

On November 17, 2022, the Company granted 450,000 stock options to consultants of the Company, vesting quarterly over a year with an exercise price of \$0.05 and an expiry date of November 17, 2027.