Cult Food Science Corp.

Management's Discussion and Analysis

Expressed in Canadian dollars

For the years ended December 31, 2023 and 2022

This Management's Discussion and Analysis ("MD&A") has been prepared by management as of April 29, 2024 and is intended to assist in the understanding and assessment of trends and significant changes in the results of operations and financial condition of the Company. As such, it should be read in conjunction with the Company's audited financial statements for the years ended December 31, 2023 and 2022, which were prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars.

Cautionary Statement on Forward-Looking Information

This MD&A may contain forward-looking statements in respect to various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily be indicative of future results from operations.

About Cult Food Science Corp.

Cult Food Science Corp. (formerly Triangle Industries Ltd.) (the "Company" or "Cult") was incorporated on November 16, 1983 in the Province of British Columbia, Canada. The Company is an innovative investment platform with an exclusive focus on cellular agriculture that is advancing the development of novel technologies to provide a sustainable, environmental, and ethical solution to the global factory farming and aquaculture crises.

The Company's head and registered office is located at 82 Richmond St. E, Toronto, Ontario, Canada, M5C 1P1.

The Company's common shares are listed on the OTCQB Venture Market under the trading symbol CULTF, on the Canadian Securities Exchange under the trading symbol CULT, and on the Frankfurt Stock Exchange under the symbol LN0.

Description of Business

The Company is an investment platform focused on making investments in the cellular agriculture industry. The Company's investments may include the acquisition of equity, debt or other securities of publicly traded or private companies or other entities, financing in exchange for pre-determined royalties or distributions and the acquisition of all or part of one or more businesses, portfolios or other assets, in each case that the Company believes will enhance value for the Shareholders of the Company in the long term.

Overall Performance and Highlights

Subsequent to the ended December 31, 2023, the Company announced a non-brokered private placement offering of up to 16,000,000 units (the "Units") at a price of $0.05 per Unit for gross proceeds of up to $800,000. Each Unit will consist of one common share of the Company and one transferrable common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share of the Company at an exercise price of $0.06 per share for a period of two years following the closing of the Offering.

Subsequent to the year ended December 31, 2023, the Company announced a claim was commenced against the Company by Cell AG Tech Inc. ("Cell AG"). The claim is brought against the Company, for seeking specific performance of a share purchase agreement Cell AG alleges it entered into with the Company, including seeking an order that the Company pay Cell AG the purchase price and additional consideration as defined in the share purchase agreement, as well as the consulting fees, professional fees and grant funding as contemplated in the share purchase agreement and letter of intent. The Company intends to defend itself against the claim made and the matter is set for hearing on April 4, 2025.

On April 8, 2024, the Company announced that it has entered into debt settlement agreements (the "Settlement Agreements") to settle outstanding cash payments owed to creditors (the "Creditors") totaling $140,940 (the "Debt Settlement"). The Company also announces the issuance of 1,360,000 Restricted Share Units ("**RSUs**") of the Company to its directors and officers pursuant to its RSU Plan. The RSUs will vest immediately and are subject to a four month and one day hold period.

On March 6, 2024, the Company provided share updates on the progress of some of its portfolio companies, each contributing to the future of sustainable and cruelty-free food solutions.

On November 30, 2023, the Company announced details and commercialization plans for its third proprietary ingredient, a blend of yeasts called Bmeaty™.

On November 1, 2023, the Company granted 250,000 RSUs to the Company's newly appointed CEO, Mitchell Scott. 50% of the RSUs will vest immediately with the remaining 50% vesting on December 1, 2023.

On November 1, 2023, the Company announced that it has appointed Mitchell Scott as Chief Executive Officer ("CEO"), effective November 1, 2023. The appointment of Mr. Scott is facilitated by the resignation of CULT's previous CEO, Lejjy Gafour. CULT thanks Mr. Gafour for his dedication and contributions to the Company over the past two years and wishes him well in his future endeavors.

On October 17, 2023, the Company announced the introduction of Noochies! Freeze Dried Cat Snacks, the first-of-its-kind cat snack in North America.

On October 11, 2023, the Company announced its inaugural product, Noochies! Freeze Dried Dog Snacks, is now available in more than 10 independent pet retail stores across California.

On September 11, 2023, the Company announced Noochies! Freeze-Dried Dog Snacks are available for sale at https://www.noochies.co/. The launch of Noochies! Freeze-Dried Dog Snacks marks a significant milestone for CULT as its first product available for sale in North America. Noochies! treats are crafted using a patented manufacturing process to produce an ultra-premium, cruelty-free, and climate-friendly product.
On August 23, 2023, the Company completed its share consolidation to consolidate all of the Company's issued and outstanding common shares on the basis of every four (4) old common shares being consolidated into one (1) new common share.

On August 18, 2023, the Company announced that pursuant to receipt of shareholder approval at a special meeting of shareholders held on August 11, 2023, the Company will be consolidating its issued and outstanding common shares on the basis of one (1) post-Consolidation Share for each four (4) pre- Consolidation Shares effective August 24, 2023 (the "Record Date"). The Company's name and trading symbol will remain the unchanged.

On August 17, 2023, the Company introduced Marina Cat™, a hybrid cell-cultivated pet food brand for cats developed in partnership with Umami Bioworks.

On July 14, 2023, the Company announced the the resignation of Patrick O'Flaherty from its Board of Directors.

On June 23, 2023, the Company announced that GOOD Meat, the cultivated meat division of CULT's portfolio company, Eat Just, Inc., and UPSIDE Foods have received approval from the U.S. Department of Agriculture (USDA) to sell cell-cultivated meat in the United States.

On June 22, 2023, the Company announced that it has partnered with Dr. Sarah Dodd, a board-certified veterinary nutritionist, to support Noochies! product formulations as well as the design, analysis and validation of nutritional tests with Noochies! ingredients and products. In addition, Dr. Sarah Dodd has joined the company's Advisory Board.

On June 20, 2023, the Company announced its investment in Alcheme Bio to support the growth of their flavor optimization platform. CULT and Alcheme Bio are also working together to accelerate development of cellular agriculture products for the Company and its portfolio companies. Additionally, on June 20, 2023, the Company granted 50,000 stock options with an exercise price of $0.065 per share expiring on June 20, 2028. One-quarter of the stock options vest every three months for a year after the date of grant.

On June 12, 2023, the Company announced it has signed an MOU for a distribution agreement with Polygen Asia Pte Ltd. ("Polygen") to provide Noochies! brand pet foods to its list of more than 50 retailers in Singapore starting in Q3/Q4 2023 with select products and will expand in the following quarters.

On June 5, 2023, the Company has granted 250,000 RSUs to a consultant 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"). On June 9, 2023, the Company issued 1,000,000 common shares pursuant to the conversion of these RSUs.

On May 16, 2023, the Company announced that it has begun shipping initial sample products of Noochies! Pet foods and treats to early adopters across North America and on May 25, 2023, the Company announced details on its Noochies! line of pet performance supplements, called Sprinkles.

On May 10, 2023, the Company entered into a Share Exchange Agreement (the "Agreement") with Peqish Group, Food & Hospitality Inc. ("Peqish"). Pursuant to the terms of the Agreement, the parties exchanged $187,500 worth of shares of the respective companies with one another (the "Transaction"). On May 18, 2023, the Company issued 1,921,500 common shares to Peqish and the Company received 46,937 common shares of Peqish.

Peqish is a food as medicine ag-tech company that combines cutting-edge technology with deep scientific and clinical understanding to bring forth innovative solutions that support people's wellbeing. We are committed to utilizing the latest advancements to develop products that have the potential to address and even resolve disease. Our team of experts is dedicated to the pursuit of a healthier and more sustainable future for all, and we are proud to be at the forefront of this exciting and rapidly evolving industry. Whether it's through our ground-breaking research or the development of new, innovative products, our mission is to help people achieve optimal health and wellness.

In addition, the parties entered into a joint venture agreement ("JV Agreement") pursuant to which the parties will commit to a strategic collaboration for the purpose of developing and commercializing cellular agriculture food products within the medical foods' framework established by Peqish.

Under the JV Agreement, each of CULT and Peqish will initially make their contributions and fulfil their obligations to the Joint Venture within their own respective organizations and with their own personnel. If the Joint Venture proceeds to the commercialization phase, the parties expect to form a new, equally-owned subsidiary company. CULT's contributions to the Joint Venture will include: 100% of the start-up costs for the Joint Venture, including initial product design and branding expenses; and core competencies in design research, new ideation and validation, program management, recruitment and investment. Peqish's contributions to the Joint Venture will include: insights, industry network and knowledge in the culinary medicine and clinical areas; and access to its team of clinical and scientific experts to assist the Joint Venture in conducting clinical trials and validating products that have been identified by the Joint Venture for their adherence to culinary medicine principles. In addition, Dr. Anthony Marotta, Peqish's Chief Executive Officer, will serve on CULT's scientific advisory board.

On April 28, 2023, the Company announced that it has closed its previously announced acquisition of the assets, related patents, non-scientific intellectual property, and product formulations (collectively, the "Assets") underlying the Company's Noochies! brand and products.

On April 27, 2023, the Company granted 1,250,0000 stock options with an exercise price of $0.40 per share expiring on April 27, 2028. One-quarter of the stock options vest every three months for a year after the date of grant.

On April 20, 2023, the Company announced the public debut of the Noochies! brand, packaging, and website.

On April 18, 2023, the Company announced details and commercialization plans for its proprietary and patent-pending BmmuneTM product. BmmuneTM is an alternative protein source for pet food made through a natural fermentation process and is patented for its freeze-dried pet treats. The acquisition of BmmuneTM was previously announced by the Company on March 28, 2023.

On April 11, 2023, the Company announced a partnership with JellaTech to launch a line of collagen enhanced pet foods under the Indiana Pets brand created by CULT.

On April 6, 2023, the Company announced a partnership with Umami Meats to supply cultivated red snapper for their newly launched pet food brands.

On April 4, 2023, the Company announced the expansion of its pet food division through the launch of three new consumer brands. The new brands will leverage cultivated ingredients in partnership with the Company's portfolio companies, aiming to be a first mover in making cultured meat available for pets in North America.

On April 14, 2023, the Company issued 83,333 common shares pursuant to a debt settlement agreement.

On March 28, 2023, the Company announced it has signed a binding LOI to acquire consumer brand assets, related patents, non-scientific intellectual property, and product formulations ("the Assets") from Joshua Errett.

On March 21, 2023, the Company closed of a private placement of 3,373,925 units at a price of $0.40 per Unit for gross proceeds of $1,349,570 (the "Private Placement").

On March 16, 2023, the Company announced that Marc Lustig has acquired 15% of the company through his family office L5 Capital Inc., becoming the largest individual shareholder.

On March 2, 2023, the Company announced its partnership with LYTA Ventures to support the development of early stage companies in LYTA Ventures' studio model across North America. In exchange for CULT's partnership and involvement, the Company will receive management fee revenue and equity ownership in startups launched by the studio.

On January 24, 2023, the Company announced that its affiliate company GOOD Meat, the cultivated meat division of food tech company Eat Just, Inc., has received first-in-the-world regulatory approval by the Singapore Food Agency (SFA) for the use of serum-free media in the production of cultivated meat, leading the industry closer to price parity.

On January 10, 2023, the Company granted 250,000 stock options to a consultant of the Company, vesting 100% on April 9, 2023 with an exercise price of $0.20 and an expiry date of January 10, 2028.

On January 9, 2023, the Company announced that it will expand its operations with the launch of CULT Foods, a new products division.

Quarterly Results

The following table provides selected financial information of the Company, prepared in accordance with IFRS for each of the eight most recent quarters:

	December 31, 2023 $	September 30, 2023 $	June 30, 2023 $	March 31, 2023 $
Total revenue	Nil	Nil	Nil	Nil
Total assets	4,386,787	4,342,504	5,052,744	5,568,372
Working capital (deficiency)	(350,682)	(124,154)	220,821	722,336
Loss and comprehensive loss	358,477	904,846	678,800	706,004
Basic and diluted loss per share	0.01	0.02	0.00	0.00

	December 31, 2022 $	September 30, 2022 $	June 30, 2022 $	March 31, 2022 $
Total revenue	Nil	Nil	Nil	Nil
Total assets	4,585,949	5,337,227	4,903,578	6,281,061
Working capital (deficiency)	(8,401)	380,903	866,215	2,359,025
Loss and comprehensive loss	608,646	1,130,244	2,164,859	1,805,971
Basic and diluted loss per share	0.01	0.01	0.01	0.01

Annual Results

	December 31, 2023 $	December 31, 2022 $	December 31, 2021 $
Total revenue	-	-	-
Loss and comprehensive loss for the year	(2,648,127)	(5,709,720)	(2,551,652)
Net loss per share, basic and fully diluted	(0.05)	(0.04)	(0.05)
Total assets	4,386,787	4,585,949	6,447,724
Total liabilities	399,297	118,793	218,167
Shareholders' Equity (Deficiency)	3,987,490	4,467,156	6,229,557

Discussion

During the year ended December 31, 2023, the Company incurred a net loss of $2,648,127 (2022 - $5,709,720). In general, the Company's business activity decreased during the year ended December 31, 2023. An explanation of these changes are mainly as follows:

- Office and administration increased to $290,215 from $221,231. Office and administration expenses include insurance expense, office services and supplies and web fees that were mostly consistent with the comparative year. Office and administration also includes the press release expense which increased in 2023.
- Consulting fees decreased to $534,230 from $1,099,232. The Company relies heavily on consultants to achieve its goals on all facets of business and these industry consultants bring a wide range of expertise and connections to the Company. Consultants include management, investment advisors and other support roles and engaged a higher number of consultants in the comparative year.
- Marketing expense decreased to $327,187 from $1,873,540. The Company listed on the CSE on January 17, 2022 and the company has incurred expenses to increase the Company's global brand awareness and presence within the marketplace. During the year ended December 31, 2022, the Company has made an increasing number of new investments in the cultivated meat and cultured dairy companies around the world, whereas during the year ended December 31, 2023, the Company had a much lower number of new investments and overall lower marketing expenses.
- Professional fees decreased to $186,892 from $432,071. Professional fees include legal, accounting, corporate and other professional services required to run the Company's business. During the year ended December 31, 2022, the Company has initiated several investment deals that have required the input of third-party professionals, whereas during the year ended December 31, 2023, the Company was involved in a lower number of investment deals.
- During the year ended December 31, 2023, the Company has issued 1,512,500 stock options with various exercise prices, vesting conditions and terms and 500,000 RSUs with a fair value of $100,000. The Company award stock options and RSUs to various members of management, directors and consultants to preserve cash.
- The Company recognized an unrealized loss on fair value of investments of $681,637 related to fair value changes on the Company's investments as at December 31, 2023, whereas the Company recognized an unrealized loss on fair value of investments of $87,187 in the comparative year.
- Total assets decreased in December 31, 2023 compared to December 31, 2022 primarily due to the fair value calculations of the investments and expensing of prepaids.

During the three months ended December 31, 2023, the Company incurred a net loss of $358,477 (2022 - $608,646), a decrease of $250,169 compared to 2022. An explanation of these changes are mainly as follows:

- Office and administration decreased by $80,104 in 2023 from 2022 as the Company's operations decreased compared to the three months ended December 31, 2022.
- Consulting decreased by $637,536 in 2023 from 2022 due to the Company's overall decrease in activity in 2023, whereas in 2022, the Company relied heavily on consultants to achieve its goals on all facets of business and these industry consultants brought a wide range of expertise and connections to the Company.
- Share-based compensation increased by $230,493 in 2023 from 2022 due to the timing of the recognition of share-based compensation over the vesting periods.
- Professional fees increased by $182,272 in 2023 from 2022, which include legal fees, audit and accounting fees and corporate services.

Summary of Cash Flows

The following tables summarize the Company's cash flow information:

	For the year ended	
	December 31, 2023 $	December 31, 2022 $
Cash flows used in operating activities	(1,486,239)	(3,159,375)
Cash flows provided by financing activities	1,428,570	1,196,500
Decrease in cash and cash equivalents	(57,669)	(1,962,875)

The Company had cash used in operating activities of $1,486,239 compared to $3,159,375 during the year ended December 31, 2022. This consists mainly of cash paid for investments, consulting, professional fees, regulatory, listing and due diligence on the various acquisitions the Company is pursuing.

Financing activities during the year ended December 31, 2023 and 2022 provided $1,428,570 and $1,196,500 cash inflow respectively. The increase mainly relates to the proceeds received from the warrant and option exercises during the period and the closing of the private placement.

Liquidity and Capital Resources

The balances of and changes in working capital are shown in the following table:

As at,	December 31, 2023 $	December 31, 2022 $
Current assets	48,615	110,392
Current liabilities	(399,297)	(118,793)
Working capital deficiency	(350,682)	(8,401)

Working capital deficiency for December 31, 2023 is $350,682 (December 31, 2022 – $8,401). The increase relates mainly to the general expenditures that incurred in the year ended December 31, 2023.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Transactions with Related Parties

As at the date of this MD&A, the Directors and Executive Officers of the Company are as follows:

Mitchell Scott – CEO (appointed on November 1, 2023)
Lejjy Gafour – Former CEO (resigned on November 1, 2023)
Francis Rowe – Director, CFO and Corporate Secretary
Dorian Banks – Director
Kirill Kompaniyets – Director
Patrick O'Flaherty – Former Director (resigned on July 14, 2023)

	Year ended December 31, 2023	December 31, 2022
	$	$
Consulting fees	**236,625**	171,700
Share-based compensation	**82,071**	213,122
	318,696	384,822

As at December 31, 2023, the balance due to related parties was $156,804 (December 31, 2022 - $53,500) which is included in accounts payable and accrued liabilities.

Proposed Transactions

The Company continues to look at and evaluate opportunities. As of the date of this MD&A, the Company has no proposed transactions other than what has been outlined in the MD&A.

Financial Instruments, Capital Management and Risk Management

There were no significant changes to the Company's financial instruments, capital management and risk exposures during the year ended December 31, 2023, as compared to those reported in the Company's annual financial statements for the year ended December 31, 2022.

I) Financial Instruments

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

Determination of Fair Value

The carrying value of cash, loan receivable, investments, and 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 December 31, 2023:			
Cash	Not applicable	170	-
Investments	Level 3	4,333,003	-
Accounts payable and accrued liabilities	Not applicable	-	355,809
Loan payable	Not applicable	-	43,488
As at December 31, 2022:			
Cash	Not applicable	57,839	-
Investments	Level 3	4,468,181	-
Accounts payable and accrued liabilities	Not applicable	-	118,793

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.

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 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. Based upon the Company's financial instruments at December 31, 2022, a 2% increase or decrease in the US dollar would result in an increase/decrease to profit or loss of approximately $101,000.

(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 is required to fair value its equity investments at the end of each reporting period. This process could result in significant write-downs of the Company's investments over one or more reporting periods, particularly during periods of overall market instability, which would have a significant unfavourable effect on the Company's financial position.

c) 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:	$	$	$	$	$
December 31, 2023	355,809	-	-	-	355,809
December 31, 2022	118,793	-	-	-	118,793

The loan is payable on demand in the amount of $43,488 at December 31, 2023.

Outstanding Share Data

As of the date of this report, the following securities were outstanding:

Authorized:	Unlimited common shares without par value
Issued and outstanding:	53,853,170
RSUs outstanding:	1,610,000
Share options outstanding:	3,362,500
Warrants outstanding:	26,928,925

Contingencies

There is no other contingency outstanding as of date of this discussion.

Forwarding Looking Information

This Management's Discussion and Analysis may contain forward-looking statements, including statements regarding the business and anticipated financial performance of the Company, which involve risks and uncertainties. These risks and uncertainties may cause the Company's actual results to differ materially from those contemplated by the forward-looking statements. Readers are encouraged to consider the other risks and uncertainties discussed in and additional information contained in the Company's required financial statements and filings filed on SEDAR at www.sedarplus.ca.

Risk And Uncertainties

Risk is inherent in all business activities and cannot be entirely eliminated. Our goal is to enable the Company's business processes and opportunities by ensuring that the risks arising from our business activities, the markets and political environments in which we operate is mitigated. The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties described are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

Early Stage

The Company's present business is at an early stage. As such, the Company is subject to many risks including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenue. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. The Company currently has no source of revenue and expects to obtain financing in the future primarily through further equity and/or debt financing. While it has been successful in obtaining financing in the past, there is no guarantee that the Company will be successful now, or in the future. Failure to raise additional financing on a timely basis could cause the Company to eventually suspend its operations.

Economic Conditions

Current and future unfavourable economic conditions could negatively impact the Company's financial viability. Unfavourable economic conditions could also increase the Company's financing costs, decrease net income or increase net loss, limit access to capital markets and negatively impact any of the availability of credit facilities to the Company.

No Profits to Date

The Company has not made profits since its incorporation and it may not be profitable for the foreseeable future. Its future profitability will, in particular, depend upon the timing of the realization or disposition of the Company's investments. Because of the limited operating history and the uncertainties surrounding the Company's investments, management does not believe that the operating results to date should be regarded as indicators for the Company's future performance.

Going Concern Assumption

The financial statements of the Company have been prepared in accordance with IFRS on a going concern basis, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company's continuation as a "going concern" is uncertain and is dependent upon, amongst other things, attaining a satisfactory revenue level, the support of its customers, its ability to continue profitable operations, the generation of cash from operations, and its ability to obtain financing arrangements and capital in the future. These material uncertainties represent risks to the Company's ability to continue as a going concern and realize its assets and pay its liabilities as they become due. If the "going concern" assumption was not appropriate for the financial statements, then adjustments would be necessary to the carrying values of assets and liabilities, the reported expenses and the balance sheet classifications used. Such adjustments could be material.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to successfully develop its business. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Expenses May Not Align With Revenues

Unexpected events may materially harm the Company's ability to align incurred expenses with recognized revenues. The Company incurs operating expenses based upon anticipated revenue trends. Since a high percentage of these expenses may be relatively fixed, a delay in recognizing revenues from transactions related to these expenses (such a delay may be due to the factors described elsewhere in this risk factor section or it may be due to other factors) could cause significant variations in operating results from quarter to quarter, and such a delay could materially reduce operating income. If these expenses are not subsequently matched by revenues, the Company's business, financial condition, or results of operations could be materially and adversely affected.

Market Acceptance

The growth of the Company's investments in part depends on their ability to develop and market new products and improvements to their existing products that appeal to consumer preferences. The success of an investee company's innovation and product development efforts is affected by its ability to anticipate changes in consumer preferences, the technical capability of its research and development team in developing and testing product prototypes, including complying with applicable governmental regulations, the success of its management and sales and marketing team in introducing and marketing new products and positive acceptance by consumers. Failure to develop, successfully market and sell new products may inhibit an investee company's growth, sales and profitability, which may have a material adverse effect on the Company's investment.

Global Financial Developments

Stress in the global financial system may adversely affect the Company's finances and operations in ways that may be hard to predict or to defend against. Financial developments seemingly unrelated to the Company or to its industry may adversely affect the Company over the course of time. For example, material increases in any applicable interest rate benchmarks may increase the debt payment costs for any credit facilities. Credit contraction in financial markets may hurt its ability to access credit in the event that the Company identifies an acquisition opportunity or require significant access to credit for other reasons. A reduction in credit, combined with reduced economic activity, may adversely affect business. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company business, operating results, and financial condition.

Regulatory Risks

Various aspects of the Company's investments and the activities of investee companies are subject to laws of the jurisdictions in which they operate. The impact of applicable governmental legislative and compliance regime and any delays in obtaining, or failure to obtain, regulatory approvals could significantly delay or impact the development of markets, products and sales initiatives and could have a material adverse effect on the business, results of operations and financial condition of the Company and/or its investments.

Dependence on Third Party Relationships

The Company is highly dependent on a number of third party relationships to conduct its business and implement expansion plans. it cannot be assured that all of these partnerships will turn out to be as advantageous as currently anticipated or that other partnerships would not have proven to be more advantageous. In addition, it is impossible to assure that all associated partners will perform their obligations as agreed.

Economic Environment

The Company's operations could be affected by general economic context conditions should the unemployment level, interest rates or inflation reach levels that influence consumer trends, and consequently, impact the Company's sales and profitability. As well, general demand cellular agriculture products cannot be predicted and future prospects of such areas might be different from those predicted by the Company's management.

Failure to Grow at the Rate Anticipated

The Company is a start-up company with no history of sales or profitability. If the Company is unable to achieve adequate revenue growth, its ability to become profitable may be adversely affected and the Company may not have adequate resources to execute its business strategy.

Management of Growth

The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Company may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Company's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate and manage its employees. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

Litigation

The Company may become involved in litigation that may materially adversely affect it. From time to time in the ordinary course of the Company business, it may become involved in various legal proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition. More specifically, the Company may face claims relating to information that is retrieved from or transmitted over the Internet or through the solution and claims related to the Company's products. In particular, the nature of the Company's business exposes it to claims related to intellectual property rights, rights of privacy, and personal injury torts. Furthermore, there is no assurance that any liability incurred as a result of litigation can be recovered from the Company's insurance policy.

Conflicts of interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. Conflicts, if any, will be subject to the procedures and remedies as provided under the OBCA. To the best of the Company's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest between the Company and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

Difficulty to Forecast

The Company 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 cellular agriculture industry. 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 Company.

Internal Controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Company's Shares.

Cautionary Statement

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A: Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental regulatory and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company to meet certain work commitments, and work plans to be conducted by the Company.

Other information:

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Endeavor Trust Corporation
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Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.