THE GOOD FLOUR CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the period ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

This Management's Discussion and Analysis ("MD&A") of The Good Flour Corp.. ("GFCO" or the "Company") should be read in conjunction with the audited financial statements and accompanying notes for the three month period ended September 30, 2024 and 2023. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Information contained herein is presented as of November 29, 2024 unless otherwise indicated. Additional information related to GFCO is available on SEDAR at www.sedar.com and on the Company's website at www.goodflour.co.

Unless otherwise indicated, all amounts discussed herein are denominated in Canadian dollars ($), which is the functional and reporting currency of the Company. The Company's year-end is June 30.

References in the MD&A are defined as follows:

Reference	**Period**
FY 2025	Fiscal period for the three months ended September 30, 2024
FY 2024	Fiscal period for the three months ended September 30, 2023
Q1 2025	Fiscal quarter for the three months ended September 30, 2024
Q1 2024	Fiscal quarter for the three months ended September 30, 2023
Year-ended 2025 or YE 2025	For the current fiscal period ending June 30, 2025
Year-ended 2024 or YE 2024	For the fiscal period ending June 30, 2024

The Company's board of directors approved the release of this MD&A on November 28, 2024

FORWARD-LOOKING INFORMATION

This MD&A contains certain "forward-looking information" and "forward-looking statements" (collectively "**forward-looking statements**") within the meaning of applicable Canadian securities legislation. When we discuss our strategy, plans, outlook, future financial and operating performance, financing plans, growth in cash flow and other events and developments that have not yet happened, we are making forward-looking statements. All statements in this MD&A that address events or developments that we expect to occur in the future are forward-looking statements, including the following:

- our expectations in relation to working capital;

- our expectations in relation to our future financial needs;
- statements with respect to the Company's future business and growth plans;
- objectives, its ability to disrupt the global wheat flour market, product details, plans to expand production;
- production capacity and demand for the Company's product;
- our estimated expenditures for the fiscal year; and
- our expectations with respect to future revenue generation.

Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as “expect”, “plan”, “anticipate”, “project”, “target”, “potential”, “schedule”, “forecast”, “budget”, “estimate”, “intend” or “believe” and similar expressions or their negative connotations, or that events or conditions “will”, “would”, “may”, “could”, “should” or “might” occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond the Company’s control, including the following:

- our dependence on suppliers and customers;
- our completion of additional financing to continue operations;
- failure to effectively expand manufacturing and production capacity;
- the ability to source ingredients;
- risks associated with global supply chain for machinery and equipment;
- failure to attract, maintain and expand relationships with key strategic restaurant and food service partners;
- changing consumer taste preferences;
- delay or failure to receive regulatory approvals;

- our ability to attract qualified operators;
- our ability to manage our growth;
- geopolitical risks;
- exchange rate risks;
- regulatory risks;
- our future operations;
- our dependence on key personnel;
- dilution to present and prospective shareholders;
- losses occur for which the Company does not have third-party insurance coverage increase or the Company’s insurance coverages prove to be inadequate;
- the Company may be a party to litigation in the normal course of business or otherwise, which could affect its financial position and liquidity;
- the Company's information systems may experience an interruption or breach in security;
- security breaches of our technology systems, or those of our clients or other third-party vendors we rely on, could subject us to significant liability;
- the Company may be exposed to damage to its business or its reputation by cybersecurity incidents
- the lack of a market for our securities; and
- our share price.

Although the Company has attempted to identify factors that could cause actual results to differ materially from those described in forward-looking information, there may be other factors that cause results not to be as anticipated. Readers should not place undue reliance on forward-looking information. The forward-looking information is made as of the date of this news release. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update forward-looking information, except as required by applicable securities laws.

Description of the Business and Going Concern

The Good Flour Corp., (the "Company" or "GFCO") was incorporated under the provisions of the Business Corporations Act (Saskatchewan) on September 25, 2009. On September 4, 2014, the Company completed its continuance to British Columbia under the *Business Corporations Act* (British Columbia). The Company's head office, principal address and the registered and records office are located at 5791 Sidley Street, Burnaby, BC V5J 5E6.

On July 8, 2021, the Company announced the signing of a share exchange agreement whereby it proposed to acquire 100% of the issued and outstanding shares of VGAN Brands Inc. ("VGAN") in exchange for 60,075,000 common shares of the Company (the "VGAN Transaction"). The completion of the VGAN Transaction was contingent on VGAN completing an acquisition (the "Ghetto Transaction") of all issued and outstanding share capital of The Gourmet Ghetto Food Ltd. ("Ghetto"). Ghetto manufactures and distributes a line of healthy, gluten-free and allergen free food products.

On November 4, 2021, VGAN completed the Ghetto Transaction. On November 5, 2021, the Company completed the VGAN Transaction. On November 8, 2021, the Company began trading on the Canadian Securities Exchange ("CSE") under the symbol "GFCO". The VGAN Transaction constituted a Reverse Takeover ("RTO"). The consolidated statements of financial position are presented as a continuance of VGAN and the comparative figures presented are those of the VGAN.

On December 31, 2021, VGAN and Ghetto were amalgamated under the Business Corporations Act (British Columbia).

The accompanying interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. As at September 30, 2024, the Company has not achieved profitable operations, has accumulated losses of $14,029,531 since inception and expects to incur further losses in the development of its business. The aforementioned conditions have resulted in material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations and management is intending to secure additional financing as may be required, there is no assurance it will be able to do so in the future. The accompanying interim financial statements do not include any adjustments that might result from the outcome of this uncertainty. Such adjustments could be material.

Business Model

The Company manufactures and processes a line of gluten-free and allergen free products for individual customers and larger, "food service" customers, which include restaurants. Both individual and food service customers are located across North America, Australia and the United Kingdom. The Company's recipes were initially created in 2012 and have been developed to allow individuals with gluten and other food allergies to enjoy life without giving up their favorite foods or settling for low-quality alternatives. Simply put, "Flour" but good for you. The products which have been developed over the last decade under the branding “Nextjen” include: All-purpose baking flour; Pizza & pasta flour; Tempura batter mix; Fish & chips batter mix; Fried chicken mix; Pancake & waffle mix (including protein pancake & waffle mix; Vanilla bean cake mix; and Pizza shells. In the Company’s mission to reach an even larger audience, the Company has relaunched these superior mixes under a new brand - The Good Flour Co.

Notable Milestones for Fiscal 2025:

- March 8, 2024 – The Company announces that it has entered into a loan agreement (the “Loan Agreement”) with an arm's-length lender pursuant to which the Company may borrow up to $250,000 (subsequently increased to $750,000) in requested drawdowns, from time to time (each advance, a "Loan"). The Loans advanced will bear interest at a rate of 10% per annum and are unsecured, and have a maturity date of six months from the date of the Loan Agreement.
- October 7, 2024 - The Company further amended the Loan Agreement, originally announced on March 8, 2024, to increase the principal amount the Company may borrow to up to $750,000 in requested drawdowns, from time to time. The Loans advanced will bear interest at a rate of 10% per annum and are unsecured, and have a maturity date of March 31, 2025.In connection with making the loan facility available, the Company has agreed to issue up to an additional aggregate of 1,785,700 share purchase warrants (each, a "Bonus Warrant") to the Lender, with such Bonus Warrants vesting on a pro rata basis upon advance of each Loan pursuant to the Loan Agreement. Each Bonus Warrant will be exercisable into one (1) class "A" common share (each, a "Bonus Warrant Share") at a price of $0.14 per Bonus Warrant Share until March 15, 2029. The total Bonus Warrants issued under the Loan are 5,357,100.

Summary of Quarterly Results

The following tables set forth selected financial information of the Company for the eight most recently completed quarters. This information is derived from unaudited quarterly financial statements and audited annual financial statements prepared by management in accordance with IFRS.

For the three months ended

	September 30, 2024	**June 30, 2024**	**March 31, 2024**	**December 31, 2023**
Revenues	356,569	$361,465	$ 354,927	$ 316,881
Cost of sales	(383,650)	(339,353)	(447,514)	(368,522)
Expenses & other	400,884	443,222	266,432	431,988
Net (loss for the period)	(427,965)	(421,111)	(359,019)	(483,629)
Per share – basic and diluted	(0.01)	(0.01)	(0.01)	(0.01)

	September 30, 2023	**June 30, 2023**	**March 31, 2023**	**December 31, 2022**
Revenues	$ 288,620	$ 295,560	$ 239,811	$ 368,362

Cost of sales	(606,411)	(730,176)	(350,984)	(627,988)
Expenses & other	488,508	826,639	2,372,501	1,423,570
Net (loss for the period)	(806,299)	(1,261,255)	(2,483,674)	(1,683,196)
Per share – basic and diluted	(0.01)	(0.02)	(0.03)	(0.02)

In December of 2022 the Company recognized revenue on retail sales made to a large US grocery chain. These sales ended up being a one-time transaction. The Company focused its sales strategy on the food services sector in the fall of 2023. As such in the quarters subsequent to December 2022, sales initially declined, then started to increase, once the Company's new sales initiatives began to take hold. Since March 2023, the Company's sales slowly increased and have held in the range of $350-360k per quarter. During this period, the Company prioritized containing inflationary pressures that had impacted profit margins substantially since production began; specifically, the cost of raw materials, labour, and packaging were evaluated and changes (including price increases) were implemented. The changes have helped decrease cost of sales since December 2022 and margins are beginning to stabilize.

In Q1 of YE 2024, the Company began to increase pricing across all of its product lines. The price increases for dry goods went into effect until late in Q2 YE 2024. The price increases for the frozen goods did not go into effect until May 2024. During Q1 YE 2025, the Company began renegotiating pricing contracts on all of its dry goods once again. These increases will take effect in Q2 YE 2025. The Company expects these increases will continue to have a positive impact on gross margin. Additionally, the Company is in the process of adding new contracts with more favourable pricing with an expected rollout in early Q3 of YE 2025.The Company expects the trend of increased revenues and decreasing cost of sales to continue into the next fiscal year. As new contracts are added the Company continues to reap the benefits of scaling production.

Results of operations – FY 2025 vs FY 2024

Revenue

Revenues were up $67,949 from FY 2024. The increase in revenues year over year is due to expansion of the Company's product lines used by existing customers.

Cost of Sales

Cost of sales decreased $222,761 from the previous fiscal period. This was due to an adjustment to raw materials that was put through in Q1 2024. Wage costs were up $29,605 due to the increase in production from the prior fiscal period. Office expenses allocated to cost of sales were down $16,908 from Q1 2024 as the Company has executed on its goals to decrease administrative costs.

General and administrative

General and administrative costs were down $10,562 from the comparative period in FY 2024. Costs were down due to the decrease in accounting and legal fees in Q1, which offset office administrative increases. Travel expenses were down $4,268 as the focus on food service customers required less travel than retail sales.

Personnel consists of non-production wages. $158,598 of non-production wages were incurred during FY 2025 compared to $156,947 in FY 2024. Overall personnel costs have remained consistent as expected. Management expects these costs to remain consistent for the foreseeable future.

Office expenses of $84,903 were incurred in the FY 2025 and were consistent with FY 2024 at $60,344. Office expenses consist of mainly non-production related supplies. The slight increase is due to an increase in cleaning and security costs.

Sales and marketing

Sales and marketing expenses decreased by $53,931 from FY 2024. The decrease in advertising and marketing fees from the prior period was $49,143. The decrease was due to ending the marketing contract with Presenture LLC in the prior fiscal year.

Expenses by nature

For the three months ended September 30, 2024:

	Cost of Sales	General and administrative	Sales and marketing
Personnel	$ 220,154	$ 158,598	$ -
Travel	-	362	-
Office	12,895	84,903	-
Depreciation	9,625	-	-
Raw Materials	134,651	-	-
Consulting	-	-	82,048
Accounting and legal	-	1,321	-
Finance charges	6,324	-	-
Advertising and marketing fees	-	-	6,399
	$ 383,650	$ 245,183	$ 88,447

For the three months ended September 30, 2023:

		Cost of Sales		General and administrative		Sales and marketing
Personnel	$	190,550	$	156,947	$	-
Travel		-		4,600		-
Office		28,993		60,344		-
Depreciation		18,608		-		-
Raw Materials		362,992		-		-
Consulting		-		-		86,786
Accounting and legal		-		33,854		-
Finance charges		5,268		-		-
Advertising and marketing		-		-		55,592
	$	606,411	$	255,745	$	142,378

Liquidity and capital resources

The statements of financial position as of September 30, 2024, indicate a cash position of $37,227 (June 30, 2024 - $20,376), and total current assets of $490,883 (June 30, 2024 - $507,003). The decrease in current assets can be attributed to less inventory being on hand at the end of the quarter.

The total assets of the Company totaled $1,037,076 (June 30, 2024 - $1,072,366**)** and consists mainly of property and equipment, inventory and amounts receivable in order of greatest to least dollar value.

The Company's total liabilities amounted to $3,075,724 (June 30, 2024 - $2,688,201) that mainly consisted of $1,983,382 in accounts payable and accrued liabilities, and $602,302 in loans payable.

The breakdown of accounts payable is as follows:

		September 30, 2024		**June 30, 2024**
Trade accounts payable	$	698,601	$	686,405
Accounts payable (statute of limitations)		675,220		675,220
Accrued liabilities		609,561		531,679
	$	**1,983,382**	**$**	**1,893,304**

Included in accounts payable is $675,220 of payables that were acquired on the reverse takeover of LOOPShare Ltd. in the 2022 fiscal year. The Company does not expect to ever repay these amounts as they are beyond the basic limitation period for debt claims in British Columbia.

Included in accrued liabilities is an accrual of audit fees from the prior fiscal year ended June 30, 2024 and accruals related to payroll and remittances.

At September 30, 2024, the Company had a working capital deficit of $2,108,192 (June 30, 2024 – working capital deficit of $1,684,161). The decrease in working capital is due to cash expended in regular operations and the fact that the Company has not yet reached profitability.

Total shareholders' equity was comprised of share capital of $8,944,326 (June 30, 2024 – $8,944,301), reserves of $3,046,557 (June 30, 2024 - $3,041,,430) and accumulated deficit of $14,029,531 (June 30, 2024 - $13,601,566).

The Company's forecasted fixed operating expenditures for the next 12 months are estimated at $880,957 detailed as follows:

Marketing & Sales	$54,974
Administrative Wages and Salaries	$290,000
Rent	$285,631
Other General and Administrative Expenses	$250,352
Total	**$880,957**

The Company's current capital resources and expected are revenues are not sufficient to pay the fixed operating expenditures for the next twelve months and it requires additional funding during Q2 FY 2025 to fund its operating expenses and its development of its products. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate enough cash from its operations in the foreseeable future, the Company will have to rely on loans from external or related parties and the issuance of equity, to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

Management considers the items included in shareholders' equity (deficit) and working capital as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

This MD&A has been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. As September 30, 2024, the Company has accumulated losses of $14,029,531 since inception and expects to incur further losses in the development of its business, all of which are material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. The Company manages its capital structure and adjusts it based on the funds available to the Company, in order to support its operations and business development. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain development of the business.

The Company is generating revenue and cash flows; however, these are still negative; as such, the Company is dependent on external financing to fund its future intended business plan. The capital structure of the Company currently consists of common shares. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements. The Company has $70,000 remaining to draw down under the terms of the Loan. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There was no change to the Company's management of capital during the period ended September 30, 2024. The Company is not subject to any externally imposed capital requirements.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(a) The recoverability of receivables, prepayments and deposits that are included in the consolidated statements of financial position.

(b) The fair value of stock options, warrants and compensation options which requires the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments.

(c) The fair value of restricted share units which requires the estimation of the number of awards likely to vest on grant and at each reporting date up to the vesting date.

(d) The fair value of the investment for which a quoted market price in an active market is not available.

(e) The recoverability of deferred tax assets based on the assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions.

(f) The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

These estimates and assumptions are disclosed further in Note 4 of the financial statements.

Financial and Other Instruments

A fair value hierarchy prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in 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).

The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities, and due to related parties approximate their fair values due to their short-term nature.

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

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The Company provides credit to its clients in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent losses. The Company's maximum exposure to credit risk is the carrying amounts of cash and accounts receivable on the statements of financial position.

Accounts receivable consists of trade receivables of $101,100 and $52,470 of sales tax receivable. The Company provides credit to very limited customer base in the normal course of business and has established credit evaluation via an active direct consultation with its customers to mitigate credit risk. Accounts receivable are shown net of any provision made for impairment of receivables. Due to this factor, the Company believes that no additional credit risk, beyond amounts provided for collection loss, is inherent in accounts receivable.

Expected credit loss ("ECL") analysis is performed at each reporting date using an objective approach to measure expected credit losses. The provision amounts are based on direct management interface with the customer. The calculations reflect the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Accounts receivable are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, business failure, the failure of a debtor to engage in a repayment plan, and a failure to make contractual payments over the negotiated contract period. The aging analysis of accounts receivable is as follows:

	September 30, 2024	June 30, 2024
Current to 3 months	$ 97,203	$ 68,838
Over 3 months	3,897	5,380
Trade receivables	**$ 101,100**	**$ 74,218**

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. As at September 30, 2024, the Company has a working capital deficit of $2,108,192. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The Company may seek additional financing through equity and debt offerings and advances from related parties, but there can be no assurance that such financing will be available on terms acceptable to the Company.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company’s cash is not subject to interest rate risk. The loan payable and convertible debentures are not subject to interest rate risk as they are a fixed rate. The Company is not exposed to other significant interest rate risk due to the short-term maturity of its monetary assets and liabilities and amounts owing being non-interest bearing or bearing fixed rates of interest.

(e) Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company’s sales are primarily in Canadian dollars with and the Company’s manufacturing costs are largely denominated in Canadian dollars, providing a natural hedge against the risk of foreign exchange fluctuations. The Company is also exposed to fluctuations in foreign currencies through its existing liabilities from previous operations in Japan. The Company monitors this exposure but has entered into no formal hedge agreements.

As at September 30, 2024, the Company was exposed to foreign currency risk through the following financial assets and liabilities denominated in foreign source currencies.

	September 30, 2024		June 30, 2024	
	US Dollar	Japanese Yen	US Dollar	Japanese Yen
Cash	$ 9,663	541	$ 150	541
Accounts receivable	7,925	-	12,113	-
Accounts payable	44,907	165,777	46,024	165,777
Total	$ 64,495	166,318	$ 58,287	166,318

(f) Other price risk

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 or foreign currency risk. The Company is not exposed to significant other price risk.

Related Party Transactions

During the three months ended September 30, 2024 and 2023, the Company incurred the following related party transactions:

The Company has identified its directors and senior officers as its key management personnel. No post-employment benefits, other long-term benefits and termination benefits were made during the three months ended September 30, 2024.

<u>Key Management Compensation</u>

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company.

	For the three months ended September 30	
	2024	**2023**
Salary and management fees	$ 90,000	$ 84,000
Legal and consulting fees	4,481	30,000
Share-based compensation expensed	2,823	20,826
	$ 97,304	**$ 134,826**

The following amounts are payable and due to/from related parties. These amounts are unsecured, are non-interest bearing and have no fixed terms of repayment.

	September 30, 2024	**June 30, 2024**
Due to directors and officers	$ 38,763	$ 21,525
Convertible debentures	-	228,504
	$ 38,763	**$ 250,029**

a) During the period ended September 30, 2024 legal fees are paid to a law firm in which the director has a partnership interest and is included in accounting and legal in the financial statements.

b) During the period ended September 30, 2024, the Company had sales of $2,171 to a Company owned by an officer and director of the Company.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Outstanding Share Data

	September 30, 2024	Date of Report
Common shares	87,425,707	87,425,707
Share purchase warrants	53,457,113	54,742,817
Stock options outstanding	3,285,000	3,285,000
Convertible debt	750,000	750,000
Restricted share units outstanding	4,000,000	4,000,000
	148,917,820	**150,203,524**

Risk Factors

The Company's business is subject to significant risks and uncertainties, which even a combination of careful evaluation, experience and knowledge may not eliminate. Please refer to the Company's Listing Statement dated October 29, 2021 available on SEDAR at www.sedar.com for disclosure of the risk factors that may materially affect the Company's future performance, in addition to those referred to above.

Accounting Policies

The accounting policies followed by the Company are set out in Note 3 to the accompanying audited financial statements for the year-ended June 30, 2024.

Subsequent Events

On October 7, 2024, the Company amended the loan agreement disclosed in Note 11 (ii) whereby the principal amount of the loan was increased to up to $750,000. Pursuant to the amended agreement, the Company issued an additional 1,785,700 warrants to the Lender ("Additional Bonus Warrants") on the date of the amendment, with such Additional Bonus Warrants vesting on a pro rata basis upon the advance of each loan pursuant to the amended loan agreement. Each Additional Bonus Warrant will be exercisable into one (1) class "A" common share at a price of $0.14 and have an expiry date of March 15, 2029.

Subsequent to September 30, 2024, the Company received an additional $180,000 in debt financing pursuant to the loan agreement.