

LANEBURY GROWTH CAPITAL LTD.

Vancouver, BC

Condensed Interim Financial Statements
Nine Month Period Ended March 31, 2023
(Unaudited - Prepared by Management)
(Expressed in Canadian Dollars)

LANEBURY GROWTH CAPITAL LTD.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements. The accompanying condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

VANCOUVER, BC

May 16, 2023

Lanebury Growth Capital Ltd.

LANEBURY GROWTH CAPITAL LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	March 31, 2023	June 30, 2022
ASSETS			
Current assets			
Cash and cash equivalents		\$ 21,285	\$ 27,727
		21,285	27,727
Non-current assets			
Wind assets	7	1	1
Loans receivable and accrued interest	5	3,762,589	1,515,629
Right-of-use asset	9	72,105	-
Investments measured at fair value through profit or loss	3	105,983	192,427
Equity investments	4	84,220	138,153
Other investments	6	4,275,281	3,166,502
		8,300,179	5,012,712
TOTAL ASSETS		\$ 8,321,464	\$ 5,040,439
LIABILITIES			
Current liabilities			
Trade and other payables	11	\$ 30,404	\$ 40,755
Current portion of lease liability	9	18,900	-
		49,304	40,755
Non-current liabilities			
Lease liability	9	53,893	-
Loans payable	8	3,963,076	792,401
TOTAL LIABILITIES		4,066,273	833,156
SHAREHOLDERS' EQUITY			
Share capital	10	5,010,001	5,010,001
Reserve	10	205,239	205,239
Equity portion of debt	8	453,949	123,550
Deficit		(1,413,998)	(1,131,507)
TOTAL SHAREHOLDERS' EQUITY		4,255,191	4,207,283
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 8,321,464	\$ 5,040,439

Nature and continuance of operations (Note 1)

Approved and authorized for issue by the Company's Board of Directors on May 16, 2023.

"Lance Tracey"
Lance Tracey, Director

"Sheri Rempel"
Sheri Rempel, Director

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

LANEBURY GROWTH CAPITAL LTD.**CONDENSED INTERIM STATEMENTS OF NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)***(Unaudited - Expressed in Canadian Dollars)*

	Note	Three months ended March 31,		Nine months ended March 31,	
		2023	2022	2023	2022
Expenses					
Management and consulting fees	11	\$ 13,059	\$ 8,873	\$ 41,241	\$ 33,140
Office and sundry		221	267	732	844
Professional fees	11	11,344	5,000	32,597	24,886
Amortization	5,9	78,826	-	150,883	-
Transfer agent and filing fees		3,146	3,158	12,071	11,956
		(106,596)	(17,298)	(237,524)	(70,826)
Other items					
Foreign exchange gain (loss)	5,6,8	(1,849)	(21,824)	108,874	11,004
Interest expense	8,9,11	(112,096)	(18,669)	(272,443)	(50,310)
Accretion expense	8,11	(67,268)	(14,743)	(199,282)	(40,194)
Interest income	5,11	164,061	62,230	458,261	182,257
Net fair value gain (loss) on investments	3	(66,214)	98,038	(86,444)	(315,630)
Equity loss on investments	4	(23,100)	(19,668)	(53,933)	(112,967)
Net income (loss) and comprehensive income (loss)					
for the period		\$ (213,062)	\$ 68,066	\$ (282,491)	\$ (396,666)
Income (loss) per share – basic and diluted		\$ (0.02)	\$ 0.01	\$ (0.03)	\$ (0.04)
Weighted average number of common shares					
outstanding - basic and diluted		10,320,803	10,320,803	10,320,803	10,320,803

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

LANEBURY GROWTH CAPITAL LTD.**CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY***(Unaudited - Expressed in Canadian Dollars)*

	Share capital		Reserve	Equity portion of debt	Deficit	Total
	Number of shares	Amount				
Balance at June 30, 2021	10,320,803	\$ 5,010,001	\$ 205,239	\$ 43,893	\$ (1,169,234)	\$ 4,089,899
Equity portion of debt	-	-	-	79,657	-	79,657
Net loss for the period	-	-	-	-	(396,666)	(396,666)
Balance at March 31, 2022	10,320,803	\$ 5,010,001	\$ 205,239	\$ 123,550	\$ (1,565,900)	\$ 3,772,890
Balance at June 30, 2022	10,320,803	\$ 5,010,001	\$ 205,239	\$ 123,550	\$ (1,131,507)	\$ 4,207,283
Equity portion of debt	-	-	-	330,399	-	330,399
Net loss for the period	-	-	-	-	(282,491)	(282,491)
Balance at March 31, 2023	10,320,803	\$ 5,010,001	\$ 205,239	\$ 453,949	\$ (1,413,998)	\$ 4,255,191

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

LANEBURY GROWTH CAPITAL LTD.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Nine months ended March 31,	
	2023	2022
Operating activities		
Net loss for the period	\$ (282,491)	\$ (396,666)
Adjustments for non-cash items:		
Accrued interest income	(458,261)	(182,257)
Interest expense	272,443	50,310
Accretion expense	199,282	40,194
Amortization expense	150,883	-
Unrealized foreign exchange gain	(108,874)	(11,004)
Unrealized fair value loss on investments	86,444	315,630
Equity loss on investments	53,933	112,967
Changes in non-cash working capital items:		
Trade payables and other payables	(10,351)	(10,282)
Net cash used in operating activities	(96,992)	(81,108)
Investing activities		
Loans advanced	(1,900,000)	-
Other investments	(1,000,000)	(675,000)
Net cash used in investing activities	(2,900,000)	(675,000)
Financing activities		
Loan proceeds received	3,000,000	200,000
Lease payments made	(9,450)	-
Net cash provided by financing activities	2,990,550	200,000
Decrease in cash and cash equivalents	(6,442)	(556,108)
Cash and cash equivalents, beginning	27,727	606,556
Cash and cash equivalents, ending	\$ 21,285	\$ 50,448
 <u>Supplemental non-cash transactions:</u>		
Equity portion of loans payable	\$ 330,399	\$ 79,657

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

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

(Unaudited - Expressed in Canadian Dollars)

For the Nine-Month Period Ended March 31, 2023 and 2022

Note 1 Nature and Continuance of Operations

Lanebury Growth Capital Ltd. ("Lanebury" or the "Company") was incorporated under the Business Corporations Act (British Columbia) on August 19, 2011, under the name NU2U Resources Corp. and subsequently changed its name to Lanebury Growth Capital Ltd. on April 25, 2017. The Company's registered and records office is located at 401 - 750 West Pender Street, Vancouver, BC, V6C 2T7.

Lanebury is an investment company with an investment strategy focused on building a portfolio of high-quality investments in technology start-ups. The Company targets investments, for the most part, that have a monthly revenue model and can be scaled easily using internet and mobile technologies.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The ability of the Company to continue as a going concern is dependent upon a number of factors including obtaining additional financing as required and seeking profitable operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These condensed interim financial statements do not give effect to adjustments to the carrying value and classification of assets and liabilities and related expense that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption is not appropriate, material adjustments to the condensed interim financial statements could be required.

These condensed interim financial statements are presented in Canadian dollars unless otherwise indicated.

Note 2 Significant Accounting Policies

Basis of Presentation

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Certain information and note disclosures normally included in the audited annual financial statements prepared in accordance with IFRS have been omitted or condensed. As a result, these condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended June 30, 2022.

Accounting standards issued but not yet effective

Other accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company's financial statements.

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

*(Unaudited - Expressed in Canadian Dollars)*For the Nine-Month Period Ended March 31, 2023 and 2022

Note 3 Investments measured at fair value through profit or loss

Plank Ventures Ltd.

As at March 31, 2022, the Company held 1,973,611 shares of Plank Ventures Ltd. ("Plank"), of which 1,085,487 are unrestricted. The fair value of the unrestricted shares is determined by taking the number of unrestricted shares and multiplying by price per share prevailing on the market at the date closest to date of the financial statements. The fair value of the restricted shares is based on number of restricted shares multiplied by the price per share prevailing on the market at the date closest to date of the financial statements and applied by discount for lack of marketability ("DLOM"). The DLOM reflects the impact of the restriction period on fair value of the shares due to time value of money, the risk of trading price fluctuation, and opportunity cost of not being permitted to liquidate the restricted shares and use the proceeds in alternative investment. The DLOM reduces the value of investment in Plank and is recognized as fair value loss on investment in condensed interim statements of net income (loss) and comprehensive income (loss).

For the nine months ended March 31, 2023, the Company recognized fair value loss on its investment in Plank of \$86,444 (March 31, 2022 – fair value loss of \$315,630). As at March 31, 2023, the carrying value of the investment in Plank was \$105,983 (March 31, 2022 – 1,973,611 common shares with carrying value of \$468,683).

Note 4 Equity Investments

Mobio Technologies Inc.

During the period ended March 31, 2023, the Company recognized its share of Mobio's net loss of \$53,933 (March 31, 2022 - \$112,967 net loss) in its condensed interim statements of net income (loss) and comprehensive income (loss).

As of March 31, 2023, the Company held 11,841,668 common shares of Mobio with a carrying value of \$84,220 (March 31, 2022 – 11,841,668 shares with carrying value of \$86,840). As of March 31, 2023, the value of the shares is \$1,124,958 (March 31, 2022 - \$1,184,167) based on Mobio's last quoted market price. The shares of Mobio are considered to be thinly traded and are currently halted by the exchange, accordingly the quoted market price may not be indicative of fair value.

The purpose of the Company's investment in Mobio is to provide capital and consultations to support Mobio's technology development.

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

*(Unaudited - Expressed in Canadian Dollars)*For the Nine-Month Period Ended March 31, 2023 and 2022

Note 5 Loans Receivable and Accrued Interest

Plank Ventures Ltd.

On January 29, 2019, the Company entered into an agreement to loan \$700,000 to Plank. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest was due and payable on January 29, 2021. At initial recognition, a discount of \$108,147 was recognized to record the loan at fair value using a discount rate of 20%, which was recorded to the investment in Plank. On January 29, 2021, the loan with principal balance of \$847,211 was extended to mature on December 31, 2022, at which date the principal balance plus accrued interest is due and payable. On renewal, a discount of \$130,326 was recognized to record the loan at fair value using a discount rate of 20%, which was recorded to the investment in Plank. During the nine months ended March 31, 2023, the company earned interest and accretion of \$89,391 (March 31, 2022 - \$113,500) were earned on the loan. On January 1, 2023, the Company consolidated the outstanding balance of the loan of \$1,017,976 with other loans to Plank into a new promissory note.

On September 16, 2020, the Company entered into an agreement to loan \$526,720 (USD\$400,000) to Plank. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest is due and payable on September 16, 2021. At initial recognition, a discount of \$43,893 (USD\$33,333) was recognized to record the loan at fair value using a discount rate of 20%, which was recorded to the investment in Plank. On March 12, 2021, the loan was extended to mature on December 31, 2022, at which date the principal balance plus accrued interest is due and payable. On renewal, an additional discount of \$53,740 (USD\$43,016) was recognized to record the loan at fair value using a discount rate of 20%, which was recorded to the investment in Plank. During the nine months ended March 31, 2023, the company earned \$56,719 (March 31, 2022 - \$68,757) in interest and accretion on the loan and recognized \$30,930 in foreign exchange gain on translation due to favorable exchange rate movement. On January 1, 2023, the Company consolidated the outstanding balance of the loan of \$674,693 with other loans to Plank into a new promissory note.

On July 12, 2022, the Company entered into an agreement to loan \$1,300,000 to Plank. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest is due and payable on December 31, 2022. At initial recognition, a discount of \$50,810 was recognized against the balance of the loan to record the loan at fair value using a discount rate of 20%. The discount is amortized on the straight-line basis. During the nine months ended March 31, 2023, the company earned interest and accretion of \$112,071 and recognized \$50,810 discount amortization expense on the loan. On January 1, 2023, the Company consolidated the outstanding balance of the loan of \$1,361,260 with other loans to Plank into a new promissory note.

On September 2, 2022, the Company entered into an agreement to loan \$600,000 to Plank. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest is due and payable on December 31, 2022. At initial recognition, a discount of \$16,921 was recognized against the balance of the loan to record the loan at fair value using a discount rate of 20%. The discount is amortized on the straight-line basis. During the nine months ended March 31, 2023, the company earned interest and accretion of \$36,019 and recognized \$16,921 discount amortization expense on the loan. On January 1, 2023, the Company consolidated the outstanding balance of the loan of \$619,099 with other loans to Plank into a new promissory note.

On January 1, 2023, the Company entered into an agreement to combine all outstanding loans receivable from Plank with total outstanding balance of \$3,673,028 into a single promissory note. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest is due and payable on September 30, 2023. At initial recognition, a discount of \$227,683 was recognized against the balance of the loan to record the loan at fair value using a discount rate of 20%. The discount is amortized on the straight-line basis. During the nine months

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

(Unaudited - Expressed in Canadian Dollars)

For the Nine-Month Period Ended March 31, 2023 and 2022

Note 5 Loans Receivable and Accrued Interest (continued)

ended March 31, 2023, the company earned interest and accretion of \$164,061 and recognized \$74,499 discount amortization expense on the loan.

The loans receivable are made up as follows:

	March 31, 2023	June 30, 2022
Balance, beginning	\$ 1,515,629	\$ 1,244,829
Fair value of additional loans	5,277,614	-
Loans combined	(3,673,028)	-
Discount, net of amortization	295,414	-
Amortization	(142,230)	-
Foreign exchange translation adjustments	30,929	20,395
Interest and accretion	458,261	250,405
Balance, ending	\$ 3,762,589	\$ 1,515,629

Note 6 Other Investments**Finhaven Technology Inc.**

On July 24, 2018, the Company completed a \$1,321,000 (US\$1,000,000) investment in Finhaven Technology Inc. ("Finhaven") pursuant to the Simple Agreement for Future Equity (the "SAFE"). The SAFE provided an automatic conversion into common shares at a price equal to USD \$33,000,000 divided by the capitalization of Finhaven no later than 90 days past September 30, 2021. During the year ended June 30, 2022, the SAFE was terminated and Finhaven issued 452,143 common shares to the Company in accordance with the SAFE formula.

During the period ended March 31, 2023, the Company recognized a foreign exchange gain of \$95,839 (March 31, 2022 – gain of \$10,200).

	March 31, 2023	June 30, 2022
Balance, beginning	\$ 1,908,782	\$ 1,239,400
Fair value gain on investments	-	618,016
Foreign exchange translation adjustments	95,839	51,366
Balance, ending	\$ 2,004,621	\$ 1,908,782

The fair value of the investment was determined based on level 2 valuation data, using the data from the most recent capital raise with arm's length third party investors.

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

(Unaudited - Expressed in Canadian Dollars)

For the Nine-Month Period Ended March 31, 2023 and 2022

Note 6 Other Investments (continued)**Fission Internet Software Services for Open Networks Inc.**

On August 15, 2019, the Company subscribed for 640,000 common shares of Fission Internet Software Services for Open Networks Inc. ("Fission") for cash consideration of \$266,000 (US\$200,000).

On November 26, 2020, the Company made \$325,000 investment in Fission pursuant to the Simple Agreement for Future Equity (the "SAFE2"). The SAFE2 provides that the investment will be converted into a number of preferred shares upon closing of the next equity financing round. The number of preferred shares upon conversion is to be the greater of the invested amount divided by either the post-money valuation cap of \$8,000,000 divided by capitalization of Fission, or preferred shares price set in equity financing multiplied by discount rate of 80%.

On October 5, 2021, the Company made a further \$675,000 investment in Fission pursuant to the Simple Agreement for Future Equity (the "SAFE3"). The SAFE3 provides that the investment will be converted into a number of preferred shares upon closing of the next equity financing round. The number of preferred shares upon conversion is to be the greater of the invested amount divided by either the post-money valuation cap of \$8,000,000 divided by capitalization of Fission, or preferred shares price set in equity financing multiplied by discount rate of 80%.

During the period ended March 31, 2023, the Company recognized a foreign exchange gain of \$12,940 (March 31, 2022 – gain of \$2,040).

		March 31, 2023		June 30, 2022
Balance, beginning	\$	1,257,720	\$	572,880
Additional investment		-		675,000
Foreign exchange translation adjustments		12,940		9,840
Balance, ending	\$	1,270,660	\$	1,257,720

The fair value of the investment was determined to be cost because there is insufficient more recent information to measure fair value after taking into account internally generated financial reports as well as qualitative factors with respect to the development of Fission's technology.

Premium Sound Inc.

On July 19, 2022, the Company made \$500,000 investment in Premium Sound Inc. pursuant to the Simple Agreement for Future Equity (the "SAFE4"). The SAFE4 provides that the Investment will be converted into shares of Premium Sound Inc. at a price equal to the greater of the number of standard preferred shares equal to the investment divided by the lowest price per share of the standard preferred shares; or the number of SAFE4 preferred shares equal to the Investment divided by the post-money valuation cap of \$24,000,000 divided by the Premium Sound Inc. capitalization upon closing of the next equity financing round. The SAFE4 allows for a follow-on investment of \$500,000 on the same terms, which the Company has completed on October 20, 2022. As of March 31, 2023, the value of investment in Premium Sound Inc. is \$1,000,000.

The fair value of the investment was determined to be cost because of the nature of the SAFE4 investment and given the recency of the transaction.

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

(Unaudited - Expressed in Canadian Dollars)

For the Nine-Month Period Ended March 31, 2023 and 2022

Note 7 Wind Assets

The wind assets consist of an investment in Katabatic Power Corp. comprised of various debt instruments and a minority equity interest, recorded at its fair value of \$1 (June 30, 2022 - \$1).

Note 8 Loans Payable

On September 16, 2020, the Company entered into an agreement to borrow \$526,720 (USD\$400,000) from a company controlled by an officer and majority shareholder. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest was due and payable on September 16, 2021. The Company recognized an equity component of \$43,893 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. On September 16, 2021, the loan was extended to mature on December 31, 2022. Upon extension the Company recognized an equity component of \$59,227 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. During the period ended March 31, 2023, the Company recorded interest and accretion of \$56,633 (March 31, 2022 - \$73,088) on the loan and recognized \$30,834 in foreign exchange loss on translation due to unfavorable exchange rate movement. On January 1, 2023, the Company consolidated the outstanding balance of the loan of \$673,928 with other loans from a company controlled by an officer and majority shareholder into a new promissory note.

On October 5, 2021, the Company entered into an agreement to borrow \$200,000 from a company controlled by an officer and majority shareholder. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest is due and payable on December 31, 2022. Upon initial recognition the Company recognized an equity component of \$20,430 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. During the period ended March 31, 2023, the Company recorded interest and accretion of \$19,115 (March 31, 2022 - \$17,416) on the loan. On January 1, 2023, the Company consolidated the outstanding balance of the loan of \$225,055 with other loans from a company controlled by an officer and majority shareholder into a new promissory note.

On July 12, 2022, the Company entered into an agreement to borrow \$1,300,000 from a company controlled by an officer and majority shareholder. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest is due and payable on December 31, 2022. Upon initial recognition the Company recognized an equity component of \$50,810 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. During the period ended March 31, 2023, the Company recorded interest and accretion of \$112,071 on the loan. On January 1, 2023, the Company consolidated the outstanding balance of the loan of \$1,361,260 with other loans from a company controlled by an officer and majority shareholder into a new promissory note.

On July 19, 2022, the Company entered into an agreement to borrow \$600,000 from a company controlled by an officer and majority shareholder. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest is due and payable on December 31, 2023. Upon initial recognition the Company recognized an equity component of \$71,214 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. During the period ended

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

(Unaudited - Expressed in Canadian Dollars)

For the Nine-Month Period Ended March 31, 2023 and 2022

Note 8 Loans Payable (continued)

March 31, 2023, the Company recorded interest and accretion of \$73,885 on the loan. The balance of the loan as at March 31, 2022 is \$602,672.

On September 2, 2022, the Company entered into an agreement to borrow \$600,000 from a company controlled by an officer and majority shareholder. The loan is unsecured and bears interest at 10%. The principal balance plus accrued interest is due and payable on December 31, 2022. Upon initial recognition the Company recognized an equity component of \$16,921 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. During the period ended March 31, 2023, the Company recorded interest and accretion of \$36,019 on the loan. On January 1, 2023, the Company consolidated the outstanding balance of the loan of \$619,099 with other loans from a company controlled by an officer and majority shareholder into a new promissory note.

On October 20, 2022, the Company entered into an agreement to borrow \$500,000 from a company controlled by an officer and majority shareholder. The loan is unsecured and bears interest at 10% per annum. The principal balance plus accrued interest is due and payable on December 31, 2023. Upon initial recognition the Company recognized an equity component of \$50,432 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. During the period ended March 31, 2023, the Company recorded interest and accretion of \$42,124 on the loan. The balance of the loan as at March 31, 2023 is \$491,692.

On January 31, 2023, the Company entered into an agreement to combine all outstanding loans with maturity date of December 31, 2022 payable to a company controlled by an officer and majority shareholder into a single promissory note with total outstanding balance of \$2,879,342. The loan is unsecured and bears interest at 12% per annum. The principal balance plus accrued interest is due and payable on September 30, 2023. Upon initial recognition the Company recognized an equity component of \$141,022 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. During the period ended March 31, 2023, the Company recorded interest and accretion of \$130,393 on the loan. The balance of the loan as at March 31, 2023 is \$2,868,712.

Loans payable are made up as follows:

	March 31, 2023	June 30, 2022
Balance, beginning	\$ 792,401	\$ 525,913
Fair value of additional loan	5,548,943	179,570
Loans combined	(2,879,342)	-
Fair value on amendment of loan receivable	-	(59,227)
Interest and accretion	470,240	124,491
Foreign exchange translation adjustments	30,834	21,654
Balance, ending	\$ 3,963,076	\$ 792,401

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

(Unaudited - Expressed in Canadian Dollars)

For the Nine-Month Period Ended March 31, 2023 and 2022

Note 9 Lease

On October 1, 2022, the Company entered into an office lease agreement for a term of three years and four months with the option to extend it for a further 16 months until May 31, 2027. In accordance with IFRS 16, the Company recorded a right-of-use asset and a lease liability with a fair value of \$80,758. Fair value was determined by discounting future lease payments at a discount rate of 20% per annum.

The Company's right-of-use asset as at March 31, 2023:

Balance, June 30, 2022	\$	-
Addition of right-of-use asset		80,758
Amortization		(8,653)
Balance, March 31, 2023	\$	72,105

The Company's lease liability as at March 31, 2023:

Balance, June 30, 2022	\$	-
Addition of right-of-use asset		80,758
Payments made		(9,450)
Interest accrued		1,485
Balance, March 31, 2023	\$	72,793
Current portion	\$	18,900
Long term portion		53,893
	\$	72,793

Note 10 Share Capital and Reserve

Share Capital**Authorized**

Unlimited number of common shares without par value.

Unlimited number of preferred shares with a par value of \$100 per share.

The total number of common shares outstanding at March 31, 2023, is 10,320,803 (June 30, 2022 - 10,320,803).

Stock Options

The number of shares available for purchase pursuant to options granted under the stock option plan will not exceed 10% of the shares that are outstanding (on a non-diluted basis) immediately prior to the share issuance or grant of options. The plan places limits on the maximum number of options which may be granted to any one

LANEBURY GROWTH CAPITAL LTD.

Notes to the Condensed Interim Financial Statements

(Unaudited - Expressed in Canadian Dollars)

For the Nine-Month Period Ended March 31, 2023 and 2022

Note 10 Share Capital and Reserve (continued)

holder, insider, consultant and employees and consultants engaged in investor relations activities within any 12-month period. Options granted in relation to investor relations activities must vest in stages over 12 months with no more than 25% of the options vesting in any three-month period. The vesting period for all other options is at the discretion of the Board of Directors.

There was no stock option activity for the period ended March 31, 2023. Stock options outstanding and exercisable at March 31, 2023, are as follows:

Options outstanding	Exercise Price	Expiry date	Options exercisable
300,000	\$ 0.50	July 31, 2023	300,000
400,000	\$ 0.25	May 19, 2025	400,000
700,000			700,000

The weighted average remaining contractual life of outstanding options at March 31, 2023 is 1.36 years.

Note 11 Related Party Transactions**Balances**

Included in trade and other payables is \$234 (June 30, 2022 - \$1,714) owing to a company with the common director of the Company.

Loans payable represent loans from Code Consulting Limited ("Code"), the majority shareholder of the Company. Code is a Canadian private investment corporation located and operating out of Vancouver, it is wholly owned and controlled by Lance Tracey, a director and officer of the Company. Loans receivable represent loans to Plank Venture Capital ("Plank"), a publicly traded company a publicly traded company in which Code is also the majority shareholder. The Company and Plank are therefore under common control of Code.

Transactions with related parties

Transactions with related parties are summarized in the tables below:

	Nine months ended March 31,	
	2023	2022
Principal balance of loans received from Code	\$ 5,879,341	\$ 726,720
Principal balance of loans made to Plank	\$ 5,573,028	\$ 1,226,720
Interest and accretion expense on loan payable to Code	\$ 470,240	\$ 90,504
Interest and accretion income on loans receivable from Plank	\$ 458,261	\$ 182,257

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Notes to the Condensed Interim Financial Statements

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For the Nine-Month Period Ended March 31, 2023 and 2022

Note 11 Related Party Transactions (continued)

Management compensation

	Nine months ended March 31,	
	2023	2022
Consulting, legal, and administration fees paid to a company controlled by the CFO	\$ 12,075	\$ 5,197
Consulting fees paid to a company with common director	\$ 25,987	\$ 20,225
Lease payments made to a company with common director	\$ 9,450	\$ -
Interest accrued to a company with common director	\$ 1,485	\$ -

All amounts due to related parties are unsecured, non-interest bearing and have no specific terms of settlement, unless otherwise noted. Transactions with related parties are also disclosed in Notes 5, 8 and 9.

Note 12 Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support future business opportunities. 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 future development of the business. In the management of capital, the Company includes cash balances, loans, and components of equity.

In order to carry out future projects and pay for administrative costs, the Company will raise additional funds as needed. 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 externally imposed capital requirements. There were no changes to the Company's approach to capital management during the year ended March 31, 2023.

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Note 13 Financial Instruments

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

Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk on loans receivable from Plank with a carrying value of \$3,762,589. The Company considered the nature of the related party relationship between Plank and Lanebury and assessed qualitative information available to date in its evaluation of collectability of these loans. The Company determined that the loans are collectable based on the assets that are held by Plank and no credit loss was recorded.

Liquidity risk:

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2023, the Company had a cash balance of \$21,285 (June 30, 2022 - \$27,727) to settle current liabilities of \$49,304 (June 30, 2022 - \$40,755). The Company is in communication with its investors and lenders and expects to increase liquidity via additional debt issuance in the coming months.

Market risk:

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and equity prices.

(a) Interest rate risk – The loans to related companies bear a fixed rate of interest and accordingly are not subject to interest rate risk. The Company has a cash balance making the Company sensitive to interest rate fluctuations.

(b) Foreign currency risk - The Company is headquartered in Canada and its functional reporting currency is the Canadian dollar. The Company has significant investments in Finhaven and Fission that are denominated in US dollars. As such, the Company's results of operations are subject to foreign currency fluctuation risks and these fluctuations may adversely affect the financial position and operating results of the Company. As of March 31, 2023, the Company does not use derivative instruments to reduce its exposure to currency risk. A 10% change in the US dollar to the Canadian dollar exchange rate would impact the Company's net income by \$227,528.

The Company's financial instruments measured at fair value consist of cash and cash equivalents, trade and other payables, SAFE investments, and other investments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Investment in the shares of Plank Ventures Ltd., the SAFE investments and other investments are classified as Level 3, which use valuation techniques, including DLOM, internally generated, and comparable public companies' data to determine the fair value.

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Notes to the Condensed Interim Financial Statements

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For the Nine-Month Period Ended March 31, 2023 and 2022

Note 13 Financial Instruments (continued)

Lease liability, loans payable to Code Consulting Limited, and loans receivable from Plank Ventures Ltd. are measured at amortized cost. Upon recognition, the fair values of the loans are estimated by discounting cash flows using interest rates of debt instruments with similar terms, maturities, and risk profile. The carrying values approximate the fair value of the loans and lease liability.