

Beyond Oil Ltd.

Unaudited Interim Condensed Consolidated Financial Statements

As of March 31, 2024

Expressed U.S. dollars in thousands

NOTICE TO SHAREHOLDERS

The accompanying unaudited interim condensed Consolidated financial statements of Beyond Oil Ltd. for the three months ended March 31, 2024 have been prepared by management in accordance with International Financial Reporting Standards applicable to interim financial statements (Note 2). Recognizing that the Company is responsible for both the integrity and objectivity of the unaudited interim condensed financial statements, management is satisfied that these unaudited interim condensed Consolidated financial statements have been fairly presented.

Under National Instrument 51-102, part 4, sub-section 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 the financial statements have not been reviewed by an auditor.

The Company's independent auditor has not performed a review of these unaudited interim condensed financial statements in accordance with standards established by the Institute of Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Beyond Oil Ltd.

Unaudited Interim Condensed Consolidated Financial Statements As of March 31, 2024 Expressed U.S. dollars in thousands

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL STATEMENTS:	
Unaudited Interim Condensed Consolidated Statements of Financial Position	4
Unaudited Interim Condensed Consolidated Statements of Comprehensive Loss	5
Unaudited Interim Condensed Consolidated Statements of Changes in shareholders' equity	6-7
Unaudited Interim Condensed Consolidated Statements of Cash Flows	8
Notes to the Unaudited Interim Condensed Consolidated Financial Statements	9-17

Beyond Oil Ltd.

Unaudited Interim Condensed Consolidated Statements of Financial Position

U.S. dollars in thousands

	Note	March 31, 2024	December 31, 2023
Assets			
Current			
Cash and cash equivalents	\$	1,250	\$ 411
Account Receivables		12	*
Other accounts receivable		82	63
Inventory		346	384
Total current assets		1,690	858
Non-current			
Lease asset, net		148	130
Intangible asset, net		3,052	3,150
Property and equipment, net		127	134
Total non-current assets		3,327	3,414
Total assets	\$	5,017	\$ 4,272
Liabilities			
Current liabilities			
Trade accounts payable	\$	213	\$ 211
Other accounts payable		561	573
Related Party	8	132	187
Derivative liability – Warrants	4	7	*
Advanced payment		43	44
Royalties liability		294	73
Total current liabilities		1,250	1,088
Non-current liabilities			
Royalties liability		57	265
Lease liability		56	35
Total non-current liabilities		113	300
Shareholders' equity			
Share capital and premium		17,570	16,144
Reserve from share-based compensation transactions		9,446	9,359
Reserve from transaction with controlling shareholder		920	920
Foreign currency translation reserve		451	485
Accumulated deficit		(24,733)	(24,024)
Total Shareholders' equity		3,654	2,884
Total Liabilities and Shareholders' equity	\$	5,017	\$ 4,272

* Represent amount less than 1 thousand.

Going Concern (Note 1C)

May 30, 2024	/s/ "Dan Itzhaki"	/s/ "Jonathan Or"
Date of approval of the financial statements	Chairman of the Board of Directors - Dan Itzhaki	CEO and Director - Jonathan Or

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements

Beyond Oil Ltd.**Unaudited Interim Condensed Consolidated Statements of Comprehensive Loss**

U.S. dollars in thousands, except per share data

	Three-month period ended		
	March 31,		
	Note	2024	2023
Revenues	\$	133	\$ 10
Cost of revenues		(92)	(8)
Gross profit		41	2
Operating expenses			
Research and development		(193)	(168)
General and administrative		(453)	(267)
Sales and marketing		(107)	(24)
Total operating expenses		(753)	(459)
Loss from operations		(712)	(457)
Finance income		36	26
Finance expenses		(33)	(20)
Net loss before tax		(709)	(451)
Tax expenses		-	-
Net loss	\$	(709)	\$ (451)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Translation adjustment to the presentation currency		(34)	(115)
Total comprehensive loss	\$	(743)	\$ (566)
Basic and Diluted loss per share		(0.01)	(0.01)
Weighted Average Number of Shares Outstanding		55,095,914	50,726,956

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Beyond Oil Ltd.

Unaudited Interim Condensed Consolidated Statements of Changes in shareholders' equity
U.S. dollars in thousands

For the Three-month period ended March 31, 2024:

	Note	Share Capital and Premium	Reserve from share-based compensation transactions	Reserve from transaction with controlling shareholder	Accumulated deficit	Foreign currency translation reserve	Total
Balance, December 31, 2023		\$ 16,144	\$ 9,359	\$ 920	\$ (24,024)	\$ 485	\$ 2,884
Comprehensive loss for the year							
Loss		-	-	-	(709)	-	(709)
Other Comprehensive loss in for the period		-	-	-	-	(34)	(34)
Total comprehensive loss for the year		-	-	-	(709)	(34)	(743)
Issuance of unit of securities, net	5(i)	1,375	-	-	-	-	1,375
Exercise of options	7	51	(41)	-	-	-	10
Share based compensation	7	-	128	-	-	-	128
Balance, March 31, 2024		\$ 17,570	\$ 9,446	\$ 920	\$ (24,733)	\$ 451	\$ 3,634

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Beyond Oil Ltd.

Unaudited Interim Condensed Consolidated Statements of Changes in shareholders' equity

U.S. dollars in thousands

For the Three-month period ended March 31, 2023:

	Note	Share Capital and Premium	Reserve from share-based compensation transactions	Reserve from transaction with controlling shareholder	Accumulated deficit	Foreign currency translation reserve	Total
Balance, December 31, 2022		\$ 14,019	\$ 9,325	\$ 920	\$ (21,604)	\$ 601	\$ 3,261
Comprehensive loss for the year							
Loss		-	-	-	(451)	-	(451)
Other Comprehensive loss in for the period		-	-	-	-	(115)	(115)
Total comprehensive loss for the year		-	-	-	(451)	(115)	(566)
Issuance of unit of securities, net	5	1,659	-	-	-	-	1,659
Share based compensation	7	-	(62)	-	-	-	(62)
Balance, March 31, 2023		\$ 15,678	\$ 9,263	\$ 920	\$ (22,055)	\$ 486	\$ 4,292

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Beyond Oil Ltd. (formerly, FTC Cards Inc.)
Unaudited Interim Condensed Consolidated Statements of Cash Flows
U.S. dollars in thousands

	Three-month period ended March 31,		
	Note	2024	2023
Cash flows from operating activities:			
Net loss for the period	\$	(709)	\$ (451)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization		81	82
Fair value adjustments of derivative liability – warrants		(36)	(17)
Interest and Re-assessment of royalties liability		21	14
Finance expenses (income), net		17	(48)
Share based compensation		128	(62)
Changes in operations assets and liabilities:			
Change in inventory		33	(132)
Change in related party transactions		113	(23)
Change in account receivables and other accounts receivables		(32)	(87)
Change in other advanced payment		-	126
Changes in trade payables and other trade payables		(162)	49
Cash used in operations		(546)	(549)
Interest paid		(4)	(4)
Net cash used in operating activities		(550)	(553)
Cash flow from investing activities:			
Purchase of property and equipment		(4)	(9)
Net cash used in investing activities		(4)	(9)
Cash flow from financing activities			
Issuance of unit of securities, net		1,419	1,711
Exercise of options		10	-
Payments of lease liabilities		(26)	(19)
Net cash provided by financing activities		1,403	1,692
Translation differences on cash and cash equivalents		(10)	1
Increase from (decrease in) cash and cash equivalents		849	1,130
Cash and cash equivalents at the beginning of the year		411	876
Cash at the end of the period	\$	1,250	\$ 2,007

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

Beyond Oil Ltd.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

FOR THE THREE MONTHS ENDED MARCH 31, 2024

In U.S. dollars, except per share data

NOTE 1- GENERAL:

The Company and the subsidiary:

A. The Company:

Beyond Oil Ltd (formerly, FTC Cards Inc.) ("**Company**") together with its wholly owned subsidiary (the "**Group**"), the Company was incorporated on March 9, 2012 under the laws of the Province of British Columbia Starting May 13, 2022 (the date of completing the transaction with Beyond Oil Israel), the Company started to trade on the Canadian Stock Exchange. The head office and the registered and records office of the Company is located at 1208 Rosewood Crescent, North Vancouver, BC V7P 1H4, Canada.

B. The Subsidiary:

The subsidiary Beyond Oil (Israel) Ltd ("**Beyond Oil Israel**") was incorporated on November 25, 2018, pursuant to the laws of the State of Israel as a food tech innovator. From commencement, its material purpose was the development of a product that reduces soluble impurities formed during the frying process that causes damaging free fatty acids and polar compound formation, undesirable odors, off-flavors, and off-colors (the "Product"). During the fiscal years from incorporation and up to the present date it has used its available financial resources for the purposes of researching and developing the Product from concept for sale of a preferential adsorbent that extends the usable life of frying oil, improves product quality, and reduces frying oil costs.

C. Going concern:

As of March 31, 2024, the Company incurred losses from operations since its inception and as of March 31, 2024, the Company has an accumulated deficit of \$24,733 thousand. In addition, the Company generated negative cash flows from operating activities of \$550 thousand and a loss in the amount of \$709 thousand for the year ended March 31, 2024. As of the date of the issuance of these financial statements, the Company has not yet commenced generating significant sales, and therefore depends on fundraising from new and existing investors to finance its activities. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The company's management plans to fund near term anticipated activities based on proceeds from capital fund raising and future revenues.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

On October 7, 2023, an attack was launched against state of Israel by Hamas (a terror organization) which thrust Israel into a state of war (hereinafter the "state of war") in Israel and in the Gaza strip. The Company is continuing with its operations both in Israel and globally. During the reporting period the changes to the Company's business due to the factors above while having certain effects on the Company's business, do not individually or in aggregate constitute a material adverse change. However, during and after the reporting period, mainly due to external and broader challenges affecting the Israeli economy, uncertainty and unavoidable delays in the Company's business activities exist. Since the state of war in Israel continues, the Company continuously evaluates the impact of such factors.

NOTE 2 – BASIS OF PREPARATION

The interim condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for the preparation of financial statements for interim condensed periods, as prescribed in International Accounting Standard No. 34 ("Interim condensed Financial Reporting").

The interim condensed consolidated financial information should be read in conjunction with the annual financial statements as of December 31, 2023, and for the year then ended and with the notes thereto. The significant accounting policies applied in the annual financial statements of the Company as of December 31, 2023, are applied consistently in these interim condensed financial statements.

Beyond Oil Ltd.**Notes to the Unaudited Interim Condensed Consolidated Financial Statements
FOR THE THREE MONTHS ENDED MARCH 31, 2024****In U.S. dollars, except per share data****NOTE 3 – CHANGES IN SIGNIFICANT ACCOUNTING POLICIES***New IFRSs adopted in the period*

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to December 31, 2023 (the date on which the Company's next annual financial statements will be prepared up to) that the Company has decided not to adopt early. The Company does not believe these standards and interpretations will have a material impact on the financial statements once adopted.

NOTE 4 - DERIVATIVE LIABILITY - WARRANTS:

- A. A summary of changes in common share purchase warrants and options issued by the Company during the period ended March 31, 2024, December 31, 2023 and March 31, 2023 are as follows:

March 31, 2024		
	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, January 1, 2024	6,926,840	0.88
Expiration of warrants	(1,589,422)	-
Issuance of warrants (i)	1,344,334	0.93
Balance, March 31, 2024	6,681,752	0.90

December 31, 2023		
	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, January 1, 2023	5,151,458	0.94
Expiration of warrants	(226,801)	-
Issuance of warrants	2,002,183	0.74
Balance, December 31, 2023	6,926,840	0.88

March 31, 2023		
	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, January 1, 2023	5,151,458	0.94
Issuance of warrants	1,589,422	0.74
Balance, March 31, 2023	6,740,880	0.86

- (i) For additional information on the completion of the private placements offering On January 25, 2024, please see note 5.
- (ii) For additional information on the extension of the Special Warrants and Consideration Warrants expiry date, please see note 9.

- B. The following table summarizes information about warrants outstanding as at March 31, 2024:

Date of issuance	Date of expiry	Exercise price	Exercisable at March 31, 2024
May 12, 2022	May 11, 2024	C\$1.25	2,241,324
May 12, 2022	May 11, 2024	C\$1.18	2,683,333
October 23, 2023	October 22, 2024	C\$1.25	412,761
January 25, 2024	January 24, 2025	C\$1.25	1,344,334

Beyond Oil Ltd.**Notes to the Unaudited Interim Condensed Consolidated Financial Statements
FOR THE THREE MONTHS ENDED MARCH 31, 2024****In U.S. dollars, except per share data****NOTE 4 - DERIVATIVE LIABILITY - WARRANTS (Continue):**

As the warrants issued by the Company have an exercise price denominated in CAN dollars, which differs from the Company's reporting currency, they do not qualify for classification as equity. These warrants have been classified as a derivative warrant liability and are recorded initially at the fair value and revalued at each reporting date, using the Black-Scholes valuation method. Changes in fair value for each period are included in the comprehensive profit and loss for the period.

The Company uses the Black-Scholes based structural model to estimate the fair value of the derivative warrants liability at the end of each reporting period.

A. The following assumptions were used to estimate the fair value of the derivative warrants liability:

Number of warrants	412,761		1,344,334	
	At Issuance Date October 23, 2023	March 31, 2024	At Issuance Date January 25, 2024	March 31, 2024
Share price	C\$0.55	C\$0.61	C\$0.80	C\$0.61
Expected life of warrants	1 year	0.56 year	1 year	0.82 year
Expected volatility	45%	45%	45%	45%
Risk-free interest rate	5.13%	4.72%	4.01%	4.72%

Number of warrants	2,241,324		2,683,333	
	Warrants Issued Pursuant to Concurrent Financing		Consideration Warrants	
	At Issuance Date May 12, 2022	March 31, 2024	At Issuance Date May 12, 2022	March 31, 2024
Share price	C\$0.7183	C\$0.61	C\$0.7183	C\$0.61
Expected life of warrants	1 year	0.12 year	1 year	0.12 year
Expected volatility	50%	45%	50%	45%
Risk-free interest rate	3.1%	4.72%	3.1 %	4.72%

The Company considers the expected volatility of the shares of comparable companies and its common shares in estimating its future stock price volatility. The risk-free interest rate for the expected life of the options was based on the yield available on US dollar government benchmark bonds with an approximate equivalent remaining term at the time of the grant. The expected life is based on the contractual term.

Beyond Oil Ltd.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements
FOR THE THREE MONTHS ENDED MARCH 31, 2024
In U.S. dollars, except per share data

NOTE 5 - SHARE CAPITAL AND PREMIUM:

Common Shares:

The Company's common shares confer upon their holders, the right to receive notice of, and to participate in, all general meetings of the Company, to vote in such meetings, to receive dividends, and to participate in the distribution of the surplus assets of the Company in the event of liquidation of the Company.

	Number of shares			
	March 31, 2024		December 31, 2023	
	Authorized	Issued and outstanding	Authorized	Issued and outstanding
Common shares with no par value	*	55,981,514	*	53,025,542

* Authorized - Unlimited number of common shares with no par value.

Movements in common shares:

	Number of shares
Balance as of January 1, 2024	53,025,542
Issued in private placements (i)	2,688,668
Exercise of options (ii)	267,304
Balance as of March 31, 2024	55,981,514

- (i) On January 25, 2024, the Company announced the completion of the second tranche of a private placement offering consisting of 2,688,668 units (the "2024 January Units") for gross proceed of C\$2,016 thousand and for net proceeds (transaction costs) of C\$1,918 thousand (\$1,419 thousand). Each 2024 January Unit consists of one Common Share and one-half of one Common Share purchase warrant (each full such warrant, a "2024 January Warrant"). Each 2024 January Warrant entitles the holder thereof to purchase one additional Common Share at an exercise price of C\$1.25 until January 24, 2025.
- (ii) For additional information about exercise of 267,304 options, please see note 7.

NOTE 6 - FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT:

This note provides an update on the judgments and estimates made by the Company in determining the fair values of the financial instruments since the last annual financial report.

The following table summarizes the information about the level 3 fair value measurements:

March 31, 2024					
Item		Fair value	Valuation technique	Fair value hierarchy level	Significant unobservable inputs
Derivative liability – Warrants	\$	7	Black-Scholes model	level 3	Volatility of firm's assets returns
March 31, 2023					
Item		Fair value	Valuation technique	Fair value hierarchy level	Significant unobservable inputs
Derivative liability – Warrants	\$	38	Black-Scholes model	level 3	Volatility of firm's assets returns
December 31, 2023					
Item		Fair value	Valuation technique	Fair value hierarchy level	Significant unobservable inputs
Derivative liability – Warrants	\$	*	Black-Scholes model	level 3	Volatility of firm's assets returns

* Represent amount less than 1 thousand.

Beyond Oil Ltd.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements FOR THE THREE MONTHS ENDED MARCH 31, 2024

In U.S. dollars, except per share data

NOTE 6 - FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT (Continue):

		Derivative liability - Warrants
Balance as of January 1, 2023	\$	4
Issuance of warrants		52
Currency exchange		(2)
Foreign currency translation		1
Profit recognized in Profit or loss:		(17)
Balance as of March 31, 2023	\$	38
Balance as of December 31, 2022		4
Expired		*
Issuance of warrants		53
Currency exchange		2
Foreign currency translation		(2)
Loss recognized in Profit or loss:		(57)
Balance as of December 31, 2023	\$	*
Balance as of January 1, 2024	\$	*
Issuance of warrants		43
Currency exchange		(*)
Foreign currency translation		*
Profit recognized in Profit or loss:		(36)
Balance as of March 31, 2024	\$	7

* Represent amount less than 1 thousand.

NOTE 7 - SHARE BASED COMPENSATION:

- a. A summary of activity of options granted to purchase the Company's shares under the Company's share option is as follows:

	Three months ended March 31, 2024		Three months ended March 31, 2023		Year ended December 31, 2023	
	Number of Options	Weighted Average Exercise Price USD	Number of Options	Weighted Average Exercise Price USD	Number of Options	Weighted Average Exercise Price USD
Options outstanding as the beginning of the period	3,825,565	0.46	4,880,515	0.55	4,880,515	0.42
Changes during the period:						
Granted (1)(2)(3)	1,123,294	0.55	-	-	1,050,000	0.57
Fortified (see note 8)	-	-	(1,996,779)	(0.57)	(1,996,779)	(0.43)
Expired	-	-	-	-	-	-
Exercise	(267,304)	(0.04)	-	-	(108,171)	(0.0004)
Options outstanding at end of period (*)	4,681,555	0.50	2,883,736	0.54	3,825,565	0.46
Options exercisable at period end	2,526,180		1,830,472		2,436,856	

(*) The options outstanding on March 31, 2024, had a weighted-average contractual life of 7.46 years (December 31, 2023: 7.27 years).

Beyond Oil Ltd.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

FOR THE THREE MONTHS ENDED MARCH 31, 2024

In U.S. dollars, except per share data

NOTE 7 - SHARE BASED COMPENSATION (Continue):

- 1) On January 24, 2024, The Company issued a total of 100,000 options to certain advisor under the Company Option Plan with each option exercisable at C\$0.75 until 2026. The vesting period of the options is 1/3 at the grant date, 1/3 after 6 months of the grant date, and 1/3 after 12 months of the grant date.
- 2) On January 24, 2024, The Company issued a total of 23,294 options to certain directors under the Company Option Plan with each option exercisable at C\$0.75 until 2034. The options are vested immediately.
- 3) On January 24, 2024, as amended by the Company on May 26, 2024, the Company issued to a service provider, in accordance with the Omnibus Plan (i) 250,000 options with each option exercisable at C\$0.75 expiring on July 2025, with vesting date of 100,000 immediately, 75,000 options after 12 months of the grant date and 75,000 options 24 months of the grant date and (ii) 750,000 Performance Vesting Options with an exercise price of C\$0.75 per common share. The Performance Vesting Options shall vest according to the following vesting schedule: (i) 200,000 options which vested upon the Company entering into a distribution agreement for food service covering at least three provinces of Canada with the involvement of the service provider and only upon the first purchase order being under the Canadian Distribution Agreement being confirmed; (ii) 125,000 options upon the Company recognizing US\$1,000,000 in actual revenue from commercial agreement(s) with distributor(s) and/or food-chain(s), with the direct involvement of the Service Provider; (iii) 125,000 options upon the Company recognizing US\$1,000,000 in actual revenue from commercial agreement(s) with industrial frying company(ies), with the direct involvement of the Service Provider; (iv) 100,000 options upon the Company obtaining orders of at least US\$3,000,000 from customers within 44 months of May 25, 2022; (v) 75,000 options upon the Company achieving US\$6 million in cumulative sales within 48 months of the Transaction closing date; (vi) 75,000 options upon the Company achieving at least US\$13,000,000 in cumulative sales within 60 months of the Transaction closing date; (vii) 50,000 options upon the Company reaching positive EBITDA by June 30, 2026 and such amount is confirmed by unaudited financial statements for the period ended June 30, 2026.
- 4) At the Annual and Special Meeting of Shareholders held on April 25, 2024 (“AGM”) shareholders approved an increase in the maximum number of compensation awards issuable pursuant to the Company’s omnibus Equity Incentive Plan (“Omnibus Plan”) from 10% to up to 15% of the issued and outstanding Common Shares on a rolling basis.

	Three months ended March 31, 2024	Three months ended March 31, 2023	Year ended December 31, 2023
Options Expenses	\$ 128	\$ (62)	\$ 49

Beyond Oil Ltd.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements FOR THE THREE MONTHS ENDED MARCH 31, 2024

In U.S. dollars, except per share data

NOTE 8 – RELATED PARTIES TRANSACTIONS:

Related party transactions:

	Three months ended March 31, 2024	Three months ended March 31, 2023	Year ended December 31, 2023
Compensation of key management personnel of the Company:			
Company President Management fees	\$ 51	\$ 57	\$ 202
CEO Management fees	49	51	194
Vice President	13	-	31
A company controlled by a director	7	7	27
Other related party transactions:			
Share base payments	22	19	85
Purchase of raw materials	50	-	211

Balance with related parties:

	March 31, 2024	March 31, 2023	December 31, 2023
Loan to related party	\$ 132	\$ 192	\$ 187
A company fully owned by the Company President	(11)	-	(16)
A company controlled by a director	-	-	7

Beyond Oil Ltd.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements FOR THE THREE MONTHS ENDED MARCH 31, 2024

In U.S. dollars, except per share data

NOTE 9 -EVENTS AFTER THE REPORTING DATE:

1. As of April 25, 2024, the Company had an Annual General Meeting (“AGM”) in which the following decisions were approved by the Company shareholders:
 - a. The Company extended the performance date of the Milestones (previously extended at the Annual and General Meeting of shareholders held on May 3, 2023), for the issuance of Common Shares in the amounts listed below (which amounts were previously approved in connection with the Transaction) to the following revised dates (the “**Revised Milestones**”):
 - (i) 4,882,101 Common Shares will be issued upon the Company obtaining an order for at least US\$3 million from customers within forty four (44) months of May 25, 2022 (the “**Closing Date**”);
 - (ii) 4,882,101 Common Shares will be issued upon the Company achieving US\$6 million in cumulative sales within 48 months of the Closing Date;
 - (iii) 4,882,101 Common Shares will be issued upon the Company achieving US\$13 million in cumulative sales within 60 months of the Closing Date;
 - (iv) 4,882,101 Common Shares will be issued upon the Company reaching positive EBITDA by the end of June 30, 2025, and such amount is confirmed by the unaudited financial statements for the period ended June 30, 2026; and
 - (v) to provide the following amendment to the wording of a Milestone: “*upon Beyond Oil signing a definitive agreement with a major investor or oil producer or other commercial partner on or before December 31, 2025 that results in the Purchaser and/or Beyond Oil receiving US\$10 million in revenues on or before December 31, 2027, such milestone may be used as a replacement for any one milestone in (v), (vi), (vii) or (viii) above*”.
 - (vi) To provide that upon an Exit Transaction (as hereinafter defined), the right to receive additional Common Shares upon fulfilment of the Revised Milestones will either expire or alternatively will accelerate and be immediately issued (the alternative of which must be approved by a majority of the Subco Shareholders), prior to the closing of the Exit Transaction.
 - b. Extending the Company Consideration Warrants and Special Warrants Warrant Expiry Date by an additional 12 months to May 13, 2025.
 - c. The Company adopted a compensation plan which reserves up to 15% of the issued and outstanding Common Shares, on a rolling basis, for issuance pursuant to stock options, stock awards and/or restricted share units of the Company (the “Omnibus Plan”).

Beyond Oil Ltd.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements FOR THE THREE MONTHS ENDED MARCH 31, 2024

In U.S. dollars, except per share data

NOTE 9 -EVENTS AFTER THE REPORTING DATE (Continue):

2. On May 26, 2024, the Company issued a total of 375,000 options to certain employees and service providers (“**Recipients**”) pursuant to the Omnibus Plan with each such option exercisable at C\$1.10 until May 25, 2028 subject to certain vesting dates. The vesting period is over four years vesting as follows; 25% of the total amount granted, calculated on a per Recipient basis, will vest on May 27, 2025, and the remaining 75% of the total amount will vest quarterly, in equal amounts, over three year with the first such grant occurring on August 26, 2025.
3. On May 26, 2024, the Company amended the vesting dates and conditions of the 650,000 options granted to Robert on May 23, 2023 which options vest upon certain performance milestones being attained (the “**Performance Vesting Options**”) with each Performance Vesting Option exercisable at C\$0.75 expiring on May 2028. The Performance Vesting Options shall vest according to the following vesting schedule: (i) 150,000 option upon the Company obtaining orders for an aggregate of at least \$3 million from customers within 44 months of May 25, 2023 (the “**Grant Date**”) or the Company closing an equity or convertible debt financing, or a combination thereof, for aggregate proceeds of US\$5 million on or before December 31, 2024, of which at least C\$2 million must be closed by September 30, 2024; or (c) at least US\$3M in funds entering in the Company’s treasury pursuant to the exercise of warrants and options by May 10, 2025. ;(ii) 150,000 options upon the Company achieving \$6 million in cumulative sales within 48 months of the Grant Date; (iii) 100,000 options upon the Company achieving \$13 million in cumulative sales within 60 months of the Grant Date; (iv) 100,000 options upon the Company reaching positive EBITDA by the end of June 30, 2026, and such amount is confirmed by the unaudited financial statements for the period ended June 30, 2026; and (v) 150,000 options upon execution of a definitive customer agreement within 36 months of the Grant Date. Without derogating from the foregoing, in the event that the Company signs a definitive agreement with a major investor, oil producer or other commercial partner on or before December 31, 2025, that results in the Company receiving US\$10 million in revenues on or before December 31, 2027, such milestone may be used as a replacement for any of the foregoing performance milestones.