

# **GreenBank Capital Inc.**

## **Condensed Interim Consolidated Financial Statements**

**April 30, 2023**

(expressed in Canadian dollars)

(unaudited)

### **Management's Comments on Unaudited Condensed Interim Consolidated Financial Statements**

These unaudited condensed interim consolidated financial statements of GreenBank Capital Inc. (the "Company") have been prepared by management and approved by the Board of Directors of the Company.

These unaudited condensed interim consolidated financial statements have not been reviewed by the Company's external auditors.

**GreenBank Capital Inc.**  
**Consolidated Statements of Financial Position**

(expressed in Canadian dollars)

(unaudited)

	Notes	As at April 30, 2023 \$	As at July 31, 2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		124,716	192,182
Receivables	4	4,180	2,402
Prepaid expenses		16,102	8,568
<b>Total current assets</b>		<b>144,998</b>	<b>203,152</b>
<b>Non-current assets</b>			
Investments	5	8,313,481	7,302,240
Embedded derivative	6	240,000	220,000
Investment in associates	7	323,235	326,330
Convertible loan due from Staminier	8	8,267,706	-
<b>Total non-current assets</b>		<b>17,144,422</b>	<b>7,848,570</b>
<b>Total assets</b>		<b>17,289,420</b>	<b>8,051,722</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	10	464,702	301,258
Due to Staminier	11 and 12	4,471,747	4,047,428
Due to related parties	12	89,920	251,535
<b>Total current liabilities</b>		<b>5,026,369</b>	<b>4,600,221</b>
<b>Non-current liabilities</b>			
Convertible loan due to related party	12 and 13	450,268	440,360
<b>Total non-current liabilities</b>		<b>450,268</b>	<b>440,360</b>
<b>Total liabilities</b>		<b>5,476,637</b>	<b>5,040,581</b>
<b>Equity</b>			
Common share capital	15	22,285,432	7,979,667
Warrants		1,660,450	1,628,950
Share-based payment reserve		587,701	1,179,873
Deficit		(12,429,830)	(7,476,473)
<b>Total equity attributed to owners of Greenbank</b>		<b>12,103,753</b>	<b>3,312,017</b>
Non-controlling interest	16	(290,970)	(300,876)
<b>Total equity</b>		<b>11,812,783</b>	<b>3,011,141</b>
<b>Total liabilities and equity</b>		<b>17,289,420</b>	<b>8,051,722</b>
Going concern	2		
Approved on behalf of the Board of Directors:			
	Terry Pullen Director	Steve O'Carroll Director	

# GreenBank Capital Inc.

## Consolidated Statements of Loss and Comprehensive Loss

(expressed in Canadian dollars)

(unaudited)

	Notes	3 months ended April 30,		9 months ended April 30,	
		2023	2022	2023	2022
			\$	\$	\$
<b>Revenue</b>					
Consulting		-	-	-	50,000
<b>Expenses</b>					
Consulting		-	48,793	-	256,967
Management fees	12	18,000	18,000	54,000	54,000
Director fees	12	291,620	15,000	315,620	46,000
Share-based payment		-	99	-	2,110
Investor relations and market research		79,973	22,778	117,720	71,506
Office and general		18,139	1,644	55,012	40,929
Professional fees		79,704	103,281	202,480	171,285
Public company costs		7,351	13,194	71,822	90,226
Exploration and evaluation		-	-	-	63,680
Foreign exchange loss (gain)		(306,688)	84,541	(793,124)	76,550
(Gain) on forgiveness of due to related party		-	-	(69,538)	-
Other loss (income)		69,538	-	66,471	-
		257,637	307,330	20,463	873,253
<b>Net income (loss) from operations</b>		(257,637)	(307,330)	(20,463)	(823,253)
<b>Investment and other income (expense)</b>					
Gain (loss) on sale of investments		-	145,050	-	93,532
Unrealized gain (loss) on investments	5	(225,254)	(210,731)	(7,127,758)	185,664
Unrealized gain (loss) on embedded derivative	6	(220,000)	-	20,000	-
Share of income (loss) of associate	7	-	(6,254)	(3,095)	(24,020)
Gain on forgiveness of due to related party	12	69,538	-	69,538	-
Finance costs	17	(69,904)	(77,343)	(208,659)	(221,829)
Finance income	17	583,849	-	1,734,812	-
Reversal of flow-through premium		-	-	-	45,797
<b>Net income (loss) before taxation</b>		(119,409)	(456,608)	(5,535,624)	(744,110)
<b>Income tax</b>		-	-	-	-
<b>Net income (loss) after taxation</b>		(119,409)	(456,608)	(5,535,624)	(744,110)
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income (loss)</b>		(119,409)	(456,608)	(5,535,624)	(744,110)
<b>Net income (loss) attributed to:</b>					
Equity holders of GreenBank Capital Inc.		(147,241)	(391,365)	(5,545,530)	(526,056)
Non-controlling interest		27,832	(65,243)	9,906	(218,053)
		(119,409)	(456,608)	(5,535,624)	(744,110)
<b>Basic and diluted earnings per share</b>	18	(0.001)	(0.01)	(0.05)	(0.01)
<b>Weighted average number of common shares</b>					
<b>outstanding - basic and diluted</b>		114,345,497	60,240,900	102,710,971	60,057,060

# GreenBank Capital Inc.

## Consolidated Statements of Cash Flows

(expressed in Canadian dollars)

(unaudited)

	9 months ended April 30,	
	2023	2022
	\$	\$
<b>Operating activities</b>		
Net loss	(5,535,624)	(744,110)
Non-cash adjustments for:		
Foreign exchange loss (gain)	(797,422)	77,316
Gain on forgiveness of due to related party	(69,538)	-
Finance costs not paid	208,657	-
Finance income not paid	(1,734,813)	-
Loss (gain) on sale of investments	-	(93,532)
Share of loss (income) of associate	3,095	24,020
Unrealized loss (gain) on investments	7,127,754	(185,664)
Unrealized loss (gain) on embedded derivative	(20,000)	-
Reversal of flow-through premium	-	(43,467)
	(817,891)	(965,436)
Net changes in non-cash working capital		
(Decrease)/increase in receivables	(1,778)	(48,624)
(Decrease)/increase in prepaid expenses	(7,534)	28,028
(Decrease)/increase in accounts payable and accrued liabilities	451,013	86,860
(Decrease)/increase in deferred revenue	-	(50,000)
<b>Net cash used in operating activities</b>	<b>(376,190)</b>	<b>(949,172)</b>
<b>Investing activities</b>		
Proceeds from loan from Staminier	-	2,606,400
Acquisition of investments	-	(2,606,400)
Investment in associate, Flex	-	(25,243)
Proceeds on sale of investments	315,254	149,995
Repayment to Flex	-	(250,000)
Purchase of exploration and evaluation assets	-	(488,792)
Option payment	-	(40,000)
<b>Net cash provided by (used in) investing activities</b>	<b>315,254</b>	<b>(654,040)</b>
<b>Financing activities</b>		
Due to related parties	68,470	143,656
Repayment of due to Staminier	(75,000)	-
Repayment of Canada Emergency Business Account loan	-	(40,000)
Exercise of stock options	-	34,481
Subsidiary transactions/issue of common shares	-	490,567
<b>Net cash provided by (used in) financing activities</b>	<b>(6,530)</b>	<b>628,704</b>
<b>Net increase (decrease) in cash</b>	<b>(67,466)</b>	<b>(974,509)</b>
<b>Cash, beginning of period</b>	<b>192,182</b>	<b>1,115,881</b>
<b>Cash, end of period</b>	<b>124,716</b>	<b>141,372</b>
<b>Non-cash financing and investing activities</b>		
Issue of common shares		
Acquisition of interest in Staminier	7,993,153	-
Acquisition of convertible loan due from Staminier	5,796,000	-
Acquisition of investment in Ubique	100,000	-
Settlement of accounts payable and accrued liabilities	261,594	-
Settlement of due to related parties	161,518	-

**GreenBank Capital Inc.**  
**Consolidated Statements of Changes in Equity**

(expressed in Canadian dollars)

(unaudited)

	Common shares		Common shares to be issued	Reserves			Deficit	Non-controlling interest	Total
	Number	Amount		Warrants	Share-based payments	Contributed surplus			
		\$	\$	\$	\$	\$	\$	\$	
<b>Balance, July 31, 2021</b>									
As previously reported	49,814,286	7,207,746	605,000	1,628,950	1,207,540	2,324,966	(10,182,037)	761,352	3,553,516
Impact of prior year adjustments	-	130,840	-	-	-	(2,324,966)	2,194,126	-	-
As restated	49,814,286	7,338,586	605,000	1,628,950	1,207,540	-	(7,987,911)	761,352	3,553,516
Returned to treasury	(114,937)	(56,319)	-	-	-	-	-	-	(56,319)
Common shares issued	500,000	605,000	(605,000)	-	-	-	-	-	-
Exercise of stock options	114,937	34,481	-	-	-	-	-	-	34,481
Capital transactions of subsidiary									
Common shares issued	-	-	-	-	-	-	-	490,567	490,567
Common shares to be issued	-	-	-	-	-	-	-	151,625	151,625
Comprehensive loss for the period	-	-	-	-	-	-	(526,056)	(218,053)	(744,110)
<b>Balance, April 30, 2022 (as restated)</b>	<b>50,314,286</b>	<b>7,921,748</b>	<b>-</b>	<b>1,628,950</b>	<b>1,207,540</b>	<b>-</b>	<b>(8,513,967)</b>	<b>1,185,490</b>	<b>3,429,761</b>
<b>Balance July 31, 2022</b>	<b>60,568,979</b>	<b>7,979,667</b>	<b>-</b>	<b>1,628,950</b>	<b>1,179,873</b>	<b>-</b>	<b>(7,476,473)</b>	<b>(300,876)</b>	<b>3,011,141</b>
Acquisition of interest in Staminier	31,972,611	7,993,154	-	-	-	-	-	-	7,993,154
Acquisition of loan to Staminier	20,700,000	5,796,000	-	-	-	-	-	-	5,796,000
Acquisition of investment	645,161	100,000	-	-	-	-	-	-	100,000
Private placement of units	3,734,250	448,112	-	-	-	-	-	-	448,112
Fair value of warrants	-	(31,500)	-	31,500	-	-	-	-	-
Expiry of stock options	-	-	-	-	(592,172)	-	592,172	-	-
Comprehensive loss for the period	-	-	-	-	-	-	(5,545,530)	9,906	(5,535,624)
<b>Balance, April 30, 2023</b>	<b>117,621,001</b>	<b>22,285,433</b>	<b>-</b>	<b>1,660,450</b>	<b>587,701</b>	<b>-</b>	<b>(12,429,831)</b>	<b>(290,970)</b>	<b>11,812,783</b>

# GreenBank Capital Inc.

## Notes to Condensed Interim Consolidated Financial Statements

### April 30, 2023

(expressed in Canadian dollars)  
(unaudited)

#### 1. Nature of operations

GreenBank Capital Inc. (the "Company") was incorporated on January 30, 2013 under the laws of the Province of British Columbia. The Company is a public company whose common shares are listed for trading on the Canadian Securities Exchange under the symbol "GBC" and are also traded in the United States under symbol "OTCMKTS: GRNBF" and in Frankfurt, Germany on the Deutsche Börse under symbol FRA: 2TL. The head office of the Company is located at 100 King Street West, Suite 5700, Toronto, Ontario M5X 1C7.

The primary business of the Company is investing in growth or early-stage companies. The Company owns interests in the following companies:

<b>Subsidiaries</b>	<b>Type of company</b>	<b>Ownership %</b>
GreenBank Financial Inc.	Financial services	100.00
Kabaddi Games Inc.	Developer of mobile application game	59.50
Blockchain Evolution Inc.	Developer of blockchain based apps	52.50
Gander Exploration Inc.	Mineral exploration	34.76
Buchans Wileys Exploration Inc.	Mineral exploration	25.16
<b>Associates</b>		
GBC Grand Exploration Inc. ("GBC Grand")	Mineral exploration	47.47
Flex Capital EHF ("Flex")	Fintech application developer	23.68
<b>Other</b>		
Staminier Limited ("Staminier")	Merchant bank	48.50
Ubique Minerals Ltd. ("Ubique")	Mineral exploration	18.12
We Deliver Local Limited, operating as Beelivery ("Beelivery")	Online grocery delivery platform	5.50
Codikoat Limited ("CodiKoat")	Developer of anti-microbial and anti-viral coating technology	4.16
TRU Precious Metals Corp.	Mineral exploration	0.74
St-Georges Eco-Mining Corp. ("St-Georges")	Mineral exploration	0.25

#### 2. Going concern assumption

These interim condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company has yet to generate significant revenues. At April 30, 2023, the Company had a working capital deficit of \$4,881,371 (July 31, 2022 - \$4,397,068) and for the 9 months ended April 30, 2023, the Company incurred a loss of \$5,535,624 (2022- \$744,110) and a cashflow deficit from operations of \$376,190 (2022 - \$949,172). The working capital deficit and cashflow deficit limit the Company's ability to fund its operations and to further its investment activities.

In assessing the Company's going concern status, the Directors have taken account of the financial position and performance of the Company, the repayment deadline of December 31, 2023 for the amounts due to Staminier (note 11) and management's prepared cash flow forecasts to November 30, 2023. The Directors have carefully examined all available evidence and believe there to be a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company has also undertaken a strategic review with the intention of producing a comprehensive plan of action setting out how the Company can capitalize on the incoming-generating (and potentially-income generating) businesses.

The cashflow forecast includes the deferral of the payment of management fees, director fees and finance expense for the amounts due to Staminier.

The continued operation of the Company is dependent upon the support of the Company's creditors and the Company's ability to sell shares of publicly traded companies and to secure financing, loans and advances from related parties to meet its existing obligations and further its investment activities. The Company is actively seeking to raise the necessary financing, however, there can be no assurance that additional financing will be available.

These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

### 3. Statement of compliance and basis of presentation

#### Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards and its interpretations adopted by the International Accounting Standards Board.

The accounting policies used in these condensed interim consolidated financial statements are consistent with those disclosed in the Company's audited consolidated financial statements for the year ended July 31, 2022.

These condensed interim consolidated financial statements do not include certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS and should be read in conjunction with the Company's annual financial statements for the year ended July 31, 2022.

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on June 29, 2023.

#### Basis of presentation

These condensed interim consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments which may be measured at fair value in subsequent periods and have been prepared using the accrual basis of accounting, except for cash flow information.

#### Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the functional currency.

### 4. Receivables

	April 30, 2023 \$	July 31, 2022 \$
Accounts receivable	1,630	679
HST receivable	2,550	1,723
	<u>4,180</u>	<u>2,402</u>

### 5. Investments

	April 30, 2023 \$	July 31, 2022 \$
Shares of public companies	2,158,436	2,223,747
Shares of private companies	6,155,045	5,078,493
	<u>8,313,481</u>	<u>7,302,240</u>

## Continuity

	Shares of public companies \$	Shares of private companies \$	Total \$
Balance, July 31, 2022	2,223,747	5,078,493	7,302,238
Acquisitions	100,000	7,993,153	8,093,153
Dispositions	(315,254)	–	(315,254)
Unrealized gain (loss) on investments	149,944	(7,277,698)	(7,127,754)
Foreign exchange gain (loss)	–	361,098	361,098
Balance, April 30, 2023	2,158,436	6,155,046	8,313,481

## Carrying values

	April 30, 2023 \$	July 31, 2022 \$
<b>Public</b>		
Ubique (CSE: UBQ)	2,021,992	1,860,436
Queensland (TSXV: OZAU)	–	36,800
St-Georges (CSE: SX)	102,383	261,800
TRU Precious Metals (TSXV:TRU)	34,061	64,711
	2,158,436	2,443,747
<b>Private</b>		
Staminier	–	274,746
Beelivery	4,259,000	3,937,500
Codikoa	1,896,046	866,247
	6,155,046	5,078,493

Shares of public companies are measured at fair value based on the quoted market price at the date of the consolidated statement of financial position.

Shares in private companies are recorded at fair value based on the estimated value of the underlying assets and liabilities of the entities, the implied value based on recent financing transactions or cost, where the Company only recently acquired the investment and there has been no change in the conditions pertaining to the investee company.

### Acquisition of interest in Ubique

On December 7, 2022, the Company subscribed for 666,666 units of Ubique at a price of \$0.15 per unit for total purchase price of \$100,000 settled by the issue of 645,161 common shares of the Company. Each unit consisted of one common share and one common share purchase warrant entitling the holder to purchase one Ubique common share for \$0.20 until December 7, 2024.

### Disposition of investment in Queensland

The Company sold its investment in 408,889 common shares of Queensland for proceeds of \$165,670.

### Disposition of investment in St-Georges

The Company sold 920,000 common shares of St-Georges for proceeds of \$149,584.

### Staminier

The Company owns a 48.5% interest in Staminier (July 31, 2022 - 19%), a United Kingdom-based investment business whose overall strategy is to (a) acquire substantial interests in undervalued fast-growing companies with at least five years of profitability and proven cash flow and (b) provide private and public companies with business advisory, corporate finance and marketing services.

On September 23, 2022, the Company issued 31,848,428 common shares with a fair value of \$7,962,107 and on February 2, 2023, the Company issued 124,183 common shares with a fair value of \$31,046, to acquire a 29.5% interest in Staminier pursuant to the partial exercise of a put option by the shareholders of Staminier.

Until December 31, 2023 (extended from March 31, 2023), the shareholders of Staminier have a put option to sell the remaining 51.5% of Staminier to the Company in consideration of the issue of 5-year non-interest bearing, non-voting convertible loan notes which may be converted into common shares at a conversion price of \$0.0367 per common share.



The put option is not exercisable without the consent of the Company (such consent not to be unreasonably withheld or delayed) or at any time when such exercise will result in the Company or any persons Acting in Concert (as defined in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time)) together acquiring an interest in the shares of Staminier giving control of Staminier (within the meaning of section 1124 of the UK Corporation Tax Act 2010), at a time whilst the Future Fund is a lender under the Convertible Loan Agreement dated March 31, 2021. Until such time as the Company files a prospectus, the notes cannot be converted if any conversion would result in the noteholders owning more than 45% of the outstanding common shares of the Company. Provided the net asset value of Staminier is not less than £2,250,000, the Company undertakes to file a prospectus within 90 days of a request to do so by the noteholders.

### Beelivory

The Company owns a 5.62% interest (July 31, 2022 - 5.62%) in Beelivory, a UK-based, fast-growing online grocery delivery platform.

- a) the Company has an option to acquire an additional 20% interest in Beelivory for £40,000,000 by subscribing for new shares and/or acquiring existing ones from shareholders until June 25, 2023 and Beelivory (or the selling Beelivory shareholders) has the option to require the Company to pay the £40,000,000 in cash or by issuing common shares of the Company at \$2.00 per share.
- b) The Company is entitled to and has appointed one director to the board of directors of Beelivory.

### CodiKoat

The Company's interest in CodiKoat was diluted to 4.16% (July 31, 2022 - 5%) as a result of financings completed by Codikoat in October 2022 and January 2023. Based on the issue price of the October 2022 financing, the Company recognized an unrealized gain of \$298,677 on its investment in CodiKoat and based on the issue price of the January 2023 financing, the Company recognized an unrealized gain of \$691,523 on its investment in CodiKoat.

### 6. Embedded derivative

Embedded derivative consists of 4,000,000 warrants entitling the holder to purchase one common share of Ubiq for \$0.075 until July 12, 2023 and 666,666 warrants entitling the holder to purchase one common share of Ubiq for \$0.20 until December 7, 2024.

	\$
Fair value, July 31, 2022	220,000
Unrealized gain on embedded derivative	20,000
Balance, April 30, 2023	240,000

### 7. Investment in associate

Set out below is a continuity of the investment in associate of the Company as at April 30, 2023, which, in the opinion of the Directors, is material to the Company. The associate listed below has share capital consisting solely of ordinary shares, which are held directly by the Company. The country of incorporation or registration is also its principal place of business.

	<b>Flex</b> \$
Balance, July 31, 2022	326,330
Share of loss	(3,095)
Balance, April 30, 2023	323,235

Associate	Place of business/ country of incorporation	Principal activity	Ownership interest held by the Company	
			April 30, 2023 %	July 31, 2022 %
Flex	Iceland	Application developer	23.68	23.68

### Flex

At April 30, 2023, the Company held a 23.68% interest (July 31, 2022 - 23.68%) of the outstanding common shares of Flex, a fintech application developer. Pursuant to the Investment Agreement:

- a) the Company has a right of first refusal on any equity fund raising proposed by Flex and if the Company chooses not to exercise its right of first refusal, a pre-emptive right to participate in any issue of shares by Flex;

- b) as long as it holds not less than 5% of the issued share capital of Flex, the Company will have the right to nominate one person to the board of Flex (and each committee of the board) or at any time there is no such person appointed, to appoint one person to be an observer at each meeting of the board or such committees.
- c) the Company will be appointed to act (for a reasonable fee) to advise Flex on financing rounds at to take Flex to a public listing in Canada (anticipated to be on the CSE).

Set out below is the summarized financial information for Flex which are accounted for using the equity method.

The following is a summary of the statement of financial position of Flex as at April 30, 2023:

	\$
<b>Assets</b>	
<b>Current</b>	
Cash	1,191
<b>Non-current</b>	
Development costs	72,712
	<u>73,903</u>
<b>Liabilities and shareholders' equity</b>	
<b>Current</b>	
Accounts payable	36,065
<b>Shareholders' equity</b>	37,838
	<u>73,903</u>

The following is a summary of the statement of loss of Flex for the 9 months ended April 30, 2023:

	\$
<b>Expenses</b>	
Salaries and benefits	3,500
Operating costs	9,357
Interest	213
<b>Loss</b>	<u>13,070</u>

The following is a reconciliation to carrying amounts as at April 30, 2023:

Share percentage ownership of Flex	23.68%
	<b>\$</b>
Company's share of net assets of Flex	8,962
Difference between the Company's share of net assets of Flex and carrying value	314,273
Carrying value of investment in Flex	<u>323,235</u>

#### 8. Convertible loan due from Staminier

On September 30, 2022, the Company issued 20,700,000 common shares with a fair value of \$5,796,000 in consideration of an assignment of a convertible loan due from Staminier of £4,975,000 and accrued interest of £499,686 effective August 2, 2022. The convertible loan is unsecured, bears interest at 8% per annum and is due on March 31, 2024 repayable in cash with a 100% premium unless converted. The convertible loan converts into ordinary shares of Staminier at a conversion price set at a 20% discount to the most recent funding round, either at the option of the Company (in circumstances the agreement of one of the other providers of the convertible loan is required) or automatically (depending on the amount raised), if Staminier raises equity funding or in the event of a sale or a listing of the Company, or on maturity.

	£	\$
Balance, July 31, 2022	–	–
Acquisition		
Principal	4,975,000	7,805,775
Accrued interest	499,686	784,007
	5,474,686	8,589,782
Discount	–	(2,793,782)
Purchase price	5,474,686	5,796,000
Interest	296,320	477,611
Effective interest	–	1,257,202
Foreign exchange gain	–	736,893
Balance, April 30, 2023	5,771,006	8,267,706

The Company recognizes the discount between the face value and purchase price of the convertible loan as effective interest over remaining term of the convertible loan.

## 9. Subsidiaries

The Company's principal subsidiaries at April 30, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Subsidiary	Place of business/ country of incorporation	Principal activity	Ownership interest held by the Company		Ownership interest held by non-controlling interests	
			2022	2021	2022	2021
			%	%	%	%
GreenBank Financial Inc.	Canada	Dormant	100.00	100.00	–	–
Kabaddi Games Inc.	Canada	Game developer	59.50	59.50	40.50	40.50
Blockchain Evolution Inc.	Canada	Identification-based blockchain developer	52.50	52.50	47.50	47.50
Gander Exploration Inc.	Canada	Mineral exploration	34.76	34.76	65.24	65.24
Buchans Wileys Exploration Inc.	Canada	Mineral exploration	25.16	25.16	74.84	74.84

For the 9 months ended April 30, 2023, non-controlling interest in net loss was income of \$9,906 (2022 - loss of \$218,053).

## 10. Accounts payable and accrued liabilities

	April 30, 2023	July 31, 2022
	\$	\$
Accounts payable	137,150	103,825
Accruals	327,552	197,433
	464,702	301,258

## 11. Due to Staminier

	April 30, 2023	July 31, 2022
	\$	\$
Canadian dollar loan	434,215	500,215
British pound sterling loan	4,037,532	3,547,213
Total	4,471,747	4,047,428

### Canadian dollar loan

	\$
Balance, July 31, 2022	500,215
Repayment	(75,000)
Interest	9,000
Balance, April 30, 2023	434,215

In consideration of the Company acquiring an interest in Staminier, Staminier provided the Company with an unsecured line of credit of \$480,000 for general working capital purposes. Initially, \$240,000 (“Initial Loan”) was advanced, and subsequently, \$240,000 (“Supplementary Loan”) was advanced. The Initial Loan bears interest at 5% per annum paid quarterly and in the event the Company completes the acquisition of 100% of the shares of Staminier that are currently subject to a put option to require the Company to purchase them (“Acquisition”), the Initial Loan will be interest free. The Supplementary Loan will be interest free. In the event that the Company does not complete the Acquisition, the Initial Loan and Supplementary Loan (collectively, “Loans”) shall be repaid on the earlier of the Company raising more than \$1,000,000 from the issue of common shares and December 31, 2023 (extended from December 31, 2022). In the event that the Company completes the Acquisition, the Loans shall be repaid on the earlier of the Company raising more than \$1,000,000 from the issue of common shares and December 31, 2023 (extended from December 31, 2022). The loans are secured by a fixed charge over all the assets of the Company.

#### British pound sterling loan

	£	\$
Balance, July 31, 2022	2,252,199	3,547,213
Interest	117,801	189,749
Foreign exchange loss	–	300,569
Balance, April 30, 2023	2,370,000	4,037,532

The loan bears interest at 7.5% per annum unless the Company completes the Acquisition, in which case, no interest will be payable. In the event of a default in payment of the loan, interest shall apply to the principal and interest due at the time of default. The loan will be repayable on the earlier of when the Company raises more than \$5,200,000 from the issue of common shares and December 31, 2023 (extended from December 31, 2022). The loan is secured by a security interest in the investment in Beelivery.

#### 12. Due to related parties and related party transactions

Related party transactions are on an arm’s length basis.

##### Due to related parties

Due to related parties includes amounts due to companies with directors, officers and shareholders in common. These amounts are unsecured, non-interest bearing and due on demand.

	April 30, 2023 \$	July 31, 2022 \$
Mark Wettreich, a director of the Company until July 29, 2022	30,759	28,872
Marlborough Management Limited, a company controlled by Miles Nagamatsu, Chief Financial Officer of the Company	18,000	113,528
Reliable Stock Transfer Inc., company controlled by Zara Wettreich, shareholder of the Company	28,767	24,587
XGC Software Inc., a company with directors in common with the Company	–	69,538
Sammiri Capital, a company controlled by Zara Wettreich, shareholder of the Company	911	911
Zara Wettreich, shareholder of the Company	11,483	11,931
Other related parties	–	2,617
	89,920	251,535

The Company recorded a gain of \$69,538 on the forgiveness of debt due to XGC Software Inc.

##### Compensation of key management personnel

The Company considers its directors and officers to be key management personnel. The average number of employees in the year, including directors, was 5 (2022 - 6). There is one employee, other than the directors. Transactions with key management personnel are set out as follows:

	<b>9 months ended April 30,</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>The Company</b>		
Director fees	315,620	46,000
Management fees	54,000	54,000
<b>Ubique</b>		
Exploration and evaluation	–	50,537
Management fees	–	93,000

#### Transactions with other related parties

	<b>9 months ended April 30,</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Interest on convertible loan due from Staminier Limited, an investee company with directors Steve O'Carroll and Terry Pullen (until his resignation on April 19, 2023), directors of the Company (note 8)	1,734,813	–
<b>Expenses</b>		
Professional fees for legal fees to McCarthy Denning Limited a company controlled by Richard Beresford, a director of the Company	15,962	–
Consulting fees to The Substantia Group Ltd, a company controlled by Terry Pullen, a director of the Company	–	83,401
Transfer agent fees to Reliable Stock Transfer Inc., a company controlled by Zara Wettreich, shareholder of the Company	30,288	26,405
Interest on loans due to Staminier Limited, an investee company with directors Steve O'Carroll and Terry Pullen (until his resignation on April 19, 2023), directors of the Company (note 11)	198,749	192,322
Interest on convertible loan due to Zara Wettreich, shareholder of the Company (note 13)	9,908	14,798

For other related party transactions, see note 5, *Investments, Investment in Staminier*, note 8, *Convertible loan due from Staminier*, note 11, *Due to Staminier*, note 13, *Convertible loan due to a related party* and note 15, *Share capital*.

#### 13. Convertible loan due to a related party

	<b>\$</b>
Balance, July 31, 2022	440,360
Interest	9,908
Balance, April 30, 2023	450,268

The convertible loan represents advances for working capital purposes from Zara Wettreich, a significant shareholder of the Company, which is unsecured, bears interest at 3% payable annually and is due on March 11, 2025 ("Convertible Loan"). Until March 11, 2025, the Convertible Loan is convertible at the option of the holder into common shares at a conversion price equal to the greater of \$0.30 per common share and the closing price of the Company's common shares on the conversion date. On March 11, 2025, the Company has the option to redeem the Convertible Loan for cash or require conversion of the Convertible Loan into common shares at a conversion price of \$0.30 per common share, providing that the common shares are still listed for trading on the Canadian Stock Exchange or equivalent exchange.

The Convertible Loan is a contract comprised of a loan and a conversion option derivative in respect of option of the holders to convert the Convertible Loan into common shares. The Company has designated the entire contract to be accounted at fair value through profit and loss.

## 14. Borrowings

	April 30, 2023 \$	July 31, 2022 \$
Due to Staminier (note 11)	4,471,747	4,047,428
Convertible loan due to a related party (note 13)	450,268	440,360
	<u>4,922,015</u>	<u>4,487,788</u>

The carrying amounts of the Company's borrowings are denominated in the following currencies:

	April 30, 2023 \$	July 31, 2022 \$
Canadian dollars (notes 11 and 13)	884,483	940,575
British pound sterling (note 11)	4,037,532	3,547,213
	<u>4,922,015</u>	<u>4,487,788</u>

### Reconciliation of borrowings

	July 31, 2022 \$	Cash transactions \$	Non-cash transactions \$	April 30, 2023 \$
Due to Staminier, Canadian dollar loan (note 11)	500,215	(75,000)	9,000	434,215
Due to Staminier, British pound sterling loan (note 11)	3,547,213	–	490,318	4,037,531
Convertible loan due to a related party (note 13)	440,358	–	9,908	450,266

## 15. Share capital

### Authorized

An unlimited number of common shares without par value

An unlimited number of \$0.33 Series C non-voting preferred shares.

### Issued

#### Common shares

The number of issued common shares at April 30, 2023 includes 150,000 common shares that are held by the Company's subsidiary, Blockchain, which have been treated as treasury shares and excluded from the number of outstanding common shares.

#### Preferred shares

At July 31, 2022 and April 30, 2023, there were no preferred shares outstanding.

### Continuity of common shares

	Number	Amount \$
Balance, July 31, 2022	60,568,979	7,979,667
Acquisition of interest in Staminier	31,972,611	7,993,153
Acquisition of loan to Staminier	20,700,000	5,796,000
Acquisition of interest in Ubique	645,161	100,000
Private placement of units	3,734,250	448,111
Fair value of warrants issued	–	(31,500)
Balance, April 30, 2023	<u>117,621,001</u>	<u>22,285,432</u>

### Private placement of units

On March 23, 2023, the Company announced its intention to complete a private placement of up to 1,000,000 units at a price of \$1.20 per unit for gross proceeds of up to \$1,200,000 ("Units"). Each Unit will consist of:

- a) 10 common shares of the Company;
- b) 5 common share purchase warrants entitling the holder to purchase one common share of the Company for \$0.20 for 22 months after the closing of the private placement; and

- c) 1 option to purchase a common share of Ubique from the Company for \$0.15 for 22 months after the closing of the private placement.

On April 19, 2023, the Company closed the first tranche of private placement consisting of 373,425 Units to settle debts of \$448,111 which included \$401,112 owing to directors and officers. The Company issued 3,734,250 common shares, 1,867,125 warrants entitling the holder to purchase one common share for \$0.20 until February 19, 2025 and 373,425 options entitling the holder to purchase one common share of Ubique for \$0.15 until February 19, 2025.

The fair value of the Warrants was calculated using the Black-Scholes option pricing model with the following assumptions:

Issue date	April 19, 2023
Expiry date	February 19, 2025
Warrants issued	1,867,125
Exercise price	\$0.20
Share price	\$0.07
Risk-free interest rate	3.88%
Expected volatility based on historical volatility	102%
Expected life of warrants	1.8 years
Expected dividend yield	0%
Fair value	\$31,500
Fair value per warrant	\$0.02

### Warrants

A continuity of the Company's outstanding warrants is presented below:

	Weighted-average exercise price \$	Number of warrants
Balance, July 31, 2022	0.50	5,029,865
Issued	0.20	1,867,125
Balance, July 31, 2022		6,896,990

A summary of the Company's warrants outstanding at April 30, 2023 is presented below:

Exercise price	Expiry date	Number of warrants
\$0.50	March 25, 2024	5,029,865
\$0.20	February 19, 2025	1,867,125
		6,896,990

### Stock options

The Company has a stock option plan in place under which the Board of Directors may grant options to acquire common shares of the Company to qualified directors, officers, employees and other service providers. The stock options vest according to the provisions of the individual option agreements approved by the directors' resolutions and have a maximum life of ten years. The plan allows for the issuance of up to 10% of the number of issued and outstanding common shares of the Company at any time on a non-diluted basis.

A continuity of the Company's outstanding stock options is presented below:

	Weighted-average exercise price \$	Number of stock options outstanding and exercisable
Balance, April 30, 2023	0.39	5,085,063
Expired	0.30	(2,185,063)
Cancelled	0.45	(200,000)
Balance, April 30, 2023	0.45	2,700,000

A summary of the Company's outstanding stock options at April 30, 2023 is presented below:

Exercise price	Expiry date	Number of stock options
\$0.45	February 21, 2024	2,700,000

#### 16. Non-controlling interests

A continuity of the non-controlling interest by subsidiary is as follows:

	Blockchain \$	Kabaddi \$	Buchans \$	Gander \$	Total \$
Balance, July 31, 2022	(165,636)	(33,720)	(76,900)	(24,620)	(300,876)
Share of net income (loss)	26,557	(252)	(8,772)	(7,626)	9,906
Balance, April 30, 2023	(139,079)	(33,973)	(85,671)	(32,246)	(290,970)

At April 30, 2023, none of the subsidiaries with a non-controlling interest had significant assets or operations.

#### 17. Finance income and costs

	9 months ended April 30,	
	2023	2022
	\$	\$
<b>Finance income</b>		
Convertible loan due from Staminier (note 8)	1,734,813	—
<b>Finance costs</b>		
Interest on due to Staminier, Canadian dollar loan (note 11)	9,000	9,000
Interest on due to Staminier, British pound sterling loan (note 11)	189,749	183,322
Interest on Canada Emergency Business Account loan	—	9,525
Interest on convertible loan due to a related party (note 13)	9,908	14,798
Interest paid by Ubique	—	5,183
	208,657	221,828

#### 18. Earnings per share

##### Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	9 months ended April 30,	
	2023	2022
	\$	\$
Loss attributable to equity holders of the Company	(5,545,530)	(526,056)
Basic weighted average number of common shares	102,710,971	60,057,060
Basic earnings per share	(0.05)	(0.01)

##### Diluted

For the 9 months ended April 30, 2023, there are no dilutive common shares. Consequently, earnings per share and diluted earnings per share are the same.



## 19. Financial assets and liabilities

	Amortized cost \$	Fair value through profit and loss \$	Total \$
<i>Financial assets</i>			
Cash	124,716	–	124,716
Receivables	4,180	–	4,180
Investments	–	8,313,481	8,313,481
Embedded derivative	–	240,000	240,000
Convertible loan due from Staminier	8,267,706	–	8,267,706
	<u>8,396,602</u>	<u>8,553,481</u>	<u>16,950,083</u>

	Loans and receivables \$	Fair value through profit and loss \$	Total \$
<i>Financial liabilities</i>			
Accounts payable	464,702	–	464,702
Due to Staminier	4,471,747	–	4,471,747
Due to related parties	89,920	–	89,920
Convertible loan due to a related party	450,268	–	450,268
	<u>5,476,637</u>	<u>–</u>	<u>5,476,637</u>

## 20. Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair values of cash, receivables, convertible loan due from Staminier, accounts payable and accrued liabilities, due to Staminier and due to related parties at April 30, 2023 approximated their respective carrying value due to their short term to maturity. The convertible loans due to related parties are measured at fair value which was determined to be equivalent to face value as the holder can convert into shares of the Company at market on demand.

### *Classification of fair value of financial instruments*

The Company classified the fair value of its financial instruments measured at fair value according to the following hierarchy based on the amount of observable inputs used to value the instrument:

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

The following table presents the Company's financial assets and liabilities that are measured at fair value:

	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit and loss</b>				
Investments in public companies	2,158,436	–	–	2,158,436
Investments in private companies	–	6,155,045	–	6,155,045
Embedded derivative	240,000	–	–	240,000

The Company's investments in public companies and embedded derivative are considered Level 1 as these shares are traded in an active market.

The Company's investments in Beelivery and Codikoat are considered Level 2 as the fair value was estimated based on equity transactions completed by these investee companies.

The Company's investment in Staminier is considered Level 3 as it was determined based on the estimated fair value of Staminier's assets and liabilities, the majority of which are not traded in an active market and one of the assets requires unobservable inputs to measure.

## 21. Financial risk management

The Company's activities expose it to a variety of financial risks that arise from its investment, exploration and financing activities, including credit risk, liquidity risk and market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

### Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's maximum exposure to credit risk is equal to the Company's cash and due from related parties. The Company limits its exposure to credit risk on its cash by holding deposits with a Canadian chartered bank with a Standard & Poor's credit rating of AA- on deposits. As credit risk is not material, no sensitivity analysis has been presented.

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial liabilities that are settled in cash or other financial assets. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as they come due, other than amounts owing to related parties.

The Company has no revenue and the continued operation of the Company is dependent upon the support of the Company's creditors and the Company's ability to secure equity financing, loans and advances from related parties to meet its existing obligations and further its investment activities (note 2, *Going concern assumption*).

The following table sets out financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	<b>Accounts payable and accrued liabilities</b>	<b>Due to Staminier</b>	<b>Due to related parties</b>	<b>Convertible loan due to a related party</b>	<b>Total</b>
	\$	\$	\$	\$	\$
Less than 1 year	464,702	4,471,747	89,920	–	5,026,369
1-2 years	–	–	–	450,268	450,268
2-5 years	–	–	–	–	–
Over 5 years	–	–	–	–	–
Balance, April 30, 2023	464,702	4,471,747	89,920	450,268	5,476,637

### Market risk

Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates, and interest rates will affect the Company's income or the value of its financial instruments.

#### Equity price risk

The Company is exposed to equity price risk with respect to investments. The Company's approach to managing equity price risk is to optimize the return from its marketable securities within acceptable parameters for equity price risk. The Company estimates that if the fair value of its investments in shares of public companies as at April 30, 2023 had changed by 10%, with all other variables held constant, the unrealized gain (loss) would have decreased or increased by \$216,000.

### **Currency risk**

Currency risk arises from the Company's financial instruments and purchases that are denominated in a currency other than the Canadian dollar, the Company's functional currency. The Company retains its cash in Canadian dollars until required for foreign currency transactions. Expenses are incurred in Canadian and British pound sterling. The Company is subject to gains and losses due to fluctuations in these currencies. At April 30, 2023, the Company had investments of £3,646,339 (July 31, 2022 - £3,049,998), convertible loan due from Staminier of £5,771,006 (July 31, 2022 - £nil) and due to Staminier of £2,370,000 (July 31, 2022 - £2,252,199).

The following table details the Company's sensitivity to a 5% increase in the strength of the Canadian against the British pound sterling. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The actual movement in the foreign exchange rate during the reporting period was 10.11%. The sensitivity analysis includes only outstanding British pound sterling denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit (equity) and other equity where the Canadian strengthens 5% against the British pound sterling. For a 5% weakening of the Canadian dollar against the British pound sterling, there would be a comparable impact on the profit and other equity, and the balances below would be positive.

	<b>April 30, 2023</b>	<b>July 31, 2022</b>
	<b>\$</b>	<b>\$</b>
Profit and loss	580,000	63,000

### **Interest rate risk**

The Company's exposure to interest rate risk is limited as the interest rates on convertible loan due from Staminier, due to Staminier and convertible loan due to related party are fixed. As interest rate risk is not material, no sensitivity analysis has been presented.

### **Capital management**

Capital of the Company consists of common shares, reserve for warrants, contributed surplus, share-based payment reserve, foreign currency reserve and deficit. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can make investments for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. The Board of Directors has not established quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the Company. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. 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 has minimal revenue and the continued operation of the Company is dependent upon the support of the Company's creditors and the Company's ability to secure equity financing, loans and advances from related parties to meet its existing obligations and further its investment activities (note 2, *Going concern assumption*). In order to achieve its objectives, the Company intends to raise additional funds as required.

The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the year.

## **22. Segmented information**

The Chief Operating Decision Maker is considered to be the Board of Directors. The Board considers that the Company operates in three segments: investments, software development and mineral exploration.

The Company evaluates performance and allocates resources based on profit or loss from operations before income taxes as well as results from operating activities. All the operations are in the United Kingdom hence no geographical segmental information is provided. Information on reportable segments is as follows:

	April 30, 2023 \$	July 31, 2022 \$
<b>Segment assets</b>		
Investments	17,285,107	8,027,765
Software development	3,950	3,735
Mineral exploration	363	20,222
	<u>17,289,420</u>	<u>8,051,722</u>
<b>Segment liabilities</b>		
Investments	5,303,971	4,809,312
Software development	125,752	187,905
Mineral exploration	46,914	43,367
	<u>5,476,637</u>	<u>5,040,584</u>
	<b>9 months ended April 30,</b>	<b>2022</b>
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Segment revenue</b>		
Investments	–	50,000
Software development	–	–
Mineral exploration	–	–
	<u>–</u>	<u>50,000</u>
<b>Segment income (loss)</b>		
Investments	(5,535,998)	(358,056)
Software development	23,785	(86,510)
Mineral exploration	(23,411)	(299,544)
	<u>(5,535,624)</u>	<u>(744,110)</u>

### 23. Contingencies

The Company has no contingent liabilities or contingent assets and issued no guarantees.

### 24. Subsequent event

As part of the ongoing Strategic Review, on June 20, 2023, the Company announced that it has secured the services of JV Capital Consultancy (“JVC”), to assist with the analysis of its investment portfolio, as well as make recommendations with regards to the same, and help with the implementation of those recommendations.

The maximum fee will be \$75,000 payable to JVC in 3 instalments:

1. An initial instalment of \$37,500 to be payable on delivery of the report on its initial review;
2. A second instalment of \$18,750 payable 6 months from the commencement date if the 10-day VWAP of the Company's common shares is at least \$0.15 on that date; and
3. A third instalment of \$18,750 payable 12 months from the commencement date if the 10-day VWAP of the Company's common shares is at least \$0.30 on that date.

The instalments are only payable to the extent that they are utilized to subscribe for common shares of the Company. The Company is not obliged to make any cash payment to JVC in respect of such instalments.

To facilitate the above fee payment, the Company has agreed to grant warrants to JVC to subscribe for 1,500,000 common shares of the Company such options to be exercisable:

1. provided that this agreement has not been terminated by notice during the initial period of three months or for breach by JVC at any time; and
2. within 13 months of the commencement date at an exercise price of \$0.05 per share.

The amount that JVC can subscribe pursuant to the warrants is limited to the fees that actually become payable to JVC under the agreement. The warrants are only transferable with the prior written consent of the Company.

The principal of JVC is Chief Executive Officer and Chairman of the Board of Ubique.