

GreenBank Capital Inc.

Condensed Interim Consolidated Financial Statements

April 30, 2024

(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	At at April 30, 2024 \$	As at July 31, 2023 \$
ASSETS			
Current assets			
Cash		3,546	80,132
Receivables	4	4,864	4,380
Prepaid expenses		52,000	6,102
Total current assets		60,410	90,615
Non-current assets			
Investments	5	6,282,617	8,272,245
Investment in associates	6	2,085,061	323,235
Convertible loan due from related party, Staminier	7	4,769,795	4,708,668
Exploration and evaluation	9	60,000	-
Total non-current assets		13,197,473	13,304,148
Total assets		13,257,883	13,394,763
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	10 and 15	1,020,642	595,288
Due to related party, Staminier	11 and 14	4,769,795	4,493,040
Due to related parties	12	85,574	76,157
Deferred revenue	23	174,550	-
Warrant liability		16,000	16,000
Total current liabilities		6,066,561	5,180,485
Non-current liabilities			
Convertible loan due to related party	13 and 14	463,481	453,572
Total non-current liabilities		463,481	453,572
Total liabilities		6,530,042	5,634,057
Equity			
Common share capital	15	22,629,432	22,569,432
Warrants		31,514	1,660,450
Share-based payment reserve		38,492	648,826
Deficit		(15,654,780)	(16,822,380)
Total equity attributed to owners of Greenbank		7,044,658	8,056,328
Non-controlling interest	16	(316,817)	(295,622)
Total equity		6,727,841	7,760,706
Total liabilities and equity		13,257,883	13,394,763
Going concern	2		
Subsequent events	23		

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

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,	
		2024	2023	2024	2023
			\$	\$	\$
Expenses					
Management fees	12	18,000	18,000	54,000	54,000
Director fees	12	194,479	291,620	351,478	315,620
Investor relations and market research		527	79,973	31,403	117,720
Office and general		808	18,139	16,707	55,012
Professional fees		129,218	79,704	196,572	202,480
Public company costs		24,741	7,351	45,106	71,822
Foreign exchange loss		85,640	(306,688)	(28,633)	(793,124)
(Gain) loss on forgiveness of due to related party		-	-	-	(69,538)
Other income		-	69,538	-	66,471
		453,413	257,637	666,633	20,463
Net (loss) from operations		(453,413)	(257,637)	(666,633)	(20,463)
Investment and other income (expense)					
Unrealized income (loss) on investments	5	(1,743)	(225,254)	(131,471)	(7,127,758)
Unrealized gain on embedded derivative		-	(220,000)	-	20,000
Share of loss of associate	6	(16,593)	-	(135,945)	(3,095)
Expected credit loss	7	(591,206)	-	(2,321,970)	-
Gain on forgiveness of due to related party		-	69,538	-	69,538
Finance costs	17	(72,813)	(69,905)	(219,998)	(208,659)
Finance income	17	807,014	583,849	2,383,147	1,734,812
Net income (loss) before taxation		(328,754)	(119,409)	(1,092,870)	(5,535,625)
Income tax		-	-	-	-
Net income (loss) after taxation		(328,754)	(119,409)	(1,092,870)	(5,535,625)
Other comprehensive income		-	-	-	-
Total comprehensive income (loss)		(328,754)	(119,409)	(1,092,870)	(5,535,625)
Net income (loss) attributed to:					
Equity holders of GreenBank Capital Inc.		(322,370)	(147,241)	(1,071,671)	(5,545,530)
Non-controlling interest		(6,383)	27,832	(21,199)	9,906
		(328,754)	(119,409)	(1,092,870)	(5,535,624)
Basic and diluted earnings per share		-	-	-	(0.05)
Weighted average number of common shares outstanding - basic and diluted					
		125,121,001	114,345,497	124,307,302	102,710,971

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

GreenBank Capital Inc.

Consolidated Statements of Cash Flows

(expressed in Canadian dollars)
(unaudited)

	9 months ended April 30,	
	2024	2023
	\$	\$
Operating activities		
Net loss	(1,076,277)	(5,535,625)
Non-cash adjustments for:		
Foreign exchange loss	(30,693)	(797,422)
Gain on forgiveness of due to related party	-	(69,538)
Finance costs not paid	219,998	208,657
Finance income not paid	(2,383,066)	(1,734,813)
Share of loss of associate	119,352	3,095
Expected credit loss	2,321,909	-
Unrealized loss on investments	131,470	7,127,754
Unrealized gain on embedded derivative	-	(20,000)
	<u>(697,307)</u>	<u>(817,892)</u>
Net changes in non-cash working capital		
(Decrease)/increase in receivables	(484)	(1,778)
(Decrease)/increase in prepaid expenses	(45,898)	(7,534)
(Decrease)/increase in accounts payable and accrued liabilities	425,394	451,013
(Decrease)/increase in deferred revenue	174,550	-
Net cash used in operating activities	<u>(143,744)</u>	<u>(376,191)</u>
Investing activities		
Proceeds on sale of investments	57,741	315,255
Net cash provided by investing activities	<u>57,741</u>	<u>315,255</u>
Financing activities		
Due to related parties	9,417	68,470
Repayment of due to Staminier	-	(75,000)
Net cash provided by (used in) financing activities	<u>9,417</u>	<u>(6,530)</u>
Net decrease in cash	(76,586)	(67,466)
Cash, beginning of period	80,132	192,182
Cash, end of period	<u>3,546</u>	<u>124,716</u>
Non-cash investing activities		
Issue of common shares		
Acquisition of exploration and evaluation	60,000	-
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

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

GreenBank Capital Inc.
Consolidated Statements of Changes in Equity

(expressed in Canadian dollars)

(unaudited)

	Common shares		Reserves		Deficit	Non-controlling interest	Total
	Number	Amount	Warrants	Share-based payments			
		\$	\$	\$	\$	\$	\$
Balance, July 31, 2022	60,568,979	7,979,667	1,628,950	1,179,873	(7,476,473)	(300,876)	3,011,141
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 in Ubique	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)
Balance, April 30, 2023	117,621,001	22,285,433	1,660,450	587,701	(12,429,831)	(290,970)	11,812,783
Balance July 31, 2023	123,621,001	22,569,432	1,660,450	648,826	(16,822,379)	(295,622)	7,760,707
Acquisition of exploration and evaluation	1,500,000	60,000	-	-	-	-	60,000
Expiry of warrants	-	-	(1,628,936)	-	1,628,936	-	-
Expiry of stock options	-	-	-	(610,334)	610,334	-	-
Comprehensive loss for the period	-	-	-	-	(1,071,671)	(21,199)	(1,092,870)
Balance, April 30, 2024	125,121,001	22,629,432	31,514	38,492	(15,654,780)	(316,821)	6,727,838

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

GreenBank Capital Inc.

Notes to Condensed Interim Consolidated Financial Statements

April 30, 2024

(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 making investments actively by acquiring a controlling interest or significant influence in investees or passively through equity investments. The Company owns an equity portfolio of small cap investments comprising the following ownership positions:

Subsidiaries	Type of company	Ownership %
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
Associates		
Ubique Minerals Ltd. ("Ubique")	Mineral exploration	19.65
GBC Grand Exploration Inc. ("GBC Grand")	Mineral exploration	47.47
Flex Capital EHF ("Flex")	Fintech application developer	23.68
Other		
Staminier Limited ("Staminier")	Merchant bank	48.50
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
St-Georges Eco-Mining Corp. ("St-Georges")	Mineral exploration	0.05

Note: Effective August 21, 2023, the investment in Ubique was reclassified from an investment to an investment in associate (note 5, *Investments, Ubique* and note 6, *Investments in associates*).

2. Going concern assumption

These condensed interim 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 no significant revenues. At April 30, 2024, the Company had a working capital deficit of \$6,006,151 (July 31, 2023 - \$5,089,870) and for the 9 months ended April 30, 2024, the Company incurred a net loss of \$1,092,870 (2023 - \$5,535,625) and a cashflow deficit from operations of \$697,307 (2023 - \$817,892). The working capital deficit, net losses and cashflow deficit limit the Company's ability to fund its operations and to further its investment activities.

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 (note 15, *Share capital, Proposed private placement*), however, there can be no assurance that additional financing will be available.

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

In assessing the Company's going concern status, the Directors have taken account of the financial position and performance of the Company; the proposed private placement (note 15, *Share capital, Proposed private placement*); potential sales of investments; the fact that there is uncertainty as to how much the Company may recover from the convertible loan due from related party, Staminier (note 7, *Convertible loan due from related party, Staminier*); and management's prepared cash flow forecasts to March 31, 2025. 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 cashflow forecast includes the offset of the convertible loan due from related party, Staminier with amounts due to related party, Staminier, and the deferral of the payment of management fees, director fees and finance expenses.

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

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, 2023.

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, 2023.

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on July 2, 2024.

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, 2024 \$	July 31, 2023 \$
Accounts receivable	1,755	1,655
HST receivable	3,109	2,725
	<u>4,864</u>	<u>4,380</u>

5. Investments

	April 30, 2024 \$	July 31, 2023 \$
Shares of public companies	10,184	2,097,169
Shares of private companies	6,272,433	6,175,076
	<u>6,282,617</u>	<u>8,272,245</u>

Continuity

	Shares of public companies \$	Shares of private companies \$	Total \$
Balance, July 31, 2023	2,097,169	6,175,076	8,272,245
Dispositions	(57,741)	–	(57,741)
Unrealized loss on investments	(131,470)	–	(131,470)
Foreign exchange loss	–	97,357	97,357
Transfer of investment in Ubique to investments in associates	(1,897,771)	–	(1,897,771)
Balance, April 30, 2024	10,184	6,272,433	6,282,617

Carrying values

	April 30, 2024 \$	July 31, 2023 \$
Public		
Ubique (CSE: UBQ)	–	1,992,661
St-Georges (CSE: SX)	10,184	80,665
TRU Precious Metals (TSXV:TRU)	–	23,844
	10,184	2,097,169
Private		
Staminier	–	–
Beelivery	4,300,500	4,233,750
Codikoaat	1,971,934	1,941,326
	6,272,433	6,175,076

Ubique

On August 21, 2023, the Company appointed the Chief Executive Officer and Chairman of Ubique as Chief Executive Officer and Chairman of the Company. Management reassessed the involvement of the Company in Ubique in accordance with *IFRS 10, Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures* and concluded that the Company has significant influence over Ubique effective August 21, 2023 and reclassified its investment in Ubique as an investment in associate.

Disposition of investment in St-Georges

The Company sold 475,000 common shares of St-Georges for proceeds of \$44,388.

Disposition of investment in TRU

The Company sold its remaining 681,166 common shares of TRU for proceeds of \$13,353.

Staminier

The Company owns a 48.5% interest in Staminier (July 31, 2023 - 48.5%), 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.

The put option held by the shareholders of Staminier to sell the remaining 51.5% of Staminier to the Company expired on December 31, 2023.

On November 15, 2023, Staminier agreed to sell its interest in The Substantia Group for consideration of \$1,027,399 consisting of:

- 18,847,970 common shares of the Company with a fair value of \$942,399 based on a price of \$0.05 per common share; and
- 1,000,000 common shares of Ubique with a fair value of \$85,000 based on a price of \$0.085 per common share.

On March 27, 2024, Staminier was notified by the Future Fund, administered by the British Business Bank, that it had rejected Staminier's request to extend the term of its loan from the Future Fund made under the Convertible Loan Agreement dated March 31, 2021 ("CLA"), beyond its original 3-year term which expired on March 31, 2024. The Future Fund subsequently served a demand for repayment of £11,252,613, including a redemption premium of £5,000,000, and further interest accruing at the rate of £1,095 per day. The Company is contemplating whether to serve Staminier with a demand for payment of the £11,194,000 which is due to the Company under the CLA. Staminier has sought advice from an Insolvency practitioner who is speaking with the Future Fund on Staminier's behalf and advising it on the courses of action open to it. The advisers hope to be able to achieve a solution that means that Staminier can avoid going into administration or insolvent liquidation. If Staminier does go into administration or insolvent liquidation, then the loans of \$421,215 and £2,527,932 owed by the Company to Staminier will automatically be set off against the £11,194,000 payable by Staminier to the Company, eliminating the loans owed by the Company to Staminier and reducing the amount for which the Company will claim from the liquidation of Staminier. Accordingly, the Company has recorded an expected credit loss to write down the convertible loan due from related party, Staminier (note 7) to \$4,769,795, an amount equal to the amount due to related party, Staminier (note 11). Prior to receipt of the notice from the Future Fund, the Company was carrying its shareholding in Staminier at a value of zero.

In the light of these developments, the proposed sale of The Substantia Group has been put on hold pending the outcome of the discussions with the Future Fund.

Beelivery

The Company owns a 5.50% interest (July 31, 2023 - 5.62%) in Beelivery, a UK-based, fast-growing online grocery delivery platform. Pursuant to the definitive investment agreement:

- a) Beelivery will engage the Company on a non-exclusive basis to advise on its funding and strategic issues for an annual fee of £60,000.
- b) The Company is entitled to and has appointed one director to the board of directors of Beelivery.

6. Investments in associates

Set out below is a continuity of the investments in associates of the Company as at April 30, 2024, which, in the opinion of the Directors, is material to the Company. The associates listed below have share capital consisting solely of ordinary shares, which are held directly by the Company. The country of incorporation or registration is also their principal place of business.

	Ubique	Flex \$	Total
Balance, July 31, 2023	–	323,235	323,235
Transfer of investment in Ubique from investments	1,897,771	–	1,897,771
Share of loss	(135,945)	–	(135,945)
Balance, April 30, 2024	1,761,826	323,235	2,085,061

Associate	Place of business/ country of incorporation	Principal activity	Ownership interest held by the Company	
			April 30, 2024 %	July 31, 2023 %
Ubique	Canada	Mineral exploration	19.65	21.85
Flex	Iceland	Application developer	23.68	23.68

Ubique

See note 5, *Investments, Ubique*.

The following is a summary of the consolidated statement of financial position of Ubique as at April 30, 2024:

	\$
Assets	
Current assets	
Cash	1,639
Receivables and prepaids	51,155
	52,794
Non-current assets	
Exploration and evaluation	1,662,478
Investments	645,019
Due from related parties	384
	2,307,881
	2,360,675
Liabilities and shareholders' equity	
Current liabilities	
Accounts payable and accrued liabilities	262,671
Due to related parties	387,889
Flow-through premium liability	17,963
	668,523
Shareholders' equity	1,692,152
	2,360,675

The following is a summary of the consolidated statement of loss and comprehensive loss of Ubique for the 3 months ended April 30, 2024:

	\$
Expenses	
Operating expenses	364,423
Unrealized loss on investments	270,122
Loss and comprehensive loss	634,545

Flex

At April 30, 2024, the Company held a 23.68% interest (July 31, 2023 - 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).

The following is a summary of the statement of financial position of Flex as at April 30, 2024:

	\$
Assets	
Current	
Cash	1,991
Non-current	
Development costs	72,712
	73,903
Liabilities and shareholders' equity	
Current	
Accounts payable	36,065
Shareholders' equity	37,838
	73,903

The following is a summary of the statement of loss of Flex for the 9 months ended April 30, 2024:

	\$
Expenses	
Salaries and benefits	—
Operating costs	—
Interest	—
Loss	—

7. Convertible loan due from related party, Staminier

The convertible loan is unsecured, bears interest at 8% per annum and was 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.

	Face amount £	Amount net of discount and expected credit losses \$
Balance, July 31, 2023	5,870,506	4,708,668
Interest	395,820	507,709
Effective interest	—	1,875,358
Expected credit loss	—	(2,321,940)
Balance, April 30, 2024	6,079,006	4,769,795

In light of recent developments (note 5, *Investments, Staminier*), for the 9 months ended April 30, 2024, the Company has recognized an expected credit loss of \$2,321,940, so that the amount of the convertible loan due from Staminier is equal to the amounts due to Staminier (note 11, *Due to related party, Staminier*).

8. Subsidiaries

The Company's principal subsidiaries at April 30, 2024 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	
			2024 %	2023 %	2024 %	2023 %
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, 2024, non-controlling interest in net loss was \$21,199 (2023 - \$9,905).

9. Exploration and evaluation

Acquisition of Suni Iron Ore project

On November 15, 2023, the Company acquired 100% of the issued shares of 1500597402 Ontario Inc. for consideration:

- a) 1,500,000 common shares issued on closing; and
- b) 1,500,000 common shares issued on the earlier of the date on which the Company obtains an updated NI 43-101 Technical Report and October 9, 2024.

Consideration	\$
150,000 common shares	60,000
<hr/>	
Net assets	
Exploration and evaluation	60,000

10. Accounts payable and accrued liabilities

	April 30, 2024	July 31, 2023
	\$	\$
Accounts payable	184,952	109,380
Accruals	835,690	485,908
	<hr/> 1,020,642	<hr/> 595,288

11. Due to related party, Staminier

	April 30, 2024	July 31, 2023
	\$	\$
Canadian dollar loan	421,215	412,215
British pound sterling loan	4,348,580	4,080,825
Total	<hr/> 4,769,795	<hr/> 4,493,040

See note 5, *Investments. Staminier.*

Canadian dollar loan

	\$
Balance, July 31, 2023	412,215
Interest	9,000
Balance, April 30, 2024	<hr/> 421,215

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. The Supplementary Loan will be interest free. The loans are secured by a fixed charge over all the assets of the Company.

British pound sterling loan

	£	\$
Balance, July 31, 2023	2,409,699	4,080,825
Interest	118,233	201,088
Foreign exchange loss	–	66,668
Balance, April 30, 2024	<hr/> 2,527,932	<hr/> 4,348,580

The loan bears interest at 7.5% per annum. 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 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, 2024 \$	July 31, 2023 \$
Mark Wettreich, a director of the Company until July 29, 2022	30,916	30,758
Reliable Stock Transfer Inc., company controlled by Zara Wettreich, shareholder of the Company	42,214	33,005
Sammiri Capital, a company controlled by Zara Wettreich, shareholder of the Company	961	911
Zara Wettreich, shareholder of the Company	11,483	11,483
	<u>85,574</u>	<u>76,157</u>

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 - 5). There is one employee, other than the directors. Transactions with key management personnel are set out as follows:

	9 months ended April 30, 2024 \$	2023 \$
Director fees	351,478	315,620
Management fees	24,000	54,000

Transactions with other related parties

	9 months ended April 30, 2024 \$	2023 \$
Income		
Interest on convertible loan due from related party, Staminier, an investee company with common directors Steve O'Carroll and Terry Pullen (until his resignation on April 19, 2023)(note 7)	2,383,066	1,734,813
Expenses		
Professional fees for legal fees to McCarthy Denning Limited a company controlled by Richard Beresford, a director of the Company	—	15,962
Transfer agent fees to Reliable Stock Transfer Inc., a company controlled by Zara Wettreich, shareholder of the Company	12,075	30,288
Interest on due to related party, Staminier, an investee company with common directors Steve O'Carroll and Terry Pullen (until his resignation on April 19, 2023) (note 11)	210,088	198,749
Interest on convertible loan due to Zara Wettreich, shareholder of the Company (note 13)	9,908	9,908

For other related party transactions, see note 5, *Investments; Staminier*, note 7, *Convertible loan due from related party Staminier*; note 11, *Due to related party, Staminier*; and note 13, *Convertible loan due to a related party*.

13. Convertible loan due to a related party

	\$
Balance, July 31, 2023	453,573
Interest	9,908
Balance, April 30, 2024	<u>463,481</u>

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, 2024 \$	July 31, 2023 \$
Due to related party, Staminier (note 11)	4,769,795	4,493,040
Convertible loan due to a related party (note 13)	463,481	453,572
	5,233,276	4,946,612

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

	April 30, 2024 \$	July 31, 2023 \$
Canadian dollars (notes 11 and 13)	884,696	865,797
British pound sterling (note 11)	4,348,580	4,080,825
	5,233,276	4,946,612

Reconciliation of borrowings

	July 31, 2023 \$	Cash transactions \$	Non-cash transactions \$	April 30, 2024 \$
Due to related party, Staminier, Canadian dollar loan (note 11)	412,215	–	9,000	421,215
British pound sterling loan (note 11)	4,080,825	–	266,988	4,348,580
Convertible loan due to a related party (note 13)	453,582	–	9,908	463,480

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 July 31, 2023 and April 30, 2024 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, 2023 and April 30, 2024, there were no preferred shares outstanding.

Proposed private placement

On November 16, 2023, the Company announced its intention to complete a private placement of 25,000,000 units at a price of \$0.05 per unit for gross proceeds of \$1,250,000 ("Private Placement"). Each unit will consist of one common share and one common share purchase warrant entitling the holder to purchase one common share for \$0.075 for 2 years from its date of closing of the Private Placement ("Unit"). The placing will be a combination of up to 20,000,000 units and up to 5,000,000 flow-through units.

Proposed debt conversion

On November 16, 2023, the Company announced its intention to complete debt settlements with certain creditors by issuing units having the same terms as those issued in the Private Placement. The Company anticipates eliminating accounts payable and accrued liabilities of approximately \$450,000, including debt current and past directors and officers.

Warrants

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

	Weighted-average exercise price \$	Number of warrants
Balance, July 31, 2023	0.35	8,396,990
Expired	0.50	(5,029,865)
Balance, April 30, 2024	0.13	3,367,125

A summary of the Company's warrants outstanding at April 30, 2024 is presented below:

Exercise price	Expiry date	Number of warrants
\$0.05	July 17, 2024	1,500,000
\$0.20	February 19, 2025	1,867,125
		3,367,125

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, July 31, 2023	0.45	2,700,000
Expired	0.45	(2,700,000)
Balance, April 30, 2024	–	–

See note 23, *Subsequent events, Grant of stock options*.

16. Non-controlling interests

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

	Blockchain \$	Kabaddi \$	Buchans \$	Gander \$	Total \$
Balance, July 31, 2023	(140,377)	(34,179)	(87,216)	(33,850)	(295,622)
Share of net loss	(4,550)	(435)	(8,522)	(7,692)	(21,199)
Balance, April 30, 2024	(144,927)	(34,614)	(95,738)	(41,542)	(316,817)

At April 30, 2024, none of the subsidiaries with a non-controlling interest had significant assets or operations.

17. Finance income and costs

	9 months ended April 30,	
	2024	2023
	\$	\$
Finance income		
Convertible loan due from related party, Staminier (note 7)	2,383,147	1,734,813
Finance costs		
Interest on due to related party, Staminier (note 11)		
Canadian dollar loan	9,000	9,000
British pound sterling loan	201,088	189,749
Interest on convertible loan due to a related party (note 13)	9,908	9,908
	219,996	208,657

18. Financial assets and liabilities

	Amortized cost	Fair value through profit and loss	Total
	\$	\$	\$
<i>Financial assets</i>			
Cash	3,546	–	3,546
Receivables	4,864	–	4,864
Investments	–	6,282,617	6,282,617
Convertible loan due from related party, Staminier	4,769,795	–	4,769,795
	4,778,205	6,282,617	11,060,822

	Loans and receivables	Fair value through profit and loss	Total
	\$	\$	\$
<i>Financial liabilities</i>			
Accounts payable	1,020,642	–	1,020,642
Due to related party, Staminier	4,769,795	–	4,769,795
Due to related parties	85,574	–	85,574
Convertible loan due to a related party	463,481	–	463,481
	6,339,492	–	6,339,492

19. 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 related party, Staminier, accounts payable and accrued liabilities, due to related party, Staminier and due to related parties at April 30, 2024 approximated their respective carrying value due to their short term to maturity. The convertible loan due to a related party is 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
Financial assets at fair value through profit and loss				
Investments in public companies	10,184	–	–	10,184
Investments in private companies	–	–	6,272,433	6,272,433

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

The Company's investments in Beelivery and Codikoat are considered Level 3 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.

20. 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 significant 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):

	Accounts payable and accrued liabilities \$	Due to related party, Staminier \$	Due to related parties \$	Convertible loan due to a related party \$	Total \$
Less than 1 year	1,020,642	4,769,795	85,574	–	5,876,011
1-2 years	–	–	–	463,481	463,481
2-5 years	–	–	–	–	–
Over 5 years	–	–	–	–	–
Balance, April 30, 2024	1,020,642	4,769,795	85,574	463,481	6,339,492

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, 2024 had changed by 10%, with all other variables held constant, the unrealized gain (loss) would have decreased or increased by \$1,700.

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, 2024, the Company had investments of £3,646,339 (July 31, 2023 - £3,646,339), a convertible loan due from a related party, Staminier of £6,169,006 (July 31, 2023 - £5,870,506) and due to Staminier of £2,527,932 (July 31, 2023 - £2,409,699).

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 0.57%. 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.

	April 30, 2024	July 31, 2023
	\$	\$
Profit and loss	599,000	584,000

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 no significant 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.

21. 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, 2024	July 31, 2023
	\$	\$
Segment assets		
Investments	13,194,523	13,391,606
Software development	3,360	3,114
Mineral exploration	60,000	43
	<u>13,257,883</u>	<u>13,394,763</u>
Segment liabilities		
Investments	6,321,875	5,455,677
Software development	138,804	127,963
Mineral exploration	69,365	50,417
	<u>6,530,042</u>	<u>5,634,057</u>
	9 months ended April 30, 2024	2023
	\$	\$
Segment revenue		
Investments	–	–
Software development	–	–
Mineral exploration	–	–
	<u>–</u>	<u>–</u>
Segment income (loss)		
Investments	(1,058,289)	(5,535,998)
Software development	(11,405)	23,785
Mineral exploration	(23,176)	(23,411)
	<u>(1,092,870)</u>	<u>(5,535,624)</u>

22. Contingencies

Contingent consideration on acquisition of Suni Iron Ore project

See note 9, *Exploration and evaluation*.

Legal proceedings

The Company has been served with proceedings claiming US\$3,205,276 initiated in Wyoming which are based on the assertion that the Company is liable to certain investors in Freeway Tokens on the basis that it is a controlling seed investor and financial services advisor which invested in and distributed the original tokens, underpinning what the claimants assert, was “the Freeway scam” and that the Company promoted Freeway and allowed its images to be used in pitch books and other marketing materials of Freeway and its “affiliates”. Staminier invested in Freeway Tokens. The Company has never invested in Freeway Tokens or provided any advice to Freeway, distributed its tokens or given permissions for its images to be used in pitch books for Freeway. Richard Beresford, a director of the Company, is also named as a defendant to the proceedings. The Directors believe that the proceedings have no prospect of success against either the Company or Richard Beresford and are merely a speculative exercise on the part of the plaintiffs. and accordingly, no provision has been made in these interim condensed consolidated financial statements.

23. Subsequent events

Acquisition of Stanhope mining tailings dump

On June 13, 2024, the Company and Ubique signed a non-binding term sheet with Clientque Investments Pty Ltd for the acquisition of 100% ownership of MJR Mining and Exploration (PTY) Ltd ("MJR"), which owns the Stanhove mining tailings dump in Johannesburg, South Africa. The Company and Ubique will each acquire a 50% interest in MJR, with the Company acting as the funding partner responsible for funding and the sales of the extracted gold and Ubique acting as the operating partner responsible for managing the mining and processing operations.

Consideration	\$
Cash	
Convertible debentures bearing interest at 6% per annum for 36 months issued by:	846,103
The Company	500,000
Ubique	500,000
Cash payable after production of the first 5,000 ounces of gold	1,538,309
	<hr/> 3,384,412

The completion of the transaction is subject to regulatory approvals, delivery of the deed of the land, issuance of mining permits, technical due diligence and other customary conditions. Completion is expected within five business days following the satisfaction or waiver of these conditions. The Share Sale Agreement is to be provided by August 12, 2024, and the signing and exchange of contracts is expected to occur by September 11, 2024.

Grant of stock options

On May 14, 2024, the Company granted 6,200,000 stock options to directors and officers, with each stock option entitling the holder to purchase one common share for \$0.08 until May 14, 2027.

Recognition of revenue

At April 30, 2024, the Company had received and recognized deferred revenue of \$174,500 related to consulting and geological services to be provided. Subsequent to April 30, 2024, the Company provided the services and recognized revenue of \$174,500.