PERK LABS INC.

Management's Discussion and Analysis

For the Three Months Ended February 28, 2023

(Expressed in Canadian Dollars)

For the Three Months Ended February 28, 2023

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Certain information included in this MD&A may constitute forward-looking statements. Statements in this MD&A that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words *assumption*, *goal*, *guidance*, *objective*, *outlook*, *project*, *strategy*, *target* and other similar expressions or future or conditional verbs such as *aim*, *anticipate*, *believe*, *could*, *expect*, *intend*, *may*, *plan*, *seek*, *should*, *strive,* and *will*. In this MD&A, forward-looking statements include such statements as:

- that our continued efforts into improving the mobile ordering experience will help businesses increase revenues which will ultimately result in increased revenues for the Company.
- the Company's ability to raise additional capital needed to fund operations.
- expectations to sign and launch a number of enterprise clients and roll out improvements and integrations between the Getit and Perk platforms and that these developments in conjunction with increased sales and marketing resources will provide the required visibility to the Company's operations that will enable growth.
- that the merger of the operations of Perk Hero Software Inc. and Getit will be successful.
- that we will sign enterprise customers to use the Company's technologies and services.
- that we will continue to improve our products and offerings.
- that we will grow the number of end-user customers and businesses using our technologies and services.
- that we will grow our licensing and transactional revenue.
- investing in sales, marketing, and communication strategies to drive growth.
- looking at new opportunities to expand our operations through mergers and acquisitions.

Readers are cautioned not to put undue reliance on forward-looking statements. Unless otherwise indicated by us, forward-looking statements in this MD&A describe our expectations as at April 27, 2023 and, accordingly, are subject to change after that date. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in, or implied by, such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. As a result, we cannot guarantee that any forward-looking statements will materialize, and we caution you against relying on any of these forward-looking statements. Forward-looking statements are presented in this MD&A for the purpose of assisting investors and others in understanding our objectives, strategic priorities and business outlook as well as our anticipated operating environment. Readers are cautioned, however, that such information may not be appropriate for other purposes. The forward-looking statements in this MD&A are based on, among other things, the following assumptions:

- the Company will be able to achieve its business objectives
- the Company will be able to develop proprietary software to implement its plans
- the Company will be successful in obtaining and retaining clients and licensees for its software
- the Company will be able to expand its operations successfully in new geographic markets and industries

The forward-looking statements in this MD&A are subject to, among other things, the following risks:

- the Company's operations are dependent on key technical personnel, and the loss of such personnel could have a significant impact on the Company's ability to conduct its activities
- technological advances that could require significant additional research and development costs
- currency fluctuations and exchange rates
- the Company's ability to continue as a going concern
- the Company may not be able to obtain all necessary funding for its operations, on terms satisfactory to the Company or at all
- credit risk
- liquidity risk that the Company will encounter difficulty in meeting its financial obligations due to a shortage of funds
- risks related to liabilities assumed by the Company from the merger with Getit Technologies Inc.
- the Company's dependence on information technology systems
- risks that the Company's software and applications may contain security problems, security vulnerabilities, or defects in design or manufacture, including "bugs" and other problems that could interfere with the intended operation of its software
- risks related to the volatility of customer demand for the Company's products
- risks associated with cybersecurity and privacy violations, in particular given the Company's operations are highly dependent on online technologies and the Company obtains a significant amount of personal information in the course of operations
- the Company may not be able to successfully expand its operations beyond the Canadian marketplace or into industries other than the restaurant industry
- duration and impact of COVID-19 on our business plans, objectives and expected operating results

We have made certain economic, market and operational assumptions in preparing the forward-looking statements contained in this MD&A. If our assumptions turn out to be inaccurate, our actual results could be materially different from what we expect.

Important risk factors including, without limitation, competitive, regulatory, economic, financial, operational, technological and other risks could cause actual results or events to differ materially from those expressed in, or implied by, the previously-mentioned forward-looking statements.

We caution readers that the risks described in this MD&A are not the only ones that could affect us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our financial position, financial performance, cash flows, business, or reputation. Except as otherwise indicated by us, forward-looking statements do not reflect the potential impact of any special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after April 27, 2023. The financial impact of these transactions and special items can be complex and depends on facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way, or in the same way we present known risks affecting our business.

CAUTION REGARDING NON-IFRS MEASURES

This MD&A makes reference to certain measures that are not recognized under IFRS and do not have a standardized meaning prescribed by IFRS. They are therefore unlikely to be comparable to similar measures presented by other companies. The Company uses non-IFRS measures including "EBITDA," and "Adjusted EBITDAaL," as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective. The Company believes that these financial measures provide information that is useful to investors in understanding the Company's performance and to facilitate comparison of quarterly and full year results from period to period.

These measures are provided as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS.

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of the operating results and financial condition of Perk Labs Inc. (formerly Glance Technologies Inc.) (the "Company") for the three months ended February 28, 2023 should be read in conjunction with the condensed interim consolidated financial statements for the three months ended February 28, 2023 and the audited consolidated financial statements for the year ended November 30, 2022 which are prepared in accordance with International Financial Reporting Standards ("IFRS").
The Company's common shares trade on the Canadian Securities Exchange ("CSE") under the symbol PERK (formerly GET) and on the OTCQB under the symbol PKLBF (formerly GLNNF) and on the Frankfurt Stock Exchange under the symbol PKLB (formerly GJT).

These consolidated financial statements include the accounts of Perk Labs Inc. and its three wholly owned subsidiaries: Perk Hero Software Inc.; Perk Hero USA Inc. (formerly Glance Pay USA Inc.); and Perks Technologies Inc. (formerly Glance Coin Inc.).

The Company's office is located at Suite 1755, 555 Burrard Street, Vancouver, British Columbia, V7X 1M9.

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board of Director's Audit Committee meets with management quarterly to review the financial statements and the MD&A and to discuss other financial, operating, and internal control matters.

This MD&A is prepared as at April 28, 2023. All dollar figures stated herein are expressed in Canadian dollars unless otherwise noted.

Readers should use the information contained in this report in conjunction with all other disclosure documents including those filed on SEDAR at www.sedar.com.

GLOBAL FACTORS

The outbreak of the novel coronavirus COVID-19, which was declared a pandemic by the World Health Organization on March 11, 2020, led to adverse impacts on the Canadian and global economies, disruptions of financial markets, and created uncertainty regarding potential impacts to the Company's supply chain and operations. The pandemic has impacted and could further impact the Company's operations and the operations of the Company's suppliers and vendors as a result of quarantines, facility closures, and travel and logistics restrictions.

The war in Ukraine, which started in February 2022, has generated globally a significant negative impact on consumption and GDP, driving inflation to historical highs. As a measure of managing inflation, the government of Canada has increased interest rates through 2022 and it may continue in 2023. These negative economic factors in the market could further impact operations and the ability to obtain funding to support growth.

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Even after the COVID-19 pandemic has subsided and due to the uncertainty in the events over the war in Ukraine and the inflation, the Company may experience adverse impacts to its business as a result of any economic recession or depression that has occurred or may occur in the future; therefore, the Company cannot reasonably estimate the impact at this time on our business, liquidity, capital resources and financial results.

Q1 OVERVIEW

For the first quarter of 2023, the Company the Company implemented cost reduction measures and explored strategic options with advice from James Edward Capital Corporation, signed a non-binding letter of intent to merge with GetIt Technologies Inc., and later signed a binding letter of intent. The Company also underwent a CFO transition, engaged Independent Trading Group for market-making services, and received a notice of allowance for a US patent application.

Q1 OPERATIONAL HIGHLIGHTS

- **Strategic Initiative and Cost Realignment.** On December 6, 2022, the Company announced that it implemented cost reduction measures, reallocated its workforce, and was exploring strategic options such as raising growth capital, merger, acquisition, or other transactions. The Company received advice from James Edward Capital Corporation, an investment bank specializing in emerging growth companies, on its strategic options.

- **Non-binding Letter of Intent:** On December 19, 2022, the Company announced it had signed a non-binding letter of intent to merge with GetIt Technologies Inc. to form a leading digital technology provider of delivery and digital ordering solutions with immediate revenue growth opportunities.

- **Binding Letter of Intent**: The Company announced on January 4, 2023, that it had signed a binding Letter of Intent (LOI) to merge with Getit. The appointment of Patrick Power to Perk's Board of Directors was also announced. Mr. Power is the Chairman and President of James Edward Capital Corporation, an Ottawa-based boutique investment bank focused on emerging growth companies.

- **CFO Transition**: On January 20, 2023, the Company announced that Vanessa Altamirano would step down as CFO, effective February 17, 2023, to pursue another professional opportunity and that the Company was restructuring for the planned merger with Getit. Andrew Bailes, a seasoned finance executive and Principal at Hertford Advisors, was announced as Interim CFO until a permanent CFO was named.

- **Engaged Market Maker:** On January 26, 2023, the Company announced that it had engaged Independent Trading Group (ITG) to provide market-making services in compliance with the Canadian Securities Exchange (CSE) policies. The agreement was for an initial three-month term and is renewable for additional one-month periods. The Company will pay ITG CAD$5,000 per month for its services, and the agreement may be terminated with 30 days' notice by either party.

- **Notice of Allowance of US Patent**: On February 22, 2023, the Company announced it had received a notice of allowance for a United States patent application directed at systems and methods for electronic payments with fraud prevention based on correlating transaction data and information from a user's device.

For the Three Months Ended February 28, 2023

HIGHLIGHTS SUBSEQUENT TO FEBRUARY 28, 2023

- **Completion of Merger with Getit**: On March 2, 2023, the Company announced it had completed its merger with Getit. The acquisition was completed through a share exchange, with the Company issuing an equivalent value of $4.655M in common shares of the company in exchange for all of the issued and outstanding shares of Getit. As part of the merger, Steve Cadigan and James Topham stepped down from the Board of Directors of the Company. Ben Lacroix and Ryan Hardy, the co-founders of Getit, were appointed to the Board of Directors and Ryan Hardy became the new CEO with Jonathan Hoyles transitioning to the role of Chief Legal Officer. Patrick Power assumed the position of Audit Committee Chair, succeeding James Topham. The company further announced it planned to change its name and ticker symbol to reflect the combined entity. In connection with the merger, the four largest shareholders of Getit agreed not to sell, assign, or otherwise transfer the common shares of the Company received, with the lock-up period expiring on February 28, 2024.

- **Private Placement**: On April 25, 2023, the Company announced that it had closed a private placement of 11,609,909 units ("Units"), for proceeds of ~$190,000 and settled a debt of ~$85,900 with a creditor by issuing 5,238,414 Units. Each Unit included one Common Share and one Common Share purchase warrant. The net proceeds of the private placement are to be used for sales, marketing, and working capital. The Company also announced that Gary Zhang was transitioning from his role as Chief Technology Officer to an advisory role.

COMPANY OVERVIEW

The Company's principal business is mobile apps, payments, and loyalty.

Merchants use the platform to provide a more engaging and convenient customer experience. By using the Company's platform, merchants are able to more efficiently provide online ordering, digital rewards and mobile payments to their customers while allowing their staff to focus on the customer experience.

The Company's platform is built on a new and advanced technology stack using offerings from leading companies like Amazon, Microsoft and Stripe. It also includes many new advanced features such as:

- Apple Pay/Google Pay integration
- Mobile pre-order
- Merchant downloadable app
- Merchant portal with analytics and dashboard

The key market drivers for the growth in mobile payments—beyond convenience and ease of use to pay for products from mobile phones—is that they can be easily integrated with card-free loyalty programs, and valuable data can be acquired such as how often customers shop, dine, what they buy, and how they respond to incentives. Merchants can use this data to better market to customers based on their shopping behaviour, patterns and preferences.

We believe that our continued efforts into improving the mobile ordering experience will help businesses increase revenues which will ultimately result in increased revenues for the Company.

(Expressed in Canadian Dollars)

For the Three Months Ended February 28, 2023

Cost and Controls
During the quarter ended February 28, 2023, management continued to optimize its use of cash resources. The Company prioritized research and development related to its platform and investor relations while reducing expenditures in other areas.

Summary
In the upcoming quarter, the Company expects to sign and launch a number of enterprise clients and roll out improvements and integrations between the Getit and Perk platforms. We believe that these developments in conjunction with increased sales and marketing resources will provide the required visibility to the Company's operations that will enable growth.

The Company's strategic priorities for 2023 include:

- A successful merger of the operations of Perk Hero Software Inc. and Getit
- Signing enterprise customers to use the Company's technologies and services
- Continued improvement of our products and offerings.
- Grow the number of end-user customers and businesses using our technologies and services
- Grow our licensing and transactional revenue.
- Invest in sales, marketing, and communication strategies to drive growth.

As well, we are always looking at new opportunities to expand our operations through mergers and acquisitions.

SUMMARY OF QUARTERLY REPORTS

Quarter Ended			Revenue		Net Income (Loss)		Income (Loss) Per Share
Q1/2023	February 28, 2023	$	2,708	$	(152,398)	$	(0.00)
Q4/2022	August 31, 2022	$	5,402	$	(890,671)	$	(0.00)
Q3/2022	May 31, 2022	$	6,021	$	(1,521,848)	$	(0.01)
Q2/2022	February 28, 2022	$	8,982	$	(405,720)	$	(0.00)
Q1/2022	November 30, 2021	$	6,042	$	(648,296)	$	(0.00)
Q4/2021	August 31, 2021	$	6,447	$	(1,080,350)	$	(0.01)
Q3/2021	May 31, 2021	$	1,085	$	(1,348,456)	$	(0.01)
Q2/2021	February 28, 2021	$	15,373	$	1,589,790	$	0.01

For the Three Months Ended February 28, 2023

RESULTS OF OPERATIONS

Three Months Ended February 28, 2023

The Company's comprehensive loss for the three months ended February 28, 2023 was $152,398 compared to loss of $405,720 For the three months ended February 28, 2022.

During the three months ended February 28, 2023, the Company had revenue of $2,708 compared to $8,982 for the comparative period. For the three months ended February 28, 2023, total cost of sales decreased to $1,500 (February 28, 2022 - $3,030).

Depreciation marginally decreased for the period ended February 28, 2023 to $23,742 (February 28, 2022 - $23,825). The vast majority of this amount relates to the right-of-use asset for the office lease.

General and administration expenses decreased for the three months ended February 28, 2023 to $199,451 (February 28, 2022 - $277,387) due to reduced headcount in the Company's efforts to preserve cash balances.

Research and development expenses decreased for the three months ended February 28, 2023 to $105,022 (February 28, 2022 - $202,954) this similarly reflects headcount reductions made to preserve cash balances.

Sales and marketing expenses decreased for the three months ended February 28, 2022 to $42,683 (February 28, 2022 – $105,787) as the Company decreased both marketing and sales costs to preserve cash balances.

Share-based compensation for three months ended February 28, 2022 was a gain of $226,198 (February 28, 2021 – expense of $66,888). The Company made this gain due to a large number of Share Options and RSU that were previously granted, but are now either forfeited or expired.

Other income and expense items produced net other loss of $8,906 for the three months ended February 28, 2023 versus an income of $265,170 for the comparative period: this includes an unrealized foreign exchange gain of $162 (February 28, 2022 – loss of $2,875), reflecting a change in value of the USA held equity balances. There was no gain on sale of marketable securities (February 28, 2022 - $79,350); no government subsidies or grants (February 28, 2022 - $15,275); interest income of $462 (February 28, 2022 - $722) reflecting lower cash balances in Perk's interest bearing accounts; Interest expense decreased to $2,046 for the three months ending February 28, 2023 (February 28, 2022 - $5,978) due to reduction in the lease liability associated with the right-of-use asset for the office lease; and unrealized losses of marketable securities of $8,296 (February 28, 2022 - gain of $176,275) driven by valuation changes in Better Plant Sciences.

(Expressed in Canadian Dollars)

For the Three Months Ended February 28, 2023

NON-IFRS EARNINGS MEASURE

Effective for the quarter ending August 31, 2020 and subsequent quarters, the Company reports "Adjusted EBITDAaL (EBITDA after Leases)" instead of "Adjusted EBITDA". We believe that the disclosure of this metric allows investors to evaluate the operational and financial performance of the Company's ongoing business, using the same evaluation that Management uses, and is therefore a useful indicator of the Company's performance or expected performance of recurring operations.

The Company recognized a 3-year lease starting June 1, 2020. Under IFRS 16, the lease for the Company's office premises is capitalized with a right-of-use asset and a corresponding lease liability. The asset is straight-line depreciated while an interest expense is recognized with the lease liability using effective interest rate.

To allow for more accurate comparisons to prior periods, the cash outflows, consisting of interest expenses and payments made on the lease liability are subtracted from EBITDA to calculate EBITDAaL. EBITDA is calculated as earnings before interest, income taxes, depreciation and amortization.

The Company defines adjusted EBITDAaL as EBITDAaL excluding gains or losses on foreign exchange, gains or losses on the sale of marketable securities, government subsidies and grants, COVID-19 related concessions, share-based compensation and gains or losses on marketable securities held.

EBITDA, Adjusted EBITDA, EBITDAaL and Adjusted EBITDAaL do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies and should not be considered as an alternative to measures of performance prepared in accordance with IFRS.

	February 28 2023		February 28 2022
Net and comprehensive loss for the period	**(152,398)**	$	(1,487,312)
Depreciation and amortization	**23,742**		97,052
Interest	**1,584**		27,944
EBITDA from operations	**(127,072)**		(1,362,316)
Cash expenditures for lease	(9,947)		(109,475)
EBITDAaL from operations	**(137,019)**		(1,471,790)
Foreign exchange loss	**(162)**		2,875
Loss/(gain) on sale of property	**(790)**		(2,400)
Loss/(gain) on sale of marketable securities	**–**		(79,350)
Government subsidies and grants	**–**		(15,275)
Share-based compensation	**(226,198)**		66,888
Other Income	**22**		22
Unrealized (gain) loss on marketable securities	**8,296**		(176,275)
Adjusted EBITDAaL	**(355,851)**	$	(1,675,306)

For the Three Months Ended February 28, 2023

LIQUIDITY

Assets

Total assets decreased from $477,842 at November 30, 2022 to $181,747 at February 28, 2023.

Cash at February 28, 2023 of $77,930 (November 30, 2022 - $315,117) comprises 43% (November 30, 2022– 66%) of total assets.

All Marketable securities are now current assets. Current marketable securities decreased to $2,745 as at February 28, 2023 (November 30, 2022 - $11,041). This reflects the changes of the valuation of the Company's holdings in Better Plant Sciences Inc.

The amounts receivables increased 16.2% to $11,598 (November 30, 2022 - $9,977) at February 28, 2022 comprising of GST receivable from the Canada Revenue Agency and amounts owing from licensees.

The prepaid expenses and deposits decreased 29% to $71,197 (November 30, 2022 - $99,875). Included in prepaid expenses is $49,697 (November 30, 2022 - $49,697) which represents the deposit on the office lease commenced June 1, 2020 and $21,500 (November 30, 2022 - $50,178) for other prepayments which consist of payments for annual expenses that are recognized over the course of the year such as insurance and exchange fees.

Liabilities

Total liabilities increased by 23% from $249,668 at November 30, 2022 to $306,502 at February 28, 2023. The increase is primarily attributed to the Company increase its accounts payable and accrued liabilities.

The accounts payable and accrued liabilities comprise 83% (November 30, 2022 – 73%) of the total liabilities. Accounts payable are $203,956 (November 30, 2022 - $151,692). Accrued liabilities are $20,000 (November 30, 2022 - $9,802). Accrued payroll liabilities are $22,312 (November 30, 2022 - $20,639). There are payments due to officers, directors and other related parties of $8,000 (November 30, 2022 - $80,000) for various consulting, management, and director fees.

Total deferred revenue was $3,171 as of February 28, 2023 (November 30, 2022 - $2,571) this encompasses annual merchant contracts for Custom Branded App and franchisees, which are recognized as revenue on a monthly basis.

At February 28, 2023, the Company's working capital was $(141,326) (November 30, 2021 - $187,861). The decrease in working capital reflects the use of cash for Company operations.

(Expressed in Canadian Dollars)

OPERATING LEASE COMMITMENTS

On June 1, 2020, the Company commenced a three-year lease for its office premises. It is a triple net lease with a base rent of $9,485 per month in Year 1; $9,716 per month in Year 2; and $9,947 per month in Year 3. Upon commencement of the lease, the Company recognized a right-of-use asset and a lease liability.

The following is a reconciliation from the undiscounted lease payments to the lease liabilities.

	$
Balance at November 30, 2022	**56,964**
Lease payments	(9,947)
Interest expenses on lease liabilities	2,046
Balance at February 28, 2023	**49,063**
Current portion	49,063
Long term portion	–

PROPOSED TRANSACTIONS

With the exception of the merger with Getit discussed above and completed on March 2, 2023, there are no proposed asset or business acquisitions or dispositions, other than those in the ordinary course of business as disclosed herein, before the Board of Directors for consideration.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

(Expressed in Canadian Dollars)

For the Three Months Ended February 28, 2023

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling activities of the entity, directly or indirectly. The key management personnel of the Company are the members of the Company's executive management team and Board of Directors. Compensation provided to key management personnel is as follows:

	February 28 2023	February 28 2022
Directors' fees	**3,333**	18,333
Remuneration and fees	**84,000**	142,035
Share-based compensation	**49,288**	54,897
	136,621	215,265

At February 28, 2023, the Company owed $Nil (November 30, 2022 - $6,667) to directors of the Company.

At February 28, 2022, the Company owed $8,000 (November 30, 2022 - $16,800) to the Chief Technology Officer of the Company which is included in accounts payable and accrued liabilities.

Amounts due to or from related parties are unsecured, do not bear interest, and are classified as a current asset or liability due to their nature and expected time of repayment.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act (BC) ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value of financial assets and liabilities that are measured at fair value on a recurring basis

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Under IFRS 13, Fair Value Measurement establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable\ inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist.

	Fair value measurements using			
	Quoted prices in active markets for identical instruments (Level 1) $	**Significant other observable inputs (Level 2) $**	**Significant unobservable inputs (Level 3) $**	**Balance, February 28, 2023 $**
Marketable securities	2,745	-	-	2,745

The fair values of other financial instruments, including cash and cash equivalents, notes receivable, accounts payable and accrued liabilities, and lease liabilities approximate their fair values due the short-term nature of the financial instrument.

Market risk

Market risk is the risk of loss that the fair value of future cash flows of a financial instrument held by the Company will fluctuate because of changes in market prices. The Company faces market risk from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

Interest rate risk consists of two components: to the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to fair value interest rate risk.

Current financial assets and financial liabilities are generally not exposed to significant cash flow interest rate risk because of their short-term nature, fixed interest rates, and maturity. The Company is not significantly exposed to cash flow interest rate risk on cash balances.

The Company may be exposed to fair value interest rate risk if the prevailing market rates increase or decrease compared to the interest rates associated with its financial assets. Management does not believe this risk is significant.

Foreign currency risk
Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in a foreign currency.

The Company is exposed to foreign currency risk with respect to its US denominated bank account. At February 28, 2023, financial instruments were converted at a rate of $1 US dollar to $1.3609 (November 30, 2022 – $1.3508) Canadian. A 10% change in foreign exchange rates is not expected to have a material impact on the condensed consolidated interim financial statements.

The Company has not entered into any foreign currency contracts to mitigate foreign currency risk.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash and amounts receivable. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada. For amounts receivable, the Company limits its exposure to credit risk by dealing with what management believes to be financially sound counter parties. At February 28, 2023 and 2022, all amounts receivable were current.

The Company's financial assets are not subject to material credit risk as it does not anticipate significant loss for non-performance.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments, or the proposed transaction. The Company manages liquidity risk by maintaining adequate cash balances when possible.

The Company's expected source of cash flow in the upcoming year will be through sales and debt or equity financing. Cash on hand at February 28, 2023 and expected cash flows for the next 12 months are not sufficient to fund the Company's ongoing operational and expansion needs. The Company will need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof.

Capital risk management
The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through a suitable debt and equity balance appropriate for an entity of the Company's size and status. The Company's overall strategy remains unchanged from last year.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, reserves, and deficit. The availability of new capital will depend on many factors including positive stock market conditions, the Company's track record, and the experience of management. The Company is not subject to any external covenants on its capital and there was no material change from the prior year.

Price risk
Price risk is the risk that the fair value of investments will decline below the cost of the underlying investments. The Company's marketable securities are exposed to price risk.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant areas requiring the use of estimates include revenue recognition, the collectability of amounts receivable and notes receivable, the useful lives and carrying values of property and equipment and intangible assets, the carrying value of marketable securities and investments, the measurement of share-based compensation, and unrecognized deferred income tax assets.

Judgments made by management in the application of IFRS that have significant effect on the consolidated financial statements include the factors that are used in determining the fair value of privately held investments, the fair value of share-based compensation, the discount rates applied on marketable securities held in escrow, and the application of the going concern assumption which requires management to take into account all available information about the future, at least but not limited to twelve months from the year end of the reporting period.

Recent Accounting Pronouncements

Amendment to IAS 1, Classification of Liabilities as Current or Non-Current

On January 23, 2020, and amended on July 15, 2020, the IASB issued an amendment to IAS 1, Classification of Liabilities as Current or Non-Current ("IAS 1") and has been revised to: i) clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period; (ii) clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and (iii) make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets, or services.

The amendment to IAS 1 is effective for annual reporting periods on or after January 1, 2023 and is applied retrospectively. Early adoption of this amendment is permitted. The Company is currently evaluating the impact of this amendment to its consolidated financial statements.

Amendment to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors

On February 12, 2021, the IASB issued an amendment to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") to introduce the definition of an accounting estimate and include other amendments to help entities to distinguish changes in accounting estimates from changes in accounting policies.

The amendment to IAS 8 is effective for annual reporting periods on or after January 1, 2023 and early adoption is permitted. The Company is currently evaluating the impact of this amendment on its consolidated financial statements.

Other new standards and amendments to standards and interpretations are not effective for the period ended August 31, 2022 and have not been early adopted by the Company and are not expected to have a material impact on the Company's consolidated financial statements.

(Expressed in Canadian Dollars)

For the Three Months Ended February 28, 2023

CAPITAL RESOURCES

Common Shares

	Issued Number		Amount
Balance, November 30, 2022	202,694,664	$	37,046,054
Shares issued for cash	-		-
Shares issued for services	2,265,384		25,667
Stock options exercised	–		–
RSUs vested	2,930,116		212,974
Balance, February 28, 2023	**207,890,164**	**$**	**37,284,695**

Warrants

	Number of Warrants		Weighted Average Exercise Price
Balance, November 30, 2022	7,672,138	$	0.05
Granted	-	$	-
Expired	-	$	-
Balance, February 28, 2023	**7,672,138**	**$**	**0.05**
Exercisable as at February 28, 2023	**7,672,138**	**$**	**0.05**

Stock Options

	Number of Options		Weighted Average Exercise Price
Balance, November 30, 2022	5,420,000	$	0.20
Granted	-	$	-
Forfeited	-	$	-
Expired	(650,000)	$	0.81
Exercised	-	$	-
Balance, February 28, 2023	**4,770,000**	**$**	**0.12**

Restricted Share Units

	Number of Units		Weighted average issue price of RSU
Balance, November 30, 2022	20,228,435	$	0.04
Granted	2,425,331		0.01
Vested, issued and released	(2,923,866)		0.07
Forfeited	(7,039,345)		0.04
Balance, February 28, 2023	**12,690,555**	**$**	**0.04**

For the Three Months Ended February 28, 2023

OFFICERS AND DIRECTORS

Ryan Hardy	President, Chief Executive Officer, Director
Benoit Lacroix	Chief Development Officer, Director
Jonathan Hoyles	Chief Legal Officer, Director
Kirk Herrington	Independent Director
Larry Timlick	Independent Director
Patrick Power	Director
Andrew Bailes	Interim Chief Financial Officer

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com.