

**Note: This version of Management's Discussion and Analysis has been modified to be dated November 10<sup>th</sup>, 2022.**

## **Management's Discussion and Analysis**

The following Management's Discussion and Analysis ("MD&A") for Mijem Newcomm Tech Inc. ("MNTI" or the "Company") should be read in conjunction with the Company's condensed financial statements, and the accompanying notes, as at and for the year ended July 31, 2022, which have been filed with certain securities regulatory authorities in Canada and may be accessed through the SEDAR website at [www.sedar.com](http://www.sedar.com) (under Mijem's profile). References in this MD&A to the Company's financial position and results of operations are presented on a consolidated basis and include the accounts of the Company and its wholly owned subsidiary, Mijem Inc. The Company's consolidated financial statements, including the notes thereto, and the financial information presented in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian currency unless otherwise indicated. This MD&A is dated as of November 10, 2022. Whenever used in this MD&A, the term "**Common Shares**" means common shares in the capital of the Company.

The content of this MD&A has been approved by the board of directors of the Company (the "**Board**" or "**Board of Directors**"), on the recommendation of its Audit Committee.

Further information concerning the Company and its business and operations may be obtained from continuous disclosure materials filed by the Company from time-to-time with certain securities regulatory authorities in Canada. These continuous disclosure materials are available through the Company's website at [investor.mijem.com](http://investor.mijem.com) or through the SEDAR website at [www.sedar.com](http://www.sedar.com) (under Mijem's profile).

## **Forward Looking Statements And Disclaimer**

Certain information set out in this MD&A constitutes forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "hope", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "scheduled", "believe" and similar expressions.

Forward-looking statements are based upon the opinions, expectations and estimates of management and, in some cases, information received from or disseminated by third parties, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include such things as the Company's current stage of development, the lack of a track record with respect to the generation of revenues from performance-based arrangements with customers, its reliance on third parties and third party technology, the existence of competition, the availability of external financing, the inherent risks associated with research and development activities and commercialization of emerging technologies (such as lack of market acceptance), timing of execution of various elements of the Company's business plan, the availability of human resources, the emergence of competing business models, new laws (domestic or foreign), lack of acceptance by customers, management's estimates of project requirements being incorrect, information received from third parties with respect to anticipated transaction volumes being incorrect, a lack of advertising sources for integration into the Company's platform, management's understanding of the competitive and regulatory environment being incorrect and the other risk factors noted below under the heading "Business Risks and Uncertainties". **Accordingly, readers should not place undue reliance upon the forward-looking information contained herein and the forward-looking statements contained in this MD&A should not be considered or interpreted as guarantees of future outcomes or results.**

The Company does not assume responsibility for the accuracy and completeness of the forward-looking statements set out in this MD&A and, subject to applicable securities laws, does not undertake any obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances. Mijem's forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statement.

## Overview

Mijem is a social network and technology company that provides innovative solutions to create a vibrant social marketplace platform for Generation Z communities such as students to connect with their peers, and to efficiently buy, sell and trade goods and services on and off campus. Mijem's patent pending flagship technology helps thousands of university and college students across the United States and Canada to connect online and to engage in campus centric commerce. Accordingly, the current addressable market for Mijem is the North American post-secondary education student population and their Generation Z peers.

Users of Mijem can use Mijem's buy-sell marketplace to browse articles for sale posted by other Mijem members or post their own items for sale. These articles, called "gems", span textbooks, apartments, clothing, electronics, furniture, concert tickets and more. Through Mijem's social networking tools, users may also post upcoming events, look for a roommate, a rideshare, or offer services such as tutoring to other students.

Mijem's technology is intended to make it easy for students and their Generation Z peers to find items for sale and save money. To make the buying and selling experience more efficient and customized, Mijem provides its users the ability to join one or more relevant local communities, which typically includes their own college or university campus. To list an item for sale, sellers simply snap a photo, add a description and proposed price and then upload it to their chosen communities. With a few clicks, prospective buyers can easily browse "local" and wishlist their favourites from thousands of gems posted by fellow community members for future reference.

The social technology of Mijem is built to promote trust and safety. Users of Mijem may follow their friends and peek at a member's profile, peer reviews, and posted gems. Other features include the ability to message Mijem members, ask questions, and make counter offers on items listed for sale. Ultimately, users may build communities with like-minded peers in their class, university, college, or city.

An important feature of Mijem's marketplace platform is that it provides users the ability to have a seamless in-app payment experience to process transactions and an optional shipping service, paid for by the buyer, for those who prefer a contactless approach. When the transaction is successfully made using the in-app payment system, Mijem charges a service fee to the seller.

Mijem plans to launch in-app paid advertising and sponsorship opportunities to brands and other advertisers who are interested in reaching the Generation Z and college/university demographic. These advertising opportunities may be delivered either indirectly through programmatic media technology that automatically serves relevant advertising based on such things as a user's geography, search activity or other means, or via direct sales efforts. Depending upon the type of advertising or sponsorship purchased, Mijem's immediate plan is to charge on either a cost per thousand impression ("CPM") or flat fee basis.

Mijem is committed to building loyal Mijem community members, through its loyalty program, buyers and sellers earn 1 point for every US dollar transacted on the Mijem platform, which can be redeemed for Bitcoin SV cryptocurrency via an integrated digital wallet. Mijem purchases Bitcoin SV from third party markets such as HandCash.io and allows users to exchange their earned Mijem loyalty rewards points into Bitcoin SV and transfer them to defined wallet addresses owned by Mijem users. For further clarity, Mijem is not a cryptocurrency service provider, Mijem does not trade cryptocurrency as part of its core profit-seeking commercial operations, and Mijem does not operate cryptocurrency wallets. Mijem is merely offering Bitcoin SV as a loyalty reward offering through third party wallet providers such as HandCash.io.

During this period, Mijem has also made solid progress towards developing the marketing infrastructure allowing it to deliver customized and highly targeted communications to its userbase. The company expects to use this infrastructure for a variety of acquisition, education and retention efforts.

Mijem is expecting to also launch other services categories in the future to its userbase. Services could include financial, career, wellness, entertainment and more. This will potentially create new business opportunities and revenue streams.

## Overall Performance

In March 2020, the World Health Organization declared COVID-19 a global pandemic. To date, the Canadian and US governments as well as businesses have mandated various public health measures to combat COVID-19. This contagious disease outbreak, which has continued to spread and has resulted in various variants emerging, and many related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn.

As vibrant campus life is conducive to the Company's marketing and brand development efforts, the Company was impacted negatively by the COVID-19 pandemic through the shutdown of college and university campuses. As campus life now returns to normal, the most significant impacts of the COVID-19 pandemic may have passed but it is not possible to predict the timing, duration, or magnitude of further outbreaks of the pandemic or lockdowns of campus life. The Company's operations and business will be impacted should further public health restrictions be imposed on university and college campuses.

In the year ended July 31, 2022, Mijem had a net loss of \$2,776,155 when compared to the same period in the 2021 fiscal year, where the Company had a net loss of \$491,841. This loss includes a share capital increase of \$723,757 related to the Reverse Take Over (RTO) which has been charged to listing expense, totalling \$783,042 for the period. Corporate management fees, salaries, and Professional fees accounted for \$797,699 of those losses, and share based compensation to establish the Board and retain officers accounted for \$305,519. During this period Mijem increased its Advertising and promotion which accounted for \$455,299 and continued its focus on Research & development of its in-app payment system which accounted for \$310,922.

## Selected Information

The following table sets out selected financial and share information of the Company as at July 31, 2022, and July 31, 2021 and July 31, 2020. Weighted average shares outstanding and Loss per share have been adjusted to reflect all amalgamations, splits, consolidations, and reallocations to July 31, 2022.

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	Note	2022	2021
<b>REVENUE</b>		<b>6,653</b>	<b>7,110</b>
<b>EXPENSES</b>			
Listing expense	7	783,042	-
Advertising and promotion	19	455,299	66,521
Corporate management	19	359,454	132,491
Research and development	6	310,922	29,681
Salaries	14	293,789	147,859
Share-based compensation	10,14	305,519	82,210
Professional fees	19	144,456	62,051
Insurance		57,776	8,141
Regulatory fees		25,721	-
Interest		24,148	28,417
Communication		14,909	2,580
Office and sundry		9,619	923
Rent	11	4,074	6,057
Amortization of intangible assets	9	3,990	4,983
Bank charges		2,639	8,669
Depreciation of equipment	8	1,380	1,588
<b>TOTAL EXPENSES</b>		<b>2,796,737</b>	<b>582,171</b>
<b>LOSS BEFORE THE FOLLOWING ITEMS</b>		<b>(2,790,084)</b>	<b>(575,061)</b>
Interest income		3,345	58
Revaluation of cryptocurrency		(5,169)	(3,863)
Government assistance	6	-	10,945
Foreign currency translation loss		(5,805)	-
Change in fair value of derivative liability	10	59,041	107,269
Accretion expense	10	(37,483)	(31,189)
<b>NET LOSS AND COMPREHENSIVE LOSS</b>		<b>(2,776,155)</b>	<b>(491,841)</b>
<b>Basic and diluted loss per share</b>		<b>(0.1307)</b>	<b>(0.0464)</b>
<b>Weighted average number of basic common shares outstanding</b>		<b>21,232,662</b>	<b>10,598,521</b>

## Results Of Operations

### Application Key Metrics

Year	July 2022	July 2021	July 2020
Total cumulative downloads (000's)	152	127	120

In the year ended July 31, 2022, on-campus learning, and activities slowly resumed in January of 2022 at most colleges and universities across Canada and the United States. In parallel, Mijem resumed its user acquisition promotional and marketing initiatives, resulting in a 19% increase in year over year download growth.

Mijem normally sees a fluctuation in downloads that follows the school semester cycle. The Company expects to see the summer months produce a reduction in that growth rate, followed by a surge in growth at the beginning of the school year.

### Revenues

Mijem has recognized advertising revenue of \$6,653 for the year July 31, 2022. Revenue in the comparative periods for 2021 - \$7,110 is the result of short-term subcontracting of personnel to reduce costs.

### Operating Costs

The company completed a reverse take-over (RTO) on January 6th, 2022 and began trading as a public company on the Canadian Securities Exchange (CSE) on January 10<sup>th</sup>, 2022, under the trading symbol MJEM.

The RTO resulted in several expenses which would not normally be incurred in the regular course of operations. As a result of Equity issued on the RTO, an amount of \$723,757 (2021 - \$nil) was charged to listing expense and is a part of the total listing expense \$783,042. The balance of the listing expense \$59,285 represents the difference between the assets and liabilities acquired.

Company options issued prior to the RTO became fully vested on the RTO, and along with new options issued by the Board on January 14<sup>th</sup>, 2022 and on April 14<sup>th</sup>, 2022 created a Share based compensation expense for the year ended July 31, 2022 of \$305,519. (2021 - \$82,210)

### Advertising and Promotion

Mijem's Advertising and promotion expenses increased to \$455,299 for the year ended July 31, 2022. For the same period in 2021 the expense was \$65,521. Advertising and promotion also include those costs associated with investor relations and public relations expenses incurred as a result of becoming a public company this year. These expenses were \$287,541 in this fiscal year, and nil for the same period in the prior year.

Mijem slowed its marketing activity in 2020 and into 2021 due in part to the coronavirus pandemic that dramatically reduced college and university on-campus student attendance. With the RTO and trading beginning on the CSE in early January, advertising funds were used to undertake market re-development with a return to active promotion and general advertising. This coincides with a re-opening of universities and return to campus as we move to a post pandemic environment.

### Share Based Compensation

Share based compensation expense in the first three months accounted for an additional \$8,280 of expense related to options previously issued.

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On January 5<sup>th</sup> the Mijem Inc. Board (now a subsidiary of MNTI) passed a resolution, consistent with the option plan then in effect, that Section 14 of that option plan would not apply, allowing all outstanding options to fully vest on an amalgamation, merger or similar transaction. This accelerated vesting resulted in an expense of \$33,375.

On January 6<sup>th</sup> MNTI issued 277,876 fully vested options as part of a service agreement that resulted in an expense of \$51,867.

On January 14<sup>th</sup> the Board issued options to current directors as compensation for their work on the board. These options are fully vested and resulted in an expense of \$93,325.

On January 14<sup>th</sup> the Board issued 935,00 options to the company officers who were with the company prior to the Amalgamation. One third of these options are fully vested with the remaining option vesting 1/3 annually on the anniversary date of issue. This resulted in an expense of \$105,509 for the year.

On January 14<sup>th</sup> the Board granted 180,000 options as part of the compensation package for a new Officer of the corporation. These options vest 1/3 per year over 3 years on the anniversary date of the grant. The expense for the year these options was \$11,138.

On April 14<sup>th</sup> the Board granted 180,000 options as part of the compensation package for the new CEO. These options vest 1/3 per year over 3 years on the anniversary date of the grant. The expense for the year of these options was \$2,025.

#### Corporate Management

To more accurately reflect professional fees related to legal and audit, we have reallocated contract fees associated with management contracts to corporate management. This adjustment has been made retroactively for comparative purposes.

Corporate management fees for the year ended July 31, 2022, were \$359,454 (2021 \$132,491). These management fees include the full-time contract of the COO/CFO, and part-time contracts of the VP Capital Strategy and other additional short-term resources, along with any recruitment placement fees.

#### Research and Development

Technology development, financial and market research was performed by consultants and contractors. These costs for the year ended July 31, 2022, was \$310,922, while the same period in 2021 showed an expense of \$29,681. The period 2021 included the recovery of research and development grants which was significantly reduced in the current period when compared to the prior year. This is the result of one grant ending and the shift to lower cost, outsourced developers for which recovery of Scientific Research and Experimental Development tax credits do not apply.

#### Salaries

Salary and wage costs consist of employee salaries. For the year ended July 31, 2022, Salaries were \$293,789 compared to \$147,859 in 2021. The average number of employees for the year July 31, 2022 was two, and two in 2021. Mijem expects the cost of Salaries to increase in the future in support of its marketing, sales, and operational support.

#### Professional Fees

The Professional fees for the year ended July 31, 2022, were \$144,456 (2021 - \$62,051). Legal fees accounted for \$69,545 of this total and Accounting and Audit for \$74,911. Many of these fees are associated with the efforts leading up to the RTO transaction and are not expected to be duplicated.

Other Operating Costs

Other operating costs consist primarily of Interest expense, Amortization, Rent, Insurance, and Office expense. Other operating costs for the year ended July 31, 2022, totaled \$144,256 compared to \$61,358 in 2021.

With long term loans paid off it is expected that interest expense will be significantly reduced, and as we currently expect to continue with a largely virtual operations model, we anticipate only modest or no further rent expenditures. We are seeing an increase in insurance, which is associated with our status as a new publicly trading company, along with regulatory fees. As marketing and product development efforts return to previous levels, we are anticipating minor increases in travel and other office expenses.

The following table provides a breakdown of other operating costs:

<b>Year ended July 31,</b>	<b>2022</b>	<b>2021</b>
Insurance	57,776	8,141
Regulatory Fees	25,721	-
Interest	24,148	28,417
Communication	14,909	2,580
Office and sundry expense	9,619	923
Amortization of intangible assets	3,990	4,983
Rent	4,074	6,057
Bank charges	2,639	8,669
Depreciation of Furniture and Equipment	1,380	1,588
<b>Total Other operating Costs</b>	<b>144,256</b>	<b>61,358</b>

Operating Gain or Loss

Mijem's operating loss for the year ended July 31, 2022, was \$2,790,084 compared to \$575,061 in 2021. Much of the loss can be attributed to \$783,042 of expense related to the RTO transaction, which is included in listing expense.

Net Loss and Comprehensive Loss

Mijem's net loss for year ended July 31, 2022, was \$2,776,155 (\$0.1307 per share on 21,232,662 weighted average shares) compared to a loss of \$491,841 (\$0.0464 per share on 10,598,521 weighted average shares) in the same period in 2021.

## Summary Of Quarterly Results

The following table sets out selected financial information of the Company for the quarters indicated.

(in 000's,)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
<b>REVENUE</b>	\$ -	\$ 2	\$ 4	\$ 1	\$ -	\$ -	\$ 6	\$ 1
<b>EXPENSES</b>								
Professional fees	24	1	(8)	47	31	47	13	54
Corporate Management	10	5	72	44	57	98	108	96
Listing Expense	-	-	-	-	-	783	0	0
Regulatory Fees	-	-	-	-	10	5	5	6
Salaries	36	30	42	40	53	44	101	95
Share based compensation	-	-	74	8	8	233	27	38
Research and development expense (recovery)	(7)	(37)	(18)	91	88	56	73	93
Advertising and promotion	-	-	18	47	83	70	162	140
Other	11	14	18	20	23	22	32	43
<b>TOTAL EXPENSES</b>	74	13	198	297	353	1358	521	565
<b>LOSS BEFORE THE FOLLOWING ITEMS</b>	<b>(74)</b>	<b>(11)</b>	<b>(194)</b>	<b>(296)</b>	<b>(353)</b>	<b>(1,358)</b>	<b>(515)</b>	<b>(564)</b>
Interest income	-	-	-	-	-	1	1	1
Revaluation of cryptocurrency	-	-	-	(4)	1	(3)	(1)	(2)
Government assistance	-	-	5	5	0	(2)	0	2
Exchange Gain or Loss	-	-	0	0	0	(4)	0	(1)
Change in fair value of derivative liability	-	-	16	92	92	(33)	0	0
Accretion expense	-	-	(8)	(23)	(23)	(13)	0	(2)
<b>NET LOSS AND COMPREHENSIVE LOSS</b>	<b>(74)</b>	<b>(11)</b>	<b>(181)</b>	<b>(226)</b>	<b>(283)</b>	<b>(1,412)</b>	<b>(515)</b>	<b>(566)</b>

In the last eight quarters, Research and development had variations over the quarters due to receipts of grants obtained. Furthermore, Mijem's staff levels and salaries fluctuated over the past eight quarters as the Covid-19 pandemic operating environment created a situation where the company experienced repeated cycles of ramping up then downsizing of its resources. Only in the last year have we started to increase again. Professional fees and Corporate Management had significant increases as Mijem pursued a going-public transaction and incurred audit, legal and management expenses accordingly. As Mijem's target market, post-secondary students, is cyclical in nature with respect to the academic year, Mijem's Advertising and promotion spend likewise fluctuates, with significant spending increase after going public.

### Fourth Quarter

Mijem realized \$1,030 in revenue from the speaking engagement of one employee.

Research and development for the quarter ended July 31, 2022, was \$92,986 compared to \$91,411 in the prior year. This increase in expense is due to increased contract costs. In addition, while some grants have come to an end, the move to less expensive offshore programmers reduces our ability to recover expenses through grants and government assistance.

Salaries for the quarter ended July 31, 2022, was \$95,267 compared to \$39,775 in the prior year. Corporate management for the quarter ended was \$96,374 compared to \$44,137 in the prior year. These increases were due to the growth of the senior team.

Share based compensation for the quarter ended July 31, 2022, was \$37,748 compared to \$nil the prior year.



Professional fees for the quarter ended July 31, 2022, was \$53,803, compared to the prior year of \$46,646. This increase in expenses is the result of increased Legal and Accounting fees.

Advertising and promotions for the quarter ended July 31, 2022, was \$140,438 compared to \$46,910 the prior year. With schools returning to on-campus learning, we have increased advertising as we begin to reach out once again to students. Social media marketing and paid advertising represent \$70,104 of that spend, Programs and Contests were \$11,433, public relations and communications \$32,719, and creative content creation was \$300. Finally, Investor relations expense accounted for \$25,882.

## **Liquidity And Capital Resources**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The reported financial position of the Company presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. At the year July 31, 2022, the Company has incurred accumulated losses of \$6,750,106 since the Company commenced operations in 2014. At that same time the Company had a working capital of \$473,690 and a cash balance of \$429,883, compared to the year ended 2021 of \$103,475 and a cash balance of \$363,447. These increases were due to increased Capital investment.

Cash flows from operating activities primarily consist of the Company's gain or loss before income tax adjusted for certain non-cash items such as amortization, stock-based compensation, interest and accretion on debentures, gains on the settlement of liabilities and changes in working capital.

Cash flows used for operating activities for the year ended July 31, 2022, was \$1,941,257 compared to \$455,764 in 2021. The increase was primarily due to increased expenses with the reverse takeover and listing on the CSE, along with increases in advertising and promotion, research and development, salaries, and corporate management areas.

Cash flows from financing activities for the year July 31, 2022, include the repayment of long-term loans, issuance of common shares in exchange for cash, and shares redeemed for cash. Long term loans from BDC and a Government (CERB) loan resulted in repayment of \$239,237. The issuance of common shares in year July 31, 2022 resulted in gross proceeds of \$2,344,849, and the redemption of share for cash resulted in payment of \$65,000.

The Company's ability to continue operations remains dependent upon its ability to: 1) raise additional funds; 2) realize transaction revenues from existing users; and 3) secure new users, that provide the Company with adequate funds to cover projected expenditures (or a combination of the foregoing). If the Company does not generate sufficient funds from existing or new customer relationships and is unable to raise additional financing, the Company will have to consider strategic alternatives, which may include, among other things, exploring the monetization of certain intangible assets, modification of planned operating expenditures, or the sale of the Company.

### Contractual Obligations and Off-Balance Sheet Arrangements

The following table sets out certain information concerning Mijem's contractual obligations, including payments due for each of the next three years and thereafter.

Contractual Obligations as at July 31, 2022	Payments Due by Fiscal Year				After 3 years
	Total	2022	2023	2024	
Accounts Payable and Accrued Liabilities	163,007	163,007	-	-	-
<b>Total</b>	<b>163,007</b>	<b>163,007</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Company did not have any off-balance sheet arrangements as of July 31, 2022. The Company did not have any commitments for capital expenditures as of July 31, 2022, nor any financing sources arranged, but not yet used.

### Financial Instruments and Other Instruments

The Company holds various forms of financial instruments as follows:

	July 31, 2022	July 31, 2021
	\$	\$
FVTPL, measured at fair value:		
Cash	429,883	363,447
Short-term Investments	33,000	
Liabilities		
Derivative liabilities	-	151,106
Financial assets, measured at amortized cost:		
Subscription receipts - held in trust	-	2,390,850
Financial liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	163,007	256,514
Subscription receipts liability	-	2,390,850
Long-term loans	-	236,706
Convertible promissory note	-	512,418

The nature of these financial instruments and the Company's operations exposes Mijem to a number of financial risks, including credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

Financial assets that are exposed to credit risk consist primarily of cash and cash equivalents and accounts receivable. At July 31, 2022, primarily all of the Company's cash and cash equivalents were held at a major Canadian bank.

While the Company accounts receivable at this time are minimal, in future they would be subject to normal credit risks. Any amounts not provided for would be considered fully collectible.

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company manages liquidity risk through cash flow forecasting including anticipated investing and financing activities. See the section titled "Liquidity and Capital Resources" above for further discussion.

Foreign currency risk arises from the fluctuation of foreign exchange rates and the degree of volatility of these rates relative to the Canadian dollar. The Company expects to achieve transaction and advertising revenues in both Canadian and foreign currencies. Revenues in foreign currencies gives rise to the risk that the Company's income and cash flows may be adversely impacted by fluctuations in foreign exchange rates. Certain purchases of services and equipment are also made in non-Canadian currencies. The Company does not actively manage this risk and uses its natural hedge to mitigate, to the extent possible, the impact of foreign exchange fluctuations.

The most significant foreign exchange exposure arises from U.S. dollar revenue and costs. The Company may experience transaction exposure because of volatility in the exchange rate between the Canadian and U.S. dollar.

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and debenture approximate their fair values due to the immediate or short-term maturity of these financial instruments.

## **Business Risks and Uncertainties**

The business of the Company is subject to numerous risk factors, including those more particularly described below. An investment in or ownership of Common Shares should be considered highly speculative due to the nature of the Company's business, its current stage of development and the potential requirement for additional financing.

### Negative Impact of COVID-19 Outbreak

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread and has resulted in various variants emerging, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company was impacted negatively by the COVID-19 pandemic primarily through the shut-down of university campuses as vibrant campus life is conducive to the Company's marketing and brand development efforts. As campus life normalizes in Canada the United States, the most significant impacts of the COVID-19 pandemic may have passed but it is not possible to predict the timing, duration, or magnitude of further outbreaks of the pandemic or lockdowns of campus life. The Company's operations and business will be impacted should further public health restrictions be imposed on university and college campuses.

### Business Interruption Risks

The Company may be impacted by business interruptions resulting from pandemics and public health emergencies, including those related to the COVID-19 pandemic. In particular, the Company may be adversely affected by public health decisions having the effect of restricting physical attendance of university or college students on campus. An outbreak of infectious disease, a pandemic, or a similar public health threat, such as COVID-19 and the related variants, or a fear of any of the foregoing, could adversely impact the Company. It is unknown whether and how the Company may be affected if such an epidemic continues to persist for an extended period. The Company may incur expenses or delays relating to such events outside of its control, which could have a material adverse impact on its business, operating results, and financial condition.

### Substantial Capital Requirements; Liquidity; Going Concern

Because of the costs associated with further development of Mijem's technology and business, and the fact that Mijem's ability to generate revenue will depend on a variety of factors (including the ability of Mijem to meet its development schedule and consumer acceptance of Mijem technologies), additional funds may be required to support Mijem's business. Mijem has accumulated a substantial deficit and continues to have operating losses. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Additional funds (whether through additional equity financing, debt financing or other sources) may not be available (at all or on terms acceptable to Mijem) or may result in significant dilution to Mijem shareholders or significant interest obligations. The inability to obtain additional funds in the short term will have a material adverse effect on Mijem's business, results of operations, and financial condition and could result in the Company ceasing operations.

#### No Record of Profit

Mijem has incurred significant losses to date, and there can be no assurance that the future business activities of Mijem will be profitable. Since its organization, Mijem has incurred costs to develop and enhance its technology, to establish strategic relationships and to build administrative support systems. Mijem has a working capital of \$473,690 as of July 31, 2022. Mijem incurred losses of \$2,776,155 for the year July 31, 2022, \$491,841 for the year July 31, 2021, \$361,335 for the year July 31, 2020. Mijem's ability to operate profitably and generate positive cash-flow in the future will be affected by a variety of factors (including its ability to further develop and test its technology on schedule and on budget, the pace at which it secures additional users, the time and expense required for the roll-out of its technology, its success in marketing its applications to consumers, the intensity of the competition experienced by Mijem and the availability of additional capital to pursue its business plan, including development of new solutions and services). An inability to generate sufficient funds from operations will have a material adverse effect on Mijem's business, results of operations and financial condition.

#### Developing Market

Mijem is engaged in the ongoing development and marketing of an application that continues to evolve as the company identifies and implements new and different services to increase its value to its consumer base. As is typical of a consumer-focused application, the demand for the company's applications is subject to a high level of uncertainty as customer needs and wants can change. If the markets for the Mijem applications fail to develop, develop more slowly than expected or become saturated with competitors, or if the Company's applications do not achieve and maintain market acceptance, the Company's business, results of operations and financial condition will be materially adversely affected.

#### Current Enterprise Value Assigned by the Market, Liquidity

The actions of all stakeholders in the business may be adversely affected by the current market capitalization of the Company. These stakeholders include users, potential users, competitors, and current or prospective employees. These stakeholders may ascribe a higher business risk to the Company due to its relatively low market capitalization, and any perception of higher risks may have a material adverse effect on Mijem's business, results, and financial condition.

#### Third Party Technology

In providing its solutions and services, Mijem is, and will continue to be, dependent on technologies and infrastructure that are beyond Mijem's control, including smartphones, computers, cellular telephone networks, cloud computing services, and payment systems. There can be no assurance that, if weaknesses or errors in third party software or hardware are detected, Mijem will be able to correct or compensate for such weaknesses or errors. If Mijem is unable to address weaknesses or errors and the Company's technology is therefore unable to meet consumer needs or expectations, Mijem's business, results of operations and financial condition will be materially adversely affected. In addition, there can be no assurance that the Company will continue to have access to required third-party technology on terms acceptable to Mijem. If Mijem is unable to obtain third party technology on acceptable terms, Mijem's business, results of operations and financial condition will be materially adversely affected.

#### Rapid Technological Change

The technology industry is subject to rapid change, and the inability of Mijem to adapt to such change may have an adverse effect on Mijem's business, results of operations and financial condition. The effect of new developments and technological changes on the business sector in which Mijem is active cannot be predicted. Such developments would include, but are not limited to, change in web browser technology, how mobile advertising is delivered by advertisers and transacted with potential consumers, changes to or the development of alternative payment systems, changes to smartphone technology, a change in the success rate on the application of analytics in advertising, consumer backlash resulting from the collection and use of demographic intelligence, and industry consolidation. Mijem's failure to adapt to any of the above could have a material adverse effect on Mijem's business, results of operations and financial condition.

### Competition

Mijem is subject to competition from other organizations (many of which have substantially greater human and financial resources) and there can be no assurance that Mijem will be able to compete effectively in its target markets. Technologies do exist that are competitive with the Company's offerings. Certain organizations with substantially greater financial and human resources than the Company have active research and development initiatives involving the development and implementation of consumer online and mobile buy/sell/trade solutions. The inability of Mijem to preserve existing users and secure additional users due to competitive technologies will have a material adverse effect on Mijem's business, results of operations and financial condition.

In addition, advances in communications technology as well as changes in the marketplace and the regulatory environment are constantly occurring and any such change could have a material adverse effect on Mijem.

### Need for Research and Development

To achieve its business objectives and obtain market share and profitability, Mijem will need to continually research, develop and refine the Company's applications. Many factors may limit Mijem's ability to develop and refine required technologies or to create, acquire or negotiate access to new technologies. Mijem may also be exposed to marketplace resistance to new technology and services. Any failure of Mijem to develop new technologies or refine its existing technologies or offer new applications could have a material adverse effect on Mijem's business, results of operations and financial condition.

### Defects and Liability

The software utilized to deliver the Company's applications is complex and sophisticated and may contain design defects or software errors that are difficult to detect and correct. There can be no assurance that the Company's technologies will be free from errors or defects, or, if discovered, that Mijem will be able to successfully correct such errors in a timely manner or at all. Errors or failures in the Company's technologies could result in loss of or delay in market acceptance and usage of the Company's applications and correcting such errors and failures could require significant expenditures. Because of the competitive nature of the marketplace in which the Company's application is delivered, the reputational harm resulting from errors and failures could be very damaging to Mijem. The consequences of such errors and failures could have a material adverse effect on Mijem's businesses, results of operations and financial condition.

### Patents and Other Intellectual Property

While Mijem has achieved a pending patent for certain elements of its technology, there can be no assurance that such patent will not be successfully challenged in the future. Competitors may have filed patent applications or hold issued patents relating to services or processes competitive with those of Mijem. Others may independently develop similar services or duplicate unpatented elements of the Company's technologies.

Mijem's success will be largely dependent upon its ability to protect its proprietary technologies. Mijem relies upon copyrights, trademarks, and trade secrets to protect its intellectual property. Where appropriate, Mijem also enters into non-disclosure agreements with persons to whom it reveals proprietary information. Any failure or inability on the part of Mijem to protect its intellectual property could have a material adverse effect on Mijem's business, results of operations and financial condition.

Mijem may be required to engage in litigation in the future to enforce or protect its intellectual property rights or to defend against claims of invalidity and Mijem may incur substantial costs as a result. Any claims or litigation initiated by Mijem to protect its intellectual property could result in significant expense to Mijem and diversion of the efforts of Mijem's technical and management resources, whether or not the claims or litigation are determined in favor of Mijem.

### Ability to Manage Growth

Responding to consumer demands, expansion into other geographical markets and targeted growth in Mijem's business has placed, and is likely to continue to place, significant strains on Mijem's administrative and operational resources and increased

demands on its management, internal systems, procedures, and controls. If Mijem experiences rapid acceptance of its applications, the need to manage such growth will add to the demands on Mijem's management, resources, systems, procedures, and controls. There can be no assurance that Mijem's administrative infrastructure, systems, procedures, and controls will be adequate to support Mijem's operations or that Mijem's officers and personnel will be able to manage any significant expansion of operations. If Mijem is unable to manage growth effectively, Mijem's business, operating results and financial condition will be materially adversely affected.

#### Personnel Resources

Mijem is (and will continue to be) reliant upon its management and technical personnel in all aspects of its business, including to anticipate and address consumer demands in areas such as software development, customer service, marketing, finance, strategic planning, and management. There can be no assurance that qualified management or technical personnel will be available to Mijem in the future. The loss of services of any of the Company's management or technical personnel could have a material adverse effect on its business, results of operations and financial condition.

#### Potential Fluctuations in Quarterly Operating Results

Mijem expects to be exposed to significant fluctuations in quarterly operating results caused by many factors, including changes in the demand for and or usage of the Company's applications, the introduction of competing technologies, market acceptance of enhancements to the Company's applications, delays in the introduction of enhancements to the Company's applications, changes in Mijem's pricing policies or those of its competitors, the mix of solutions and services sold, foreign currency exchange rates and general economic conditions. Such fluctuations could have a material adverse effect on Mijem's business, results of operations and financial condition.

#### Risk of Industry Consolidation

Mijem may have established working relationships that are undermined by a business combination or other transaction with another business in the marketplace. This could have a material adverse effect on Mijem's business, results of operations and financial conditions.

#### Government Regulation

The marketplace within which Mijem operates is in constant flux in relation to government regulation. Areas being regulated include regulation relating to online payments, privacy, restricted category (or class) of goods for resale, consumer protection laws, and opt-in requirements for mobile applications. Regulation is also being considered for use and application of consumer demographic information for mobile advertising purposes and other areas impacting on mobile advertising. The consequences of such regulation or changes to such regulation could have a material adverse effect on Mijem's business, results of operations and financial condition.

#### Costs Associated with Compliance with Securities Laws

Mijem is a publicly traded corporation and is subject to all the obligations imposed on "reporting issuers" under applicable securities laws and all of the obligations applicable to a listed company under stock exchange rules. Direct and indirect costs associated with public company status have increased in recent years and regulatory initiatives under consideration may further increase the costs of being public in Canada and could have a material adverse effect on Mijem's business, results of operations and financial condition. If Mijem is unable to generate significant revenues from business operations, the cost of complying with applicable regulatory requirements will represent a significant financial burden to Mijem and may have a material adverse effect on Mijem's business, results of operations and financial condition.

## Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares, an unlimited number of Classes 'A', 'B' and 'C' common shares, and an unlimited number of first preferred shares issuable in series by the directors. The common shares are without nominal or par value and may carry rights, privileges, priorities, limitations, conditions, and restrictions according to the class their issued at including receiving dividends and voting rights.

The Class 'A' common shares have all rights and privileges of common shares with the exception that Class 'A' shares cannot be traded on any public exchange and automatically reverted to Common Shares four months after the RTO. The RTO took place on January 6, 2022. These shares were automatically converted to Common shares on May 6, 2022, and as a result there are currently no Class 'A' common shares issued and outstanding.

The Class 'B' common shares have all rights and privileges of common shares with the exception that Class 'B' shares cannot be traded on any public exchange and will automatically revert to Common Shares eight months after the RTO. The RTO took place on January 6, 2022. These shares were automatically converted to Common free trading shares on September 6, 2022.

The Class 'C' common shares have all rights and privileges of common shares with the exception that Class 'C' shares cannot be traded on any public exchange and will automatically revert to Common Shares twelve months after the RTO. The RTO took place on January 6, 2022. These shares are to automatically convert to Common shares on January 6, 2023.

The First Preferred Shares shall be entitled to preference over the common shares of the Company and over any other shares of the Company ranking junior to the First Preferred Shares with respect to payment of dividends and return of capital and in the distribution of assets in the event of liquidation, dissolution, or wind-up of the Company. There are currently no Preferred Shares issued and outstanding.

The total issued and outstanding shares at July 31, 2022 are 27,787,636 made up of the following;

Common	Class A	Class B	Class C	Preferred
17,083,022	0	5,352,307	5,352,307	0

The following have been adjusted to reflect all amalgamations, splits, and consolidations to July 31, 2022.

Shares issued and outstanding on July 31, 2022, total 27,787,636, at the same period 2021 – 11,333,989.

Share purchase warrants issued at July 31, 2022 total 845,080, (approximate average exercise price \$0.2328) at the same period 2021 – 3,905,116 (approximate average exercise price \$0.0380).

<b>Date of expiry</b>	<b>Number of warrants outstanding</b>	<b>Exercise Price</b>	<b>Estimated grant date fair value</b>	<b>average remaining contractual life ( in years)</b>
		\$	\$	
January 06, 2024	496,800	0.2500	65,282	1.440
April 1, 2024	64,920	0.1925	8,722	1.670
May 30, 2025	283,360	0.2117	43,870	2.830
	<b>845,080</b>		<b>117,874</b>	<b>1.922</b>

Options granted at July 31, 2022, - 2,763,182 at the same period 2021 – 690,690.

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Expiry date	Number of options outstanding	Number of options exercisable	Exercise price	Recognized estimated grant date fair value	Weighted average remaining contractual life (in years)
July 5, 2023	176,716	176,716	\$ 0.1415	27,065	0.929
February 7, 2024	159,390	159,390	\$ 0.1883	21,506	1.515
January 6, 2027	277,876	277,876	\$ 0.2500	51,867	4.460
January 14, 2027	1,615,000	811,667	\$ 0.2500	209,972	4.460
April 14, 2027	180,000	-	\$ 0.2500	2,025	4.707
May 30, 2027	354,200	354,200	\$ 0.2117	65,311	7.781
	<b>2,763,182</b>	<b>1,779,849</b>		<b>377,746</b>	<b>4.506</b>

## Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly, and consist of its directors and Chief Executive Officer and Chief Financial Officer, Chief Technology Officer.

The remuneration of key management personnel for the periods ended July 31, 2022, and 2021 are as follows:

Year Ended July 31,	2022	2021
	\$	\$
Consulting fees, payroll and other benefits	383,803	95,021
Share-based compensation	224,704	41,736
	<b>608,507</b>	<b>136,757</b>

## Critical Accounting Policies and Estimates

The Company's audited periods ended July 31, 2021, July 31, 2020, and July 31, 2019 were prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB"). Please refer to Note 2 of the Company's audited financial statements for a detailed discussion regarding the significant accounting policies relied upon in the preparation of the financial statements, the application of critical estimates and judgements in the preparation of the financial statements and recent accounting pronouncements.