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**Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)**  
**Condensed Interim Financial Statements**  
**For the nine months ended September 30, 2022 and 2021**  
**Unaudited**  
**(Expressed in Canadian Dollars)**

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## **NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Goat Industries Ltd. (formerly Billy Goat Brands Ltd.) (the "Company" or "Goat") have been prepared by and are the responsibility of the Company's management.

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

**Goat Industries Ltd. (formerly. Billy Goat Brands Ltd.)**  
**Condensed Interim Statement of Financial Position**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – prepared by management)**

	September 30, 2022	December 31, 2021 (Audited)
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 5,822	\$ 672,782
Loan receivable (Note 5 and 9)	294,043	205,000
Prepaid expenses (Note 6)	166,954	1,315,266
	466,819	2,193,048
<b>Non-Current</b>		
Investments (Notes 4 and 8)	9,656,284	8,821,581
<b>TOTAL ASSETS</b>	<b>\$ 10,123,103</b>	<b>\$ 11,014,629</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 9)	\$ 158,679	\$ 130,019
Loan payable (Note 7)	50,000	-
Contingent liability (Note 4)	415,273	-
	623,952	
<b>Non-Current</b>		
Derivative liability (Note 4)	-	74,000
<b>TOTAL LIABILITIES</b>	<b>623,952</b>	<b>204,019</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 8)	16,910,805	15,359,465
Reserves (Note 8)	2,232,107	1,571,338
Deficit	(9,643,761)	(6,120,193)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>9,499,151</b>	<b>10,810,610</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 10,123,103</b>	<b>\$ 11,014,629</b>

Nature of operations and going concern (Note 1)

Subsequent events (Note 11)

Approved and authorized for issuance on behalf of the Board on November 29, 2022.

“Natasha Raey”, Director

“Lawrence Hay” , Director

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

**Goat Industries Ltd. (formerly. Billy Goat Brands Ltd.)**  
**Condensed Interim Statement of Loss and Comprehensive Loss**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – prepared by management)**

	Three Months ended September 30, 2022	Three Months ended September 30, 2021	Nine Months ended September 30, 2022	Nine Months ended September 30, 2021
<b>Operating Expenses</b>				
Advertising and promotions	\$ 167,800	\$ 230,781	\$ 669,492	294,185
Management fees (Note 9)	59,275	64,750	241,283	124,750
Office and miscellaneous	61,149	53,546	206,068	98,925
Professional fees	98,799	183,044	434,618	566,201
Share based compensation (Notes 8 and 9)	123,893	-	629,609	1,611,537
Consulting fees (Note 9)	374,906	496,152	1,058,378	941,437
Transfer agent and filing fees	17,384	13,163	67,015	125,960
Transaction costs (Note 4)	-	255,000	-	425,000
<b>Loss before other income (loss)</b>	<b>\$ (903,206)</b>	<b>\$ (1,296,436)</b>	<b>\$ (3,306,463)</b>	<b>(4,187,995)</b>
<b>Other income (loss)</b>				
Impairment of investments (Note 4)	-	-	-	(1,285,132)
Foreign exchange	(3,855)	-	(43,183)	-
Interest income (Note 4)	-	28,674	(47,189)	48,408
Fair value (Gain)/loss on Sophie's Kitchen investment (Note 4)	(395,388)	(607,908)	466,727	1,250,000
Gain on settlement of debt (Note 9)	(65,625)	2,842	(85,250)	2,842
Gain/Loss on derivative liability (Note 4)	-	(976,000)	(74,000)	(976,000)
<b>Net Loss and Comprehensive Loss for the Period</b>	<b>\$ 438,338</b>	<b>\$ 2,848,828</b>	<b>\$ 3,523,568</b>	<b>5,147,877</b>
<b>Net Loss per Share, Basic and Diluted</b>	<b>\$ (0.00)</b>	<b>\$ (0.04)</b>	<b>\$ (0.03)</b>	<b>(0.12)</b>
<b>Weighted Average Number of Shares Outstanding</b>	<b>107,601,383</b>	<b>76,960,290</b>	<b>106,373,340</b>	<b>43,749,079</b>

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

**Goat Industries Ltd. (formerly. Billy Goat Brands Ltd.)**  
**Condensed Interim Statements of Changes in Equity**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – prepared by management)**

	Share Capital	Amount	Reserves	Deficit	Total
<b>Balance, December 31, 2020</b>	<b>4,000,002</b>	<b>\$ 20,000</b>	<b>\$ 393,500</b>	<b>\$ (37,017)</b>	<b>\$ 376,483</b>
Shares issued for private placement	35,658,500	5,303,412	9,071	-	5,312,483
Shares issued for investment	25,312,404	3,028,761	335,572	-	3,364,333
Shares issued on exercise of options	5,500,000	1,375,851	(1,265,851)	-	110,000
Special warrants issued	330,000	33,000	-	-	33,000
Shares issued to settle debt	29,180,000	5,047,122	(382,787)	-	4,664,335
Share based compensation	2,059,433	559,320	-	-	559,320
Obligation to issue shares	-	-	1,611,537	-	1,611,537
Net and comprehensive loss for the period	-	-	-	(5,147,877)	(5,147,877)
<b>Balance, September 30, 2021</b>	<b>102,040,339</b>	<b>\$ 15,367,466</b>	<b>701,042</b>	<b>(5,184,894)</b>	<b>10,883,614</b>
<b>Balance, December 31, 2021</b>	<b>102,160,339</b>	<b>\$ 15,359,465</b>	<b>\$ 1,571,338</b>	<b>\$(6,120,193)</b>	<b>\$ 10,810,610</b>
Restricted share units	3,063,500	719,020	(719,020)	-	-
Funds received for special warrants	-	-	807,500	-	807,500
Shares issued on exercise of options	1,111,111	157,320	(57,320)	-	100,000
Shares issued on acquisition of Kojo	25,000,000	675,000	-	-	675,000
Share based compensation	-	-	629,609	-	629,609
Net and comprehensive loss for the period	-	-	-	(3,523,568)	(3,523,568)
<b>Balance, September 30, 2022</b>	<b>131,334,950</b>	<b>\$ 16,910,805</b>	<b>2,232,107</b>	<b>(9,643,761)</b>	<b>(9,499,151)</b>

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

**Goat Industries Ltd. (formerly. Billy Goat Brands Ltd.)**  
**Condensed Interim Statement of Cash Flows**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – prepared by management)**

	<b>For the nine months ended September 30, 2022</b>		For the nine months ended September 30, 2021	
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>				
Loss for the period	\$	(3,523,568)	\$	(5,147,877)
Items not affecting cash:				
Foreign exchange gain		(42,089)		-
Share based compensation		629,609		1,611,537
Impairment of investments		-		1,285,132
Fair value loss on Sophie’s Kitchen investment		466,727		(1,250,000)
Gain on settlement of debt		(85,250)		(2,842)
(Gain)/Loss on derivative liability		(74,000)		976,000
Interest income		(47,189)		(48,368)
Transaction costs		-		425,000
Changes in non-cash working capital:				
Prepaid expenses		1,148,312		(1,104,364)
Accounts payable and accrued liabilities		113,910		318,541
		(1,413,538)		(2,937,241)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of shares		-		5,376,125
Options exercised		100,000		110,000
Equity issuance costs		-		(151,807)
Proceeds from issuance of special warrants		807,500		4,752,500
Warrants exercised		-		33,000
		907,500		10,119,818
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>				
Loan receivable		(39,043)		(200,000)
Investment in Sophie’s Kitchen		-		(3,725,987)
Investment in Evanesce		(121,879)		(150,001)
Investment in Vegetarian Butcher		-		(350,000)
		(160,922)		(4,425,988)
<b>NET CHANGE IN CASH</b>		(666,960)		2,756,589
<b>CASH - beginning of period</b>		672,782		409,966
<b>CASH - end of period</b>	\$	5,822	\$	3,166,555
<b>Supplemental cash flow information</b>				
Common shares issued for Funguys investment	\$	-	\$	2,199,560
Common shares issued to settle debt		-		286,195
Common shares issued for Sophie		-		677,326
Common shares issued for Kojo		675,000		-
Contingent liability on acquisition of Kojo		415,273		-
Warrants issued for Funguys investment		-		335,572
Finders warrants issued		-		19,784

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

**Goat Industries Ltd. (formerly. Billy Goat Brands Ltd.)**  
**Notes to the Condensed Interim Financial Statements**  
**For the Nine Months Ended September 30, 2022 and 2021**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – prepared by management)**

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**1. Nature of Operations and Going Concern**

Goat Industries Ltd. (formerly. Billy Goat Brands Ltd.) (the “Company” or “Goat”) is an investment holding firm focused on investments and acquisition of assets in the functional foods, plant-based proteins, and health and wellness space. The Company was formed on September 22, 2020 under the Business Corporations Act in the Province of British Columbia, Canada. On September 12, 2022, the Company changed its name from Billy Goat Brands Ltd. To Goat Industries Ltd.

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. At September 30, 2022, the Company had not achieved profitable operations, had an accumulated deficit of \$9,643,761 (December 31, 2021 - \$6,120,193), and expects to incur further losses in the development of its business. These material uncertainties cast significant doubt about the Company’s ability to continue as a going concern. These condensed interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

Although the Company has been successful in the past in obtaining financing, there can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. If the Company is unable to obtain adequate additional financing, the Company would be required to curtail its planned operations.

During 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus (“COVID-19”) as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Company in future periods.

**2. Basis of Presentation**

a) Statement of Compliance and Presentation

These condensed interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted and therefore, these interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended December 31, 2021.

These condensed interim financial statements were authorized for issue by the Board of Directors on November 29, 2022.

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments, which have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

b) Functional and Presentation Currency

The presentation and functional currency of the Company is the Canadian dollar. All amounts in these condensed interim financial statements are expressed in Canadian dollars, unless otherwise indicated.

c) Significant Accounting Judgments and Estimates

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period.

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**2. Basis of Presentation (continued)**

a) Significant Accounting Judgment and Estimates (continued)

Actual outcomes could differ from these estimates. Estimates and assumptions are pervasive throughout the financial statements and are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods impacted.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i. Going concern

The assessment of whether the concern assumption is appropriate requires management to consider all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

ii. Investment entity

Management has applied judgment in determining whether the Company meets the criteria required under IFRS 10, in order to be classified as an investment entity. Management has applied the following typical characteristics of an investment entity: a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services; b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and c) measures and evaluates the performance of substantially all of its investments on a fair value basis.

iii. Investments

Where the fair values of investments in private companies recorded on the statements of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgment is required to establish fair value.

iv. Loans receivable

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

v. Share-based compensation

The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.



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**2. Basis of Presentation (continued)**

a) Significant Accounting Judgment and Estimates (continued)

vi. Derivative liability

Certain of the Company's liabilities such as the derivative liability are measured at fair value. The estimated fair value of financial liabilities, by their very nature, are subject to measurement uncertainty. The Company estimates fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

vii. Non-monetary transaction

Shares and warrants issued for consideration other than cash are valued at the fair value of assets received or services rendered. If the fair value of assets received or services rendered cannot be reliably measured, shares and warrants issued for consideration will be valued at the quoted market price or estimated using the Black-Scholes option pricing model at the date of issuance.

**3. Significant Accounting Policies**

In preparing these condensed interim financial statements, the significant accounting policies and the significant judgments made by management in applying the Company's significant accounting policies and key sources of estimation uncertainty were the same as those that applied to the Company's audited financial statements for the year ended December 31, 2021.

**4. Investments**

At September 30, 2022, the Company held the following investments:

	<b>Number of Shares</b>		<b>Cost</b>		<b>Fair Value</b>
<b>Private Companies</b>					
Vegetarian Butcher Inc.	<b>1,842,105</b>	\$	350,000	\$	350,000
Funguys Beverage Inc.	<b>100</b>		2,535,132		1,298,236
Sophie's Kitchen, Inc.	<b>4,749,425</b>		5,884,606		5,460,789
Evanisce Packaging Solutions Inc.	<b>72,918</b>		271,880		271,880
Kojo Pet Performance Inc.	<b>25,000,000</b>		1,090,273		1,090,273
<b>Warrants</b>					
Sophie's Kitchen, Inc.		\$	-	\$	1,185,106
		<b>\$</b>	<b>10,131,891</b>	<b>\$</b>	<b>9,656,284</b>

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**4. Investments (continued)**

At December 31, 2021, the Company held the following investments:

	Number of Shares		Cost		Fair Value
<b>Private Companies</b>					
Vegetarian Butcher Inc.	1,842,105	\$	350,000	\$	350,000
Funguys Beverage Inc.	100		2,535,132		1,298,236
Sophie’s Kitchen, Inc.	1,531,751		1,889,850		2,022,866
Evanesce Packaging Solutions Inc.	41,667		150,001		119,001
<b>Credit Facility</b>					
Sophie’s Kitchen, Inc.		\$	3,761,182	\$	5,000,478
<b>Warrants</b>					
Evanesce Packaging Solutions Inc.			-		31,000
		\$	<b>8,686,165</b>	\$	<b>8,821,581</b>

As at December 31, 2021, the fair value of the warrants held at period end were revalued using the Monte Carlo simulation model with the following inputs:

	Volatility factor	Risk-free interest rate	Expected life (years)	Expected dividend yield	Share price
Sophie’s Kitchen, Inc.	55%	1.50%	9.21	0%	US\$1.04
Evanesce Packaging Solutions Inc.	100%	0.91%	0.64	0%	\$3.90

*Funguys Beverage Inc.*

On February 8, 2021, the Company acquired all of the issued and outstanding common shares of Funguys Beverage Inc. (“Funguys”) for 21,995,600 common shares of the Company at a price of \$0.10 per share and 10,997,800 warrants at an exercise price of \$0.25, exercisable for a period of twenty-four months following the closing date.

The fair value of the warrants was estimated to be \$335,572 using the Black-Scholes option pricing model with the following assumptions: term - 2 years, expected volatility - 100%, risk-free rate - 0.18%, and expected dividends - zero. Funguys’ principal business is the development of mushroom infused cold coffee drinks. As at September 30, 2022 and December 31, 2021, the fair value of the investment in Funguys was determined to be to be \$1,298,236 resulting in a fair value loss of \$Nil (2021 – \$1,285,132).

*Vegetarian Butcher Inc.*

On February 10, 2021, the Company acquired 1,842,105 common shares of The Vegetarian Butcher Inc. (“Vegetarian”), for a 12.4% ownership of Vegetarian, at \$0.19 per share for a total of \$350,000. The Company issued 200,000 finders’ common shares in connection with the purchase of Vegetarian common shares at a value of \$0.25 per share (see note 8). As at September 30, 2022 and December 31, 2021, there were no changes related to the fair value of the investment.

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**4. Investments (continued)**

*Sophie's Kitchen, Inc.*

On February 8, 2021, the Company entered into a loan agreement where the Company agreed to loan CAD\$614,673 (US\$500,000) at the rate of 6% interest per annum with a maturity date of June 30, 2022 to Sophie's Kitchen, Inc. ("Sophie's Kitchen"). The loan was to be used for general working capital purposes in connection with the development and expansion of the existing operations of Sophie's Kitchen.

On March 15, 2021, the Company entered into a credit facility agreement with Sophie's Kitchen to establish a credit facility in the principal amount of US\$3,000,000 (the "SF Credit Facility") at the rate of 6% interest per annum with a maturity date twelve months after closing. The SF Credit Facility permits short term loans for general working capital purposes of Sophie's Kitchen. The maximum monthly draw from the SF Credit Facility is US\$500,000.

The Company received share purchase warrants entitling the Company to acquire additional common shares of Sophie's Kitchen with a value of US\$1,500,000 based on a twenty percent discount from the post-subscription valuation of Sophie's Kitchen immediately prior to a public listing of Sophie's Kitchen. These warrants can be converted to Sophie's Kitchen common equity at any time prior to the warrant maturity date of March 15, 2031. In connection to the warrants, the Company originally recognized the value of the warrants for \$1,250,000. On December 31, 2021, the Company revalued the warrants to \$1,095,000. As at September 30, 2022, the Company revalued the warrants to be \$1,185,106 and recognized a loss on change of fair value of \$70,984 (2021- \$Nil).

The Company also had a share subscription option within the SF Credit Facility at a predetermined valuation, to acquire additional common shares of Sophie's Kitchen with a value of US\$2,400,000, less the accrued interest and an in-kind investment in the amount of US\$218,500. Where the US\$218,500 represented an outstanding liability of Sophie's Kitchen that would be settled through the issuance of the Company's common shares. This US\$2,400,000 subscription option expired on March 31, 2022, the maturity date of the SF Credit Facility.

Sophie's Kitchen had the option to cause the Company to acquire additional Sophie's Kitchen shares valued at US\$2,000,000, less accrued interest ("Sophie's Kitchen Option"). The consideration paid by the Company for the Sophie's Kitchen Option was in the form of common shares of the Company based on a price of \$0.25 per share. In connection with the Sophie's Kitchen Option, the Company originally recognized a derivative liability for \$976,000. As at September 30, 2022, the derivative liability was valued at \$nil (2021 - \$74,000) as the option expired unexercised on March 15, 2022.

On July 7, 2021, the Company acquired 1,531,751 Sophie's Kitchen shares. In consideration for the Sophie's Kitchen shares acquired, the Company made cash payments of \$1,212,524 and issued 2,709,304 common shares. Of the 2,709,304 common shares, 1,092,500 common shares were issued in connection to the in-kind investment for the settlement of US\$218,500 (described above). The cost of the investment in Sophie's Kitchen was valued at \$1,889,850 at December 31, 2021. At December 31, 2021, the Company recognized a gain on change of fair value of \$133,016 resulting in an investment in Sophie's Kitchen to \$2,022,866 at year end.

The Company issued 1,500,000 finders' common shares in connection with the SF Credit Facility at a value of \$0.25 per share (note 8).

On March 15, 2022, total drawdowns of \$3,994,756 (December 31, 2021 - \$3,905,478) were made as per the SF Credit Facility, which includes interest accrual of \$153,856 (December 31, 2021 - \$103,043). On March 15, 2022, the principal and accrued interest on the credit facility were automatically converted into 3,217,674 common shares of Sophie's Kitchen. As at September 30, 2022, the fair value of Sophie's Kitchen investment in common shares is \$5,460,789 (December 31, 2021 - \$2,022,866). The Company recognized a fair value loss of \$466,727 (2021 - \$1,250,000) during the nine months ended September 30, 2022.

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**4. Investments (continued)**

*Evanesce Packaging Solutions Inc.*

On August 13, 2021, the Company subscribed for 41,667 units at \$3.60 per unit of Evanescence Packaging Solutions Inc. (“Evanescence”), Each unit consists of one common share of Evanescence and one-half common share purchase warrant. Each whole warrant entitles the Company to purchase one additional common share for a period of two years at a price of \$3.90 if exercised in the first twelve months following issuance or \$4.80 if exercised after twelve months following issuance. The fair value of the units was allocated to the shares and warrants using the Black-Scholes option pricing model with the inputs described above.

During the period ended September 30, 2022, the Company acquired 31,251 common shares in Evanescence through the exercise of 20,834 warrants at an exercise price of \$3.90 for cash consideration of \$121,879. In connection with the early exercise, the Company received an additional 10,417 incentive warrants in Evanescence. At September 30, 2022, the fair value of the investment was \$271,880 (December 31, 2021 - \$150,001), resulting in \$Nil fair value gain or loss.

*Kojo Pet Performance Inc.*

On August 16, 2022, the Company completed the acquisition of Kojo Pet Performance Inc. (“Kojo”) in consideration of 25,000,000 common shares of the Company issued at a fair value share price of \$0.027 per share to the existing shareholders of Kojo. Furthermore, the Vendors are eligible to earn up to an additional 30,000,000 Consideration Shares upon the realization of the following performance milestones by Kojo within 36 months from the date of closing:

- 4,000,000 Consideration Shares upon Kojo entering into a letter of intent with a pet food distributor;
- 7,000,000 Consideration Shares upon Kojo signing a third retail store for North American retail distribution;
- 3,000,000 Consideration Shares upon Kojo generating \$250,000 in annual revenue;
- 6,000,000 Consideration Shares upon Kojo generating \$500,000 in annual revenue; and
- 10,000,000 Consideration Shares upon Kojo generating \$1,000,000 in annual revenue.

The Company recorded the above eligible Consideration Shares as contingent consideration payable at September 30, 2022 at its estimated fair value of \$415,273. As at September 30, 2022, the estimated fair value of the contingent consideration relating to the eligible Consideration Shares is determined to be \$415,273. Subsequent to period end, on October 7, 2022, the Company issued 4,000,000 common shares to settle the consideration payable relating to the first performance milestone (Note 10).

**5. Loan Receivable**

During the period ended September 30, 2022, the Company loaned Funguys an \$58,043 (2021 - \$nil) for working capital purposes. As at September 30, 2022, the loan receivable balance is \$263,043 (2021 - \$205,000). The loan accrues zero-interest and is repayable on demand. The loan constitutes a related party transaction (see note 9).

	<b>Amount</b>
	<b>\$</b>
<b>Balance at December 31, 2020</b>	-
Loans advanced	205,000
<b>Balance at December 31, 2021</b>	205,000
Loans advanced	89,043
<b>Balance at September 30, 2022</b>	<b>294,043</b>

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**5. Loan Receivable (continued)**

During the period ended September 30, 2022, the Company loaned director of the Company an \$31,000 (2021 - \$nil). The loan accrues zero-interest and is repayable on demand. The loan constitutes a related party transaction (see note 9).

**6. Prepaids**

At September 30, 2022, the Company had the following prepaid expenses:

<b>Types of services</b>	<b>Amount</b>
Consulting	\$ 151,674
Computer software	280
Legal	15,000
	<b>\$ 166,954</b>

During the period ended September 30, 2022, the Company entered into the following significant marketing contract:

On June 23, 2022, the Company entered into a six-month consulting agreement with 721785 N.B. Inc. for CAD86,250.

At December 31, 2021, the Company had the following prepaid expenses:

<b>Types of services</b>	<b>Amount</b>
Marketing	\$ 472,949
Corporate services	6,615
Consulting	709,789
Computer software	4,663
Legal	15,000
Insurance	106,250
	<b>\$ 1,315,266</b>

During the year ended December 31, 2021, the Company entered into the following significant contracts for marketing and consulting services:

On May 1, 2021, the Company entered into a twelve-month consulting agreement with Wallace Hill Partners Ltd. (“Wallace Hill”) for \$500,000. Wallace Hill participated in the Company’s special warrant offering completed on May 18, 2021 (note 7) for 800,000 special warrants at a price of \$0.50 per special warrant for total proceeds of \$400,000. On October 13, 2021, the Company granted 2,000,000 Restricted Share Units (“RSU”) to Wallace Hill with an exercise price of \$0.25 per option expiring October 13, 2026 (note 8).

On September 13, 2021, the Company entered into a twelve-month marketing agreement with Future Money Trends, LLC for CAD\$637,440 (US\$500,000).

On October 1, 2021, the Company entered into a fifteen-month consulting agreement with Pro Return AG for CAD\$582,836 (EUR€400,000).

**7. Loan Payable**

As at September 30, 2022, outstanding loans consist of \$50,000 due to an arm’s length party. The loan bears interest at 10% per annum, due on demand and are unsecured.

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**8. Share Capital**

**Authorized**

Unlimited common shares without par value.

**Escrow Shares**

At September 30, 2022, there were 10,098,864 (2021 – 15,148,294) shares held in escrow and 2,524,715 will be released on each of the following dates: March 16, 2023, September 16, 2023, March 16, 2024 and September 16, 2024.

**Common Shares**

During the period ended September 30, 2022, the Company had the following transactions that resulted in the issuance of its common shares:

On February 24, 2022 and March 14, 2022, 300,000 RSUs and 300,000 RSUs respectively, were converted and the Company issued an aggregate of 600,000 common shares pursuant to the conversion. The Company reclassified \$150,000 from reserves to share capital.

On April 1, 2022, the Company issued 145,000 common shares pursuant to the conversion of RSUs at \$0.21 per share. The Company reclassified \$26,100 from reserves to share capital.

On April 26, 2022, the Company issued 1,111,111 common shares pursuant to the exercise of options with an exercise price of \$0.09 per share for total proceeds of \$100,000. The Company reclassified \$57,320 from reserves to share capital.

On August 15, 2022, the Company issued 200,000 common shares pursuant to the conversion of RSUs at \$0.21 per share. The Company reclassified \$36,000 from reserves to share capital.

On August 16, 2022, the Company issued 25,000,000 common shares pursuant to the acquisition of Kojo Performance Inc. at a fair value share price of \$0.027 per share.

On September 9, 2022, the Company issued 2,000,000 common shares pursuant to the conversion of RSUs at \$0.21 per share. The Company reclassified \$500,000 from reserves to share capital.

On September 12, 2022, the Company issued 118,500 common shares pursuant to the conversion of RSUs at \$0.21 per share. The Company reclassified \$6,920 from reserves to share capital.

During the period ended September 30, 2021, the Company had the following transactions that resulted in the issuance of its common shares:

On January 28, 2021, the Company issued 3,750,000 common shares at \$0.10 per share for proceeds of \$375,000 pursuant to the first tranche of a non-brokered private placement.

On February 8, 2021, the Company entered into a share purchase agreement with Funguys Beverage Inc. (“Funguys”). The Company acquired all of the issued and outstanding common shares of Funguys for 21,995,600 common shares of the Company at a price of \$0.10 per share and 10,997,800 warrants at an exercise price of \$0.25, exercisable for a period of twenty-four months following the closing date. Funguys’ principal business is the development of mushroom infused cold coffee drinks.

On February 26, 2021, the Company issued 19,840,000 common shares at \$0.10 per share for proceeds of \$1,984,000 pursuant to the second tranche of the January 28, 2021 non-brokered private placement.

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**8. Share Capital (continued)**

On March 29, 2021, the Company completed a private placement of 2,600,000 units at \$0.25 per unit for gross proceeds of \$650,000, with each unit comprising of one common share and one-half-of-one common share purchase warrant. Each whole warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.50 per share purchase warrant share for a period of twenty-four months from the date of issue. 102,000 finder's warrants with the same terms were issued and \$25,500 cash was paid in connection to the private placement.

On April 26, 2021, the Company issued 9,468,500 Units at \$0.25 per share for proceeds of \$2,367,125 pursuant to the non-brokered private placement. Each Unit is comprised of one common share (a "Common Share") and one-half of one transferable common share purchase warrant (each whole warrant being a "Warrant"), each Warrant entitles the holder to acquire one additional Common Share of the Company at a price of \$0.50 for a period of two years from the date of issuance.

On April 26, 2021, the Company issued 380,233 Units at \$0.25 per share with a fair value of \$95,058 to settle \$95,058 of accounts payable owed to related parties (see Note 7). Each Unit is comprised of one common share (a "Common Share") and one-half of one transferable common share purchase warrant (each whole warrant being a "Warrant"), each Warrant entitles the holder to acquire one additional Common Share of the Company at a price of \$0.50 for a period of two years from the date of issuance.

On July 7, 2021, the Company entered into a share purchase agreement with Sophie's Kitchen. The Company acquired 1,347,336 common shares of Sophie for cash payments of \$1,212,524 and 1,616,804 common shares of the Company at a price of \$0.25 per share. The Company issued finders shares of 1,700,000 at \$0.25 per share with fair value of \$425,000 in connection to the transaction.

On July 7, 2021, the Company issued 1,275,000 shares at \$0.25 per share with a fair value of \$318,750 to settle \$265,004 in payables to various consultants. Pursuant to the settlement of payables, the Company recorded loss on settlement of debt of \$53,746.

On September 22, 2021, the Company issued 404,200 shares at \$0.36 per share with a fair value of \$145,512 to settle \$202,100 in payables to various consultants. Pursuant to the settlement of payables, the Company recorded gain on settlement of debt of \$56,588.

**Stock options – Directors, Officers, Employees and Consultants**

The Company adopted a stock option plan and may, from time-to-time, grant to directors, officers, employees and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares, exercisable for a period of up to five years from the date of grant.

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**8. Share Capital (continued)**

**Stock options – Directors, Officers, Employees and Consultants (continued)**

The continuity for stock options granted to directors, officers, employees and consultants of the Company for the period ended September 30, 2022 is as follows:

<b>Grant Date</b>	<b>Expiry date</b>	<b>Number of options</b>	<b>Exercise price</b>
May 7, 2021	May 7, 2026	2,350,000	\$ 0.25
May 7, 2021	May 7, 2026	275,000	0.50
October 13, 2021	October 13, 2026	387,500	0.25
August 29, 2022	August 29, 2027	1,000,000	0.05
<b>Balance at September 30, 2022</b>		<b>4,012,500</b>	<b>\$ 0.22</b>

  

	<b>Number of options</b>	<b>Weighted average exercise price</b>
		<b>\$</b>
<b>Balance at December 31, 2020</b>	-	-
Options granted	11,512,500	0.14
Options exercised	(5,500,000)	0.02
Options cancelled	(1,200,000)	0.25
<b>Balance at December 31, 2021</b>	<b>4,812,500</b>	<b>0.26</b>
Options granted	2,111,111	0.09
Options exercised	(1,111,111)	0.09
Options expired	(1,800,000)	0.25
<b>Balance at September 30, 2022</b>	<b>4,012,500</b>	<b>0.22</b>
<b>Vested and Exercisable</b>	<b>2,925,000</b>	<b>0.27</b>
<b>Unvested</b>	<b>1,087,500</b>	<b>0.43</b>

As at September 30, 2022, the stock options have a weighted average remaining contractual life of 3.97 years (2021 – 4.39 years). During the period ended September 30, 2022, the weighted average share price for options exercised was \$0.22 per share.

On May 7, 2021, the Company granted 5,350,000 stock options with an exercise price of \$0.25 per share expiring on May 7, 2026 of which 5,300,000 stock options vesting equals one third of the stock options vest on the grant, one third vesting six months after the date of grant and the remaining one third to vest twelve months after the date of grant, and 50,000 vesting equals one fourth of the stock options vest on grant, and remaining vests one fourth every six months after the date of grant. The Company also granted 275,000 stock options with an exercise price of \$0.50 expiring on May 7, 2026 of which 150,000 stock options vesting equals one third of the stock options vest on the grant, one third vesting six months after the date of grant and the remaining one third to vest twelve months after the date of grant, and 125,000 vesting equals one fourth of the stock options vest on grant, and remaining vests one fourth every six months after the date of grant. The fair value of the stock options was estimated to be \$1,037,052 for the full vesting period of the options, with a current period charge of \$908,507. The Black-Scholes option pricing model was used with the following assumptions: term - 5 years, expected volatility - 100%, risk free rate - 0.87%, and expected dividends - zero. During the period ended September 30, 2022, the Company recognized \$100,005 share based compensation.

On October 13, 2021, the Company granted 387,500 stock options with an exercise price of \$0.25 per share expiring on October 13, 2026. Half of the stock options vest on February 13, 2022, and the other half vest on April 13, 2022. The fair value of the stock options was estimated to be \$72,141 for the full vesting period of the options, with a current period charge of \$38,824. The Black-Scholes option pricing model was used with the following assumptions: term - 5 years, expected volatility - 100%, risk free rate - 1.27 %, and expected dividends - zero. During the period ended September 30, 2022, the Company recognized \$345,825 share based compensation.



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**8. Share Capital (continued)**

**Stock options – Directors, Officers, Employees and Consultants (continued)**

On March 1, 2022, the Company granted 1,111,111 stock options to an arms-length consultant for business development and advisory services which vested immediately with an exercise price of \$0.09 per share expiring March 1, 2027. The fair value of the stock options was estimated to be \$57,320. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 1.48 %, and expected dividends – zero. The stock option was exercised on April 1, 2022 and \$57,320 was reallocated from reserve to share capital.

On August 29, 2022, the Company granted 1,000,000 stock options to directors of the Company which vest four months after grant date with an exercise price of \$0.05 per share expiring August 29, 2027. The fair value of the stock options was estimated to be \$27,080. The Black-Scholes option pricing model was used with the following assumptions: term – 5 years, expected volatility – 100%, risk free rate – 3.31 %, and expected dividends – zero. During the period ended September 30, 2022, the Company recognized \$7,045 share based compensation.

**Restricted Share Units**

The Company has a restricted share unit plan that was approved by the shareholders on September 21, 2021 that allows it to grant restricted share units, subject to regulatory terms and approval, to its officers, directors, employees and service providers. The stock option and restricted share unit plan is based on the maximum number of eligible shares equaling a rolling percentage of up to 20% of the Company's outstanding common shares, calculated from time to time.

Pursuant to the restricted share unit plan, if outstanding restricted share units ("RSU") are converted, or expire, and/or the number of issued and outstanding common shares of the Company increases, then the options available to grant under the plan increase proportionately. RSUs can have a maximum term of ten years and typically terminate 90 days following the termination of the optionee's employment or engagement, except in the case of retirement or death. Vesting of options is at the discretion of the Board of Directors at the time the options are granted. Participants in the RSU plan may elect to redeem their share units by the Company issuing the participant one common share for each whole vested share unit.

On April 7, 2022, the Company granted 118,500 RSU to directors, officers and consultants of the Company with an exercise price of \$0.06 per RSU expiring April 7, 2027. The RSU's were fully vested on August 8, 2022. The fair value of the RSU is \$6,920 calculated based on the Company's share price on the grant date. During the period ended September 30, 2022, the Company recognized \$6,920 share based compensation fully.

On August 29, 2022, the Company granted 11,500,000 RSU to directors, officers and consultants of the Company with an exercise price of \$0.038 per RSU expiring August 29, 2027. The RSU's will fully vest December 30, 2022. The fair value of the RSU is \$432,400 calculated based on the Company's share price on the grant date. During the period ended September 30, 2022, the Company recognized \$112,494 share based compensation.

During the period ended September 30, 2022, a total of 3,263,500 RSUs were vested and a total of 3,063,500 RSUs were converted.

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8. Share Capital (continued)

Restricted Share Units (continued)

The following table summarizes information on RSU outstanding and exercisable at September 30, 2022:

Grant Date	Expiry date	Number of RSUs	Conversion price
October 13, 2021	October 13, 2026	200,000	\$ 0.25
August 29, 2022	August 29, 2027	11,500,000	0.04
<b>Balance at September 30, 2022</b>		<b>11,700,000</b>	<b>\$ 0.04</b>

  

	Number of RSU	Weighted average conversion price
		\$
<b>Balance at December 31, 2020</b>	-	-
RSU granted	3,145,000	0.25
<b>Balance at December 31, 2021</b>	<b>3,145,000</b>	<b>0.25</b>
RSU granted	11,618,500	0.04
RSU exercised	(3,063,500)	(0.23)
<b>Balance at September 30, 2022</b>	<b>11,700,000</b>	<b>0.04</b>
<b>Vested and Exercisable</b>	<b>200,000</b>	<b>0.25</b>
<b>Unvested</b>	<b>11,500,000</b>	<b>0.04</b>

Finders' Warrants

The continuity for finders' warrants for the period ended September 30, 2022 is as follows:

	Number of warrants	Weighted average exercise price
		\$
<b>Balance at December 31, 2020</b>	-	-
Finders' warrants issued	278,330	0.75
<b>Balance at December 31, 2021 and September 30, 2022</b>	<b>278,330</b>	<b>0.75</b>

Warrants

The continuity for warrants for the period ended September 30, 2022 is as follows:

	Number of warrants	Weighted average exercise price
		\$
<b>Balance at December 31, 2020</b>	-	-
Warrants issued	41,649,666	0.30
Warrants exercised	(500,000)	0.10
Warrants cancelled	(25,000)	1.00
<b>Balance at December 31, 2021 and September 30, 2022</b>	<b>41,124,666</b>	<b>0.30</b>

Special Warrants

The continuity for special warrants for the period ended September 30, 2022 is as follows:

	Number of warrants	Weighted average exercise price
		\$
<b>Balance at December 31, 2020</b>	19,675,000	0.10
Special Warrants issued	9,505,000	0.50
<b>Balance at December 31, 2021</b>	<b>29,180,000</b>	<b>0.23</b>
Special Warrants exercised	(29,180,000)	0.23
Special Warrants issued	16,150,000	0.10
<b>Balance at September 30, 2022</b>	<b>16,150,000</b>	<b>0.10</b>

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**8. Share Capital (continued)**

**Special Warrants (continued)**

On June 14, 2022, the Company issued 16,150,000 special warrants of the Company at a price of \$0.05 per special warrant for gross proceeds of \$807,500. Each Special Warrant is convertible into units with each unit consisting of one common share of the Company and one transferable common share purchase warrant with each warrant entitling the holder thereof to purchase one additional share of the Company at a price of \$0.10 per share for a period of 60 months from the date of issuance of the warrants. The Company recorded \$807,500 warrant reserve for the issuance of special warrants.

On December 4, 2020, the Company issued 19,675,000 special warrants of the Company at a price of \$0.02 per special warrant for gross proceeds of \$393,500. Each special warrant is convertible into units for no additional consideration with each unit consisting of one common share of the Company and one common share purchase warrant with each warrant entitling the holder thereof to purchase one additional share of the Company at a price of \$0.10 per share for a period of twenty-four months from the date of issuance of the warrants. During the year ended December 31, 2021, all outstanding special warrants have been converted into units of the Company. On August 19, 2022, the Company amended the expiry date of the warrants from December 4, 2022 to December 4, 2025.

On May 18, 2021, the Company issued 9,505,000 special warrants of the Company at a price of \$0.50 per special warrant for gross proceeds of \$4,752,500. On the Automatic Exercise Date, each \$0.50 special warrant shall be automatically exercised for one unit of the Company without payment of any additional consideration and without further action on the part of the holder. Each unit related to the \$0.50 special warrants will consist of one common share and one half of one (1/2) warrant entitling the holder thereof to purchase one additional warrant share at a price of \$1.00 per warrant share until May 18, 2023. The Company issued 137,830 finders' warrants with the same terms and 38,500 finders' warrants with an exercise price of \$0.50 per share and the same expiry date. The Company paid cash finders' fees of \$77,454 in connection with the issuance of the special warrants. During the year ended December 31, 2021, all outstanding special warrants have been converted into units of the Company.

**9. Related Party Disclosures**

The Company's related parties consist of its key management personnel, including its directors and officers.

During the normal course of business, the Company enters into transactions with its related parties at normal market prices and on normal commercial terms.

	<b>For the period ended September 30, 2022</b>	<b>For the period ended September 30, 2021</b>
	<b>\$</b>	<b>\$</b>
Management fees paid/accrued to companies controlled by officers of the Company	31,749	-
Management fees paid/accrued to companies controlled by former officers of the Company	168,758	126,661
Consulting fees paid/accrued to companies controlled by directors of the Company	72,525	-
Consulting fees paid/accrued to companies controlled by former directors of the Company	-	160,000
Share-based compensation	144,590	-
	<b>417,621</b>	<b>286,661</b>

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**9. Related Party Disclosures (continued)**

As at September 30, 2022, the Company has a loan receivable from Funguys of \$263,043 (December 31, 2021 - \$205,000) for general working capital purposes. The Company's former CEO was common management of Funguys and a shareholder of Funguys prior to the acquisition.

As at September 30, 2022, \$4,200 is due to related parties (December 31, 2021 - \$Nil). All balances are unsecured, non-interest bearing, and are due on demand.

As at September 30, 2022, the Company loaned director of the Company \$31,000 (2021 - \$nil). The loan accrues zero-interest and is repayable on demand.

**10. Financial Instruments and Risk Management**

a) Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles most of its financial obligations with cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company is exposed to liquidity risk.

As at September 30, 2022, the Company had a cash balance of \$5,822 (2021 - \$672,782) to settle current liabilities of \$623,952 (2021 - \$130,019), which are due within 12 months.

b) Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. Cash is held with major financial institutions in Canada and, accordingly, credit risk is nominal.

c) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest rate risk consists of two components:

- i. 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
- ii. 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 interest rate price risk.

Current financial assets and financial liabilities are generally not exposed to interest rate cash flow risk due to their short-term nature and maturity.

d) Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange. The Company has foreign currency exposure on the investments in Sophie's Kitchen due to the differences in currencies.

As at September 30, 2022, the Company had cash of US\$125 or \$171 (2021 - US\$184,777 or \$234,261) at CAD equivalent and an investment in Sophie's Kitchen of US\$4,848,845 or \$6,645,895 (2021 - US\$5,541,451 or \$7,023,344) at CAD equivalent. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in US\$ by 10% will increase or decrease foreign exchange gain or loss by approximately \$485,000 (2021 - \$728,194).

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

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**10. Financial Instruments and Risk Management (continued)**

- e) Price risk is the risk of potential losses to the Company’s earnings due to movements in individual equity movements. As at September 30, 2022, the Company’s investments of \$9,656,284 are subject to fair value fluctuations. If the fair value of the Company’s investments had a decrease or increase of 10% with all other variances held constant, the net loss and comprehensive loss for the period ended September 30, 2022 would be approximately \$966,000 higher or lower.
- f) The Company’s financial instruments consist of cash, loan receivable, investments, accounts payable and accrued liabilities and derivative liability. Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of hierarchy are:
- Level 1: Quoted prices in active markets for identical assets or liabilities.  
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.  
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial instruments classified as Level 1 - unadjusted quoted prices in active markets include cash.

The estimated fair value of cash and accounts payable and accrued liabilities are equal to their carrying values due to the short-term nature of these instruments. Loan receivables are measured at fair value using Level 2 inputs. Investments and the derivative liability are measured at fair value through profit and loss measured using Level 2 inputs.

The following is an analysis of the Company’s financial assets and liabilities measured at fair value as at September 30, 2022 and December 31, 2021:

	As at September 30, 2022		
	Level 1	Level 2	Level 3
	\$		\$
Cash	5,822	-	-
Investments	-	-	9,656,284
Contingent Liabilities	-	-	415,273
	As at December 31, 2022		
	Level 1	Level 2	Level 3
	\$		\$
Cash	672,782	-	-
Investments	-	-	8,821,581
Derivative Liabilities	-	-	74,000

**11. Subsequent Events**

On October 7, 2022, the Company settled \$34,150 in debt (the “Debt Settlement”) through the issuance of 683,000 common shares (“Shares”) of the Company to one creditor for strategic advisory and business consulting services. The Shares will be issued at a fair value price of \$0.027 per Share and will be subject to a four month hold period which will expire on the date that is four months and one day from the date of issue. Furthermore, GOAT reports it has issued 4,000,000 common shares in the capital of the Company to the former shareholders of Kojo Pet Performance Inc. (“Kojo”) in conjunction with the achievement of a performance milestone.

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**11. Subsequent Events (continued)**

On October 17, 2022, 16,150,000 Special Warrants were exercised at a price of \$0.05 per Special Warrants. One Special Warrant converts to one common share and warrant exercisable at price of \$0.10 for 60 months from when Special Warrants Issued.

On October 27, 2022, the Company completed its acquisition of 1000288601 Ontario Inc. (“Ontario Co”). In consideration for the transaction, the Company has issued 45,000,000 common shares at a fair value price of \$0.017 per share to the existing shareholders of Ontario Co.

On November 15, 2022, the Company announced that it will amend the exercise price of a total of 16,150,000 share purchase warrants (the “Warrants”), which are exercisable to acquire common shares in the capital of the Company (the “Shares”).

On November 21, 2022, the company entered into an agreement to acquire claim block (the “Claim Block“) in the vicinity of American Eagle Gold Corp.’s (“American Eagle Gold”) (TSXV: AE) copper mineralized NAK discovery (the “NAK Copper Discovery”), located approximately 85 kilometres from Smithers, British Columbia. Under the agreement, the Company acquired its 100% interest in the Claim Block by issuing 37,500,000 common shares (“Consideration Shares”), with a fair value of \$420,000 on November 25, 2022.