GOAT INDUSTRIES LTD.

(FORMERLY BILLY GOAT BRANDS LTD.)

Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

WDM CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of:
GOAT INDUSTRIES LTD. (FORMERLY BILLY GOAT BRANDS LTD.)

Opinion
We have audited the accompanying financial statements of Goat Industries Ltd. (formerly Billy Goat Brands Ltd.) (the "Company"), which comprise the statement of financial position as at December 31, 2023, and 2022 and the statements of loss and comprehensive loss, changes in equity (deficiency) and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and 2022 and its financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern
We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $4,079,959 during the year ended December 31, 2023 and, as of that date, has accumulated losses since inceptions of $24,217,125. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Investments in private companies
Key Audit Matter Description
The Company derives the fair values of investment in private companies using a variety of valuation techniques. The inputs of these are derived from observable market data where possible, but where observable market data is not available, the Company is required to establish fair value. This matter represented an area of significant risk of material misstatement due to the degree of subjectivity required. Further disclosure regarding the Company's investments in private companies and investments in assets is described in Note 4 to the financial statements.

SERVICE

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Audit Response
Our audit procedures included, among others, evaluating the rationale for investment transactions, methodologies, key assumptions, and inputs applied by the Company. Our audit work in relation to this included, but was not limited to, the following:

- Obtained an understanding and assessed management's rationale for acquisition of investments.
- Examined the terms of the agreements associated with investments and assessed for evidence of existence and ownership of the investments.
- Evaluated and challenged management's key underlying assumptions, methodologies, and inputs to valuations.
- Performed assessment for presence of impairment indicators.
- Scrutinized the appropriateness, accuracy and completeness of the disclosures ensuring that users of the financial statements are provided with reliable information in the notes to the financial statements.

Other Information
Management is responsible for the other information. The other information obtained at the date of the auditor's report includes Management's Discussion and Analysis. Our opinion on the financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest
benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Mike Kao.

WDM

Chartered Professional Accountants

Vancouver, B.C.
April 25, 2023

Goat Industries Ltd. **(formerly Billy Goat Brands Ltd.)**
Statements of Financial Position
(Expressed in Canadian Dollars)

		December 31, 2023		December 31, 2022
ASSETS				
Current				
Cash	$	6,623	$	1,783
Prepaid expenses (Note 6)		18,486		41,861
		25,109		43,644
Non-Current				
Investments (Notes 4 and 8)		271,880		2,184,380
TOTAL ASSETS	$	**296,989**	$	2,228,024
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (Note 9)	$	419,465	$	288,836
Loans payable (Note 7)		340,865		138,849
TOTAL LIABILITIES		**760,330**		427,685
SHAREHOLDERS' EQUITY				
Share capital (Note 8)		21,889,909		19,695,125
Reserves (Note 8)		1,863,875		2,242,380
Deficit		(24,217,125)		(20,137,166)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)		**(463,341)**		1,800,339
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	**296,989**	$	2,228,024

Nature of operations and going concern (Note 1)
Commitments (Note 12)
Subsequent events (Note 13)

Approved and authorized for issuance on behalf of the Board on April 25, 2024.

"Justin Jacobson", Director "Lawrence Hay", Director

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

Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

		For the year ended December 31, 2023		For the year ended December 31, 2022
Operating Expenses				
Advertising and promotions	$	80,081	$	683,317
Consulting fees		87,052		1,256,220
Management fees (Note 9)		74,275		274,608
Office and miscellaneous		79,496		245,169
Professional fees		189,716		523,021
Share based compensation (Notes 8, 9)		1,279		1,124,382
Transfer agent and filing fees		31,326		76,657
Loss before other income (loss)	$	(543,225)		(4,183,374)
Other income (loss)				
Foreign exchange		-		43,183
Gain on settlement of debt (Note 8)		-		90,930
Interest income		-		47,189
Fair value loss on 1000288601 Ontario Inc. investment (Note 4)		(1,350,000)		-
Fair value loss on Smithers Mining Claims (Note 4)		(562,500)		-
Fair value loss on Donovan and Cirn Mining Claims (Note 4)		(1,600,000)		-
Fair value loss on loan receivables (Note 5)		(14,234)		-
Fair value loss on Funguys investment (Note 4)		-		(1,561,279)
Fair value loss on Kojo investment (Note 4)		-		(1,035,000)
Fair value loss on Sophie's Kitchen investment (Note 4)		-		(7,122,622)
Fair value loss on Vegetarian Butcher investment (Note 4)		-		(350,000)
Gain on derivative liability (Note 4)		-		74,000
Transaction costs		(10,000)		(30,000)
Net Loss and Comprehensive Loss for the Year	**$**	**(4,079,959)**	**$**	(14,016,973)
Net Loss per Share, Basic and Diluted	**$**	**(1.33)**	**$**	(10.75)
Weighted Average Number of Shares Outstanding		**3,070,757**		1,303,826

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

Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)
Statements of Changes in Equity (Deficiency)
(Expressed in Canadian Dollars)

	Share Capital #	Share Capital $	Reserves $	Deficit $	Total $
Balance, December 31, 2021	**1,021,603**	**15,359,465**	**1,571,338**	**(6,120,193)**	**10,810,610**
Conversion of RSUs (Note 8)	30,635	719,020	(719,020)	-	-
Shares issued on exercise of options	11,111	157,320	(57,320)	-	100,000
Shares issued on acquisition of Kojo (Note 8)	250,000	875,000	-	-	875,000
Shares issued on debt settlement	6,830	27,320	-	-	27,320
Conversion of special warrants	161,500	484,500	323,000	-	807,500
Shares issued on acquisition of Ekosolve (Note 8)	450,000	1,350,000	-	-	1,350,000
Shares issued on acquisition of Smithers Mining Claims (Note 8)	375,000	562,500	-	-	562,500
Shares issued on Kojo milestone payment (Note 8)	40,000	160,000	-	-	160,000
Share based compensation	-	-	1,124,382	-	1,124,382
Net and comprehensive loss for the year	-	-	-	(14,016,973)	(14,016,973)
Balance, December 31, 2022	**2,346,679**	**19,695,125**	**2,242,380**	**(20,137,166)**	**1,800,339**
Conversion of RSUs (Note 8)	115,000	575,000	(575,000)	-	-
Shares issued on acquisition of mineral claims (Note 8)	800,000	1,600,000	-	-	1,600,000
Issuance of special warrants	-	-	215,000	-	215,000
Fair Value reallocation – Finders Warrants (Note 8)	-	19,784	(19,784)	-	-
Share based compensation	-	-	1,279	-	1,279
Net and comprehensive loss for the year	-	-	-	(4,079,959)	(4,079,959)
Balance, December 31, 2023	**3,261,679**	**21,889,909**	**1,863,875**	**(24,217,125)**	**(463,341)**

* The share numbers have been adjusted to reflect a share consolidation of the Company's share capital on a 100 to 1 basis effective July 20, 2023.

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

Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)
Statements of Cash Flows
(Expressed in Canadian Dollars)

		For the year ended December 31, 2023		For the year ended December 31, 2022
CASH FLOWS USED IN OPERATING ACTIVITIES				
Loss for the year	$	(4,079,959)	$	(14,016,973)
Items not affecting cash:				
Fair value loss on 1000288601 Ontario Inc. investment (Note 4)		1,350,000		-
Fair value loss on Smithers Mining Claims (Note 4)		562,500		-
Fair value loss on Donovan and Cirn Mining Claims (Note 4)		1,600,000		-
Fair value loss on loan receivables (Note 5)		14,234		-
Fair value loss on Funguys investment (Note 4)		-		1,561,279
Fair value loss on Kojo investment (Note 4)		-		1,035,000
Fair value loss on Sophie's Kitchen investment (Note 4)		-		7,112,622
Fair value loss on Vegetarian Butcher investment (Note 4)		-		350,000
Foreign exchange gain (loss)		-		(42,089)
Gain on settlement of debt		-		(90,930)
Gain on derivative liability		-		(74,000)
Interest expense (income)		19,016		(45,340)
Share based compensation		1,279		1,124,382
Shares for debt		-		27,320
Transaction costs		10,000		30,000
Changes in non-cash working capital:				
Prepaid expenses		23,375		249,747
Accounts payable and accrued liabilities		130,629		1,273,405
		(368,926)		(1,505,577)
CASH FLOWS FROM FINANCING ACTIVITIES				
Options exercised		-		100,000
Loans payable		173,000		107,000
Proceeds from issuance of special warrants (Note 8)		215,000		807,500
		388,000		1,014,500
CASH FLOWS USED IN INVESTING ACTIVITIES				
Investment in Evanesce		-		(121,879)
Loan receivable		(14,234)		(58,043)
		(14,234)		(179,922)
NET CHANGE IN CASH		4,840		(670,999)
CASH – beginning of year		1,783		672,782
CASH – end of year	$	6,623	$	1,783
Supplemental cash flow information				
Common shares issued for Kojo investment				1,035,000
Common shares issued for Ekosolve investment		-		1,350,000
Common shares issued for Smithers investment				562,500
Common shares issued to settle debt		-		27,320
Common shares issued for Cirn and Donovan Mining Claims (Note 4)		1,600,000		-

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

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 as well as the mining industry. 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. The registered address, and records office of the Company are located at 2200 - 885 West Georgia Street, Vancouver, BC, V6C 3E8. The head office is located at 1890 - 1075 West Georgia Street, Vancouver, British Columbia, V6E 3C9.

These 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 December 31, 2023, the Company had not achieved profitable operations, had an accumulated deficit of $24,217,125 (2022 - $20,137,166), working capital deficiency of $735,221 (2022 – $384,041), 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 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 assurance 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.

2. Basis of Presentation

a) Statement of Compliance and Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IASB").

These 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.

These financial statements were approved ad authorized for issue on April 25, 2024 by the Company's Board of Directors.

b) Functional and Presentation Currency

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

c) Material Accounting Judgments and Estimates

The preparation of these 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.

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:

2. Basis of Presentation (continued)

c) Material Accounting Judgments and Estimates (continued)

i. Going concern

The assessment of whether the going 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. An investment entity shall not consolidate its subsidiaries or apply IFRS 3 (business combination) when it obtains control of another entity.

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.

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.

2. Basis of Presentation (continued)

c) Material Accounting Judgments and Estimates (continued)

vii. Non-monetary transactions

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.

viii. Impairment of investments

Judgment is required in determining whether investments have indicators of impairment. Determining the amount of impairment of investments requires an estimation of the recoverable amount, which is defined as the higher of fair value less the cost of disposal or value in use. Many factors used in assessing recoverable amounts are outside of the control of management and it is reasonably likely that assumptions and estimates will change from period to period. These changes may result in future impairments.

ix. Fair value of investments and derivatives

The Company reviews its investments and records their fair value at each financial statement reporting date. For investments in public companies, fair value is determined based on the quoted market price. For investments in private companies, certain subjective measures, including recent share transactions, prices for comparable entities, review of cash flow projections and the investee's prospects, financial ratios and discounted cash flows are techniques used to determine fair value. Where possible, the Company uses inputs obtained from observable market data for its valuation models. However, if observable market data is not available, the Company uses judgment to determine fair value.

d) New standards and interpretations adopted January 1, 2023

i. Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
In February 2021, the IASB issued amendments to IAS 1, Presentation of Financial Statements, and IFRS Practice Statement 2. The amendments to IAS 1 require an entity to disclose its material accounting policies instead of its significant accounting policies. The amendments include clarification on how an entity can determine material accounting policies by applying the 'four-step materiality process' described in IFRS Practice Statement 2. The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2023. The Company adopted the amendments effective January 1, 2023, with no material impact to the consolidated financial statements for 2023.

3. Material Accounting Policies

a) Investment in associates and subsidiaries

The Company meets the criteria required to be considered an investment entity under IFRS 10 and as such, in cases where the Company has control or significant influence over a company through equity ownership in its investment portfolio, the Company valued such investments as financial assets at FVTPL.

b) Income Taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income (loss) except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss.

3. Material Accounting Policies (continued)

b) Income Taxes (continued)

Current income taxes are recognized for the estimated income taxes payable or recoverable on taxable income or loss for the current period. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit nor loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be realized.

c) Share Capital

Cash consideration received from the issuance of units, consisting of common shares and share purchase warrants, are first allocated to common shares based on the quoted market value of the common shares at the time the units are priced, and the balance, if any, is allocated to the attached warrants under the residual method.

d) Share-Based Payment Transactions

A share option plan allows Company employees and consultants to acquire shares of the Company. Upon completing a share option plan, the fair value of any options granted will be recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

Where share options are awarded to employees, the fair value is measured at grant date, and each tranche would be recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Where share options are granted to non-employees, fair value would be measured at grant date at the fair value of the goods or services received, unless they are related to the issuance of shares. All share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

e) Accounting for Equity Units

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated first to common shares based on the fair value of the common shares, and any excess is allocated to warrants. Share issue costs (if any) are deducted against share proceeds.

f) Loss Per Share

The Company presents basic and diluted loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common

3. Material Accounting Policies (continued)

f) Loss Per Share (continued)

shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

g) Financial Instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition.

The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classifications under IFRS 9:

Financial assets	**Classification**
Cash	FVTPL
Loan receivable	Amortized Cost
Accounts payable and accrued liabilities	Amortized Cost
Loan payable	Amortized Cost
Investments	FVTPL
Derivative liability	FVTPL

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive loss.

Equity instruments designated as FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income.

3. Material Accounting Policies (continued)

g) Financial Instruments (continued)

Measurement (continued)

Equity instruments designated as FVTOCI (continued)

The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity instrument. The Company does not currently hold any equity instruments designated as FVTOCI.

Impairment of financial assets at amortized cost

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 loss. 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.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss and comprehensive loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

h) Foreign Exchange

Foreign currency transactions are translated to the respective functional currencies of the Company's entities at the exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the foreign exchange rate applicable at the statement of financial position date. Non-monetary items carried at historical cost denominated in foreign currencies are translated to the functional currency at the date of the transactions. Non-monetary items carried at fair value denominated in foreign currencies are translated to the functional currency at the date when the fair value was determined. Realized and unrealized exchange gains and losses are recognized through profit and loss.

(Expressed in Canadian Dollars)

4. Investments

Investment continuity schedule as at December 31, 2023 and 2022 is presented as follows:

		Total
Balance, December 31, 2021	$	8,821,581
Cost of shares/warrants acquired		6,501,635
Cost of assets acquired		562,500
Conversion of SF credit facility		(3,905,478)
Fair value change		(9,795,858)
Balance, December 31, 2022		**2,184,380**
Cost of assets acquired		1,600,000
Fair value change		(3,512,500)
Balance, December 31, 2023	**$**	**271,880**

At December 31, 2023, the Company held the following investments:

	Number of Shares		**Cost**		**Fair Value**
Private Companies					
1000288601 Ontario Inc. (Ekosolve)	45,000,000		1,350,000		-
Evanesce Packaging Solutions Inc.	72,918		271,880		271,880
Funguys Beverage Inc.	100		2,535,132		-
Kojo Pet Performance Inc.	25,000,000		1,035,000		-
Sophie's Kitchen, Inc.	4,749,425		5,884,606		-
Vegetarian Butcher Inc.	1,842,105	$	350,000	$	-
		$	**11,426,618**	**$**	**271,880**

At December 31, 2022, the Company held the following investments:

	Number of Shares		**Cost**		**Fair Value**
Private Companies					
1000288601 Ontario Inc. (Ekosolve)	45,000,000		1,350,000		1,350,000
Evanesce Packaging Solutions Inc.	72,918		271,880		271,880
Funguys Beverage Inc.	100		2,535,132		-
Kojo Pet Performance Inc.	25,000,000		1,035,000		-
Sophie's Kitchen, Inc.	4,749,425		5,884,606		-
Vegetarian Butcher Inc.	1,842,105	$	350,000	$	-
		$	**11,426,618**	**$**	**1,621,880**

At December 31, 2023, the Company held the following investment assets:

		Cost		**Fair Value**
Assets held				
Smithers Mining Claims	$	562,500	$	-
Cirn Mining Claims	$	800,000	$	-
Donovan Mining Claims	$	800,000	$	-
	$	**2,162,500**	**$**	**-**

(Expressed in Canadian Dollars)

4. Investments (continued)

At December 31, 2022, the Company held the following investment assets:

		Cost		Fair Value
Assets held				
Smithers Mining Claims	$	562,500	$	562,500
	$	**562,500**	**$**	**562,500**

Funguys Beverage Inc.

Funguys' principal business is the development of mushroom infused cold coffee drinks.

On February 8, 2021, the Company acquired all of the issued and outstanding common shares of Funguys Beverage Inc. ("Funguys") for 219,956 common shares of the Company at a price of $10 per share and 109,978 warrants at an exercise price of $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.

During the year ended December 31, 2022, the Company impaired Funguys investment and recognized a fair value loss of $1,561,279. The impairment was recognized as the Company estimated realization of the value of Funguys investment was unforeseeable due to its continued lack of performance and the Company does not intend to support these types of investments due to changes in the sector of focus from investments towards mining exploration. As at December 31, 2023, the fair value of the investment in Funguys was determined to be $Nil (2022 - $Nil).

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 20,000 finders' common shares in connection with the purchase of Vegetarian common shares at a value of $25 per share (see Note 8). During the year ended December 31, 2022, the Company impaired Vegetarian Butcher investments and recognized a fair value loss of $350,000. The impairment was recognized as the Company estimated realization of the value of Vegetarian Butcher investment was unforeseeable due to its continued lack of performance and the Company does not intend to support these types of investments due to changes in the sector of focus from investments towards mining exploration. As at December 31, 2023, fair value of the investment was determined to be $Nil (2022- $Nil).

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

4. Investments (continued)

Sophie's Kitchen, Inc. (continued)

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 December 31, 2022, the Company revalued the warrants to $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. Whereby 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 $25 per share. In connection with the Sophie's Kitchen Option, the Company originally recognized a derivative liability for $976,000. As at December 31, 2022, the derivative liability was extinguished 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 27,093 common shares. Of the 27,093 common shares, 10,925 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 15,000 finders' common shares in connection with the SF Credit Facility at a value of $25 per share (Note 8).

On March 15, 2022, total drawdowns of $3,994,756 were made as per the SF Credit Facility, which includes interest accrual of $153,856. 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. During the year ended December 31, 2022, the Company impaired Sophie's Kitchen investment and recognized a fair value loss of $7,112,622. The impairment was recognized as the Company estimated realization of the value of Sophie's Kitchen investment was unforeseeable due to its continued lack of performance and the Company does not intend to support these types of investments due to changes in the sector of focus from investments towards mining exploration. As at December 31, 2023, the fair value of Sophie's Kitchen investment in common shares is $Nil (2022 - $Nil).

Evanesce Packaging Solutions Inc.

On August 13, 2021, the Company subscribed for 41,667 units at $3.60 per unit of Evanesce Packaging Solutions Inc. ("Evanesce"). Each unit consists of one common share of Evanesce 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 year ended December 31, 2022, the Company acquired 31,251 common shares in Evanesce through the fully exercise of 20,834 warrants outstanding 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 Evanesce. At December 31, 2023, the fair value of the investment was $271,880 (2022 - $271,880), resulting in $Nil fair value gain or loss. The investment in Evanesce is subject to fair-value fluctuations. If the investment experiences a 10% increase or decrease in the share price, the investment would result in fair value increase of $27,188 and decrease of $27,188, respectively.

4. Investments (continued)

Kojo Pet Performance Inc.

On August 16, 2022, the Company completed the acquisition of Kojo Pet Performance Inc. ("Kojo") in consideration of 250,000 common shares of the Company issued at a fair value share price of $3.50 per share to the existing shareholders of Kojo. Furthermore, the Vendors are eligible to earn up to an additional 300,000 Consideration Shares upon the realization of the following performance milestones by Kojo within 36 months from the date of closing:

- 40,000 Consideration Shares upon Kojo entering into a letter of intent with a pet food distributor (*Note 8*);
- 70,000 Consideration Shares upon Kojo signing a third retail store for North American retail distribution;
- 30,000 Consideration Shares upon Kojo generating $250,000 in annual revenue;
- 60,000 Consideration Shares upon Kojo generating $500,000 in annual revenue; and
- 100,000 Consideration Shares upon Kojo generating $1,000,000 in annual revenue.

During the year ended December 31, 2022, the Company impaired Kojo investment and recognized a fair value loss of $1,035,000. The impairment was recognized as the Company estimated realization of the value of Kojo investment was unforeseeable due to its lack of performance, lack of working capital, and the Company does not intend to support these types of investments due to changes in the sector of focus from investments towards mining exploration. As at December 31, 2023, the fair value of Kojo investment is $Nil (2022 - $Nil).

1000288601 Ontario Inc. (Ekosolve Ltd.)

On September 29, 2022, the Company completed its acquisition of 1000288601 Ontario Inc. ("Ontario Co"). In consideration for the transaction, the Company issued 450,000 common shares at a fair value share price of $3.00 per share to the former shareholders of Ontario Co. for a total consideration of $1,350,000. Upon acquisition, GOAT controls a license for use of lithium solvent extraction technology in Canada from Australia-based Ekosolve Ltd. ("Ekosolve"). During the year ended December 31, 2023, the Company impaired Ontario Co investment and recognized a fair value loss of $1,350,000. The impairment was recognized as the Company estimated realization of the value of Ontario Co investment was unforeseeable due to its lack of performance and lack of working capital. As at December 31, 2023, the fair value of the Ontario Co investment is $Nil (2022 - $1,350,000).

Investment in mining claims

On November 21, 2022, the Company issued 375,000 common shares with a fair value of $562,500 to acquire 100% of a 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. During the year ended December 31, 2023, the Claim Block was subject to automatic forfeiture as a result of a lack of exploration and development work registered on the Claim Block. Upon the forfeiture of the Claim Block, the Company impaired the investment no $Nil (2022 - $562,500) and recognized a fair value loss of $562,500.

On March 24, 2023, the Company completed an asset purchase agreement with Donovan Explorations Ltd. ("Donovan Vendors") and Cirn Crypto-Monnais Corp.("Cirn Vendors") to acquire certain mineral claims located in Quebec (the "Donovan Claims" and the "Cirn Claims"). Pursuant to the terms of the Agreement, the Company acquired a 100% interest the Donovan Claims and Cirn Claims in consideration for issuing 400,000 common shares of the Company to the Donovan Vendors and 400,000 common shares of the Company to the Cirn Vendors respectively, at a fair value of $2.00 per share, representing an aggregate value of $1,600,000 for the acquisitions (Note 8). During the year ended December 31, 2023, the Company impaired the Donovan Claims and the Cirn Claims and recognized a fair value loss of $1,600,000. The impairment was recognized as the Company does not intend to allocate resources to conduct substantive exploration and evaluation activities.

(Expressed in Canadian Dollars)

5. Loan Receivable

During the year ended December 31, 2023, the Company loaned Funguys $14,234 (2022 - $58,043) for working capital purposes. The loan accrues zero-interest and is repayable on demand. The loan constitutes a related party transaction (see Note 9). During the year ended December 31, 2023, the Company derecognized and wrote off the loans receivable as the Company does not foresee collectability of the loans. As at December 31, 2023, the total loan receivable balance is $Nil (2022 - $Nil).

		Amount
Balance at December 31, 2021	$	205,000
Loans advanced		58,043
Write-off of loans		(263,043)
Balance at December 31, 2022		**-**
Loans advanced		14,234
Write-off of loans		(14,234)
Balance at December 31, 2023	**$**	**-**

6. Prepaid expenses

At December 31, 2023, the Company had the following prepaid expenses:

Types of services		Amount
Computer software	$	280
Consulting		3,206
Legal		15,000
	$	**18,486**

During the year ended December 31, 2023, the Company entered into the following significant marketing contract:

On February 1, 2023, the Company entered into a twelve-month marketing agreement with an arm's length party for $20,306 in total.

At December 31, 2022, the Company had the following prepaid expenses:

Types of services		Amount
Computer software	$	280
Consulting		3,206
Legal		15,000
Marketing		23,375
	$	**41,861**

7. Loans Payable

As at December 31, 2023, outstanding loans consist of $340,865 (2022 - $138,849) of which $205,180 (2022 – $91,849) bears interest at 10% per annum, due on demand and are unsecured and $60,684 (2022 - $Nil) bears interest at 20% per annum on credit facility basis and is secured .All other loans bear no interest rate and are due on demand and are unsecured.

8. Share Capital

Authorized

Unlimited common shares without par value.

Escrow Shares

At December 31, 2023, there were 50,494 (2022 – 100,989) shares held in escrow and 25,247 shares will be released on each of the following dates: March 16, 2024 and September 16, 2024.

Issued Common Shares

During the year ended December 31, 2023, the Company had the following transactions that resulted in the issuance of common shares:

On January 4, 2023, the Company issued 35,000 common shares pursuant to the conversion of RSUs at $5 per share. As a result, the Company reallocated $175,000 from reserve to share capital.

On January 10, 2023, the Company issued 80,000 common shares pursuant to the conversion of RSUs at $5 per share. As a result, the Company reallocated $400,000 from reserve to share capital.

On March 24, 2023, the Company completed an asset purchase agreement with Donovan Explorations Ltd. ("Donovan Vendors") and Cirn Crypto-Monnais Corp.("Cirn Vendors") to acquire certain mineral claims located in Quebec (the "Donovan Claims" and the "Cirn Claims"). Pursuant to the terms of the Agreement, the Company acquired a 100% interest the Donovan Claims and Cirn Claims in consideration for issuing 400,000 common shares of the Company to the Donovan Vendors and 400,000 common shares of the Company to the Cirn Vendors respectively, at a fair value of $2.00 per share, representing an aggregate value of $1,600,000 for the acquisitions.

During the year ended December 31, 2022, the Company had the following transactions that resulted in the issuance of its common shares:

On February 24, 2022 and March 14, 2022, 3,000 RSUs and 3,000 RSUs respectively, were converted and the Company issued an aggregate of 6,000 common shares pursuant to the conversion. The Company reclassified $150,000 from reserves to share capital.

On April 1, 2022, the Company issued 1,450 common shares pursuant to the conversion of RSUs at $21 per share. The Company reclassified $26,100 from reserves to share capital.

On April 26, 2022, the Company issued 11,111 common shares pursuant to the exercise of options with an exercise price of $9 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 20,000 common shares pursuant to the conversion of RSUs at $21 per share. The Company reclassified $36,000 from reserves to share capital.

On August 16, 2022, the Company issued 250,000 common shares pursuant to the acquisition of Kojo Performance Inc. at a fair value share price of $3.5 per share.

On September 9, 2022, the Company issued 20,000 common shares pursuant to the conversion of RSUs at $21 per share. The Company reclassified $500,000 from reserves to share capital.

On September 12, 2022, the Company issued 1,185 common shares pursuant to the conversion of RSUs at $21 per share. The Company reclassified $6,920 from reserves to share capital.

(Expressed in Canadian Dollars)

8. Share Capital (continued)

Issued Common Shares (continued)

On October 7, 2022, the Company issued 6,830 common shares pursuant to the debt settlement of $33,000. The Company recognized a gain on debt settlement of $5,680.

On October 7, 2022, the Company issued 40,000 common shares pursuant to the first milestone reached for the performance milestones by Kojo Performance Inc. (Note 4).

On October 17, 2022, the Company issued 161,500 common shares pursuant to the conversion of special warrants at $5 per share. One Special Warrant converts to one common share and warrant exercisable at price of $10 for 60 months from when Special Warrants Issued. The Company reclassified $484,500 from reserves to share capital.

On October 26, 2022, the Company issued 450,000 common shares at a fair value price of $5 per share to the existing shareholders of 1000288601 Ontario Inc. ("Ontario Co") pursuant to the acquisition of Ontario Co.

On November 15, 2022, the Company amended the exercise price of a total of 161,500 share purchase warrants (the "Warrants"), which are exercisable to acquire common shares in the capital of the Company (the "Shares") from $10 to $5 per share purchase warrant. Share purchase warrants hold a forced exercise provision which applies if the Company trades at more than $6.25 per share at any trading time.

On November 21, 2022, the Company issued 375,000 common shares with a fair value of $562,500 to acquire 100% 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.

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.

The continuity of stock options granted to directors, officers, employees and consultants of the Company for the year ended December 31, 2023 is as follows:

Grant Date	Expiry date	Number of options		Exercise price
May 7, 2021	May 7, 2026	23,500	$	25
May 7, 2021	May 7, 2026	1,250		50
October 13, 2021	October 13, 2026	3,875		25
August 29, 2022	August 29, 2027	5,000		5
Balance at December 31, 2023		**33,625**	**$**	**22.96**

	Number of options	Weighted average exercise price
		$
Balance at December 31, 2021	**48,125**	**26**
Options granted	21,111	9
Options exercised	(11,111)	9
Options expired	(21,500)	24
Balance at December 31, 2022	**36,625**	**22**
Options cancelled	(3,000)	5
Balance at December 31, 2023	**33,625**	**22.96**
Vested and Exercisable	**33,625**	**22.96**

8. Share Capital (continued)

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

As at December 31, 2023, the stock options have a weighted average remaining contractual life of 2.60 years (2022 – 3.67 years). During the year ended December 31, 2023, the weighted average share price for options exercised was $22.96 (2022 - $22) per share.

On May 7, 2021, the Company granted 53,500 stock options with an exercise price of $25 per share expiring on May 7, 2026 of which 53,000 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 500 vesting equals one fourth of the stock options vest on grant, and remaining vests one fourth every six months after the date of grant. As at December 31, 2023 and 2022 the outstanding stock options were 23,500. The Company also granted 2,750 stock options with an exercise price of $50 expiring on May 7, 2026 of which 1,500 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 1,250 vesting equals one fourth of the stock options vest on grant, and remaining vests one fourth every six months after the date of grant, of which 1,000 stock options were cancelled during the year ended December 31, 2022. The fair value of the stock options was estimated to be $1,037,052 for the full vesting period of the options. 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 year ended December 31, 2023, the Company recognized $1,279 (2022 - $101,440) share based compensation.

On October 13, 2021, the Company granted 3,875 stock options with an exercise price of $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 year ended December 31, 2023, the Company recognized $Nil (2022 - $345,825) share based compensation.

On March 1, 2022, the Company granted 11,111 stock options to an arms-length consultant for business development and advisory services which vested immediately with an exercise price of $9 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 volatility is based on approximation of similar entities. 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 10,000 stock options to directors of the Company which vest four months after grant date with an exercise price of $5 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. The volatility is based on approximation of similar entities. During the year ended December 31, 2022, the Company cancelled 2,500 stock options. During the year ended December 31, 2023, the Company recognized $Nil (2022 - $27,080) 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.

(Expressed in Canadian Dollars)

8. Share Capital (continued)

Restricted Share Units (continued)

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 1,185 RSU to directors, officers and consultants of the Company with an exercise price of $6 per RSU expiring April 7, 2027. The RSU's were fully vested on August 8, 2022. The fair value of the RSUs was $6,920 calculated based on the Company's share price on the grant date which the Company recorded as share based compensation during the year ended December 31, 2022.

On August 29, 2022, the Company granted 115,000 RSU to directors, officers and consultants of the Company with an exercise price of $3.8 per RSU expiring August 29, 2027. The RSUs were fully vested December 30, 2022. The fair value of the RSUs was $432,400 calculated based on the Company's share price on the grant date which the Company recorded as share based compensation during the year ended December 31, 2022.

During the year ended December 31, 2023, a total of 115,000 (2022 – 30,635) RSUs were converted.

The following table summarizes information on RSUs outstanding and exercisable at December 31, 2023:

Grant Date	Expiry date	Number of RSUs	Conversion price
October 13, 2021	October 13, 2026	2,000	$ 25
Balance at December 31, 2023		**2,000**	**$ 25**

	Number of RSU	Weighted average conversion price
		$
Balance at December 31, 2021	**31,450**	**25**
RSUs granted	116,185	4
RSUs exercised	(30,635)	(24)
Balance at December 31, 2022	**117,000**	**4**
RSUs exercised	(115,000)	(4)
Balance at December 31, 2023	**2,000**	**25**
Vested and Exercisable	**2,000**	**25**

Finders' Warrants
The continuity of finders' warrants for the year ended December 31, 2023 is as follows:

	Number of warrants	Weighted average exercise price
		$
Balance at December 31, 2022 and 2021	**2,783**	**75**
Finders' warrants expired	(2,783)	75
Balance at December 31, 2023	**-**	**-**

During the year ended December 31, 2023, all finders' warrants with an exercise price between $50 and $100 expired. As a result, the Company reallocated $19,784 from reserve to share capital.

(Expressed in Canadian Dollars)

8. Share Capital (continued)

Warrants

The continuity of warrants for the year ended December 31, 2023 is as follows:

Grant Date	Expiry date	Number of warrants	Conversion price
December 4, 2021	December 4, 2025	191,750	10
November 15, 2022	June 14, 2027	161,500	5
Balance at December 31, 2023		**353,250**	**$ 8**

	Number of warrants	Weighted average exercise price
		$
Balance at December 31, 2021	**411,246**	**30**
Warrants issued	161,500	5
Balance at December 31, 2022	**572,746**	**23**
Warrants expired	(219,497)	27
Balance at December 31, 2023	**353,250**	**8**

Special Warrants

The continuity of special warrants for the year ended December 31, 2023 is as follows:

	Number of warrants	Weighted average exercise price
		$
Balance at December 31, 2021	-	-
Special Warrants issued	161,500	10
Special Warrants exercised	(161,500)	10
Balance at December 31, 2022	**-**	**-**
Special Warrants issued	**86,000**	**2.5**
Balance at December 31, 2023	**86,000**	**2.5**

On February 2, 2023, the Company issued 86,000 special warrants at a price of $2.5 per warrant for gross proceeds of $215,000 pursuant to the closure of a non-brokered private placement on special warrants. Each Special Warrant entitles the holder to acquire one unit of the Issuer. Each Special Warrant will entitle the holder thereof to acquire one Unit at a price of $2.5 per Unit for a period of two years from issuance. Each Unit is comprised of one common share in the capital of the Company and one transferable common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional share of the Company at a price of $5 per Share until the date of expiration of the Conversion Warrant, which is two years following the issuance date. The Company recorded $215,000 in warrant reserve for the issuance of special warrants.

On June 14, 2022, the Company issued 161,500 special warrants of the Company at a price of $5 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 $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 November 15, 2022, the Company amended the exercise price of the warrants from $10 to $5 per share purchase warrants. Share purchase warrants hold a forced exercise provision which applies if the Company trades at more than $6.25 per share at any trading time. During the year ended December 31, 2022, all outstanding special warrants were converted into units of the Company and the Company allocated $484,500 to share capital from reserves.

9. Related Party Disclosures

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

(Expressed in Canadian Dollars)

9. Related Party Disclosures (continued)

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

	For the year ended December 31, 2023	For the year ended December 31, 2022
	$	**$**
Management fees paid/accrued to companies controlled by officers of the Company	**50,400**	55,374
Management fees paid/accrued to companies controlled by former officers of the Company	**7,350**	168,758
Management fees paid/accrued to directors of the Company	**16,000**	13,300
Management fees paid/accrued to companies controlled by directors of the Company	**525**	6,300
Share-based compensation	**1,279**	99,901
	75,554	343,633

As at December 31, 2023, $71,575 is due to related parties (2022 - $26,675). All balances are unsecured, non-interest bearing, and are due 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 December 31, 2023, the Company had a cash balance of $6,623 (2022 - $1,783) to settle current liabilities of $760,330 (2022 - $427,685), 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 of 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 difference in currencies.

(Expressed in Canadian Dollars)

10. Financial Instruments and Risk Management (continued)

As at December 31, 2023, the Company had cash of US$Nil or $Nil (2022 - US$107 or $147) at CAD equivalent. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in US$ by 10% will increase or decrease foreign exchange gain or loss by approximately $Nil (2022 - $Nil).

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

e) Price risk is the risk of potential losses to the Company's earnings due to movements in individual equity movements. As at December 31, 2023, the Company's investments of $271,880 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 year ended December 31, 2023 would be approximately $27,188 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 3 inputs.

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at December 31, 2023 and 2022:

	As at December 31, 2023		
	Level 1	Level 2	Level 3
	$		**$**
Cash	6,623	-	-
Investments	-	-	271,880

	As at December 31, 2022		
	Level 1	Level 2	Level 3
	$		**$**
Cash	1,783	-	-
Investments	-	-	2,184,380

(Expressed in Canadian Dollars)

10. Financial Instruments and Risk Management (continued)

g) Capital management

The Company manages its capital structure and makes adjustments based on the funds available to the Company, in order to meet its daily operating expenses. The Company may raise additional capital for additional cash required. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to identify and acquire new investment or business opportunities.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended December 31, 2023 and 2022. The Company is not subject to externally imposed capital requirements.

11. Income Taxes

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27% to income before income taxes.

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

		Year ended December 31, 2023		Year ended December 31, 2022
Loss before income taxes	$	(4,079,959)	$	(14,016,973)
Statutory income tax rate		27%		27%
Income tax recovery	$	(1,101,589)	$	(3,784,583)
Temporary differences attributed to:				
Under provided in prior years		175,258		111,596
Non-deductible items		952,564		2,787,624
Unused tax losses and tax offsets not recognized		(26,233)		885,363
Income tax expense	$	-	$	-

Deferred income tax assets are only recognized to the extent that the realization of tax benefits is determined to be probable. As at December 31, 2023, the Company has not recognized the benefit of the following deductible temporary differences:

		2023		2022
Non-capital loss carry forward	$	6,800,001	$	6,495,366
Share issuance and financing costs		69,180		82,342
	$	6,869,181	$	6,577,708

As at December 31, 2023, the Company has approximately $6,800,001 in estimated non-capital losses, which may be applied against future income for Canadian income tax purposes. The potential future tax benefits of these losses have not been recorded in the financial statements.

(Expressed in Canadian Dollars)

11. Income Taxes (continued)

The losses expire as follows:

2039	$	37,018
2040		3,159,148
2041		3,032,299
2042		571,536
	$	6,800,001

12. Commitments

On August 16, 2022, the Company completed the acquisition of Kojo Pet Performance Inc. ("Kojo") in consideration of 250,000 common shares of the Company issued at a fair value share price of $3.5 per share to the existing shareholders of Kojo. Furthermore, the Vendors are eligible to earn up to an additional 300,000 Consideration Shares upon the realization of the following performance milestones by Kojo within 36 months from the date of closing:

- 40,000 Consideration Shares upon Kojo entering into a letter of intent with a pet food distributor (Note 8) (issued);
- 70,000 Consideration Shares upon Kojo signing a third retail store for North American retail distribution (not issued yet);
- 30,000 Consideration Shares upon Kojo generating $250,000 in annual revenue (not issued yet);
- 60,000 Consideration Shares upon Kojo generating $500,000 in annual revenue (not issued yet); and
- 100,000 Consideration Shares upon Kojo generating $1,000,000 in annual revenue (not issued yet).

13. Subsequent Events

On January 24, 2024, February 9, 2024 and February 24, 2024, the Company entered into loan agreements with a lender for an aggregate amount of $34,750. These loans are due on demand, are unsecured and bear interest at 10% per annum.

On March 21, 2024, the Company issued 320,000 units (each a "Unit") at a price of $0.109 per unit to settle outstanding indebtedness in the aggregate amount of $34,880 pursuant to debt settlement agreements with certain creditors of the Company. Each Unit will be comprised one common share in the capital of the Company (a "Common Share") and one common share purchase warrant (a "Warrant"), with each Warrant exercisable for a period of two (2) years at a price of $0.15 per Warrant.

On April 3, 2024, the Company entered into an option agreement (the "Option Agreement") with an arm's length party (the "Purchaser"). The Option Agreement provides the Purchaser the option to acquire, from the Company, up to a 100% interest in the Donovan and Cirn Claims for the following considerations:

- Upon exercise of the Option Agreement by the Purchaser, $10,000 and shares of the Purchaser representing 10% of the issued and outstanding shares.
- Upon final execution of the Option Agreement by the Company and the Purchaser, $10,000 and shares of the Purchaser representing 10% of the issued and outstanding shares.

On April 9, 2024, the Company issued 465,689 units (each a "Unit") at a price of $0.09 per unit to settle outstanding indebtedness in the aggregate amount of $41,912.01 pursuant to debt settlement agreements with certain creditors of the Company. Each Unit will be comprised one common share in the capital of the Company (a "Common Share") and one common share purchase warrant (a "Warrant"), with each Warrant exercisable for a period of two (2) years at a price of C$0.15 per Warrant.