A copy of this preliminary prospectus has been filed with the securities regulatory authority in British Columbia and Ontario but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authority.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "U.S. Securities Act") and, may not be reoffered, resold or transferred to, or for the account or benefit, of a U.S. Person (as that term is defined in Regulation S of the U.S. Securities Act) except pursuant to an effective registration statement under the U.S. Securities Act, and any applicable state securities laws, or pursuant to an available exemption from the registration requirements from the U.S. Securities Act and any applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities offered hereby in the United States to, or for the account or benefit, of a U.S. Person. See "Plan of Distribution".

AMENDED AND RESTATED PRELIMINARY PROSPECTUS DATED OCTOBER 18, 2021, AMENDING AND RESTATING THE PRELIMINARY PROSPECTUS DATED JULY 23, 2021, FOR BRITISH COLUMBIA AND ONTARIO

Non-Offering Prospectus **October 18, 2021**

HYDROGRAPH CLEAN POWER INC.

403 – 580 Hornby Street
Vancouver, British Columbia
Canada V6C 3B6
(778) 322-1891

This non-offering prospectus (the "**Prospectus**") is being filed with the British Columbia and Ontario Securities Commissions to enable Hydrograph Clean Power Inc. (the "**Company**") to become a reporting issuer pursuant to applicable laws in the Provinces of British Columbia and Ontario.

Listing will be subject to the Company fulfilling all the listing requirements of the Canadian Securities Exchange (the "CSE" or the "Exchange"), including, without limitation, the distribution of the Company's common shares (the "Common Shares") to a minimum number of public shareholders and the Company meeting the minimum listing requirements of the Exchange.

Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

The Company has applied to list its common shares on the Canadian Securities Exchange (the "**Exchange**"). The Exchange has not yet approved the listing of the common shares. Listing is subject to the Company fulfilling all the listing requirements of the Exchange.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "Risk Factors".

An investment in securities of the Company involves a high degree of risk and must be considered speculative due to the nature of the Company's business and the present stage of its development. The risks outlined in this Prospectus and in the documents incorporated by reference herein should be carefully reviewed and considered by investors in connection with an investment in the Company's securities. See "*Risk Factors*".

No underwriter has been involved in the preparation of the Prospectus or performed any review or independent due diligence of the contents of the Prospectus.

As of the date of this prospectus, the Company is a Venture IPO Issuer. The Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

Investors should rely only on the information contained in this Prospectus and the documents incorporated by reference herein. The Company has not authorized anyone to provide investors with information different from that contained in this Prospectus. The information contained in the Prospectus is accurate only as of the date of this Prospectus.

The Company's head office is located at 403 – 580 Hornby Street, Vancouver, British Columbia, Canada V6C 3B6. The Company's registered office is located at Suite 704, 595 Howe Street, Vancouver, BC, V6C 2T5.

As a director of the Company resides outside of Canada, they have appointed the following agent for service of process:

Name of Person	**Name and Address of Agent**
David Williams	William Grossholz #430-580 Hornby Street Vancouver, BC V6C 3B6

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even is the party has appointed an agent for service of process.

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GLOSSARY OF DEFINED TERMS

The following is a glossary of certain terms used in this prospectus. Terms and abbreviations appearing in the documents attached as schedules to the prospectus may be defined separately and the terms and abbreviations defined below may not be used therein, except where otherwise indicated. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

"Acetylene"	means a colourless, inflammable gas widely used as a fuel in oxyacetylene welding and cutting of metals and as raw material in the synthesis of many organic chemicals and plastics; its chemical formula is C_2H_2.
"Articles"	the articles of the Company.
"BCA"	the *Business Corporations Act* (British Columbia).
"Blue Hydrogen"	is made using fossil fuels, mainly natural gas (methane), where no carbon is released into the atmosphere such as with carbon capture technology, enabling the captured carbon to be safely stored deep underground or utilized in industrial processes.
"Board"	the board of directors of the Company.
"CDS"	CDS Clearing and Depository Services Inc.
"CEO"	means Chief Executive Officer.
"CFO"	means Chief Financial Officer.
"Chemical Vapour Deposition" or "CVD"	means a method to produce synthetic Graphene from hydrocarbon utilizing heat and chemical oxidation with solvents.
"Closing"	means closing of the Offering.
"Combustion"	means a chemical reaction between substances, usually including oxygen and usually accompanied by the generation of heat and light in the form of flame.
"Company"	Hydrograph Clean Power Inc., a British Columbia company incorporated under the BCA on June 26, 2017.
"COO"	means Chief Operating Officer.
"CSO"	means Chief Scientific Officer.
"Detonation"	means a rapid and violent combustion.
"Endothermic"	means a chemical reaction or process accompanied by or requiring the absorption of heat.
"Escrowed Funds"	means the funds to be escrowed pursuant to the Subscription Receipt Financing.
"Escrow Release Conditions"	means the conditions for the Escrowed Funds to be released to the Company which are conditional approval of the Exchange to list the Common Shares and the Company obtaining the Receipt.
"Escrowed Securities"	Common Shares escrowed pursuant to the terms of an escrow agreement dated June 30, 2021
"Exchange"	means Canadian Securities Exchange.
"Exothermic"	means a chemical reaction or process that releases heat, causing the temperature of the immediate surroundings to rise.
"Graphene"	means a single layer of Graphite, which is an allotrope carbon consisting of a single layer of atoms arranged in a two-dimensional honeycomb lattice.
"Graphite"	means a naturally occurring form of crystalline carbon. It is a native element mineral found in metamorphic and igneous rocks. Graphite is a mineral of extremes. It is extremely soft, cleaves with very light pressure, and has a very low specific gravity. In contrast, it is extremely resistant to heat and nearly inert in contact with almost any other material. These extreme properties give it a wide range of uses in metallurgy and manufacturing.
"Green Hydrogen"	is produced using the feedstock of water (H2O) in a process called electrolysis, which splits the hydrogen (H2) from the oxygen (O). For hydrogen to be considered green, this process must be powered by renewable energy, like offshore wind, to produce a clean and sustainable fuel.
"Grey Hydrogen"	is made using fossil fuels, mainly natural gas (methane), which emit CO2 into the air as they combust through a process called "Steam Reforming." Most hydrogen produced today is grey hydrogen.
"Hydrogen Gas"	means a clean gas that when consumed in a fuel cell, produces only water.

"IFRS"	International Financial Reporting Standards.
"KSURF"	means Kansas State University Research Foundation a non-profit Kansas corporation having its principal office at 2005 Research Park Circle, Manhattan, Kansas, USA, 66502.
"License Agreement"	means the license agreement between the Company and Kansas State University Research Foundation.
"Liquid Phase Exfoliation" or "LPE"	means a group of approaches that exfoliate bulk graphite into thin Graphene (mono- or few-layered Graphene) directly in the liquid media. Elimination of the chemical oxidation step is an advantage of this method.
"Listing"	the listing of the Common Shares on the Exchange.
"Listing Date"	means the date on which the Common Shares are listed for trading on the Exchange.
"Liquidity Event"	means any of the following: (1) the filing of a final prospectus in relation to an initial public offering of the Company; (2) the filing of a final decision document in relation to a reverse take-over whereby a publicly-listed company acquires all of the issued and outstanding Subordinate Common Voting Shares of the Company; or (3) a change of control of the Company, which includes: (i) a merger or acquisition in which the Company is not the surviving entity, other than a transaction the principal purpose of which is to change the incorporating jurisdiction of the Company; (ii) the sale, transfer or other disposition of all or substantially all of the assets of the Company; or (iii) any other corporate reorganization or business combination pursuant to which 50% or more of the outstanding voting stock of the Company is transferred, or exchanged through merger, to different holders in a single transaction of the Company or in a series of related transactions.
"Methane"	means a chemical compound with the chemical formula CH_4 and is the main constituent of natural gas.
"NP 46-201"	means National Policy 46-201 – *Escrow for Initial Public Offerings*.
"Offering Jurisdictions"	means British Columbia and Ontario.
"Oxygen"	means the chemical element with the symbol O and is a colourless, odourless, tasteless gas.
"Penalty Warrants"	means penalty warrants issued by the Company entitling the holder to receive one-tenth of a common share for each penalty warrant, with no additional consideration paid to the Company if the Company fails to complete a liquidity event by the dates described in the penalty warrants.
"Pooled Shares"	means common shares escrowed under a pooling (escrow) agreement dated June 30, 2021.
"Receipt"	means the receipt of the final prospectus.
"Release Deadline"	means November 8, 2021, being 180 days from closing of the Subscription Receipt Financing.
"SEDAR"	means the System for Electronic Document Analysis and Retrieval.
"Shares" or "Common Shares"	means voting common shares without par in the capital of the Company.
"Stock Option Plan"	means the stock option plan dated April 1, 2020, as amended on June 17, 2021.
"Subscription Receipt Financing"	means the private placement of 26,020,000 Subscription Receipts at $0.25 per Subscription Receipt for total proceeds of $6,505,000 and which will result, subject to the satisfaction of the Escrow Release Conditions, in the deemed exercise of Subscription Receipts into Shares and Warrants.
"SDG"	means Synthetic Graphene, which is not produced from Graphite and instead is produced by synthesis of Oxygen and Acetylene.
"Syngas"	is also known as synthesis gas and means a fuel gas mixture consisting primarily of Hydrogen, carbon monoxide, and very often some carbon dioxide.
"Synthetic Graphene" or "SDG"	means Graphene made by a method not involving exfoliation of Graphite.
"Transfer Agent"	Endeavor Trust Corporation

CURRENCY

In this prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to "$" are to Canadian dollars.

The functional currency of the Company is United States dollars. All U.S. $ amounts have been converted to Canadian dollars in this Prospectus on the basis of $1.00 U.S. $ equal to $1.24 CAD $.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains “forward-looking information” which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its views of future events.

Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors and assumptions include, among others such as delays caused by the need for municipal and other approvals for construction of production facilities, delays in design of facilities, the inability of the Company to establish marketing channels when expected, additional unanticipated costs for construction.

Forward-looking statements are based on a number of material factors and assumptions, including speculative nature of investment risk; liquidity and future financing risk; market risk for securities; increased costs of being a publicly traded company; competition; assumptions about costs and timing. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this prospectus. See “Risk Factors”.

In particular, there is no assurance that the Company will be able to complete construction of its pilot Graphene production facility for the estimated cost or within the estimated time period. Construction generally is subject to cost overruns and delays, including, delays and overruns that may be caused by shortages and delivery delays for components and delays in obtaining municipal inspections and approvals.

There is no assurance that the Company will be able to complete assembly of its prototype small footprint hydrogen production module at the estimated cost and within the time frame estimated as it may be subject to delays caused by shortages in necessary components and delays in determining optimal components such as the model and type of natural gas engines to be selected, or delays in integrating the mixing chamber.

The ongoing Covid pandemic is causing delays and component shortages. The end of the Covid-19 crisis cannot be accurately estimate because of the emergence of new variants.

There is no assurance that the Company will be able to establish its technology development facility in London, Ontario within the time estimated or at the estimated costs and it will be necessary for the Company to recruit suitable PhD candidates from local universities to do development work which may take longer than estimated and cost more than estimated.

There is no assurance that the design and engineering for the Company’s proposed fixed location hydrogen and graphene production facility will be completed within the estimated time frame or at the cost estimated. Design and engineering estimates are uncertain in their nature and often delayed and subject to cost overruns.

There is no assurance that the Company will be able to establish its sales and marketing network at the cost within the time estimated. Establishing the network will require identifying and negotiating with proposed qualified people. That process may take longer than estimated and cost estimates may be exceeded.

These forward-looking statements are made as of the date of this prospectus and are based on the reasonable beliefs, expectations and opinions of management on the date of this prospectus (or as of the date they are otherwise stated to be made). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of

each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada.

Investors are cautioned against placing undue reliance on forward-looking statements.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus. Purchasers should carefully consider, among other things, the matters discussed under "Risk Factors."

The Company

The Company was incorporated in British Columbia on June 26, 2017. The Company's head office and registered and records office is located in Vancouver, British Columbia. To date, the Company has been engaged in funding technology development by the Kansas State University (KSU), in detonation technology (the "Technology") for the production of Hydrogen and Graphene. The Company believes the Technology is now developed to the point where it is ready to move to the next stage of establishing a prototype production facility for Graphene, as well as building a prototype small footprint Hydrogen production module.

See "*Business of the Company*".

The Company is not a reporting issuer in any jurisdiction and the Common Shares are not listed or posted for trading on the Exchange. The Company has applied, concurrent with the filing of this prospectus, to list its Common Shares on the Exchange. Listing will be subject to the Company fulfilling all of the listing requirements of the Exchange.

Management, Directors & Officers

The management of the Company are as follows:

Harold Davidson	CEO and Director
Logan Anderson	CFO and Secretary
David Morris	President and Director
H. Barry Hemsworth	Vice President and Director
Kjirstin Breure	Chief Operating Officer
Ranjith Divigalpitiya	Chief Scientific Officer
David K. Ryan	Director
David Williams	Director

Listing

The Company has applied to have its Common Shares listed on the Exchange. Listing is subject to the Company fulfilling all of the requirements of the Exchange. See "*Plan of Distribution*".

The estimated funds available to the Company as of September 30, 2021 are approximately $99,209 (CAD$123,019) The expected principal purposes for which the available funds together with the $6,505,000 released to the Company on conversion of the Subscription Receipts will be used are described below:

Use of Available Funds	USD($)	CAD($)
To fund the design and build of a small prototype footprint Hydrogen production module utilizing the Company's licensed detonation technology.	62,903	78,000
To establish a pilot Graphene production facility.	350,806	435,000
Estimated employee costs at pilot graphene facility for the next 12 months	275,000	341,000
Engineering and design for to establish a fixed Hydrogen and Graphene production facility in Western Canada	209,677	260,000
To fund technology development activities at Kansas State University	305,792	379,182

To fund license and patent costs at Kansas State University	150,000	186,000
To fund technology development activities at facility in London, Ontario for the next 12 months	117,742	146,000
To pay finder's fees to agents under the subscription receipt private placement payable on escrow closing.	367,218	455,350
Estimated sales expenses	96,774	120,000
Company and product awareness marketing	193,548	240,000
Social networking expenditures	96,774	120,000
Investor Relations	96,774	120,000
Estimated general and administrative costs for next 12 months	535,565	664,100
Unallocated working capital	2,486,602	3,083,387
TOTAL:	**5,345,177**	**6,628,019**

Risk Factors

An investment in the Company is highly speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to: (i) dilution; (ii) no market for securities; (iii) negative cash flow from operating activities; (iv) current market volatility; (v) personnel; (vi) tax issues; (vii) smaller companies; (viii) competition; (ix) illiquidity; (x) going concern and financing risks; (xi) licensed technology; (xii) general economic conditions; (xiii)coronavirus (Covid-19); (xiv) proof of high scare production; (xv) integration of novel mixing chamber; (xvi) volume oxygen generation; (xvii) membrane separation technology; (xviii) risks related to gases; (xix) limited production; (xx) increased frequency of detonations; (xxi) production line automation; (xxii) health risks; (xxiii) limited market; (xxiv) protracted sales cycle; (xxv) high costs of customer acquisition. See "Risk Factors".

There is currently no public market for the Common Shares and there can be no assurance that an active market for the Common Shares will develop or be sustained after the Listing. The value of the Common Shares is subject to volatility in market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

See "*Risk Factors*".

Summary of Selected Financial Information

The following table summarizes selected financial information for the audited period from October 1, 2019 to September 30, 2020 and unaudited period from October 1, 2020 to June 30, 2021 and the related "Management's Discussion and Analysis", as included elsewhere in this prospectus.

	Period from October 1, 2019 to September 30, 2020 (audited)		Period from October 1, 2020 to June 30, 2021 (unaudited)	
	USD$	CAD$	USD$	CAD$
Revenue	$-		$7,980	$9,895
Comprehensive Loss	(140,147)	(173,782)	(713,286)	(884,475)
Income (Loss) per Share (basic and diluted)	(0.00)	(0.00)	(0.01)	(0.01)
Working Capital (Deficit) Surplus	(104,305)	(129,338)	169,727	210,461
Assets				
Current assets	48,221	59,794	5,553,927	6,886,869
Right-of-use asset	12,140	15,054	-	
Technology and development costs	1,167,670	1,447,911	2,192,670	2,718,911
Total Assets	1,228,031	1,522,759	7,746,597	9,605,780
Liabilities				

Current liabilities	152,526	189,133	5,384,200	6,631,768
CEBA Loan	17,239	21,376	18,852	23,376
Shareholders' Equity	1,058,266	1,312,250	2,343,545	2,905,996
Total Liabilities and Shareholders' Equity	1,228,031	1,522,759	7,746,597	9,561,140

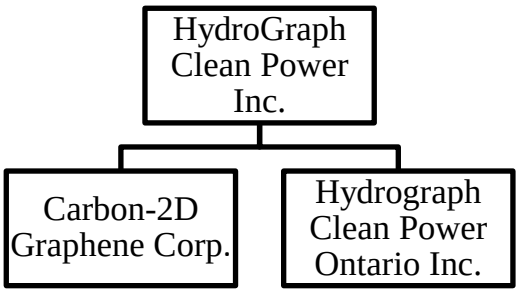
CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated pursuant to the *Business Corporations Act* (British Columbia) on June 26, 2017. The Company's head office is located at 403 – 580 Hornby Street, Vancouver, BC V6C 3B6 and its registered and records office is located at 704 - 595 Howe Street, Vancouver, BC V6C 2T5.

Intercorporate Relationships

The Company has two subsidiaries. The Company has an inactive wholly owned subsidiary, Carbon-2D Graphene Corp., incorporated in British Columbia on April 15, 2021 and wholly owned subsidiary Hydrograph Clean Power Ontario Inc., incorporated in Ontario for the purpose of the Company's London Ontario Technology Development Facility.



BUSINESS OF THE COMPANY

Description of Business

The Company is engaged in developing and commercializing processes to manufacture Hydrogen and high quality Graphene in bulk, and to create customized Graphene solutions for specific applications using detonation of hydrocarbon gases. The proprietary detonation method used by the Company to produce Graphene was discovered by Kansas State University ("KSU") and patented in 2016. Acetylene and Oxygen in specific ratios are pumped into a chamber and detonated with a spark from electrodes to create quality Graphene in gram amounts. The detonated Graphene is synthetic Graphene produced via the KSU method (bottom up approach), as opposed to conventional exfoliation of naturally occurring Graphite (top down approach) to produce Graphene.

It was subsequently discovered that syngas could be produced from the same process. Methane and Oxygen are mixed in specific ratios in a pre-mix device and then pumped into a natural gas internal combustion engine and detonated by sparks from a sparkplug to produce syngas. Through a secondary process called membrane separation, pure Hydrogen is extracted. The KSU methods to produce Hydrogen and Graphene are similar, starting with different feedstocks, albeit both hydrocarbon gases, yet ending up with completely different end products. The Company has received an exclusive worldwide license from KSU to commercialize their patented detonation process to produce Hydrogen gas and Graphene (See the "License Agreement").

Major competitors in the Hydrogen space are using Steam Reforming. Major competitors in the Graphene space are using Liquid Phase Exfoliation (LPE). Both these methods are endothermic processes and require an external heat source to be introduced for chemical reactions to occur. The Company uses an exothermic process which releases heat as a byproduct and uses only the latent potential energy within the reactants themselves.
The Company's process uses less energy, since an external furnace or oven is not required for the reactants to react.

The Company's unique and patented detonation/combustion process has the following characteristics and benefits:

- Energy Efficient- No external heat needs to be applied for chemical reactions to occur, it uses the latent potential energy within the feedstock hydrocarbon gases to create reactions in milliseconds, thereby using minimal and targeted energy. The process is exothermic, and most competitive processes are endothermic, thereby reducing the required resources.
- Digital Controls – All valves, flow meters, sensors, etc. are digitally controlled, attached to a control panel, then to a computer so that all processes can be precisely monitored and controlled, even remotely via the cloud.
- Centralized & Decentralized – Since the Company's hardware is simple and has a small footprint, it is very scalable to add multiple units for a centralized facility (with local software control), or for decentralized production with single or multiple small unit(s) (with remote software control).
- Quality Controlled Products – Since the Company's feedstocks are of consistent quality and since its process is precisely digitally controlled, the Company's Graphene products have both high quality and consistency at a competitive price point.

License Agreement with Kansas State University Research Foundation

Overview: Effective July 15, 2021, the Company entered into a license agreement with KSURF (the "License Agreement"). Under the terms of the License Agreement, the Company obtained a worldwide exclusive license to utilize and exploit, including the right to sublicense the detonation technology subject to a reservation by Kansas State University for research and education purposes and US Government statutory reservations. The Company continues to do development work at Kansas State University under a Memorandum of Agreement dated June 1, 2021.

HYDROGEN BUSINESS

Hydrogen is a colourless gas and its atomic symbol is H (the hydrogen molecule is H2). It is lighter than air and when used in fuel cells does not produce any emissions other than water. Hydrogen fuel cells are expected to play a major role in the move to the green economy.

Detonation Production Method

The Company's Hydrogen production method involves the mixing of Methane (Natural Gas) with Oxygen in specific proportions in a pre-mix chamber. The mixture is then pumped into a detonation chamber where it is detonated by a spark plug. The product of the detonation reaction is syngas, which is extracted from the detonation chamber and pumped through a membrane separator that separates the syngas into its component gases, Hydrogen and Carbon Monoxide. These components are pumped into holding tanks. This produces approximately 80% Hydrogen and 20% Carbon Monoxide. For the Company's prototype production module, a methane engine will be used for detonation with the engine cylinders being the detonation chamber and the engine exhaust system used to pump the syngas into the membrane separator. For the Company's planned large-scale production facility a series of Methane engines will be used.

The premix chamber used for production of Hydrogen is covered by U.S. Provisional Patent Application 63/161,625. See License Agreement on page 22.

Conventional Hydrogen Production

The two most common methods, which have been around for decades with little change, for producing Hydrogen are: electrolysis and steam methane reforming.

- Electrolysis: Separates Hydrogen from Water H2O using an Electric Current.

Electrolysis involves passing an electric current from an anode to a cathode in order to break water down into its molecular components Hydrogen and Oxygen. While it is a relatively simple process, it is time consuming and requires significant electrical power to produce relatively small quantities.

Electrolysis – The process is defined as follows:

- Electrolysis of water is the process of using electricity to decompose water into oxygen and hydrogen gas.
- Electrolysis of *pure* water requires excess energy in the form of overpotential to overcome various activation barriers. Without the excess energy, the electrolysis of *pure* water occurs very slowly or not at all.
- Currently the electrolytic process is rarely used in industrial applications since hydrogen can currently be produced more affordably from fossil fuels.

Steam Methane Reforming: Separates Carbon from Hydrogen in Methane (CH4) using High-Temperature Steam.

Steam Methane Reforming produces much higher quantities but requires the reaction of methane and steam to occur (at temperatures up to 1100ºC) with relatively high fuel costs It is the principal commercial method of Hydrogen production.

Steam Methane Reforming Process Defined – Steps detailed as follows:

- 1st Stage Hi Temp Steam: H2O (700-1100°C) reacts with Methane CH4:
  - Endothermic Reaction: That Yields Syngas
  - Chemical Reaction: CH4 + H2O → CO + 3 H2
- 2nd Stage Water Gas Shift Reaction:
  - Exothermic Reaction: Performed at about 360°C
  - Chemical Reaction: CO + H2O → CO2 + H2

Both of these methods are endothermic and require large energy inputs to create hydrogen. The Company's method is exothermic and does not rely on external heat or energy sources to produce hydrogen.

Differences in Production Methods

The key differences between the Company's production method and conventional Hydrogen production methods are as follows:

Method	**Energy Source**	**Feedstock**	**Scale**
Detonation	Exothermic	Methane & O_2	Small to large scale.
Electrolysis	Endothermic	Water & Electricity	Primarily small but scalable
Steam Reforming	Endothermic	Methane and Water Steam	Large Scale

The following table shows the difference in cost between the Company and its competitors. In this case the Steam Reforming method (Grey H2) and Electrolysis (Green H2):

Method	**Type of H2**	**Feedstock**	**Price Per Kg Range USD**	**Centralized or Decentralized**
Hydrograph Clean Power Inc.	Blue	Methane and O2	$1.12 to $1.529(1)	Both
Steam Reforming	Grey or Blue	Methane and Water	$1.25 to $2.50(2)	Centralized
Electrolysis	Green	Water and Electricity	$5.00 to $6.00(3)	Centralized

Notes:
(1) Company estimate.
(2) Source: Bloomberg.
(3) Source: U.S. Department of Energy.

Because of its scalability, the Company's production method is capable of being done on a small-scale basis at the location of a fuel retailer or can be scaled for industrial production. It can be either centralized or decentralized, while Steam Reforming is a complex industrial process and is overly centralized. Electrolysis is currently too expensive and uses too much power to ever be cost effective.

The following table shows the major competitors in the Hydrogen Industry:

HYDROGEN	**SYMBOL**	**PRODUCTION METHOD**
Clean Power Capital Corp.	CSE.MOVE	Steam Reforming - Decentralized

NEL ASA	OSE.NEL	Electrolysis - Centralized
H2Pro	Private	Electrolysis - Centralized
BayoTech	Private	Steam Reforming - Decentralized
Xebec Absorption Inc.	TSX.XBC	Purification System Steam Reformers

Component Optimization

In order to make the Company's Hydrogen production method commercialized it will be necessary to optimize certain components to be used. The size of the premix chamber needs to be optimized for scale of production and compatibility with the operating speed of other components. The Methane engine used may need optimization to handle the fuel rich mixture used. When operating at low revolutions per minute. Analog controls need to be digitized.

The optimization of components is part of the development activities to be carried out by Kansas State University under the Memorandum of Agreement the costs are included in the use of available funds under technology development activities at Kansas State University.

Small Footprint Prototype Module

The Company intends to design and build a small footprint prototype module with estimated costs as follows:

a)	Natural Gas Generator:	CAD $30,000
b)	Hospital Grade O_2 Generator	CAD $ 9,000
c)	40 foot Shipping Container	CAD $ 5,000
d)	Tanks and compressors and other components	CAD $ 6,000
e)	Engine(s)	CAD $ 8,000
f)	Engineering and Design	CAD $20,000
	Total:	**CAD $78,000**

The construction of the module is expected to commence in October of 2021 and be completed in March of 2022.

Hydrogen Production Facility

The Company's longer term plan is to build a large scale Hydrogen production facility in Western Canada.

The Company intends to complete engineering and design for the new facility at an estimated cost of $262,500 over the next twelve (12) months.

GRAPHENE BUSINESS

About Graphene

Graphene is an allotrope of carbon essentially the same substance as graphite but with a different atomic structure. It is two-dimensional meaning that each sheet of Graphene is only one atom thick, but its bond makes it as strong as some of the world's hardest metal alloys while remaining light weight and flexible. Its tensile strength is 200 times that of steel. This mix of properties has piqued the interest of scientists from a wide range of fields leading to research for using Graphene for next generation electronics, composites, new coatings on industrial instruments and tools, and biomedical technologies. Graphene is a semiconductor, its properties include large charge carrying capacity, and high thermal connectivity. Graphene conducts heat and electricity very efficiently along its plane. Its impermeability and tensile strength make it suitable for nano mechanical operations.

Conventional Graphene Product Production

The main method used to produce bulk Graphene from graphite is to exfoliate Graphene layers off graphite. This requires heating and toxic solvents in a multistep process.

Chemical Vapour Depositions (CVD)

This process produces Graphene monolayers by depositing gaseous reactants onto a substrate. It works by combining gases at ambient temperature in a reactor chamber, which when coming into contact with a heated substrate in the container reacts to create a film on the substrates surface. The waste gases are then pumped from the chamber. Temperature of the substrate and pressure are vital. Lower pressure helps prevent unwanted reactions and provides more uniform thickness of coating on the substrate. Ultra-high vacuum produces the best results. The gaseous by-products are very toxic. The process requires extreme heat and it is difficult to separate the Graphene from the substrate (accomplished with solvents) without changing the quality of the Graphene produced. While like our method CVD is a bottom up approach using hydrocarbon gases, it is an endothermic process requiring large energy inputs and a multi-step process, unlike our method, which is exothermic, and a single step process.

Liquide Phase Exfoliation (LPE)

LPE is the principal method of producing Graphene in large quantities. The method uses ultrasound and solvents to exfoliate Graphene from Graphite. Studies have shown that the process tends to produce fine Graphite rather than Graphene with no producer producing more than 50% Graphene. The solvents used are toxic.

The LPE method, used by most of the Company's competitors, was cited in an article published in PubMed Central stated the following:

> *"Sonication assisted LPE has been widely used to prepare graphene but suffers from high energy-extensive consumption and low efficiency. Thus, it is not feasible for the scalable production of high-quality few-layer graphene."*

The following are just some of the solvents that are used in the LPE process according to an article in Pub Chem, National Library of Medicine:

"High-intensity ultrasound energy was exploited to transform graphite to graphene in the solvents of dimethyl sulfoxide (DMSO), N,N-dimethyl formamide (DMF), and perchloric acid (PA)."

DMSO is non-toxic, both DMF and PA are toxic. The single step detonation method used by the Company to produce Graphene uses minimal energy and no solvents.

Detonation Process

The Company's technology synthesizes Graphene from gases. The Company starts with its feedstocks of acetylene and oxygen, mixed in precise ratios into the detonation chamber. A single spark from electrodes within the chamber detonates the gaseous mixture, only using the energy within the gases, to flash to a very high temperature for milliseconds. This precisely controlled detonation produces gram amounts of graphene in a single step process. It is highly pure (up 99.8% carbon content) few layer graphene of highly consistent quality. No solvents are used in our process. Utilizing this system, the chamber can be evacuated in seconds and the following detonation initiated.

The Company believes its detonation technology to produce Graphene is a disruptive technology as it provides high quality Graphene at a low cost. Graphene is a material that when added in reasonably small percentage quantities, can greatly increase the strength of composite materials as diverse as carbon fiber and concrete. To date the use of Graphene for such applications has been limited, because the cost of good quality Graphene from conventional production was prohibitive. The Company believes its licensed technology has the ability to revolutionize the use of Graphene for strengthening materials due to the reduction in cost. In addition, the production method will permit the location of Graphene production facilities at manufacturers' premises without the prohibitive costs of establishing a conventional, large-scale, centralized Graphene production facility. This eliminates transportation of graphene, which is very light but high in volume. Utilizing cloud based digital controls the Company can remotely manage production as a de-

centralized process. Since Graphene is so light and the relative volume for shipping is so high, for bulk industrial needs, only an onsite-decentralized process will work, and the Company's method is capable of this without enormous capital expenditures.

The Company's lower production cost also makes it attractive for using Graphene for nanotechnology uses such as medical sensors and Graphene ink for Ink-jet like printing of simple electronic circuits.

Scientific Analysis of LPE Graphene Products:

In a peer reviewed scientific paper published in "Advanced Materials," (*13 September 2018, Volume 30, Issue 44*) entitled, "The Worldwide Graphene Flake Production," scientists analyzed the products of the top 60 LPE producers in the world. Their findings proved that these bulk LPE Graphene producers had quality issues with their products. The following points are excerpts from the paper:

- Definition of Graphene – The paper states that true Graphene is ten layers or less. If greater than ten layers it is not Graphene.
- LPE Graphene Producer Layer Analysis – The paper states that the majority of companies are producing less than 10% Graphene content and no company is currently producing above 50% Graphene content.
- Low Carbon Content – Half the LPE producers had less than 90% carbon content with high levels of impurities, whereas pure Graphene should be approaching 100% carbon content.
- Conclusions of the Paper - It is clear that the majority of the companies are producing fine graphite instead of Graphene. We stress at the naked eye it is not possible to detect these differences, because we are dealing with a Nano-material. Only through nanotechnology tools and the well-defined protocols established in this study, could they determine the quantity and quality of the Graphene produced.
- Comment from the Paper - It is worrisome that producers are labeling black powders as Graphene and selling for top dollar, while in reality they contain mostly fine graphite.

Scientific Analysis of the Company's Synthetic Detonated Graphene (SDG) Graphene Products:

The Warsaw University of Technology analyzed the Company's SDG products, and the products have done well in their tests. The following test results come from that institute:

- Colour: Grey-black Purity: 99.8%
- Carbon Content: 99.7%
- Average Flake Thickness: 1-3 nm
- Average Flakes' Range: 1-3 microns
- Number of Graphene Layers: l-5 layers
- Density: 130 kg/m3

The scientists that did the testing commented as follows:

> *"This new detonated Graphene is of high quality and purity, non-oxidized, free of defects and are highly organized raw Graphene flakes. These flakes of Graphene have a maximum of five Graphene layers."*

SDG Products Competitive Advantage Conclusions

When the Company's SDG products are scientifically analyzed they do well. On the other hand, LPE products, when scientifically analyzed, do not fare well. Correlating and coordinating the comparative findings from above, this is what results:

- Graphene Layers – SDG products 1-5 layers qualifies as few layer Graphene (100% Graphene content). Versus LPE products only 10% to 50% of samples are even qualified as Graphene (10 or fewer layers).
- Carbon Content – SDG products have 99.7% carbon content. Versus LPE products where 50% of the producers have less than 90% carbon content.
- Inconsistent Products - SDG products proved consistent in quality and functionality in batch-by-batch comparisons. Versus inconsistent results in the testing done on LPE Graphene.

Differences in Selling Price

The following table shows the difference in price between the Company and the only competitor producing SDG product.

Supplier	Layer Count	Carbon Purity	Flake Thickness	Price Retail USD
Hydrograph Clean Power Inc.	1 to 5	>99%	1 to 3mm	$5 to $50/gram depending on product and quality
Cambridge Nano	3 to 13	>99%	1 to 3mm	$120/gram*

* Source is the Cambridge Nanosystems Website.

Cambridge Nanosystems

Cambridge Nanonsystems (CN) utilizes Plasma technology to produce Synthetic Graphene. Plasma Synthetic Graphene produced by CN uses Natural Gas in a bottom-up approach to create a high-quality product. Unlike the HydroGraph, Cambridge Nanosystems uses an external heat source, in their case a microwave plasma unit, to cause the reactants to react and produce graphene. Therefore, they use an endothermic reaction and we use detonation to create an exothermic reaction. Both methods produce impressive quality graphene.

The following table shows the major competitors in the Graphene Industry:

GRAPHENE	TICKER	METHOD OF PRODUCTION	FEEDSTOCK
Cambridge Nanosystems	N/A	Plasma Synthetic Graphene	Natural Gas
Zen Graphene Solutions	CVE:ZEN	LPE-Centralized	Graphite
NanoXplore Inc.	TSXV: GRA.V	LPE-Centralized	Graphite
Versaren PLC	LON: VRS	LPE-Centralized	Graphite
Directa Plus PLC	LON:DCTA	Plasma Expansion	Graphite
Talga Group Ltd.	ASX:TLG	LPE-Centralized	Graphite

The Company has not independently verified the lower cost or green status of its products.

Graphene Business Model

The Company plans to derive revenues by selling Graphene and partnering with companies in vertical markets that are integrating Graphene into composites and other products. Most of these companies in vertical markets already have distribution and expertise in markets and applications, which the Company does not have, but the Company does have the high quality, inexpensive Graphene that vertical applications need to succeed. Together with its partners the Company intends to functionalize its Graphene for specific applications. With some of its partners the Company plans to offer a unique Graphene as a Service (GaaS) capability. The Company intends to proceed with its partners, having them sell to the end user (the Company intends to have limited direct sales operations and will sell mainly through established third-party channels):

- Royalty/Licensing Arrangement with Partners Using GaaS – With some of its strategic partners, who need tonnage amounts of Graphene, the Company plans to negotiate a royalty arrangement of gross sales of finished products. Such strategic partners will be using the Company's GaaS decentralized capabilities to produce Graphene at their facilities, while the KSU detonation process will be remotely controlled by the Company's personnel. This will be done under license, and there will be annual royalty minimums to protect partners' vertical application exclusivity. The Company has entered into an MOA with Bazalt Holdings dated March 17, 2020 for the establishment of this type of facility. Bazalt Holdings intends to produce

Basalt/Graphene composite rebar for concrete. This product is stronger than metal rebar and is not subject to rusting or expansion and contraction with temperature changes.

- Royalty/Licensing Arrangement with Partners Buying from the Company – Some of its partners will be purchasing their Graphene directly from the Company, as they may not need large but still significant amounts of Graphene. Such partners will be granted exclusive or non-exclusive territories and/or vertical markets. With such non-strategic partners they will not be producing onsite, but the Company intends to still negotiate a royalty on gross sales of finished products.
- Wholesale Arrangements with Vertical Application Providers – The Company will produce and sell its Graphene to Vertical Application Providers (VAPs), who in turn will integrate its Graphene into their Graphene based products. It will be a simple supplier/customer relationship that the Company will engage in with VAPs. The Company will produce and wholesale its Graphene directly to VAPs. In some cases the Company will have to functionalize its Graphene for specific applications, in other cases it will sell it as a commodity.

At this point the Company does not have any royalty licensing arrangements with partners or wholesale arrangements with Vertical Arrangement providers in place.

The Company has entered into a non binding memorandum of understanding with Bazalt (the "MOU"). The MOU contemplates that Bazalt will utilize the Company's product to be produced under a GaaS arrangement at their plant in Poland for use in their Bazalt rebar product. The MOU contemplates that a final agreement with Bazalt would include the following terms:

a) A royalty payment to the Company of 1.5% of the gross selling price of Bazalt products incorporating the Company's Graphene.
b) Bazalt to have exclusivity for basalt fiber products.
c) In order to maintain the exclusivity for Basalt fiber products, Bazalt would pay a minimum royalty of $4,000,000 per year or make a minimum investment in the Company of $1,000,000 per year or a combination of royalty and investment totaling $5,000,000 per year.
d) Bazalt will pay for costs of installation of the plant in Poland.
e) Bazalt would pay monitoring fees.

No formal agreement has been concluded with Bazalt to date or will be entered into until Bazalt obtains anticipated European Union funding which it expects to receive in the last quarter of 2021. The terms of an actual agreement may vary from those proposed in the MOU and entry into the final agreement cannot be assured.
At the present time, Bazalt has made no investment in the Company and is arm's length from the Company.

Graphene Pilot Plant

The Company intends to establish a pilot Graphene production facility. The facility will have a capacity to produce between 40kg to 120kg of Graphene per day depending on the number of hours of production. The expected costs to establish the facility are as follows:

a)	First year lease payments:	CAD$125,000
b)	Leasehold Improvements and equipment:	CAD$250,000
c)	Engineering and Design:	CAD$ 50,000
d)	Municipal health and safety approval:	CAD$ 10,000

Total: CAD$435,000

The Company has entered into a Lease Agreement dated August 1, 2021 for a two-year renewable lease of a space in Manhattan, Kansas at a location near KSU to house its pilot Graphene production facility. The location consists of approximately 13,000 square feet of warehouse type space. Under the terms of the lease, the Company will pay rent and other charges totaling USD $8407.32 per month., USD $100,887.84 annually.

It is expected that when fully operational the facility will employ four (4) persons and have a payroll of $50,000 USD.

Employees will be added as the pilot plant reaches completion. Estimated employee costs for the next 12 months will be $275,000 USD.

Three Year History

Business Development

During the three years ended September 30, 2020, the Company's activities have focused on funding, work at Kansas State University to develop processes to manufacture Hydrogen and quality Graphene, and to create customized Graphene solutions for specific applications.

To the date of this Prospectus the Company has expended a total of $2,798,462 USD (3,470,092 CAD on arm's length expenditures) to develop its technology. The development work has resulted in the building of a prototype production line for graphene in a dedicated lab at KSU and confirmation that the technology with membrane separation is suitable for hydrogen production. The graphene prototype production line is capable of producing up to 5kg of Graphene per day and is operated on an as needed basis. To date the Company has sold 6 kgs of Graphene products for revenues $8,000 USD including 4 kgs to Bazalt and 2 kgs to Hawkeye (bio sensor company). These preliminary sales were made to supply the potential customers with sufficient quantity of the Company's product to test for their intended uses. There is no assurance the Company will receive additional orders from these customers may not occur. The customers are both arm's length to the Company.

Private Placement Financings in Previous Three Years

During the previous three years the Company completed the following financings:

On August 29, 2018, the Company issued a total of 2,500,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $125,000.

On February 26, 2019, the Company issued a total of 500,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $25,000.

On March 1, 2019, the Company issued a total of 100,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $5,000.

On May 17, 2019, the Company issued a total of 3,677,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $183,850.

On September 19, 2019, the Company issued a total of 2,050,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $102,500.

On January 3, 2020, the Company issued a total of 600,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $30,000.

On February 21, 2020 the Company issued a total of 200,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $10,000.

On February 25, 2020 the Company issued a total of 400,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $20,000.

On March 27, 2020 the Company issued a total of 3,600,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $180,000.

On May 31, 2020 the Company issued a total of 200,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $10,000.

On September 9, 2020 the Company issued a total of 3,000,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $150,000.

On October 1, 2020 the Company issued 250,000 management warrants exercisable to purchase subordinate common voting shares at US $0.05 per share.

On October 22, 2020 the Company issued a total of 500,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $25,000.

On November 6, 2020 the Company issued a total of 380,575 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $19,028.75.

On November 13, 2020 the Company issued 1,000,000 management warrants exercisable to purchase subordinate common voting shares at $0.05 per share.

On November 27, 2020 the Company issued a total of 1,060,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $53,000.

On December 30, 2020 the Company issued a total of 2,000,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $100,000.

On January 29, 2021 the Company issued a total of 1,701,717 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $85,085.85.

On February 1, 2021 the Company issued a total of 300,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $15,000.

On February 22, 2021 the Company issued a total of 4,800,000 units at a price of US $0.05 per unit with each unit comprised of one subordinate common voting share and one penalty warrant for total proceeds of US $240,000.

On February 22, 2021 the Company issued 336,000 Finders warrants to Haywood Securities Inc. exercisable at the earlier of, two years from the company undergoing a liquidity event, and December 31, 2023.

On March 2, 2021 the Company issued 1,156,750 Finders warrants to PowerOne Capital Corp. exercisable at the earlier of, two years from the company undergoing a liquidity event, and December 31, 2023.

On March 2, 2021 the Company issued a total of 16,525,000 units at a price of US $0.05 per unit with each unit comprised of one subordinate common voting share and one penalty warrant for total proceeds of US $826,250.

On March 31, 2021 the Company issued a total of 200,000 subordinate common voting shares at a price of $0.065 per subordinate common share for total proceeds of $13,000.

On March 31, 2021 the Company issued a total of 100,000 subordinate common voting shares at a price of USD $0.05 per subordinate common share for total proceeds of USD $5,000.

On April 12, 2021 the Company issued a total of 500,000 units at a price of US $0.05 per unit with each unit comprised of one subordinate common voting share and one penalty warrant for total proceeds of US $25,000.

On May 13, 2021 the Company issued a total of 26,020,000 subscription receipts at a price of $0.25 per subscription receipt for total proceeds of $6,505,000. Each subscription receipt will convert to one subordinate common share and one share purchase warrant of the Company. Each warrant will be exercisable for a period two years from the date of conversion to purchase an additional subordinate voting share at a price of $0.75 per share.

On May 17, 2021 the Company issued 4,000,000 subordinate common voting shares at a price of US $0.05 per share on exercise of management warrants.

Effective June 17, 2021, the Company redesignated its subordinate common voting shares as common shares.

On June 30, 2021, the Company issued 250,000 common voting shares at a price of US $0.05 per share on exercise of management warrants.

On August 29, 2021, the Company issued 2,182,500 common voting shares on exercise of penalty warrants.

On September 10, 2020, the Company issued 3,525,000 units at a price of US $0.20 per unit with each unit comprised of one common voting share and one warrant exercisable at US $0.60 for a period of two years, for total proceeds of US $705,000.

On *, the Company issued 26,020,000 common voting shares and 26,020,000 warrants exercisable at a price of $0.75 for a period of two years from issuance on deemed exercise of Subscription Receipts.

On *, the Company issued 1,821,400 finders' warrants on conversion of Subscription Receipts. The warrants are exercisable to purchase a unit of the Company at an exercise price of $0.25 for a period of two years from Listing. Each unit consists of one common share and one share purchase warrant, exercisable for a period of two years from * at a price of $0.75 per common share.

License Agreement

During the period from 2017 to date the Company funded development programs at Kansas State University for the development of the technology. Effective July 15, 2021, the Company entered into a License Agreement with KSURF (the "License Agreement") to license technology developed including Hydrogen and Graphene detonation technology and certain applications of Graphene technology (the "Technology").

Under the terms of the License Agreement the Company holds the worldwide exclusive license to utilize the Technology including the right to sublicense. The consideration for the grant of the License was the payment to KSURF of USD $111,694 to reimburse third party expenses accumulated with the filing of patents embodying the Technology (See "Patents") and an initiation fee of USD$25,000.

In order to maintain its rights under the License Agreement the Company will be required to pay ongoing fees as follows:

a) annual maintenance fees of:

   i. $10,000 per active patent application for calendar years 2022 to 2024;
   ii. $25,000 per active patent application for calendar year 2025;
   iii. $35,000 per active patent application for calendar year 2026; and
   iv. $50,000 per active patent application for calendar year 2027 and subsequent years.

b) royalties (which will be credited against annual maintenance fees) of 4% of Net Sales in each country commencing on the First Commercial Sale of Licensed Product in such country by the Company its affiliates or licensees, and:

c) Pay 20% of sublicensing or non-royalty fees for sublicensing of licensed products.

d) The 4% royalty on the Hydrogen patent may be purchased by the Company at a cost of USD$4,000,000 for each percentage point purchased, upon payment of $16,000,000 the Company would no longer have to pay royalties to KSURF.

e) The 4% royalty on all the other patents may be purchased by the Company at a cost of USD$3,000,000 for each percentage point purchased, upon payment of $12,000,000 the Company would no longer have to pay royalties to KSURF.

The License is subject to a reservation by KSU and KSURF to use the Technology for research and education purposes and nonexclusive rights held by the US Federal Government to use the Technology for government purposes.

The following table sets out the patents and patent applications embodying the Technology:

Item	KSURF Disclosure Nos.	Patent Rights	Priority Filing Date	Estimated Expiry Date
1.	04-12	US Issued Patent No. US7691909B2 titled "Aerosol Gels"	2004-09-24	2026-11-01
2.	2017-008	US Patent Application No. 16/487,622 titled "Additive	2017-02-21	Pending

		Manufacturing of Continuous Fiber Thermoplastic Composites"		
3.	2019-064, 2020-039 and 2020-065	PCT Patent Application No. PCT/US2020/038055 titled "Graphene/Graphene Oxide Core/Shell Particulates and Methods of Making and Using the Same"	2019-06-17	Pending
4.	2019-066	PCT Patent Application No. PCT/US2020/039547 titled "Nano-inks of Carbon Nanomaterials for Printing and Coating"	2019-06-25	Pending
5.	2020-048	US Provisional Patent Application No. 63/039,087 titled "Device and Process for Mass Production of Particulate Materials"	2020-06-15	Pending
6.	2021-027	U.S. Provisional Patent Application 63/161,625 titled "Explosion Synthesis of Hydrogen Rich Syngas Using Hydrocarbons"	2021-03-16	Pending
7.	2021-046	Patent Application in progress on "Additive Manufacturing of Continuous Carbon Fiber Reinforced Epoxy Composite with Graphene Enhanced Interlayer Bond toward Ultra-High Mechanical Properties"	In progress	

Memorandum of Agreement with Kansas State University

The Company entered into a Memorandum of Agreement dated June 1, 2021 with KSURF for development work related to Graphene and Graphene compounds expansion of the detonation technology to produce other products, to make improvements to the Company's current canister, electrodes, and ignition systems to allow faster and more automated production. The work will also seek to improve Hydrogen production equipment to take the production from batch to continuous.

Under the terms of the Agreement, the Company will pay a total of $1,517,376 USD for the development work of which $600,000 USD has been paid to date and the balance of which will be paid in three additional installments of $305,792 USD on each of September 1, 2021, December 1, 2021 and March 1, 2022. The work is expected to be completed by June 2022.

London Ontario Technology Development Facility

On August 1, 2021, the Company entered into a month-to-month lease agreement with the University of Western Ontario Research and Development Park for an office and laboratory premises in London, Ontario. The rental rate is CAD $1,400 plus HST per month.

The London Ontario Technology Development Facility will be focused on intellectual functionalizing the Company's Graphene products for specific applications including:

a) Testing and ascertaining the electrical conductivity or the Company's SDG products and Graphene ink.
b) Testing the Company's SDG products for use in a high-performance anode for battery applications.
c) Developing a Graphene film made of the Company's SDG products to be applied as a coating to aluminum used in lithium-ion battery systems for electric vehicles.

The development work will be done over a period of two years with the estimated budgeted as follows:

	Year 1	Year 2
Graduate Student Payments	75,000	75,000
Rent	20,000	20,000
Lab supplies	6,500	6,5000
Office supplies	1,400	1,400
Outside analytical services	15,000	15,000
Sample prep equipment	7,850	
Electrical equipment	8,340	
Thermal equipment	4,000	
Travel and conferences		3,500
General operating expenses	3,500	3,500
Miscellaneous	1,150	1,150
Contingency	3,260	3,950
Total	146,000	130,000

Municipal Health and Safety Regulations

Any facilities developed will be subject to municipal health and safety regulations.

Employees

As of the date of this prospectus, the Company had no employees. The Company's executive officers are independent contractors of the Company. The Company expects to employ four (4) persons at its Graphene Pilot Production Plant.

Market

Hydrogen is a commodity. Hydrogen has a large established market. Graphene has a less established market and quality among suppliers is variable. As the cost to produce Graphene comes down it will become feasible to incorporate Graphene into many composite materials. Just a small amount of Graphene added to a composite will change the chemistry of the composite and usually make it stronger and lighter. As this occurs, Graphene will move in the direction of becoming a commodity, although initially it will be an engineered solution.

Trends

The continuing efforts of governments and the private sector to move into greener less polluting technologies will benefit the Company. Its products are key for a greener economy.

Competitive Conditions

The Company's competition tends to be large companies with significant financial resources.

To the knowledge of the Company, other than what is described in this prospectus, there is no current trend or event that could reasonably influence, in a significant manner, the activities, financial situation or operating results of the Company for the current fiscal year. See "Risk Factors".

USE OF PROCEEDS AND AVAILABLE FUNDS

Funds Available

As of September 30, 2021, the Company had a working capital of $99,209 (CDN$123,019). As a result of conversion of the Subscription Receipts, the Company received an additional CDN $6,505,000. The funds available will be used for the purposes described below:

Principal Purposes

Assuming completion of the maximum Offering, the funds available will be used for the purposes listed below:

Use of Available Funds	USD($)	CAD($)
To fund the design and build of a small prototype footprint Hydrogen production module utilizing the Company's licensed detonation technology.	62,903	78,000
To establish a pilot Graphene production facility.	350,806	435,000
Estimated employee costs at pilot graphene facility for the next 12 months	275,000	341,000
Engineering and design for to establish a fixed Hydrogen and Graphene production facility in Western Canada	209,677	260,000
To fund technology development activities at Kansas State University	305,792	379,182
To fund license and patent costs at Kansas State University	150,000	186,000
To fund technology development activities at facility in London, Ontario for the next 12 months	117,742	146,000
To pay finder's fees to agents under the subscription receipt private placement payable on escrow closing.	367,218	455,350
Estimated sales expenses	96,774	120,000
Company and product awareness marketing	193,548	240,000
Social networking expenditures	96,774	120,000
Investor Relations	96,774	120,000
Estimated general and administrative costs for next 12 months (includes payments to insiders detailed below)	535,565	664,100
Unallocated working capital	2,486,602	3,083,387
TOTAL:	**5,345,177**	**6,628,019**

The Company has estimated it will spend CDN $240,000 over the next twelve (12) months on Company and product awareness marketing. The exact program will be determined as the Company gets close to production from its pilot Graphene production facility but will include attending trade shows, targeted advertisements in industry publications and preparation of marketing materials and video and other advertisements designed to made potential customers aware of the Company and its products.

The Company has budgeted $120,000 over the next (12) months for social networking. This will include social networking activities such as establishing, monitoring and maintaining Company social network accounts and activities to ensure the Company comes up when people use search engines to search for Graphene.

The Company has budgeted $120,000 for Investor Relations over the next twelve (12) months. These expenditures will include engaging investor relations organizations to make potential investors aware of the Company and its securities.

The Company expects to incur approximately 535,564 (CAD $664,100) in general and administrative costs on an annual basis over the next twelve (12) months. A breakdown of the estimated general and administrative costs for that period is as follows:

	Minimum Annual (USD $)	Minimum Annual (CAD $)
Audit and Accounting Expenses	40,323	50,000
Legal Expenses	24,194	30,000
Regulatory Filing Fees	12,097	15,000
Management Fees	374,274	464,100
Occupancy and Office Expenses	65,323	81,000
Transfer Agent	4,839	6,000
Miscellaneous	14,514	18,000
Total	**535,565**	**664,100**

The Company intends to spend its available funds as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

No insider, associate or affiliate of the Company will receive more than 10% of the availability of funds of the Subscription Receipt Financing. The only funds intended to be paid to insiders will be management fees under contracts to provide management services to the Company and estimated fees to directors not receiving management fees made up as follows:

	CAD $
Harold Davidson	144,000
H. Barry Hemsworth	12,000
Logan Anderson	48,000
Ranjith Divigalpitiya	140,000
Kjirstin Breure	84,000
David Ryan	12,000
David Williams	12,000
David Morris	12,000
Total:	**464,000**

Negative Operating Cash Flow

Since inception, the Company has had limited sales and negative operating cash flow and incurred losses. The Company's negative operating cash flow and losses are expected to continue for the foreseeable future. The Company cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Company will be reliant on future financings in order to meet its cash needs.

Business Objectives and Milestones

The business objectives the Company expects to achieve using the available funds and are as follows:

MILESTONE	**COMPLETION DATE**	**COST**	
Establishment of a pilot Graphene production facility.	December 20/21	USD 350,806	CDN 435,000
Designing and building of a prototype small footprint Hydrogen production module.	March 2022	USD 62,903	CDN 78,000
Engineering and Design of Hydrogen production facility on leased premises in Western Canada.	April 2022	USD 209,677	CDN 260,000
Establishing sales and marketing network	January 2022	USD 96,774	CDN 120,000
Technology Development work at a facility in London, Ontario.	August 2023	USD 117,742	CDN 146,000
Continuing development of Graphene applications and optimization of Hydrogen production components to be conducted at KSU.	June 2022	USD 917,396	CDN 1,137,571
Company and Product Awareness Marketing	12 Months	USD 193,548	CDN 240,000
Social Media Expenditures	12 Months	USD 96,744	CDN 120,000
Investor Relations	12 Months	USD 96,744	CDN 120,000

The cost of completing the objectives is estimated at USD $2,124,304 (CAD $2,634,137).

DIVIDENDS

The Company has never declared, nor paid, any dividend since its incorporation and does not foresee paying any dividend in the near future since all available funds will be used to conduct technology development activities. Any future payment of dividends will depend on the financing requirements and financial condition of the Company and other factors which the Board, in its sole discretion, may consider appropriate and in the best interests of the Company.

Under the BCA, the Company is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Company is insolvent or the payment of dividends would render the Company insolvent.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table sets forth selected financial information with respect to the Company's audited financial statements for the period ended September 30, 2020 and the unaudited financial statements for the period from October 1, 2020 to June 30, 2021. The financial information has been derived, except where indicated from the audited financial statements from the period ended September 30, 2020 and the unaudited period ended June 30, 2021. The following should be read in conjunction with the said financial statements and related notes that are included elsewhere in this Prospectus, the audited statements for the period from October 1, 2019 to September 30, 2020 and the period from October 1, 2020 to June 30, 2021, and the Management's Discussion and Analysis dated the period from October 1, 2019 to September 30, 2020 and the Management's Discussion and Analysis dated the period from October 1, 2020 to June 30, 2021 which are attached as Schedule "C" hereto.

	Period from October 1, 2019 to September 30, 2020 (audited)		Period from October 1, 2020 to June 30, 2021 (unaudited)	
	USD$	CAD$	USD$	CAD$
Revenue	$-		$7,980	$9,895
Comprehensive Loss	(140,147)	(173,782)	(713,286)	(884,475)
Income (Loss) per Share (basic and diluted)	(0.00)	(0.00)	(0.01)	(0.01)
Working Capital (Deficit) Surplus	(104,305)	(129,338)	169,727	210,461
Assets				
Current assets	48,221	59,794	5,553,927	6,886,869
Right-of-use asset	12,140	15,054	-	
Technology and development costs	1,167,670	1,447,911	2,192,670	2,718,911
Total Assets	1,228,031	1,522,759	7,746,597	9,605,780
Liabilities				
Current liabilities	152,526	189,133	5,384,200	6,631,768
CEBA Loan	17,239	21,376	18,852	23,376
Shareholders' Equity	1,058,266	1,312,250	2,343,545	2,905,996
Total Liabilities and Shareholders' Equity	1,228,031	1,522,759	7,746,597	9,561,140

Disclosure of Outstanding Securities Data

Common Shares

As at the date of this Prospectus, the Company had 119,535,892 Common Shares issued and outstanding.

Stock Options

As of the date of this Prospectus, the Company has granted a total 13,050,000 options at an exercise price of $0.25 per share for a period of five years from issuance.

Warrants

As at the date of this Prospectus, the Company has the following warrants outstanding:

- 1,492,750 Finders' Warrants outstanding exercisable to purchase 1,492,750 common shares of the Issuer at USD $0.05 per share for a period of the earlier of two years from a liquidity event or December 31, 2023.
- 3,525,000 Warrants outstanding exercisable to purchase common shares of the Issuer at USD $0.60 per share until September 10, 2023.
- 26,020,000 Warrants outstanding exercisable to purchase common shares of the Issuer at $0.75 per share for a period of two years from Listing.
- 1,821,400 Finders' Warrants exercisable to purchase a unit of the Company at an exercise price of $0.25 for a period of two years from Listing. Each unit consists of one common share and one share purchase warrant, exercisable for a period of two years from Listing exercisable at a price of $0.75 per common share.

See "Description of the Securities Distributed".

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized Capital

The authorized capital of the Company consists of an unlimited number of authorized Common Shares, of which 119,535,892 Common Shares were issued and outstanding as at the date of this Prospectus.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of Shares of the Company, are entitled to receive such dividends in any financial year as the board of directors of the Company may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of Shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization as of the date of this prospectus:

Designation of Security	As at the date hereof
Common Shares	119,535,892
Warrants[(1)(2)(3)(4)]	32,859,150
Stock Options	13,050,000

Notes:
(1) 1,492,750 Finders' Warrants outstanding exercisable to purchase 1,492,750 common shares of the Issuer at USD $0.05 per share for a period of the earlier of two years from a liquidity event or December 31, 2023.
(2) 3,525,000 Warrants outstanding exercisable to purchase common shares of the Issuer at USD $0.60 per share until September 10, 2023.
(3) 26,020,000 Warrants outstanding exercisable to purchase common shares of the Issuer at $0.75 per share for a period of two years from Listing.
(4) 1,821,400 Finders' Warrants exercisable to purchase a unit of the Company at an exercise price of $0.25 for a period of two years from Listing. Each unit consists of one common share and one share purchase warrant, exercisable for a period of two years from Listing exercisable at a price of $0.75 per common share.

OPTIONS TO PURCHASE SECURITIES

The Directors of the Company adopted a stock option plan on April 1, 2020 (the "Stock Option Plan") and amended the Stock Option Plan on June 17, 2021.

The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 15% of the number of the Company's Common Shares issued and outstanding at the time such options are granted. The Stock Option Plan will be administered by the Company's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder. The Company's Stock Option Plan was approved at the Company's shareholder meeting held June 17, 2021.

Options may be granted under the Stock Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of option grants will be determined by the Board of Directors, but after listing on the Exchange will not be less than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options of the Common Shares on the Exchange at the time of grant. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares, if the individual is a director, officer, employee or consultant, or 1% of the issued Common Shares, if the individual is engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 30 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

In the event that an Option is cancelled no new Option may be set for the same Optionee until 30 days after cancellation of the Option.

Options Granted

As of the date hereof, the Company has granted a total of 13,050,000 stock options to its executive officers, directors, employees and consultants.

Group	Number of Common Shares Reserved Under Option	Exercise Price Per Common Share	Expiry Date
Officers as Group			
Harold Davidson	3,950,000	$0.25	June 14, 2026
CEO	850,000	$0.25	June 30, 2026
Logan B. Anderson	500,000	$0.25	June 14, 2026
CFO, Secretary			
David Morris	1,500,000	$0.25	June 30, 2026
President			

Group	Number of Common Shares Reserved Under Option	Exercise Price Per Common Share	Expiry Date
H. Barry Hemsworth	2,000,000	$0.25	June 14, 2026
Vice President	500,000	$0.25	June 30, 2026
Kjirstin Breure	500,000	$0.25	June 14, 2026
Chief Operating Officer			
Ranjith Divigalpitiya	500,000	$0.25	June 14, 2026
Chief Scientific Officer			
Total	**10,300,000**		
Directors as Group			
David K. Ryan	500,000	$0.25	June 14, 2026
	500,000	$0.25	June 30, 2026
David Williams	1,000,000	$0.25	June 30, 2026
Total	**2,000,000**		
Employees as Group	Nil	N/A	N/A
Consultants as Group	750,000	$0.25	June 15, 2026

PRIOR SALES

Since June 1, 2018, the Company has issued the following securities:

a. On August 29, 2018, the Company issued a total of 2,500,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $125,000.

b. On February 26, 2019, the Company issued a total of 500,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $25,000.

c. On March 1, 2019, the Company issued a total of 100,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $5,000.

d. On May 17, 2019, the Company issued a total of 3,677,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $183,850.

e. On September 19, 2019, the Company issued a total of 2,050,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $102,500.

f. On January 3, 2020, the Company issued a total of 600,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $30,000.

g. On February 21, 2020 the Company issued a total of 200,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $10,000.

h. On February 25, 2020 the Company issued a total of 400,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $20,000.

i. On March 27, 2020 the Company issued a total of 3,600,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $180,000.

j. On May 31, 2020 the Company issued a total of 200,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $10,000.

k. On September 9, 2020 the Company issued a total of 3,000,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $150,000.

l. On October 1, 2020 the Company granted 250,000 warrants at a price of US $0.05.

m. On October 22, 2020 the Company issued a total of 500,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $25,000.

n. On November 6, 2020 the Company issued a total of 380,575 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $19,028.75.

o. On November 13, 2020 the Company granted 1,000,000 warrants at a price of US $0.05.

p. On November 27, 2020 the Company issued a total of 1,060,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $53,000.

q. On December 30, 2020 the Company issued a total of 2,000,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $100,000.

r. On January 29, 2021 the Company issued a total of 1,701,717 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $85,085.85.

s. On February 1, 2021 the Company issued a total of 300,000 subordinate common voting shares at a price of US $0.05 per subordinate common voting share for total proceeds of US $15,000.

t. On February 22, 2021 the Company issued a total of 4,800,000 units at a price of US $0.05 per unit with each unit comprised of one subordinate common voting share and one penalty warrant for total proceeds of US $240,000.

u. On February 22, 2021 the Company issued 336,000 Finders warrants to Haywood Securities Inc. exercisable at the earlier of, two years from the company undergoing a liquidity event, and December 31, 2023.

v. On March 2, 2021 the Company issued 1,156,750 Finders warrants to PowerOne Capital Corp. exercisable at the earlier of, two years from the company undergoing a liquidity event, and December 31, 2023.

w. On March 2, 2021 the Company issued a total of 16,525,000 units at a price of US $0.05 per unit with each unit comprised of one subordinate common voting share and one penalty warrant for total proceeds of US $826,250.

x. On March 31, 2021 the Company issued a total of 200,000 subordinate common voting shares at a price of $0.065 per subordinate common share for total proceeds of $13,000.

y. On March 31, 2021 the Company issued a total of 100,000 subordinate common voting shares at a price of USD $0.05 per subordinate common share for total proceeds of USD $5,000.

z. On April 12, 2021 the Company issued a total of 500,000 units at a price of US $0.05 per unit with each unit comprised of one subordinate common voting share and one penalty warrant for total proceeds of US $25,000.

aa. On May 13, 2021 the Company issued a total of 26,020,000 subscription receipts at a price of $0.25 per subscription receipt for total proceeds of $6,505,000. Each subscription receipt will convert to one subordinate common share and one share purchase warrant of the Company. Each warrant will be exercisable for a period two years from the date of conversion to purchase an additional subordinate voting share at a price of $0.75 per share.

bb. On May 17, 2021 the Company issued 4,000,000 subordinate common voting shares at a price of US $0.05 per share on exercise of management warrants.

cc. Effective June 17, 2021, the Company redesignated its subordinate common voting shares as common shares.

dd. On June 30, 2021, the Company issued 250,000 subordinate common voting shares at a price of US $0.05 per share on exercise of management warrants.

ee. On August 29, 2021, the Company issued 2,182,500 common voting shares on exercise of penalty warrants.

ff. On September 10, 2021 the Company issued 3,525,000 units at a price of US $0,20 per unit, with each unit comprised of one common voting share and one share purchase warrant exercisable at a price of US $0.60 for a period of two years for total proceeds of US $705,000.

gg. On *, the Company issued 26,020,000 common voting shares and 26,020,000 warrants exercisable at a price of $0.75 for a period of two years from issuance on deemed exercise of Subscription Receipts.

hh. On *, the Company issued 1,821,400 finders' warrants on conversion of Subscription Receipts. The warrants are exercisable to purchase a unit of the Company at an exercise price of $0.25 for a period of two years from Listing. Each unit consists of one common share and one share purchase warrant, exercisable for a period of two years from * at a price of $0.75 per common share.

ESCROWED SECURITIES

In accordance with National Policy 46-201 - *Escrow for Initial Public Offerings* (previously defined as "NP 46-201"), all securities of an issuer owned or controlled by its principals are required to be placed in escrow at the time of the issuer's initial public offering, unless the Shares held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the voting rights attaching to the total issued and outstanding securities of the issuer after giving effect to the initial public offering. Upon completion of the Offering, the Company anticipates being an "emerging issuer" as defined in NP 46-201.

The following securities of the Company (the "Escrowed Securities") are held by, and are subject to the terms of an escrow agreement dated June 30, 2021, among the Company, Endeavor Trust Corporation, as escrow agent, and the holders of the Escrowed Securities, being Harold Davidson, Logan B. Anderson, H. Barry Hemsworth, David Morris, David Williams, Kjirstin Breure (the "Escrow Agreement"):

Designation of Class	Number of Securities held in escrow[(1)]	Percentage of Class[(2)]
Common Shares	11,450,000	9.58%

Notes:

(1) These Common Shares are held under the Escrow Agreement in accordance with NP 46-201. The Transfer Agent is Endeavor Trust Corporation.

As the Company anticipates being an "emerging issuer" as defined in NP 46-201, the following automatic timed releases will apply to the Common Shares and Penalty Warrants held by its principals who are subject to escrow:

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities

12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

Under NP 46-201, a "principal" is: (a) a person who has acted as a promoter of the Company within two years of the date of this prospectus; (b) a director or senior officer of the Company at the time of this prospectus; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company. A principal's spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Company held by such a person will be subject to the escrow requirements.

The automatic time release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each principal's escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the Listing Date, the Company meets the "established issuer" criteria, as set out in NP 46-201, the Escrowed Securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of Escrowed Securities that would have been eligible for release from escrow if the Company had been an "established issuer" on the Listing Date will be immediately released from escrow. The remaining Escrowed Securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the Listing Date.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the escrow agent to the financial institution; (b) exercise any voting rights attached to the Escrow Securities; (c) receive dividends or other distributions on the Escrow Securities; and (d) exercise any rights to exchange or convert the Escrow Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to: (a) subject to approval of the Company's Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Company or of a material operating subsidiary of the Company; (b) subject to the approval of the Company's Board of Directors, a person that before the proposed transfer holds more than 20% of the voting rights attached to the Company's outstanding securities; (c) subject to the approval of the Company's Board of Directors, a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Company's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative; (f) a financial institution that the holder pledged, mortgaged or charges to a financial institution as collateral for a loan on realization of such loan; and (g) a registered retirement savings plan ("RRSP"), registered retirement income fund ("RRIF") or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holders spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an "exempt issuer", the holder is a principal of the successor entity; and the holder holds more than 1% of the voting rights of the successor entities' outstanding securities.

Under the terms of the Escrow Agreement, 10% of each escrowed shareholder's shares and penalty warrants (a total of 1,140,000 Common Shares) will be released from escrow on the Listing Date. The remaining 10,260,000 Common Shares and 500,000 Penalty

Warrants will be held in escrow immediately following the Listing Date and released pursuant to the terms of the Escrow Agreement.

POOLED SECURITIES

A total of 78,590,892 common shares of the Company are subject to a pooling (escrow) agreement with Endeavor Trust Corporation dated June 30, 2021. Under the terms of the pooling agreement the shares will be released on the following basis:

a) 5% on the date the common shares are listed on the CSE;
b) 10% three months thereafter;
c) 20% six (6) months thereafter;
d) 20% nine (9) months thereafter;
e) 20% twelve (12) months thereafter; and
f) 25% fifteen (15) months thereafter.

PRINCIPAL SHAREHOLDERS

To the knowledge of the Company's directors and officers, no person beneficially owns, or controls directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any of the Shares.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, for each of the Directors and executive officers of the Company, the name, municipality of residence, age, principal occupation, position held with the Company and the date on which the person became a Director.

Name, Municipality of Residence and Age	Principal Occupations during past five years	Position with the Company	Director or Officer Since	Securities Held	Percentage of Securities Held as of the Date of this Prospectus[2]
Harold Davidson Surrey, 68	CEO of Hydrograph Clean Power Inc. since September 2017, CEO of OnBase DB Systems Inc. since February 2012;	CEO, Director	August 31, 2017	7,750,000 Common Shares 4,800,000 Stock Options	6.48%
H. Barry Hemsworth[1] Vancouver, 81	Director of CBD Med Research Corp. from June 1991 to March 2019; Director of Primary Cobalt Corp. from February 2014 to July 2018; and Director of Noram Ventures Inc. from July 2015 to July 2016 Director of Hydrograph Clean Power Inc. since September 2017, Director of OnBase DB Systems Inc. since February 2012;	Vice President, Director	August 31, 2017	1,500,000 Common Shares 2,500,000 Stock Options	1.25%

David Morris Toronto, 45	CEO and President of Morris Group (Sudbury) Inc. Since March 2011.	President, Director	June 17, 2021	1,100,000 Common Shares[3] 1,500,000 Stock Options	0.92%
Logan Anderson North Vancouver,66	Corporate Secretary of St. James Gold Corp. since November 2020; Director and CFO of Ovation Science Inc. since July 2017; Director and President of International Battery Metals since May 2017; Director, CFO and Secretary of Scotch Creek Ventures Inc. since January 2017; Director of InsuraGuest Technologies Inc. since August 2010 (formerly, President, CEO and Secretary); Director and CFO of Aloro Mining Corp.; President of Amteck Management Inc. since 1993.	Chief Financial Officer and Corporate Secretary	June 9, 2021	100,000 Common Shares[5] 500,000 Stock Options	0.08%
Kjirstin Breure Vancouver , 31	Consultant for Swiss Biotech Group since May 2021; Consultant for Omada Technology Systems Inc. since May 2021; Director of Operations for Frontline Crossings Medical Supply from November 2020 to February 2021; Executive Assistant at Squire Mining from September 2018 to February 2019; and Digital Advertiser at Leona Studios from March 2015 to October 2018.	Chief Operating Officer	October 1, 2020	450,000 Common Shares 500,000 Stock Options	0.38%

David K. Ryan[(1)] Langley, 54	Director of the Company since November 2020; Director of International Battery Metals Inc. since August 2019 (previously served as a Director of the Company from August 2018 to April 2019); Director of GlobeX Data Ltd. March 2017 to May, 15, 2015; Director and CEO of Scotch Creek Ventures Inc. since January 2017; Director of Ovation Science Inc. since October 2017; Director of InsuraGuest Technologies Inc. since August 2010, VP Corporate Communications since April 2012 and Corporate Secretary since November 2016 (formerly, Chief Financial Officer from November 2016 to February 2020); Secretary and Director of BioHarvest Sciences Inc. since April 2013, VP of Investor Relations since June 2020 (formerly, President from April 2013 to June 2020); Self-employed consultant since 1998.	Director	November 13, 2020	1,000,000 Stock Options	-
David Williams[(1)] United Kingdom, 39	Director of Richmond Bridge Capital Ltd. since December 2019; and Fund Manager at M&G PLC from January 2004 to October 2019.	Director	June 17, 2021	550,000 Common Shares[(4)] 1,000,000 Stock Options	0.46%
Ranjith Divigalpitiya London, Ontario, 67	Adjunct Research Professor in the Chemistry Department at Western University since June 2020; Scientist at 3M Canada from April 1992 to October 2019.	Chief Scientific Officer	June 9, 2021	Nil	-

Total Securities	**11,450,000 Common Shares** **12,300,000 Stock Options**	**9.58%**

Note:

(1) Member of the Audit Committee.
(2) On an undiluted basis.
(3) 500,000 Shares are held indirectly through Morris Group (Sudbury) Inc.
(4) 550,000 Shares are held indirectly through Richmond Bridge Capital Ltd.
(5) 100,000 Shares are held indirectly through Amtech Financial Corp.

Term of Office

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

Management – Directors and Officers of the Company

Below is a brief description of each of the directors and executive officers of the Company including: names; ages; positions and responsibilities; relevant educational background; principal occupations or employment during the five years preceding the date of this prospectus; and relevant experience.

Harold Davidson (68) –CEO and Director

Mr. Davidson is a founder of the Company and has more than 30 years of tech experience with Fortune 500 technology companies, including Unisy, Wang Canada Limited, Bull HN Information Systems Limited, and BancTec Canada Limited, and at executive positions in start-ups. He was vice president of marketing for INToo Software Corporation, the fastest growing and best performing TSX-V technology stock at the time. Mr. Davidson is the CEO and a Director of Core Workflows, Inc., a private technology company which provides the underlying technology for Omada Technologies. Mr. Davidson invented, patented, and helped in the development of a revolutionary new system of engagement ("SOE") to provide businesses with a more efficient means of visualizing workflows.

Mr. Davidson will be responsible for the overall management of the Company. Mr. Davidson will devote approximately 90% of his time to the Company or such greater amount of time as is necessary. Mr. Davidson has entered into a non-competition or non-disclosure agreement with the Company. Mr. Davidson is an independent contractor of the Company.

Logan Anderson (66) – CFO and Secretary

Mr. Anderson will provide considerable financial and management expertise to the Resulting Issuer. Mr Anderson holds the designation of ACA with the Chartered Accountants (Australia and New Zealand). He began his career as an associate chartered accountant in New Zealand and then Canada. This was followed by his position as controller of a management services company which was responsible for the management of a number of private and publicly traded companies. Since 1993, Mr. Anderson has served as President of Amteck Management Inc., a private financial consulting services company servicing both private and public companies. Mr. Anderson is currently President / Director and on the audit committee of International Battery Metals Inc., CFO, Secretary and Director of Ovation Science Inc, Director of InsuraGuest Technologies Inc., and also CFO and Director of Scotch Creek Ventures. All of the companies named above are Canadian reporting issuers.

Mr. Anderson will be responsible for the oversight of accounting activities and financial reporting of the Company. Mr. Anderson will devote approximately 20% of his time to the Company's activities to discharge his responsibilities as CFO. Mr. Anderson has entered into a non-competition or non-disclosure agreement with the Company. Mr. Anderson is an independent contractor of the Company.

Dr. David Morris (45) – President and Director

Dr. Morris has a medical degree in dentistry and has been an entrepreneur for over 18 years and has built many businesses form the ground up and taken others through recapitalization and restructuring processes. Dr. Morris is the founder of Morris Group (Sudbury) Inc. (the "Morris Group") and has been the CEO and President since March 2011. Dr. Morris has overseen the Morris Group's growth from a simple partnership to an organization employing more than 200 people with 2020 revenues in excess of $100 million. As President of the Morris Group, Dr. Morris is involved in a wide range of business, including land/housing development, the mining sector, employment services and telecommunications.

Dr. Morris will devote approximately 50% of his time to carry out his duties as President and director of the Company. Dr. Morris is not an employee but is an independent consultant of the Company. Dr. Morris has entered into a non-competition or non-disclosure agreement with the Company.

H. Barry Hemsworth (81) – Vice President and Director

Mr. Hemsworth is a founder of the Company and has over 40 years of experience as a practicing securities and corporate lawyer specializing in taking Canadian resource sector private start-ups from inception to listing, more particularly on the TSX Venture Exchange. He has held numerous directorships and executive positions on Canadian public companies and has been instrumental in arranging financing and attracting very skilled and experienced personnel to operate and manage these various entities. More recently, he has focused on cutting edge technology start-ups, particularly on the financial side.

Mr. Hemsworth will serve as a member of the audit committee. Mr. Hemsworth will devote approximately 35% of his time to carry out his duties as Vice President and director of the Company. Mr. Hemsworth has entered into a non-competition or non-disclosure agreement with the Company. Mr. Hemsworth is an independent contractor of the Company.

David K. Ryan (54) – Director and Audit Committee Chairman

Mr. Ryan has extensive experience in investment and public markets. For the past 20 years, he has been part of in bringing multiple initial public offerings to market. Mr. Ryan is a former Registrant under the British Columbia Securities Act. He has helped raise both equity and debt financings for numerous public companies in both primary and secondary financings as well as served on the board of public companies and in various roles from president to director. Mr. Ryan is currently President, CEO and a director of Scotch Creek Ventures Inc. and a director of International Battery Metals Ltd., InsuraGuest Technologies, Inc., Ovation Science Inc., and BioHarvest Sciences Inc.

Mr. Ryan will serve as a member of the audit committee. Mr. Ryan will devote approximately 5% of his time to carry out his duties as a director of the Company. Mr. Ryan has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Ryan is an independent contractor of the Company.

David Williams, CFA (39) – Director

Mr. Williams has been a member of the CFA Society UK since 2007. Mr. Williams is an experienced global equities fund manager with corporate finance expertise from involvement in large number of refinancing's, transactions and restructurings. Mr. Williams was with M&G Investments from 2004 to 2019, in a variety of senior roles including Fund Manager of the M&G Global Recovery Fund from 2010 to 2019. In this position, Mr. Williams took an active role in delivery of the Fund's strategy, which included significant involvement in investment decision making, fund raising, and corporate transactions. In 2019, Mr. Williams founded Richmond Bridge Capital that provides corporate finance advice to a range of small and medium sized, public and private companies.

Mr. Williams will serve as a member of the audit committee. Mr. Williams will devote 5% of his time to carry out his duties as a director of the Company. Mr. Williams has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Williams is an independent contractor of the Company.

Kjirstin Breure (31) – Chief Operating Officer

Ms. Breure has a 10 year background in emerging technologies and portfolio management. She has been Director of Operations for Frontline Crossings, Investor Relations for Omada Technologies, and is a director and COO for Macht10. Her interest in technology and passion for problem solving has led her to operate primarily with tech start-ups. Ms. Breure graduated magna cum laude from Arizona State University and is currently pursuing a Masters in Materials Science and Engineering with a specialization in nano

mechanics.

Ms. Breure will devote approximately 90% of her time to carry out her duties as Chief Operating Officer of the Company. Ms. Breure has entered into a non-competition or non-disclosure agreement with the Company. Ms. Breure is an independent contractor of the Company.

Ranjith Divigalpitiya B.Sc. Honours (Physics), M.Sc. & Ph.D. (66) – Chief Science Officer

Mr. Divigalpitiya is the inventor of 3M graphene-like-carbon (GLC) coatings. Mr. Divigalpitiya was a scientist for 3M Canada from April 1992 to October 2019. Mr. Divigalpitiya led research in multiple areas, including: digital x-ray imaging, electrically conducting adhesives, UV photocatalyst for air purification, force sensors, photovoltaics, water purification, sensors for contaminants in water, Li ion battery materials, and nano scale coatings for a variety of commercial applications. Mr. Divigalpitiya has extensive experience in 2D materials and their processing. Mr. Divigalpitiya is currently an adjunct research professor at the Western University in the Chemistry Department.

Mr. Divigalpitiya will devote approximately 50% of his time to carry out his duties as Chief Scientific Officer of the Company. Mr. Divigalpitiya has entered into a non-competition or non-disclosure agreement with the Company. Mr. Divigalpitiya is an independent contractor of the Company.

Conflicts of Interest

All of our directors and officers act as directors and/or officers of other companies. As such, our directors and officers may be faced with conflicts of interests when evaluating alternative opportunities. In addition, our directors and officers may prioritize the business affairs of another company over the affairs of the Company.

The information as to ownership of securities of the Company, corporate cease trade orders or bankruptcies, penalties or sanctions, personal bankruptcies or insolvencies and existing or potential conflicts of interest has been provided by each insider of the Company individually in respect of himself or herself.

Cease Trade Orders

Except as disclosed below, to the knowledge of management of the Company no director or executive officer of the Company, is or has been, within the ten years preceding the date of this prospectus, a director, chief executive officer, chief financial officer of any company that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of this prospectus, an "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

David K. Ryan was a director of Mining Global, Inc. (formerly, Yaterra Ventures Corp.) in January 2013 when it became subject to a cease trade order of the BCSC for failing to file financial statements as required by Multilateral Instrument 51-105. On April 24, 2014, Mr. Ryan resigned as director of Mining Global, Inc. The cease trade order is still in effect as of the date of this prospectus.

Bankruptcies

Except as disclosed below, to the knowledge of management of the Company no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, with the ten years preceding the date of this prospectus:

(a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors,

or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency; or

(b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Penalties or Sanctions

To the knowledge of management of the Company, no director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the knowledge of management of the Company, no director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's executive compensation program during the period from incorporation to March 21, 2021, was administered by the Company's Board of Directors. The Board of Directors was solely responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies or objective for determining the amount or extent of compensation for directors or officers.

Significant Elements

The significant elements of compensation for the Company's "Named Executive Officers", being the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers whose total compensation exceeds $150,000. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

Cash Salary

The Company's compensation payable to the Named Executive Officers is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company.

Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the Board of Directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when

determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance to the Company's Stock Option Plan.

As of the date hereof, the Company has granted 12,300,000 options to directors and officers. See "Options to Purchase Securities" above.

Summary Compensation Table

The following table sets forth information about compensation paid to, or earned by, the Company's Named Executive Officers during the years ended September 30, 2018, 2019 and 2020.

Name and Principal Position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	All Other Compensation ($)	Total Compensation ($)
Harold Davidson CEO	2020	$12,000 (CAD $14,880)	-	-	-	-	$12,000 (CAD $14,880)
	2019	$12,000 (CAD $14,880)	-	-	-	-	$12,000 (CAD $14,880)
	2018	$12,000 (CAD $14,880)	-	-	-	-	$12,000 (CAD $14,880)
Logan Anderson CFO and Controller	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-
David Morris President	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-
H. Barry Hemsworth Vice President	2020	$12,000 (CAD $14,880)	-	-	-	-	$12,000 (CAD $14,880)
	2019	$12,000 (CAD $14,880)	-	-	-	-	$12,000 (CAD $14,880)
	2018	$12,000 (CAD $14,880)	-	-	-	-	$12,000 (CAD $14,880)
Kjirstin Breure COO	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-
Ranjith Divigalpitiya CTO	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-

Incentive Plan Awards

The following table sets forth all outstanding share based and option based awards to the Named Executive Officers as at September 30, 2020:

	Option Based Awards				Share Based Awards	
Name	Number of Securities underlying unexercised options (#)	Option exercise price ($)	Option Expiration Date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
Harold Davidson CEO and Director	1,000,000	$.05	August 31 2022	-	-	-

William Grossholz[(1)] Controller	-	-	-	-	-	-
H. Barry Hemsworth Vice President and Director	1,000,000	$.05	August 31 2022	-	-	-

Notes:
(1) Resigned as Controller on June 21, 2021.

Director Compensation

The following table sets forth the compensation paid to the Company's Directors as at September 30, 2020.

Name	Fees Earned ($)	Share-based awards ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Harold Davidson[(1)]	-	-	-	-	-	-	-
H. Barry Hemsworth[(3)]	-	-	-	-	-	-	-

(1) Harold Davidson was appointed a director on August 31, 2017.
(2) H. Barry Hemsworth was appointed a director on August 31, 2017.

See page 25 under the heading USE OF PROCEEDS for details of proposed compensation to directors.

Employment Consulting and Management Agreements

The Company entered into a management consulting agreement dated August 31, 2017, with Harold Davidson, whereby Mr. Davidson agreed to provide services as Chief Executive Officer of the Company, and in consideration of which, the Company agreed to pay CAD$12,000 per month, in the event that there is a change of control of the Company, Mr. Davidson will be entitled to receive a severance payment equal to thirty-six (36) months of consulting fees.

The Company entered into a management consulting agreement dated August 31, 2017 with Top Hat Investments Inc. whereby Top Hat Investments Inc. agreed to provide the services of H. Barry Hemsworth as Vice-President of the Company and, in consideration of which, the Company agreed to pay USD$1,000 per month. In the event that there is a change of control of the Company, Top Hat Investments Inc. will be entitled to receive a severance payment equal to thirty-six (36) months of consulting fees.

The Company entered into a management consulting agreement dated June 9, 2021 with Amteck Financial Corp., whereby Amteck Financial Corp. agreed to provide the services of Logan B. Anderson as Chief Financial Officer of the Company and, in consideration of which, the Company agreed to pay CAD$4,000 per month. In the event that there is a change of control of the Company, Amteck Financial Corp. will be entitled to receive a severance payment equal to twelve (12) months of consulting fees.

The Company entered into a management consulting agreement dated June 1, 2021 with Kjirstin Breure, whereby Ms. Breure agreed to provide services as Chief Operating Officer of the Company, and in consideration of which, the Company agreed to pay CAD$7,000 per month, in the event that there is a change of control of the Company, Ms. Breure will be entitled to receive a severance payment equal to twelve (12) months of consulting fees.

The Company entered into a management consulting agreement dated June 9, 2021 with Ranjith Divigalpitiya, whereby Mr. Divigalpitiya agreed to provide services as Chief Scientific Officer of the Company, and in consideration of which, the Company agreed to pay CAD$11,675 per month, in the event that there is a change of control of the Company, Mr. Divigalpitiya will be entitled to receive a severance payment equal to twelve (12) months of consulting fees.

Except for the severance payments set out in the management consulting agreements noted above, there are no management or consulting agreements with any directors or officers of the Company that provide for payments to an officer or director, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the company or a change in a director's or officer's responsibilities.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this prospectus, nor has there been since incorporation on June 26, 2017, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any

associate of any of them, to or guaranteed or supported by the Company either pursuant to an employee stock purchase program of the Company or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Company.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee Charter

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board of Directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

On June 17, 2021, the Board of Directors adopted a charter delineating the Audit Committee's responsibilities. The Audit Committee Charter is attached to this prospectus as Schedule "A".

Composition of Audit Committee

The following persons are members of the Company's audit committee:

H. Barry Hemsworth	Not Independent	Financially Literate
David K. Ryan	Independent	Financially Literate
David Williams	Independent	Financially Literate

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, and have an understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

The education and experience of each Audit Committee member that is relevant to the performance of his/her responsibilities as an Audit Committee member is as follows:

H. Barry Hemsworth: Mr. Hemsworth has over 40 years experience as a practicing securities and corporate lawyer taking Canadian resource sector private start ups from inception to listing, more particularly on the TSX Venture Exchange. He has held numerous directorships and executive positions on Canadian public companies and has been instrumental in arranging financing and attracting very skilled and experienced personnel to operate and manage these various entities. More recently, he has focused on cutting edge technology start-ups, particularly on the financial side. Mr. Hemsworth has the ability to understand financial statements relating to venture companies.

David K. Ryan: Mr. Ryan is a former Registrant under the Securities Act (British Columbia) and has extensive experience in investment and public markets. For the past 20 years he has been part of bringing multiple initial public offerings to market. Mr. Ryan has served on the board of many public companies with roles ranging from president to director. Mr. Ryan has the ability to understand financial statements relating to venture companies.

David Williams: Mr. Williams is a Chartered Financial Analyst and a member of the CFA Society UK since 2007. Mr. Williams is an experienced global equities fund manager with corporate finance expertise from involvement in large number of refinancing's, transactions, and restructurings. Mr. William's has the ability to understand financial statements relating to venture companies.

Audit Committee Oversight

At no time since the commencement of the Company's most recent completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the following exemptions:

(a) the exemption in section 2.4 of National Instrument 52-110 (*De Minimis Non-audit Services*);
(b) the exemption in subsection 6.1.1(4) of National Instrument 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
(c) the exemption in subsection 6.1.1(5) of National Instrument 52-110 (*Events Outside Control of Member*);
(d) the exemption in subsection 6.1.1(6) of National Instrument 52-110 (*Death, Incapacity or Resignation*); or
(e) an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110 (*Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Company's Audit Committee Charter states that Audit Committee must pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

External Auditor Fees

The aggregate fees billed to the Company for the services provided by the external auditor for the fiscal periods October 1, 2019 to September 30, 2020 and October 1, 2020 to June 30, 2021 are as follows:

	Period from October 1, 2019 to September 30, 2020	Period from October 1, 2020 to June 30, 2021
Audit Fees	$35,000	$24,000 (Interim Reviews)
Audit-Related Fees	-	-
Tax Fees	-	-
All Other Fees	-	$[(1)]
Total	$35,000	$24,000

Note: (1) Auditor fee for review of interim financial period ended June 30, 2021.

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Company. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Company's corporate governance practices are summarized below:

Board of Directors

The Board of Directors is currently comprised of five members. The rules of the Exchange do not have independent director requirements. An "independent" director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. David Ryan and David Williams are independent directors of the Company, as they have no ongoing interest or relationship with the Company other than serving as directors. Harold Davidson is not an independent director

because of his position as Chief Executive Officer of the Company. David Morris is not an independent director because of his position as President of the Company. H. Barry Hemsworth is not an independent director because of his position as Vice President.

Directorships

The following Directors and Officers of the Company are directors of other reporting issuers:

Name of Director	Name of Reporting Issuer	Exchange	Role	Date
Logan B. Anderson	Scotch Creek Ventures Inc.	CSE	-Director, CFO and Secretary	January 2017
	International Battery Metals Inc.	CSE	-Director and President	May 2017
	Ovation Science Inc.	CSE	-Director and CFO	July 2017
	InsuraGuest Technologies Inc.	TSXV	- Director	August 2010
	Aloro Mining Corp.	TSXV	-Director and CFO	June 2004
David K. Ryan	Scotch Creek Ventures Inc.	CSE	-Director and CEO	January 2017
	InsuraGuest Technologies Inc.	TSXV	-Director; Secretary, VP (IR)	August 2010
	BioHarvest Sciences Inc.	CSE	-Director, VP (IR)	April 2013
	Ovation Science Inc.	CSE	-Director	October 2017
	International Battery Metals Ltd.	CSE	-Director	May 2021

Orientation and Continuing Education

The Board of Directors provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders. Generally, the Board of Directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company. Certain of the Directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as applicable under the BCA.

Nomination of Directors

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Company. The Board of Directors considers itself too small to warrant creation of such a committee; and each of the Directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board of Directors.

Compensation

The Board of Directors reviews the compensation of its directors and executive officers from time to time. The Directors will determine compensation of directors and executive officers taking into account the Company's business activity and the Company's financial position. See "Executive Compensation".

Other Board Committees

The Company has established an Audit Committee. There are no other committees of the Board of Directors.

Assessments

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company's small size and the Company's stage of development, the Board of Directors considers a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors does not formally assess the performance or contribution of individual Board members or committee members.

PLAN OF DISTRIBUTION

No securities are being offered or sold pursuant to this Prospectus. This Prospectus is being filed by the Company with its overseeing regulators. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and no agent or underwriter is involved.

Listing of Common Shares on the Exchange

Listing of the Common Shares is subject to the Company fulfilling all of the listing requirements of the Exchange.

As of the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Common Shares could decline, and investors may lose all or part of their investment.

How risk is related to return

Generally, there is a strong relationship between the amount of risk associated with a particular investment, and that investment's long-term potential to increase in value.

Investments that have a lower risk also tend to have lower returns because factors that can affect the value of the investment, the risks, are well known or are well controlled and have already been worked into the price of the investment. On the other hand, investments that could have potentially higher returns if conditions for success are favourable also risk generating equally higher losses if conditions become unfavourable. This is because the factors affecting the value of such investments are unknown or difficult to control.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Company issues Common Shares from its treasury for financing purposes, control of the Company may change and purchasers may suffer additional dilution.

No Market for Securities

There is currently no market through which any of the Common Shares, may be sold and there is no assurance that such securities of the Company will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after Listing. The offering price determined by the Company was based upon several factors, and may bear no relationship to the price that will prevail in the public market. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Negative Cash Flow from Operating Activities

The Company's activities have been focused on developing its technology and accordingly cash flow is negative, and the Company has been required to raise funds through equity financings.

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the Common Shares distributed hereunder will be affected by such volatility.

Personnel

The Company has a small management team and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its development plans. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to purchasing the securities.

Smaller Companies

The share price of publicly traded smaller companies can be highly volatile. The value of the Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Common Shares.

Competition

Both the Hydrogen and Graphene industries are characterized by larger companies with more financial resources than the Company. There is no assurance that the Company will be able to effectively compete in that environment.

Illiquidity

The Common Shares are not listed on a stock exchange. Investors should be aware that there may never be a market for the Common Shares and an investor may never realize a return on their investment. The Common Shares, therefore, may not be suitable as a short-term investment.

Going Concern and Financing Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it to sustain operations. Although the Company has been successful in the past in obtaining financing through the issuance of common shares, there can be no assurance that it will be able to obtain the necessary financing and raise capital sufficient to cover its operating costs.

Licensed Technology

The Company believes the licensed technology will be commercially scalable and the products can be profitably marketed. There can be no assurance that the Company will be able to develop the technology to the point that may be required to carry out its business plans, on reasonable terms, or at all. Delays, or a failure to develop such economically viable products or a failure to comply with the terms of the license could have a material adverse effect on the Company.

General Economic Conditions

The recent events in global financial markets have had a profound impact on the global economy. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. These factors could have a material adverse effect on the Company's financial condition and results of operations

Coronavirus (COVID-19)

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. However, COVID-19 may directly impact the Company by disrupting the financial markets of which the Company relies on for raising funds or interfering with its supply chains.

Hydrogen Production Risk Factors

Selection of Engines for Fixed Production Facility

The Company needs to work with many different types of engines to see which type is optimal for mass centralized Hydrogen production which may be different than this engine type best for smaller decentralized production. The Company does not know how effectively and reliably the engines will work. Since the engines will be running on a very rich fuel mixture that they were not designed for, the Company does not know the long-term consequences. Risks exists that the engines may need to be modified to work with a very rich methane and pure oxygen fuel mixture which would substantially increase the cost to the Company. There are methane engines but they run with a mixture of methane and air, so there may be a need to adopt engines for the fuel mixture, which could cause time delays and cost overruns

Integration of Novel Mixing Chamber

The Company has designed and patented a novel pre-mixing chamber, which needs to be affixed between the engine and the fuel source, like a fuel injector in a gas car engine. The pre-mix chamber will be fully digital and attached to digitally controlled valves and pumps. There is uncertainty as to how the device will function, as it will be a brand new device mixing methane and oxygen in very specific ratios. The device will need to be tested and this may protract the time to achieve adequate production levels.

Volume Oxygen Generation

Currently the Company is purchasing canisters of oxygen to mix with methane. The Company needs to purchase an oxygen generator to bring down the feedstock costs. The O2 generator has to be integrated into the pre-mix chamber and the engine. Until further development work is done, the Company cannot predict the success of the system.

Membrane Separation Technology

The Company produces Syngas from Methane and Oxygen as its primary product coming out of the engine. Syngas is COH2, essentially carbon monoxide and hydrogen. Using membrane separation technology, the Company splits the CO from the H2 (it is 80% H2). There are uncertainties as to the performance of the membranes and the life cycle of them. They will be in constant usage and the Company does not know how quickly they will clog up, thereby shutting down production. The Company may need several membranes onsite and will need to pull out old clogged membranes and replace with new ones, the Company does not know how long this procedure will take. This process could cause significant production delays.

Risks Related to Gases

The gases produced by the Company's process, Hydrogen and Oxygen are flammable and carbon monoxide is poisonous. There is no assurance that the Company will be able to devise methods to safely deal with these gases. Carbon monoxide is used in some chemical processes. In the event the Company is not able to find a customer for the carbon monoxide by product of its production process which is not assured it may incur considerable costs to dispense of the carbon monoxide which could impact its production costs.

Graphene Production Risk Factors:

Limited Production

The Company's production plan calls for more than 6Kg per canister per day. In order to do so new pumps and valves have to be purchased and tested. The Company also needs to fabricate more robust electrodes. Within the canister, after detonation, it is a very hostile environment for electrodes. Carbon can get in the gap between the electrodes and foul the entire process. The Company cannot guarantee this will be successfully achieved.

Increased Frequency of Detonations

When the Company increases the frequency of detonations it is hard on the equipment. Right now, the Company detonates every 40 seconds and wants to get the frequency down to every 20 seconds. So, the new pumps, valves and electrodes have to fill the canister with acetylene and oxygen twice as fast, and vacuum pull the contents into the holding vessel. Moreover, the electrodes have to spark twice as often in a very hostile environment for electrodes. There is no assurance the Company will be able to achieve this increased frequency of detonation.

Production Line Automation

The Company has the front-end process automated, up to containing the product after multiple automated detonations in a holding vessel, it does not have the backend production line from the holding vessel done. Although it is a conventional mass manufacturing issue, the Company still need it solved and there is uncertainty about it and the Company may need to have it done manually which may affect its costs.

Health Risks

It is possible that Nano-graphene particles from leakage will get into human bodies and cause harm. The Company will need to ensure it has adequate safety procedures at its plant to deal with such risks, which may cause delays in the production process. While there are no specific mandates for Graphene production all the Company's facilities must comply with government health and safety standards that may require additional air filtration or for workers to wear masks, which could increase costs.

Graphene Sales Risk Factors:

Limited Market

The Company does not believe the market for Graphene is limited; however, the present market for Graphene is limited partially because of the high cost of Graphene. It may take considerable time for manufacturers to adopt Graphene which could delay potential future revenue and/or profitability for the Company.

Protracted Sales Cycle

Graphene is not yet a commodity product. Therefore, it has to be an engineered solution in most cases. That is Graphene samples get tested and if there is interest, then the Graphene gets functionalized for specific applications. Moreover, the insertion of Graphene into a composite requires modification of an existing production line. If this process takes too much time, it will affect the Company's potential future revenue and profitability.

High Cost of Customer Acquisition

It takes time and money to get prospective customers from testing to functionalizing to integrating our graphene into their production. The Company needs to find a way to drive down customer acquisition costs through expediting the process. Failure to successfully expedite the process could negatively effect potential sales.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

Although the Directors will seek to minimise the impact of the risk factors, an investment in the Company should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specialises in investments of this nature before making any decision to invest.

PROMOTERS

Harold Davidson and H. Barry Hemsworth took the initiative in the primary organization of the Company and accordingly are promoters of the Company. Mr. Davidson owns 7,750,000 Common Shares which is 6.48% of the Common Shares outstanding as of the date of this Prospectus. Mr. Hemsworth owns 1,500,000 Common Shares which is 1.25% of the Common Shares outstanding as of the date of this Prospectus. See "Directors and Executive Officers" and "Executive Compensation". Mr. Davidson holds the following stock options 4,800,000. Mr. Hemsworth holds the following stock options 2,500,000.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since inception on.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the Directors or executive officers of the Company, and no associate or affiliate of the foregoing persons, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a "related issuer" or a "connected issuer" of or to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*).

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditors of the Company are MNP LLP, located at 2200-1021 West Hastings Street, Vancouver, British Columbia V6E 0C3.

The transfer agent and registrar of the Company is Endeavor Trust Corporation., located at Suite 760, 777 Hornby Street, Vancouver, British Columbia V6Z 1S4.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which have been entered into by the Company as of the date hereof or which will be entered into prior to the Company listing on the Exchange and which are regarded presently as material are:

1. Stock Option Plan as amended on June 17, 2021. See "Options to Purchase Securities".

2. Pooling Agreement among certain shareholders of the Company entered into on June 30, 2021. See "Escrowed Securities"

3. Escrow Agreement to be entered into before Closing among the Company, Transfer Agent, Endeavor Trust Corporation. See "Escrowed Securities".

4. Memorandum of Understanding between the Company and Bazalt Holdings, S.A. dated March 17, 2020. See "Business of the Company".

5. License Agreement between the Company and KSURF dated July 15, 2021. See "Business of the Company".

6. Memorandum of Agreement between the Company and Kansas State University dated June 1, 2021. See "Business of the Company".

7. Lease Agreement dated August 1, 2021 between the Company and the University of Western Ontario Research and Development Park. See "Business of the Company".

8. Lease Agreement dated August 1, 2021 between the Company and Dornoch LLC for the pilot Graphene production facility. See "Business of the Company".

EXPERTS

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this prospectus as having prepared or certified a report, valuation, statement or opinion in this prospectus:

(a) The audited financial statements included in this prospectus have been subject to audit by MNP LLP, and their audit report is included herein. MNP LLP, is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

None of the foregoing persons or companies have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter.

FINANCIAL STATEMENTS

Unaudited financial statements of the Company for the period of October 1, 2020 to June 30, 2021 is attached as Schedule "B" to this Prospectus. Audited financial statements of the Company for the period from October 1, 2019 to September 30, 2020 is attached as Schedule "D" to this Prospectus.

SCHEDULE "A" - AUDIT COMMITTEE CHARTER

I. MANDATE

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of HydroGraph Clean Power Inc. (the "Company") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;

2. The compliance of such statements and information with legal and regulatory requirements;

3. The qualifications and independence of the Company's independent external auditor (the "Auditor"); and

4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three or more members.

B. Qualifications

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Meetings

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.

2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.

3. Require the Auditor to report directly to the Committee.

4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.

2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.

3. Recommend to the Board the compensation of the Auditor.

4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls & Operations of the Company

1. Establish procedures for:

   (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:

   (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.

   (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.

   (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.

2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.

4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.

5. Make regular reports to the Board.

6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

7. Annually review the Committee's own performance.

8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.

9. Not delegate these responsibilities.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

SCHEDULE "B" – FINANCIAL STATEMENTS OF HYDROGRAPH CLEAN POWER INC. FOR THE PERIOD FROM OCTOBER 1, 2020 TO JUNE 30, 2021

[SEE ATTACHED]

HYDROGRAPH CLEAN POWER INC.

(formerly known as Carbon-2D Graphene Inc.)

(A Development Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended June 30, 2021 and 2020

(expressed in United States Dollars)

(Unaudited)

REVIEW ENGAGEMENT REPORT

[**], 2021

HYDROGRAPH CLEAN POWER INC.

(A Development Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in United States Dollars)

	Note	June 30, 2021 *(unaudited)* $	September 30, 2020 *(audited)* $
ASSETS			
Current Assets			
Cash		271,795	47,727
Restricted cash	12	5,250,386	–
Deposits		3,112	–
Accounts receivable		28,634	494
		5,553,927	48,221
Non-Current Assets			
Right-of-use asset	7	–	12,140
Technology and development costs	4	2,192,670	1,167,670
TOTAL ASSETS		7,746,597	1,228,031
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	5	133,814	139,898
Subscriptions received	12	5,250,386	–
Lease liability	7	–	12,628
		5,384,200	152,526
Non-Current Liabilities			
CEBA loan	6	18,852	17,239
TOTAL LIABILITIES		5,403,052	169,765
SHAREHOLDERS' EQUITY			
Share capital	8	3,054,765	1,432,200
Warrant Reserve		145,500	–
Contributed surplus		253,000	22,500
Deficit		(1,109,720)	(396,434)
TOTAL SHAREHOLDERS' EQUITY		2,343,545	1,058,266
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,746,597	1,228,031

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Approved on behalf of the Board of Directors:

"Harold Davidson"
Harold Davidson, CEO, Director

"H. Barry Hemsworth"
H. Barry Hemsworth, Director

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

HYDROGRAPH CLEAN POWER INC.

(A Development Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in United States Dollars)

(Unaudited)

	Note	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2020	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020
		$	$	$	$
REVENUE		7,980	–	7,980	–
EXPENSES					
Stock-based compensation	8	292,000	–	253,000	–
Consulting	5	215,758	73,078	69,173	6,000
Professional fees	5	122,163	–	77,051	–
Travel and promotion		55,616	11,795	34,581	280
Research		54,000	–	54,000	–
Rent and occupancy	5	12,719	–	10,160	–
Office and miscellaneous		9,560	2,145	7,779	1,573
License maintenance fees	4	7,500	7,500	2,500	2,500
Finance costs	6, 7	1,781	1,762	554	446
Foreign exchange loss (gain)		(61,971)	–	(27,923)	–
Depreciation	7	12,140	21,852	–	7,284
		721,266	118,132	480,875	18,063
Net loss and comprehensive loss for the period		(713,286)	(118,132)	(472,895)	(18,063)
Net Loss per share, basic and diluted		$(0.01)	$(0.00)*	$(0.01)	$(0.00)*
Weighted average common shares outstanding		68,099,151	47,534,399	83,687,513	50,427,100

* Denotes a loss of less than $(0.01) per share.

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

HYDROGRAPH CLEAN POWER INC.

(A Development Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

(Expressed in United States Dollars)

(Unaudited)

	Note	Shares Issued	Share Capital	Warrant Reserve	Contributed Surplus	Accumulated Deficit	Total
			$	$	$	$	$
Balance, September 30, 2019		45,627,100	1,045,300	–	22,500	(256,287)	811,513
Shares issued for cash	8	4,800,000	240,000	–	–	–	240,000
Share issue costs	8	–	(6,600)	–	–	–	(6,600)
Net loss		–	–	–	–	(118,132)	(118,132)
Balance, June 30, 2020		50,427,100	1,278,700	–	22,500	(374,419)	926,781
Shares issued for cash	8	3,250,000	162,500	–	–	–	162,500
Share issue costs	8	–	(9,000)	–	–	–	(9,000)
Net loss		–	–	–	–	(22,015)	(22,015)
Balance, September 30, 2020		53,677,100	1,432,200	–	22,500	(396,434)	1,058,266
Shares issued for cash	8	29,881,292	1,387,565	106,500	–	–	1,494,065
Share issue costs	8	–	(39,000)	–	39,000	–	–
Warrants exercised	8	4,250,000	274,000	–	(61,500)	–	212,500
Stock based compensation	8	–	–	39,000	253,000	–	292,000
Net loss		–	–	–	–	(713,286)	(713,286)
Balance, June 30, 2021		87,808,392	3,054,765	145,500	253,000	(1,109,720)	2,343,545

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

HYDROGRAPH CLEAN POWER INC.
(A Development Stage Company)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in United States Dollars)
(Unaudited)

	Note	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2020
		$	$
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Net loss and comprehensive loss		(713,286)	(118,132)
Add back non-cash items:			
Stock based compensation	8	292,000	–
Unrealized foreign exchange loss		(61,971)	–
Depreciation	7	12,140	21,852
Finance costs	6, 7	1,781	446
Changes in non-cash working capital balances:			
Accounts receivable		(28,140)	(4,087)
Deposits		(3,112)	(3,887)
Accounts payable and accrued liabilities	5	(6,084)	(121,403)
Cash used in operating activities		(506,672)	(223,895)
INVESTING ACTIVITIES			
Technology and development costs	4	(1,025,000)	(33,711)
Cash used in investing activities		(1,025,000)	(33,711)
FINANCING ACTIVITIES			
Shares issued for cash, net	8	427,815	233,400
Warrants exercised for cash		212,500	–
Units issued for cash		1,066,250	–
Subscriptions received	12	5,250,386	–
Repayments of lease liability	7	(12,796)	(23,033)
Cash provided by financing activities		6,944,155	210,367
Foreign currency translation differences on cash		61,971	–
Increase (decrease) in cash		5,474,454	(47,239)
Cash, beginning		47,727	83,017
Cash, ending		5,522,181	35,779

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Carbon-2D Graphene Enterprises Inc. was incorporated under the Laws of the Province of British Columbia on June 26, 2017. On July 4, 2017, Carbon-2D Graphene Enterprises Inc. changed its name to Carbon-2D Graphene Inc. On March 3, 2021, Carbon-2D Graphene Inc. changed its name to HydroGraph Clean Power Inc. (the "Company"). The address of the Company's corporate office and its principal place of business is #430-580 Hornby Street, Vancouver, British Columbia, Canada.

The Company's principal business activity is the acquisition and development of graphene and hydrogen related products and services.

The Company has never generated profit or positive cash flows from operations. For the interim nine-month period ended June 30, 2021, the Company reported a net loss of $713,286 (June 30, 2020 – $118,132), negative cash flow from operating activities of $506,672 (June 30, 2020 – $223,895), and an accumulated deficit of $1,109,720 (September 30, 2020 – $396,434). This raises significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue its operations as intended are dependent on its ability to obtain necessary financing and raise capital sufficient to cover its development and operating costs.

In early March 2020, there was a global outbreak of coronavirus (COVID-19) that has resulted in changes in global supply and demand of certain mineral and energy products. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined, but they could have a prospective material impact to the Company's project exploration activities, cash flows and liquidity.

These Condensed Interim Consolidated Financial Statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. BASIS OF PRESENTATION

a) Statement of compliance

These Condensed Interim Consolidated Financial Statements are prepared in compliance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These condensed interim financial statements should be read in conjunction with the Company's annual audited financial statements for the year ended September 30, 2020.

These Condensed Interim Consolidated Financial Statements were approved and authorized for issue by the Board of Directors on [**], 2021.

b) Measurement basis

The Condensed Interim Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these Condensed Interim Consolidated Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information.

The Company measures the transactions using the currency of the primary economic environment in which it operates in. These Condensed Interim Consolidated Financial Statements are presented in United States dollars which is the functional currency of the Company.

(Expressed in United States Dollars)

2. BASIS OF PRESENTATION (continued)

c) Basis of consolidation

These consolidated financial statements include the accounts on the Company and its wholly owned subsidiary, Carbon-2D Graphene Corp., incorporated in the province of British Columbia.

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

In assessing control, potential voting rights that are currently exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Inter-company transactions, balances and unrealized gains or losses with the subsidiaries are eliminated. The financial statements of the subsidiaries are prepared using consistent accounting policies with that of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The policies applied in these unaudited Condensed Interim Consolidated Financial Statements are based on IFRS in effect as of October 1, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited Condensed Interim Consolidated Financial Statements as compared with the most recent annual Financial Statements as at and for the year ended September 30, 2020.

4. TECHNOLOGY AND DEVELOPMENT COSTS

On July 12, 2017, two directors of the Company entered into a memorandum of understanding to receive an option to acquire certain technology rights with Kansas State University Research Foundation ("KSURF") and Kansas State University ("KSU"). On July 13, 2017, the two directors entered into a letter of intent to assign the option to the Company. On November 27, 2017, the Company entered into an assignment agreement (the "Assignment Agreement") with a company controlled by the two directors in exchange for $1. The Assignment Agreement provided for an assignment of the option to acquire the rights to a technology for the production of graphene by combustion (the "Graphene Technology") from KSURF. The option to acquire the rights required the funding of technology and development costs to KSU and patent maintenance costs to KSURF and reimbursing certain legal and other expenses incurred by the two directors. The patent maintenance costs and other expenses are not included in technology and development costs. See Note 11.

The Company has incurred the following technology acquisition and development costs:

	$
Balance, September 30, 2019	1,133,959
Phase 2 development and other	33,711
Balance, September 30, 2020	1,167,670
Phase 2 success fees	300,000
Phase 3 development fees	725,000
Balance, June 30, 2021	2,192,670

The Company performs an impairment test on an annual basis, or whenever there are indicators of impairment. As of June 30, 2021, and September 30, 2020 no write-down was necessary.

On July 15, 2021, the Company executed a license agreement ("License Agreement") with KSURF. The License Agreement replaces the LOI. See Note 13.

(Expressed in United States Dollars)

5. RELATED PARTY TRANSACTIONS AND BALANCES

During the interim nine-month period ended June 30, 2021, the Company incurred the following related party transactions:

(i) The Company has identified its directors and executive officers as its key management personnel. No post-employment benefits, other long-terms benefits and termination benefits were made during the interim nine-month period ended June 30, 2021 and June 30, 2020.
(ii) The Company accrued consulting fees in the amount of $83,533 (2020 – $18,000) to officers and directors of the Company.
(iii) The Company incurred consulting fees in the amount of $3,524 (2020 – $34,858) to a company with common officers and directors.
(iv) The Company incurred stock-based compensation in the amount of $278,000 (2020 – $nil) to officers of the Company.
(v) The Company incurred rent in the amount of $12,179 (2020 – $nil) to a company with a common director.
(vi) The Company incurred legal fees in the amount of $84,556 (2020 – $nil) to a company controlled by an officer of the Company.

As at June 30, 2021, $55,183 (September 30, 2020 – $98,846) was due to related parties of the Company and has been included in accounts payable and accrued liabilities on the Condensed Interim Consolidated Statement of Financial Position.

6. CEBA LOAN

On September 20, 2020, the Company received a $30,068 Canada Emergency Business Account loan ("CEBA Loan"). The CEBA Loan bears 0% interest until December 31, 2022. If the balance is not paid by December 31, 2022, the remaining balance will be converted to a 3-year term loan at 5% annual interest paid monthly, commencing January 1, 2023. $7,517 forgiveness is available, provided $22,551 is paid back before December 31, 2022, which the Company intends to do. Accordingly, the Company has recorded the $7,517 forgivable portion of the loan as a reduction of office expenses in 2020.

The loan was recognized at fair value on an estimated market interest rate of 12% and the expected repayment of $22,551 before December 31, 2022. The Company made no interest payments during the interim nine-month period ended June 30, 2021. The difference between the repayable portion of the loan of $22,551 and the fair value of the repayable portion of the loan of $18,852 will be recognized over the term of the loan. During the interim nine-month period ended June 30, 2021, $1,613 (June 30, 2020 - $nil) of accretion related to the CEBA loan was recorded and included in finance costs in the Condensed Interim Consolidated Statement of Loss and Comprehensive Loss.

7. LEASE LIABILITY AND RIGHT OF USE ASSET

(a) Lease liability

	June 30, 2021
	$
Balance, beginning of the period	12,628
Lease payments	(12,796)
Interest	168
Balance, end of period	-

(b) Right of use asset

A lease addition related to the office premises was capitalized under the IFRS 16 leasing standard. A $41,276 right-of-use asset and corresponding lease liability was recorded on October 1, 2019. During the interim nine-month period ended June 30, 2021, depreciation in the amount of $12,140 (June 30, 2020 – $21,852) was recorded in relation to the right-of-use asset. The lease converted to a month-to-month term commencing February 28, 2021 and the right-of-use asset and lease liability were extinguished.

(Expressed in United States Dollars)

8. SHARE CAPITAL

(a) Authorized Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Issued and Outstanding Common Shares

		Number of Common Shares	Amount
			$
Balance, September 30, 2020		53,677,100	1,432,200
Issued for cash at $0.05 per share		8,556,292	427,815
Share issue costs	8(b)	–	(39,000)
Warrants exercised for cash at $0.05 per share		4,250,000	212,500
Fair value of warrants exercised		–	61,500
Issued for cash at $0.05 per unit		21,325,000	1,066,250
Warrant reserve	8(b)	–	(106,500)
Balance, June 30, 2021		87,808,392	3,054,765

8. SHARE CAPITAL (continued)

(b) Issued and Outstanding Common Shares (continued)

During the interim nine-month period ended June 30, 2021, the Company incurred share issue costs of $39,000 from the issuance of 1,492,750 broker warrants (2020 – $15,600 cash) related to the above private placements. The warrants have an exercise price of $0.05 expiring 2 years from the earlier of date of issue or December 31, 2021. The fair value was calculated as $39,000 using the Black Scholes pricing model with the following inputs: volatility of 84%, share price on grant date of $0.05, interest rate of 0.74%, expected life of 2.00 years and 0% dividend yield.

During February 2021, the Company issued 21,325,000 units at a price of $0.05 per unit. Each unit consisted of one share and one Penalty Warrant. Each 10 Penalty Warrants automatically convert into one common share with no further consideration if the Company has not completed a Liquidity Event within 180 days from the date issued. The warrants were ascribed a value of $106,500 using the Black Scholes pricing model with the following inputs: volatility of 84%, share price on grant date of $0.05, interest rate of 0.74%, expected life of 0.5 years and 0% dividend yield.

(c) Stock Options

The Company has a stock option plan (the "Plan") under which it is authorized to grant options to its directors, officers, employees, management companies and consultants enabling them to acquire up to 15% of the issued and outstanding shares of the Company. Under the Plan, the exercise price of options granted is determined by the Board of Directors, provided that the exercise price is not less than the price permitted by an exchange or a quotation system on which the Company's shares may be listed or quoted for trading. The term of any options granted under the Plan is fixed by the Board of Directors and may not exceed five years from the date of grant. Vesting, if any, and other terms and conditions relating to such options shall be determined by the Board of Directors of the Company. Any options granted pursuant to the Plan will terminate generally within ninety days of the option holder ceasing to act as a director, officer, employees, or consultant.

On June 14, 2021 and June 30, 2021, the Company granted 8,700,000 and 4,350,000 stock options respectively. The stock options have an exercise price of $0.202 and expire 5 years from the date of grant. The options were fully vested at the date of grant. The fair value was calculated as $253,000 using the Black Scholes pricing model using the assumptions listed below.

	June 14, 2021	June 30, 2021
Share price on grant date	$0.05	$0.05

(Expressed in United States Dollars)

Expected life (years)	5	5
Interest rate	0.74%	0.74%
Volatility	84%	84%
Dividend yield	0.00%	0.00%

As at June 30, 2021 the following options are outstanding:

	June 30, 2021		
	Options	Weighted average exercise price	Weighted average remaining contractual life (years)
Opening, September 30, 2020	–		
Granted June 14, 2021	8,700,000	0.202	4.96
Granted June 30, 2021	4,350,000	0.202	5.00
Closing, June 30, 2021	13,050,000	0.202	

8. SHARE CAPITAL (continued)

(d) Warrants

In addition to the 1,492,750 broker warrants disclosed in note 8b, the Company has issued warrants to management. Each warrant entitles the holder thereof to purchase one common share at a price of $0.05 per common share. The warrants expire three years from date of issuance.

The Company issued 250,000 warrants on October 1, 2020. The fair value was calculated as $7,800 using the Black Scholes pricing model using the assumptions listed below.

The Company issued 1,000,000 warrants on November 13, 2020. The fair value was calculated as $31,200 using the Black Scholes pricing model using the assumptions listed below.

	October 1, 2020	November 13, 2020	Broker Warrants
Share price on grant date	$0.05	$0.05	$0.05
Expected life (years)	3	3	2
Interest rate	0.74%	0.74%	0.74%
Volatility	79%	80%	84%
Dividend yield	0.00%	0.00%	0.00%

As at June 30, 2021 the following warrants are outstanding:

	June 30, 2021		
	Warrants	Weighted average exercise price	Weighted average remaining contractual life (years)
Opening, September 30, 2020	3,000,000	0.05	
Granted	2,742,750	0.05	
Exercised	(4,250,000)	0.05	
Closing, June 30, 2021	1,492,750	0.05	2.00

In addition to the above, the Company has 21,325,000 Penalty Warrants outstanding as disclosed in note 8(b).

(e) Shares held in Escrow

As at June 30, 2021 and September 30, 2020, there were no shares in escrow.

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern (see Note 1). The Company does not have any externally imposed capital requirements to which it is subject.

As at June 30, 2021, the Company had capital resources consisting of all components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares.

10. FINANCIAL INSTRUMENTS

Fair values

The Company's financial instruments include cash, accounts receivable, accounts payable and accrued liabilities and CEBA loan. The carrying amounts of cash, accounts receivable and accounts payable and accrued liabilities are a reasonable estimate of their fair values because of their current nature. The carrying value of the CEBA loan approximates its fair value as it has been discounted using a market rate of interest.

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

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

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
As at June 30, 2021:				
Cash	5,522,181	–	–	5,522,181
CEBA loan	–	18,852	–	18,852
As at September 30, 2020:				
Cash	47,727	–	–	47,727
CEBA loan	–	17,239	–	17,239

Financial risk management objectives and policies

The risks associated with financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*
The Company's expenses are denominated in United States Dollars. The Company's corporate office is based in Canada. At June 30, 2021, with other variables unchanged, a 1% movement in the US dollar against the Canadian dollar would have a $54,000 impact on the condensed interim net loss and comprehensive loss.

(ii) *Interest rate risk*
The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*
Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and GST receivable. To minimize the credit risk on cash, the Company places the instrument with a chartered financial institution.

(iv) *Liquidity risk*
In the management of liquidity risk, the Company maintains a balance between continuity of funding and development activity. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

(Expressed in United States Dollars)

10. FINANCIAL INSTRUMENTS (continued)

At June 30, 2021, the contractual maturities of the Company's obligations are as follows:

	Carrying Amount	Contractual Cash Flows	Less than 1 Year	1-2 Years
Accounts payable and accrued liabilities	133,814	133,814	133,814	–
CEBA loan	18,852	22,551	–	22,551
	152,666	156.365	133,375	22,551

11. COMMITMENTS

On November 27, 2017, the Company signed the Assignment Agreement with two directors, whereby the Company assumed the funding obligations of technology and development costs and patent maintenance costs to KSU and KSURF. The technology and development costs and patent maintenance cost obligations related to Phases 1 and 2, and patent maintenance costs have all been paid to June 30, 2021.

On June 1, 2021, the Company signed an Amendment to the KSURF MOA for Sponsored Research to amend the statement of work milestone payments. The Company has the following remaining future funding requirements from this amendment:

Phase 3: $1,517,376, due in 4 quarterly instalments of $600,000 due June 1, 2021, $305,792 due September 1, 2021, $305,792 due December 1, 2021 and $305,792 due March 1, 2022 – The first two installments of $600,000 and $305,792 have been paid subsequent to June 30, 2021.

The following commitments remain unchanged:

(i) Royalties: A running royalty of 4% of net sales (reduced to 3.5% if royalties paid to third parties to achieve sales) and 40% of any non-royalty payments received by the Company from sub-licenses. The Company must pay license maintenance fees of $10,000 in 2022, $25,000 in 2023, $35,000 in 2024 and $50,000 in all future years to maintain the license. The running royalty can be purchased for $12,000,000 in four increments;
(ii) Additional Fees: $300,000 for the successful completion of Phase 3, $25,000 on each of July 31, 2022 and 2023 and $50,000 annually commencing July 31, 2024. Royalty payments shall be credited to the maintenance fees; and
(iii) Patent Fees: The Company will re-imburse certain legal and patent maintenance fees to KSU not to exceed $25,000 annually.

On July 15, 2021, the Company executed a license agreement ("License Agreement") with Kansas State University Research Foundation. The License Agreement replaces the LOI. See Note 13 (f).

12. SUBSCRIPTION RECEIPTS

During the nine-months ended June 30, 2021, the Company received $5,250,386 in exchange for 26,020,000 subscription receipts to acquire units at a price of $0.202 per unit. Each unit is comprised of one common share and common share purchase warrant. Each warrant will entitle the holder thereof to purchase one common share at a price of $0.606 per common share. The warrants expire two years from date of issuance. The shares and warrants will be issued upon listing of the Company's shares on a Canadian stock exchange.

13. SUBSEQUENT EVENTS

(a) On July 15, 2021, the Company executed the License Agreement with Kansas State University Research Foundation ("KSURF"). The principal terms of the License Agreement are as follows:
   (i) the Company a has license to technology developed including Hydrogen and Graphene detonation technology and certain applications of Graphene technology (the "Technology"),
   (ii) the Company will re-imburse KSURF $111,694 third party patent related expenditures within 60 days,
   (iii) The Company will pay an initiation fee of $25,000 within 60 days,
   (iv) The Company will pay annual maintenance fees of:
      i. $10,000 per active patent application for calendar years 2022 to 2024
      ii. $25,000 per active patent application for calendar years 2025
      iii. $35,000 per active patent application for calendar years 2026
      iv. $50,000 per active patent application for calendar years 2027 and subsequent years
   (v) the Company will pay a royalty of 4% of net sales by the Company or its affiliates (reduced to 3.5% if royalties are paid to third parties to achieve sales),
   (vi) the Company will pay 20% of any non-royalty payments received by the Company from sub-licensed products,
   (vii) the Company may purchase the 4% running royalty on the hydrogen patent for $16,000,000 in four increments, commencing in 2022, and
   (viii) the Company may purchase the 4% running royalty on all the other patents for $12,000,000 in four increments, commencing in 2022

(b) On August 29, 2021, the Company issued 2,182,500 common shares for $nil proceeds pursuant to conversion of the penalty warrants disclosed in Note 8 (b) above.

(c) On September 10, 2021, the Company issued 3,525,000 units at a price of $0.20 per unit for total proceeds of $705,000. Each unit is comprised of one common share and one common share purchase warrant. Each full warrant will entitle the holder thereof to purchase one common share at a price of $0.60 per common share. The warrants expire two years from date of issuance.

(d) Subsequent to June 30, 2021, the Company has paid the first two Phase 3 milestone installments of $600,000 and $305,792 to KSU. See Note 11.

SCHEDULE "C" - MANAGEMENT'S DISCUSSION AND ANALYSIS OF HYDROGRAPH CLEAN POWER INC. FOR THE PERIOD FROM OCTOBER 1, 2020 TO JUNE 30, 2021

[SEE ATTACHED]

DISCLAIMER FOR FORWARD-LOOKING INFORMATION

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of June 30, 2021. These assumptions, which include, management's current expectations, estimates and assumptions about the global economic environment may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) inability to locate and identify potential business acquisitions, (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) other factors beyond our control. There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. Unless otherwise required by applicable securities laws, the Issuer disclaims any obligation to update any forward-looking statements, whether as a result of new events, circumstances and information, future events or results or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

1.1 – Date and Basis of Discussion & Analysis

This management discussion and analysis ("MD&A") is dated as of [**], 2021 and should be read in conjunction with the unaudited consolidated financial statements of HydroGraph Clean Power Inc. for the interim nine-month period ended June 30, 2021 ("Financial Statements"). The Financial Statements are prepared in compliance with International Financial Reporting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. Unless expressly stated otherwise, all financial information is presented in United States dollars.

1.2 – Overall Performance

Nature of Business

HydroGraph Clean Power Inc. (the "Company" or "HydroGraph") was incorporated under the Laws of the Province of British Columbia on June 26, 2017 as Carbon-2D Graphene Enterprises Inc. On July 4, 2017, the Company altered its name to Carbon-2D Graphene Inc. On March 3, 2021, the Company changed its name to HydroGraph Clean Power Inc. The address of the Company's corporate office, principal place of business is 430-580 Hornby Street, Vancouver, British Columbia, Canada, and Company's registered and records office address is 704-595 Howe Street, Vancouver, British Columbia, Canada. As of June 30, 2021, the Company's principal business activity was the exploitation of patented technology to produce graphene, hydrogen, syngas, methane and other products and business opportunities.

1.2 – Overall Performance (continued)

Nature of Business (continued)

At June 30, 2021, the Company had not yet achieved profitable operations, had accumulated a deficit of $1,109,720 (September 30, 2020 – $396,434) and had working capital of $169,727 (September 30, 2020 – deficit of $104,305), consisting primarily of cash less accrued liabilities, which may not be sufficient to sustain operations over the next twelve months, and the Company expects to incur further development costs and operating losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. However, it is expected that these funds are sufficient to complete its business as discussed in "Financing" below. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and to identify, evaluate and negotiate potential business acquisitions or participation agreements.

Description of Business

The Company is engaged in developing and commercializing processes to manufacture Hydrogen and high-quality Graphene in bulk, and to create customized Graphene solutions for specific applications using detonation of hydrocarbon gases. The proprietary detonation method used by the Company to produce Graphene was discovered by Kansas State University ("KSU") and patented in 2016. Acetylene and Oxygen in specific ratios are pumped into a chamber and detonated with a spark from electrodes to create quality Graphene in gram amounts. The detonated Graphene is synthetic Graphene produced via the KSU method (bottom-up approach), as opposed to conventional exfoliation of naturally occurring Graphite (top-down approach) to produce Graphene.

It was subsequently discovered that syngas could be produced from the same process. Methane and Oxygen are mixed in specific ratios in a pre-mix device and then pumped into a natural gas internal combustion engine and detonated by sparks from a sparkplug to produce syngas. Through a secondary process called membrane separation, pure Hydrogen is extracted. The KSU methods to produce Hydrogen and Graphene are similar, starting with different feedstocks, albeit both hydrocarbon gases, yet ending up with completely different end products. The Company has received an exclusive worldwide license from KSU to commercialize their patented detonation process to produce Hydrogen gas and Graphene (See the "License Agreement").

Major competitors in the Hydrogen space are using Steam Reforming. Major competitors in the Graphene space are using Liquid Phase Exfoliation (LPE). Both these methods are endothermic processes and require an external heat source to be introduced for chemical reactions to occur. The Company uses an exothermic process which releases heat as a byproduct and uses only the latent potential energy within the reactants themselves.

The Company's process uses less energy, since an external furnace or oven is not required for the reactants to react. The Company's unique and patented detonation/combustion process has the following characteristics and benefits:

- Energy Efficient- No external heat needs to be applied for chemical reactions to occur, it uses the latent potential energy within the feedstock hydrocarbon gases to create reactions in milliseconds, thereby using minimal and targeted energy. The process is exothermic, and most competitive processes are endothermic, thereby reducing the required resources.
- Digital Controls – All valves, flow meters, sensors, etc. are digitally controlled, attached to a control panel, then to a computer so that all processes can be precisely monitored and controlled, even remotely via the cloud.
- Centralized & Decentralized – Since the Company's hardware is simple and has a small footprint, it is very scalable to add multiple units for a centralized facility (with local software control), or for decentralized production with single or multiple small unit(s) (with remote software control).

Description of Business (continued)

- Quality Controlled Products – Since the Company's feedstocks are of consistent quality and since its process is precisely digitally controlled, the Company's Graphene products have both high quality and consistency at a competitive price point.

License Agreement with Kansas State University Research Foundation

Overview: Effective July 15, 2021, the Company entered into a license agreement with KSURF (the "License Agreement"). Under the terms of the License Agreement, the Company obtained a worldwide exclusive license to utilize and exploit, including the right to sublicense the detonation technology subject to a reservation by Kansas State University for research and education purposes and US Government statutory reservations. The Company continues to do development work at Kansas State University under a Memorandum of Agreement dated June 1, 2021.

HYDROGEN BUSINESS

Hydrogen is a colourless gas, and its atomic symbol is H (the hydrogen molecule is H2). It is lighter than air and when used in fuel cells does not produce any emissions other than water. Hydrogen fuel cells are expected to play a major role in the move to the green economy.

Detonation Production Method

The Company's Hydrogen production method involves the mixing of Methane (Natural Gas) with Oxygen in specific proportions in a pre-mix chamber. The mixture is then pumped into a detonation chamber where it is detonated by a spark plug. The product of the detonation reaction is syngas, which is extracted from the detonation chamber and pumped through a membrane separator that separates the syngas into its component gases, Hydrogen and Carbon Monoxide. These components are pumped into holding tanks. This produces approximately 80% Hydrogen and 20% Carbon Monoxide. For the Company's prototype production module, a methane engine will be used for detonation with the engine cylinders being the detonation chamber and the engine exhaust system used to pump the syngas into the membrane separator. For the Company's planned large-scale production facility, a series of Methane engines will be used.

The premix chamber used for production of Hydrogen is covered by U.S. Provisional Patent Application 63/161,625. See License Agreement on page 20.

Conventional Hydrogen Production

The two most common methods, which have been around for decades with little change, for producing Hydrogen are:

1) Electrolysis: Separates Hydrogen from Water H2O using an Electric Current.

   Electrolysis involves passing an electric current from an anode to a cathode in order to break water down into its molecular components Hydrogen and Oxygen. While it is a relatively simple process, it is time consuming and requires significant electrical power to produce relatively small quantities.

   Electrolysis – The process is defined as follows:
   - Electrolysis of water is the process of using electricity to decompose water into oxygen and hydrogen gas.
   - Electrolysis of *pure* water requires excess energy in the form of overpotential to overcome various activation barriers. Without the excess energy, the electrolysis of *pure* water occurs very slowly or not at all.
   - Currently the electrolytic process is rarely used in industrial applications since hydrogen can currently be produced more affordably from fossil fuels.

Description of Business (continued)

2) Steam Methane Reforming: Separates Carbon from Hydrogen in Methane (CH4) using High-Temperature Steam.

   Steam Methane Reforming produces much higher quantities but requires the reaction of methane and steam to occur (at temperatures up to 1100ºC) with relatively high fuel costs It is the principal commercial method of Hydrogen production.

   Steam Methane Reforming Process Defined – Steps detailed as follows:

   - 1st Stage Hi Temp Steam: H2O (700-1100°C) reacts with Methane CH4:
     - Endothermic Reaction: That Yields Syngas
     - Chemical Reaction: CH4 + H2O → CO + 3 H2
   - 2nd Stage Water Gas Shift Reaction:
     - Exothermic Reaction: Performed at about 360°C
     - Chemical Reaction: CO + H2O → CO2 + H2

Both of these methods are endothermic and require large energy inputs to create hydrogen. The Company's method is exothermic and does not rely on external heat or energy sources to produce hydrogen.

Differences in Production Methods

The key differences between the Company's production method and conventional Hydrogen production methods are as follows:

Method	**Energy Source**	**Feedstock**	**Scale**
Detonation	Exothermic	Methane & O2	Small to large scale.
Electrolysis	Endothermic	Water & Electricity	Primarily small but scalable
Steam Reforming	Endothermic	Methane and Water Steam	Large Scale

The following table shows the difference in cost between the Company and its competitors. In this case the Steam Reforming method (Grey H2) and Electrolysis (Green H2):

Method	**Type of H2**	**Feedstock**	**Price Per Kg Range USD**	**Centralized or Decentralized**
Hydrograph Clean Power Inc.	Blue	Methane and O2	$1.12 to $1.529(1)	Both
Steam Reforming	Grey or Blue	Methane and Water	$1.25 to $2.50(2)	Centralized
Electrolysis	Green	Water and Electricity	$5.00 to $6.00(3)	Centralized

Notes:
(1) Company estimate.
(2) Source: Bloomberg.
(3) Source: U.S. Department of Energy.

Because of its scalability, the Company's production method is capable of being done on a small-scale basis at the location of a fuel retailer or can be scaled for industrial production. It can be either centralized or decentralized, while Steam Reforming is a complex industrial process and is overly centralized. Electrolysis is currently too expensive and uses too much power to ever be cost effective.

Description of Business (continued)

The following table shows the major competitors in the Hydrogen Industry:

HYDROGEN	SYMBOL	PRODUCTION METHOD
Clean Power Capital Corp.	CSE.MOVE	Steam Reforming - Decentralized
NEL ASA	OSE.NEL	Electrolysis - Centralized
H2Pro	Private	Electrolysis - Centralized
BayoTech	Private	Steam Reforming - Decentralized
Xebec Absorption Inc.	TSX.XBC	Purification System Steam Reformers

Component Optimization

In order to make the Company's Hydrogen production method commercialized it will be necessary to optimize certain components to be used. The size of the premix chamber needs to be optimized for scale of production and compatibility with the operating speed of other components. The Methane engine used may need optimization to handle the fuel rich mixture used. When operating at low revolutions per minute. Analog controls need to be digitized.

The optimization of components is part of the development activities to be carried out by Kansas State University under the Memorandum of Agreement the costs are included in the use of available funds under technology development activities at Kansas State University.

Small Footprint Prototype Module

The Company intends to design and build a small footprint prototype module with estimated costs as follows:

a)	Natural Gas Generator:	CAD $30,000
b)	Hospital Grade O2 Generator	CAD $ 9,000
c)	40 foot Shipping Container	CAD $ 5,000
d)	Tanks and compressors and other components	CAD $ 6,000
e)	Engine(s)	CAD $ 8,000
f)	Engineering and Design	CAD $20,000
		Total: CAD $78,000

The construction of the module is expected to commence in October of 2021 and be completed in March of 2022.

Hydrogen Production Facility

The Company's longer-term plan is to build a large-scale Hydrogen production facility in Western Canada.

The Company intends to complete engineering and design for the new facility at an estimated cost of $262,500 over the next twelve (12) months.

Description of Business (continued)

GRAPHENE BUSINESS

About Graphene

Graphene is an allotrope of carbon essentially the same substance as graphite but with a different atomic structure. It is two- dimensional meaning that each sheet of Graphene is only one atom thick, but its bond makes it as strong as some of the world's hardest metal alloys while remaining light weight and flexible. Its tensile strength is 200 times that of steel. This mix of properties has piqued the interest of scientists from a wide range of fields leading to research for using Graphene for next generation electronics, composites, new coatings on industrial instruments and tools, and biomedical technologies. Graphene is a semiconductor, its properties include large charge carrying capacity, and high thermal connectivity. Graphene conducts heat and electricity very efficiently along its plane. Its impermeability and tensile strength make it suitable for nano mechanical operations.

Conventional Graphene Product Production

The main method used to produce bulk Graphene from graphite is to exfoliate Graphene layers off graphite. This requires heating and toxic solvents in a multistep process.

Chemical Vapour Depositions (CVD)

This process produces Graphene monolayers by depositing gaseous reactants onto a substrate. It works by combining gases at ambient temperature in a reactor chamber, which when coming into contact with a heated substrate in the container reacts to create a film on the substrates surface. The waste gases are then pumped from the chamber. Temperature of the substrate and pressure are vital. Lower pressure helps prevent unwanted reactions and provides more uniform thickness of coating on the substrate. Ultra-high vacuum produces the best results. The gaseous by-products are very toxic. The process requires extreme heat, and it is difficult to separate the Graphene from the substrate (accomplished with solvents) without changing the quality of the Graphene produced. While like our method CVD is a bottom-up approach using hydrocarbon gases, it is an endothermic process requiring large energy inputs and a multi-step process, unlike our method, which is exothermic, and a single step process.

Liquide Phase Exfoliation (LPE)

LPE is the principal method of producing Graphene in large quantities. The method uses ultrasound and solvents to exfoliate Graphene from Graphite. Studies have shown that the process tends to produce fine Graphite rather than Graphene with no producer producing more than 50% Graphene. The solvents used are toxic.

The LPE method, used by most of the Company's competitors, was cited in an article published in PubMed Central stated the following:

"Sonication assisted LPE has been widely used to prepare graphene but suffers from high energy-extensive consumption and low efficiency. Thus, it is not feasible for the scalable production of high-quality few-layer graphene."

The following are just some of the solvents that are used in the LPE process according to an article in Pub Chem, National Library of Medicine:

"High-intensity ultrasound energy was exploited to transform graphite to graphene in the solvents of dimethyl sulfoxide (DMSO), N,N-dimethyl formamide (DMF), and perchloric acid (PA)."

DMSO is non-toxic, both DMF and PA are toxic. The single step detonation method used by the Company to produce Graphene uses minimal energy and no solvents.

Description of Business (continued)

Detonation Process

The Company's technology synthesizes Graphene from gases. The Company starts with its feedstocks of acetylene and oxygen, mixed in precise ratios into the detonation chamber. A single spark from electrodes within the chamber detonates the gaseous mixture, only using the energy within the gases, to flash to a very high temperature for milliseconds. This precisely controlled detonation produces gram amounts of graphene in a single step process. It is highly pure (up 99.8% carbon content) few layer graphene of highly consistent quality. No solvents are used in our process. Utilizing this system, the chamber can be evacuated in seconds and the following detonation initiated.

The Company believes its detonation technology to produce Graphene is a disruptive technology as it provides high quality Graphene at a low cost. Graphene is a material that when added in reasonably small percentage quantities, can greatly increase the strength of composite materials as diverse as carbon fiber and concrete. To date the use of Graphene for such applications has been limited, because the cost of good quality Graphene from conventional production was prohibitive. The Company believes its licensed technology has the ability to revolutionize the use of Graphene for strengthening materials due to the reduction in cost. In addition, the production method will permit the location of Graphene production facilities at manufacturers' premises without the prohibitive costs of establishing a conventional, large-scale, centralized Graphene production facility. This eliminates transportation of graphene, which is very light but high in volume. Utilizing cloud based digital controls the Company can remotely manage production as a de- centralized process. Since Graphene is so light and the relative volume for shipping is so high, for bulk industrial needs, only an onsite-decentralized process will work, and the Company's method is capable of this without enormous capital expenditures.

The Company's lower production cost also makes it attractive for using Graphene for nanotechnology uses such as medical sensors and Graphene ink for Inkjet like printing of simple electronic circuits.

Scientific Analysis of LPE Graphene Products:

In a peer reviewed scientific paper published in "Advanced Materials," (*13 September 2018, Volume 30, Issue 44*) entitled, "The Worldwide Graphene Flake Production," scientists analyzed the products of the top 60 LPE producers in the world. Their findings proved that these bulk LPE Graphene producers had quality issues with their products. The following points are excerpts from the paper:

- Definition of Graphene **–** The paper states that true Graphene is ten layers or less. If greater than ten layers it is not Graphene.
- LPE Graphene Producer Layer Analysis **–** The paper states that the majority of companies are producing less than 10% Graphene content and no company is currently producing above 50% Graphene content.
- Low Carbon Content **–** Half the LPE producers had less than 90% carbon content with high levels of impurities, whereas pure Graphene should be approaching 100% carbon content.
- Conclusions of the Paper - It is clear that the majority of the companies are producing fine graphite instead of Graphene. We stress at the naked eye it is not possible to detect these differences, because we are dealing with a Nanomaterial. Only through nanotechnology tools and the well-defined protocols established in this study, could they determine the quantity and quality of the Graphene produced.
- Comment from the Paper **-** It is worrisome that producers are labeling black powders as Graphene and selling for top dollar, while in reality they contain mostly fine graphite.

Description of Business *(continued)*

Scientific Analysis of the Company's Synthetic Detonated Graphene (SDG) Graphene Products:

The Warsaw University of Technology analyzed the Company's SDG products, and the products have done well in their tests. The following test results come from that institute:

- Colour: Grey-black Purity: 99.8%
- Carbon Content: 99.7%
- Average Flake Thickness: 1-3 nm
- Average Flakes' Range: 1-3 microns
- Number of Graphene Layers: l-5 layers
- Density: 130 kg/m3

The scientists that did the testing commented as follows:

"This new detonated Graphene is of high quality and purity, non-oxidized, free of defects and are highly organized raw Graphene flakes. These flakes of Graphene have a maximum of five Graphene layers."

SDG Products Competitive Advantage Conclusions

When the Company's SDG products are scientifically analyzed they do well. On the other hand, LPE products, when scientifically analyzed, do not fare well. Correlating and coordinating the comparative findings from above, this is what results:

- Graphene Layers **–** SDG products 1-5 layers qualifies as few layer Graphene (100% Graphene content). Versus LPE products only 10% to 50% of samples are even qualified as Graphene (10 or fewer layers).
- Carbon Content **–** SDG products have 99.7% carbon content. Versus LPE products where 50% of the producers have less than 90% carbon content.
- Inconsistent Products **-** SDG products proved consistent in quality and functionality in batch-by-batch comparisons. Versus inconsistent results in the testing done on LPE Graphene.

Differences in Selling Price

The following table shows the difference in price between the Company and the only competitor producing SDG product.

Supplier	**Layer Count**	**Carbon Purity**	**Flake Thickness**	**Price Retail USD**
Hydrograph Clean Power Inc.	1 to 5	>99%	1 to 3mm	$5 to $50/gram depending on product and quality
Cambridge Nano	3 to 13	>99%	1 to 3mm	$120/gram*

* Source is the Cambridge Nanosystems Website.

Cambridge Nanosystems

Cambridge Nanonsystems (CN) utilizes Plasma technology to produce Synthetic Graphene. Plasma Synthetic Graphene produced by CN uses Natural Gas in a bottom-up approach to create a high-quality product. Unlike the HydroGraph, Cambridge Nanosystems uses an external heat source, in their case a microwave plasma unit, to cause the reactants to react and produce graphene. Therefore, they use an endothermic reaction, and we use detonation to create an exothermic reaction. Both methods produce impressive quality graphene.

Description of Business (continued)

The following table shows the major competitors in the Graphene Industry:

GRAPHENE	TICKER	METHOD OF PRODUCTION	FEEDSTOCK
Cambridge Nanosystems	N/A	Plasma Synthetic Graphene	Natural Gas
Zen Graphene Solutions	CVE:ZEN	LPE-Centralized	Graphite
NanoXplore Inc.	TSXV: GRA.V	LPE-Centralized	Graphite
Versaren PLC	LON: VRS	LPE-Centralized	Graphite
Directa Plus PLC	LON:DCTA	Plasma Expansion	Graphite
Talga Group Ltd.	ASX:TLG	LPE-Centralized	Graphite

The Company has not independently verified the lower cost or green status of its products.

Graphene Business Model

The Company plans to derive revenues by selling Graphene and partnering with companies in vertical markets that are integrating Graphene into composites and other products. Most of these companies in vertical markets already have distribution and expertise in markets and applications, which the Company does not have, but the Company does have the high quality, inexpensive Graphene that vertical applications need to succeed. Together with its partners the Company intends to functionalize its Graphene for specific applications. With some of its partners the Company plans to offer a unique Graphene as a Service (GaaS) capability. The Company intends to proceed with its partners, having them sell to the end user (the Company intends to have limited direct sales operations and will sell mainly through established third-party channels):

- Royalty/Licensing Arrangement with Partners Using GaaS **–** With some of its strategic partners, who need tonnage amounts of Graphene, the Company plans to negotiate a royalty arrangement of gross sales of finished products. Such strategic partners will be using the Company's GaaS decentralized capabilities to produce Graphene at their facilities, while the KSU detonation process will be remotely controlled by the Company's personnel. This will be done under license, and there will be annual royalty minimums to protect partners' vertical application exclusivity. The Company has entered into an MOA with Bazalt Holdings dated March 17, 2020 for the establishment of this type of facility. Bazalt Holdings intends to produce Basalt/Graphene composite rebar for concrete. This product is stronger than metal rebar and is not subject to rusting or expansion and contraction with temperature changes.
- Royalty/Licensing Arrangement with Partners Buying from the Company **–** Some of its partners will be purchasing their Graphene directly from the Company, as they may not need large but still significant amounts of Graphene. Such partners will be granted exclusive or non-exclusive territories and/or vertical markets. With such non-strategic partners, they will not be producing onsite, but the Company intends to still negotiate a royalty on gross sales of finished products.
- Wholesale Arrangements with Vertical Application Providers **–** The Company will produce and sell its Graphene to Vertical Application Providers (VAPs), who in turn will integrate its Graphene into their Graphene based products. It will be a simple supplier/customer relationship that the Company will engage in with VAPs. The Company will produce and wholesale its Graphene directly to VAPs. In some cases, the Company will have to functionalize its Graphene for specific applications, in other cases it will sell it as a commodity.

Description of Business (continued)

At this point the Company does not have any royalty licensing arrangements with partners or wholesale arrangements with Vertical Arrangement providers in place.

The Company has entered into a nonbinding memorandum of understanding with Bazalt (the "MOU"). The MOU contemplates that Bazalt will utilize the Company's product to be produced under a GaaS arrangement at their plant in Poland for use in their Bazalt rebar product. The MOU contemplates that a final agreement with Bazalt would include the following terms:

a) A royalty payment to the Company of 1.5% of the gross selling price of Bazalt products incorporating the Company's Graphene.
b) Bazalt to have exclusivity for basalt fiber products.
c) In order to maintain the exclusivity for Basalt fiber products, Bazalt would pay a minimum royalty of $4,000,000 per year or make a minimum investment in the Company of $1,000,000 per year or a combination of royalty and investment totaling $5,000,000 per year.
d) Bazalt will pay for costs of installation of the plant in Poland.
e) Bazalt would pay monitoring fees.

No formal agreement has been concluded with Bazalt to date or will be entered into until Bazalt obtains anticipated European Union funding which it expects to receive in the last quarter of 2021. The terms of an actual agreement may vary from those proposed in the MOU and entry into the final agreement cannot be assured.

At the present time, Bazalt has made no investment in the Company and is arm's length from the Company.

Graphene Pilot Plant

The Company intends to establish a pilot Graphene production facility. The facility will have a capacity to produce between 40kg to 120kg of Graphene per day depending on the number of hours of production. The expected costs to establish the facility are as follows:

a)	First year lease payments:	CAD$125,000
b)	Leasehold Improvements and equipment:	CAD$250,000
c)	Engineering and Design:	CAD$ 50,000
d)	Municipal health and safety approval:	CAD$ 10,000
	Total:	**CAD$435,000**

The Company has entered into a Lease Agreement dated August 1, 2021 for a two-year renewable lease of a space in Manhattan, Kansas at a location near KSU to house its pilot Graphene production facility. The location consists of approximately 13,000 square feet of warehouse type space. Under the terms of the lease, the Company will pay rent and other charges totaling USD $8407.32 per month., USD $100,887.84 annually.

It is expected that when fully operational the facility will employ four (4) persons and have a payroll of $50,000 USD.

Employees will be added as the pilot plant reaches completion. Estimated employee costs for the next 12 months will be $275,000 USD.

Description of Business (continued)

Three Year History

Business Development

During the three years ended September 30, 2020, the Company's activities have focused on funding, work at Kansas State University to develop processes to manufacture Hydrogen and quality Graphene, and to create customized Graphene solutions for specific applications.

As at June 30, 2021, the Company has expended a total of $2,192,670 to develop its technology. The development work has resulted in the building of a prototype production line for graphene in a dedicated lab at KSU and confirmation that the technology with membrane separation is suitable for hydrogen production. The graphene prototype production line is capable of producing up to 5kg of Graphene per day and is operated on an as needed basis. To date the Company has sold 6 kgs of Graphene products for revenues $8,000 including 4 kgs to Bazalt and 2 kgs to Hawkeye (bio sensor company). These preliminary sales were made to supply the potential customers with sufficient quantity of the Company's product to test for their intended uses. There is no assurance the Company will receive additional orders from these customers may not occur. The customers are both arm's length to the Company.

Financing

During the three-month period ended December 31, 2020, the Company issued 3,940,575 shares for total proceeds of $197,029.

During the three-month period ended March 31, 2021, the Company issued 4,115,717 shares for total proceeds of $205,786 and 21,325,000 units for total proceeds of $1,066,250. Each unit consisted of one share and one Penalty Warrant. Each 10 Penalty Warrants automatically converts into on common share with no further consideration if the Company has not completed a Liquidity Event by August 29, 2021.

The Company incurred share issue costs of $39,000 related to these private placements. The share issue costs were the fair value associated with 1,492,750 broker warrants calculated using the Black Scholes pricing model.

During the three-month period ended June 30, 2021, the Company issued 500,000 units for total proceeds of $25,000. Each unit consisted of one share and one Penalty Warrant. Each 10 Penalty Warrants automatically converts into on common share with no further consideration if the Company has not completed a Liquidity Event by August 29, 2021.

During the three-month period ended June 30, 2021, 4,250,000 warrants were exercised for total proceeds of $212,500.

During the three-month period ended June 30, 2021, the Company received $5,250,386 in exchange for 26,020,000 subscription receipts to acquire units at a price of $0.202 per unit. Each unit is comprised of one common share and common share purchase warrant. Each warrant will entitle the holder thereof to purchase one common share at a price of $0.606 per common share. The warrants expire two years from date of issuance. The shares and warrants will be issued upon listing of the Company's shares on a Canadian stock exchange.

***1.3 – Selected Annual Information* – NA**

1.4 – Results of Operations

Operations during the nine-months ended June 30, 2021 were primarily related to exploitation of patented technology to produce graphene, hydrogen, syngas, methane and other products and business opportunities as described above. There were no investor relations arrangements entered during the nine-months ended June 30, 2021. There were no legal proceedings, contingent liabilities, and defaults under debt or other contractual obligations, breach of any laws or special resolutions during the nine-months ended June 30, 2021.

During the nine-months ended June 30, 2021, the Company had a net loss of $713,286 (2020 – $118,132). This was comprised of revenues of $7,980 (2020 – $nil), less operating expenses of $721,266 (2020 – $118,132). Operating expenses consisted of stock-based compensation of $292,000 (2020 – $nil), consulting fees of $215,758 (2020 – $73,078), professional fees of $122,163 (2020 – $nil), travel and promotion $55,616 (2020 – $11,795), research of $54,000 (2020 – $nil), rent and occupancy of $12,719 (2020 – $nil), office and miscellaneous of $9,560 (2020 – $2,145), license maintenance fees of $7,500 (2020 – $7,500), finance costs of $1,781 (2020 – $1,762), depreciation of $12,140 (2020 – $21,852), and foreign exchange gain of $61,971 (2020 – $nil). Stock-based compensation related to incentive options and warrants issued to management and consultants in 2021. Consulting fees were higher in 2021 due to increased capital raising activities. Professional fees were higher in 2021 related to the preparation of prospectus documents. Travel and promotion were higher in 2021 related to website development and branding exercises. Research related to external product testing in 2021. Rent was higher in 2021 due to the office premises lease expiring and converting to a month-to-month obligation, and no longer being subject to IFRS 16. Foreign exchange gain in 2021 was related to the effect of the US dollar on the subscription receipts issued during the period. The remaining costs were generally consistent with the prior period.

During the three-month period ended June 30, 2021, the Company had a net loss of $472,895 (2020 – $18,063). This was comprised of revenues of $7,980 (2020 – $nil), less operating expenses of $480,875 (2020 – $18,063). Operating expenses consisted of stock-based compensation of $253,000 (2020 – $nil), consulting fees of $69,173 (2020 – $6,000), professional fees of $77,051 (2020 – $nil), travel and promotion $34,581 (2020 – $280), research of $54,000 (2020 – $nil), rent and occupancy of $10,610 (2020 – $nil), office and miscellaneous of $7,779 (2020 – $1,573), license maintenance fees of $2,500 (2020 – $2,500), finance costs of $554 (2020 – $446), depreciation of $nil (2020 – $7,284), and foreign exchange gain of $27,923 (2020 – $nil). Stock-based compensation related to incentive options issued to management and consultants in 2021. Consulting fees were higher in 2021 due to increased capital raising activities. Professional fees were higher in 2021 related to the preparation of prospectus documents. Travel and promotion were higher in 2021 related to website development and branding exercises. Research related to external product testing in 2021. Rent was higher in 2021 due to the office premises lease expiring and converting to a month-to-month obligation, and no longer being subject to IFRS 16. Foreign exchange gain in 2021 was related to the effect of the US dollar on the subscription receipts issued during the period. The remaining costs were generally consistent with the prior period.

1.5 – Summary of Quarterly Results (Unaudited)

As at	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19
	$	$	$	$	$	$	$	$
Current Assets	5,553,927	937,645	153,191	48,221	48,492	51,787	40,975	87,757
Right-of use Asset	-	-	4,856	12,140	19,424	26,708	33,992	-
License	2,192,670	1,592,670	1,550,170	1,167,670	1,167,670	1,167,670	1,136,860	1,133,959
Total Assets	7,746,597	2,530,315	1,708,217	1,228,031	1,235,586	1,246,165	1,211,827	1,221,716
Current Liabilities	5,384,200	186,078	181,442	152,526	308,805	301,300	445,913	410,203
CEBA Loan	18,852	18,298	17,761	17,239	-	-	-	-
Shareholders' Equity	3,453,265	2,962,765	2,010,729	1,454,700	1,301,200	1,301,200	1,067,800	1,067,800
Deficit	(1,109,720)	(636,826)	(501,715)	(396,434)	(374,419)	(356,335)	(301,886)	(256,287)
Total Liabilities and Shareholders' Equity	7,746,597	2,530,315	1, 708,217	1,228,031	1,235,586	1,246,165	1,211,827	1,221,716
Quarters ended	**30-Jun-21**	**31-Mar-21**	**31-Dec-20**	**30-Sep-20**	**30-Jun-20**	**31-Mar-20**	**31-Dec-19**	**30-Sep-19**
Revenue	7,980	-	-	-	-	-	-	-
Operating Expenses	480,875	135,110	105,281	22,016	18,083	54,450	45,599	25,246
Loss and Comprehensive Loss for Period	472,895	135,110	105,281	22,016	18,083	54,450	45,599	25,246
Basic and diluted loss per share	(0.01)	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*
Weighted average number of common shares outstanding	83,687,513	66,025,043	54,731,792	53,261,339	50,427,100	46,517,210	45,627,100	43,822,209

* Denotes a loss of less than $0.01 per share.

As described in the description of business above, the Company entered into a technology license letter of intent with Kansas State University in 2017. During the quarters ended June 30, 2021, the Company continued to invest the majority of capital raised into development of the KSU technology license. The Company raised equity in the quarters ended December 31, 2020, March 31, 2021 and June 30, 2021 as detailed above, resulting in an increase in the cash balance.

During the quarter ended June 30, 2021, the Company received $5,250,386 subscription receipts to acquire units at a price of $0.202 per unit, as described in 1.2 Financing above.

The right-of-use asset relates to the leased office premises. The lease terminated on February 28, 2021 and became a month-to-month obligation.

Current liabilities are comprised primarily of accrued liabilities. Management has accrued fees in order to have more cash available for the KSU license development. During the quarter ended September 30, 2019, there was a success fee of $300,000 due to KSU, which was paid in full during the quarter ended September 30, 2020.The Company received a CEBA loan from the Canadian government provide pandemic support to assist in defraying non-deferrable costs.

1.5 – Summary of Quarterly Results (Unaudited) (continued)

Operating expenses increased during the final three quarters primarily related to capital raising activities, preparation of the prospectus and advertising costs. Operating expenses were generally consistent over the prior six quarters.

1.6 – Liquidity and Capital Resources

The Company is developing its licensed technology and new business opportunities and therefore has incurred losses and negative cash flows from operations. The Company's sole source of funding has been the issuance of common shares for cash, through private placement. The Company's ability to raise cash depends on various capital market conditions. There is no assurance that the Company will be able to obtain any additional financing on terms acceptable to the Company. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Actual funding requirements may vary from those planned due to a number of factors, including developing new business opportunities.

There can be no certainty that the Company's existing cash balances or that the proceeds from the issuance of its common shares will provide sufficient funds for all of the Company's cash requirements. Should the need arise, the Company may pursue other financing options or rely on joint venture partners to supply some of funds required to develop any opportunities. There is no assurance that the Company will be successful in obtaining the funds it may require to sustain operations or that the terms of any financing obtained will be acceptable.

The Company's business premises are currently located at #430-580 Hornby Street, Vancouver, British Columbia. As at June 30, 2021, the Company had cash and cash equivalents on hand of $271,795 (September 30, 2020 – $47,727).

During the nine-months ended June 30, 2021, cash used in operating activities was $506,672 (2020 – $223,895), cash used in investing activities was $1,025,000 (2020 – $33,711), cash provided by financing activities was $6,944,155 (2020 – $210,367). The increase in cash used in operating activities is primarily related to the increase in operating loss less increased accounts payable. The increase in operating loss is described in 1.4 Results of Operations above. The cash used in investing activities in 2021 is primarily related to Phase 3 development costs and Phase 2 success fees. The cash provided by financing activities is primarily related to proceeds received from subscription receipts as described above and subscriptions for private placements to fund operations and development of the licensed technology.

Shareholder's equity as at June 30, 2021 was $2,343,545 (September 30, 2020 –$1,058,266). The Company will need to raise additional capital to maintain technology development activities and operations at the current level. Although the Company has been successful in the past in raising the necessary funding to continue operations, there can be no certainty it will be able to do so in the future.

1.7 – Off Balance Sheet Arrangements

As at June 30, 2021, there were no off-balance sheet arrangements to which the Company was committed.

1.8 – Transactions with Related Parties

The Company had the following balances and transactions with executive officers or companies controlled by these officers for the nine-months ended June 30, 2021:

	June 30, 2021	June 30, 2020
Transactions:		
Fees paid to Harold Davidson	$ 33,000	$ 9,000
Fees paid to H. Barry Hemsworth	$ 9,000	$ 9,000
Fees paid to Kjirstin Breure	$ 29,360	$ nil
Fees paid to Ranjith Divigalpitiya	$ 8,173	$ nil
Fees paid to Amteck Financial Corp. (2)	$ 4,000	$ nil
Fees paid to OnBase DB Systems Inc. (1)	$ 3,524	$ 34,858
Rent paid to Capricorn Investments Ltd. (3)	$ 12,719	$ nil
Legal fees paid to O'Neill Law LLP (4)	$ 84,556	$ nil
Stock-based compensation to Steven O'Neill	$ 31,200	$ nil
Stock-based compensation to Kjirstin Breure	$ 17,515	$ nil
Stock-based compensation to Harold Davidson	$ 93,269	$ nil
Stock-based compensation to H. Barry Hemworth	$ 48,577	$ nil
Stock-based compensation to David K. Ryan	$ 19,431	$ nil
Stock-based compensation to Logan Anderson	$ 9,715	$ nil
Stock-based compensation to Ranjith Divigalpitiya	$ 9,715	$ nil
Stock-based compensation to David Williams	$ 19,431	$ nil
Stock-based compensation to David Morris	$ 29,147	$ nil
	June 30, 2021	September 30, 2020
Balances:		
Accounts Payable: Harold Davidson	$ 10,983	$ 36,000
Accounts Payable: H. Barry Hemsworth	$ nil	$ 57,402
Accounts Payable: Amteck Financial Corp.	$ 4,200	$ nil
Accounts Payable: Steven O'Neill	$ 40,000	$ 5,444

(1) Harold Davidson and H. Barry Hemsworth are directors of OnBase DB Systems Inc.
(2) Amteck Financial Corp. is a company controlled by Logan Anderson
(3) Capricorn Investments Ltd. is a company controlled by H. Barry Hemsworth
(4) Steven O'Neill is a partner in O'Neill Law LLP

1.9 – Proposed Transactions

On July 15, 2021, the Company executed the License Agreement with Kansas State University Research Foundation ("KSURF"). The principal terms of the License Agreement are as follows:

(i) the Company a has license to technology developed including Hydrogen and Graphene detonation technology and certain applications of Graphene technology (the "Technology"),
(ii) the Company will re-imburse KSURF $111,694 third party patent related expenditures within 60 days,
(iii) The Company will pay an initiation fee of $25,000 within 60 days,
(iv) The Company will pay annual maintenance fees of:
  i. $10,000 per active patent application for calendar years 2022 to 2024
  ii. $25,000 per active patent application for calendar years 2025
  iii. $35,000 per active patent application for calendar years 2026
  iv. $50,000 per active patent application for calendar years 2027 and subsequent years
(v) the Company will pay a royalty of 4% of net sales by the Company or its affiliates (reduced to 3.5% if royalties are paid to third parties to achieve sales),
(vi) the Company will pay 20% of any non-royalty payments received by the Company from sub-licensed products,

1.9 – Proposed Transactions (continued)

(vii) the Company may purchase the 4% running royalty on the hydrogen patent for $16,000,000 in four increments, commencing in 2022, and

the Company may purchase the 4% running royalty on all the other patents for $12,000,000 in four increments, commencing in 2022.

2.1 – Critical Accounting Estimates

The Company has outlined the basis of its critical accounting estimates in Note 3 of the September 30, 2020 Financial Statements.

2.2 – Changes in Accounting Policies – International Financial Reporting Standards ("IFRS")

Change in Accounting Policies

Future Changes in Accounting Policies

New accounting standards issued but not yet effective:

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The Company has initially assessed that there will be no material reporting changes as a result of adopting the new standards, however, there may be enhanced disclosure requirements.

2.3 – Financial Instruments and Other Instruments

The Company's financial instruments include cash, accounts receivable, accounts payable and accrued liabilities, CEBA loan and lease liability. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*
The Company's expenses are denominated in United States Dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. At June 30, 2021, with other variables unchanged, a 1% movement in the US dollar against the Canadian dollar would have an estimated $54,000 impact on the net loss and comprehensive loss.

(ii) *Interest rate risk*
The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*
Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and GST receivable. To minimize the credit risk on cash, the Company places the instrument with a financial institution.

(iv) *Liquidity risk*
In the management of liquidity risk, the Company maintains a balance between continuity of funding and development activity. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

2.4 – Other MD&A Requirements

Share Capital

The authorized share capital consists of an unlimited number of common shares without par value.

The total number of common shares issued and outstanding as at June 30, 2021 was 87,808,392 and at [**], 2021 is 119,535,892.

Warrants and Options

	June 30, 2021	Expiry	[**], 2021	Expiry
Broker Warrants	1,492,750	2 Years	1,492,750	2 Years
Penalty Warrants	21,325,000	Listing	21,325,000	Listing
Stock Options	Nil	NA	13,050,000	June 17, 2026

As at June 30, 2021 and [**], 2021, there are no incentive warrants outstanding.

As at June 30, 2021 and at [**], 2021, there were 1,492,750 broker warrants outstanding with an exercise price of $0.05 and a weighted average term to expiry of 2 years from undergoing a liquidity event.

As at June 30, 2021 and at [**], 2021, there were 21,325,000 penalty warrants outstanding. Each 10 Penalty Warrants automatically convert into one common share with no further consideration if the Company has not completed a Liquidity Event within 180 days from the date issued.

2.4 – Other MD&A Requirements (continued)

As at June 30, 2021, there were no stock option outstanding and as at [**], 2021 there were 13,050,000 stock options outstanding with an exercise price of $0.20 and a weighted average term to expiry of 5 years.

Additional Disclosures

	June 30, 2021	June 30, 2020
Exploration and evaluation assets or expenditures	$ Nil	$ Nil
Expensed research and development costs	$ Nil	$ Nil
Intangible assets arising from development	See Note 4 to Financial Statements	See Note 4 to Financial Statements
General and administration expenses	See Statement of Loss Financial Statements	See Statement of Loss Financial Statements
Material costs, whether expensed or recognized as assets, not referred to	NA	NA

RISK FACTORS AND UNCERTAINTIES

The Company is pursuing the opportunity to exploit patented technology to produce graphene, hydrogen, syngas, methane and other products and business opportunities. Due to the nature of the Company's business and the present stage of its activities, many risk factors will apply. The risks described below are not the only ones facing the Company. Additional risks not presently known to the Company may also impair the business operations.

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Common Shares could decline, and investors may lose all or part of their investment.

How risk is related to return

Generally, there is a strong relationship between the amount of risk associated with a particular investment, and that investment's long-term potential to increase in value.

Investments that have a lower risk also tend to have lower returns because factors that can affect the value of the investment, the risks, are well known or are well controlled and have already been worked into the price of the investment. On the other hand, investments that could have potentially higher returns if conditions for success are favourable also risk generating equally higher losses if conditions become unfavourable. This is because the factors affecting the value of such investments are unknown or difficult to control.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Company issues Common Shares from its treasury for financing purposes, control of the Company may change, and purchasers may suffer additional dilution.

No Market for Securities

There is currently no market through which any of the Common Shares, may be sold and there is no assurance that such securities of the Company will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after Listing. The offering price determined by the Company was based upon several factors and may bear no relationship to the price that will prevail in the public market. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Negative Cash Flow from Operating Activities

The Company's activities have been focused on developing its technology and accordingly cash flow is negative, and the Company has been required to raise funds through equity financings.

RISK FACTORS AND UNCERTAINTIES (continued)

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the Common Shares distributed hereunder will be affected by such volatility.

Personnel

The Company has a small management team and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its development plans. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to purchasing the securities.

Smaller Companies

The share price of publicly traded smaller companies can be highly volatile. The value of the Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Common Shares.

Competition

Both the Hydrogen and Graphene industries are characterized by larger companies with more financial resources than the Company. There is no assurance that the Company will be able to effectively compete in that environment.

IlliquidityThe Common Shares are not listed on a stock exchange. Investors should be aware that there may never be a market for the Common Shares and an investor may never realize a return on their investment. The Common Shares, therefore, may not be suitable as a short-term investment.

Going Concern and Financing Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it to sustain operations. Although the Company has been successful in the past in obtaining financing through the issuance of common shares, there can be no assurance that it will be able to obtain the necessary financing and raise capital sufficient to cover its operating costs.

Licensed Technology

The Company believes the licensed technology will be commercially scalable and the products can be profitably marketed. There can be no assurance that the Company will be able to develop the technology to the point that may be required to carry out its business plans, on reasonable terms, or at all. Delays, or a failure to develop such economically viable products or a failure to comply with the terms of the license could have a material adverse effect on the Company.

RISK FACTORS AND UNCERTAINTIES (continued)

General Economic Conditions

The recent events in global financial markets have had a profound impact on the global economy. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. These factors could have a material adverse effect on the Company's financial condition and results of operations.

Coronavirus (COVID-19)

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. However, COVID-19 may directly impact the Company by disrupting the financial markets of which the Company relies on for raising funds or interfering with its supply chains.

Hydrogen Production Risk Factors

Proof of High Scale Production

The Company needs to work with many different types of engines to see which type is optimal for mass centralized Hydrogen production. Another engine type might be best for smaller decentralized production. The Company does not know how effectively and reliably the engines will work. Since the engines will be running on a very rich fuel mixture that they were not designed for, the Company does not know the long-term consequences. Risks exists that the engines may need to be modified to work with a very rich methane and pure oxygen fuel mixture which would substantially increase the cost to the Company. There are methane engines, but they run with a mixture of methane and air, so the possible need to adopt engines for our fuel mixture is a risk factor.

Integration of Novel Mixing Chamber

The Company has designed and patented a novel pre-mixing chamber, which needs to be affixed between the engine and the fuel source, like a fuel injector in a gas car engine. The pre-mix chamber will be fully digital and attached to digitally controlled valves and pumps. There is uncertainty as to how the device will function, as it will be a brand-new device mixing methane and oxygen in very specific ratios. The device will need to be tested and this may protract the time to achieve adequate production levels.

Volume Oxygen Generation

Currently the Company is purchasing canisters of oxygen to mix with methane. The Company needs to purchase an oxygen generator to bring down the feedstock costs. The O2 generator has to be integrated into the pre-mix chamber and the engine. Until further development work is done, the Company cannot predict the success of the system.

Membrane Separation Technology

The Company produces Syngas from Methane and Oxygen as its primary product coming out of the engine. Syngas is COH2, essentially carbon monoxide and hydrogen. Using membrane separation technology, the Company splits the CO from the H2 (it is 80% H2). There are uncertainties as to the performance of the membranes and the life cycle of them. They will be in constant usage and the Company does not know how quickly they will clog up, thereby shutting down production. The Company may need several membranes onsite and will need to pull out old, clogged membranes and replace with new ones, the Company does not know how long this procedure will take. This process could cause significant production delays.

RISK FACTORS AND UNCERTAINTIES (continued)

Risks Related to Gases

The gases produced by the Company's process, Hydrogen and Oxygen are flammable and carbon monoxide is poisonous. There is no assurance that the Company will be able to devise methods to safely deal with these gases. Carbon monoxide is used in some chemical processes. In the event the Company is not able to find a customer for the carbon monoxide by product of its production process which is not assured it may incur considerable costs to dispense of the carbon monoxide could impact its production costs.

Graphene Production Risk Factors:

Limited Production

The Company's production plan calls for beyond 6Kg per canister per day. In order to do so new pumps and valves have to be purchased and tested. The Company also needs to fabricate more robust electrodes. Within the canister, after detonation, it is a very hostile environment for electrodes. Carbon can get in the gap between the electrodes and foul the entire process. The Company cannot guarantee this will be successfully achieved.

Increased Frequency of Detonations

When the Company increases the frequency of detonations it is hard on the equipment. Right now, the Company detonates every 40 seconds and wants to get the frequency down to every 20 seconds. So, the new pumps, valves and electrodes have to fill the canister with acetylene and oxygen twice as fast, and vacuum pull the contents into the holding vessel. Moreover, the electrodes have to spark twice as often in a very hostile environment for electrodes. There is no assurance the Company will be able to achieve this increased frequency of detonation.

Production Line Automation

The Company has the front-end process automated, up to containing the product after multiple automated detonations in a holding vessel, it does not have the backend production line from the holding vessel done. Although it is a conventional mass manufacturing issue, the Company still need it solved and there is uncertainty about it.

Health Risks

It is possible that Nano-graphene particles from leakage will get into human bodies and cause harm. The Company will need to ensure it has adequate safety procedures at its plant to deal with such risks, which may cause delays in the production process.

Graphene Sales Risk Factors:

Limited Market

The Company does not believe the market for Graphene is limited; however, the present market for Graphene is limited partially because of the high cost of Graphene. It may take considerable time for manufacturers to adopt Graphene which could delay potential future revenue and/or profitability for the Company.

RISK FACTORS AND UNCERTAINTIES (continued)

Protracted Sales Cycle (continued)

Graphene is not yet a commodity product. Therefore, it has to be an engineered solution in most cases. That is Graphene samples get tested and if there is interest, then the Graphene gets functionalized for specific applications. Moreover, the insertion of Graphene into a composite requires modification of an existing production line. If this process takes too much time, it will affect the Company's potential future revenue and profitability.

High Cost of Customer Acquisition

It takes time and money to get prospective customers from testing to functionalizing to integrating our graphene into their production. The Company needs to find a way to drive down customer acquisition costs through expediting the process. There is no assurance the Company will be able to do so.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

Although the Directors will seek to minimise the impact of the risk factors, an investment in the Company should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specialises in investments of this nature before making any decision to invest.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on [**], 2021.

SCHEDULE “D” - FINANCIAL STATEMENTS OF HYDROGRAPH CLEAN POWER INC. FOR THE PERIOD FROM OCTOBER 1, 2019 TO SEPTEMBER 30, 2020

[SEE ATTACHED]

HYDROGRAPH CLEAN POWER INC.

(formerly known as Carbon-2D Graphene Inc.)

(A Development Stage Company)

FINANCIAL STATEMENTS

September 30, 2020 and 2019

(expressed in United States Dollars)

AUDIT REPORT

[**], 2021

HYDROGRAPH CLEAN POWER INC.
STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020 AND 2019
(Expressed in United States Dollars)

	Note	2020	2019
			(unaudited)
		$	$
ASSETS			
Current Assets			
Cash		47,727	83,017
Accounts receivable		494	4,740
		48,221	87,757
Right-of-use asset	7	12,140	–
Technology and development costs	4	1,167,670	1,133,959
TOTAL ASSETS		1,228,031	1,221,716
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		139,898	410,203
Lease liability		12,628	–
		152,526	410,203
CEBA loan	6	17,239	–
TOTAL LIABILITIES		169,765	410,203
SHAREHOLDERS' EQUITY			
Share capital	8	1,432,200	1,045,300
Contributed surplus		22,500	22,500
Deficit		(396,434)	(256,287)
TOTAL SHAREHOLDERS' EQUITY		1,058,266	811,513
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,228,031	1,221,716

NATURE AND CONTINUANCE OF OPERATIONS	1
COMMITMENTS	12
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Approved on behalf of the Board of Directors:

"Harold Davidson"
Harold Davidson, CEO, Director

"H. Barry Hemsworth"
H. Barry Hemsworth, Director

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

HYDROGRAPH CLEAN POWER INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019
(Expressed in United States Dollars)

	Note	2020	2019
			(unaudited)
		$	$
Expenses			
Consulting	5	89,113	42,362
Travel and promotion		15,937	7,658
License maintenance fees		10,000	10,000
Professional fees		3,594	4,811
Office and miscellaneous		3,134	1,017
Finance costs	7	2,062	–
Rent and occupancy	5	–	30,710
Depreciation	7	29,136	–
		152,976	96,558
Other income	6	12,829	–
Net loss and comprehensive loss		(140,147)	(96,558)
Net loss per share, basic and diluted		(0.00)*	(0.00)*
Weighted average number of common shares outstanding		48,973,958	40,953,585

* Denotes a loss of less than $(0.01) per share.

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

HYDROGRAPH CLEAN POWER INC.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019
(Expressed in United States Dollars)

	Note	Shares Issued	Share Capital	Contributed Surplus	Accumulated Deficit	Total
			$	$	$	$
Balance, September 30, 2018 *(unaudited)*		39,100,100	733,200	22,500	(159,729)	595,971
Shares issued for cash	8	6,527,000	326,350	–	–	326,350
Share issue costs	8	–	(14,250)	–	–	(14,250)
Net loss		–	–	–	(96,558)	(96,558)
Balance, September 30, 2019 *(unaudited)*		45,627,100	1,045,300	22,500	(256,287)	811,513
Shares issued for cash	8	8,050,000	402,500	–	–	402,500
Share issue costs	8	–	(15,600)	–	–	(15,600)
Net loss		–	–	–	(140,147)	(140,147)
Balance, September 30, 2020		53,677,100	1,432,200	22,500	(396,434)	1,058,266

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

HYDROGRAPH CLEAN POWER INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019
(Expressed in United States Dollars)

	Note	2020	2019
			(unaudited)
		$	$
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Net loss and comprehensive loss		(140,147)	(96,558)
Add back non-cash items:			
Depreciation	7	29,136	–
Finance costs	7	2,062	–
Gain on CEBA loan	6	(12,829)	–
Changes in non-cash working capital balances:			
Accounts receivable		4,246	(2,200)
Accounts payable and accrued liabilities		(270,305)	344,242
Cash provided by operating activities		(387,837)	245,484
INVESTING ACTIVITIES			
Technology and development costs	4	(33,711)	(654,548)
Cash used in investing activities		(33,711)	(654,548)
FINANCING ACTIVITIES			
Shares issued for cash, net	8	386,900	312,100
Repayment of lease liability	7	(30,710)	–
Proceeds from CEBA loan	6	30,068	–
Cash provided by financing activities		386,258	312,100
Decrease in cash		(35,290)	(96,964)
Cash, beginning		83,017	179,981
Cash, ending		47,727	83,017
SUPPLEMENTAL DISCLOSURES:			
Cash paid for interest		–	–
Cash paid for income taxes		–	–

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Carbon-2D Graphene Enterprises Inc. was incorporated under the Laws of the Province of British Columbia on June 26, 2017. On July 4, 2017, Carbon-2D Graphene Enterprises Inc. changed its name to Carbon-2D Graphene Inc. On March 3, 2021, Carbon-2D Graphene Inc. changed its name to HydroGraph Clean Power Inc. (the "Company"). The address of the Company's corporate office and its principal place of business is #430-580 Hornby Street, Vancouver, British Columbia, Canada.

The Company's principal business activity is the acquisition and development of graphene and hydrogen related products and services.

For the year ended September 30, 2020, the Company reported a net loss of $140,147 (2019 – $96,558), negative cash flow from operating activities of $387,837 (2019 – positive cash flow $245,484) and an accumulated deficit of $396,434 (2019 – $256,287). This raises significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue its operations as intended are dependent on its ability to obtain necessary financing and raise capital sufficient to cover its development and operating costs.

In early March 2020, there was a global outbreak of coronavirus (COVID-19) that has resulted in changes in global supply and demand of certain mineral and energy products. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined, but they could have a prospective material impact to the Company's project exploration activities, cash flows and liquidity.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. BASIS OF PRESENTATION

a) Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were approved and authorized for issue by the Board of Directors on [**], 2021.

b) Measurement basis

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The Company measures the transactions using the currency of the primary economic environment in which it operates in. These financial statements are presented in United States dollars which is the functional currency of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Financial Instruments

IFRS 9, Financial Instruments

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value along with, in the case of a financial asset or liability not at fair value through profit and loss ("FVTPL"), transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
ii) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL. Any fair value changes attributable to changes in credit risk for liabilities designated at FVTPL are recorded in other comprehensive income and any fair value change in excess of the amount attributable to changes in credit risk is recognized in profit and loss.

The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and CEBA loan. Except for cash and cash equivalents, all financial instruments held by the Company are measured at amortized cost. Nevertheless, the fair values of these financial instruments approximate their carrying value due to their short-term maturities. The fair values of cash are measured at FVTPL and any changes to fair value after initial recognition are recorded in profit or loss for the period in which they occur.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

FRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods, if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Use of estimates

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Significant areas requiring the use of management estimates include the determination of impairment of technology assets and financial instruments, determining the fair value of share-based compensation and deferred income tax assets and liabilities. Actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

The more significant areas where management estimate has been applied are:

(i) Fair market share price

Fair market share price is determined by the most recent share issuance price.

(ii) Fair value of warrants and options

Fair value of warrants and options is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted.

(iii) Leases

The Company has estimated an incremental borrowing rate of 8% to determine the fair value of the right-to-use assets and the associated lease liability

(iv) CEBA loan

CEBA loan forgiveness is not recognized until there is a reasonable assurance that the Company will comply with the conditions attached to them and that the forgiveness will be received. The Company expects to have the ability to comply with the provisions and plans to do so. The Company has estimated an effective interest rate of 12% for the CEBA loan benefit.

(v) Impairment of technology and development costs

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and value in use. The value in use calculation is based on a discounted cash flow model. The estimated future cash flows are derived from management estimates and budgets. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and growth rate used for extrapolation purposes.

c) Use of judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments with a significant risk of material adjustment in the next year. The more significant areas where management judgement has been applied are:

(i) Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. The directors monitor future cash requirements to assess the Company's ability to meet these future funding requirements. Further information regarding going concern is outlined in Note 1.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Use of judgments (continued)

(ii) Technology and product development costs

The application of the Company's accounting policy for technology and product development costs requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Technology and product development costs are not yet available for use. Estimates and assumptions made may change if new information becomes available. If information becomes available after expenditures are capitalized suggesting that the recovery of the expenditures are unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

(iii) Determination of the functional currency

The determination of functional currency is a matter of determining the primary economic environment in which an entity operates. IAS 21 "The Effect of Changes in Foreign Exchange Rates" sets out several factors to apply in making the determination of the functional currency; however, applying the factors in IAS 21 does not always result in a clear indication of functional currency. When IAS 21 factors indicate differing functional currencies within an environment, management uses judgement in the ultimate determination of that entity's functional currency.

d) Technology and product costs

All expenditures related to technology and product development including acquisition costs for technology interests and are classified as intangible assets.

The recoverability of technology and product development costs is dependent on the existence of economically viable markets and the profitability of future operations. Amounts capitalized to technology and product development costs do not necessarily reflect present or future values.

At the end of each reporting period, the Company reviews the carrying amounts of the technology and development costs to determine whether those assets have suffered an impairment loss. The recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Loss and Comprehensive Loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Loss and Comprehensive Loss.

Recorded costs of technology and product development costs are not intended to reflect the present or future values. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Leases

Leases are accounted for using IFRS 16. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone process. However, for the leases of land and buildings in which it is the lessee, the Company has elected not to separate non-lease components and account for the non-lease components as a single component.

The Company recognizes the right-of-use asset and a lease liability at the commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term over the term of the lease. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate as the discount rate.

f) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

g) Share-based payments

The stock option plan allows Company's consultants to acquire shares of the Company. The fair value of options granted is recognized as an expense with a corresponding increase in equity.

The fair value of options granted to consultants and others providing similar services are measured at grant date and each tranche is recognized on a graded basis 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.

Options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

h) Share capital

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Share issue costs

Share issue costs are charged to share capital when the related shares are issued.

j) Loss per share

The Company presents basic and diluted loss per share data 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 calculated by adjusting the net loss and comprehensive loss attributed to ordinary shareholders and the weighted average number of common shares outstanding for the dilutive effect of the potential exercise of warrants as though they occurred at the beginning of the year.

k) Foreign exchange

The presentation and functional currency of the Company is the US dollar. Transactions in currencies other than the US dollar are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date.

Foreign exchange gains and losses resulting from the settlement of transactions and the translation of monetary assets and liabilities in currencies other than the Canadian dollars are recognized in the statement of loss and comprehensive loss.

l) Income tax

Income tax expense comprises current and deferred income tax. Tax is recognized in the income statement except to the extent that it relates to items recognized directly into equity, in which case the related tax effect is recognized in equity.

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax expense is calculated using tax rates, laws and government policies that were enacted or substantively enacted at the Statements of Financial Position date.

Deferred tax is accounted for using a temporary difference approach and is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable income. Deferred tax is calculated based on the expected manner in which temporary differences related to the carrying amounts of assets and liabilities are expected to reverse using tax rates and laws enacted or substantively enacted which are expected to apply in the period of reversal.

Deferred tax assets and liabilities are not recognized in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination and which do not affect accounting or taxable profit or loss at the time of the transaction.

m) Impairment of financial assets

The measurement of impairment of financial assets is based on expected credit losses. Accounts receivable that are considered collectable within one year or less are not considered to have a significant financing component and a lifetime expected credit loss (“ECL”) is measured at the date of initial recognition of the receivable.

The Company applies the simplified approach to providing for ECL’s prescribed by IRFS 9, which requires the use of the lifetime expected loss provision for all trade receivables. In estimating the lifetime expected loss provision, the Company will consider historical industry default rates as well as credit ratings of major customers. The Company does not currently have any financial assets subject to this approach.

(Expressed in United States Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Change in accounting policies

IFRS 16 – Leases - On January 13, 2016 the IASB issued IFRS 16, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease.

The Company adopted IFSR 16 on October 1, 2019 using the modified retrospective approach. The modified retrospective approach does not require a restatement of prior period financial information as it recognizes the cumulative effect of IFRS 16 as an adjustment to opening retained earnings at October 1, 2019 and applies the standard prospectively. The Company has determined that at October 1, 2019, adoption of IFRS 16 resulted in the recognition of a right-of-use asset of $41,276 and a lease obligation of $41,276.

On transition to IFRS 16 under the modified retrospective approach, lease payments are discounted using the Company's incremental borrowing rate of 8% to measure the present value of the future lease payments on October 1, 2019. The Company also elected to use the practical expedients for short-term leases and leases of low-value assets.

New accounting standards issued but not yet effective:

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. These updates are not applicable or are not consequential to the Company.

4. TECHNOLOGY AND DEVELOPMENT COSTS

On July 12, 2017, two directors of the Company entered into a memorandum of understanding to receive an option to acquire certain technology rights with Kansas State University Research Foundation ("KSURF") and Kansas State University ("KSU"). On July 13, 2017, the two directors entered into a letter of intent to assign the option to the Company. On November 27, 2017, the Company entered into an assignment agreement (the "Assignment Agreement") with a company controlled by the two directors in exchange for $1. The Assignment Agreement provided for an assignment of the option to acquire the rights to a technology for the production of graphene by combustion (the "Graphene Technology") from KSURF. The option to acquire the rights required the funding of technology and development costs to KSU and patent maintenance costs to KSURF and reimbursing certain legal and other expenses incurred by the two directors. The patent maintenance costs and other expenses are not included in technology and development costs. See Note 12.

The Company has incurred the following license technology acquisition and development costs:

	$
Balance, September 30, 2018	479,411
Phase 2 development and other fees	654,548
Balance, September 30, 2019	1,133,959
Phase 2 development and other fees	33,711
Balance, September 30, 2020	1,167,670

The Company performs an impairment test annually and whenever there are indicators of impairment. As of September 30, 2020 and September 30, 2019 no write-down was necessary.

On July 15, 2021, the Company executed a license agreement ("License Agreement") with KSURF. The License Agreement replaces the LOI. See Note 13 (h).

(Expressed in United States Dollars)

5. RELATED PARTY TRANSACTIONS AND BALANCES

During the year ended September 30, 2020, the Company incurred the following related party transactions:

(i) The Company has identified its directors and executive officers as its key management personnel. No post-employment benefits, other long-terms benefits and termination benefits were made during the years ended September 30, 2020 and 2019.
(ii) The Company accrued consulting fees in the amount of $24,000 (2019 - $24,000) to officers and directors of the Company.
(iii) The Company incurred consulting fees in the amount of $34,858 (2019 - $6,361) to a company with common officers and directors.
(iv) The Company incurred rent in the amount of $nil (2019 - $30,710) to a company with a common director.

As at September 30, 2020, $93,402 (2019 - $73,150) was due to officers and directors of the Company and has been included in accounts payable and accrued liabilities on the Statement of Financial Position.

6. CEBA LOAN

On September 20, 2020, the Company received a $30,068 Canada Emergency Business Account loan ("CEBA Loan"). The CEBA Loan bears 0% interest until December 31, 2022. If the balance is not paid by December 31, 2022, the remaining balance will be converted to a 3-year term loan at 5% annual interest paid monthly, commencing January 1, 2023. $7,517 forgiveness is available, provided $22,551 is paid back before December 31, 2022, which the Company intends to do. Accordingly, the Company has recorded the $7,517 within other income in the Statement of Loss and Comprehensive Loss.

The loan was recognized at fair value on an estimated market interest rate of 12% and the expected repayment of $22,551 before December 31, 2022. The Company made no interest payments during the year ended September 30, 2020. The difference between the repayable portion of the loan of $22,551 and the fair value of the repayable portion of the loan of $17,239 has been recognized as other income and will be accreted over the term of the loan.

7. LEASE AND RIGHT OF USE ASSET

(a) Lease liability

	September 30, 2020
	$
Balance, beginning of the year	–
Adoption of IFRS 16	41,276
Lease payments	(30,710)
Interest	2,062
Balance, end of year	12,628

	September 30, 2020
	$
Total undiscounted lease liability	12,628
Current	12,628
Non-current	–

(Expressed in United States Dollars)

7. LEASE (continued)

(b) Right of use asset

A lease addition related to the office premises was capitalized under the IFRS 16 leasing standard. A $41,276 right-of-use asset and corresponding lease liability was recorded on October 1, 2019. Depreciation in the amount of $29,136 was recorded in relation to the right-of-use asset. The lease converted to a month-to-month term commencing February 28, 2021.

8. SHARE CAPITAL

(a) Authorized Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Issued and Outstanding Common Shares

	Number of Common Shares	Amount
		$
Balance, September 30, 2018	39,100,100	733,200
Issued for cash at $0.05 per share	6,527,000	326,350
Share issue costs	–	(14,250)
Balance, September 30, 2019	45,627,100	1,045,300
Issued for cash at $0.05 per share	8,050,000	402,500
Share issue costs	–	(15,600)
Balance, September 30, 2020	53,677,100	1,432,200

During the year ended September 30, 2020, the Company incurred share issue costs of $15,600 (2019 – $14,250) related to the above private placements.

(c) Stock Options – The Company has a stock option plan (the "Plan") under which it is authorized to grant options to its directors, officers, employees, management companies and consultants enabling them to acquire up to 10% of the issued and outstanding shares of the Company. Under the Plan, the exercise price of options granted is determined by the Board of Directors, provided that the exercise price is not less than the price permitted by an exchange or a quotation system on which the Company's shares may be listed or quoted for trading. The term of any options granted under the Plan is fixed by the Board of Directors and may not exceed five years from the date of grant. Vesting, if any, and other terms and conditions relating to such options shall be determined by the Board of Directors of the Company. Any options granted pursuant to the Plan will terminate generally within ninety days of the option holder ceasing to act as a director, officer, employees, or consultant. As at September 30, 2020 and 2019 there were no stock options outstanding. Subsequent to the year-end the Company granted 13,050,000 stock options. See Note 13 (g).

(d) Warrants – In 2017, the Company issued 3,000,000 warrants. Each warrant entitles the holder thereof to purchase one common share at a price of $0.05 per common share. The warrants expire five years from date of issuance. As at September 30, 2020 and 2019 there were 3,000,000 warrants outstanding with a remaining contractual life of 1.86 years.

The following inputs were used in the Black Scholes calculation of warrants issued.

	2017
Share price on grant date	$0.02
Expected life (years)	5
Interest rate	2%
Volatility	71%
Dividend yield	0.00%

(Expressed in United States Dollars)

8. SHARE CAPITAL (continued)

(e) Shares held in Escrow - As at September 30, 2020 and 2019 there were no shares in escrow.

9. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2020	2019
	$	$
Net loss and comprehensive loss	140,147	96,558
Combined statutory rate	27%	27%
Expected income tax recovery	(37,840)	(26,071)
Permanent differences	1,297	973
Share issue costs	(5,778)	(3,848)
Change in unrecognized deductible temporary differences	42,321	28,946
	–	–

The following is the analysis of the deferred tax liabilities and assets:

	Balance September 30, 2019	Recognized in net loss	Balance September 30, 2020
	$	$	$
CEBA loan	-	(1,434)	(1,434)
Non-capital loss carry-forward	-	1,434	1,434
	-	-	-

The following provides the details of federal unrecognized deductible temporary differences; unused losses; and unused tax credits for which no deferred tax asset has been recognized:

	2020	2019
	$	$
Lease	3,409	–
Share issuance costs	9,096	8,602
Non-capital losses	107,957	66,262
Depreciable assets	(3,278)	–

Significant components of the Company's deferred income tax assets are as follows:

	$	$
Future income tax rates	27%	27%
Future income tax assets:		
Non-capital loss	108,088	66,262
Share issue costs	9,096	8,602
Deferred tax assets not recognized	117,184	74,864

(Expressed in United States Dollars)

9. INCOME TAXES (continued)

As at September 30, 2020, the Company has available non-capital losses of approximately $399,840 (2019 – $245,414) for deduction against future taxable income. Non-capital losses, if not utilized will expire in 2040.

No deferred income tax asset has been recognized because the amount of future taxable profit that will be available to realize such assets is unpredictable. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred income tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period.

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern (see Note 1). The Company does not have any externally imposed capital requirements to which it is subject.

As at September 30, 2020, the Company had capital resources consisting of all components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares.

11. FINANCIAL INSTRUMENTS

Fair values

The Company's financial instruments include cash, accounts receivable, accounts payable and accrued liabilities, and CEBA loan. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. The fair value of these financial instruments approximates their carrying value because of the current nature.

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

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

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
As at September 30, 2020:				
Cash	47,727	–	–	47,727
CEBA loan	17,239	–	–	17,239
As at September 30, 2019:				
Cash	83,017	–	–	83,017

Financial risk management objectives and policies

The risks associated with financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

11. FINANCIAL INSTRUMENTS (continued)

(i) *Currency risk*
The Company's expenses are denominated in United States Dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. At September 31, 2020, with other variables unchanged, a 1% movement in the US dollar against the Canadian dollar would not have a material impact on the net loss and comprehensive loss.

(ii) *Interest rate risk*
The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*
Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk on cash, the Company places the instrument with a financial institution.

(iv) *Liquidity risk*
In the management of liquidity risk, the Company maintains a balance between continuity of funding and development activity. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

At September 30, 2020, the contractual maturities of the Company's obligations are as follows:

	Carrying Amount	Contractual Cash Flows	Less than 1 Year	1-2 Years	2-5 Years
Accounts payable and accrued liabilities	139,898	139,898	139,898	-	-
CEBA loan	17,239	22,551	-	-	22,551
Lease liability	12,628	12,796	12,796	-	-
	169,765	175,245	152,694	-	22,551

12. COMMITMENTS

On November 27, 2017, the Company signed the Assignment Agreement with two directors, whereby the Company assumed the funding obligations of technology and development costs and patent maintenance costs to KSU and KSURF. The technology and development costs and patent maintenance cost obligations related to Phases 1 and 2, and patent maintenance costs have all been paid to September 30, 2020.

Effective June 1, 2021, the Company signed an Amendment to the KSURF MOA for Sponsored Research to amend the statement of work milestone payments. The Company has the following remaining future funding requirements from this amendment:

(i) Phase 2: $300,000 success fee – This fee has been paid subsequent to September 30, 2020; and
(ii) Phase3: $1,517,376, due in 4 quarterly instalments of $600,000 due June 1, 2021, $305,792 due September 1, 2021, $305,792 due December 1, 2021 and $305,792 due March 1, 2022 – The first two installments of $600,000 and $305,792 have been paid subsequent to September 30, 2020.

12. COMMITMENTS (continued)

The following commitments remain unchanged:

(i) Royalties: A running royalty of 4% of net sales (reduced to 3.5% if royalties paid to third parties to achieve sales) and 40% of any non-royalty payments received by the Company from sub-licenses. The Company must pay license maintenance fees of $10,000 in 2022, $25,000 in 2023, $35,000 in 2024 and $50,000 in all future years to maintain the license. The running royalty can be purchased for $12,000,000 in four increments;
(ii) Additional Fees: $300,000 for each of the successful completion of Phase 2 and Phase 3 (an aggregate of $600,000); reimbursement of patent expenses of $23,398 and the payment of future annual patents fees not to exceed $25,000 annually; initiation fee of $50,000; maintenance fees of $10,000 for three years ending July 31 2021, $25,000 on each of July 31, 2022 and 2023 and $50,000 annually commencing July 31, 2024. Royalty payments shall be credited to the maintenance fees; and
(iii) Patent Fees: The Company will re-imburse certain legal and patent maintenance fees to KSU not to exceed $25,000 annually.

On July 15, 2021, the Company executed a license agreement ("License Agreement") with Kansas State University Research Foundation. The License Agreement replaces the LOI. See Note 13 (h).

13. SUBSEQUENT EVENTS

(a) On March 3, 2021, the Company changed its name to HydroGraph Clean Power Inc.
(b) Subsequent to September 30, 2020, the Company has paid $445,000 towards fulfilling the Phase 2 and 3 development funding obligations and license maintenance.
(c) Subsequent to September 30, 2020, and in addition to the 4,250,000 shares issued pursuant to the exercise of warrants noted below, the Company issued 8,056,392 common shares at a price of $0.05 per share for total proceeds of $402,820 and 21,825,000 units at a price of $0.05 per share for total proceeds of $1,091,250. Each unit is comprised of one common share and one penalty warrant. Each 10 penalty warrants will entitle the holder thereof to receive one common share with no addition payment in the event the Company does not complete a liquidity event by their deadline dates.
(d) On August 29, 2021, the Company issued 2,182,500 common shares for $nil proceeds pursuant to conversion of the penalty warrants disclosed in (c) above.
(e) Subsequent to September 30, 2020, the Company issued 1,250,000 warrants with an exercise price of $0.05 per share with an expiry of 5 years.
(f) On May 21, 2021, the Company issued 4,000,000 common shares for gross proceeds of $200,000 pursuant to the exercise of warrants.
(g) On June 24, 2021, the Company issued 250,000 common shares for gross proceeds of $12,500 pursuant to the exercise of warrants.
(h) June 14, 2021, the Company granted 13,050,000 stock options with an exercise price of $0.20 per share with an expiry of 5 years.
(i) On June 1, 2021, the Company amended the MOA for Sponsored Research to amend the statement of work milestone payments. The Company has the following remaining future funding requirements from this amendment:

Phase 2: $300,000 success fee has been paid subsequent to September 30, 2020,
Phase 3: $1,517,376 due in 4 quarterly instalments of $600,000, $305,792, $305,792 and $305,792, commencing June 1, 2021. The first two Phase 3 milestone installments of $600,000 and $305,792 have been paid to KSU subsequent to September 30, 2020. See Note 12.

13. SUBSEQUENT EVENTS (continued)

(j) On July 15, 2021, the Company executed the License Agreement with Kansas State University Research Foundation ("KSURF"). The principal terms of the License Agreement are as follows:
   (i) the Company a has license to technology developed including Hydrogen and Graphene detonation technology and certain applications of Graphene technology (the "Technology"),
   (ii) the Company will re-imburse KSURF $111,694 third party patent related expenditures within 60 days,
   (iii) The Company will pay an initiation fee of $25,000 within 60 days,
   (iv) The Company will pay annual maintenance fees of:
      i. $10,000 per active patent application for calendar years 2022 to 2024
      ii. $25,000 per active patent application for calendar years 2025
      iii. $35,000 per active patent application for calendar years 2026
      iv. $50,000 per active patent application for calendar years 2027 and subsequent years
   (v) the Company will pay a royalty of 4% of net sales by the Company or its affiliates (reduced to 3.5% if royalties are paid to third parties to achieve sales),
   (vi) the Company will pay 20% of any non-royalty payments received by the Company from sub-licensed products,
   (vii) the Company may purchase the 4% running royalty on the hydrogen patent for $16,000,000 in four increments, commencing in 2022, and
   (viii) the Company may purchase the 4% running royalty on all the other patents for $12,000,000 in four increments, commencing in 2022.

(k) On September 10, 2021, the Company issued 3,525,000 units at a price of $0.05 per share for total proceeds of $705,000. Each unit is comprised of one common share and one common share purchase warrant. Each full warrant will entitle the holder thereof to purchase one common share at a price of $0.60 per common share. The warrants expire two years from date of issuance.

(l) Subsequent to September 30, 2020, the Company received $5,248,507 subscription receipts to acquire units at a price of $0.202 per unit. Each unit is comprised of one common share and one-half common share purchase warrant. Each full warrant will entitle the holder thereof to purchase one common share at a price of $0.606 per common share. The warrants expire two years from date of issuance.

SCHEDULE "E" - MANAGEMENT'S DISCUSSION AND ANALYSIS OF HYDROGRAPH CLEAN POWER INC. FOR THE AUDITED PERIOD FROM OCTOBER 1, 2019 TO SEPTEMBER 30, 2020

[SEE ATTACHED]

DISCLAIMER FOR FORWARD-LOOKING INFORMATION

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of September 30, 2020. These assumptions, which include, management's current expectations, estimates and assumptions about the global economic environment may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) inability to locate and identify potential business acquisitions, (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) other factors beyond our control. There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. Unless otherwise required by applicable securities laws, the Issuer disclaims any obligation to update any forward-looking statements, whether as a result of new events, circumstances and information, future events or results or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

1.1 – Date and Basis of Discussion & Analysis

This management discussion and analysis ("MD&A") is dated as of [**], 2021 and should be read in conjunction with the audited consolidated financial statements of HydroGraph Clean Power Inc. for the year ended September 30, 2020 ("Financial Statements"). The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").Unless expressly stated otherwise, all financial information is presented in United States dollars.

1.2 – Overall Performance

Nature of Business

HydroGraph Clean Power Inc. (the "Company" or "HydroGraph") was incorporated under the Laws of the Province of British Columbia on June 26, 2017 as Carbon-2D Graphene Enterprises Inc. On July 4, 2017, the Company altered its name to Carbon-2D Graphene Inc. On March 3, 2021, the Company altered its name to HydroGraph Clean Power Inc. The address of the Company's corporate office, principal place of business is 430-580 Hornby Street, Vancouver, British Columbia, Canada, and Company's registered and records office address is 704-595 Howe Street, Vancouver, British Columbia, Canada. As of September 30, 2020, the Company's principal business activity was the exploitation of patented technology to produce graphene, hydrogen, syngas, methane and other products and business opportunities.

At September 30, 2020, the Company had not yet achieved profitable operations, had accumulated a deficit of $396,434 (September 30, 2020 – $256,287) and had working capital deficit of $104,305 (September 30, 2020 – deficit $322,446), consisting primarily of cash less accrued liabilities, which may not be sufficient to sustain operations over the next twelve months, and the Company expects to incur further development costs and operating losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. However, it is expected that these funds are sufficient

Nature of Business (continued)

to complete its business as discussed in "Financing" below. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and to identify, evaluate and negotiate potential business acquisitions or participation agreements.

1.2 – Overall Performance (continued)
Description of Business

The Company is engaged in developing and commercializing processes to manufacture Hydrogen and high-quality Graphene in bulk, and to create customized Graphene solutions for specific applications using detonation of hydrocarbon gases. The proprietary detonation method used by the Company to produce Graphene was discovered by Kansas State University ("KSU") and patented in 2016. Acetylene and Oxygen in specific ratios are pumped into a chamber and detonated with a spark from electrodes to create quality Graphene in gram amounts. The detonated Graphene is synthetic Graphene produced via the KSU method (bottom-up approach), as opposed to conventional exfoliation of naturally occurring Graphite (top-down approach) to produce Graphene.

It was subsequently discovered that syngas could be produced from the same process. Methane and Oxygen are mixed in specific ratios in a pre-mix device and then pumped into a natural gas internal combustion engine and detonated by sparks from a sparkplug to produce syngas. Through a secondary process called membrane separation, pure Hydrogen is extracted. The KSU methods to produce Hydrogen and Graphene are similar, starting with different feedstocks, albeit both hydrocarbon gases, yet ending up with completely different end products. The Company has received an exclusive worldwide license from KSU to commercialize their patented detonation process to produce Hydrogen gas and Graphene (See the "License Agreement").

Major competitors in the Hydrogen space are using Steam Reforming. Major competitors in the Graphene space are using Liquid Phase Exfoliation (LPE). Both these methods are endothermic processes and require an external heat source to be introduced for chemical reactions to occur. The Company uses an exothermic process which releases heat as a byproduct and uses only the latent potential energy within the reactants themselves.

The Company's process uses less energy, since an external furnace or oven is not required for the reactants to react. The Company's unique and patented detonation/combustion process has the following characteristics and benefits:

- Energy Efficient- No external heat needs to be applied for chemical reactions to occur, it uses the latent potential energy within the feedstock hydrocarbon gases to create reactions in milliseconds, thereby using minimal and targeted energy. The process is exothermic, and most competitive processes are endothermic, thereby reducing the required resources.
- Digital Controls – All valves, flow meters, sensors, etc. are digitally controlled, attached to a control panel, then to a computer so that all processes can be precisely monitored and controlled, even remotely via the cloud.
- Centralized & Decentralized – Since the Company's hardware is simple and has a small footprint, it is very scalable to add multiple units for a centralized facility (with local software control), or for decentralized production with single or multiple small unit(s) (with remote software control).
- Quality Controlled Products – Since the Company's feedstocks are of consistent quality and since its process is precisely digitally controlled, the Company's Graphene products have both high quality and consistency at a competitive price point.

Description of Business (continued)

License Agreement with Kansas State University Research Foundation

Overview: Effective July 15, 2021, the Company entered into a license agreement with KSURF (the "License Agreement"). Under the terms of the License Agreement, the Company obtained a worldwide exclusive license to utilize and exploit, including the right to sublicense the detonation technology subject to a reservation by Kansas State University for research and education purposes and US Government statutory reservations. The Company continues to do development work at Kansas State University under a Memorandum of Agreement dated June 1, 2021.

HYDROGEN BUSINESS

Hydrogen is a colourless gas, and its atomic symbol is H (the hydrogen molecule is H2). It is lighter than air and when used in fuel cells does not produce any emissions other than water. Hydrogen fuel cells are expected to play a major role in the move to the green economy.

Detonation Production Method

The Company's Hydrogen production method involves the mixing of Methane (Natural Gas) with Oxygen in specific proportions in a pre-mix chamber. The mixture is then pumped into a detonation chamber where it is detonated by a spark plug. The product of the detonation reaction is syngas, which is extracted from the detonation chamber and pumped through a membrane separator that separates the syngas into its component gases, Hydrogen and Carbon Monoxide. These components are pumped into holding tanks. This produces approximately 80% Hydrogen and 20% Carbon Monoxide. For the Company's prototype production module, a methane engine will be used for detonation with the engine cylinders being the detonation chamber and the engine exhaust system used to pump the syngas into the membrane separator. For the Company's planned large-scale production facility, a series of Methane engines will be used.

The premix chamber used for production of Hydrogen is covered by U.S. Provisional Patent Application 63/161,625. See License Agreement on page 20.

Conventional Hydrogen Production

The two most common methods, which have been around for decades with little change, for producing Hydrogen are:

1) Electrolysis: Separates Hydrogen from Water H2O using an Electric Current.

   Electrolysis involves passing an electric current from an anode to a cathode in order to break water down into its molecular components Hydrogen and Oxygen. While it is a relatively simple process, it is time consuming and requires significant electrical power to produce relatively small quantities.

   Electrolysis – The process is defined as follows:

   - Electrolysis of water is the process of using electricity to decompose water into oxygen and hydrogen gas.
   - Electrolysis of pure water requires excess energy in the form of overpotential to overcome various activation barriers. Without the excess energy, the electrolysis of pure water occurs very slowly or not at all.
   - Currently the electrolytic process is rarely used in industrial applications since hydrogen can currently be produced more affordably from fossil fuels.

Description of Business (continued)

2) Steam Methane Reforming: Separates Carbon from Hydrogen in Methane (CH4) using High-Temperature Steam.

   Steam Methane Reforming produces much higher quantities but requires the reaction of methane and steam to occur (at temperatures up to 1100°C) with relatively high fuel costs It is the principal commercial method of Hydrogen production.

   Steam Methane Reforming Process Defined – Steps detailed as follows:

   - 1st Stage Hi Temp Steam: H2O (700-1100°C) reacts with Methane CH4:
     - Endothermic Reaction: That Yields Syngas
     - Chemical Reaction: $CH4 + H2O \rightarrow CO + 3\ H2$
   - 2nd Stage Water Gas Shift Reaction:
     - Exothermic Reaction: Performed at about 360°C
     - Chemical Reaction: $CO + H2O \rightarrow CO2 + H2$

Both of these methods are endothermic and require large energy inputs to create hydrogen. The Company's method is exothermic and does not rely on external heat or energy sources to produce hydrogen.

Differences in Production Methods

The key differences between the Company's production method and conventional Hydrogen production methods are as follows:

Method	**Energy Source**	**Feedstock**	**Scale**
Detonation	Exothermic	Methane & O2	Small to large scale.
Electrolysis	Endothermic	Water & Electricity	Primarily small but scalable
Steam Reforming	Endothermic	Methane and Water Steam	Large Scale

The following table shows the difference in cost between the Company and its competitors. In this case the Steam Reforming method (Grey H2) and Electrolysis (Green H2):

Method	**Type of H2**	**Feedstock**	**Price Per Kg Range USD**	**Centralized or Decentralized**
Hydrograph Clean Power Inc.	Blue	Methane and O2	$1.12 to $1.529(1)	Both
Steam Reforming	Grey or Blue	Methane and Water	$1.25 to $2.50(2)	Centralized
Electrolysis	Green	Water and Electricity	$5.00 to $6.00(3)	Centralized

Notes:

(1) Company estimate.
(2) Source: Bloomberg.
(3) Source: U.S. Department of Energy.

Because of its scalability, the Company's production method is capable of being done on a small-scale basis at the location of a fuel retailer or can be scaled for industrial production. It can be either centralized or decentralized, while Steam Reforming is a complex industrial process and is overly centralized. Electrolysis is currently too expensive and uses too much power to ever be cost effective.

Description of Business (continued)

The following table shows the major competitors in the Hydrogen Industry:

HYDROGEN	SYMBOL	PRODUCTION METHOD
Clean Power Capital Corp.	CSE.MOVE	Steam Reforming - Decentralized
NEL ASA	OSE.NEL	Electrolysis - Centralized
H2Pro	Private	Electrolysis - Centralized
BayoTech	Private	Steam Reforming - Decentralized
Xebec Absorption Inc.	TSX.XBC	Purification System Steam Reformers

Component Optimization

In order to make the Company's Hydrogen production method commercialized it will be necessary to optimize certain components to be used. The size of the premix chamber needs to be optimized for scale of production and compatibility with the operating speed of other components. The Methane engine used may need optimization to handle the fuel rich mixture used. When operating at low revolutions per minute. Analog controls need to be digitized.

The optimization of components is part of the development activities to be carried out by Kansas State University under the Memorandum of Agreement the costs are included in the use of available funds under technology development activities at Kansas State University.

Small Footprint Prototype Module

The Company intends to design and build a small footprint prototype module with estimated costs as follows:

a)	Natural Gas Generator:	CAD $30,000
b)	Hospital Grade O2 Generator	CAD $ 9,000
c)	40 foot Shipping Container	CAD $ 5,000
d)	Tanks and compressors and other components	CAD $ 6,000
e)	Engine(s)	CAD $ 8,000
f)	Engineering and Design	CAD $20,000
		Total: CAD $78,000

The construction of the module is expected to commence in October of 2021 and be completed in March of 2022.

Hydrogen Production Facility

The Company's longer-term plan is to build a large-scale Hydrogen production facility in Western Canada.

The Company intends to complete engineering and design for the new facility at an estimated cost of $262,500 over the next twelve (12) months.

Description of Business (continued)

GRAPHENE BUSINESS

About Graphene

Graphene is an allotrope of carbon essentially the same substance as graphite but with a different atomic structure. It is two- dimensional meaning that each sheet of Graphene is only one atom thick, but its bond makes it as strong as some of the world's hardest metal alloys while remaining light weight and flexible. Its tensile strength is 200 times that of steel. This mix of properties has piqued the interest of scientists from a wide range of fields leading to research for using Graphene for next generation electronics, composites, new coatings on industrial instruments and tools, and biomedical technologies. Graphene is a semiconductor, its properties include large charge carrying capacity, and high thermal connectivity. Graphene conducts heat and electricity very efficiently along its plane. Its impermeability and tensile strength make it suitable for nano mechanical operations.

Conventional Graphene Product Production

The main method used to produce bulk Graphene from graphite is to exfoliate Graphene layers off graphite. This requires heating and toxic solvents in a multistep process.

Chemical Vapour Depositions (CVD)

This process produces Graphene monolayers by depositing gaseous reactants onto a substrate. It works by combining gases at ambient temperature in a reactor chamber, which when coming into contact with a heated substrate in the container reacts to create a film on the substrates surface. The waste gases are then pumped from the chamber. Temperature of the substrate and pressure are vital. Lower pressure helps prevent unwanted reactions and provides more uniform thickness of coating on the substrate. Ultra-high vacuum produces the best results. The gaseous by-products are very toxic. The process requires extreme heat, and it is difficult to separate the Graphene from the substrate (accomplished with solvents) without changing the quality of the Graphene produced. While like our method CVD is a bottom-up approach using hydrocarbon gases, it is an endothermic process requiring large energy inputs and a multi-step process, unlike our method, which is exothermic, and a single step process.

Liquide Phase Exfoliation (LPE)

LPE is the principal method of producing Graphene in large quantities. The method uses ultrasound and solvents to exfoliate Graphene from Graphite. Studies have shown that the process tends to produce fine Graphite rather than Graphene with no producer producing more than 50% Graphene. The solvents used are toxic.

The LPE method, used by most of the Company's competitors, was cited in an article published in PubMed Central stated the following:

"Sonication assisted LPE has been widely used to prepare graphene but suffers from high energy-extensive consumption and low efficiency. Thus, it is not feasible for the scalable production of high-quality few-layer graphene."

The following are just some of the solvents that are used in the LPE process according to an article in Pub Chem, National Library of Medicine:

"High-intensity ultrasound energy was exploited to transform graphite to graphene in the solvents of dimethyl sulfoxide (DMSO), N,N-dimethyl formamide (DMF), and perchloric acid (PA)."

DMSO is non-toxic, both DMF and PA are toxic. The single step detonation method used by the Company to produce Graphene uses minimal energy and no solvents.

Description of Business (continued)

Detonation Process

The Company's technology synthesizes Graphene from gases. The Company starts with its feedstocks of acetylene and oxygen, mixed in precise ratios into the detonation chamber. A single spark from electrodes within the chamber detonates the gaseous mixture, only using the energy within the gases, to flash to a very high temperature for milliseconds. This precisely controlled detonation produces gram amounts of graphene in a single step process. It is highly pure (up 99.8% carbon content) few layer graphene of highly consistent quality. No solvents are used in our process. Utilizing this system, the chamber can be evacuated in seconds and the following detonation initiated.

The Company believes its detonation technology to produce Graphene is a disruptive technology as it provides high quality Graphene at a low cost. Graphene is a material that when added in reasonably small percentage quantities, can greatly increase the strength of composite materials as diverse as carbon fiber and concrete. To date the use of Graphene for such applications has been limited, because the cost of good quality Graphene from conventional production was prohibitive. The Company believes its licensed technology has the ability to revolutionize the use of Graphene for strengthening materials due to the reduction in cost. In addition, the production method will permit the location of Graphene production facilities at manufacturers' premises without the prohibitive costs of establishing a conventional, large-scale, centralized Graphene production facility. This eliminates transportation of graphene, which is very light but high in volume. Utilizing cloud based digital controls the Company can remotely manage production as a de- centralized process. Since Graphene is so light and the relative volume for shipping is so high, for bulk industrial needs, only an onsite-decentralized process will work, and the Company's method is capable of this without enormous capital expenditures.

The Company's lower production cost also makes it attractive for using Graphene for nanotechnology uses such as medical sensors and Graphene ink for Inkjet like printing of simple electronic circuits.

Scientific Analysis of LPE Graphene Products:

In a peer reviewed scientific paper published in "Advanced Materials," (13 September 2018, Volume 30, Issue 44) entitled, "The Worldwide Graphene Flake Production," scientists analyzed the products of the top 60 LPE producers in the world. Their findings proved that these bulk LPE Graphene producers had quality issues with their products. The following points are excerpts from the paper:

- Definition of Graphene **–** The paper states that true Graphene is ten layers or less. If greater than ten layers it is not Graphene.
- LPE Graphene Producer Layer Analysis **–** The paper states that the majority of companies are producing less than 10% Graphene content and no company is currently producing above 50% Graphene content.
- Low Carbon Content **–** Half the LPE producers had less than 90% carbon content with high levels of impurities, whereas pure Graphene should be approaching 100% carbon content.
- Conclusions of the Paper - It is clear that the majority of the companies are producing fine graphite instead of Graphene. We stress at the naked eye it is not possible to detect these differences, because we are dealing with a Nanomaterial. Only through nanotechnology tools and the well-defined protocols established in this study, could they determine the quantity and quality of the Graphene produced.
- Comment from the Paper **-** It is worrisome that producers are labeling black powders as Graphene and selling for top dollar, while in reality they contain mostly fine graphite.

Description of Business (continued)

Scientific Analysis of the Company's Synthetic Detonated Graphene (SDG) Graphene Products:

The Warsaw University of Technology analyzed the Company's SDG products, and the products have done well in their tests. The following test results come from that institute:

- Colour: Grey-black Purity: 99.8%
- Carbon Content: 99.7%
- Average Flake Thickness: 1-3 nm
- Average Flakes' Range: 1-3 microns
- Number of Graphene Layers: l-5 layers
- Density: 130 kg/m3

The scientists that did the testing commented as follows:

"This new detonated Graphene is of high quality and purity, non-oxidized, free of defects and are highly organized raw Graphene flakes. These flakes of Graphene have a maximum of five Graphene layers."

SDG Products Competitive Advantage Conclusions

When the Company's SDG products are scientifically analyzed they do well. On the other hand, LPE products, when scientifically analyzed, do not fare well. Correlating and coordinating the comparative findings from above, this is what results:

- Graphene Layers **–** SDG products 1-5 layers qualifies as few layer Graphene (100% Graphene content). Versus LPE products only 10% to 50% of samples are even qualified as Graphene (10 or fewer layers).
- Carbon Content **–** SDG products have 99.7% carbon content. Versus LPE products where 50% of the producers have less than 90% carbon content.
- Inconsistent Products **-** SDG products proved consistent in quality and functionality in batch-by-batch comparisons. Versus inconsistent results in the testing done on LPE Graphene.

Differences in Selling Price

The following table shows the difference in price between the Company and the only competitor producing SDG product.

Supplier	**Layer Count**	**Carbon Purity**	**Flake Thickness**	**Price Retail USD**
Hydrograph Clean Power Inc.	1 to 5	>99%	1 to 3mm	$5 to $50/gram depending on product and quality
Cambridge Nano	3 to 13	>99%	1 to 3mm	$120/gram*

* Source is the Cambridge Nanosystems Website.

Cambridge Nanosystems

Cambridge Nanonsystems (CN) utilizes Plasma technology to produce Synthetic Graphene. Plasma Synthetic Graphene produced by CN uses Natural Gas in a bottom-up approach to create a high-quality product. Unlike the HydroGraph, Cambridge Nanosystems uses an external heat source, in their case a microwave plasma unit, to cause the reactants to react and produce graphene. Therefore, they use an endothermic reaction, and we use detonation to create an exothermic reaction. Both methods produce impressive quality graphene.

Description of Business (continued)

The following table shows the major competitors in the Graphene Industry:

GRAPHENE	TICKER	METHOD OF PRODUCTION	FEEDSTOCK
Cambridge Nanosystems	N/A	Plasma Synthetic Graphene	Natural Gas
Zen Graphene Solutions	CVE:ZEN	LPE-Centralized	Graphite
NanoXplore Inc.	TSXV: GRA.V	LPE-Centralized	Graphite
Versaren PLC	LON: VRS	LPE-Centralized	Graphite
Directa Plus PLC	LON:DCTA	Plasma Expansion	Graphite
Talga Group Ltd.	ASX:TLG	LPE-Centralized	Graphite

The Company has not independently verified the lower cost or green status of its products.

Graphene Business Model

The Company plans to derive revenues by selling Graphene and partnering with companies in vertical markets that are integrating Graphene into composites and other products. Most of these companies in vertical markets already have distribution and expertise in markets and applications, which the Company does not have, but the Company does have the high quality, inexpensive Graphene that vertical applications need to succeed. Together with its partners the Company intends to functionalize its Graphene for specific applications. With some of its partners the Company plans to offer a unique Graphene as a Service (GaaS) capability. The Company intends to proceed with its partners, having them sell to the end user (the Company intends to have limited direct sales operations and will sell mainly through established third-party channels):

- Royalty/Licensing Arrangement with Partners Using GaaS **–** With some of its strategic partners, who need tonnage amounts of Graphene, the Company plans to negotiate a royalty arrangement of gross sales of finished products. Such strategic partners will be using the Company's GaaS decentralized capabilities to produce Graphene at their facilities, while the KSU detonation process will be remotely controlled by the Company's personnel. This will be done under license, and there will be annual royalty minimums to protect partners' vertical application exclusivity. The Company has entered into an MOA with Bazalt Holdings dated March 17, 2020 for the establishment of this type of facility. Bazalt Holdings intends to produce Basalt/Graphene composite rebar for concrete. This product is stronger than metal rebar and is not subject to rusting or expansion and contraction with temperature changes.
- Royalty/Licensing Arrangement with Partners Buying from the Company **–** Some of its partners will be purchasing their Graphene directly from the Company, as they may not need large but still significant amounts of Graphene. Such partners will be granted exclusive or non-exclusive territories and/or vertical markets. With such non-strategic partners, they will not be producing onsite, but the Company intends to still negotiate a royalty on gross sales of finished products.
- Wholesale Arrangements with Vertical Application Providers **–** The Company will produce and sell its Graphene to Vertical Application Providers (VAPs), who in turn will integrate its Graphene into their Graphene based products. It will be a simple supplier/customer relationship that the Company will engage in with VAPs. The Company will produce and wholesale its Graphene directly to VAPs. In some cases, the Company will have to functionalize its Graphene for specific applications, in other cases it will sell it as a commodity.

Description of Business (continued)

At this point the Company does not have any royalty licensing arrangements with partners or wholesale arrangements with Vertical Arrangement providers in place.

The Company has entered into a nonbinding memorandum of understanding with Bazalt (the "MOU"). The MOU contemplates that Bazalt will utilize the Company's product to be produced under a GaaS arrangement at their plant in Poland for use in their Bazalt rebar product. The MOU contemplates that a final agreement with Bazalt would include the following terms:

a) A royalty payment to the Company of 1.5% of the gross selling price of Bazalt products incorporating the Company's Graphene.
b) Bazalt to have exclusivity for basalt fiber products.
c) In order to maintain the exclusivity for Basalt fiber products, Bazalt would pay a minimum royalty of $4,000,000 per year or make a minimum investment in the Company of $1,000,000 per year or a combination of royalty and investment totaling $5,000,000 per year.
d) Bazalt will pay for costs of installation of the plant in Poland.
e) Bazalt would pay monitoring fees.

No formal agreement has been concluded with Bazalt to date or will be entered into until Bazalt obtains anticipated European Union funding which it expects to receive in the last quarter of 2021. The terms of an actual agreement may vary from those proposed in the MOU and entry into the final agreement cannot be assured.

At the present time, Bazalt has made no investment in the Company and is arm's length from the Company.

Graphene Pilot Plant

The Company intends to establish a pilot Graphene production facility. The facility will have a capacity to produce between 40kg to 120kg of Graphene per day depending on the number of hours of production. The expected costs to establish the facility are as follows:

a) First year lease payments: CAD$125,000
b) Leasehold Improvements and equipment: CAD$250,000
c) Engineering and Design: CAD$ 50,000
d) Municipal health and safety approval: CAD$ 10,000

Total: CAD$435,000

The Company has entered into a Lease Agreement dated August 1, 2021 for a two-year renewable lease of a space in Manhattan, Kansas at a location near KSU to house its pilot Graphene production facility. The location consists of approximately 13,000 square feet of warehouse type space. Under the terms of the lease, the Company will pay rent and other charges totaling USD $8407.32 per month., USD $100,887.84 annually.

It is expected that when fully operational the facility will employ four (4) persons and have a payroll of $50,000 USD.

Employees will be added as the pilot plant reaches completion. Estimated employee costs for the next 12 months will be $275,000 USD.

1.2 – Overall Performance (continued)

Description of Business (continued)

Three Year History

Business Development

During the three years ended September 30, 2020, the Company's activities have focused on funding, work at Kansas State University to develop processes to manufacture Hydrogen and quality Graphene, and to create customized Graphene solutions for specific applications.

As of September 30, 2020, the Company has expended a total of $1,167,670 to develop its technology. The development work has resulted in the building of a prototype production line for graphene in a dedicated lab at KSU and confirmation that the technology with membrane separation is suitable for hydrogen production. The graphene prototype production line is capable of producing up to 5kg of Graphene per day and is operated on an as needed basis.

Financing

During the three-month period ended September 30, 2020, the Company issued 3,250,000 shares for total proceeds of $162,500. The Company incurred share issue costs of $9,000 related to these private placements.

1.3 – Selected Annual Information

As at	30-Sep-20	30-Sep-19	30-Sep-18
Current Assets	48,221	87,757	182,521
Technology and Development Costs	1,167,670	1,133,959	799,411
Right of Use Asset	12,140	-	-
Total Assets	1,228,031	1,221,716	981,932
Current Liabilities	152,526	410,203	65,961
CEBA Loan	17,239	-	-
Share Capital and Contributed Surplus	1,454,700	1,067,800	1,075,500
Deficit	(396,434)	(256,287)	(159,529)
Total Liabilities and Shareholders' Equity	1,228,031	1,221,716	981,932

Years ended	30-Sep-20	30-Sep-19	30-Sep-18
Revenue	-	-	-
Operating Expenses	152,976	96,558	89,839
Other Income	(12,829)	-	-
Loss and Comprehensive Loss for Period	140,147	96,558	89,839
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)
Weighted average number of common shares outstanding	48,973,958	40,953,585	34,477,696

1.4 – Results of Operations

Operations during the year ended September 30, 2020 were primarily related to exploitation of patented technology to produce graphene, hydrogen, syngas, methane and other products and business opportunities as described above. There were no investor relations arrangements entered during the year ended September 30, 2020. There were no legal proceedings, contingent liabilities, and defaults under debt or other contractual obligations, breach of any laws or special resolutions during the year ended September 30, 2020.

During the year ended September 30, 2020, the Company incurred operating expenses of $140,147 (2019 – $96,558), consisting of consulting fees of $89,113 (2019 – $42,362), travel and promotion of $15,937 (2019 – $7,658), license maintenance fees of $10,000 (2019 – $10,000), professional fees of $3,594 (2019 – $4,811), office and miscellaneous of $3,134 (2019 – $1,017), interest of $2,062 (2019 – $nil), rent of $nil (2019 – $30,710), depreciation of $29,136 (2019 – $ nil), and other income of $12,828 (2019 – $nil). Consulting fees were higher in 2020 due to increased capital raising activities. The adoption of IFRS 16 on October 1, 2020 resulted in a right-of-use asset being depreciated and rent no longer claimed. The Rent in 2019 was consistent to depreciation in 2020. The CEBA loan forgiveness of $7,517 and fair value adjustment gains of $5,312 were recognized as other income. The remaining costs were generally consistent with the prior period.

During the three-month period ended September 30, 2020, the Company incurred operating expenses of $22,016 (2019 – $25,246), consisting of consulting fees of $16,035 (2019 – $9,000), travel and promotion of $4,141 (2019 – $4,054), professional fees of $3,594 (2019 – $1,850), license maintenance fees of $2,500 (2019 – $2,500), rent of $nil (2019 – $7,678), office and miscellaneous of $990 (2019 – $164), interest of

1.4 – Results of Operations (continued)

$300 (2019 – $nil), depreciation of $7,284 (2019 – $ nil) and other income of $12,828 (2019 – $nil). The adoption of IFRS 16 on October 1, 2020 resulted in a right-of-use asset being depreciated and rent no longer claimed. The Rent in 2019 was consistent to depreciation in 2020. The CEBA loan forgiveness of $7,517 and fair value adjustment gains of $5,312 were recognized as other income. The remaining costs were generally consistent with the prior period.

1.5 – Summary of Quarterly Results (Unaudited)

As at	30-Sep-20	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Mar-19	31-Dec-18
	$	$	$	$	$	$	$	$
Current Assets	48,221	48,492	51,787	40,975	87,757	16,774	4,453	52,281
Right-of use Asset	12,140	19,424	26,708	33,992	-	-	-	-
License	1,167,670	1,167,670	1,167,670	1,136,860	1,133,959	833,959	665,959	594,411
Total Assets	1,228,031	1,235,586	1,246,165	1,211,827	1,221,716	850,733	670,412	646,692
Current Liabilities	152,526	308,805	301,300	445,913	410,203	110,323	97,777	82,025
CEBA Loan	17,239	-	-	-	-	-	-	-
Shareholders' Equity	1,454,700	1,301,200	1,301,200	1,067,800	1,067,800	971,450	783,900	755,700
Deficit	(396,434)	(374,419)	(356,335)	(301,886)	(256,287)	(231,040)	(211,266)	(191,033)
Total Liabilities and Shareholders' Equity	1,228,031	1,235,586	1,246,165	1,211,827	1,221,716	850,733	670,412	646,692
Quarters ended	**30-Sep-20**	**30-Jun-20**	**31-Mar-20**	**31-Dec-19**	**30-Sep-19**	**30-Jun-19**	**31-Mar-19**	**31-Dec-18**
Revenue	-	-	-	-	-	-	-	-
Operating Expenses	22,015	18,084	54,449	45,599	25,247	19,774	20,233	31,304
Loss and Comprehensive Loss for Period	22,015	18,084	54,449	45,599	25,247	19,774	20,233	31,304
Basic and diluted loss per share	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*	(0.00)*
Weighted average number of common shares outstanding	53,261,339	50,427,100	46,517,210	45,627,100	43,822,209	41,546,122	39,314,386	39,100,000

* Denotes a loss of less than $0.01 per share.

As described in the description of business above, the Company entered into a technology license letter of intent with Kansas State University in 2017. During the years ended September 30, 2020 and 2019, the Company continued to invest the majority of capital raised into development of the KSU technology license.

The right-of-use asset relates to the leased office premises. The lease terminated on February 28, 2021 and became a month-to-month obligation.

Current liabilities are comprised primarily of accrued liabilities. Management has accrued fees in order to have more cash available for the KSU license development. During the quarter ended September 30, 2019, there was a success fee of $300,000 due to KSU, which was paid in full during the year ended September 30, 2020.The Company received a CEBA loan from the Canadian government provide pandemic support to assist in defraying non-deferrable costs.

Operating expenses were generally consistent over the past eight quarters.

1.6 – Liquidity and Capital Resources

The Company is developing its licensed technology and new business opportunities and therefore has incurred losses and negative cash flows from operations. The Company's sole source of funding has been the issuance of common shares for cash, through private placement. The Company's ability to raise cash depends on various capital market conditions. There is no assurance that the Company will be able to obtain any additional financing on terms acceptable to the Company. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Actual funding requirements may vary from those planned due to a number of factors, including developing new business opportunities.

There can be no certainty that the Company's existing cash balances or that the proceeds from the issuance of its common shares will provide sufficient funds for all of the Company's cash requirements. Should the need arise, the Company may pursue other financing options or rely on joint venture partners to supply some of funds required to develop any opportunities. There is no assurance that the Company will be successful in obtaining the funds it may require to sustain operations or that the terms of any financing obtained will be acceptable.

The Company's business premises are currently located at #430-580 Hornby Street, Vancouver, British Columbia. As at September 30, 2020, the Company had cash and cash equivalents on hand of $47,727 (2019 – $83,017).

During the year ended September 30, 2020, cash used in operating activities was $387,837 (2019 – cash provided by operating activities of $245,484), cash used in investing activities was $33,711 (2019 – $654,548), cash provided by financing activities was $386,258 (2019 – $312,100). The increase in cash used in operating activities is primarily related to the $300,000 Phase 1 success fee accrued in 2019 and paid in 2020 as well as general business activities. The cash used in investing activities in 2019 is primarily related to Phase 2 development costs and Phase 1 success fees. The cash provided by financing activities is primarily related to proceeds received from subscriptions for private placements to fund operations and development of the licensed technology.

Shareholder's equity as at September 30, 2020 was $1,058,266 (2019 –$811,513). The Company will need to raise additional capital to maintain operations at the current level. Although the Company has been successful in the past in raising the necessary funding to continue operations, there can be no certainty it will be able to do so in the future.

1.7 – Off Balance Sheet Arrangements

As at September 30, 2020, there were no off-balance sheet arrangements to which the Company was committed.

1.8 – Transactions with Related Parties

The Company had the following balances and transactions with executive officers or companies controlled by these officers for the year ended September 30, 2020:

	September 30, 2020	September 30, 2019
Transactions:		
Fees paid to Harold Davidson	$ 12,000	$ 12,000
Fees paid to H. Barry Hemsworth	$ 12,000	$ 12,000
Fees paid to OnBase DB Systems Inc.(1)	$ 34,858	$ 6,361
Rent paid to Capricorn Investments Ltd.(2)	$ Nil	$ 30,710
Balances:		
Accounts Payable: Harold Davidson	$ 36,000	$ 25,000
Accounts Payable: H. Barry Hemsworth	$ 57,402	$ 48,150

(1) Harold Davidson and H. Barry Hemsworth are directors of OnBase DB Systems Inc.
(2) Capricorn Investments Ltd. is a company controlled by H. Barry Hemsworth

1.9 – Proposed Transactions

On July 15, 2021, the Company executed the License Agreement with Kansas State University Research Foundation ("KSURF"). The principal terms of the License Agreement are as follows:

(i) the Company a has license to technology developed including Hydrogen and Graphene detonation technology and certain applications of Graphene technology (the "Technology"),
(ii) the Company will re-imburse KSURF $111,694 third party patent related expenditures within 60 days,
(iii) The Company will pay an initiation fee of $25,000 within 60 days,
(iv) The Company will pay annual maintenance fees of:
  i. $10,000 per active patent application for calendar years 2022 to 2024
  ii. $25,000 per active patent application for calendar years 2025
  iii. $35,000 per active patent application for calendar years 2026
  iv. $50,000 per active patent application for calendar years 2027 and subsequent years
(v) the Company will pay a royalty of 4% of net sales by the Company or its affiliates (reduced to 3.5% if royalties are paid to third parties to achieve sales),
(vi) the Company will pay 20% of any non-royalty payments received by the Company from sub-licensed products,
(vii) the Company may purchase the 4% running royalty on the hydrogen patent for $16,000,000 in four increments, commencing in 2022, and
(viii) the Company may purchase the 4% running royalty on all the other patents for $12,000,000 in four increments, commencing in 2022,

Subsequent to September 30, 2020, the Company has received $5,248,507 subscription receipts to acquire units at a price of $0.202 per share. Each unit is comprised of one common share and one-half common share purchase warrant. Each full warrant will entitle the holder thereof to purchase one common share at a price of $0.605 per common share. The warrants expire two years from date of issuance.

Each Subscription Receipt shall be deemed to be exercised, without payment of any additional consideration, to acquire one common share and one share purchase warrant on the earlier of the date that is: (i) the sixth business day after a receipt for a final prospectus qualifying the distribution of the shares issuable upon the conversion of the Subscription Receipts, and (ii) receipt of conditional approval of the Canadian Securities Exchange for the proposed listing. The Company is filing a prospectus and applying for conditional listing on the Canadian Securities Exchange to meet this requirement.

Additional shares, warrants and options were issued as described in 2.4 below.

2.1 – Critical Accounting Estimates

The Company has outlined the basis of its critical accounting estimates in Note 3 of the September 30, 2020 Financial Statements.

2.2 – Changes in Accounting Policies – International Financial Reporting Standards ("IFRS")

Change in Accounting Policies

The Company adopted IFSR 16 on October 1, 2019 as detailed in Note 3 of the September 30, 2020 Financial Statements. The Company has determined that there will be no material reporting changes as a result of adopting the new standards, however, there may be enhanced disclosure requirements.

Future Changes in Accounting Policies

New accounting standards issued but not yet effective:

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The Company has initially assessed that there will be no material reporting changes as a result of adopting the new standards, however, there may be enhanced disclosure requirements.

2.3 – Financial Instruments and Other Instruments

The Company's financial instruments include cash, accounts receivable, accounts payable and accrued liabilities, CEBA loan and lease liability. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*
The Company's expenses are denominated in United States Dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. At September 31, 2020, with other variables unchanged, a 1% movement in the US dollar against the Canadian dollar would not have a material impact on the net loss and comprehensive loss.

(ii) *Interest rate risk*
The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*
Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and GST receivable. To minimize the credit risk on cash, the Company places the instrument with a financial institution.

(iv) *Liquidity risk*
In the management of liquidity risk, the Company maintains a balance between continuity of funding and development activity. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

2.4 – Other MD&A Requirements

Share Capital

The authorized share capital consists of an unlimited number of common shares without par value.

The total number of common shares issued and outstanding as at September 30, 2020 was 53,677,100 and at [**], 2021 is 119,535,892.

Warrants and Options

	September 30, 2020	Expiry	[**], 2021	Expiry
Incentive Warrants	3,000,000	August 31, 2022	Nil	NA
Broker Warrants	Nil	NA	1,492,750	2 Years
Penalty Warrants	Nil	NA	21,325,000	Listing
Stock Options	Nil	NA	13,050,000	June 17, 2026

As at September 30, 2020 there were 3,000,000 incentive warrants outstanding with an average exercise price of $0.05 and a weighted average term to expiry of 1.86 years and as at [**], 2021, there are no incentive warrants outstanding.

As at September 30, 2020 there were no broker warrants outstanding and as at [**], 2021, there were 1,492,750 broker warrants outstanding with an exercise price of $0.05 and a weighted average term to expiry of 2 years from undergoing a liquidity event.

2.4 – Other MD&A Requirements (continued)

As at September 30, 2020 there were no penalty warrants outstanding and at [**], 2021, there were 21,325,000 penalty warrants outstanding. Each 10 Penalty Warrants automatically convert into one common share with no further consideration if the Company has not completed a Liquidity Event within 180 days from the date issued.

As at September 30, 2020, there were no stock option outstanding and as at [**], 2021, there were 13,050,000 stock options outstanding with an exercise price of $0.20 per share with an expiry of 5 years.

Additional Disclosures

	September 30, 2020	September 30, 2019
Exploration and evaluation assets or expenditures	$ Nil	$ Nil
Expensed research and development costs	$ Nil	$ Nil
Intangible assets arising from development	See Note 4 to Financial Statements	See Note 4 to Financial Statements
General and administration expenses	See Statement of Loss Financial Statements	See Statement of Loss Financial Statements
Material costs, whether expensed or recognized as assets, not referred to	NA	NA

RISK FACTORS AND UNCERTAINTIES

The Company is pursuing the opportunity to exploit patented technology to produce graphene, hydrogen, syngas, methane and other products and business opportunities. Due to the nature of the Company's business and the present stage of its activities, many risk factors will apply. The risks described below are not the only ones facing the Company. Additional risks not presently known to the Company may also impair the business operations.

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Common Shares could decline, and investors may lose all or part of their investment.

How risk is related to return

Generally, there is a strong relationship between the amount of risk associated with a particular investment, and that investment's long-term potential to increase in value.

Investments that have a lower risk also tend to have lower returns because factors that can affect the value of the investment, the risks, are well known or are well controlled and have already been worked into the price of the investment. On the other hand, investments that could have potentially higher returns if conditions for success are favourable also risk generating equally higher losses if conditions become unfavourable. This is because the factors affecting the value of such investments are unknown or difficult to control.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Company issues Common Shares from its treasury for financing purposes, control of the Company may change, and purchasers may suffer additional dilution.

No Market for Securities

There is currently no market through which any of the Common Shares, may be sold and there is no assurance that such securities of the Company will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after Listing. The offering price determined by the Company was based upon several factors and may bear no relationship to the price that will prevail in the public market. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Negative Cash Flow from Operating Activities

The Company's activities have been focused on developing its technology and accordingly cash flow is negative, and the Company has been required to raise funds through equity financings.

RISK FACTORS AND UNCERTAINTIES (continued)

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the Common Shares distributed hereunder will be affected by such volatility.

Personnel

The Company has a small management team and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its development plans. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to purchasing the securities.

Smaller Companies

The share price of publicly traded smaller companies can be highly volatile. The value of the Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Common Shares.

Competition

Both the Hydrogen and Graphene industries are characterized by larger companies with more financial resources than the Company. There is no assurance that the Company will be able to effectively compete in that environment.

IlliquidityThe Common Shares are not listed on a stock exchange. Investors should be aware that there may never be a market for the Common Shares and an investor may never realize a return on their investment. The Common Shares, therefore, may not be suitable as a short-term investment.

Going Concern and Financing Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it to sustain operations. Although the Company has been successful in the past in obtaining financing through the issuance of common shares, there can be no assurance that it will be able to obtain the necessary financing and raise capital sufficient to cover its operating costs.

Licensed Technology

The Company believes the licensed technology will be commercially scalable and the products can be profitably marketed. There can be no assurance that the Company will be able to develop the technology to the point that may be required to carry out its business plans, on reasonable terms, or at all. Delays, or failure to develop such economically viable products or a failure to comply with the terms of the license could have a material adverse effect on the Company.

RISK FACTORS AND UNCERTAINTIES (continued)

General Economic Conditions

The recent events in global financial markets have had a profound impact on the global economy. A continued or worsened slowdown in the financial markets or other economic conditions, including but not

limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. These factors could have a material adverse effect on the Company's financial condition and results of operations.

Coronavirus (COVID-19)

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. However, COVID-19 may directly impact the Company by disrupting the financial markets of which the Company relies on for raising funds or interfering with its supply chains.

Hydrogen Production Risk Factors

Proof of High Scale Production

The Company needs to work with many different types of engines to see which type is optimal for mass centralized Hydrogen production. Another engine type might be best for smaller decentralized production. The Company does not know how effectively and reliably the engines will work. Since the engines will be running on a very rich fuel mixture that they were not designed for, the Company does not know the long-term consequences. Risks exists that the engines may need to be modified to work with a very rich methane and pure oxygen fuel mixture which would substantially increase the cost to the Company. There are methane engines, but they run with a mixture of methane and air, so the possible need to adopt engines for our fuel mixture is a risk factor.

Integration of Novel Mixing Chamber

The Company has designed and patented a novel pre-mixing chamber, which needs to be affixed between the engine and the fuel source, like a fuel injector in a gas car engine. The pre-mix chamber will be fully digital and attached to digitally controlled valves and pumps. There is uncertainty as to how the device will function, as it will be a brand-new device mixing methane and oxygen in very specific ratios. The device will need to be tested and this may protract the time to achieve adequate production levels.

Volume Oxygen Generation

Currently the Company is purchasing canisters of oxygen to mix with methane. The Company needs to purchase an oxygen generator to bring down the feedstock costs. The O2 generator has to be integrated into the pre-mix chamber and the engine. Until further development work is done, the Company cannot predict the success of the system.

Membrane Separation Technology

The Company produces Syngas from Methane and Oxygen as its primary product coming out of the engine. Syngas is COH2, essentially carbon monoxide and hydrogen. Using membrane separation technology, the Company splits the CO from the H2 (it is 80% H2). There are uncertainties as to the performance of the membranes and the life cycle of them. They will be in constant usage and the Company does not know how quickly they will clog up, thereby shutting down production. The Company may need several membranes onsite and will need to pull out old clogged membranes and replace with new ones, the Company does not know how long this procedure will take. This process could cause significant production delays.

RISK FACTORS AND UNCERTAINTIES (continued)

Risks Related to Gases

The gases produced by the Company's process, Hydrogen and Oxygen are flammable and carbon monoxide is poisonous. There is no assurance that the Company will be able to devise methods to safely deal with these gases. Carbon monoxide is used in some chemical processes. In the event the Company

is not able to find a customer for the carbon monoxide by product of its production process which is not assured it may incur considerable costs to dispense of the carbon monoxide could impact its production costs.

Graphene Production Risk Factors:

Limited Production

The Company's production plan calls for beyond 6Kg per canister per day. In order to do so new pumps and valves have to be purchased and tested. The Company also needs to fabricate more robust electrodes. Within the canister, after detonation, it is a very hostile environment for electrodes. Carbon can get in the gap between the electrodes and foul the entire process. The Company cannot guarantee this will be successfully achieved.

Increased Frequency of Detonations

When the Company increases the frequency of detonations it is hard on the equipment. Right now, the Company detonates every 40 seconds and wants to get the frequency down to every 20 seconds. So, the new pumps, valves and electrodes have to fill the canister with acetylene and oxygen twice as fast, and vacuum pull the contents into the holding vessel. Moreover, the electrodes have to spark twice as often in a very hostile environment for electrodes. There is no assurance the Company will be able to achieve this increased frequency of detonation.

Production Line Automation

The Company has the front-end process automated, up to containing the product after multiple automated detonations in a holding vessel, it does not have the backend production line from the holding vessel done. Although it is a conventional mass manufacturing issue, the Company still need it solved and there is uncertainty about it.

Health Risks

It is possible that Nano-graphene particles from leakage will get into human bodies and cause harm. The Company will need to ensure it has adequate safety procedures at its plant to deal with such risks, which may cause delays in the production process.

Graphene Sales Risk Factors:

Limited Market

The Company does not believe the market for Graphene is limited; however, the present market for Graphene is limited partially because of the high cost of Graphene. It may take considerable time for manufacturers to adopt Graphene which could delay potential future revenue and/or profitability for the Company.

Protracted Sales Cycle

Graphene is not yet a commodity product. Therefore, it has to be an engineered solution in most cases. That is Graphene samples get tested and if there is interest, then the Graphene gets functionalized for specific applications. Moreover, the insertion of Graphene into a composite requires modification of an existing production line. If this process takes too much time, it will affect the Company's potential future revenue and profitability.

High Cost of Customer Acquisition

It takes time and money to get prospective customers from testing to functionalizing to integrating our graphene into their production. The Company needs to find a way to drive down customer acquisition costs through expediting the process. There is no assurance the Company will be able to do so.

RISK FACTORS AND UNCERTAINTIES (continued)

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

Although the Directors will seek to minimise the impact of the risk factors, an investment in the Company should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specialises in investments of this nature before making any decision to invest.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on [**], 2021.

CERTIFICATE OF THE COMPANY

Dated: October 18, 2021

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia and Ontario.

"Harold Davidson"
Harold Davidson
Chief Executive Officer

"Logan Anderson"
Logan Anderson
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"David Ryan"
David Ryan
Director

"David Morris"
David Morris
Director

CERTIFICATE OF THE PROMOTERS

Dated: October 18, 2021

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia and Ontario.

"Harold Davidson"
Harold Davidson
Chief Executive Officer and Director

"H. Barry Hemsworth"
H. Barry Hemsworth
Vice President and Director