

IC CAPITALIGHT CORP.

2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8

CSE FORM 2A - LISTING STATEMENT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

DATED: May 2, 2022

References to “Capitalight”, “Company”, “we”, “us”, “our”, refer to IC Capitalight Corp. and its consolidated subsidiaries unless the context indicates otherwise. All amounts are in Canadian dollars, unless otherwise indicated.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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 including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. 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 the date of this report. These are based on current expectations, estimates and assumptions that involve several known and unknown risks, uncertainties and other factors that could cause actual results to vary and, in some instances, to differ materially from those anticipated by the Company and described in the forward-looking statements. These risks include, but are not limited to, access to sufficient capital, legal and accounting risks, potential loss of key personnel, sales and marketing issues, operating cost overruns, technology issues, title disputes and compliance with various regulators. 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) a decreased demand or price of our research products (3) a decreased value of our investments (4) inability to locate, acquire or divest of mineral property interests, (5) the uncertainty of our operating costs, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) 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. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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2. Corporate Structure

2.1 Corporate Name and Head and Registered Office

The corporate name is **IC Capitalight Corp.** (the “Company” or “Capitalight”) and the registered office is at 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8. The Company’s head office is located at 130 King Street West, Exchange Tower Suite 1940, Toronto, Ontario, M5X 2A2.

2.2 Jurisdiction of Incorporation

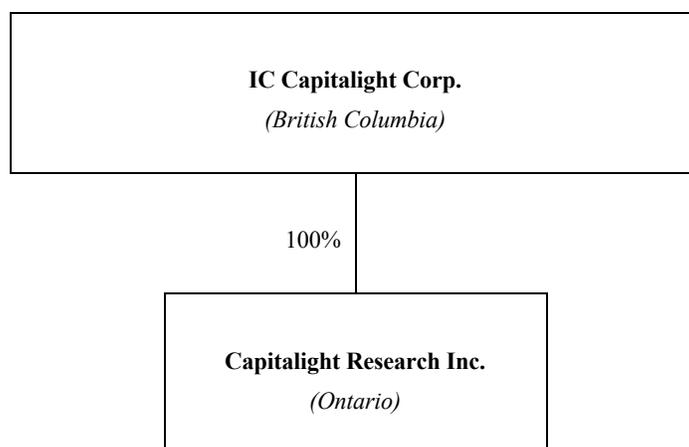
The Company was incorporated under the BCBCA on June 12, 2008 as Rockland Minerals Corp. On January 26, 2017, the Company changed its name to “International Corona Capital Corp.” On October 2, 2019, the Company changed its name to “IC Capitalight Corp.” and completed a consolidation of its Shares on the basis of two pre-consolidation Shares for one post-consolidation Share.

On May 24, 2013 the Board adopted an Advance Notice Policy, which was approved by the shareholders of the company on December 6, 2013. On October 2, 2021, the Company adopted a Shareholders’ Rights Plan, which was approved by the Shareholders of the Company on May 15, 2019.

2.3 Inter-Company Relationships

The Company has one wholly owned subsidiary, Capitalight Research Inc., a private company that was acquired by the Company on October 2, 2019. Capitalight Research was incorporated on January 31, 2017 pursuant to the laws of the Province of Ontario under the name Murenbeeld & Co. Inc. and was renamed as Capitalight Research Inc. on December 28, 2020.

The following diagram represents the organizational structure as of December 31, 2021:



3. General Development of the Business

3.1 General Development of the Business

Since incorporation, the Company operated as a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties in the province of Quebec, Canada. During this time, the Company was primarily focused on the acquisition of interests in, and exploration for, Gold, Copper, Nickel, Platinum group metals and acquired the Blue Lake (f/k/a Retty Lake) Property and the Ashuanipi Property, both of which are located in the Schefferville area of northern Québec.

On October 2, 2019, the Company completed a change of business transaction whereby the company changed its name from International Corona Capital Corp. to IC Capitalight Corp., acquired all the issued and outstanding shares of Capitalight Research Inc. (“Capitalight Research”) and certain fixed income debentures of Stone Investment Group Limited (“Stone Debentures”). Prior to the change of business, the Company was focused only on the exploration and development of mineral projects.

Capitalight is a merchant bank that pursues value-based investment opportunities in accordance with its internal investment policies through a portfolio of companies, securities, and mineral properties. The securities investments consist debentures and common shares. The Company’s business operations include Capitalight Research Inc. (“Capitalight Research”), a wholly

owned subsidiary that publishes proprietary subscription-based research focused on (1) equity technical analysis, (2) gold, silver, and critical metals sectors, and (3) Canadian preferred shares, bonds, and economics. Capitalight Research generates recurring revenues and is expected to generate positive operating cash flows as it achieves profitability. The mineral exploration investments are at the exploration and evaluation stage, consisting of the Blue Lake Cu-Ni-Pt-Pd property near Schefferville, Quebec.

3.2 Significant acquisitions and dispositions

Ashuanipi Gold Project

On November 3, 2020, the Company announced it had acquired an undivided 100% interest in the Schefferville Ashuanipi Gold Property mineral claims by acquiring the remaining 36% of the joint venture. To complete the acquisition, the Company paid Western Troy a consideration of \$25,000 plus 666,666 common shares and 333,333 common share purchase warrants exercisable at \$0.075 per warrant for a period of two years. The common shares were valued at \$26,667 based on a market price of \$0.04 on November 2, 2020 and the warrants were valued using the Black-Scholes valuation model at \$11,963 based on a risk-free rate of 1.66% and a volatility of 250%. The total acquisition cost of \$63,630 was expensed as part of exploration and evaluation expenses.

On February 16, 2021, the Company announced the sale of its Schefferville Ashuanipi Gold Project and related exploration data to Prospector Metals Corp., (“Prospector”). The Company received a total consideration of \$460,000 consisting of \$100,000 in cash, 666,667 shares of Prospector with a fair market value of \$360,000, and a 2.0% net smelter royalty (“NSR”), which can be reduced to 1.0% for a further payment of \$1.0 million in cash.

On February 16, 2022, the Company completed the acquisition of the technical analysis subscription research business of Phases and Cycles Inc. for a cash acquisition price of \$270,000. The transaction involved the acquisition of clients, trademarks, intellectual property, and other related assets of the business.

3.3 Trends, Commitments, Events and Uncertainties

As at the date of this Listing Statement, neither the Company nor Murenbeeld foresees any major events or uncertainties that will affect the Company or Murenbeeld or the financial opportunities available to either entity.

4 Narrative Description of the Business

4.1 General

Capitalight is a merchant bank that pursues value-based investment opportunities in accordance with its internal investment policies through a portfolio of companies, securities, and mineral properties. The securities investments consist debentures and common shares. The Company’s business operations include Capitalight Research Inc. (“Capitalight Research”), a wholly owned subsidiary that publishes proprietary subscription-based research focused on (1) equity technical analysis, (2) gold, silver, and critical metals sectors, and (3) Canadian preferred shares, bonds, and economics. Capitalight Research generates recurring revenues and is expected to generate positive operating cash flows as it achieves profitability. The mineral exploration investments are at the exploration and evaluation stage, consisting of the Blue Lake Cu-Ni-Pt-Pd property near Schefferville, Quebec.

Capitalight Research

Capitalight Research Inc. operates a proprietary subscription research business which is focused on the gold and silver fundamentals, Canadian preferred shares, bonds and economics. Capitalight Research publishes weekly and monthly research under several brands. Customers typically subscribe on an annual basis for several of the research products. Our subscriber base consists primarily of gold and silver mining companies interested in our commodity price forecasts and investment funds and wealth management companies interested in our preferred shares research, bond and economic forecasts. Our clients use our research products to inform their investment decisions, make capital allocation decisions, complete treasury operations and complete business risk assessments.

As of December 31, 2021, Capitalight Research had four employees and several consultants including Dr. Martin Murenbeeld, Tom Brady, and Patricia Mohr.

On February 16, 2022, the Company completed the acquisition of the technical analysis subscription research business of Phases and Cycles Inc. for a cash acquisition price of \$270,000. The transaction involved the acquisition of clients, trademarks, intellectual property, and other related assets of the business.

The following are our subscription research brands:

Murenbeeld Gold Monitor

The internationally distributed Gold Monitor, founded Martin Murenbeeld, has been published weekly for nearly 40 years. The Gold Monitor integrates a quantitative analysis of the bullish and bearish factors driving the price of gold with deep insights drawn from many years of experience monitoring gold markets. The report also features a scenario-based gold price forecast that is updated each quarter. The Gold Monitor assists mining sector companies, investment advisors and individual investors with their investment decisions.

Phases & Cycles

Phases & Cycles, founded by Ron Meisels, has been published daily for over 30 years. The P&C report provides independent short- and long-term oriented technical and behavior analysis of North American securities and indices (S&P 500, S&P 100, DOW, S&P/TSX, and TSE Indices). The report is published over 200 per year and provides critical early warnings and alerts to potential price movements before they even occur. The P&C report assists investment advisors and individual investors with their investment decisions.

Silver Monitor

The Silver Monitor, authored by Dr. Tom Brady and Chantelle Schieven, features a monthly deep dive analysis into the underpinnings of the silver market. The Silver Monitor integrates quantitative analysis of market supply and demand factors driving the price of silver with macroeconomic factors and events. Past topics include interest rates, inflation, government policy, recessions, market volatility and the US dollar movements. The report also features a scenario-based silver price forecast that is updated each quarter. The Silver Monitor assists mining sector companies, investment advisors and individual investors with their investment decisions.

Critical Metals for a Sustainable World

Critical Metals for a Sustainable World, and authored by Patricia M. Mohr, provides quantitative assessments of copper, nickel, lithium and rare earth metals that are critical for the electrification of the global economy. Focusing on copper and nickel market developments, the report features 18-month price forecasts that are updated quarterly. Copper is critical for electrification and e-mobility. Nickel and lithium are critical for high-performance electric vehicle batteries. Rare earths including neodymium, praseodymium and dysprosium are critical for permanent magnets driving electric vehicle motors and wind turbine generators. The Critical Metals report assists mining and renewable energy sector companies, infrastructure stakeholders, investment advisors and individual investors with their investment decisions.

Canadian Preferred Share Research

Canadian Preferred Share Research (“CPSR”), authored by Nick Otton, is published several times per week and provides short- and long-term oriented independent preferred share equity research. The CPSR *Preferred Insights* provides a deep dive analysis into the expected investment returns of preferred shares as compared to their common shares. The report also features a *Buy and Avoid List* and a monthly *Preferred Allocations* report that outlines tactical portfolio weighting opportunities within the Canadian preferred share market as compared with Canadian long-dated bonds, REITs and dividend stocks. A supplemental *Preferred Allocations ETF* report provides insights and commentary on 10 different preferred share ETFs. The CPSR report assists investment advisors and individual investors with their investment decisions.

Economic Monitor

The monthly Economic Monitor is designed to give clients an overview of all aspects of the US and Canadian economies. The report features discussions of trending topics, interest rate and exchange rate forecasts, chart-based deep dives into the current state of the Canadian and US economies, and an analysis of GDP, employment data, inflation, housing market, and monetary policy. The report also features our proprietary equity market valuation models, which are based on the principles of Benjamin Graham “the father of value-investing” where we model the S&P 500 index and TSX Composite index along with the ten GICS sectors for both indices. Subscribers also have access to our web-based interactive dashboards to aid in visualizing and evaluating data. The Economic Monitor assists investment advisors and individual investors with their investment decisions.

Investment Portfolio

As of December 31, 2021, the investment portfolio consisted of:

- 3,032 debentures issued by Stone Investment Group Limited (“Stone”). Each debenture has a \$1,000 face value and 7.5% coupon paid quarterly in cash resulting in a total face value of \$3,032,000. The fair value was estimated at \$2,425,602 using a Level 2 fair value hierarchy that established a price of \$800 per debenture. On December 28, 2021, Stone defaulted on the debenture maturity but completed the coupon payment that was due on January 15, 2022, and April 15, 2022.
- 112,810 common shares of Stone. The fair value was estimated at \$nil.
- 409,333 common shares of Prospector Metals Corp., which reflects a 1:3 share consolidation that was completed on April 6, 2022. The fair market value was estimated at \$442,294.

Debentures

The Company holds 3,032 debentures issued by Stone Investment Group Limited (“Stone”) representing 25.3% of the total outstanding Stone debentures. Amendments to the debenture indenture agreement require approval by 66.66% of the holders. In anticipation of a potential default and extension of the maturity of the Stone debentures, the Company was pursuing the acquisition of at least 33.3% of the outstanding debentures of Stone. On December 23, 2021, the Company secured a non-revolving \$5,250,000 standby credit facility bearing an interest rate of 12.75% per annum that will be used to support at offer for all outstanding Stone debentures. On December 28, 2021, Stone defaulted on the debenture maturity but completed the coupon payments that were due on January 15, 2022 and April 15, 2022. In January 2022, the Company obtained a Superior Court order and began negotiations with Stone to restructure the debentures and is pursuing maturity of the debentures at face value plus all accrued deferred interest, and/or the restructuring of the debentures resulting in the acquisition of an equity position in Stone. On April 7, 2022, Stone announced it entered into an agreement with Starlight Investment Capital LP (“Starlight”) whereby Starlight will acquire Stone and will pay, pursuant to the terms and conditions of the trust indenture governing the debentures, the principal amount of \$1,000 per debenture, plus accrued and unpaid interest thereon, including any additional interest, to complete the repayment of the debentures. Stone shareholder approval is required and is expected to occur in June 2022.

Stone is a private wealth management company that operates a 25-year-old mutual fund business with \$715 million of assets under management (“AUM”). Stone initially issued 12,000 senior secured debenture units on December 28, 2006 due on December 28, 2011 earning 9% interest per annum paid in cash on a quarterly basis and additional deferred interest of 0.25% per annum per \$35 million of AUM that will be paid in cash at maturity. The holders subsequently voted to modify the interest rate, additional deferred interest terms and extend the maturity until December 28, 2016. The holders subsequently voted to extend maturity until December 28, 2021. The debentures currently pay 7.5% interest per annum, payable in cash on a quarterly basis, and have been earning additional interest since December 31, 2007, which is estimated at approximately 27% of the principal, and is payable in cash at maturity. The warrants were exercisable at a price of 0.68 per common share until maturity of the debentures and were subject to a minimum company repurchase obligation of \$0.05 per warrant at maturity of the debentures on December 28, 2021. Prior to December 28, 2021, the units were dissolved, and the warrants were repurchased by Stone at \$0.05 per warrant.

Mineral Properties

For a description of the mineral properties, see Item 4.3 - Companies with Mineral Projects.

4.2 Business Objectives and Milestones

During the next 12 months, the Company will focus on the following:

- Grow the subscriber-base of Capitalight Research to achieve profitability in 2022.
- Realize value from the investment in Stone Investment Group Limited (“Stone”) debentures by pursuing maturity of the debentures at face value plus all accrued deferred interest.
- Realize value from the investment in equities.
- Realize value from the investment in mineral assets.

Capitalight Research

We intend to increase sales and marketing activities, which may involve additional sales and marketing staff and costs.

We may open new research publications to expand our customer segments. New research publications may require additional staff. If so, such staff would require competitive compensation in the labour market for investment analysis and writing. Such amounts are currently unknown.

Mineral Assets

Determine the appropriate course of action for the Blue Lake mineral project, which could include carrying out exploration activities on the Company. Carrying out exploration activities on the Blue Lake mineral project will require the engagement of exploration consultants. The costs of a comprehensive exploration program have not been estimated.

Investments

On April 7, 2022, Stone announced it entered into an agreement with Starlight Investment Capital LP (“Starlight”) whereby Starlight will acquire Stone and will pay, pursuant to the terms and conditions of the trust indenture governing the debentures, the principal amount of \$1,000 per debenture, plus accrued and unpaid interest thereon, including any additional interest, to complete the repayment of the debentures. Stone shareholder approval is required and is expected to occur in June 2022. The net proceeds from a repayment of the debentures is estimated at approximately \$3.8 million.

Working Capital

As of December 31, 2021, the Company had a working capital deficiency of \$885,514 (December 31, 2020: deficiency of \$705,922). Although the Company has a negative working capital position, the Company believes it can satisfy short-term obligations as they come due by generating cash from operations and the investment portfolio.

	December 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 422,719	\$ 76,176
Accounts receivable	10,630	13,389
Amounts receivable	50,067	42,525
Debenture interest receivable	57,317	48,731
Prepaid expenses	18,669	22,630
Total current assets	559,402	203,451
Current liabilities:		
Accounts payable and accrued liabilities	624,255	453,181
Short-term debt	282,342	-
Deferred flow-through obligation	45,941	21,500
Deferred revenue	162,378	134,692
Deferred obligation	330,000	300,000
Total current liabilities	1,444,916	909,373
Working capital (deficit) surplus	\$ (885,514)	\$ (705,922)

Should unexpected financial circumstances arise, the Company may choose to raise additional capital by issuing new equity, obtaining working capital loans, or construction financing. While the Company has been successful in obtaining funding in the past, there is no assurance that future financings will be available on terms acceptable to the Company. Based on management’s assessment of its past ability to obtain required funding, the Company believes it will be able to satisfy its current and long-term obligations as they come due.

Use of Available Funds

As of December 31, 2021, the Company had cash of \$422,719. The net proceeds from a repayment of the debentures is estimated at approximately \$3.8 million. As such, the Company believes its available funds will be sufficient to satisfy the estimated use of available funds set out below. The amounts shown in the table are estimates only and are based on the information available to the Company as of the date hereof.

	Estimated Amount
General and admin ⁽¹⁾	500,000
Repayment of credit facility	760,705
Exploration expenditures (Blue Lake)	200,000
Settlement of deferred flow through obligation	\$ 45,941
Settlement of deferred obligation	\$ 330,000
Total Use of Funds	\$ 1,836,691

(1) Funding of ongoing general and corporate expenses of the Company and its subsidiaries.

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

Principal Products and Services

The principal products and services of Capitalight Research are proprietary research publications regarding the mining industry, gold prices, silver prices, investments, and the North American economy. Distribution of such research is primarily digital distribution of PDFs and other content. The Company also earns fees from presentations at conferences and other events. Customers include mining companies, asset management entities and non-government organizations. The sale of such services represents substantially all of the Company revenues. Revenues are billed monthly, quarterly, and annually. It is expected that sustained rising commodity prices will support increased subscription revenues over time.

Operations

Capitalight retains highly experienced employees and consultants to produce and distribute all the services and products of the Company. Production involves digital rather than physical assets. Management and research staff typically work from their personal residences in Toronto, Montreal, Vancouver, Calgary, Denver and other locations. All communication and collaboration are through internet. Inputs to production include various software, proprietary databases and digital subscriptions and licenses. Specialized skills include staff who have been analysing commodity prices and trends for over four decades.

Market

Capitalight Research sells its products and service globally within the English-speaking world. Most revenues come from Canadian and American subscribers. Murenbeeld does not rely on any website-based or embedded advertising nor does it make specific stock recommendations or provide investment banking services. The business model is unique within the North American research marketplace but is similar to business models in the European Union.

Marketing Plans and Strategies

Capitalight Research products are marketed mining and renewable energy sector companies, infrastructure stakeholders, investment advisors and individual investors. Marketing to these entities is through direct sales and marketing and digital marketing methods. Pricing positioning is of a premium value-based product. The largest components to sales and marketing expenses are commissions and travel costs.

Competitive Conditions

The investment industry is global in nature and is highly competitive with a number of established firms. The Company is competing with large investment banks and investment funds that offer their own research products, and from small independent providers of subscription-based research. Some of the Company's competitors are expected to be substantially larger and have considerably greater financial resources than the Company. Competitors may have a lower cost of funds and many may be subsidized by other lines of business that are not available to the Company.

For the Company's mineral assets, the mineral exploration and mining industry is very competitive, and the Company will be required to compete for the acquisition of mineral permits, claims, leases and other mineral interests for exploration and development projects. The Company will compete with many companies that have greater financial resources and technical facilities than itself. Significant competition exists for the limited number of mineral acquisition opportunities available in the Company's sphere of exploration operations. As a result of this competition, the Company's ability to acquire additional attractive mining properties on terms it considers acceptable may be adversely affected and will depend on its current capital and/or ability to obtain additional financing to fund further exploration activities.

Business Cycles

The Company's subscription-based research products and services are not expected to be cyclical or seasonal due to recurring subscription business model. In contracts, the mineral exploration business is highly cyclical based on the movement of commodity prices and investor sentiment in the sector. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles.

Employees and Consultants

As of December 31, 2021, the Company had four employees and several consultants in addition to the Board of Directors, President & Chief Executive Officer and Chief Financial Officer. Certain professional, administrative and geological services are provided to the Company by independent consultants, including corporations and/or individuals who may be officers or directors of Capitalight.

4.2 Asset Backed Securities

The Company does not have any asset backed securities.

4.3 Companies with Mineral Projects

Blue Lake Property (Cu-Ni-Pt-Pd)

On June 30, 2008, the Company entered into an option agreement to earn a 100% interest in the Blue Lake (formerly known as the Retty Lake Property) copper-nickel-PGM exploration property, which is located northeast of Schefferville, Quebec.

On February 12, 2013, the Company completed the earn-in by issuing 1,800,000 common shares and by incurring exploration expenditures on the property totaling \$1,855,000. This included a 2,377-line km VTEM and a 1,767-line km ProspecTEM airborne survey, which showed anomalous EM responses in the region of the historic Blue Lake mineral deposit (this historic deposit is hosted on claims not held by the Company). In 2014, the Company staked the Blue Lake South property, which is southeast of the historic Blue Lake mineral deposit. The Blue Lake South claims were staked after obtaining VTEM airborne and Pt-Pd sampling data from Anglo American Exploration (Canada).

The Blue Lake Property claims are subject to a 3% net smelter return royalty (“NSR”) from the sale of mineral products from the Blue Lake Property following the commencement of commercial production less allowable deductions. The NSR is subject to a buy-back right of the Company to repurchase the NSR for \$3,000,000 and in the event the holder intends to sell all or part of the NSR, the Company has the right to require the holder to sell all or part of the NSR to the Company (the “NSR ROFR”) on the terms and conditions set out in a notice which will be open for acceptance by the Company for a period of 30 days from receipt of the notice.

During the year ended December 31, 2017, the Company elected to write-down the carried value of the property to \$1 and most of the Blue Lake South claims were allowed to lapse.

On July 21, 2020, the Company announced it staked 194 high priority claims in the Blue Lake South area and renamed all of the claims as the Blue Lake Property.

As of December 31, 2021, the Blue Lake Property consisted of 263 claims covering 12,724 hectares. The Company controls a 35km long by 3 to 5km wide group of contiguous claims on one of the most under explored and prospective Pt-Pd-Cu-Ni belts in Canada. Based on a review of all of the survey data, the Company has identified more than 30 anomalous EM targets for follow-up. The Company will announce its plans for the property once they are finalized.

5. Selected Consolidated Financial Information

5.1 Annual Information

The following is selected information for the three most recently completed financial years:

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
	\$	\$	\$
Revenues	399,448	296,537	81,330
Net income (loss) and comprehensive income (loss)	165,549	(611,625)	(849,146)
Basic income (loss) per share	0.00	(0.01)	(0.02)
Diluted income (loss) per share	0.00	(0.01)	(0.02)
Working capital balance	(885,514)	(705,922)	176,253

5.2 Quarterly Information

The following is selected quarterly information for the eight most recently completed quarters:

	Quarter Ended			
	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2020
	\$	\$	\$	\$
Revenues	91,561	102,733	97,621	107,533

Net income (loss) and comprehensive income (loss)	(525,327)	9,638	192,350	488,888
Basic income (loss) per share	(0.01)	0.00	0.00	0.01
Diluted income (loss) per share	(0.01)	0.00	0.00	0.01
Working capital balance	(885,514)	(359,297)	(444,087)	(352,716)

	Quarter Ended			
	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
	\$	\$	\$	\$
Revenues	60,526	86,961	63,653	85,397
Net income (loss) and comprehensive income (loss)	(341,048)	(59,066)	(134,873)	(76,639)
Basic income (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
Diluted income (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
Working capital balance	(705,922)	(227,527)	(40,330)	147,401

5.3 Dividends

The Issuer has not paid any dividends.

6. Management's Discussion and Analysis

See Schedule "A"

7. Market for Securities

The Company completed an initial public offering on June 28, 2010 and began trading on the TSX Venture Exchange (the "TSXV"). On October 3, 2019, the Company transferred the listing of its shares to the Canadian Securities Exchange (the "Exchange") under the symbol "IC".

8. Consolidated Capitalization

As of December 31, 2021, the Company had the following outstanding securities:

	December 31, 2021	December 31, 2020
Common shares	90,419,146	86,247,436
Warrants	1,333,333	333,333
Stock options	4,200,000	2,700,000
Restricted Share Units (RSUs)	1,769,232	0
Fully Diluted Common Shares	97,721,711	89,280,769

As of December 31, 2021, the Company had 1,333,333 common share purchase warrants issued and outstanding (December 31, 2020: 333,333) with a weighted average expiration of 3.95 years (December 31, 2020: 1.84) which are exercisable into 1,333,333 common shares (December 31, 2020: 333,333) at a weighted average exercise price of \$0.079 (December 31, 2020: \$0.075).

As of December 31, 2021, the Company had 4,200,000 stock options issued and outstanding (December 31, 2020: 2,700,000) with a weighted average expiration of 3.47 years (December 31, 2020: 4.07 years) which are exercisable into 4,200,000 common shares (December 31, 2020: 2,700,000) at a weighted average exercise price of \$0.055 (December 31, 2020: \$0.05). All stock options that are outstanding vested on their grant date.

As of December 31, 2021, the Company had 1,769,232 RSUs issued and outstanding (December 31, 2021: Nil) with a weighted average expiration of 2.26 years (December 31, 2020: nil) which entitle the holders to receive 1,769,232 common shares (December 31, 2020: nil) for no additional consideration subject to satisfying the vesting conditions.

On February 18, 2022, the Company completed a second drawdown from the credit facility totaling \$278,640 resulting in the granting of 306,504 common share purchase warrants exercisable at \$0.07 per share for a period of five years.

9. Options to Purchase Securities

The following is a schedule of the outstanding stock options as of May 2, 2022:

Held By	Grant Date	Expiration Date	Exercise Price	Total
Executive Officers and Directors	January 24, 2020	January 24, 2025	\$ 0.05	2,200,000
Employees of subsidiaries	January 24, 2020	January 24, 2025	\$ 0.05	500,000
Executive Officers and Directors	February 12, 2021	February 12, 2026	\$ 0.065	900,000
Employees of subsidiaries	February 12, 2021	February 12, 2026	\$ 0.065	600,000
Totals	Totals			4,200,000

The following is a schedule of the outstanding restricted share units as of May 2, 2022:

Held By	Grant Date	Expiration Date	Exercise Price	Total
Employees of subsidiaries (vested)	February 12, 2021	December 31, 2023	\$Nil	1,307,692
Consultants of subsidiaries (unvested)	February 12, 2021	December 31, 2024	\$Nil	461,540
Totals	Totals			1,769,232

10. Description of the Securities

10.1 General

The Company's common shares have no par value, and the authorized share capital is composed of an unlimited number of common shares.

The holders of Shares are entitled to dividends, if, as and when declared by the Board, entitled to one vote per Share at meetings of the Shareholders and, upon liquidation, dissolution or winding-up of the Company entitled, subject to the prior rights of any class of preferred shares from time to time having priority over the Shares, to share rateably in such assets of the Company as are distributable to the holders of Shares.

All of the Shares rank equally as to voting rights, participation in assets and in all other respects. None of the Shares are subject to any call or assessment nor pre-emptive or conversion rights. There are no provisions attached to the Shares for redemption, purchase for cancellation, surrender or sinking or purchase funds.

10.2 Debt securities

Not applicable.

10.7 Prior Sales

Date	Description	Issue Price	Issued Shares
February 12, 2021	Shares for Debt Settlement with employees and officers	\$ 0.055	3,402,479
October 22, 2021	Conversion of RSUs by consultant	N/A	769,231

10.8 Stock Exchange Price:

Period	High	Low	Volume
April 2022	\$0.080	\$0.060	75,000
March 2022	\$0.085	\$0.070	48,000
February 2022	\$0.080	\$0.070	48,461
January 2022	\$0.090	\$0.080	120,000
Q4 2021	\$0.095	\$0.050	584,000
Q3 2021	\$0.060	\$0.050	887,050
Q2 2021	\$0.075	\$0.050	887,800

Q1 2021	\$0.07	\$0.050	325,333
Q4 2020	\$0.100	\$0.040	1,709,339
Q3 2020	\$0.070	\$0.030	1,752,314
Q2 2020	\$0.050	\$0.010	166,000
Q1 2020	\$0.060	\$0.005	724,500
Q4 2019	\$0.07	\$0.02	464,953
Q3 2019	N/A	N/A	No trades (halted)
Q2 2019	N/A	N/A	No trades (halted)

11. Escrowed Securities

11.1 Escrowed Shares

As of April 30, 2021, the following shares are subject to escrow agreements relating to the change of business transaction completed on October 2, 2019:

Designation of class held in escrow	Number of shares held in escrow	Percentage of class
Bluespring Investment Strategies Inc., Toronto, ON	4,906,000	5.4%

All of the foregoing Shares are subject to escrow pursuant to NP 46-201, pursuant to the terms of an escrow agreement dated October 2, 2019. The escrowed Shares will be released from escrow in accordance with NP 46-201 as follows:

Date of Release	%	Number of Shares to be Released
October 2, 2022	100%	4,906,000
Total:	100%	4,906,000

12. Principal Shareholders

12.1 Principal Shareholders

No Person is anticipated to own, of record or beneficially, directly or indirectly, or to exercise control or direction over, more than 10% of any class of voting securities of the Company other than the following:

Name of Securityholder	Number of Shares	Percentage of the Issued and Outstanding Shares
Brian Bosse ⁽²⁾	35,466,959	39.2% ⁽¹⁾

(1) Based on 90,419,146 shares outstanding.

(2) Includes shares owned through Bluespring Investment Strategies Inc.

13. Directors and Officers

13.1 to 13.3 Directors and Officers

The following table sets the name, residence and principal occupation of each director and executive officer of the Company. In addition, the table shows the date on which each individual first became a director and/or officer and the number of Shares of the Company that each individual beneficially owns, or exercises control or direction over, directly or indirectly, as of the date of this Listing Statement. The information as to Shares owned beneficially, not being within the knowledge of the Company, has been forwarded by the directors and officers individually.

		Company	Principal	Director	# of Voting Securities Beneficially Owned, or Controlled or Directed,

Name	Age	Position	Occupation ⁽³⁾	Since	Directly or Indirectly ⁽³⁾
Brian Bosse ⁽¹⁾ Toronto, ON	48	CEO and Director	CEO and director of Capitalight	January 2017	35,466,959 (39.2%)
Marc Johnson ⁽¹⁾ Toronto, ON	45	CFO and Director	CFO and director of Capitalight, CFO of NextSource Materials Inc.	November 2018	728,129 (0.8%)
Bryan Loree ⁽²⁾ Burnaby, BC	45	Director	CFO and director of Cannabix Technologies Inc., CFO of KABN Systems NA Holdings Corp., and CFO of TGS Esports Inc.	June 2008	2,541,350 (2.8%)
Douglas R. MacQuarrie ⁽²⁾ Whistler, BC	68	Director	CEO and director of Asante Gold Corporation, and President of MIA Investments Ltd.	April 2016	4,876,000 ⁽⁴⁾ (5.4%)
Veronika Hirsch ⁽²⁾ Calgary, AB	67	Director	Investor	May 2019	Nil (0.0%)
Elliot Beutel ⁽²⁾ Toronto, ON	32	Director	Analyst and junior portfolio manager at Oakwest Corporation Ltd.	June 2021	Nil (0.0%)

(1) Brian Bosse and Marc Johnson are non-independent directors as they are executive officers of the Company.

(2) Bryan Loree, Douglas R. MacQuarrie and Veronika Hirsch are independent directors of the Company.

(3) The information as to principal occupation and voting securities (defined as securities that, by their terms, provide the securityholders with a presently exercisable right to vote for the election of directors) beneficially owned or controlled or directed, directly or not directly, not being within the knowledge of the Company, has been furnished by the respective nominees. The number of voting securities exclude stock options held by the Directors.

(4) Of these shares 3,667,000 are held indirectly in the name of MIA Investments Ltd., a private company wholly owned by the MacQuarrie Family Trust and 200,000 are held indirectly in the name of Roberta MacQuarrie.

The directors and officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 40,082,184 Shares, representing approximately 47.7% of the Company's issued and outstanding Shares.

13.4 Board Committees

Audit Committee

National Instrument 52-110 – *Audit Committees* (“NI 52-110”) requires that certain information regarding the Audit Committee be included in the management Circular sent to shareholders in connection with the issuer's annual meeting.

The Audit Committee is responsible for the oversight and for recommending the appointment, compensation, retention, termination of an independent external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Company has not yet adopted any specific policies or procedures regarding the engagement of non-audit services but does review such matters as they arise in light of factors such as the Company's current needs and the availability of services.

The Audit Committee consists of Bryan Loree (Chair), Douglas R. MacQuarrie and Veronika Hirsch. All members are independent and “financially literate” as per the standards of National Instrument 52-110. During the year ending December 2020, the Audit Committee met four (4) times in person or by telephone. All Audit Committee members attended all four meetings.

Investment Committee

The Company established the Investment Committee in order to monitor its investment portfolio on an ongoing basis and to review the status of its investments. The Investment Committee is subject to the direction of the CEO, and consists of Brian Bosse, Marc Johnson and Veronika Hirsch.

The Investment Committee is responsible for overseeing the Company’s investment activities and strategies. To accomplish this, the Investment Committee is charged with:

- Reviewing proposed investment opportunities formally submitted to the Investment Committee for consideration to ensure each presented investment opportunity meets the Company’s investment criteria, including the its’ investment policy;
- Assisting and advising on the terms of any investment;
- Reviewing and recommending funding for the Company’s investment opportunities;
- Overseeing the due diligence process for each propose investment opportunity;
- Identifying and managing potential conflicts of interest;
- Making recommendations to the Board; and
- Reviewing the performance and outlook of the Company’s portfolio of investments.

All of the Investment Committee members are financially literate. As currently structured, the Investment Committee includes directors and/or officers of the Company, but the Company may also utilize, or appoint to the Investment Committee, qualified independent financial or technical consultants approved by the CEO to assist the Investment Committee in making its investment decisions. One member of the Investment Committee may be designated and authorized to handle the day-to-day trading decisions in keeping with the directions of the Board and the Investment Committee.

13.5 Other Directorships

The following directors of the Company are presently directors of the following other issuers that are reporting issuers, or the equivalent, in a Canadian or foreign jurisdiction:

Director	Name of Reporting Issuer	Exchange	Position
Brian Bosse	ZEN Graphene Solutions Ltd	TSXV	Director
Douglas R. MacQuarrie	Asante Gold Corporation	CSE	Director
Bryan Loree	Cannabix Technologies Inc.	CSE	Director

Note: “TSX-V” = TSX Venture Exchange, and “CSE” = Canadian Securities Exchange

13.7 to 13.9 Penalties, sanctions, and bankruptcy

To the best of the Company’s knowledge:

- No director of the Company is, or within 10 years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any company that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued while the proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued after the proposed director 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.
- No director: (a) is at the date hereof, or has been with 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that 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 (b) has, or within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 proposed director.
- No director of the Company has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a

Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

13.10 Conflicts of Interest

To the best of our knowledge, and other than as disclosed in this Circular, there are no known existing or potential conflicts of interest between the Company and any of the directors or officers.

13.11 Management

Brian Bosse – CEO and Director

Brian Bosse has served as CEO of the Company since March 15, 2018. Mr. Bosse is an investment professional with two decades of experience in commodities, as well as both private and public equity. Mr. Bosse has served as a business turnaround specialist for several Canadian investment firms. Commencing with Byron Securities and concluding with Société Générale, he spent a decade restructuring equity sales and trading departments, as well as proprietary investment divisions. Mr. Bosse has a Bachelor of Arts in Economics (Honours) from Wilfrid Laurier University's School of Business and Economics. He became a CFA charter holder in 2001.

Marc Johnson – CFO and Director

Mr. Johnson is a senior executive with over 23 years of experience in accounting, corporate finance and investment banking across the natural resource and technology sectors. Mr. Johnson was appointed as Chief Financial Officer (CFO) of the Company in April 2019. He is also the CFO of NextSource Materials Inc.. He was previously the CFO of Andean Drilling Services Inc., Red Pine Exploration Inc. and of Honey Badger Exploration Inc. Prior to this, he was VP Corporate Development at Orbite Technologies Inc., Equity Research Mining Analyst at M Partners, Investment Banking at Toll Cross Securities Inc., Accounting Manager at Teleglobe Inc., Risk Management Financial Analyst at Bell Canada and Network Cost Control Analyst at Fonorola Inc. Mr. Johnson holds the Chartered Professional Accountant (CPA) designation and the Chartered Financial Analyst (CFA) designation. He also holds a Bachelor of Commerce (Finance) from the John Molson School of Business at Concordia University in Montreal.

Douglas R. MacQuarrie - Director

Douglas R. MacQuarrie is a consulting geologist/geophysicist specializing in gold exploration in West Africa. Most notably, Mr. MacQuarrie is responsible for acquisition and or discovery of significant gold deposits in Canada and in Ghana including, as former CEO of PMI Gold Corporation, the development of the 5Moz Obotan gold deposit in Ghana (now the Galiano-Goldfields Nkran mine). Mr. MacQuarrie is also President and CEO of Asante Gold Corporation, and Managing Director of Goknet Mining Company Ltd. Mr. MacQuarrie received a combined Honours degree in Geology and Geophysics from the University of British Columbia in 1975.

Bryan Loree - Director

Bryan Loree was previously the CFO of the Company from June 2008 to April 2019. Mr. Loree is the CFO of TGS Esports Inc., an Esports company listed on the TSXV., and as CFO and director of Cannabix Technologies Inc., a technology company listed on the CSE. Mr. Loree also served as CFO of KABN Systems NA Holdings Corp., an industrial company listed on the CSE, as CFO and director of Isodiol International Inc., a company listed on the CSE, and served as CFO of Canadian Mining Corp., listed on the TSXV. Mr. Loree has held various senior accounting roles for public and private companies in various industries including, renewable energy, exploration, and construction. Mr. Loree holds a Chartered Professional Accountant, CMA designation, a Financial Management Diploma from the British Columbia Institute of Technology, and a Bachelor of Arts from Simon Fraser University.

Veronika Hirsch - Director

Veronika Hirsch is currently Portfolio Manager with Arrow Capital Management Inc. (expected to retire later in 2021). Ms Hirsch was a co-founder of Integrated Asset Management Corp., and served as Vice President and Portfolio Manager at AGF Management Limited and Fidelity Investments Inc. Ms. Hirsch is a highly regarded Canadian equity manager with over 25 years' experience. Ms. Hirsch holds a Bachelor of Commerce degree from McGill University and is a fellow of the Life Management Institute.

Elliot Beutel – Director

Mr. Beutel started his career working in mortgage underwriting for a Canadian bank before attending the University of Toronto's Rotman school of Management where he received his MBA in 2018. Since then he has been working at Oakwest Corporation, a value oriented family office as an analyst and junior portfolio manager. Mr. Beutel holds a BA from Queens University.

14. Capitalization

14.1 Issued Capital

The following tables provide information about our capitalization as of the date of this Listing Statement:

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total Outstanding (A)	90,419,146	97,721,711	100.0%	100.0%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	43,612,438	46,712,438	48.2%	47.0%
Total Public Float (A-B)	46,806,708	51,009,273	51.8%	52.2%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in shareholder agreement and securities held by control block holders (C)	0	0	N/A	N/A
Total Tradeable Float (A-C)	46,806,708	51,009,273	51.8%	52.2%

(1) Figures are reported to the best of the knowledge of management of the Company.

Non-Public Securityholders (Registered)

The following table sets forth information regarding the number of registered "non-public securityholders" of the Company, being persons enumerated in section (B) of the issued capital chart:

Class of Security: Shares

Size of Holding	Number of Holders	Total Number of Securities
1-99 securities	-	-
100-499 securities	-	-
500-999 securities	-	-
1,000-1,999 securities	-	-
2,000-2,999 securities	-	-
3,000-3,999 securities	-	-
4,000-4,999 securities	-	-
5,000 or more securities	6	43,612,438
Total:	6	43,612,438

Public Securityholders (Registered)

The following table sets forth information regarding the number of registered "public securityholders" of the Company, being persons other than persons enumerated in section (B) of the Issued Capital table above:

Class of Security: Shares

Size of Holding	Number of Holders	Total Number of Securities
-----------------	-------------------	----------------------------

1-99 securities	-	-
100-499 securities	-	-
500-999 securities	-	-
1,000-1,999 securities	-	-
2,000-2,999 securities	-	-
3,000-3,999 securities	-	-
4,000-4,999 securities	-	-
5,000 or more securities	11	41,900,707
Total:	11	41,900,707

Public Securityholders (Beneficial)

The following table sets forth information regarding the number of beneficial “public securityholders” of the Company, being persons other than persons enumerated in section (B) of the Issued Capital table above who either: (i) hold securities in their own name as registered shareholders; or (ii) hold securities through an intermediary where the Company has been given written confirmation of shareholdings:

Class of Security: Shares

Size of Holding	Number of Holders	Total Number of Securities
1-99 securities	2	55
100-499 securities	11	2,119
500-999 securities	6	3,572
1,000-1,999 securities	16	21,500
2,000-2,999 securities	12	30,122
3,000-3,999 securities	3	10,444
4,000-4,999 securities	4	17,225
5,000 or more securities	135	22,046,835
Total:	129	16,689,630

14.2 Convertible Securities

As of the date of this Listing Statement, the Company does not have any outstanding securities convertible into Shares.

14.3 Other Listed Securities

The Company has no other listed securities reserved for issuance that are not included in section 14.2.

15. Executive Compensation

15.1 Statement of Executive Compensation

Under National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and in accordance with Form 51-102F6 – *Statement of Executive Compensation*, requires the disclosure of certain financial and other information relating to the compensation of the Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”) and the three most highly compensated executive officer, other than the CEO and CFO, who was serving as an executive officer at the end of financial year ended December 31, 2021 and whose total compensation exceeded CAD\$150,000, for that financial year (collectively, “**NEO**” or the “**Named Executive Officers**”) and of the directors of the Company.

As of the year-ended December 31, 2021, the Company had two individuals that qualified as NEOs: Brian Bosse, President and CEO, and Marc Johnson, CFO. The independent directors of the Company are Douglas R. MacQuarrie, Bryan Loree, Veronika Hirsch, and Elliot Beutel.

Compensation of Named Executive Officers

The Company does not have a Compensation or Nominating Committee at the present time. All tasks related to developing and monitoring the Company’s approach to the compensation of officers of the Company and to developing and monitoring the Company’s approach to the nomination of directors to the Board are performed by the members of the Board. The compensation of the NEOs and the Company’s employees is reviewed, recommended, and approved by the independent directors of the Company.

The objectives of the compensation program is to balance the need to offer competitive compensation compared to industry standards in order to attract and retain high-calibre executives against the need to provide compensation programs that are fair and reasonable from the perspective of shareholders.

The basic elements of the compensation program are base compensation, annual incentive bonuses and long-term Option incentives. If the Omnibus Plan Resolution is approved by Shareholders at the Meeting, the compensation program will also include other long-term security-based Awards.

Base Salary, Consulting Fees, Retainer or Commission

On an individual basis, base salaries, consulting fees, retainers and commissions are reviewed for each executive officer, including the CEO and CFO, and where it is deemed necessary, changes are made. In order to ensure that base compensation are competitive relative to other similar positions within the investment industry in Canada, surveys of such compensation may be examined. Other considerations taken into account when examining base compensation include years of experience, the potential contribution which the individual can make to the success of the Company and the level of responsibility and authority inherent in the job and the importance of maintaining internal equity within the organization.

Annual Incentives

The Board may recommend bonuses be paid to executive officers of the Company when their performance warrants additional consideration. There is currently no annual bonus plan, and no compensation is directly tied to performance criteria.

Security-Based Incentives

Options to purchase the Shares of the Company encourage executive officers to own and hold the Company's Shares and are a method of linking the performance of the Company and the appreciation of share value to the compensation of the executive officer. When determining the number of Options granted to an executive officer, items such as the relative position of the individual officer, the contribution made by that officer during the review period and the number of Options granted previously would be taken into consideration. Options are presently awarded pursuant to the Existing Option Plan. If the Omnibus Plan Resolution is approved by Shareholders at the Meeting, the compensation program will also include other long-term security-based Awards.

Perquisites

Perquisites such as health benefits and other usual perquisites may be provided for executives in accordance with local practices in order.

Employment, Consulting and Management Agreements

The following are the material terms of each agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the company or any of its subsidiaries that were performed by a director, NEO or was performed by any other party but are services typically provided by a director or NEO.

- Brian Bosse: The Company signed an multi-year consulting agreement with Brian Bosse on October 2, 2019 through his consulting company, BlueSpring Investment Strategies Inc. ("BlueSpring"). As part of the agreement, as of January 1, 2020, BlueSpring is entitled to receive an annual base consulting fee of \$150,000 plus additional annual equity compensation of \$150,000. BlueSpring waived \$150,000 from its 2021 annual equity compensation.
- Marc Johnson: The Company has not signed a long-term consulting or employment agreement with Marc Johnson. His consulting company, MDJ Capital Inc., is entitled to receive a base consulting fee of \$5,000 per month plus additional hourly amounts based on hours billed to the Company.

Termination And Change of Control Benefits

The following are the material termination and change of control benefits payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director, NEO or was performed by any other party but are services typically provided by a director or NEO.

- The Company has a consulting agreement with Brian Bosse, who receives a base annual compensation of \$12,500 per month plus additional equity compensation of \$12,500. His contract has a 12-month pay in lieu of termination notice, which increases by 1 month for each year of service as measured from March 2018. The termination notice period is tripled if the termination notice occurs during or following a change of control the Company.

The following table provides details regarding the estimated incremental payments from the Company to each of the NEOs upon termination in connection with a change of control in accordance with the above provisions, or upon termination without cause, assuming a triggering event occurs on December 31, 2019.

Name and Principal Position	Severance Period Without / With Change of Control (# of months)	Base Salary per Month (\$)	Termination Pay Without Change of Control (\$)	Termination Pay with Change of Control (\$)
Brian Bosse, CEO, President and Director	15 months (45 months)	12,500 ^(A)	187,500	562,500

(A) Brian Bosse receives through BlueSpring an annual base consulting fee of \$150,000 plus \$150,000 of additional equity compensation. BlueSpring waived \$150,000 of the annual compensation for 2021.

Compensation of Directors

The directors of the Company currently do not receive cash payments for their services. However, such individuals are eligible to receive security-based compensation pursuant to the Omnibus LTIP Plan.

Summary Compensation Table

The following table is a summary of the compensation paid, directly or indirectly, to the Named Executive Officers and directors of the Company for the two most recently completed financial years:

COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Fiscal Year	Salary, Consulting Fees, Retainer or Commission (\$)	Bonus (\$)	Director Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Brian Bosse, CEO, President and Director ^(A)	2021	150,000	Nil	Nil	Nil	Nil	150,000
	2020	150,000	Nil	Nil	Nil	36,751	186,571
Marc Johnson, CFO and Director ^(B)	2021	73,200	Nil	Nil	Nil	Nil	73,200
	2020	71,870	Nil	Nil	Nil	Nil	71,870
Bryan Loree, Director ^(C)	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Douglas R. MacQuarrie, Director ^(D)	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Veronika Hirsch, Director ^(E)	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Elliot Beutel, Director ^(F)	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil

(A) Brian Bosse became the Chief Executive Officer on March 15, 2018, and a Director on January 5, 2017.

(B) Marc Johnson became the Chief Financial Officer on April 5, 2019, and a Director on November 13, 2018.

(C) Bryan Loree became a Director on June 12, 2008.

(D) Douglas R. MacQuarrie became a Director on April 13, 2016.

(E) Veronika Hirsch became a Director on May 15, 2019.

(F) Elliot Beutel became a Director on June 23, 2021.

Options and Other Compensation Securities

During the financial year ended December 31, 2021, the following compensation securities were granted or issued to the directors and Named Executive Officers by the Company:

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities, and percentage of class (#)	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at year end (\$)	Expiry Date
Brian Bosse, CEO, President and Director ^(A)	Stock Option	100,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026
Marc Johnson, CFO and Director ^(B)	Stock Option	200,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026
Bryan Loree, Director ^(C)	Stock Option	200,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026
Douglas R. MacQuarrie, Director ^(D)	Stock Option	200,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026
Veronika Hirsch, Director ^(E)	Stock Option	200,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026

Exercise of Options and Other Compensation Securities

During the financial year ended December 31, 2021, the following compensation securities were exercised by the directors and Named Executive Officers of the Company:

EXERCISE OF COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised (#)	Exercise Price per Security (\$)	Date of Exercise	Closing Price of Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Date of Exercise (\$)
Brian Bosse, CEO, President and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Marc Johnson, CFO and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bryan Loree, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Douglas R. MacQuarrie, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Veronika Hirsch, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Pension Plan Benefits

For the most recently completed financial year, the Company did not have any pension or retirement benefit plans and none are proposed at this time.

EXISTING EQUITY COMPENSATION PLANS

The Company has two (2) equity compensation plans approved by shareholders, being the 10% rolling omnibus long-term security-based incentive plan that was approved by shareholders on November 19, 2020 (the “LTIP Plan”) and the 10% rolling stock option plan that was approved by shareholders on April 11, 2019 (the 2019 Plan).

In respect to the 2019 Plan, no further awards have been or shall be granted under the 2019 Plan, all options granted under the 2019 Plan that remain outstanding shall continue to be governed by the terms and conditions of the 2019 Plan, the 2019 Plan will terminate on April 11, 2029, and the LTIP Plan replaced the 2019 Plan as the Company’s primary incentive plan on November 19, 2020.

The purpose of the LTIP Plan is to advance the interests of the Company, by providing an additional incentive to attract, retain and motivate highly qualified and competent persons who are key to the Company and upon whose efforts and judgment the success of the Company and its subsidiaries is largely dependent.

Pursuant to the LTIP Plan, the Board may from time to time, in its discretion, and in accordance with CSE requirements, grant to directors, officers, consultants and employees of the Company and its affiliates, security-based incentives, including stock options to acquire Common Shares at an exercise price for a period of up to five years from the date of the grant if the vesting provisions are satisfied, restricted share units (“RSUs”) that can be converted into Common Shares if the vesting provisions are satisfied, provided that the number of Common Shares reserved for issuance thereunder may not exceed 10% of the total issued and outstanding Common Shares at the date of the grant.

The following restrictions on the granting of incentives are applicable under the LTIP Plan:

- (a) The aggregate number of Shares that may be reserved for issuance pursuant to incentives granted to any one individual must not exceed 5% of the issued Common Shares of the Company (determined as at the Grant Date) in a 12-month period, unless the Company has obtained Disinterested Shareholder Approval.
- (b) The aggregate number of incentives granted to Eligible Persons engaged to provide Investor Relations Activities in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of CSE.
- (c) The aggregate number of incentives granted to any one Consultant in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of CSE.

In the event an incentive granted under the LTIP Plan expires unexercised, is terminated or is otherwise lawfully cancelled prior to exercise of the Option, the Shares that were issuable thereunder will be returned to the LTIP Plan and will be available again for an grant under this LTIP Plan.

If there is a Change of Control, then all outstanding incentives, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the Shares subject to such incentives to be issued and tendered to such bid.

The Board will be responsible for the general administration of the LTIP Plan and the proper execution of its provisions, the interpretation of the LTIP Plan and the determination of all questions arising hereunder.

If required by the CSE Policies, the Company must obtain Disinterested Shareholder Approval of incentives if the incentives, together with any other Share Compensation Arrangement, could result at any time in:

- (a) the number of shares reserved for issuance under incentives granted to Insiders exceeding 10% of the issued Common Shares of the Company;
- (b) the grant to Insiders, within a 12-month period of incentives exceeding 10% of the issued Common Shares of the Company; or
- (c) the issuance to any one participant, within a 12-month period of a number of shares exceeding 5% of the issued Common Shares of the Company.

16. Indebtedness of Directors and Executive Officers

16.1 Aggregate Indebtedness

Aggregate Indebtedness

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to us at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Listing Statement.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

No directors or executive officers of the Company, and associates of such directors or executive officers, are or were indebted to the Company as at the date of this Listing Statement.

17. Risk Factors

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

The Company's focus is to provide shareholders with long-term capital growth by investing in a portfolio of undervalued companies, assets, or investment vehicles within the mineral resource and other sectors, due to the unique difficulties and uncertainties inherent in such investments, the Company faces a high risk of business failure.

Uncertainty due to the Covid-19 Pandemic

The impact of Covid-19 on the Company has been limited since it does not have any active exploration programs and the Company was already setup to operate remotely. Certain of our directors, officers, employees, consultants, and contractors have been indirectly impacted by intermittent lockdowns that have been imposed in Canada and USA.

Risks Related to Subscription Research Business

As the Company faces competition in the proprietary research sector, we will have to compete with the Company's competitors for clients and qualified employees.

The Company's competition includes larger proprietary research companies with substantial capabilities and with greater financial and technical resources than the Company. As a result of this competition, the Company may have to compete for the recruitment and retention of qualified managerial and technical employees. If the Company is unable to successfully compete for qualified employees, the Company's expansion into new research products may be slowed down or suspended, which may cause the Company to be unprofitable.

Risks Related to Mineral Exploration

Due to the unique difficulties and uncertainties inherent of mineral exploration investments, the Company faces a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that the Company intends to undertake on its properties and any additional properties that the Company may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Company in the exploration of its properties may not result in the discovery of mineral deposits. Any expenditures

that the Company may make in the exploration of any other mineral property that it may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful exploration efforts. If the results of the Company's exploration do not reveal viable commercial mineralization, the Company may decide to abandon some or all of its property interests.

Because of the speculative nature of the exploration of mineral properties, there is no assurance that the Company's exploration activities will result in the discovery of any quantities of mineral deposits on its current properties or any other additional properties the Company may acquire.

The likelihood that any mineral properties that the Company may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. The Company may never discover mineral deposits in respect to its current properties or any other area, or the Company may do so and still not be commercially successful if the Company is unable to exploit those mineral deposits profitably.

The Company intends at this time to continue exploration on its current properties and the Company may or may not acquire additional interests in other mineral properties. The search for mineral deposits as a business is extremely risky. The Company can provide investors with no assurance that exploration on its current properties, or any other property that the Company may acquire, will establish that any commercially exploitable quantities of mineral deposits exist. Additional potential problems may prevent the Company from discovering any mineral deposits. These potential problems include unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. If the Company is unable to establish the presence of mineral deposits on its properties, its ability to fund future exploration activities will be impeded, the Company will not be able to operate profitably and investors may lose all of their investment in the Company.

The potential profitability of mineral ventures depends in part upon factors beyond the control of the Company and even if the Company discovers and exploits mineral deposits, the Company may never become commercially viable and the Company may be forced to cease operations.

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond the Company's control, including the existence and size of mineral deposits in the properties the Company explores the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in the Company not receiving an adequate return on invested capital. These factors may have material and negative effects on the Company's financial performance and its ability to continue operations.

Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on the Company.

Exploration and exploitation activities are subject to federal, provincial, state and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to federal, provincial, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment.

Environmental and other legal standards imposed by federal, provincial, state or local authorities may be changed and any such changes may prevent the Company from conducting planned activities or may increase its costs of doing so, which would have material adverse effects on its business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company. Additionally, the Company may be subject to liability for pollution or other environmental damages that the Company may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect the Company's ability to carry on its business.

Loss of Interest in Properties

The Company's ability to maintain an interest in the properties optioned by the Company will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep the property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the properties optioned by the Company.

Title to mineral properties is a complex process and the Company may suffer a material adverse effect in the event one or more of its property interests are determined to have title deficiencies.

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has either staked property or entered into property option agreements or joint venture agreements on its existing Project interests, the Company cannot give an assurance that title to such property will not be challenged or impugned. Further, the Company cannot give an assurance that the existing description of mining titles will not be changed due to changes in policy, rulings, or law in the jurisdiction where the property is located. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company does not have title to one or more of its properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

The properties optioned by the Company may now or in the future be the subject of first nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the properties optioned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties optioned by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the properties optioned by the Company.

As the Company faces intense competition in the mineral exploration and exploitation industry, the Company will have to compete with the Company's competitors for financing and for qualified managerial and technical employees.

The Company's competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than the Company. As a result of this competition, the Company may have to compete for financing and be unable to acquire financing on terms it considers acceptable. The Company may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If the Company is unable to successfully compete for financing or for qualified employees, the Company's exploration programs may be slowed down or suspended, which may cause the Company to cease operations as a company.

Risks Related to Securities Investments

Because of the speculative nature of the Stone debentures held in the investments, there is no assurance that the Company will realize a reasonable return on investment.

Stone is a private company issuer and does not currently have sufficient funding on its balance sheet to fully repay the debenture principal and accrued interest at maturity. The proposed acquisition by Starlight is subject to Stone shareholder approval, which is expected to occur in June 2022. There is no assurance that the acquisition by Starlight will be approved. In the event the deal is not approved, the Company will pursue a restructuring of Stone, which could adversely affect the return on investment. There is no assurance this will result in a reasonable return on investment.

Risks Related to financings, management and the common shares

Because the Company has never made a profit from its operations, the Company's securities are highly speculative and investors may lose all of their investment in the Company.

The Company's securities must be considered highly speculative, generally because of the nature of its business and its stage of operations. The Company currently has investments in a subsidiary that is not currently profitable, an investment portfolio that generates coupon interest that offsets a portion of administrative costs and exploration stage properties which may not contain economic mineral deposits. Accordingly, the Company has not generated significant revenues nor has it realized a profit from its operations to date. Any profitability in the future from the Company's business will be dependent upon improving the profitability of its subsidiary, improving returns from the investment portfolio, and obtaining financing or completing option agreements to advance the exploration properties. The Company may not be able to operate profitably and may have to cease operations, the price of its securities may decline and investors may lose all of their investment in the Company.

The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its exploration activities and investors could lose their entire investment.

The Company will require additional financing to sustain its business operations if it is not successful in earning sufficient revenues to cover operating expenses. The Company will require additional financing in order to proceed with new investments in its proprietary research division, mineral exploration properties and other sectors. The Company currently does not have any arrangements for further financing, and it may not be able to obtain financing when required. If the Company does not obtain such financing, its business could fail, and investors could lose their entire investment.

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and certain officers are involved in other business activities. As a result of their other business endeavours, the directors and these officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of these other business interests.

A decline in the price of the Company's common shares could affect its ability to raise further working capital and adversely impact its ability to continue operations.

A prolonged decline in the price of the Company's common shares could result in a reduction in the liquidity of its common stock and a reduction in its ability to raise capital. Because a significant portion of the Company's new investments may be financed through the sale of equity securities, a decline in the price of its common shares could be especially detrimental to the Company's liquidity and its operations. Such reductions may force the Company to reallocate funds from other planned uses and may have a significant negative effect on the Company's business plan and operations, including its ability to develop new products and continue its current operations. If the Company's shares price declines, it can offer no assurance that the Company will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Company is unable to raise sufficient capital in the future, the Company may not be able to have the resources to continue its normal operations.

18. Promoters

The Issuer does not have promoters.

19. Legal Proceedings

We are not currently involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

To the best of management's knowledge, the Company is not subject to any penalties or sanctions imposed by any court or regulatory authority relating to securities legislation or by a securities regulatory authority, nor has the Company entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that are necessary to provide full, true and plain disclosure of all material facts relating to the Company's securities or would be likely to be considered important to a reasonable investor making an investment decision.

20. Interest of Management and Others in Material Transactions

No director or officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year-end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any material transactions.

21. Auditors, Transfer Agents and Registrars

21.1 State the name and address of the auditor of the Issuer.

The Company's auditors are MNP LLP. The address of MNP LLP is 2185 Riverside Drive, Timmins, ON P4R 0A1.

21.2 Transfer Agent

TSX Trust is currently the Company's registrar and transfer agent. The address of TSX Trust's Vancouver office is 650 West Georgia Street, Suite 2700, Vancouver, BC V6B 4N9.

22. Material Contracts

Other than as disclosed herein, the Company is not a party to any material contracts during the past two years from the date of this Listing Statement other than the following:

- Credit Agreement Dated 23, 2021 as filed on SEDAR on January 10, 2022.

23 Interest of Experts

No person or corporation whose profession or business gives authority to a statement made by the person or corporation and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Issuer or of an Associate or Affiliate and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Issuer or of an Associate or Affiliate.

24. Other Material Facts

There are no other material facts other than as disclosed herein that are necessary to be disclosed in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer for the fiscal year ended December 31, 2021.

25. Financial Statements

Please refer to Schedule “A” for copies of the annual financial statements and management’s discussion and analysis of the Issuer for the fiscal year ended December 31, 2021.

SCHEDULE “A”

FINANCIAL STATEMENTS AND MD&A



IC CAPITALIGHT CORP.

Consolidated Financial Statements

For the years ended December 31, 2021, and 2020

Expressed in Canadian Dollars

To the Shareholders of IC Capitalight Corp.:

Opinion

We have audited the consolidated financial statements of IC Capitalight Corp. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2021 and December 31, 2020, and the consolidated statements of operations and comprehensive income (loss), changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2021 and December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company had a working capital deficiency and an accumulated deficit. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Blair Michael Mabee.

Mississauga, Ontario

May 2, 2022

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

IC Capitalight Corp.
Consolidated Statements of Financial Position
Expressed in CAD Dollars

	December 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 422,719	\$ 76,176
Accounts receivable (note 5)	10,630	13,389
Amounts receivable (note 17)	50,067	42,525
Debenture interest receivable (note 6)	57,317	48,731
Prepaid expenses	18,669	22,630
Total current assets	559,402	203,451
Investments (note 6)	2,867,896	1,842,253
Intangible asset (note 7)	-	50,400
Goodwill (note 7)	-	189,000
Exploration and evaluation assets (note 8)	1	2
Total Assets	\$ 3,427,299	\$ 2,285,106
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities (note 17)	624,255	453,181
Short-term debt (note 9)	282,342	-
Deferred revenue (note 10)	162,378	134,692
Deferred debenture obligation (note 11)	330,000	300,000
Deferred flow-through premium (note 12)	-	21,500
Deferred flow-through obligation (note 12)	45,941	-
Total current liabilities	1,444,916	909,373
Long-term debt (note 9)	-	40,000
Total Liabilities	1,444,916	949,373
Shareholders' Equity		
Share capital (note 13)	8,467,799	8,216,854
Contributed surplus	977,041	746,885
Accumulated deficit	(7,462,457)	(7,628,006)
Total Shareholders' Equity	1,982,383	1,335,733
Total Liabilities and Shareholders' Equity	\$ 3,427,299	\$ 2,285,106

Nature of operations (note 1)
Basis of presentation (note 2)
Going concern (note 2)
Subsequent events (note 21)

The accompanying notes are integral to these consolidated financial statements.

IC Capitalight Corp.
Consolidated Statements of Operations and Comprehensive Income (Loss)
Expressed in CAD Dollars

	Year ended December 31, 2021	Year ended December 31, 2020
Research revenues	\$ 388,311	\$ 296,537
Consulting revenues	11,137	-
Total Revenues	\$ 399,448	\$ 296,537
Expenses		
Research business expenses (note 16)	569,651	423,751
Exploration and evaluation expenses (notes 8 and 16)	898	105,685
General and administrative expenses (note 16)	603,987	413,286
Amortization of brand value (note 7)	12,600	12,600
Impairment (note 7)	226,800	-
Interest (income)	(10)	-
Interest expense	13,399	250
Share-based compensation (notes 13, 15 and 17)	80,700	121,714
Accretion (notes 9 and 11)	34,619	20,697
Part XII.6 taxes (note 12)	9,752	-
Flow through premium (note 12)	-	-
Flow through obligation (note 12)	45,941	-
Foreign exchange loss	7,255	10,920
Total expenses	1,605,592	1,108,902
Net loss before other income	(1,206,144)	(812,365)
Coupon income from investments (note 6)	203,377	177,079
Realized gain on settlement of debt (note 13)	34,025	-
Realized gain on sale of mineral property (note 8)	459,999	-
Realized gain on investments (note 6)	173,849	-
Unrealized gain on investments (note 6)	500,443	23,661
Net income (loss) and comprehensive income (loss) for the year	\$ 165,549	\$ (611,625)
Weighted-average common shares (basic)	89,317,142	85,198,252
Net income (loss) per common shares (basic)	\$ 0.00	\$ (0.01)
Weighted-average common shares (diluted)	93,458,420	85,198,252
Net income (loss) per common shares (basic)	\$ 0.00	\$ (0.01)

The accompanying notes are integral to these consolidated financial statements.

IC Capitalight Corp.
Consolidated Statements of Changes in Shareholders' Equity
Expressed in CAD Dollars

	Shares Outstanding	Share Capital	Contributed Surplus	Accumulated Deficit	Total Equity
Balance as of December 31, 2019	84,688,063	\$ 8,145,552	\$ 613,208	\$ (7,016,381)	\$ 1,742,379
Shares issued for settlement of debt (note 13)	892,707	44,636	-	-	44,636
Shares issued for joint venture acquisition (note 13)	666,666	26,667	-	-	26,667
Warrants issued for joint venture acquisition (note 14)	-	-	11,963	-	11,963
Stock options granted under long-term incentive plan (note 15)	-	-	121,714	-	121,714
Net (loss) for the year	-	-	-	(611,625)	(611,625)
Balance as of December 31, 2020	86,247,436	\$ 8,216,854	\$ 746,885	\$ (7,628,006)	\$ 1,335,733
Shares issued for settlement of debt (note 13)	3,402,479	187,137	-	-	187,137
Reclassification of flow through premium (note 12)	-	21,500	-	-	21,500
Warrants issued for debt facility (note 14)	-	-	77,533	-	77,533
Stock options granted under long-term incentive plan (note 15)	-	-	80,700	-	80,700
Shares issued for conversion of restricted share units (note 15)	769,231	42,308	(42,308)	-	-
Restricted share units expensed over vesting period (note 15)	-	-	114,231	-	114,231
Net income for the year	-	-	-	165,549	165,549
Balance as of December 31, 2021	90,419,146	\$ 8,467,799	\$ 977,041	\$ (7,462,457)	\$ 1,982,383

The accompanying notes are integral to these consolidated financial statements.

IC Capitalight Corp.
Consolidated Statements of Cash Flows
Expressed in CAD Dollars

	Year ended December 31, 2021	Year ended December 31, 2020
Operating activities		
Net income (loss) for the year	\$ 165,549	\$ (611,625)
<i>Add (deduct) items not affecting cash:</i>		
Accretion	34,619	20,697
Amortization of brand value	12,600	12,600
Impairment of goodwill and brand value	226,800	-
Share-based compensation for stock options	80,700	121,714
Share-based compensation for RSUs	114,231	-
Share-based payments for acquisitions	-	38,630
Realized gain on settlement of debt	(34,025)	-
Realized gain on sale of investments	(173,849)	-
Realized gain on sale of mineral property	(459,999)	-
Unrealized gain on investments	(500,443)	(23,661)
Subtotal	(533,817)	(441,645)
<i>Change in non-cash working capital balances:</i>		
(Increase) decrease in accounts and amounts receivable	(13,369)	(22,224)
(Increase) decrease in prepaid expenses	\$ 3,961	(6,006)
Increase (decrease) in accounts payable and accrued liabilities	392,236	48,999
Increase (decrease) in flow through obligation	45,941	-
Increase (decrease) in deferred revenue	27,686	36,444
Net cash from operating activities	\$ (77,362)	\$ (384,432)
Investing activities		
Purchase of debentures	(353,540)	(225,166)
Disposition of mineral property	100,000	-
Disposition of warrants	77,970	-
Disposition of common shares	307,519	-
Purchase of common shares	(23,300)	-
Net cash used investing activities	\$ 108,649	\$ (225,166)
Financing activities		
Net proceeds from short-term debt	315,256	40,000
Net cash provided by financing activities	\$ 315,256	\$ 40,000
Net increase (decrease) in cash and cash equivalents	346,543	(569,599)
Cash and cash equivalents, beginning of year	76,176	645,775
Cash and cash equivalents, end of year	\$ 422,719	\$ 76,176

The accompanying notes are integral to these consolidated financial statements.

1. Nature of Operations

IC Capitalight Corp. (the “Company”) is incorporated under the British Columbia Business Corporations Act and has a fiscal year-end of December 31. The Company’s registered office is at 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8.

Capitalight operates as a merchant bank that pursues value-based investment opportunities in accordance with its internal investment policies through a portfolio of companies, securities, and mineral properties. The securities investments consist primarily of Stone Debentures, which are generating positive cash flow on a quarterly basis. The Company’s business operations include Capitalight Research Inc. (“Capitalight Research”), a wholly owned subsidiary that publishes proprietary subscription research reports focused on the gold, silver and critical metals sectors, Canadian preferred shares, bonds, and economics. Capitalight Research generates recurring revenues and is expected to generate positive operating cash flows as it achieves profitability. The mineral exploration business consists of the Blue Lake Cu-Ni-Pt-Pd property near Schefferville, Quebec.

The Company does not pay dividends and is unlikely to do so in the immediate or foreseeable future.

These consolidated financial statements were approved by the Board of Directors on May 2, 2022.

2. Basis of Presentation

Statement of compliance with IFRS

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and International Accounting Standards (“IAS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”). The accounting policies adopted are consistent with those of the previous financial year.

The accounting policies applied in the preparation of the consolidated financial statements for the year ended December 31, 2021 are set out below.

Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Going Concern Assumption

The accompanying consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

As of December 31, 2021, the Company had an accumulated deficit of \$7,462,457 (December 31, 2020: deficit of \$7,628,006) and although the Company realized a net income and comprehensive income of \$165,549 during the year ended December 31, 2021 (2020: net loss and comprehensive loss of \$611,625) a significant factor was the one-time realized gain on the disposition of a mineral property and realized and unrealized gains from the investment portfolio. As such, conditions exist that may cast significant doubt regarding the Company's ability to continue as a going concern.

In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations is dependent on management's ability to manage its working capital and secure additional financing. Although management has been successful at securing additional financing in the past, there can be no assurance it will be able to do so in the future. These conditions may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore need to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. These adjustments could be material.

2. Basis of Presentation (continued)

Basis of consolidation

The Company owns 100% of Capitalight Research Inc., which was acquired on October 2, 2019. Capitalight Research was incorporated on January 31, 2017, pursuant to the laws of the Province of Ontario under the name Murenbeeld & Co. Inc. and was renamed as Capitalight Research Inc. on December 28, 2020.

These consolidated financial statements include the financial position, results of operation and cash flows of the Company and Capitalight Research, its wholly owned subsidiary. Intercompany balances, transactions, income and expenses, profits and losses, including gains and losses relating to the subsidiary have been eliminated on consolidation.

3. Summary of Significant Accounting Policies

Cash equivalents

The Company considers cash equivalents to be cash and highly liquid investments with original maturities of three months or less.

Prepayments and deposits

The Company makes prepayments and deposits to suppliers of services. These are recognized as prepayments when made and recognized as expenses when received. Prepayments and deposits on assets that are long term in nature are recorded as long-term prepayments and deposits.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when the obligation under the liability is extinguished, discharged, cancelled or expired. Gains and losses on derecognition of financial assets and financial liabilities are recognized within financing income and financing expense, respectively.

Management determines the classification of financial assets and financial liabilities at initial recognition and, except in very limited circumstances, the classification is not changed subsequent to initial recognition. The classification depends on the purpose for which the financial instruments were acquired, their characteristics and/or management's intent. Transaction costs with respect to instruments not classified as fair value through profit or loss are recognized as an adjustment to the cost of the underlying instruments and amortized using the effective interest method.

The Company's financial instruments were classified in the following categories:

Financial assets measured at fair value through profit or loss (FVTPL):

An instrument is classified as fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. A financial asset is classified as fair value through profit or loss if acquired principally for the purpose of selling in the short term or if so, designated by management. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments.

Financial instruments included in this category are initially recognized at fair value and transaction costs are taken directly to earnings along with gains and losses arising from changes in fair value. All changes in their fair value are recorded through profit or loss.

The following financial assets are measured at fair value through profit or loss:

- Cash and cash equivalents
- Investments

Financial assets measured at amortized cost:

Financial assets measured at amortized cost are initially recognized at fair value net of transaction costs and are subsequently measured at amortized cost. Interest revenue on advances and loans receivable are recognized using the effective interest method.

The following financial assets are measured at amortized cost:

- Accounts receivable
- Amounts receivable (excluding HST)
- Debenture interest receivable

3. Summary of Significant Accounting Policies (continued)

Impairment of financial assets measured at amortized costs:

At each reporting date, the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired if there is objective evidence that the estimated future cash flows of the financial asset or the group of financial assets have been negatively impacted. Evidence of impairment may include indications that debtors are experiencing financial difficulty, default or delinquency in interest or principal payments, or other observable data which indicates that there is a measurable decrease in the estimated future cash flows.

If an impairment loss has occurred, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the loss is recognized in financing expense. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of financing income. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If an impairment is later recovered, the recovery is credited to financing income.

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets. Credit losses are defined as the difference between all the contractual cash flows that are due to an entity and the cash flows that it expects to receive. This difference is discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets). Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions, and forecasts of future economic conditions. In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk, whereby '12-month expected credit losses' are recognized ('Stage 1')
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low, whereby 'lifetime expected credit losses' are recognized ('Stage 2')
- financial assets that have objective evidence of impairment at the reporting date, whereby the asset is written off as there is no reasonable expectation of recovering all or any portion thereof ('Stage 3')

The Company applied the simplified approach in accounting for accounts receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information to calculate the lifetime expected credit losses using a provision matrix.

For financial assets assessed as impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

Loss allowances for expected credit losses are presented in the consolidated statement of financial position as a deduction from the gross carrying amount of the financial asset.

Financial liabilities measured at amortized cost:

Financial liabilities are initially recognized at fair value net of transaction costs and are subsequently measured at amortized cost using the effective interest method except for derivatives and financial liabilities designated as FVTPL.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within accretion of deferred obligation, finance costs or finance income.

The following financial liabilities are measured at amortized cost:

- Accounts payable and accrued liabilities
- Deferred debenture obligation
- Short term and long-term debt

3. Summary of Significant Accounting Policies (continued)

Financial liabilities measured at fair value through profit or loss:

Financial liabilities designated as FVTPL are initially recognized at fair value and transaction costs are taken directly to earnings along with gains and losses arising from changes in fair value. Derivative instruments, including embedded derivatives, are recorded at fair value unless exempted from derivative treatment as normal purchase and sale. All changes in their fair value are recorded through profit or loss.

Fair Value

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

Both the binomial and Black Scholes valuation techniques are permitted under IFRS for fair value calculations.

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

Intangible assets

Brand names acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values and are amortised on a straight-line basis over their estimated useful lives. All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and are subject to impairment testing. When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, which is recognised in profit or loss within other income or other expenses.

Impairment of goodwill, other intangible assets and non-current assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Group's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset or cash-generating unit recoverable amount exceeds its carrying amount.

3. Summary of Significant Accounting Policies (continued)

Private company investments

All privately held investments (including options, warrants and conversion features) are initially recorded at the transaction price, being the fair value at the time of acquisition. At the end of each reporting period, the fair value of an investment may (depending upon the circumstances) be adjusted using one or more of the valuation indicators described below. These are included in Level 3 of the fair value hierarchy.

The determination of fair value of the Company's privately held investments at other than initial cost, is subject to certain limitations. Financial information for private companies in which the Company has investments, may not be available and, even if available, that information may be limited and/or unreliable.

Use of the valuation approach described below may involve uncertainties and determinations based on management's judgment and any value estimated from these techniques may not be realized or realizable.

Company-specific information is considered when determining whether the fair value of a privately held investment should be adjusted upward or downward at the end of each reporting period. In addition to company-specific information, the Company will also consider trends in general market conditions and the share performance of comparable publicly traded companies when valuing privately held investments.

The fair value of a privately held investment may be adjusted if:

- i. There has been a significant subsequent equity financing provided by outside investors at a valuation different than the current value of the investee company, in which case the fair value of the investment is set to the value at which that financing took place;
- ii. There have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a material impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable;
- iii. The investee company is placed into receivership or bankruptcy;
- iv. Based on financial information received from the investee company, it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern;
- v. Release by the investee company of positive/negative operational results; and
- vi. Important positive/negative management changes by the investee company that the Company's management believes will have a very positive/negative impact on the investee company's ability to achieve its objectives and build value for shareholders.

Adjustments to the fair value of a privately held investment will be based upon management's judgment and any value estimated may not be realized or realizable. The resulting values for non-publicly traded investments may differ from values that would be realized if a ready market existed.

In addition, the amounts at which the Company's privately held investments could be currently disposed of may differ from the carrying value assigned.

Revenue Recognition

The following describes principal activities of Capitalight Research from which the Company generates revenue.

Subscription Revenue

Capitalight Research generates revenue from providing subscription services to proprietary research. Performance obligations are satisfied upon delivery of the weekly and monthly publications which are distributed through email. Revenue is recognized over the useful life of the subscription, or the time frame which the customers have access to the publications. This provides a faithful depiction of the transfer of goods and services to the client as the subscription directly relates to these performance obligations. There have been no changes to the revenue recognition policy since Murenbeeld's incorporation.

Consideration is typically due from receipt of the invoice. The transaction price is determined by the type of customer as well as a fair price to pay for the subscription services to be rendered. This is determined through management's judgment as well as negotiations with customers.

Paid-for Research Revenue

Capitalight Research generates revenue from providing custom paid-for proprietary research. Performance obligations are satisfied upon delivery of the custom research report to the client. Revenue is recognized upon delivery to the client. Consideration is typically due from receipt of the invoice. The transaction price is determined by the type of customer as well as a fair price to pay for the subscription services to be rendered. This is determined through management's judgment as well as negotiations with customers.

3. Summary of Significant Accounting Policies (continued)

Deferred Revenue

Deferred revenue consists of the remaining performance obligations relating to subscription or paid-for research revenues.

Exploration and Evaluation Assets

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs related to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be impairment in value. The amounts shown for exploration and evaluation assets represent costs, net of impairment write-offs.

Mineral Exploration and Development Costs

Exploration costs are charged to operations as incurred.

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects.

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized in expenses and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Foreign Currency Translation

The functional and reporting currency is the Canadian dollar for the Company and its subsidiary. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the consolidated statements of operations and comprehensive income (loss).

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

3. Summary of Significant Accounting Policies (continued)

Income (Loss) Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share, whereby all “in the money” stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

Share-based Payments

The grant date fair value of share-based payment awards granted to employees is recognized as share-based compensation expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in contributed surplus, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

4. Significant Judgments, Estimates and Assumptions

To prepare consolidated financial statements in conformity with IFRS, the Company must make estimates, judgements and assumptions concerning the future that affect the carrying values of assets and liabilities as of the date of the consolidated financial statements and the reported values of revenues and expenses during the reporting period. By their nature, these are uncertain and actual outcomes could differ from the estimates, judgments and assumptions.

The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. Significant accounting judgments, estimates and assumptions are reviewed on an ongoing basis.

The areas involving significant judgments, estimates and assumptions are as follows:

Going concern: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding the ability to continue as a going concern.

Impairment: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding cash flows and discount rates regarding the impairment of the fair value of financial assets carried at amortized costs and goodwill and intangible assets.

Fair value of private investments (level 3): The preparation of the consolidated financial statements requires management to make judgments regarding the fair value of the private company investments held by the Company. Where the fair values of investments cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, management’s judgment is required to establish fair values.

Income taxes: Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

4. Significant Judgments, Estimates and Assumptions (continued)

Uncertainty due to the Covid-19 Pandemic

The impact of COVID-19 on the Company has been limited since did it does not have any active exploration programs and construction activities. Certain of our directors, officers, employees and consultants have been indirectly impacted by intermittent lockdowns that have been imposed in Canada. The Company has tried to incorporate the impact COVID-19 outbreaks and intermittent lockdowns into its business operations. It is not possible for the Company to predict the duration or magnitude of adverse impacts from further outbreaks and predict the effects on the Company's business or results of operations.

The duration and full financial effect of the COVID-19 pandemic is unknown at this time, as are the measures taken by governments, the Company or others related to the COVID-19 pandemic. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 pandemic may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty.

Inputs and assumptions relate to, among other things, interest rates, foreign exchange rates, cost of capital, commodity prices, and the amount and timing of future cash flows, while accounting judgments take into consideration the business and economic uncertainties related to the COVID-19 pandemic and the future response of governments, the Company and others to those uncertainties. In the current environment, the inputs and assumptions and judgements are subject to greater variability than normal, which could in the future significantly affect judgments, estimates and assumptions made by management as they relate to potential impact of the COVID-19 pandemic on various financial accounts and note disclosures and could lead to a material adjustment to the carrying value of the assets or liabilities affected. The impact of current uncertainty on judgments, estimates and assumptions includes the Company's valuation of the long-term assets (including the assessment for impairment and impairment reversal), estimation of reclamation provisions, estimation of income and taxes. Actual results may differ materially from these estimates.

5. Accounts Receivable

	December 31, 2021	December 31, 2020
Current	\$ 2,444	\$ 6,395
1 - 30 days past due	8,806	4,833
31 – 60 days past due	-	-
61 – 90 days past due	-	2,782
> 90 days past due	-	-
Subtotal	11,250	14,009
Lifetime expected credit losses	(620)	(620)
Ending balance	\$ 10,630	\$ 13,389

All categories of receivables are required to have a provision, even when they are not past due. The following is the provision matrix used to determine the lifetime expected credit losses:

	Current	1-30 days	31-60 days	61-90 days	>90 days
Default rate	1%	3%	9%	15%	20%

The following is the movement in lifetime expected credit losses:

	Movement in Lifetime Credit Losses
Balance as of December 31, 2019	\$ 566
Loss allowance remeasurement	54
Balance as of December 31, 2020	\$ 620
Loss allowance remeasurement	-
Balance as of December 31, 2021	\$ 620

IC Capitalight Corp.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2021, and 2020

6. Investments

As of December 31, 2021, the investment portfolio consisted of:

- 3,032 debentures issued by Stone Investment Group Limited (“Stone”). Each debenture has a \$1,000 face value and 7.5% coupon paid quarterly in cash resulting in a total face value of \$3,032,000. The fair value was estimated at \$2,425,602 using a Level 2 fair value hierarchy of \$800 per debenture based on the Company’s counteroffer to acquire all the outstanding debentures for a cash consideration of \$800 per debenture, which was announced on December 23, 2021. On December 28, 2021, Stone defaulted on the debenture maturity but completed the coupon payment that was due on January 15, 2022, and April 15, 2022.
- 112,810 common shares of Stone. The fair value was estimated at \$nil.
- 409,333 common shares of Prospector Metals Corp., which reflects a 1:3 share consolidation that was completed on April 6, 2022. The fair market value was estimated at \$442,294.

During the year ended December 31, 2021, the Company realized a gain on investments of \$173,849 (2020: gain of \$nil) from the sale of common shares and warrants, and had an unrealized gain on investments of \$500,443 (2020: loss of \$23,661) from the revaluation of debentures and common shares. During the year ended December 31, 2021, the Company recognized debenture interest income of \$203,377 (2020: \$177,079) and as of December 31, 2021, had a debenture interest receivable balance of \$57,317 (December 31, 2020: \$48,731).

The Company’s investments portfolio consisted of the following as of December 31, 2021:

Investments	Opening Balance	Purchases (Non-Cash)	Purchases (Cash)	Net Proceeds	Realized Gains (Losses)	Unrealized Gains (Losses)	Ending Balance
Debentures	\$ 1,786,555	\$ -	\$ 353,540	\$ -	\$ -	\$ 285,507	\$ 2,425,602
Warrants	55,698	-	-	(77,970)	22,272	-	-
Common shares	-	360,000	23,300	(307,519)	151,577	214,936	442,294
Total	\$ 1,842,253	\$ 360,000	\$ 376,840	\$ (385,489)	\$ 173,849	\$ 500,443	\$ 2,867,896

The Company’s investments portfolio consisted of the following as of December 31, 2020:

Investments	Opening Balance	Purchases (Non-Cash)	Purchases (Cash)	Net Proceeds	Realized Gains (Losses)	Unrealized Gains (Losses)	Ending Balance
Debentures	\$ 807,874	\$ 729,855	\$ 225,165	\$ -	\$ -	\$ 23,661	\$ 1,786,555
Warrants	-	55,698	-	-	-	-	55,698
Total	\$ 807,874	\$ 785,553	\$ 225,165	\$ -	\$ -	\$ 23,661	\$ 1,842,253

Fair value hierarchy

Investments	December 31, 2021	Level 1	Level 2	Level 3
Debentures	\$ 2,425,602	\$ -	\$ 2,425,602	\$ -
Warrants	-	-	-	-
Common shares	442,294	442,294	-	-
Total	\$ 2,867,896	\$ 442,294	\$ 2,425,602	\$ -

Investments	December 31, 2020	Level 1	Level 2	Level 3
Debentures	\$ 1,786,555	\$ -	\$ -	\$ 1,786,555
Warrants	55,698	-	-	55,698
Total	\$ 1,842,253	\$ -	\$ -	\$ 1,842,253

Level 3 fair value includes private company investments and other instruments such as debentures and warrants that are not quoted on a recognized securities exchange. The key assumptions used in the valuation of these instruments include, but are not limited to, the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly traded companies.

The following table presents the changes in Level 3 fair value measurements utilizing non-observable market inputs. The net realized gains (loss) on disposals of investments and the net change in unrealized gains (loss) on investments are recognized in the consolidated statements of operations and comprehensive loss.

Level 3 Totals	Opening Balance	Transfers	Purchases	Net Proceeds	Realized Gains (Losses)	Unrealized Gains (Losses)	Ending Balance
December 31, 2020	\$ 807,874	-	\$ 1,010,718	-	-	\$ 23,661	\$ 1,842,253
December 31, 2021	\$ 1,842,253	\$ (2,425,602)	\$ 353,540	\$ (77,970)	\$ 22,272	\$ 285,507	\$ -

7. Goodwill and Intangible Assets

On October 2, 2019, the Company recognized goodwill upon acquisition of Capitalight Research, which was determined using a value-in-use valuation model and is primarily related to personnel and future growth. None of the goodwill arising from the acquisition is deductible for tax purposes. The key assumptions used in the value-in-use valuation model are those related to discount rates and revenue growth rates. The values of these assumptions reflect past experience. The after-tax weighted average cost of capital was determined to be 17% (pre-tax of 23%) and is based on a risk-free rate, an equity premium adjusted for betas of comparable publicly traded companies, an unsystematic risk premium, an after-tax cost of debt based on the capital structure of publicly traded companies. The value-in-use valuation model used revenue growth rates of 5% to 20%, with a long-term growth rate of 1.9%.

Goodwill is tested for impairment immediately on the acquisition date and subsequently at the end of each reporting period. On December 31, 2021, it was determined the goodwill was impaired. For the purposes of testing impairment, the recoverable amount of each cash generating unit (“CGU”) comprising of goodwill was based on fair value calculated using the value in use model. As a result of the analysis, the company concluded that the recoverable amount of the CGU was more than the carrying amount as at December 31, 2021. The company recorded a write down of goodwill and the intangible asset to \$nil.

	Movement in Goodwill
Balance as of December 31, 2020 and 2019	\$ 189,000
Impairment	(189,000)
Balance as of December 31, 2021	\$ -

On October 2, 2019, the Company recognized an intangible asset upon the acquisition of Capitalight Research and for the brand value of *Murenbeeld*, which is associated with Capitalight Research’s flagship research publication. The brand value was determined using a 6% relief from royalty valuation mode and will be amortized over a period of five years. On December 31, 2021, it was determined the brand value was impaired.

	Movement in Brand Value
Balance as of December 31, 2019	\$ 63,000
Amortization	(12,600)
Balance as of December 31, 2020	\$ 50,400
Amortization	(12,600)
Impairment	(37,800)
Balance as of December 31, 2021	\$ -

8. Exploration and Evaluation Assets

	Blue Lake (Retty Lake)	Schefferville Ashuanipi	Total
Balance, December 31, 2020 and 2019	\$ 1	\$ 1	\$ 2
Disposition of mineral property	-	(1)	(1)
Balance as of December 31, 2021	\$ 1	\$ -	\$ 1

Blue Lake Property (Cu-Ni-Pt-Pd)

On June 30, 2008, the Company entered into an option agreement to earn a 100% interest in the Blue Lake (formerly the Retty Lake Property) copper-nickel-PGM exploration property, which is located northeast of Schefferville, Quebec. On February 12, 2013, the Company completed the earn-in by issuing 1,800,000 common shares and by incurring exploration expenditures totaling \$1,855,000. This included a 2,377-line km VTEM and a 1,767-line km ProspecTEM airborne survey, which showed anomalous EM responses in the region of the historic Blue Lake mineral deposit (this historic deposit is hosted on claims not held by the Company). These claims are subject to a 3% net smelter return royalty (“NSR”), which is subject to a buy-back right to repurchase the NSR for \$3,000,000 and a 30-day right-of-first-refusal by the Company to acquire all or part of the NSR on the same terms and conditions as set out in a notice provided to the Company by the holder (the “NSR ROFR”). In 2014, after obtaining additional VTEM airborne and Pt-Pd sampling data from Anglo American Exploration (Canada), the Company staked the Blue Lake South property to the southeast of the historic Blue Lake mineral deposit. During the year ended December 31, 2017, the Company elected to write-down the carrying value of the Blue Lake claims to \$1 and most of the Blue Lake South claims were allowed to lapse. On July 21, 2020, the Company announced it staked 194 high priority claims in the Blue Lake South area and renamed all of the claims as the Blue Lake Property.

As of December 31, 2021, the Blue Lake Property consisted of 263 claims covering 12,724 hectares.

8. Exploration and Evaluation Assets (continued)

Schefferville Ashuanipi Gold Property (Au)

On June 15, 2011, the Company acquired a 55% interest in the Schefferville Ashuanipi Gold Property, which is located southwest of Schefferville, Quebec. Upon completing the terms off the earn-in, the Company and Western Troy Capital Resources Inc formed a joint venture. As of December 31, 2016, the Company had increased its interest in the joint venture to 64%. During the year ended December 31, 2017, the Company elected to write-down the carried value of the property to \$1 and certain claims were allowed to lapse. On November 3, 2020, the Company announced it had acquired an undivided 100% interest in the Schefferville Ashuanipi Gold Property mineral claims by acquiring the remaining 36% of the joint venture. To complete the acquisition, the Company paid Western Troy a consideration of \$25,000 plus 666,666 common shares and 333,333 common share purchase warrants exercisable at \$0.075 per warrant for a period of two years. The common shares were valued at \$26,667 based on a market price of \$0.04 on November 2, 2020 and the warrants were valued using the Black-Scholes valuation model at \$11,963 based on a risk-free rate of 1.66% and a volatility of 250%. The total acquisition cost of \$63,630 was expensed as part of exploration and evaluation expenses.

On February 16, 2021, the Company announced the sale of its Schefferville Ashuanipi Gold Project and related exploration data to Prospector Metals Corp. ("Prospector"). The Company received a total consideration of \$460,000 consisting of \$100,000 in cash, 666,667 common shares with a fair market value of \$360,000, and a 2.0% net smelter royalty ("NSR"), which can be reduced to 1.0% for a further payment of \$1.0 million in cash. No carrying value has been recognized for the NSR. Prospector has also committed to spending \$500,000 over three years on the claims with any shortfall resulting in an additional cash payment to the Company of \$100,000 to be prorated based on any shortfall in the spending commitment. If the commitment is fully satisfied, then no additional payment will be owed. The Company determined that performance conditions for the sale transaction were satisfied as of March 31, 2021, upon effecting the transfer of the mineral claims in the Quebec mineral claims database and the receipt of \$50,000 in cash and the common share certificates.

Upon closing of the sale transaction, the Company realized a gain on sale of mineral property of \$459,999.

Exploration and evaluation expenditures

During the year ended December 31, 2021, the Company incurred mineral claim management and renewal fees of \$898 (2020: \$105,685).

9. Short-Term and Long-Term Debt

Credit facility

On December 23, 2021, the Company secured a non-revolving \$5,250,000 standby credit facility whereby the Company can make drawdowns until December 23, 2022 (the "Advance Period"). The Company may terminate the Advance Period at any time subject to a fee of 1% on undrawn amounts. The undrawn amounts until termination of the Advance Period and drawdowns will incur an interest rate of 12.75% per annum. Principal repayments of 2.5% of drawdown amounts are due on June 30, 2022, September 30, 2022 and December 31, 2022. Under certain circumstances, the Company can prepay drawdown amounts subject to a 2% prepayment fee. The credit facility is secured by the assets of the company and by certain related parties. In relation to the credit facility, the Company incurred a workfee of \$105,000 and lender legal fees of \$61,809. The initial advance of \$482,065 on December 23, 2021, resulted in the issuance of 1,000,000 common share purchase warrants exercisable at a price of \$0.08 per share for a period of 5 years, which were valued at \$77,533. Each subsequent advance under the credit facility will require the Company to issue such number of warrants that is equal to 1.1x the dollar value of the drawdown, up to an aggregate of 5,500,000 warrants. Each warrant issuance will be priced at the minimum price permissible under the rules of the Canadian Securities Exchange and will be exercisable for a period of 5 years. The workfee, legal fees and warrant value were deducted from the initial drawdown, resulting in an initial fair value of \$237,723.

Based on the assumption that drawdowns will be repaid on or about December 23, 2022, the credit facility debt was measured at amortized cost and the initial fair value was determined to be the present value of the repayments at an effective discount rate of 64.5%. As of December 23, 2021, the drawdowns totalled \$482,065 resulting in an undrawn amount of \$4,767,935 and a fair value of \$242,342 for the credit facility debt. During the year ended December 31, 2021, the Company incurred interest of \$13,006 (2020: \$nil) and recognized accretion of \$4,619 (2020: \$nil).

CEBA

The Company's subsidiary Capitalight Research Inc. has a Canada Emergency Business Account (CEBA), which has loan forgiveness provisions whereby 25% of the loan principal will be forgiven if 75% of the loan principal is repaid prior to December 31, 2022. The loan principal is not subject to any interest until after December 31, 2022. As of December 31, 2021, the Company had previously withdrawn \$40,000 and intends to repay CAD \$30,000 of loan principal. The loan has carrying balance of \$40,000 (December 31, 2020: \$40,000).

10. Deferred Revenue

Deferred revenues arise from the sale of annual subscriptions to the Company's research products. The balance of deferred revenue as of December 31, 2021, is expected to be recognized into revenues over the next twelve months.

	Movement in Deferred Revenues
Balance as of December 31, 2019	\$ 98,248
Deferred revenue recognized into revenue where performance obligations have been completed	(98,248)
Additions to deferred revenue where performance obligations have not been completed	134,692
Balance as of December 31, 2020	\$ 134,692
Deferred revenue recognized into revenue where performance obligations have been completed	(134,692)
Additions to deferred revenue where performance obligations have not been completed	162,378
Balance as of December 31, 2021	\$ 162,378

11. Deferred Debenture Obligation

On March 30, 2020, pursuant to a purchase agreement for Stone debentures, the Company recognized a deferred payment of \$330,000 due to the vendor upon maturity of the debentures, which was expected to occur on December 28, 2021. The deferred obligation was originally measured at amortized cost and the initial fair value was calculated as the present value of the obligation based on a discount rate of 10%. On December 28, 2021, Stone defaulted on the maturity. Since the purchase agreement did not foresee a maturity default event, the obligation will be treated as an on-demand obligation until Stone sets a maturity date.

	Movement in Deferred Obligation
Balance as of December 31, 2019	\$ -
Recognition of deferred obligation on March 30, 2020	279,303
Accretion of deferred obligation	20,697
Balance as of December 31, 2020	\$ 300,000
Accretion of deferred obligation	30,000
Balance as of December 31, 2021	\$ 330,000

12. Deferred Flow-Through Obligation

On October 2, 2019, the Company issued flow-through shares to eligible Canadian taxpayer subscribers that included a contractual commitment for the Company to incur \$86,000 in eligible Canadian Exploration Expenditures ("CEEs") by December 31, 2020 as per the provisions of the Income Tax Act of Canada. The CEEs were renounced as a tax credit to the flow-through share subscribers on December 31, 2019. To help alleviate issues relating to COVID-19, the Department of Finance Canada announced a proposal in July 2020 that it would extend the timelines for incurring eligible expenses applicable to Issuers of flow-through shares renounced using the look-back rule in 2019 and 2020 by twelve months. The Company did not incur any flow-through eligible expenditures in 2019, 2020 or 2021.

On December 31, 2021, the Company reversed a \$21,500 provision for the flow through premium and recorded a provision of \$45,941 for the indemnification obligation to subscribers of flow-through shares for the additional taxes payable related to the CEE renunciation shortfall.

Series	2019 F/T Series
Financing date	October 2, 2019
Renunciation date under look-back rule	December 31, 2019
Original CEE expenditure commitment	\$ 86,000
Estimated tax benefit at top marginal rate	53%
Flow-through provision as of December 31, 2021	\$ 45,941

During the year ended December 31, 2021, the Company expensed \$9,752 for Part XII.6 taxes related to the CEE renunciations (2020: \$nil) that were recognized through profit and loss.

13. Share Capital

The Company's common shares have no par value and an authorized share capital of an unlimited number of common shares.

As of December 31, 2021, the Company had 90,416,146 common shares issued and outstanding (December 31, 2020: 86,247,436).

Shares issued during the year ended December 31, 2021

On February 15, 2021, the Company announced the completion of a shares for debt settlement whereby the Company settled total indebtedness of \$221,161 by issuing 3,402,479 common shares, which had a market value of \$187,136 on the settlement date resulting in a gain on settlement of debt of \$34,025. This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees.

On October 22, 2021, a total of 769,231 RSUs were converted into common shares, which had a fair value of \$42,308 that was reclassified from contributed surplus to equity upon the conversion.

Shares issued during the year ended December 31, 2020

On January 28, 2020, the Company announced the completion of a shares for debt settlement whereby the Company settled total indebtedness of \$44,636 by issuing 892,707 common shares resulting in no gains or loss on the settlement. This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees.

On November 3, 2020, the Company announced it had acquired undivided 100% interest in the Schefferville Ashuanipi Gold Property mineral claims by acquiring the remaining 36% of the joint venture. To complete the acquisition, the Company paid Western Troy a consideration of \$25,000 plus 666,666 common shares and 333,333 common share purchase warrants exercisable at \$0.075 per warrant for a period of two years. The common shares were valued at \$26,667 based on a market price of \$0.04 on November 2, 2020.

14. Warrants

The Black-Scholes option valuation model is used by the Company to determine the fair value of common share purchase warrants based on the market price, the exercise price, compound risk free interest rate, annualized volatility and number of periods until expiration. Each warrant entitles the holder to purchase one common share of the Company at the respective exercise price prior to or on the respective expiration date.

As of December 31, 2021, the Company had 1,333,333 common share purchase warrants issued and outstanding (December 31, 2020: 333,333) with a weighted average expiration of 3.95 years (December 31, 2020: 1.84) which are exercisable into 1,333,333 common shares (December 31, 2020: 333,333) at a weighted average exercise price of \$0.079 (December 31, 2020: \$0.075).

Warrants issued during the year ended December 31, 2021

Issued Date	Expiration Date	Exercise Price	As at			As at	
			December 31, 2020	Issued	Cancelled	Exercised	December 31, 2021
November 3, 2020	November 3, 2022	\$ 0.075	333,333	-	-	-	333,333
December 23, 2021	December 23, 2026	\$ 0.080	-	1,000,000	-	-	1,000,000
Totals			333,333	1,000,000	-	-	1,333,333

On December 23, 2022, in relation to the initial drawdown from the credit facility, the Company granted 1,000,000 common share purchase warrants exercisable at a price of \$0.08 per share for a period of 5 years. The warrants vested immediately and were valued at \$77,533 using the Black-Scholes valuation model based on a risk-free rate of 1.25%, expected term of 5 years and volatility of 192%.

Warrants issued during the year ended December 31, 2020

Issued Date	Expiration Date	Exercise Price	As at			As at	
			December 31, 2019	Issued	Cancelled	Exercised	December 31, 2020
November 3, 2020	November 3, 2022	\$ 0.075	-	333,333	-	-	333,333
Totals			-	-	-	-	333,333

On November 3, 2020, the Company announced it had acquired undivided 100% interest in the Schefferville Ashuanipi Gold Property mineral claims by acquiring the remaining 36% of the joint venture. To complete the acquisition, Capitalight paid Western Troy a consideration of \$25,000 plus 666,666 common shares and 333,333 common share purchase warrants exercisable at \$0.075 per warrant for a period of two years. The warrants were valued at \$11,963 using the Black-Scholes valuation model based on a risk-free rate of 1.66%, expected term of 2 years and a volatility of 250%.

15. Long-term Incentive Plan

The Company's long term incentive plan (the "LTIP plan") is restricted to a maximum of 10% of the issued and outstanding common shares. Under the LTIP plan, the Company may grant securities-based incentives including stock options and restricted share units ("RSUs") to directors, officers, employees, and consultants. The Board of Directors administers the plan and determines the vesting and terms of each grant.

Stock Options

The Company determined the fair value of stock options using the Black-Scholes option valuation model, which has several inputs including the market price, the exercise price, compound risk free interest rate, annualized volatility and the number of periods until expiration. The fair value is expensed over the vesting period. Each stock option entitles the holder to purchase common shares of the Company at the respective exercise price prior to, or on, its expiration date.

As of December 31, 2021, the Company had 4,200,000 stock options issued and outstanding (December 31, 2020: 2,700,000) with a weighted average expiration of 3.47 years (December 31, 2020: 4.07 years) which are exercisable into 4,200,000 common shares (December 31, 2020: 2,700,000) at a weighted average exercise price of \$0.055 (December 31, 2020: \$0.05). All stock options that are outstanding vested on their grant date.

Options granted during the year ended December 31, 2021

Award and Vesting Date	Expiration Date	Exercise Price	As at December 31, 2020	Awarded	Cancelled	Exercised	As at December 31, 2021
January 24, 2020	January 24, 2025	\$ 0.050	2,700,000	-	-	-	2,700,000
February 12, 2021	February 12, 2026	\$ 0.065	-	1,500,000	-	-	1,500,000
Totals			2,700,000	1,500,000	-	-	4,200,000

On February 15, 2021, the Company granted 1,500,000 stock options exercisable at a price of \$0.065 for a period of five years. The options were valued at \$80,700 using the Black-Scholes pricing model based on a risk-free rate of 0.5%, a term of 5 years, volatility of 208% and a market price of \$0.055. These stock options vested on the grant date.

Options granted during the year ended December 31, 2020

Award and Vesting Date	Expiration Date	Exercise Price	As at December 31, 2019	Awarded	Cancelled	Exercised	As at December 31, 2020
January 24, 2020	January 24, 2025	\$ 0.050	-	2,700,000	-	-	2,700,000
Totals			-	2,700,000	-	-	2,700,000

On January 24, 2020, the Company announced that 2,700,000 incentive stock options have been granted to directors, officers and employees pursuant to the Company's stock option plan. The options have an exercise price of \$0.05 per share and are exercisable for a period of five years unless terminated pursuant to the terms of the stock option plan. The options were valued at \$121,714 using the Black-Scholes valuation model based on a risk-free rate of 1.66%, expected term of 5 years and a volatility of 146%.

Restricted share units (RSUs)

The fair value of RSUs is based on the grant-day intrinsic value of the shares that are expected to vest by the vesting date. Each RSU entitles the holder to receive one common share of the company prior to, or on, its expiration date subject to achieving the performance criterion ("milestone") prior to, or on, its vesting date. The fair value is expensed over the vesting period and is subject to remeasurement at the end of each reporting period based on the probability of achieving the milestone and adjustments for potential forfeitures.

As of December 31, 2021, the Company had 1,769,232 RSUs issued and outstanding (December 31, 2021: Nil) with a weighted average expiration of 2.26 years (December 31, 2020: nil) which entitle the holders to receive 1,769,232 common shares (December 31, 2020: nil) for no additional consideration subject to satisfying the vesting conditions.

15. Long-term Incentive Plan (continued)

RSUs granted during the year ended December 31, 2021

Award Date	Vesting Condition	Vesting Date	As at December 31, 2020	Awarded	Cancelled	Converted	As at December 31, 2021
February 12, 2021	Employment (vested)	February 28, 2021	-	1,207,692	-	-	1,207,692
February 12, 2021	Gross sales (vested)	December 31, 2021	-	600,000	(500,000)	-	100,000
June 23, 2021	Employment	July 31, 2021	-	769,231	-	(769,231)	-
June 23, 2021	Gross sales targets	December 31, 2023	-	461,540	-	-	461,540
Totals			-	3,038,463	(500,000)	(769,231)	1,769,232

On February 15, 2021, the Company announced the completion of a shares for debt settlement whereby the Company settled total indebtedness of \$78,500 by granting 1,207,692 RSUs. This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees. The RSUs vested on February 28, 2021, are convertible into common shares for no additional consideration and will expire on December 31, 2023.

On February 15, 2021, the Company granted 600,000 RSUs pursuant to an employment agreement of a new sales consultant for Capitalight Research. The RSUs would vest on December 31, 2021, provided that certain gross sales milestones relating to the subscription research division have been achieved between January 1, 2021, to December 31, 2021. As of, December 31, 2021, based on the gross sales milestones achieved, 500,000 of the RSUs were cancelled. Vested RSUs will be convertible into common shares for no additional consideration and will expire on December 31, 2023.

On June 23, 2021, the Company granted 769,231 RSUs pursuant to an employment agreement for Capitalight Research. The RSUs vested on July 31, 2021. On October 22, 2021, a total of 769,231 RSUs were converted into common shares.

On June 23, 2021, the Company granted 461,540 RSUs pursuant to an employment agreement for Capitalight Research. The RSUs will vest on December 31, 2023, provided that certain gross sales milestones relating to the subscription research division have been achieved between January 1, 2021, to December 31, 2023. Vested RSUs will be convertible into common shares for no additional consideration and will expire on December 31, 2024.

16. Segmented Reporting

The Company has three operating segments, consisting of the research business, exploration properties and securities investments. All of the Company assets are held in Canada. The Company's President and Chief Executive Officer and Chief Financial Officer are the operating decision-makers and direct the allocation of resources to its segments.

The following is the segmented information by operating segments:

	Year ended December 31, 2021	Year ended December 31, 2020
Research business segment		
Research revenues	\$ 388,311	\$ 296,537
Research expenses		
Payroll and benefits	256,585	256,983
Consultants and services	163,620	120,278
Legal fees	14,099	-
Travel expenses	1,657	8,174
Office and administrative	39,333	30,584
Bad debts	21,238	7,731
Sales and marketing	25,311	-
Share-based compensation	47,808	-
Total research expenses	569,651	423,751
Research business segment income (loss)	(181,340)	(127,214)
Exploration properties segment		
Realized gain on sale of mineral property	459,999	-
Exploration and evaluation expenses		
Mineral claim renewal fees	898	105,685
Total exploration and evaluation expenses	898	105,685
Exploration properties segment income (loss)	459,101	(105,685)
Securities investment segment		
Consulting revenues	11,137	-
Coupon income from investments	203,377	177,079
Realized gain on investments	173,849	-
Unrealized gain on investments	500,443	23,661
Total securities investment income	888,806	200,740
Total segments income (loss)	1,166,567	(32,159)
General and administrative expenses		
Management Consulting fees	223,200	258,441
Investment evaluation expenses	41,695	-
Professional and legal fees	286,655	87,642
Public filing fees	6,520	26,708
Insurance expenses	7,013	8,375
Rent	17,230	19,200
Travel expenses	-	2,725
Office and administrative	21,674	10,195
Total general and administrative expenses	603,987	413,286
Amortization of brand value	12,600	12,600
Impairment	226,800	-
Interest (income)	(10)	-
Interest expense	13,399	250
Share-based compensation	80,700	121,714
Accretion	34,619	20,697
Part XII.6 taxes	9,752	-
Flow through premium	-	-
Flow through obligation	45,941	-
Realized gain on settlement of debt	(34,025)	-
Foreign exchange (gain) loss	7,255	10,920
Net income (loss) and comprehensive income (loss) for the period	\$ 165,549	\$ (611,625)

17. Related Party Transactions and Balances

Parties are related if one party has the direct or indirect ability to control or exercise significant influence over the other party in making operating and financial decisions. Parties are also related if they are subject to common control or common significant influence. Other related parties include companies controlled by key management personnel. Key management personnel are composed of the Board of Directors, Chief Executive Officer and Chief Financial Officer of the Company.

A transaction is considered a related party transaction when there is a transfer of economic resources or financial obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the fair value. Balances and transactions between the Company and its wholly owned subsidiary, which is a related party of the Company, have been eliminated and are not disclosed in this note.

The following key management related party transactions occurred during the following reporting periods:

	Year ended December 31, 2021	Year ended December 31, 2020
Management consulting fees	\$ 223,200	\$ 258,441
Professional and legal fees	21,600	23,099
Share-based compensation	57,342	99,174
Total	\$ 302,142	\$ 380,714

The following key management related party balances existed as of December 31, 2021, and December 31, 2020:

	As of December 31, 2021	As of December 31, 2020
Accounts payable due to companies controlled by key management	\$ 9,011	\$ 147,069
Accrued liabilities due to companies controlled by key management	\$ 148,297	\$ 47,419
Amounts receivable from companies controlled by key management	\$ 14,500	\$ 14,500

18. Capital Management

There were no changes in the Company's approach to capital management during the year ended December 31, 2021.

The Company's investment policy is to invest excess cash in very low risk financial instruments such as term deposits or by holding funds in high yield savings accounts with major Canadian banks and to provide shareholders with long-term capital growth by investing in a portfolio of undervalued companies, assets, or equity investment vehicles in the subscription research, mineral exploration and asset management sectors of the North American market, but may also include investments in other sectors.

The Company is not subject to any externally imposed capital requirements.

The Company is generating revenues from the research business but has not generated any revenues from mineral property interests, which are still in the exploration & evaluation stage. To date, the Company has funded its operations by raising equity. To minimize liquidity risk, the Company has implemented cost control measures including an operating budget and the minimizing of discretionary expenditures related to the exploration properties.

The Company manages its capital structure (consisting of shareholders' equity) on an ongoing basis and in response to changes in economic conditions and risk characteristics of its underlying assets. Changes to the capital structure could involve the issuance of new equity, obtaining working capital loans, issuing debt, the acquisition or disposition of assets, or adjustments to the amounts held in cash, cash equivalents and investments.

Capital resource analysis

As of December 31, 2021, the Company had a working capital deficiency of \$885,514 (December 31, 2020: deficiency of \$705,922). Although the Company has a negative working capital position, the Company believes it can satisfy short-term obligations as they come due by generating cash from operations and the investment portfolio.

Should unexpected financial circumstances arise, the Company may choose to raise additional capital by issuing new equity, obtaining working capital loans, or construction financing. While the Company has been successful in obtaining funding in the past, there is no assurance that future financings will be available on terms acceptable to the Company. Based on management's assessment of its past ability to obtain required funding, the Company believes it will be able to satisfy its current and long-term obligations as they come due.

19. Financial Instruments and Risk Management

Financial instruments are exposed to certain financial risks, which may include liquidity risk, credit risk, interest rate risk, commodity price risk, and currency risk:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. Liquidity risk arises from the Company's financial obligations and in the management of its assets, liabilities and capital structure.

In managing liquidity, the Company's primary objective is to ensure the entity can continue as a going concern while obtaining sufficient funding to meet its obligations as they come due. The Company manages this risk by regularly evaluating its liquid financial resources to fund current and long-term obligations and to meet its capital commitments in a cost-effective manner. The main factors that affect liquidity include working capital requirements, capital-expenditure requirements, and equity capital market conditions. The Company's liquidity requirements are met through a variety of sources, including cash and cash equivalents and equity capital markets.

As of December 31, 2021, the Company is exposed to liquidity risk since it had a cash and cash equivalents balance of \$422,719 (December 31, 2020: \$76,176) to settle current liabilities of \$1,444,916 (December 31, 2020: \$909,373). Based on management's assessment of its past ability to obtain required funding, the Company believes that it will be able to satisfy its current and long-term obligations as they come due. The Company has disclosed in Note 2 to these consolidated financial statements the existence of circumstances which may cast significant doubt on its ability to continue as a going concern.

Credit risk

The Company has credit risk arising from accounts receivable from the sale of research business services to commercial customers. The Company manages this risk by reviewing the credit worthiness of material new customers, monitors customer payment performance, has weekly meetings to discuss uncollected accounts, and, where appropriate, reviews the financial condition of existing customers.

The Company has credit risk arising from the debenture interest receivable. Although Stone defaulted on the maturity of the debenture on December 28, 2021, it has never missed a debenture interest payment and completed the interest payments due January 15, 2022 and April 15, 2022.

The Company has credit risk arising from the potential from counterparty default on cash and cash equivalents held on deposit with financial institutions. The Company manages this risk by ensuring that deposits are only held with large Canadian banks and financial institutions, whereas any offshore deposits are held with reputable financial institutions.

Interest rate risk

This is the sensitivity of the fair value or of the future cash flows of a financial instrument to changes in interest rates. The Company does not have any financial assets or liabilities that are subject to variable interest rates.

Commodity price risks

This is the sensitivity of the fair value of, or of the future cash flows, from mineral assets. The Company manages this risk by monitoring mineral prices and commodity price trends to determine the appropriate timing for funding the exploration or development of its mineral assets, or for the acquisition or disposition of mineral assets. The Company does not have any mineral assets at the development or production stage carried at historical cost. The Company has expensed the acquisition and exploration costs of its exploration stage mineral assets.

Currency risk

This is the sensitivity of the fair value or of the future cash flows of financial instruments to changes in foreign exchange rates. The Company transacts with customers and suppliers in currencies other than the Canadian dollar, including the US dollar. The Company also has monetary and financial instruments that may fluctuate due to changes in foreign exchange rates. As of December 31, 2021, the Company estimated that a 10% decrease of the CAD versus foreign exchange rates would result in a gain of \$2,512 (2020: gain of \$209).

	December 31, 2021	December 31, 2020
Cash and cash equivalents (USD)	\$ 3,801	\$ 15,107
Accounts receivable (USD and EUR)	22,652	40
Accounts payable and accrued liabilities (USD)	(1,332)	(13,057)
Net foreign exchange exposure	\$ 25,121	\$ 2,090
Impact of 10% change in foreign exchange rates	\$ 2,512	\$ 209

20. Taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2020 - 26.5%) to the effective tax rate is as follows:

	December 31, 2021	December 31, 2020
Net Income (Loss) before recovery of income taxes	\$ 165,549	\$ (611,625)
Expected income tax (recovery) expense	44,700	(165,140)
Tax rate changes and other adjustments	32,240	1,080
Non-deductible expenses	(41,630)	48,730
Change in tax benefits not recognized	(35,310)	115,330
Income tax (recovery)	\$ -	\$ -

Deferred tax

The following table summarizes the components of deferred tax:

	December 31, 2021	December 31, 2020
<i>Deferred tax asset</i>		
Operating tax losses carried forward	\$ 76,760	\$ 13,360
Subtotal of deferred tax assets	76,760	13,360
<i>Deferred tax liabilities</i>		
Intangible assets	-	13,360
Investments	(12,040)	-
Credit facility	(64,720)	-
Subtotal of deferred tax liabilities	(76,760)	13,360
Net deferred tax liability	\$ -	\$ -

Deferred tax liabilities have been offset by deferred tax assets where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset.

Unrecognized deferred tax assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	December 31, 2021	December 31, 2020
Equipment	1,340	1,500
Investments	\$ -	355,870
CEBA loan	\$ 10,000	10,000
Share issuance costs	195,470	-
Reserves	45,940	-
Operating tax losses carried forward	\$ 3,060,830	\$ 2,764,350
Mineral development resource pool	766,250	1,229,620
Deductible temporary differences	\$ 4,079,830	\$ 4,361,340

20. Taxes (continued)

The Canadian operating tax loss carry forwards expire as noted in the table below. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom. The Company's Canadian operating tax losses expire as follows:

Expiration	Operating Tax Losses
2031	\$ 194,540
2032	407,960
2034	297,260
2035	190,510
2036	186,030
2037	287,860
2038	94,070
2039	500,920
2040	397,390
2041	504,280
Total	\$ 3,060,830

21. Subsequent Events

On February 16, 2022, the Company completed the acquisition of the technical analysis subscription research business of Phases and Cycles Inc. for a cash acquisition price of \$270,000. The transaction involved the acquisition of clients, trademarks, intellectual property, and other related assets of the business.

On February 18, 2022, the Company completed a second drawdown from the credit facility totaling \$278,640 resulting in the granting of 306,504 common share purchase warrants exercisable at \$0.07 per share for a period of five years.



IC CAPITALIGHT CORP.

Management's Discussion And Analysis (MD&A)

For the years ended December 31, 2021 and 2020

Expressed in Canadian Dollars

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute forward-looking information within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans,” “expects,” or “does not expect,” “is expected,” “budget,” “scheduled,” “goal,” “estimates,” “forecasts,” “intends,” “anticipates,” or “does not anticipate,” or “believes” or 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 information includes, but is not limited to, information with respect to certain expectations regarding the fair value of the Company’s investments and management’s expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. 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 the date of this report. These are based on current expectations, estimates and assumptions that involve known and unknown risks, uncertainties and other factors that could cause actual results to vary and, in some instances, to differ materially from those anticipated by the Company and described in the forward-looking statements. These risks include, but are not limited to, access to sufficient capital, legal and accounting risks, potential loss of key personnel, sales and marketing issues, operating cost overruns, technology issues, title disputes and compliance with various regulators. 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) a decreased demand or price of our research products (3) a decreased value of our investments, (4) inability to locate, acquire or divest of mineral property interests, (5) the uncertainty of our operating costs, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control. There is a significant risk that such forward-looking statements will not prove to be accurate.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information contained herein is presented for the purposes of assisting investors in understanding the Company’s expected financial and operating performance and the Company’s plans and objectives and may not be appropriate for other purposes.

The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled “Risk Factors” below.

INTRODUCTION

This Management’s Discussion and Analysis (“MD&A”) dated April 28, 2022 of IC Capitalight Corp. (“Capitalight”, “we”, “our” or “the Company”) should be read in conjunction with Company’s Consolidated Financial Statements (“Financial Statements”) for the years ended December 31, 2021 and 2020 that were prepared in accordance with International Financial Reporting Standards (“IFRS”) International Accounting Standard as issued by the International Accounting Standards Board (“IASB”).

All amounts are in Canadian dollars, unless otherwise indicated.

EXECUTIVE SUMMARY

Capitalight is incorporated under the British Columbia Business Corporations Act and its common shares are listed on the Canadian Securities Exchange (the “Exchange”) under the symbol “IC”. The Company has a fiscal year-end of December 31 and its registered office is at 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8.

Capitalight is a merchant bank that pursues value-based investment opportunities in accordance with its internal investment policies through a portfolio of companies, securities, and mineral properties. The securities investments consist primarily of debentures and equities. The Company’s business operations include Capitalight Research Inc. (“Capitalight Research”), a wholly owned subsidiary that publishes proprietary subscription-based research focused on (1) equity technical analysis, (2) gold, silver, and critical metals sectors, and (3) Canadian preferred shares, bonds, and economics. Capitalight Research generates recurring revenues and is expected to generate positive operating cash flows as it achieves profitability. The mineral exploration investments are at the exploration and evaluation stage and consists of the Blue Lake Cu-Ni-Pt-Pd property near Schefferville, Quebec.

Business Strategy

The business strategy consists of the following:

- Grow the subscriber-base of Capitalight Research to achieve profitability in 2022.
- Realize value from the investment in Stone Investment Group Limited (“Stone”) debentures by pursuing maturity of the debentures at face value plus all accrued deferred interest.

- Realize value from the investment in equities.
- Realize value from the investment in mineral assets.

The Company accepts the risks that are inherent to pursuing investment returns. These risks are discussed in greater detail in the *Risk Factors* section of this MD&A.

HIGHLIGHTS

On February 15, 2021, the Company announced the completion of a shares for debt settlement whereby the Company settled total indebtedness of \$221,161 by issuing 3,402,479 common shares). This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees.

On February 16, 2021, the Company announced the sale of its Schefferville Ashuanipi Gold Project and related exploration data to Prospector Metals Corp. (“Prospector”). The Company received a total consideration of \$460,000 consisting of \$100,000 in cash, 666,667 common shares with a fair market value of \$360,000, and a 2.0% net smelter royalty (“NSR”), which can be reduced to 1.0% for a further payment of \$1.0 million in cash.

On July 7, 2021, the Company announced that Patricia M. Mohr, former Vice-President, Economics & Commodity Market Specialist at Scotiabank, had joined the Capitalight Research team and would author the newly launched *Critical Metals for a Sustainable World*, which is the fifth and newest subscription research publication from Capitalight Research.

The Company holds 3,032 debentures issued by Stone Investment Group Limited (“Stone”) representing 25.3% of the total outstanding Stone debentures. Amendments to the debenture indenture agreement require approval by 66.66% of the holders. In anticipation of a potential default and extension of the maturity of the Stone debentures, the Company was pursuing the acquisition of at least 33.3% of the outstanding debentures of Stone. On December 23, 2021, the Company secured a non-revolving \$5,250,000 standby credit facility bearing an interest rate of 12.75% per annum that will be used to support at offer for all outstanding Stone debentures. On December 28, 2021, Stone defaulted on the debenture maturity but completed the coupon payments that were due on January 15, 2022 and April 15, 2022. In January 2022, the Company obtained a Superior Court order and began negotiations with Stone to restructure the debentures and is pursuing maturity of the debentures at face value plus all accrued deferred interest, and/or the restructuring of the debentures resulting in the acquisition of an equity position in Stone. On April 7, 2022, Stone announced it entered into an agreement with Starlight Investment Capital LP (“Starlight”) whereby Starlight will acquire Stone and will pay, pursuant to the terms and conditions of the trust indenture governing the debentures, the principal amount of \$1,000 per debenture, plus accrued and unpaid interest thereon, including any additional interest, to complete the repayment of the debentures. Stone shareholder approval is required and is expected to occur in June 2022.

RESULTS OF OPERATIONS

The Company has three operating segments, consisting of the research business, exploration properties and securities investments.

Financial Results for the years and the three months ended December 31, 2021 and 2020

	Year ended December 31, 2021	Year ended December 31, 2020	Three months ended December 31, 2021	The three months December 31, 2020
Research business segment				
Research revenues	\$ 388,311	\$ 296,537	\$ 91,561	\$ 60,526
Research expenses				
Payroll and benefits	256,585	256,983	43,708	69,951
Consultants and services	163,620	120,278	55,846	28,153
Legal fees	14,099	-	14,099	-
Travel expenses	1,657	8,174	119	495
Office and administrative	39,333	30,584	20,265	8,975
Bad debts	21,238	7,731	222	3,834
Sales and marketing	25,311	-	25,311	-
Share-based compensation	47,808	-	(13,302)	-
Total research expenses	569,651	423,751	146,268	111,408
Research business segment income (loss)	(181,340)	(127,214)	(54,707)	(50,882)
Exploration properties segment				
Realized gain on sale of mineral property	459,999	-	-	-
Exploration and evaluation expenses				
Mineral claim renewal fees	898	105,685	337	67,419
Total exploration and evaluation expenses	898	105,685	337	67,419
Exploration properties segment income (loss)	459,101	(105,685)	(337)	(67,419)
Securities investment segment				
Consulting revenues	11,137	-	-	-
Coupon income from investments	203,377	177,079	57,852	50,993

Realized gain on investments	173,849	-	66,349	-
Unrealized gain on investments	500,443	23,661	3,050	23,661
Total securities investment income	888,806	200,740	127,251	74,654
Total segments income (loss)	1,166,567	(32,159)	72,207	(43,646)
General and administrative expenses				
Management Consulting fees	223,200	258,441	53,400	95,971
Investment evaluation expenses	41,695	-	41,695	-
Professional and legal fees	286,655	87,642	223,516	40,834
Public filing fees	6,520	26,708	(9,628)	9,217
Insurance expenses	7,013	8,375	1,583	2,100
Rent	17,230	19,200	1,930	4,800
Travel expenses	-	2,725	-	165
Office and administrative	21,674	10,195	17,825	2,992
Total general and administrative expenses	603,987	413,286	330,321	156,079
Amortization of brand value	12,600	12,600	3,150	3,150
Impairment	226,800	-	226,800	-
Interest (income)	(10)	-	(10)	-
Interest expense	13,399	250	13,103	120
Share-based compensation	80,700	121,714	(14,870)	121,714
Accretion	34,619	20,697	12,389	13,261
Part XII.6 taxes	9,752	-	9,752	-
Flow through premium	-	-	-	-
Flow through obligation	45,941	-	45,941	-
Realized gain on settlement of debt	(34,025)	-	(34,025)	-
Foreign exchange (gain) loss	7,255	10,920	4,983	3,078
Net income (loss) and comprehensive income (loss) for the period	\$ 165,549	\$ (611,625)	\$ (525,327)	\$ (341,048)

Discussion of the years ended December 31, 2021 and 2020

The Company realized a net income and comprehensive income of \$165,549 (2020: net loss and comprehensive loss of \$611,625).

The research business segment generated a loss of \$181,340 (2020: loss of \$127,214). Research revenues increased to \$388,311 (2020: \$296,537) due to increased subscription research fees as compared to the prior year. Research expenses increased to \$569,651 (2020: \$423,751) due to increased consultants and services, sales and marketing, and share-based compensation.

The exploration segment realized a one-time gain on the sale of mineral property of \$459,999 (2020: \$nil) due to the sale of the Schefferville Ashuanipi property. As a result, the exploration segment generated income of \$459,101 (2020: loss of \$105,685). Mineral claim renewal fees were only \$898 (2020: \$105,685) due to the deferral of first year mineral claim renewal fees by the Quebec government as a Covid-19 relief measure.

The securities investment segment generated income of \$888,806 (2020: \$200,740) by earning coupon interest of \$203,377 (2020: \$177,079), realized gains of \$173,849 (2020: \$nil) from the sale of common shares, unrealized gains of \$500,443 (2020: \$23,661) from the revaluation of debentures and common shares, and consulting fees of \$11,137 (2020: \$nil).

General and administrative costs increased to \$603,987 (2020: \$413,286) due to an increase of professional and legal fees to \$286,655 (2020: \$87,642) and an increase of investment evaluation expenses to \$41,695 (2020: \$nil).

The carrying value of the goodwill and Murenbeeld brand value was impaired resulting in expense of \$226,800 (2020: \$nil). Share-based compensation decreased to \$80,700 (2020: \$121,714) from the granting of stock options. A flow-through obligation of \$45,941 was recognized (2020: \$nil) for the indemnification obligation to subscribers of flow-through shares.

Discussion of the three months ended December 31, 2021 and 2020

The Company realized a net loss and comprehensive loss of \$525,327 (2020: net loss and comprehensive loss of \$341,048).

The research business segment generated a loss of \$54,707 (2020: loss of \$50,882). Research revenues increased to \$91,561 (2020: \$60,526) due to increased subscription research fees as compared to the prior year. Research expenses increased to \$146,268 (2020: \$111,408) due to increased consultants and services, legal fees, and sales and marketing.

The exploration segment generated a loss of \$337 (2020: loss of \$67,419).

The securities investment segment generated income of \$127,251 (2020: income of \$74,654) by earning coupon interest of \$57,852 (2020: \$50,993), realized gains of \$66,349 (2020: \$nil) from the sale of common shares, and unrealized gain of \$3,050 (2020: gain of \$23,661) from the revaluation of debentures and common shares.

General and administrative costs increased to \$330,321 (2020: \$156,079) due to an increase in investment evaluation expenses to \$41,695 (2020: \$nil), and an increase in professional and legal fees to \$223,516 (2020: \$40,834).

The carrying value of the goodwill and Murenbeeld brand value was impaired resulting in expense of \$226,800 (2020: \$nil). A flow-through obligation of \$45,941 was recognized (2020: \$nil) for the indemnification obligation to subscribers of flow-through shares.

STATEMENT OF FINANCIAL POSITION

Cash and Cash Equivalents

Cash and cash equivalents increased to \$422,719 (2020: \$76,176) and are deposited with major financial institutions in Canada.

Accounts Receivable, Amounts Receivable and Prepaid Expenses

Accounts receivables decreased to \$10,630 (December 31, 2020: \$13,389). All accounts receivable over 90 days are fully provisioned as bad debts until subsequently collected. Amounts receivables increased to \$50,067 (December 31, 2020: \$42,525) due to an increase in Canadian sales tax receivables. Debenture interest receivable increased to \$57,317 (2020: \$48,731). Prepaid expenses decreased to \$18,669 (December 31, 2020: \$22,630) due to an increase in prepaid fees related to the credit facility.

Investments

As of December 31, 2021, the investment portfolio consisted of:

- 3,032 debentures issued by Stone Investment Group Limited (“Stone”). Each debenture has a \$1,000 face value and 7.5% coupon paid quarterly in cash resulting in a total face value of \$3,032,000. The fair value was estimated at \$2,425,602 using a Level 2 fair value hierarchy of \$800 per debenture based on the Company’s counteroffer to acquire all the outstanding debentures for a cash consideration of \$800 per debenture, which was announced on December 23, 2021. On December 28, 2021, Stone defaulted on the debenture maturity but completed the coupon payment that was due on January 15, 2022, and April 15, 2022.
- 112,810 common shares of Stone. The fair value was estimated at \$nil.
- 409,333 common shares of Prospector Metals Corp., which reflects a 1:3 share consolidation that was completed on April 6, 2022. The fair market value was estimated at \$442,294.

During the year ended December 31, 2021, the Company realized a gain on investments of \$173,849 (2020: gain of \$nil) from the sale of common shares and warrants, and had an unrealized gain on investments of \$500,443 (2020: loss of \$23,661) from the revaluation of debentures and common shares. During the year ended December 31, 2021, the Company recognized debenture interest income of \$203,377 (2020: \$177,079) and as of December 31, 2021, had a debenture interest receivable balance of \$57,317 (December 31, 2020: \$48,731).

The Company’s investments portfolio consisted of the following as of December 31, 2021:

Investments	Opening Balance	Purchases (Non-Cash)	Purchases (Cash)	Net Proceeds	Realized Gains (Losses)	Unrealized Gains (Losses)	Ending Balance
Debentures	\$ 1,786,555	\$ -	\$ 353,540	\$ -	\$ -	\$ 285,507	\$ 2,425,602
Warrants	55,698	-	-	(77,970)	22,272	-	-
Common shares	-	360,000	23,300	(307,519)	151,577	214,936	442,294
Total	\$ 1,842,253	\$ 360,000	\$ 376,840	\$ (385,489)	\$ 173,849	\$ 500,443	\$ 2,867,896

The Company’s investments portfolio consisted of the following as of December 31, 2020:

Investments	Opening Balance	Purchases (Non-Cash)	Purchases (Cash)	Net Proceeds	Realized Gains (Losses)	Unrealized Gains (Losses)	Ending Balance
Debentures	\$ 807,874	\$ 729,855	\$ 225,165	\$ -	\$ -	\$ 23,661	\$ 1,786,555
Warrants	-	55,698	-	-	-	-	55,698
Total	\$ 807,874	\$ 785,553	\$ 225,165	\$ -	\$ -	\$ 23,661	\$ 1,842,253

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities increased to \$624,255 (September 30, 2020: \$453,181).

Short-Term and Long-Term Debt

Short-term debt increased by \$282,342 consisting of a carrying value of \$242,342 (2020: \$nil) for the credit facility drawdowns and \$40,000 (2020: \$nil) from the reclassification of CEBA loan from long-term debt. Long-term debt was \$nil (2020: \$40,000).

Deferred Revenues

Deferred revenues increased to \$162,378 (2020: \$134,692) and represents the amount of annual subscription revenues that have already been collected that are expected to be recognized into revenues over the next 12 months.

Deferred Debenture Obligations

Deferred obligations increased to \$330,000 (2020: \$300,000) and represents the present value of the deferred payment of \$330,000 due to the vendor of debentures upon maturity of the debentures. On December 28, 2021, Stone defaulted on the maturity. Since the purchase agreement did not foresee a maturity default event, the obligation will be treated as an on-demand obligation until Stone sets a maturity date.

Deferred Flow-Through Obligation

On December 31, 2021, the Company reversed a \$21,500 provision for the flow through premium and recorded a provision of \$45,941 for the indemnification obligation to subscribers of flow-through shares for the additional taxes payable related to the CEE renunciation shortfall.

LIQUIDITY AND CAPITAL RESOURCES

There were no changes in the Company's approach to capital management during the year ended December 31, 2021.

The Company's investment policy is to invest excess cash in very low risk financial instruments such as term deposits or by holding funds in high yield savings accounts with major Canadian banks and to provide shareholders with long-term capital growth by investing in a portfolio of undervalued companies, assets, or equity investment vehicles in the subscription research, mineral exploration and asset management sectors of the North American market, but may also include investments in other sectors.

The Company is not subject to any externally imposed capital requirements.

The Company is generating revenues from the research business but has not generated any revenues from mineral property interests, which are still in the exploration & evaluation stage. To date, the Company has funded its operations by raising equity. To minimize liquidity risk, the Company has implemented cost control measures including an operating budget and the minimizing of discretionary expenditures related to the exploration properties.

The Company manages its capital structure (consisting of shareholders' equity) on an ongoing basis and in response to changes in economic conditions and risk characteristics of its underlying assets. Changes to the capital structure could involve the issuance of new equity, obtaining working capital loans, issuing debt, the acquisition or disposition of assets, or adjustments to the amounts held in cash, cash equivalents and investments.

Capital resource analysis

As of December 31, 2021, the Company had a working capital deficiency of \$885,514 (December 31, 2020: deficiency of \$705,922). Although the Company has a negative working capital position, the Company believes it can satisfy short-term obligations as they come due by generating cash from operations and the investment portfolio.

	December 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 422,719	\$ 76,176
Accounts receivable	10,630	13,389
Amounts receivable	50,067	42,525
Debenture interest receivable	57,317	48,731
Prepaid expenses	18,669	22,630
Total current assets	559,402	203,451
Current liabilities:		
Accounts payable and accrued liabilities	624,255	453,181
Short-term debt	282,342	-
Deferred flow-through premium	45,941	21,500
Deferred revenue	162,378	134,692
Deferred obligation	330,000	300,000
Total current liabilities	1,444,916	909,373
Working capital (deficit) surplus	\$ (885,514)	\$ (705,922)

Should unexpected financial circumstances arise, the Company may choose to raise additional capital by issuing new equity, obtaining working capital loans, or construction financing. While the Company has been successful in obtaining funding in the past, there is no assurance that future financings will be available on terms acceptable to the Company. Based on management's assessment of its past ability to obtain required funding, the Company believes it will be able to satisfy its current and long-term obligations as they come due.

Cash Flows from operating, investing and financing activities

The following are the Company's cash flows from operating, investing and financing activities for the years ended December 31, 2021 and 2020:

	Year ended December 31, 2021	Year ended December 31, 2020
Operating activities		
Net income (loss) for the year	\$ 165,549	\$ (611,625)
<i>Add (deduct) items not affecting cash:</i>		
Accretion	34,619	20,697
Amortization of brand value	12,600	12,600
Impairment of goodwill and brand value	226,800	-
Share-based compensation for stock options	80,700	121,714
Share-based compensation for RSUs	114,231	-
Share-based payments for acquisitions	-	38,630
Realized gain on settlement of debt	(34,025)	-
Realized gain on sale of investments	(173,849)	-
Realized gain on sale of mineral property	(459,999)	-
Unrealized gain on investments	(500,443)	(23,661)
Subtotal	(533,817)	(441,645)
<i>Change in non-cash working capital balances:</i>		
(Increase) decrease in accounts and amounts receivable	(13,369)	(22,224)
(Increase) decrease in prepaid expenses	\$ 3,961	(6,006)
Increase (decrease) in accounts payable and accrued liabilities	392,236	48,999
Increase (decrease) in flow through obligation	45,941	-
Increase (decrease) in deferred revenue	27,686	36,444
Net cash from operating activities	\$ (77,362)	\$(384,432)
Investing activities		
Purchase of debentures	(353,540)	(225,166)
Disposition of mineral property	100,000	-
Disposition of warrants	77,970	-
Disposition of common shares	307,519	-
Purchase of common shares	(23,300)	-
Net cash used investing activities	\$ 108,649	\$ (225,166)
Financing activities		
Net proceeds from short-term debt	315,256	40,000
Net cash provided by financing activities	\$ 315,256	\$ 40,000
Net increase (decrease) in cash and cash equivalents	346,543	(569,599)
Cash and cash equivalents, beginning of year	76,176	645,775
Cash and cash equivalents, end of year	\$ 422,719	\$ 76,176

Net cash used in operating activities decreased to \$77,362 (2020: net cash used \$384,432) due to an increase in accounts payable and accrued liabilities and flow through obligation.

Net cash used in investing activities increased to \$108,649 (2020: \$225,165) due to the disposition of mineral property, warrants and common shares, which offset additional purchases of debentures and common shares.

Net cash provided by financing activities increased to \$315,256 (2020: \$40,000) due to drawdowns from the credit facility.

Contractual Obligations and Commitments

The Company has contractual obligations and commitments relating to the credit facility, deferred debenture obligation, and deferred flow through obligation.

Off-balance sheet arrangements

The Company does not have off-balance sheet arrangements including any arrangements that would affect the liquidity, capital resources, market risk support and credit risk support or other benefits.

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. Liquidity risk arises from the Company's financial obligations and in the management of its assets, liabilities and capital structure.

In managing liquidity, the Company's primary objective is to ensure the entity can continue as a going concern while obtaining sufficient funding to meet its obligations as they come due. The Company manages this risk by regularly evaluating its liquid financial resources to fund current and long-term obligations and to meet its capital commitments in a cost-effective manner. The main factors that affect liquidity include working capital requirements, capital-expenditure requirements, and equity capital market conditions. The Company's liquidity requirements are met through a variety of sources, including cash and cash equivalents and equity capital markets.

As of December 31, 2021, the Company is exposed to liquidity risk since it had a cash and cash equivalents balance of \$422,719 (December 31, 2020: \$76,176) to settle current liabilities of \$1,444,916 (December 31, 2020: \$909,373). Based on management's assessment of its past ability to obtain required funding, the Company believes that it will be able to satisfy its current and long-term obligations as they come due. The Company has disclosed in Note 2 to these consolidated financial statements the existence of circumstances which may cast significant doubt on its ability to continue as a going concern.

Credit risk

The Company has credit risk arising from accounts receivable from the sale of research business services to commercial customers. The Company manages this risk by reviewing the credit worthiness of material new customers, monitors customer payment performance, has weekly meetings to discuss uncollected accounts, and, where appropriate, reviews the financial condition of existing customers.

The Company has credit risk arising from the debenture interest receivable. Although Stone defaulted on the maturity of the debenture on December 28, 2021, it has never missed a debenture interest payment and completed the interest payments due January 15, 2022 and April 15, 2022.

The Company has credit risk arising from the potential from counterparty default on cash and cash equivalents held on deposit with financial institutions. The Company manages this risk by ensuring that deposits are only held with large Canadian banks and financial institutions, whereas any offshore deposits are held with reputable financial institutions.

Interest rate risk

This is the sensitivity of the fair value or of the future cash flows of a financial instrument to changes in interest rates. The Company does not have any financial assets or liabilities that are subject to variable interest rates.

Commodity price risks

This is the sensitivity of the fair value of, or of the future cash flows, from mineral assets. The Company manages this risk by monitoring mineral prices and commodity price trends to determine the appropriate timing for funding the exploration or development of its mineral assets, or for the acquisition or disposition of mineral assets. The Company does not have any mineral assets at the development or production stage carried at historical cost. The Company has expensed the acquisition and exploration costs of its exploration stage mineral assets.

Currency risk

This is the sensitivity of the fair value or of the future cash flows of financial instruments to changes in foreign exchange rates. The Company transacts with customers and suppliers in currencies other than the Canadian dollar, including the US dollar. The Company also has monetary and financial instruments that may fluctuate due to changes in foreign exchange rates. As of December 31, 2021, the Company estimated that a 10% decrease of the CAD versus foreign exchange rates would result in a gain of \$2,512 (2020: gain of \$209).

	December 31, 2021	December 31, 2020
Cash and cash equivalents (USD)	\$ 3,801	\$ 15,107
Accounts receivable (USD and EUR)	22,652	40
Accounts payable and accrued liabilities (USD)	(1,332)	(13,057)
Net foreign exchange exposure	\$ 25,121	\$ 2,090
Impact of 10% change in foreign exchange rates	\$ 2,512	\$ 209

OUTLOOK AND MILESTONES

The following section contains "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws. The Company continues to monitor the implications of the Covid-19 Pandemic. The manner and extent that the pandemic, and measures taken as a result of the pandemic by governments and others, will affect the Company in ways that cannot be predicted with certainty. See the *Cautionary Statement Regarding Forward-Looking Information* and *Uncertainty due to the Covid-19 Pandemic* in this MD&A for a discussion of assumptions and risks relating to such statements and information and a discussion of certain risks facing the Company relating to the pandemic.

Outlook

The Company does not provide guidance on expected revenues and operating costs.

Milestones

During the next 12 months, the Company will focus on the following:

- Grow the subscriber-base of Capitalight Research to achieve profitability in 2022.
- Realize value from the investment in Stone Investment Group Limited (“Stone”) debentures by pursuing maturity of the debentures at face value plus all accrued deferred interest.
- Realize value from the investment in equities.
- Realize value from the investment in mineral assets.

OUTSTANDING SECURITIES

As of December 31, 2021, the Company had the following outstanding securities:

	December 31, 2021	December 31, 2020
Common shares	90,419,146	86,247,436
Warrants	1,333,333	333,333
Stock options	4,200,000	2,700,000
Restricted Share Units (RSUs)	1,769,232	0
Fully Diluted Common Shares	97,721,711	89,280,769

SHARE CAPITAL

The Company’s common shares have no par value and an authorized share capital of an unlimited number of common shares.

As of December 31, 2021, the Company had 90,419,146 common shares issued and outstanding (December 31, 2020: 86,247,436).

Shares issued during the year ended December 31, 2021

On February 15, 2021, the Company announced the completion of a shares for debt settlement whereby the Company settled total indebtedness of \$221,161 by issuing 3,402,479 common shares, which had a market value of \$187,136 on the settlement date resulting in a gain on settlement of debt of \$34,025. This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees.

On October 22, 2021, a total of 769,231 RSUs were converted into common shares, which had a fair value of \$42,308 that was reclassified from contributed surplus to equity upon the conversion.

Shares issued during the year ended December 31, 2020

On January 28, 2020, the Company announced the completion of a shares for debt settlement whereby the Company settled total indebtedness of \$44,636 by issuing 892,707 common shares resulting in no gains or loss on the settlement. This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees.

On November 3, 2020, the Company announced it had acquired undivided 100% interest in the Schefferville Ashuanipi Gold Property mineral claims by acquiring the remaining 36% of the joint venture. To complete the acquisition, the Company paid Western Troy a consideration of \$25,000 plus 666,666 common shares and 333,333 common share purchase warrants exercisable at \$0.075 per warrant for a period of two years. The common shares were valued at \$26,667 based on a market price of \$0.04 on November 2, 2020.

WARRANTS

As of December 31, 2021, the Company had 1,333,333 common share purchase warrants issued and outstanding (December 31, 2020: 333,333) with a weighted average expiration of 3.95 years (December 31, 2020: 1.84) which are exercisable into 1,333,333 common shares (December 31, 2020: 333,333) at a weighted average exercise price of \$0.079 (December 31, 2020: \$0.075).

On December 23, 2022, in relation to the initial drawdown from the credit facility, the Company granted 1,000,000 common share purchase warrants exercisable at a price of \$0.08 per share for a period of 5 years. The warrants vested immediately and were valued at \$77,533 using the Black-Scholes valuation model based on a risk-free rate of 1.25%, expected term of 5 years and volatility of 192%.

Warrants issued during the year ended December 31, 2020

On November 3, 2020, the Company announced it had acquired undivided 100% interest in the Schefferville Ashuanipi Gold Property mineral claims by acquiring the remaining 36% of the joint venture. To complete the acquisition, Capitalight paid Western Troy a consideration of \$25,000 plus 666,666 common shares and 333,333 common share purchase warrants exercisable at \$0.075 per warrant for

a period of two years. The warrants were valued at \$11,963 using the Black-Scholes valuation model based on a risk-free rate of 1.66%, expected term of 2 years and a volatility of 250%.

STOCK OPTIONS

As of December 31, 2021, the Company had 4,200,000 stock options issued and outstanding (December 31, 2020: 2,700,000) with a weighted average expiration of 3.47 years (December 31, 2020: 4.07 years) which are exercisable into 4,200,000 common shares (December 31, 2020: 2,700,000) at a weighted average exercise price of \$0.055 (December 31, 2020: \$0.05). All stock options that are outstanding vested on their grant date.

Options granted during the year ended December 31, 2021

On February 15, 2021, the Company granted 1,500,000 stock options exercisable at a price of \$0.065 for a period of five years. The options were valued at \$80,700 using the Black-Scholes pricing model based on a risk-free rate of 0.5%, a term of 5 years, volatility of 208% and a market price of \$0.055. These stock options vested on the grant date.

Options granted during the year ended December 31, 2020

On January 24, 2020, the Company announced that 2,700,000 incentive stock options have been granted to directors, officers and employees pursuant to the Company's stock option plan. The options have an exercise price of \$0.05 per share and are exercisable for a period of five years unless terminated pursuant to the terms of the stock option plan. The options were valued at \$121,714 using the Black-Scholes valuation model based on a risk-free rate of 1.66%, expected term of 5 years and a volatility of 146%.

RSUs

As of December 31, 2021, the Company had 1,769,232 RSUs issued and outstanding (December 31, 2021: Nil) with a weighted average expiration of 2.26 years (December 31, 2020: nil) which entitle the holders to receive 1,769,232 common shares (December 31, 2020: nil) for no additional consideration subject to satisfying the vesting conditions.

RSUs granted during the year ended December 31, 2021

On February 15, 2021, the Company announced the completion of a shares for debt settlement whereby the Company settled total indebtedness of \$78,500 by granting 1,207,692 RSUs. This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees. The RSUs vested on February 28, 2021, are convertible into common shares for no additional consideration and will expire on December 31, 2023.

On February 15, 2021, the Company granted 600,000 RSUs pursuant to an employment agreement of a new sales consultant for Capitalight Research. The RSUs will vest on December 31, 2021, provided that certain gross sales milestones relating to the subscription research division have been achieved between January 1, 2021, to December 31, 2021. As of, December 31, 2021, based on the gross sales milestones achieved, 500,000 of the RSUs were cancelled. Vested RSUs will be convertible into common shares for no additional consideration and will expire on December 31, 2023.

On June 23, 2021, the Company granted 769,231 RSUs pursuant to an employment agreement for Capitalight Research. The RSUs vested on July 31, 2021. On October 22, 2021, a total of 769,231 RSUs were converted into common shares.

On June 23, 2021, the Company granted 461,540 RSUs pursuant to an employment agreement for Capitalight Research. The RSUs will vest on December 31, 2023, provided that certain gross sales milestones relating to the subscription research division have been achieved between January 1, 2021, to December 31, 2023. Vested RSUs will be convertible into common shares for no additional consideration and will expire on December 31, 2024.

SUBSEQUENT EVENTS

On February 16, 2022, the Company completed the acquisition of the technical analysis subscription research business of Phases and Cycles Inc. for a cash acquisition price of \$270,000. The transaction involved the acquisition of clients, trademarks, intellectual property, and other related assets of the business.

On February 18, 2022, the Company completed a second drawdown from the credit facility totaling \$278,640 resulting in the granting of 306,504 common share purchase warrants exercisable at \$0.07 per share for a period of five years.

TRANSACTIONS WITH RELATED PARTIES

Parties are related if one party has the direct or indirect ability to control or exercise significant influence over the other party in making operating and financial decisions. Parties are also related if they are subject to common control or common significant influence. Other related parties include companies controlled by key management personnel. Key management personnel are composed of the Board of Directors, Chief Executive Officer and Chief Financial Officer of the Company.

A transaction is considered a related party transaction when there is a transfer of economic resources or financial obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the fair value. Balances and transactions between the Company and its wholly owned subsidiary, which is a related party of the Company, have been eliminated and are not disclosed in this note.

The following key management related party transactions occurred during the following reporting periods:

	Year ended December 31, 2021	Year ended December 31, 2020
Management consulting fees	\$ 223,200	\$ 258,441
Professional and legal fees	21,600	23,099
Share-based compensation	57,342	99,174
Total	\$ 302,142	\$ 380,714

The following key management related party balances existed as of December 31, 2021, and December 31, 2020:

	As of December 31, 2021	As of December 31, 2020
Accounts payable due to companies controlled by key management	\$ 9,011	\$ 147,069
Accrued liabilities due to companies controlled by key management	\$ 148,297	\$ 47,419
Amounts receivable from companies controlled by key management	\$ 14,500	\$ 14,500

SUBSCRIPTION RESEARCH BUSINESS

Capitalight Research Inc. operates a proprietary subscription research business which is focused on the gold and silver fundamentals, Canadian preferred shares, bonds and economics. Capitalight Research publishes weekly and monthly research under several brands. Customers typically subscribe on an annual basis for several of the research products. Our subscriber base consists primarily of gold and silver mining companies interested in our commodity price forecasts and investment funds and wealth management companies interested in our preferred shares research, bond and economic forecasts. Our clients use our research products to inform their investment decisions, make capital allocation decisions, complete treasury operations and complete business risk assessments.

As of December 31, 2021, Capitalight Research had four employees and several consultants including Dr. Martin Murenbeeld and Patricia Mohr.

On February 16, 2022, the Company completed the acquisition of the technical analysis subscription research business of Phases and Cycles Inc. for a cash acquisition price of \$270,000. The transaction involved the acquisition of clients, trademarks, intellectual property, and other related assets of the business.

The following are our subscription research brands:

Murenbeeld Gold Monitor

The internationally distributed Gold Monitor, founded by Martin Murenbeeld, has been published weekly for nearly 40 years. The Gold Monitor integrates a quantitative analysis of the bullish and bearish factors driving the price of gold with deep insights drawn from many years of experience monitoring gold markets. The report also features a scenario-based gold price forecast that is updated each quarter. The Gold Monitor assists mining sector companies, investment advisors and individual investors with their investment decisions.

Phases & Cycles

Phases & Cycles, founded by Ron Meisels, has been published daily for over 30 years. The P&C report provides independent short- and long-term oriented technical and behavior analysis of North American securities and indices (S&P 500, S&P 100, DOW, S&P/TSX, and TSE Indices). The report is published over 200 times per year and provides critical early warnings and alerts to potential price movements before they even occur. The P&C report assists investment advisors and individual investors with their investment decisions.

Silver Monitor

The Silver Monitor, authored by Dr. Tom Brady and Chantelle Schieven, features a monthly deep dive analysis into the underpinnings of the silver market. The Silver Monitor integrates quantitative analysis of market supply and demand factors driving the price of silver with macroeconomic factors and events. Past topics include interest rates, inflation, government policy, recessions, market volatility and the US dollar movements. The report also features a scenario-based silver price forecast that is updated each quarter. The Silver Monitor assists mining sector companies, investment advisors and individual investors with their investment decisions.

Critical Metals for a Sustainable World

Critical Metals for a Sustainable World, and authored by Patricia M. Mohr, provides quantitative assessments of copper, nickel, lithium and rare earth metals that are critical for the electrification of the global economy. Focusing on copper and nickel market developments, the report features 18-month price forecasts that are updated quarterly. Copper is critical for electrification and e-mobility. Nickel and lithium are critical for high-performance electric vehicle batteries. Rare earths including neodymium, praseodymium and dysprosium are critical for permanent magnets driving electric vehicle motors and wind turbine generators. The Critical Metals report assists mining and renewal sector companies, infrastructure stakeholders, investment advisors and individual investors with their investment decisions.

Canadian Preferred Share Research

Canadian Preferred Share Research (“CPSR”), authored by Nick Otton, is published several times per week and provides short- and long-term oriented independent preferred share equity research. The CPSR *Preferred Insights* provides a deep dive analysis into the expected investment returns of preferred shares as compared to their common shares. The report also features a *Buy and Avoid List* and a monthly *Preferred Allocations* report that outlines tactical portfolio weighting opportunities within the Canadian preferred share market as compared with Canadian long-dated bonds, REITs and dividend stocks. A supplemental *Preferred Allocations ETF* report provides insights and commentary on 10 different preferred share ETFs. The CPSR report assists investment advisors and individual investors with their investment decisions.

Economic Monitor

The monthly Economic Monitor is designed to give clients an overview of all aspects of the US and Canadian economies. The report features discussions of trending topics, interest rate and exchange rate forecasts, chart-based deep dives into the current state of the Canadian and US economies, and an analysis of GDP, employment data, inflation, housing market, and monetary policy. The report also features our proprietary equity market valuation models, which are based on the principles of Benjamin Graham “the father of value-investing” where we model the S&P 500 index and TSX Composite index along with the ten GICS sectors for both indices. Subscribers also have access to our web-based interactive dashboards to aid in visualizing and evaluating data. The Economic Monitor assists investment advisors and individual investors with their investment decisions.

MINERAL EXPLORATION PROJECTS

The Company owns the Blue Lake Property and sold the Schefferville Ashuanipi Gold Property in early 2021.

Blue Lake Property (Cu-Ni-Pt-Pd)

On June 30, 2008, the Company entered into an option agreement to earn a 100% interest in the Blue Lake (formerly the Retty Lake Property) copper-nickel-PGM exploration property, which is located northeast of Schefferville, Quebec. On February 12, 2013, the Company completed the earn-in by issuing 1,800,000 common shares and by incurring exploration expenditures totaling \$1,855,000. This included a 2,377-line km VTEM and a 1,767-line km ProspecTEM airborne survey, which showed anomalous EM responses in the region of the historic Blue Lake mineral deposit (this historic deposit is hosted on claims not held by the Company). These claims are subject to a 3% net smelter return royalty (“NSR”), which is subject to a buy-back right to repurchase the NSR for \$3,000,000 and a 30-day right-of-first-refusal by the Company to acquire all or part of the NSR on the same terms and conditions as set out in a notice provided to the Company by the holder (the “NSR ROFR”). In 2014, after obtaining additional VTEM airborne and Pt-Pd sampling data from Anglo American Exploration (Canada), the Company staked the Blue Lake South property to the southeast of the historic Blue Lake mineral deposit. During the year ended December 31, 2017, the Company elected to write-down the carrying value of the Blue Lake claims to \$1 and most of the Blue Lake South claims were allowed to lapse. On July 21, 2020, the Company announced it staked 194 high priority claims in the Blue Lake South area and renamed all of the claims as the Blue Lake Property.

As of December 31, 2021, the Blue Lake Property consisted of 263 claims covering 12,724 hectares.

Schefferville Ashuanipi Gold Property (Au)

On June 15, 2011, the Company acquired a 55% interest in the Schefferville Ashuanipi Gold Property, which is located southwest of Schefferville, Quebec. Upon completing the terms off the earn-in, the Company and Western Troy Capital Resources Inc formed a joint venture. As of December 31, 2016, the Company had increased its interest in the joint venture to 64%. During the year ended December 31, 2017, the Company elected to write-down the carried value of the property to \$1 and certain claims were allowed to lapse. On November 3, 2020, the Company announced it had acquired an undivided 100% interest in the Schefferville Ashuanipi Gold Property mineral claims by acquiring the remaining 36% of the joint venture. To complete the acquisition, the Company paid Western Troy a consideration of \$25,000 plus 666,666 common shares and 333,333 common share purchase warrants exercisable at \$0.075 per warrant for a period of two years. The common shares were valued at \$26,667 based on a market price of \$0.04 on November 2, 2020 and the warrants were valued using the Black-Scholes valuation model at \$11,963 based on a risk-free rate of 1.66% and a volatility of 250%. The total acquisition cost of \$63,630 was expensed as part of exploration and evaluation expenses.

On February 16, 2021, the Company announced the sale of its Schefferville Ashuanipi Gold Project and related exploration data to Prospector Metals Corp. (“Prospector”). The Company received a total consideration of \$460,000 consisting of \$100,000 in cash, 2,000,000 common with a fair market value of \$360,000, and a 2.0% net smelter royalty (“NSR”), which can be reduced to 1.0% for a further payment of \$1.0 million in cash. No carrying value has been recognized for the NSR. Prospector has also committed to spending \$500,000 over three years on the claims with any shortfall resulting in an additional cash payment to the Company of \$100,000 to be prorated based on any shortfall in the spending commitment. If the commitment is fully satisfied, then no additional payment will be owed. The Company

determined that performance conditions for the sale transaction were satisfied as of March 31, 2021, upon effecting the transfer of the mineral claims in the Quebec mineral claims database and the receipt of \$50,000 in cash and the 2,000,000 common share certificates.

Upon closing of the sale transaction, the Company realized a gain on sale of mineral property of \$459,999.

DEBENTURES

The Company holds 3,032 debentures issued by Stone Investment Group Limited (“Stone”) representing 25.3% of the total outstanding Stone debentures. Amendments to the debenture indenture agreement require approval by 66.66% of the holders. In anticipation of a potential default and extension of the maturity of the Stone debentures, the Company was pursuing the acquisition of at least 33.3% of the outstanding debentures of Stone. On December 23, 2021, the Company secured a non-revolving \$5,250,000 standby credit facility bearing an interest rate of 12.75% per annum that will be used to support at offer for all outstanding Stone debentures. On December 28, 2021, Stone defaulted on the debenture maturity but completed the coupon payments that were due on January 15, 2022 and April 15, 2022. In January 2022, the Company obtained a Superior Court order and began negotiations with Stone to restructure the debentures and is pursuing maturity of the debentures at face value plus all accrued deferred interest, and/or the restructuring of the debentures resulting in the acquisition of an equity position in Stone. On April 7, 2022, Stone announced it entered into an agreement with Starlight Investment Capital LP (“Starlight”) whereby Starlight will acquire Stone and will pay, pursuant to the terms and conditions of the trust indenture governing the debentures, the principal amount of \$1,000 per debenture, plus accrued and unpaid interest thereon, including any additional interest, to complete the repayment of the debentures. Stone shareholder approval is required and is expected to occur in June 2022.

Stone is a private wealth management company that operates a 25-year-old mutual fund business with \$715 million of assets under management (“AUM”). Stone initially issued 12,000 senior secured debenture units on December 28, 2006 due on December 28, 2011 earning 9% interest per annum paid in cash on a quarterly basis and additional deferred interest of 0.25% per annum per \$35 million of AUM that will be paid in cash at maturity. The holders subsequently voted to modify the interest rate, additional deferred interest terms and extend the maturity until December 28, 2016. The holders subsequently voted to extend maturity until December 28, 2021. The debentures currently pay 7.5% interest per annum, payable in cash on a quarterly basis, and have been earning additional interest since December 31, 2007, which is estimated at approximately 27% of the principal, and is payable in cash at maturity. The warrants were exercisable at a price of 0.68 per common share until maturity of the debentures and were subject to a minimum company repurchase obligation of \$0.05 per warrant at maturity of the debentures on December 28, 2021. Prior to December 28, 2021, the units were dissolved and the warrants were repurchased by Stone at \$0.05 per warrant.

LEGAL PROCEEDINGS

The Company is not currently involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

DIVIDENDS

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

The Company's focus is to provide shareholders with long-term capital growth by investing in a portfolio of undervalued companies, assets, or investment vehicles within the mineral resource and other sectors, due to the unique difficulties and uncertainties inherent in such investments, the Company faces a high risk of business failure.

Uncertainty due to the Covid-19 Pandemic

The impact of Covid-19 on the Company has been limited since it does not have any active exploration programs and the Company was already setup to operate remotely. Certain of our directors, officers, employees, consultants, and contractors have been indirectly impacted by intermittent lockdowns that have been imposed in Canada and USA.

Risks Related to Subscription Research Business

As the Company faces competition in the proprietary research sector, we will have to compete with the Company's competitors for clients and qualified employees.

The Company's competition includes larger proprietary research companies with substantial capabilities and with greater financial and technical resources than the Company. As a result of this competition, the Company may have to compete for the recruitment and retention of qualified managerial and technical employees. If the Company is unable to successfully compete for qualified employees, the Company's expansion into new research products may be slowed down or suspended, which may cause the Company to be unprofitable.

Risks Related to Mineral Exploration

Due to the unique difficulties and uncertainties inherent of mineral exploration investments, the Company faces a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that the Company intends to undertake on its properties and any additional properties that the Company may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Company in the exploration of its properties may not result in the discovery of mineral deposits. Any expenditures that the Company may make in the exploration of any other mineral property that it may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful exploration efforts. If the results of the Company's exploration do not reveal viable commercial mineralization, the Company may decide to abandon some or all of its property interests.

Because of the speculative nature of the exploration of mineral properties, there is no assurance that the Company's exploration activities will result in the discovery of any quantities of mineral deposits on its current properties or any other additional properties the Company may acquire.

The likelihood that any mineral properties that the Company may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. The Company may never discover mineral deposits in respect to its current properties or any other area, or the Company may do so and still not be commercially successful if the Company is unable to exploit those mineral deposits profitably.

The Company intends at this time to continue exploration on its current properties and the Company may or may not acquire additional interests in other mineral properties. The search for mineral deposits as a business is extremely risky. The Company can provide investors with no assurance that exploration on its current properties, or any other property that the Company may acquire, will establish that any commercially exploitable quantities of mineral deposits exist. Additional potential problems may prevent the Company from discovering any mineral deposits. These potential problems include unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. If the Company is unable to establish the presence of mineral deposits on its properties, its ability to fund future exploration activities will be impeded, the Company will not be able to operate profitably and investors may lose all of their investment in the Company.

The potential profitability of mineral ventures depends in part upon factors beyond the control of the Company and even if the Company discovers and exploits mineral deposits, the Company may never become commercially viable and the Company may be forced to cease operations.

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond the Company's control, including the existence and size of mineral deposits in the properties the Company explores the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in the Company not receiving an adequate return on invested capital. These factors may have material and negative effects on the Company's financial performance and its ability to continue operations.

Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on the Company.

Exploration and exploitation activities are subject to federal, provincial, state and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to federal, provincial, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment.

Environmental and other legal standards imposed by federal, provincial, state or local authorities may be changed and any such changes may prevent the Company from conducting planned activities or may increase its costs of doing so, which would have material adverse effects on its business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company. Additionally, the Company may be subject to liability for pollution or other environmental damages that the Company may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect the Company's ability to carry on its business.

Loss of Interest in Properties

The Company's ability to maintain an interest in the properties optioned by the Company will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep the property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the properties optioned by the Company.

Title to mineral properties is a complex process and the Company may suffer a material adverse effect in the event one or more of its property interests are determined to have title deficiencies.

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has either staked property or entered into property option agreements or joint venture agreements on its existing Project interests, the Company cannot give an assurance that title to such property will not be challenged or impugned. Further, the Company cannot give an assurance that the existing description of mining titles will not be changed due to changes in policy, rulings, or law in the jurisdiction where the property is located. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company does not have title to one or more of its properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

The properties optioned by the Company may now or in the future be the subject of first nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the properties optioned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties optioned by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the properties optioned by the Company.

As the Company faces intense competition in the mineral exploration and exploitation industry, the Company will have to compete with the Company's competitors for financing and for qualified managerial and technical employees.

The Company's competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than the Company. As a result of this competition, the Company may have to compete for financing and be unable to acquire financing on terms it considers acceptable. The Company may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If the Company is unable to successfully compete for financing or for qualified employees, the Company's exploration programs may be slowed down or suspended, which may cause the Company to cease operations as a company.

Risks Related to Securities Investments

Because of the speculative nature of the Stone debentures held in the investments, there is no assurance that the Company will realize a reasonable return on investment.

Stone is a private company issuer and does not currently have sufficient funding on its balance sheet to fully repay the debenture principal and accrued interest at maturity. The proposed acquisition by Starlight is subject to Stone shareholder approval, which is expected to occur in June 2022. There is no assurance that the acquisition by Starlight will be approved. In the event the deal is not approved, the Company will pursue a restructuring of Stone, which could adversely affect the return on investment. There is no assurance this will result in a reasonable return on investment.

Risks Related to financings, management and the common shares

Because the Company has never made a profit from its operations, the Company's securities are highly speculative and investors may lose all of their investment in the Company.

The Company's securities must be considered highly speculative, generally because of the nature of its business and its stage of operations. The Company currently has investments in a subsidiary that is not currently profitable, an investment portfolio that generates coupon interest that offsets a portion of administrative costs and exploration stage properties which may not contain economic mineral deposits. Accordingly, the Company has not generated significant revenues nor has it realized a profit from its operations to date. Any profitability in the future from the Company's business will be dependent upon improving the profitability of its subsidiary, improving returns from the

investment portfolio, and obtaining financing or completing option agreements to advance the exploration properties. The Company may not be able to operate profitably and may have to cease operations, the price of its securities may decline and investors may lose all of their investment in the Company.

The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its exploration activities and investors could lose their entire investment.

The Company will require additional financing to sustain its business operations if it is not successful in earning sufficient revenues to cover operating expenses. The Company will require additional financing in order to proceed with new investments in its proprietary research division, mineral exploration properties and other sectors. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and certain officers are involved in other business activities. As a result of their other business endeavours, the directors and these officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of these other business interests.

A decline in the price of the Company's common shares could affect its ability to raise further working capital and adversely impact its ability to continue operations.

A prolonged decline in the price of the Company's common shares could result in a reduction in the liquidity of its common stock and a reduction in its ability to raise capital. Because a significant portion of the Company's new investments may be financed through the sale of equity securities, a decline in the price of its common shares could be especially detrimental to the Company's liquidity and its operations. Such reductions may force the Company to reallocate funds from other planned uses and may have a significant negative effect on the Company's business plan and operations, including its ability to develop new products and continue its current operations. If the Company's shares price declines, it can offer no assurance that the Company will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Company is unable to raise sufficient capital in the future, the Company may not be able to have the resources to continue its normal operations.

SELECTED QUARTERLY RESULTS

The following is selected quarterly information for the eight most recently completed quarters:

	Quarter Ended			
	December 31, 2021 \$	September 30, 2021 \$	June 30, 2021 \$	March 31, 2020 \$
Revenues	91,561	102,733	97,621	107,533
Net income (loss) and comprehensive income (loss)	(525,327)	9,638	192,350	488,888
Basic income (loss) per share	(0.01)	0.00	0.00	0.01
Diluted income (loss) per share	(0.01)	0.00	0.00	0.01
Working capital balance	(885,514)	(359,297)	(444,087)	(352,716)

	Quarter Ended			
	December 31, 2020 \$	September 30, 2020 \$	June 30, 2020 \$	March 31, 2020 \$
Revenues	60,526	86,961	63,653	85,397
Net income (loss) and comprehensive income (loss)	(341,048)	(59,066)	(134,873)	(76,639)
Basic income (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
Diluted income (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
Working capital balance	(705,922)	(227,527)	(40,330)	147,401

SELECTED ANNUAL RESULTS

	Year Ended		
	December 31, 2021 \$	December 31, 2020 \$	December 31, 2019 \$
Revenues	399,448	296,537	81,330

Net income (loss) and comprehensive income (loss)	165,549	(611,625)	(849,146)
Basic income (loss) per share	0.00	(0.01)	(0.02)
Diluted income (loss) per share	0.00	(0.01)	(0.02)
Working capital balance	(885,514)	(705,922)	176,253

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company has established procedures and internal control systems to ensure the timely and accurate preparation of financial, management and other reports. The Chief Executive Officer and Chief Financial Officer certify financial reports. Disclosure controls are in place to ensure all reporting meets statutory reporting requirements. The Company's management is responsible for establishing and maintaining adequate internal controls. These controls have been designed to provide reasonable, but not absolute, assurance with respect to the Company's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Internal controls, however well-conceived, will provide only reasonable and not absolute assurance that the objectives of the internal controls over financial reporting will be met. It should not be expected that the disclosure and internal controls and procedures would prevent all errors or fraud.

Due to the small size of the Company's finance department, there are a limited number of personnel handling accounting and financial matters and as a result, there is a lack of segregation of duties. Management believes that it has designed sufficient compensating internal controls to mitigate these limitations, including dual signatories on all cheques. Additional internal controls include audit committee and senior management review and oversight.

The Company's certifying officers, the Chief Executive Officer and the Chief Financial Officer, have reviewed the effectiveness of the design and operation of the Company's disclosure controls and procedures as a whole. Based on their review, including a review of the compensating controls relating to the lack of segregation of duties noted above, they have concluded that the Company's internal controls and procedures, as defined in National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Filings of the Canadian Securities Regulators, were effective overall.

CRITICAL IFRS ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Company's Interim Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The Interim Financial Statements follow the same accounting policies and methods of their application as disclosed in Note 4 to the Company's audited consolidated financial statements for the year ended December 31, 2021.

To prepare financial statements in conformity with IFRS, the Company must make estimates, judgements and assumptions concerning the future that affect the carrying values of assets and liabilities as of the date of the consolidated financial statements and the reported values of revenues and expenses during the reporting period. By their nature, these are uncertain and actual outcomes could differ from the estimates, judgments and assumptions. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. Significant accounting judgments, estimates and assumptions are reviewed on an ongoing basis.

The areas involving significant judgments, estimates and assumptions have been detailed in Note 4 to the Company's audited consolidated financial statements for the year ended December 31, 2021.

Management has discussed the development and selection of critical accounting policies and estimates with the Audit Committee, which has reviewed the Company's disclosure in this MD&A.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to management, including the Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure.

As of December 31, 2021, the end of the period covered by this MD&A, our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of December 31, 2021, the end of the period covered by this MD&A, we maintained effective disclosure controls and procedures

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Internal control over financial reporting is a process designed to

provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Our management, including our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of internal control over financial reporting using the criteria set forth in the *COSO Internal Control – Integrated Framework (2013)*. Based on the results of this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2021.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the year ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

OTHER INFORMATION

Additional information related to the Company is available on the Canadian Securities Administrators' SEDAR website at www.sedar.com or on the Company website at www.capitalight.co.