FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: Billy Goat Brands Ltd. (the "Issuer").

Trading Symbol: GOAT

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and First fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

Second quarter ended June 30, 2022. Unaudited condensed interim consolidated financial statements of the Issuer for the six-month period ended June 30, 2022, as filed

with securities regulatory authorities, are attached to this Form 5 – Quarterly Listing Statement as Appendix A.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

With respect to related party transactions for information supplementary to that contained in the notes to the unaudited condensed interim consolidated financial statements, which are attached hereto, please refer to Management's Discussion & Analysis for the six-month period ended June 30, 2022, as filed with securities regulatory authorities and attached to this Form 5 – Quarterly Listing Statement as Appendix B.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

The following securities were issued during the period of April 1, 2022 to June 30, 2022:

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
Apr 1, 2022	Common shares	Conversion of RSUs	145,000	N/A	N/A	N/A	Arm's length	N/A
Apr 26, 2022	Common shares	Conversion of Options	1,111,111	$0.09	99,999.99	Cash	Arm's length	N/A
TOTAL			1,256,111					

(b) summary of options granted during the period of April 1, 2022 to June 30, 2022,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
April 7, 2022	118,500	N/A	N/A	N/A	April 7, 2027	$0.13
TOTAL	1,111,111					

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

As at June 30, 2022, the authorized capital of the Issuer consisted of an unlimited number of common shares without par value, and without any special rights or restrictions, of which 104,016,450 common shares were issued and outstanding; and an unlimited number of preferred shares, issuable in series with special rights or restrictions attached, none of which were issued.

The holders of common shares are entitled to receive notice of and to attend all meetings of the shareholders of the Issuer and are entitled to one vote in respect of each common share held at such meetings. Subject to the rights, if any at the time, of shareholders holding shares with special rights as to dividends (none of which are authorized or outstanding at the date of this Quarterly Listing Statement), holders of common shares of the Issuer are entitled to dividends as and when declared by the directors. Subject to the rights of holders of any shares ranking in priority to or on a parity with the common shares, the holders of common shares are entitled to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer.

The preferred shares may be issued from time to time in one or more series and the directors of the Issuer may, by resolution, fix the number of shares in, and determine the designation of the shares of, each series and create, define and attach special rights and restrictions to the shares of each series. Upon the liquidation, dissolution or winding-up of the affairs of the Issuer, holders of preferred shares shall be entitled to receive, before any distribution shall be made to holders of common shares or other shares of the Issuer then ranking junior to the preferred shares, repayment of capital and, if applicable, premiums and dividends.

(b) number and recorded value for shares issued and outstanding,

Date	Number of common shares	Recorded value of common shares
June 30, 2022	104,016,450	$4,680,740.25

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

The Company adopted a 20% rolling stock option plan (the “Option Plan”). Options granted under the Option Plan may have a maximum term of 10 years. The exercise price of options granted under the Option Plan shall be determined by the Company’s directors, provided that such price shall not be lower than the closing share price on the day before the grant date less the applicable discount permitted under CSE policies. Stock options granted under the Option Plan may be subject to vesting terms that are set at the discretion of the directors at the time of grant.

The Issuer adopted a restricted share unit plan (the "RSU Plan"). The maximum aggregate numbers of shares reserved for issuance under the RSU Plan, together with the existing Option Plan shall not exceed a combined total of 20% of the Issuer's issued and outstanding shares. In addition, the RSU Plan sets out certain other restrictions in respect of grants to certain participants under the Option Plan.

As at June 30, 2022, the following Options were outstanding:

Date of Grant	Number of Options	Exercise Price	Expiry Date	Recorded Value
May 7, 2021	2,350,000	$0.25	May 7, 2026	$587,500
May 7, 2021	225,000	$0.50	May 7, 2026	$112,500
October 13, 2021	387,500	$0.25	October 13, 2026	$96,875
October 13, 2021	2,200,000	n/a	October 13, 2026	n/a
November 30, 2021	200,000	n/a	November 30, 2026	n/a
April 7, 2022	118,500	n/a	April 7, 2027	n/a
Total	**5,481,000**			

As at June 30, 2022, the following Warrants were outstanding:

Date of Issue	Number of Warrants	Exercise Price	Expiry Date	Recorded Value
Feb 28, 2021	10,997,800	$0.25	February 28, 2023	$-
March 29, 2021	1,300,000	$0.50	March 29, 2023	$-
April 26, 2021	4,924,366	$0.50	April 26, 2023	$-
September 13, 2021	19,175,000	$0.10	December 4, 2022	$-
September 13, 2021	4,727,500	$1.00	May 18, 2023	$-
Total	**41,124,666**			

Convertible Securities:

As at June 30, 2022, there were no convertible securities outstanding.

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

As at June 30, 2022, the following Common shares of the Issuer were subject to a prescribed escrow agreement pursuant to National Policy 46-201:

Designation of class held in escrow	Number of securities held in escrow	Percentage of class
Common shares(1)	15,148,294	14.84%

(1) The escrow agent is the Issuer's transfer Agent, Endeavor Trust Company. The Common shares will be released from escrow pursuant to the following schedule:

Schedule	Number of Common shares to be released
Listing Date – September 16, 2021	1,683,143 (released)
6 months from Listing – March 16, 2022	2,524,715 (released)
12 months from Listing – September 16, 2022	2,524,715
18 months from Listing – March 16, 2023	2,524,716
24 months from Listing – September 16, 2023	2,524,716
30 months from Listing – March 16, 2024	2,524,716
36 months from Listing – September 16, 2024	2,524,716
Total released	**1,683,143**
Total currently held in escrow	**15,148,294**

As at June 30, 2022, the following Common shares of the Issuer were subject to a contractual release schedule:

Designation of class held	Number of securities held	Percentage of class
Common shares(2)	3,750,000	3.68%
Common shares(2)	1,530,000	1.50%
Common shares(2)	13,923,360	13.64%
Total	19,203,360	

(1) Endeavor Trust Company is managing the release of the Common shares in accordance to the following schedule:

Schedule	**Number of Common shares to be released**
Listing Date – September 16, 2021	1,717,040 (Released)
October 26, 2021	750,000 (Released)
3 Months from Listing – December 16, 2021	2,575,560 (Released)
January 26, 2022	750,000 (Released)
6 months from Listing – March 16, 2022	2,575,560 (Released)
April 26, 2022	750,000 (Released)
9 months from Listing – June 16, 2022	2,575,560
July 26, 2022	750,000
12 months from Listing – September 16, 2022	2,575,560
October 26, 2022	750,000
15 months from Listing – December 16, 2022	2,575,560
18 months from Listing – March 16, 2023	2,575,560
Total released	**1,717,040**
Total currently held in escrow	**19,203,360**

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director/Officer	**Position with Issuer**
Lawrence Hay	Director, Chief Executive Officer
Shriram Bangalore	Chief Financial Officer
Natasha Raey	Director
Lindsay Hamelin	Director
Alex Benger	Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Management's Discussion & Analysis for the nine-month period ended June 30, 2022, as filed with securities regulatory authorities, is attached to this Form 5 - Quarterly Listing Statement as Appendix A.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated August 19, 2022.

Lawrence Hay
Name of Director or Senior Officer

"*Lawrence Hay*"
Signature

Chief Executive Officer
Official Capacity

Issuer Details Name of Issuer Billy Goat Brands Ltd.	For Quarter Ended June 30, 2022	Date of Report YY/MM/D 22/08/19
Issuer Address 810 – 789 West Pender Street		
City/Province/Postal Code Vancouver, British Columbia V6C 1H2	Issuer Fax No. N/A	Issuer Telephone No. 604-687-2038
Contact Name Lawrence Hay	Contact Position CEO	Contact Telephone No. 604-687-2038
Contact Email Address info@partumadvisory.com	Web Site Address https://billygoatbrands.com/	

APPENDIX A

Billy Goat Brands Ltd.

Financial Statements for the interim period ended June 30, 2022 and its accompanying Management Discussion and Analysis for the interim period ended June 30, 2022 dated as of August 18, 2022.

Billy Goat Brands Ltd.

Condensed Interim Financial Statements

For the six months ended June 30, 2022 and 2021

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

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

		June 30, 2022		December 31, 2021 (Audited)
ASSETS				
Current				
Cash	$	430,130	$	672,782
Loan receivable (8)		263,043		205,000
Prepaid expenses (Note 6)		566,282		1,315,266
		1,259,455		2,193,048
Investments (Notes 4 and 7)		8,170,623		8,821,581
TOTAL ASSETS	$	**9,430,078**	$	11,014,629
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (Note 8)	$	291,481	$	130,019
Derivative liability (Note 4)		-		74,000
TOTAL LIABILITIES		**291,481**		204,019
SHAREHOLDERS' EQUITY				
Share capital (Note 7)		15,692,885		15,359,465
Reserves (Note 7)		2,651,135		1,571,338
Deficit		(9,205,423)		(6,120,193)
TOTAL SHAREHOLDERS' EQUITY		**9,138,597**		10,810,610
TOTAL LIABILITIES AND SHAREHOODERS' EQUITY	$	**9,430,078**	$	11,014,629

Nature of operations and going concern (Note 1)
Subsequent events (Note 10)

Approved and authorized for issuance on behalf of the Board on August 18, 2022.

"Natasha Raey", Director "Lawrence Hay" , Director

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

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

		Three Months ended June 30, 2022		Three Months ended June 30, 2021		Six Months ended June 30, 2022		Six Months ended June 30, 2021
Operating Expenses								
Advertising and promotions	$	**266,004**	$	52,518	$	**501,692**	$	63,404
Management fees (Note 9)		**85,333**		30,000		**190,145**		60,000
Office and miscellaneous		**66,149**		44,987		**144,919**		45,379
Professional fees		**211,790**		221,965		**335,819**		383,157
Share based compensation (Notes 8 and 9)		**36,706**		345,686		**505,716**		1,611,537
Consulting fees (Note 9)		**357,427**		445,285		**675,335**		445,285
Transfer agent and filing fees		**25,709**		112,797		**49,631**		112,797
Transaction costs (Note 4)		**-**		170,000		**-**		170,000
Loss before other income (loss)	$	**(1,049,118)**	$	(1,423,238)	$	**(2,403,257)**		(2,891,559)
Other income (loss)								
Impairment of investments (Note 4)		**-**		(1,285,132)		**-**		(1,285,132)
Foreign exchange		**190**		-		**39,328**		-
Interest income (Note 4)		**-**		15,621		**47,189**		19,734
Fair value loss on Sophie's Kitchen investment (Note 4)		**(938,792)**		1,857,908		**(862,115)**		1,857,908
Gain/Loss on derivative liability (Note 4)		**74,000**		-		**74,000**		-
Net Loss and Comprehensive Loss for the Period	**$**	**(1,894,095)**	**$**	(834,841)	**$**	**(3,085,230)**	**$**	(2,299,049)
Net Loss per Share, Basic and Diluted	**$**	**(0.02)**	**$**	(0.031)	**$**	**(0.03)**	**$**	(0.054)
Weighted Average Number of Shares Outstanding		**103,208,395**		26,934,086		**102,677,188**		42,740,784

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

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

	Share Capital	Amount	Obligation to issue shares	Reserves	Deficit	Total
Balance, December 31, 2020	**4,000,002**	**$ 20,000**	**$ -**	**$ 393,500**	**$ (37,017)**	**$ 376,483**
Shares issued for private placement	35,658,500	5,312,483	-	9,071	-	5,321,554
Shares issued for investment	21,995,600	2,199,560	-	335,572	-	2,535,132
Shares issued on exercise of options	5,500,000	110,000	-	-	-	110,000
Special warrants issued	-	-	-	4,664,334	-	4,664,334
Shares issued to settle debt	380,233	95,058	-	-	-	95,058
Share based compensation	-	-	-	1,611,537	-	1,611,537
Obligation to issue shares	-	-	170,000	-	-	170,000
Net and comprehensive loss for the period	-	-	-	-	(2,299,049)	(2,299,049)
Balance, June 30, 2021	**67,534,335**	**$ 7,737,101**	**170,000**	**7,014,014**	**(2,336,066)**	**12,585,049**
Balance, December 31, 2021	**102,160,339**	**$ 15,359,465**	**$ -**	**$ 1,571,338**	**$(6,120,193)**	**$ 10,810,610**
Restricted share units	745,000	176,100	-	(176,100)	-	-
Funds received for special warrants	-	-	-	807,500	-	807,500
Shares issued on exercise of options	1,111,111	157,320	-	(57,320)	-	100,000
Share based compensation	-	-	-	505,717	-	505,717
Net and comprehensive loss for the period	-	-	-	-	(3,085,230)	(3,085,230)
Balance, June 30, 2022	**104,016,450**	**$ 15,692,885**	**$ 807,500**	**2,651,135**	**(9,205,423)**	**(9,138,597)**

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

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

		For the six months ended June 30, 2022		For the six months ended June 30, 2021
CASH FLOWS USED IN OPERATING ACTIVITIES				
Loss for the period	$	(3,085,230)	$	(2,299,049)
Items not affecting cash:				
Foreign exchange gain		(42,089)		-
Share based compensation		505,717		1,611,537
Impairment of investments		-		1,285,132
Fair value loss on Sophie's Kitchen investment		862,115		(1,857,908)
Gain on derivative liability		(74,000)		-
Interest income		(47,189)		(19,734)
Transaction costs		-		170,000
Changes in non-cash working capital:				
Prepaid expenses		748,984		(494,680)
Accounts payable and accrued liabilities		161,462		67,501
		(970,230)		(1,537,201)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares		-		5,376,125
Options exercised		100,000		110,000
Equity issuance costs		-		(94,415)
Proceeds from issuance of special warrants		807,500		4,752,500
		907,500		10,144,210
CASH FLOWS USED IN INVESTING ACTIVITIES				
Loan receivable		(58,043)		(100,000)
Investment in Sophie's Kitchen		-		(1,864,123)
Investment in Evanesce		(121,879)		-
Investment in Vegetarian Butcher		-		(350,000)
		(179,922)		(2,314,123)
NET CHANGE IN CASH		(242,652)		6,292,886
CASH – beginning of period		672,782		409,966
CASH – end of period	$	430,130	$	6,702,852
Supplemental cash flow information				
Common shares issued for Funguys investment	$	-	$	2,199,560
Common shares issued to settle debt		-		95,058
Warrants issued for Funguys investment		-		335,572
Finders warrants issued		-		19,784

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

1. Nature of Operations and Going Concern

Billy Goat Brands Ltd. (the "Company" or "Billy") is an investment holding firm focused on investments and acquisition of assets in the functional foods, plant-based proteins, and health and wellness space. The Company was formed on September 22, 2020 under the Business Corporations Act in the Province of British Columbia, Canada. On January 5, 2021, the Company changed its name from 1266663 B.C. Ltd. to Billy Goat Brands Ltd.

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. At June 30, 2022, the Company had not achieved profitable operations, had an accumulated deficit of $9,205,423 (December 31, 2021 - $6,120,193), and expects to incur further losses in the development of its business. These material uncertainties cast significant doubt about the Company's ability to continue as a going concern. These condensed interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

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

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

2. Basis of Presentation

a) Statement of Compliance and Presentation

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

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

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

b) Functional and Presentation Currency

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

c) Significant Accounting Judgments and Estimates

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

2. Basis of Presentation (continued)

a) Significant Accounting Judgment and Estimates (continued)

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

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

i. Going concern

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

ii. Investment entity

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

iii. Investments

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

iv. Loans receivable

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

v. Share-based compensation

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

2. Basis of Presentation (continued)

a) Significant Accounting Judgment and Estimates (continued)

vi. Derivative liability

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

vii. Non-monetary transaction

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

3. Significant Accounting Policies

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

4. Investments

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

	Number of Shares		Cost		Fair Value
Private Companies					
Vegetarian Butcher Inc.	**1,842,105**	$	350,000	$	350,000
Funguys Beverage Inc.	**100**		2,535,132		1,298,236
Sophie's Kitchen, Inc.	**4,749,425**		5,884,606		5,136,385
Evanesce Packaging Solutions Inc.	**72,918**		271,880		271,880
Warrants					
Sophie's Kitchen, Inc.			$ -	$	1,114,122
		$	**9,041,618**		**8,170,623**

4. Investments (continued)

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

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

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

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

Funguys Beverage Inc.

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

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

Vegetarian Butcher Inc.

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

4. Investments (continued)

Sophie's Kitchen, Inc.

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

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

The Company received share purchase warrants entitling the Company to acquire additional common shares of Sophie's Kitchen with a value of US$1,500,000 based on a twenty percent discount from the post-subscription valuation of Sophie's Kitchen immediately prior to a public listing of Sophie's Kitchen. These warrants can be converted to Sophie's Kitchen common equity at any time prior to the warrant maturity date of March 15, 2031. In connection to the warrants, the Company originally recognized the value of the warrants for $1,250,000. On December 31, 2021, the Company revalued the warrants to $1,095,000. As at June 30, 2022, the Company revalued the warrants to be $1,114,122 and recognized a loss on change of fair value of $19,122 (2021- $Nil).

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

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

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

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

On March 15, 2022, total drawdowns of $3,994,756 (December 31, 2021 - $3,905,478) were made as per the SF Credit Facility, which includes interest accrual of $153,856 (December 31, 2021 - $103,043). On March 15, 2022, the principal and accrued interest on the credit facility were automatically converted into 3,217,674 common shares of Sophie's Kitchen. As at June 30, 2022, the fair value of Sophie's Kitchen investment in common shares is $5,136,385 (December 31, 2021 - $2,022,866). The Company recognized a fair value loss of $881,237 (2021 - $(1,857,908)) during the six months ended June 30, 2022.

4. Investments (continued)

Evanesce Packaging Solutions Inc.

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

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

5. Loan Receivable

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

	Amount
	$
Balance at December 31, 2020	-
Loans advanced	205,000
Balance at December 31, 2021	205,000
Loans advanced	58,043
Balance at June 30, 2022	**263,043**

6. Prepaids

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

Types of services		Amount
Marketing	$	167,800
Consulting		351,066
Computer software		1,166
Legal		15,000
Insurance		31,250
	$	**566,282**

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

On February 23, 2022, the Company entered into a six-month marketing agreement with North Equities Corp. for CAD$105,000.

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

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

6. Prepaids (continued)

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

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

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

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

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

7. Share Capital

Authorized
Unlimited common shares without par value.

Escrow Shares
At June 30, 2022, there were 12,623,579 (2021 – 15,148,294) shares held in escrow and 2,524,715 will be released on each of the following dates: September 16, 2022, March 16, 2023, September 16, 2023, March 16, 2024 and September 16, 2024.

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

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

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

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

7. Share Capital (continued)

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

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

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

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

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

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

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

Stock options – Directors, Officers, Employees and Consultants

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

7. Share Capital

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

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

Grant Date	Expiry date	Number of options		Exercise price
May 7, 2021	May 7, 2026	2,350,000	$	0.25
May 7, 2021	May 7, 2026	275,000		0.50
October 13, 2021	October 13, 2026	387,500		0.25
Balance at June 30, 2022		**3,012,500**	**$**	**0.27**

	Number of options	Weighted average exercise price
		$
Balance at December 31, 2020	-	-
Options granted	11,512,500	0.14
Options exercised	(5,500,000)	0.02
Options cancelled	(1,200,000)	0.25
Balance at December 31, 2021	**4,812,500**	**0.26**
Options granted	1,111,111	0.09
Options exercised	(1,111,111)	0.09
Options expired	(1,800,000)	0.25
Balance at June 30, 2022	**3,012,500**	**0.27**
Vested and Exercisable	**2,925,000**	**0.27**
Unvested	**87,500**	**0.43**

As at June 30, 2022, the stock options have a weighted average remaining contractual life of 3,91years (2021 – 4.39 years). During the period ended June 30, 2022, the weighted average share price for options exercised was $0.27 per share.

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

Restricted Share Units

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

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

7. Share Capital (continued)

Restricted Share Units (continued)

On April 7, 2022, the Company granted 118,500 RSU to directors, officers and consultants of the Company with an exercise price of $0.06 per RSU expiring April 7, 2027. The RSU's will vest August 8, 2022. The fair value of the RSU is $6,920 calculated based on the Company's share price on the grant date.

During the period ended June 30, 2022, a total of 3,145,000 RSUs were vested and a total of 745,000 RSUs were converted.

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

Grant Date	Expiry date	Number of RSUs	Conversion price
October 13, 2021	October 13, 2026	2,200,000	$ 0.25
November 30, 2021	November 30, 2026	200,000	0.21
April 7, 2022	April 7, 2027	118,500	0.06
Balance at June 30, 2022		**2,518,500**	**$ 0.24**

	Number of RSU	Weighted average conversion price
		$
Balance at December 31, 2020	-	-
RSU granted	3,145,000	0.25
Balance at December 31, 2021	**3,145,000**	**0.25**
RSU granted	118,500	0.06
RSU exercised	(745,000)	(0.24)
Balance at June 30, 2022	**2,518,500**	**0.24**
Vested and Exercisable	**2,400,000**	**0.24**
Unvested	**118,500**	**0.06**

Finders' Warrants

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

	Number of warrants	Weighted average exercise price
		$
Balance at December 31, 2020	-	-
Finders' warrants issued	278,330	0.75
Balance at December 31, 2021 and June 30, 2022	**278,330**	**0.75**

Warrants

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

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

7. Share Capital (continued)

Special Warrants

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

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

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

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

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

8. Related Party Disclosures

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

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

8. Related Party Disclosures (continued)

	For the period ended June 30, 2022	For the period ended June 30, 2021
	$	$
Management fees paid/accrued to companies controlled by officers of the Company	8,137	-
Management fees paid/accrued to companies controlled by former officers of the Company	158,758	133,250
Consulting fees paid/accrued to companies controlled by directors of the Company	23,250	-
		-
Share-based compensation	49,120	-
	239,265	133,250

As at June 30, 2022, $65,625 is due to former CEO of the Company (December 31, 2021 - $Nil). Balances due are unsecured, non-interest bearing, and are due on demand.

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

As at June 30, 2022, the Company has a loan payable of $130,187 (December 31, 2021 - $Nil) to a company controlled by the former COO of the Company.

9. Financial Instruments and Risk Management

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

   As at June 30, 2022, the Company had a cash balance of $430,130 (2021 - $672,782) to settle current liabilities of $291,481 (2021 - $130,019), which are due within 12 months.

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

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

   i. To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and

   ii. To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

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

9. Financial Instruments and Risk Management (continued)

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

As at June 30, 2022, the Company had cash of US$27,543 or $31,660 (2021 - US$184,777 or $234,261) at CAD equivalent and an investment in Sophie's Kitchen of US$4,850,619 or $6,250,507 (2021 - US$5,541,451 or $7,023,344) at CAD equivalent. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in US$ by 10% will increase or decrease foreign exchange gain or loss by approximately $480,000 (2021 - $728,194).

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

e) Price risk is the risk of potential losses to the Company's earnings due to movements in individual equity movements. As at June 30, 2021, the Company's investments of $8,170,623 are subject to fair value fluctuations. If the fair value of the Company's investments had a decrease or increase of 10% with all other variances held constant, the net loss and comprehensive loss for the period ended June 30, 2022 would be approximately $817,000 higher or lower.

f) The Company's financial instruments consist of cash, loan receivable, investments, accounts payable and accrued liabilities and derivative liability. Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of hierarchy are:

Level 1: Quoted prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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

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

10. Subsequent Events

On August 16, 2022, the Company completed the acquisition of Kojo Pet Performance Inc. ("Kojo") in consideration of 25,000,000 common shares of the Company with a fair value of $920,000 to the existing shareholders of Kojo (collectively, the "Vendors"). Furthermore, the Vendors are eligible to earn up to an additional 30,000,000 Consideration Shares upon the realization of the following performance milestones by Kojo within 36 months from the date of closing:

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

Billy Goat Brands Ltd.

Management Discussion and Analysis

For the six months ended June 30, 2022 and 2021

(Expressed in Canadian Dollars)

Set out below is a review of the activities, results of operations and financial condition of Billy Goat Brands Ltd. ("Billy", or the "Company") for the six months ended June 30, 2022 and 2021. The discussion below should be read in conjunction with the Company's audited financial statements ("financial statements") for the year ended December 31, 2021. Those financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar figures included in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated. ***This MD&A has been prepared as at August 18, 2022.***

BACKGROUND AND CORE BUSINESS

Billy Goat Brands Ltd. ("Billy" or the "Company") was formed on September 22, 2020 under the Business Corporations Act in Province of British Columbia, Canada. The Company is a business focused on investments and acquisition of assets within the ocean economy, concentrating in the functional foods, plant-based proteins, food technology, fermented foods and cultured and cell agriculture spaces.

The Company's head and registered office is 2200 - 885 West Georgia Street, Vancouver, BC, V6C 3E8.

The Company's common shares are listed on the OTCQB Venture Market under the trading symbol BGTTF, on the Canadian Securities Exchange under the trading symbol GOAT, and on the Frankfurt Stock Exchange under the symbol 26B.

CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS

MANAGEMENT TEAM UPDATES

On April 12, 2021, the Company appointed Lindsay Hamelin as its Director.

On April 12, 2021, the Company appointed Natasha Raey as its Director.

On May 13, 2022, the Company appointed Lawrence Hay to its Director. Further, former Chief Operating Officer and founding director of the Company, Kris Dahl, has stepped down and resigned from the Board of Director effective on the same date.

On June 8, 2022, the Company appointed Mr. Shriram Bangalore as Chief Financial Officer. Further, former Chief Financial Officer and founding director of the Company, Kerry Biggs, has stepped down and also resigned from the Board effective immediately.

On June 16, 2022, the Company appointed Alex Benger as a Director of the Company and also appointed Lawrence Hay as Corporate Secretary, replacing Jan Urata.

On June 30, 2022, the Company appointed Lawrence Hay as a Chief Executive Officer, replacing Tony Harris, former Chief Executive Officer and Director, effective immediately.

OPERATION HIGHLIGHTS

The Company is an investment issuer focused on investing in high-potential companies operating in the ocean economy. It intends to accomplish these goals through the identification of and investment in securities of private and publicly listed entities that are involved in the food and beverage industry, with a focus on: (i) plant-based protein, (ii) functional foods, (iii) food technology, (iv) fermented foods, and (v) cultured and cell agriculture. The Company plans to generate returns on its investments, including through mergers or acquisitions, go public transactions or other liquidity events of its investee companies or projects.

The Company operates with environmental, social and governance ("ESG") values and targets investments with organizations that also operate with the same ESG standards. The Company operates with a decentralized executive team, which has enabled the founders of the organization to assemble a formidably talented and experienced global management team even with the challenges of the COVID-19 pandemic.

On April 21, 2022, the Company entered into a one-year commitment to SeaLegacy ("SeaLegacy") through The Good Ocean ("Good Ocean" or the "Program"). SeaLegacy is an organization that uses a variety of collaborations, experts and the latest digital and social technologies to aid in the building of a healthy future for oceans across the world. The Good Ocean is a community of businesses that supports SeaLegacy's mission and aligns with its values to create a better planet.

OPERATION HIGHLIGHTS (continued)

On August 16, 2022, the Company completed the acquisition of Kojo Pet Performance Inc. ("Kojo") in consideration of 25,000,000 common shares of the Company with a fair value of $920,000 to the existing shareholders of Kojo (collectively, the "Vendors"). Kojo is an innovative pet-food brand focused on producing and marketing plant and cell-based pet food offerings.

Furthermore, the Vendors are eligible to earn up to an additional 30,000,000 Consideration Shares upon the realization of the following performance milestones by Kojo within 36 months from the date of closing:

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

KEY INVESTMENT PORTFOLIO DESCRIPTION

As at June 30, 2022, the Company was actively pursuing asset purchases and other investment opportunities.

The Company currently holds the following flagship assets and investments:

- 100% ownership of FunGuys Beverage Inc. a British Columbia-based manufacturer and distributer of organic Chaga and Lion's Main infused cold brew coffee under the KOLD™ brand, with a planned North American launch.
- A 35.1% interest (4,749,425 common shares) of Sophie's Kitchen, Inc ("Sophie's Kitchen") at June 30, 2022. Sophie's Kitchen is a USA-based plant-protein packaged goods manufacturer with an innovative line of frozen and shelf-stable plant-based seafood products. During the period ended June 30, 2022, the principal and accrued interest on the credit facility automatically converted into 3,217,674 common shares of Sophie's Kitchen.
- The Company also holds warrants in Sophie's Kitchen entitling the Company to acquire additional common shares of Sophie's Kitchen with a value of USD$1,500,000 based on a twenty percent discount from the post-subscription valuation of Sophie's Kitchen immediately prior to a public listing of Sophie's Kitchen. These warrants can be converted to Sophie's Kitchen common equity at any time prior to the warrant maturity date of March 15, 2031.
- A 12.4% equity stake in The Vegetarian Butcher, a small footprint plant-based retail store with a multi-location 4-year growth plan. The Vegetarian Butcher currently operates a retail store in Kelowna.
- 72,918 common shares of Evanesce Packaging Solutions Inc ("Evanesce") at June 30, 2022. During the period ended June 30, 2022, the Company acquired of 31,251 common shares in Evanesce through the exercise of 20,834 warrants. Evanesce is accelerating the deployment of green packaging for the benefit of the ocean economy, which protects the oceans from plastic toxins via biodegradable disposable food containers.

FunGuys Beverage Inc.

During the year ended December 31, 2021, the Company entered into a share purchase agreement with FunGuys Beverage Inc. ("FunGuys" or "FG"). The Company acquired all of the issued and outstanding common shares of FunGuys for 21,995,600 common shares of the Company and issued 10,997,800 warrants pursuant to the transaction. FunGuys' principal business is the development, manufacturing and distribution of cold-brew coffee drinks infused with functional mushrooms.

During the period ended June 30, 2022 and as of the date of this report, FunGuys has completed the following:

- On February 28, 2021, FG executed an onboarding agreement with Loop with respect to FunGuys' membership in the Loop Platform (the "Onboarding Agreement"), a circular shopping platform that sells grocery, household and personal care products using reusable and recyclable canisters. Pursuant to the Onboarding Agreement FunGuys paid Loop a one-time fee of US$25,000 and is subject to an annual membership fee of US$5,000. Loop will provide FunGuys with advisory services related to reusable consumer packaging, quality assurance, marketing and communications.

KEY INVESTMENT PORTFOLIO DESCRIPTION (continued)

- FG hired Strother Simpson to a three-year employment contract to lead its coffee research and development ("R&D") and manufacturing programs.
- FG continued the R&D of its Ready-To-Drink SKU with proprietary manufacturing methodologies and botulism tests underway for FDA approval.
- FG accelerated its KOLD brand go-to-market strategy development, including appointing six individuals into senior management roles
- Hired Partners & Hawes Agency to prepare the KOLD brand for market.
- Established market ready brand books for all mediums.
- Sourced various manufacturers and products for the go-to-market plan.
- Develop execution plan to participate in TerraCycle's LOOP Platform.
- Entered into an agreement to secure a manufacturing and distribution fulfillment facility in the Dallas-Fort Worth area of Taxes for its KOLD line of functional beverages. FG's KOLD line of beverages is entering the United States market with a e-commerce store.
- In March of 2022, FG made arrangement for Drip Coffee Social to distribute KOLD cold-brew coffee beverages
- During the period ended June 30, 2022, Funguys and KOLD has:
  a) Ordered all raw material for the production of 8000 concentrates and 4000 RTD. .
  b) Ordered 220,000 caps to support the stock of bottles with delivery expected to be in May 2022.
  c) Negotiated a co-packing agreement with EPIC bottling for more than 50,000 unit runs.
  d) Sent over the samples for LOOP phase-two testing.
  e) Set up vendor with GIANT and awaiting commercial negotiations pending completion of phase-two.
  f) Secured a distribution agreement with DRIP to set up distribution in Canada.
  g) Creative assets for Website and social media were produced and now in final completion phase.
  h) Website wireframe and design currently in under development and expected to be live in June 2022.
  i) Secured supplier for shipper box and currently finalizing final negotiations.

On May 3, 2022, FunGuys received its first purchase order on a pre-order basis in the amount of CA$50,000 (the "PO") from Drip Coffee Social Ltd. ("Drip") for its KOLD line of organic, mushroom infused, cold-brew coffee beverages.

Vegetarian Butcher

On February 10, 2021, the Company acquired 1,842,105 common shares of The Vegetarian Butcher Inc. ("Vegetarian" or "VB"), for a 12.4% ownership of Vegetarian, at $0.19 per share for a total of $350,000.

Vegetarian aims to provide meat alternatives not only for vegetarians and vegans but for those health-conscious consumers. Vegetarian currently has one bricks and mortar location in Kelowna, British Columbia and is negotiating leases for additional bricks and mortar stores additional cities in British Columbia, including Langley, White Rock and North Vancouver. Vegetarian products fall into two categories: (a) house-made deli items; and (b) branded third-party and white-label consumer packaged goods.

Following the establishment of a retail footprint in British Columbia, Vegetarian plans to expands across Canada, starting with stores in Ontario, Canada. In addition, in response to COVID-19, Vegetarian has implemented a comprehensive COVID-19 safety plan and has started to focus on building its online sales and delivery platform.

Sophie's Kitchen

Sophie's Kitchen is a plant-protein packaged goods manufacturer with an innovative line of frozen and shelf-stable seafood products. Headquartered in Las Vegas, Nevada, USA, Sophie's Kitchen offers a large selection of frozen and shelf-stable plant-based alternative food products for vegans and non-vegans alike. Sophie's Kitchen's products are always soy-free, gluten-free, non-GMO, and plant-based.

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

On March 15, 2021, the Company entered into a credit facility agreement with Sophie's Kitchen to establish a credit facility in the principal amount of US$3,000,000 (the "SF Credit Facility") at the rate of 6% interest per annum with a maturity date 12 months after closing, or March 15, 2022 ("Maturity Date"). The SF Credit Facility permits short term loans for growth, expansion and other general working capital purposes for Sophie's Kitchen. The maximum monthly draw from the SF Credit Facility is US$500,000.

KEY INVESTMENT PORTFOLIO DESCRIPTION (continued)

The Company received share purchase warrants entitling the Company to acquire additional common shares of Sophie's Kitchen with a value of US$1,500,000 based on a twenty percent discount from the post-subscription valuation of Sophie's Kitchen immediately prior to a public listing of Sophie's Kitchen. These warrants can be converted to Sophie's Kitchen common equity at any time prior to the warrant maturity date of March 15, 2031. In connection to the warrants, the Company originally recognized the value of the warrants for $1,250,000. On December 31, 2021, the Company revalued the warrants to $1,095,000. As at June 30, 2022, the Company revalued the warrants to be $1,114,122 and recognized a loss on change of fair value of $19,122.

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

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

On July 7, 2021, the Company issued 1,092,500 Common Shares valued at $0.25 per Common Share to acquire 184,415 common shares of Sophie's Kitchen valued at US$218,500 (US$1.1848 per share).

On July 7, 2021, the Company issued 1,616,804 Common Shares valued at $0.25 per Common Share and made cash payments of US$970,082 to acquire an aggregate of 1,347,336 common shares of Sophie's Kitchen valued at US$1,616,803 (US$1.20 per share). Both of these transactions, the 184,415 common shares and 1,347,336 common shares of Sophie's Kitchen provided Billy an approximate incremental 14.9% ownership interest of the issued and outstanding share capital of Sophie's Kitchen.

On November 17, 2021, Sophie's Kitchen partnered with Southwind Foods, LLC ("Southwind") to offer its plant-based seafood, fish and other protein options alongside the products of Southwind, the multigenerational seafood distributor. Through the arrangement, Sophie's Kitchen achieves a flagship master brokerage sales agreement and equity partnership and will benefit from Southwind's dedicated national sales force and tens of thousands of distribution points for its products across food service locations (institutions and restaurants), retail stores and grocery chains. Southwind will utilize its national sales team and vast distribution capabilities to grow sales of Sophie's Kitchen plant-based product portfolio.

On March 15, 2022, total drawdowns of $3,994,756 were made as per the SF Credit Facility, which includes interest accrual of $153,856. On March 15, 2022, the principal and accrued interest on the credit facility were automatically converted into 3,217,674 common shares of Sophie's Kitchen. As at June 30, 2022, the fair value of Sophie's Kitchen investment in common shares is $5,136,385 (December 31, 2021 - $2,022,866) The Company recognized a fair value loss of $881,237 during the six months ended June 30, 2022.

During the period ended June 30, 2022 and as of the date of this report, Sophies has collaborated with the Company's management to execute the following:

- Supported Sophie's Kitchen with their equity partnership and master broker agreement with Southwind Foods, LLC.

On April 28, 2022, Sophie's Kitchen Inc. was highlighted in an interview (the "Article") on FoodNavigatorUSA.com entitled, "Sophie's Kitchen bolsters position in plant-based seafood category: 'There's going to be a big shift for us this year'". Its new products are expected to help lead the Portfolio Company to new heights with the support of its significant distributor relationship with Southwind Foods, LLC ("Southwind").

Evanesce Packaging Solutions Inc.

On August 13, 2021, the Company subscribed for 41,667 units at $3.60 per unit of Evanesce Packaging Solutions Inc ("Evanesce"). Each unit consists of one common share of Evanesce and one-half common share purchase warrant. Each whole warrant entitles the Company to purchase one additional common share for a period of two years at a price of $3.90 if exercised in the first twelve months following issuance or $4.80 if exercised after twelve months following issuance. As at June 30, 2022, the Company acquired of 31,251 common shares in Evanesce through the exercise of 20,834 warrants at an exercise price of $3.90 for cash consideration of $121,879. In connection with the early exercise, the Company received an additional 10,417 incentive warrants in Evanesce.

KEY INVESTMENT PORTFOLIO DESCRIPTION (continued)

Evanesce was founded to develop a sustainable alternative to traditional plastic packaging. Using a patented technology that considers strength, insulation and nesting capabilities, Evanesce's products are being designed to be functional yet environmentally friendly by being 100% compostable and organic. Evanesce's state-of-the-art technology, using molded starch products, takes approximately 90 days to decompose, which provides an alternative to single-use plastic products that are doing harm to our oceans.

In 2021, Evanesce opened two manufacturing facilities in Nevada and South Carolina to produce millions of compostable green packaging solutions per day, such as Polylactic Acid ("PLA") straws. Evanesce's first order of 10 million compostable straws was shipped at the end of 2021 from its South Carolina facility, with another 20 million straws scheduled for shipment in the first quarter of 2022. The Portfolio Company's patented molded starch technology is scheduled to become fully operational later in 2022, upon the arrival of some specialized equipment.

On April 21, 2022, Evanesce created a free webinar featuring Doug Horne, Founder and Chief Executive Officer ("CEO") of Evanesce, to explain how it is focused on revolutionizing the sustainable packaging industry. The webinar features Mr. Horne addressing the many environmental setbacks from the production and use of plastics, specifically for consumer packaged goods, and suggests options for more sustainable solutions that Evanesce plans to offer.

EQUITY TRANSACTIONS

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

On February 24, 2022 and March 14, 2022, 300,000 RSUs and 300,000 RSUs respectively, were converted and during the period ended June 30, 2022, the Company issued an aggregate of 600,000 common shares pursuant to the conversion.

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

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

TRENDS AND INVESTMENT STRATEGY

The Company is pursuing asset purchases and investment opportunities in high revenue growth businesses. Specifically, the Company will look for diversified exposure to expansion-stage companies with ESG values (environmental, social and governance) and their associated brands, in key categories related to the ocean economy with specific focus on functional foods, plant-based proteins, food technology, fermented foods and cultured and cell agriculture spaces, including functional foods, plant-based proteins and nutraceuticals. The Company will look to take meaningful ownership in each asset it invests in, to provide not only financial support, but also management and operational support. The Company targets businesses that have strong management teams that can drive revenue growth in their respected industries.

RESULTS OF OPERATIONS

For the six months ended June 30, 2022 ("2022"), the Company recorded net loss of $3,085,230. The Company recorded net loss of $2,299,049 for the six months ended June 30, 2021("2021"). Some of the significant charges to operations are as follows:

- Professional fees decreased slightly to $335,819 (2021 - $383,157). The Company has engaged lawyers and professionals to assist with ongoing investment opportunities and other regulatory filings during prior period.
- Advertising and promotions fees increased to $501,692 (2021 - $63,404) in relation to marketing efforts to increase investor awareness through press releases and other marketing activities. The Company also engaged Future Money Trend and North Equities Corp, to continue to develop awareness of the Company's brands.
- Management fees increased to $190,145 (2021 - $60,000). The Company relies heavily on management to execute the business strategy to achieve the financial and operational goals of the business.
- Consulting fees increased to $675,335 (2021 - $445,285) in relation to management's increased efforts to identify strategic and investment opportunities in the current market environment.
- Share-based compensation decreased to $505,716 (2021 - $1,611,537). The decrease relates to lesser options being granted during 2022 compared to 2021. During 2021, option and RSUs were granted to arms-length consultants for business development and advisory services as well as to management.
- The Company recognized a loss of $862,115 (2021- $(1,857,908)) related to fair value change in investment Sophie's Kitchen.

RESULTS OF OPERATIONS (continued)

For the three months ended June 30, 2022 ("Q2-2022"), the Company recorded net loss of $1,894,095. The Company recorded net loss of $834,841 for the three months ended June 30, 2021("Q2-2021"). Some of the significant charges to operations are as follows:

- Professional fees decreased slightly to $211,790 (Q2-2021- $221,965). The Company has engaged lawyers and professionals to assist with ongoing investment opportunities and other regulatory filings during prior period.
- Advertising and promotions fees increased to $266,044 (Q2-2021- $52,518) in relation to marketing efforts to increase investor awareness through press releases and other marketing activities.
- Management fees increased to $85,333 (Q2-2021- $30,000). The Company relies heavily on management to execute the business strategy to achieve the financial and operational goals of the business. The Company went through various management changes during the three months ended June 30, 2022 to better suit the Company's ongoing operations.
- Consulting fees decreased to $357,427 (Q2-2021- $445,285). Management continues to identify strategic and investment opportunities in the current market environment.
- Share-based compensation decreased to $36,706 (Q2-2021- $345,686). The decrease relates to lesser options being granted during 2022 compared to 2021.
- The Company recognized a loss of $938,792 (Q2-2021- $1,857,908) related to fair value change in investment Sophie's Kitchen.

SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed quarters, all prepared in accordance with IFRS.

	June 30, 2022	**March 31, 2022**	**December 31, 2021**	**September 30, 2021**
	$	**$**	**$**	**$**
Net loss	1,894,095	1,150,092	931,186	2,848,828
Basic and diluted loss per share	(0.02)	(0.01)	(0.00)	(0.04)
Balance Sheet				
Total Assets	9,430,078	10,576,550	11,014,629	11,922,601

	June 30, 2021	**March 31, 2021**	**December 31, 2020**	
	$	**$**	**$**	
Net loss	834,841	1,468,321	37,017	-
Basic and diluted loss per share	(0.03)	(0.02)	(0.01)	-
Balance Sheet				
Total Assets	12,639,297	6,776,022	11,014,629	-

There are no general trends regarding the Company's quarterly results and the Company's business is not seasonal, as it can develop and progress on a year-round basis (funding permitting). Quarterly results may vary significantly depending mainly on whether the Company has engaged in new activities or abandoned any projects and these factors which may account for material variations in the Company's quarterly net income (losses) are not predictable.

LIQUIDITY AND CAPITAL RESOURCES

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise programs depending on its working capital position.

LIQUIDITY AND CAPITAL RESOURCES (continued)

As at June 30, 2022, the Company had working capital of $967,974 (2021 - $2,063,029) which primarily consisted of cash of $430,130 (2021 - $672,782), loans receivable of $263,043 (2021 - $205,000) and prepaid expenses of $566,282 (2021 - $1,315,266). Current liabilities, being accounts payable and accrued liabilities of $291,481 (2021 - $130,019).

During the period ended June 30, 2022, cash used in operating activities were $970,230 (2021 - $1,537,201). Cash from operating activities were used to pay on-going expenses including accounts payable, and other prepaid expenses. Refer to results of operations for details.

During the period ended June 30, 2022, cash provided by financing activities were $907,500 (2021 - $10,144,210). The decrease is attributed to no shares being issued for financing activities in 2022 as compared to 2021. Cash provided by financing activities relate to proceeds received for the exercise of options and the subscription received in advance for exercise of special warrants.

During the period ended June 30, 2022, cash used in investing activities were $179,922 (2021 - $2,314,123). The decrease mainly relates to a lower amount of investment activities versus the same period last year and the receipt of a $121,879 loan for its investment in Evanesce versus using cash on hand and loan receivable of $58,043.

Other than the above-mentioned current liabilities, the Company has no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

OUTSTANDING SHARE DATA

At the date of this report, the Company has 104,016,450 shares, 3,012,500 stock options, 278,330 finders' warrants, 2,518,500 RSUs, 41,124,666 warrants, and 16,150,000 special warrants outstanding.

OFF STATEMENT OF FINANCIAL POSITION ARRANGEMENTS

At the date of this report, the Company had no material off statement of financial position arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

RELATED PARTY TRANSACTIONS

The Directors and Executive Officers of the Company are as follows:

Lawrence Hay	CEO, Director, and Corporate Secretary
Shriram Bangalore	CFO and Director
Lindsay Hamelin	Director
Natasha Raey	Director
Alex Benger	Director

RELATED PARTY TRANSACTIONS (continued)

Key management personnel are comprised of the Chief Executive Officer, Chief Financial Officer, and Directors of the Company. The remuneration of the key management personnel is as follows:

	For the period ended June 30, 2022	For the period ended June 30, 2021
	$	$
Management fees paid/accrued to companies controlled by former COO of the Company	40,633	66,625
Management fees paid/accrued to companies controlled by former CFO of the Company	52,500	66,625
Management fees paid/accrued to companies controlled by former CEO of the Company	65,625	-
Management fees paid/accrued to companies controlled by CFO of the Company	4,200	-
Management fees paid/accrued to companies controlled by CEO of the Company	3,938	-
Consulting fees paid/accrued to companies controlled by Lindsay Hamelin	4,725	-
Consulting fees paid/accrued to companies controlled by Natasha Raey	3,150	-
Consulting fees paid/accrued to companies controlled by Alexander Benger	15,375	-
Share-based compensation	49,120	-
	239,265	**133,250**

As at June 30, 2022, $65,625 is due to former CEO of the Company (December 31, 2021 - $Nil). Balances due are unsecured, non-interest bearing, and are due on demand.

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

As at June 30, 2022, the Company has a loan payable of $130,187 (December 31, 2021 - $Nil) to a company controlled by the former COO of the Company.

SIGNIFICANT ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the reported amount of net assets, liabilities, and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the amortization of equipment, recoverability of the carrying value of exploration and evaluation assets, fair value measurements for, reserves and accumulated depletion, financial instruments and stock-based compensation and other equity-based payments, and the recoverability of deferred tax assets. Actual results may differ from those estimates and judgments.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgement applied in preparing the Company's financial statements is the assessment of the Company's ability to continue as a going concern.

PROPOSED TRANSACTIONS

There are currently no significant proposed transactions, other than what is disclosed elsewhere in the MD&A.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its payment obligations. The Company's exposure to credit risk is limited to its cash balances. The risk exposure is limited to the carrying amounts at the statement of financial position dates.

The Company's cash balances are held in accounts at a major Canadian financial institution. The credit risk associated with cash is mitigated, as cash is held at major institutions with high credit ratings.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been private placement equity transactions. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as low.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has foreign currency exposure on the investments in Sophie's Kitchen due to the differences in currencies.

As at June 30, 2022, the Company had cash of US$27,543 or $31,660 (2021 - US$184,777 or $234,261) at CAD equivalent and an investment in Sophie's Kitchen of US$4,850,619 or $6,250,507 (2021 - US$5,541,451 or $7,023,344) at CAD equivalent. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in US$ by 10% will increase or decrease foreign exchange gain or loss by approximately $480,000 (2021 - $728,194).

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

Interest rate risk

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

a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and

b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

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

Management of capital

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

CONTINGENCIES

The Company is not aware of any contingencies or pending legal proceedings as of June 30, 2022 and as of the date of this report.

RISK FACTORS

The following are certain risk factors relating to the business carried on by the Company that prospective holders of Shares should carefully consider.

Risk Factors Associated with the Company's Business

The following are certain risk factors relating to the business carried on by the Company that prospective holders of Shares should carefully consider.

Limited Operating History

The Company has limited operating history. The Company and its business prospects must be viewed against the background of the risks, expenses and problems frequently encountered by companies in the early stages of their development, particularly companies in new and rapidly evolving markets such as the blockchain and business intelligence markets. There is no certainty that the Company will operate profitably.

No Profits to Date

The Company has not made profits since its incorporation and it may not be profitable for the foreseeable future. Its future profitability will, in particular, depend upon its success in developing its database solution and to the extent to which it is able to generate significant revenues. Because of the limited operating history and the uncertainties regarding the development of blockchain technology, management does not believe that the operating results to date should be regarded as indicators for the Company's future performance.

Going Concern Assumption

The financial statements of the Company have been prepared in accordance with IFRS on a going concern basis, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company's continuation as a "going concern" is uncertain and is dependent upon, amongst other things, attaining a satisfactory revenue level, the support of its customers, its ability to continue profitable operations, the generation of cash from operations, and its ability to obtain financing arrangements and capital in the future. These material uncertainties represent risks to the Company's ability to continue as a going concern and realize its assets and pay its liabilities as they become due. If the "going concern" assumption was not appropriate for the financial statements, then adjustments would be necessary to the carrying values of assets and liabilities, the reported expenses and the balance sheet classifications used. Such adjustments could be material.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to successfully develop its supply chain management business. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Expenses May Not Align With Revenues

Unexpected events may materially harm the Company's ability to align incurred expenses with recognized revenues. The Company incurs operating expenses based upon anticipated revenue trends. Since a high percentage of these expenses may be relatively fixed, a delay in recognizing revenues from transactions related to these expenses (such a delay may be due to the factors described elsewhere in this risk factor section or it may be due to other factors) could cause significant variations in operating results from quarter to quarter, and such a delay could materially reduce operating income. If these expenses are not subsequently matched by revenues, the Company's business, financial condition, or results of operations could be materially and adversely affected.

RISK FACTORS (continued)

Market Acceptance
If the Company's supply chain solution does not gain market acceptance, its operating results may be negatively affected. If the markets for the Company's solution fail to develop, develop more slowly than expected or become subject to increased competition, its business may suffer. As a result, the Company may be unable to: (i) successfully market its solution; (ii) develop new products or services; or (ii) complete new products and services currently under development. If the Company's solution is not accepted by its customers or by other businesses in the marketplace, the Company's business, operating results and financial condition will be materially affected.

Global Financial Developments

Stress in the global financial system may adversely affect the Company's finances and operations in ways that may be hard to predict or to defend against. Financial developments seemingly unrelated to the Company or to its industry may adversely affect the Company over the course of time. For example, material increases in any applicable interest rate benchmarks may increase the debt payment costs for any credit facilities. Credit contraction in financial markets may hurt its ability to access credit in the event that the Company identifies an acquisition opportunity or require significant access to credit for other reasons. A reduction in credit, combined with reduced economic activity, may adversely affect business. Any of these events, or any other events caused by turmoil in 36 world financial markets, may have a material adverse effect on the Company business, operating results, and financial condition.

Regulatory Risks

Changes in or more aggressive enforcement of laws and regulations could adversely impact the Company's business. Failure or delays in obtaining necessary approvals could have a materially adverse effect on the Company's financial condition and results of operations. Furthermore, changes in government, regulations and policies and practices could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition. Regulatory agencies could shut down or restrict the use of platforms using blockchain based technologies. This could lead to a loss of any investment made in the Company and may trigger regulatory action by the OSC or other securities regulators.

Dependence on Internet Infrastructure; Risk of System Failures, Security Risks and Rapid Technological Change

The success as a developer of blockchain-based platforms will depend by and large upon the continued development of a stable public infrastructure, with the necessary speed, data capacity and security, and the timely development of complementary products such as high-speed modems for providing reliable internet access and services. It cannot be assured that the infrastructure that supports blockchain-based technologies will continue to be able to support the demands placed upon it by this continued growth or that the performance or reliability of the technology will not be adversely affected by this continued growth. It is further not assured that the infrastructure or complementary products or services necessary to make blockchain-based technologies viable will be developed in a timely manner, or that such development will not result in the requirement of incurring substantial costs in order to adapt the Company's services to changing technologies.

Dependence on Third Party Relationships

The Company is highly dependent on a number of third party relationships to conduct its business and implement expansion plans. it cannot be assured that all of these partnerships will turn out to be as advantageous as currently anticipated or that other partnerships would not have proven to be more advantageous. In addition, it is impossible to assure that all associated partners will perform their obligations as agreed.

Economic Environment

The Company's operations could be affected by general economic context conditions should the unemployment level, interest rates or inflation reach levels that influence consumer trends, and consequently, impact the Company's sales and profitability. As well, general demand for banking services and alternative banking or financial services cannot be predicted and future prospects of such areas might be different from those predicted by the Company's management.

Failure to Grow at the Rate Anticipated

The Company is a start-up company with no history of sales or profitability. If the Company is unable to achieve adequate revenue growth, its ability to become profitable may be adversely affected and the Company may not have adequate resources to execute its business strategy.

RISK FACTORS (continued)

Management of Growth
The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Company may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Company's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate and manage its employees. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

Litigation

The Company may become involved in litigation that may materially adversely affect it. From time to time in the ordinary course of the Company business, it may become involved in various legal proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition. More specifically, the Company may face claims relating to information that is retrieved from or transmitted over the Internet or through the solution and claims related to the Company's products. In particular, the nature of the Company's business exposes it to claims related to intellectual property rights, rights of privacy, and personal injury torts. Furthermore, there is no assurance that any liability incurred as a result of litigation can be recovered from the Company's insurance policy.

Conflicts of interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. Conflicts, if any, will be subject to the procedures and remedies as provided under the OBCA. To the best of the Company's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest between the Company and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

Difficulty to Forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the industrial supply chain management industry in the USA. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Internal Controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Company's Shares.

RISK FACTORS (continued)

COVID-19

The outbreak of the coronavirus ("COVID-19") pandemic has impacted the Company's plans and activities. The Company may face disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health-care challenge for the Company. There can be no assurance that the Company's personnel will not be impacted by these pandemic diseases and ultimately that the Company would see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Company's operations and access to capital. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets may reduce resource prices, share prices and financial liquidity and thereby that may severely limit the financing capital available.

Cautionary Statement

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A: Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental regulatory and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company to meet certain work commitments, and work plans to be conducted by the Company