

## FORM 5

### **QUARTERLY LISTING STATEMENT**

Name of Listed Issuer: GOAT Industries 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 First 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.

Third quarter ended September 30, 2023. Unaudited condensed interim consolidated financial statements of the Issuer for the nine-month period ended September 30, 2023, 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 nine month period ended September 30, 2023, 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 July 1, 2023 to September 30, 2023:

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
No securities were issued during the period of July 1, 2023 to September 30, 2023								

(b) summary of options granted during the period of July 1, 2023 to September 30, 2023:

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
No options were issued during the period of July 1, 2023 to September 30, 2023						

## 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 September 30, 2023, 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 3,261,678 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,

<b>Date</b>	<b>Number of common shares</b>	<b>Recorded value of common shares</b>
September 30, 2023	3,261,678	\$21,889,909

(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 September 30, 2023, the following Options & RSUs were outstanding:

<b>Date of Grant</b>	<b>Number of Options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Recorded Value</b>
May 7, 2021	23,500	\$25.00	May 7, 2026	\$769,963
May 7, 2021	1,250	\$50.00	May 7, 2026	\$44,019
October 13, 2021	3,875	\$25.00	October 13, 2026	\$72,141
October 13, 2021	2,000	RSU - N/A	October 13, 2026	\$700,000
August 29, 2022	5,000	\$5.00	August 29, 2027	\$20,310
<b>Total</b>	<b>35,625</b>			

\*Represents RSU's

As at September 30, 2023, the following Warrants were outstanding:

<b>Date of Issue</b>	<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Recorded Value</b>
December 4, 2021	191,750	\$10.00	December 4, 2025	Nil
November 15, 2022	161,500	\$5.00	June 14, 2027	Nil
February 2, 2023	86,000 <sup>(1)</sup>	\$2.50	February 2, 2025	Nil
<b>Total</b>	<b>439,250</b>			

(1) Each warrant is exercisable to purchase one common share and one additional warrant at a price \$2.50. Each additional warrant issued is exercisable to acquire one additional common share at a price \$5.00.

Convertible Securities:

As at September 30, 2023, the Company has a secured loan in the amount of \$75,000; interest on the loan is payable at a rate of twenty percent (20%) per annum, which is due and payable on the earlier from five business days from the date on which the Company closes a private placement for gross proceeds of at least \$250,000 or November 14, 2023.

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

As at September 30, 2023, the following Common shares of the Issuer were subject to a prescribed escrow agreement pursuant to National Policy 46-201:

<b>Designation of class held in escrow</b>	<b>Number of securities held in escrow</b>	<b>Percentage of class</b>
Common shares <sup>(1)</sup>	50,494	1.55%

(1) The escrow agent is the Issuer's transfer Agent, Endeavor Trust Company.

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 and Interim Chief Financial Officer
Mohammad Sharifi	Director
Alex Bengier	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 September 30, 2023, 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: November 15, 2023

Lawrence Hay  
Name of Director or Senior Officer

"Lawrence Hay"  
Signature

Chief Executive Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer  Goat Industries Ltd.	For Quarter Ended  September 30	Date of Report YY/MM/DD  23/11/15
Issuer Address  1890 – 1075 West Georgia Street		
City/Province/Postal Code  Vancouver, British Columbia V6E 3C9	Issuer Fax No.  604-687-3141	Issuer Telephone No.  604-687-2038
Contact Name  Lawrence Hay	Contact Position  CEO	Contact Telephone No.  604-687-2038
Contact Email Address info@goatindustries.co	Web Site Address https://www.goatindustries.co/	

## **APPENDIX A**

Goat Industries Ltd.

Financial Statements for the interim period ended September 30, 2023 and its accompanying Management Discussion and Analysis for the interim period ended September 30, 2023.



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**Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)**  
**Condensed Interim Financial Statements**  
**For the nine months ended September 30, 2023 and 2022**  
**Unaudited – Prepared by Management**  
**(Expressed in Canadian Dollars)**

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

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

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

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

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

	September 30, 2023	December 31, 2022 (Audited)
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 100,339	\$ 1,783
Prepaid expenses (Note 6)	23,563	41,861
	123,902	43,644
<b>Non-Current</b>		
Investments (Notes 4 and 8)	3,784,380	2,184,380
<b>TOTAL ASSETS</b>	<b>\$ 3,908,282</b>	<b>\$ 2,228,024</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 9)	\$ 413,330	\$ 288,836
Loan payable (Note 7)	250,131	138,849
<b>TOTAL LIABILITIES</b>	<b>663,461</b>	<b>427,685</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 8)	21,889,909	19,695,125
Subscription received in advance (Note 8)	100,000	-
Reserves (Note 8)	1,863,875	2,242,380
Deficit	(20,608,963)	(20,137,166)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,244,821</b>	<b>1,800,339</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 3,908,282</b>	<b>\$ 2,228,024</b>

Nature of operations and going concern (Note 1)  
Subsequent Events (Note 12)

Approved and authorized for issuance on behalf of the Board on November 15, 2023.

“Mohammad Sharifi”, Director

“Lawrence Hay” , Director

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

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

	Three Months ended September 30, 2023	Three Months ended September 30, 2022	Nine Months ended September 30, 2023	Nine Months ended September 30, 2022
<b>Operating Expenses</b>				
Advertising and promotions	\$ 25,278	\$ 167,800	\$ 75,004	669,492
Management fees (Note 9)	33,200	59,275	56,675	241,283
Office and miscellaneous	53,299	61,149	69,674	206,068
Professional fees	122,014	98,799	163,252	434,618
Share based compensation (Notes 8, 9)	373	123,893	1,279	629,609
Consulting fees	36,225	374,906	70,375	1,058,378
Transfer agent and filing fees	16,568	17,384	21,304	67,015
<b>Loss before other income (loss)</b>	<b>\$ (286,957)</b>	<b>\$ (903,206)</b>	<b>(457,563)</b>	<b>(3,306,463)</b>
<b>Other income (loss)</b>				
Foreign exchange	-	3,855	-	43,183
Interest income	-	-	-	47,189
Fair value loss on Funguys receivables (Note 5)	-	-	(14,234)	-
Fair value loss on Sophie's Kitchen investment (Note 4)	-	395,388	-	(466,727)
Gain on settlement of debt	-	65,625	-	85,250
Gain/Loss on derivative liability (Note 4)	-	-	-	74,000
<b>Net Loss and Comprehensive Loss for the Period</b>	<b>\$ (286,957)</b>	<b>\$ (438,338)</b>	<b>(471,797)</b>	<b>(3,523,568)</b>
<b>Net Loss per Share, Basic and Diluted</b>	<b>\$ (0.15)</b>	<b>\$ (0.41)</b>	<b>(0.26)</b>	<b>(3.31)</b>
<b>Weighted Average Number of Shares Outstanding</b>	<b>1,972,216</b>	<b>1,076,014</b>	<b>1,803,703</b>	<b>1,063,733</b>

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

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

	Share Capital	Amount	Reserves	Subscription received in advance	Deficit	Total
<b>Balance, December 31, 2021</b>	<b>1,021,603</b>	<b>\$ 15,359,465</b>	<b>\$ 1,571,338</b>	-	<b>\$(6,120,193)</b>	<b>\$ 10,810,610</b>
Restricted share units	30,635	719,020	(719,020)	-	-	-
Funds received for special warrants	-	-	807,500	-	-	807,500
Shares issued on exercise of options	11,111	157,320	(57,320)	-	-	100,000
Shares issued on acquisition of Kojo	250,000	675,000	-	-	-	675,000
Share based compensation	-	-	629,609	-	-	629,609
Net and comprehensive loss for the period	-	-	-	-	(3,523,568)	(3,523,568)
<b>Balance, September 30, 2022</b>	<b>1,313,349</b>	<b>\$ 16,910,805</b>	<b>2,232,107</b>	-	<b>(9,643,761)</b>	<b>(9,499,151)</b>
<b>Balance, December 31, 2022</b>	<b>2,346,680</b>	<b>\$ 19,695,125</b>	<b>\$ 2,242,380</b>	-	<b>\$(20,137,166)</b>	<b>\$ 1,800,339</b>
Conversion of RSUs (Note 8)	115,000	575,000	(575,000)	-	-	-
Acquisition of mineral claims (Note 8)	800,000	1,600,000	-	-	-	1,600,000
Issuance of special warrants	-	-	215,000	-	-	215,000
Subscription received in advance (Note 8)	-	-	-	100,000	-	100,000
Share based compensation	-	-	1,279	-	-	1,279
Fair Value reallocation – Finders Warrants (Note 8)	-	19,784	(19,784)	-	-	-
Net and comprehensive loss for the period	-	-	-	-	(471,797)	(471,797)
<b>Balance, September 30, 2023</b>	<b>3,261,680</b>	<b>\$ 21,889,909</b>	<b>1,863,875</b>	<b>100,000</b>	<b>(20,608,963)</b>	<b>3,244,821</b>

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

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

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

	For the nine months ended September 30, 2023		For the nine months ended September 30, 2022	
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>				
Loss for the period	\$	(471,797)	\$	(3,523,568)
Items not affecting cash:				
Foreign exchange gain (loss)		-		(42,089)
Share based compensation		1,279		629,609
Fair value loss on Sophie’s Kitchen investment		-		466,727
Gain on settlement of debt		-		(85,250)
Gain on derivative liability		-		(74,000)
Interest expense (income)		11,282		(47,189)
Changes in non-cash working capital:				
Prepaid expenses		18,298		1,148,312
Accounts payable and accrued liabilities		124,494		113,910
		(316,444)		(1,413,538)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Options exercised		-		100,000
Subscription received in advance		100,000		-
Proceeds from issuance of special warrants		215,000		807,500
		315,000		907,500
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>				
Loan receivable		-		(39,043)
Loan payable		100,000		-
Investment in Evanescce		-		(121,879)
		100,000		(160,922)
<b>NET CHANGE IN CASH</b>		98,556		(666,960)
<b>CASH – beginning of period</b>		1,783		672,782
<b>CASH – end of period</b>	\$	100,339	\$	5,822
<b>Supplemental cash flow information</b>				
Common shares issued for Kojo		-		675,000
Contingent liability on acquisition of Kojo		-		415,273
Common shares issued for Cirn and Donovo Mining Claims	\$	1,600,000	\$	

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

**Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)**  
**Notes to the Condensed Interim Financial Statements**  
**For the Nine Months Ended September 30, 2023 and 2022**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – prepared by management)**

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

Goat Industries Ltd. (formerly Billy Goat Brands Ltd.) (the “Company” or “Goat”) is an investment holding firm focused on investments and acquisition of assets in the functional foods, plant-based proteins, and health and wellness space. The Company was formed on September 22, 2020, under the Business Corporations Act in the Province of British Columbia, Canada. On September 12, 2022, the Company changed its name from Billy Goat Brands Ltd. to Goat Industries Ltd. The registered address, and records office of the Company are located at 2200 - 885 West Georgia Street, Vancouver, BC, V6C 3E8. The head office is located at 1890 - 1075 West Georgia Street, Vancouver, British Columbia, V6E 3C9.

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. At September 30, 2023, the Company had not achieved profitable operations, had an accumulated deficit of \$20,608,963 (2022 - \$20,137,166), 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 assurance that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. If the Company is unable to obtain adequate additional financing, the Company would be required to curtail its planned operations.

**2. Basis of Presentation**

a) Statement of Compliance and Presentation

These 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, 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 condensed interim 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 condensed interim financial statements and reported amounts of expenses during the reporting period.

Actual outcomes could differ from these estimates. Estimates and assumptions are pervasive throughout the condensed interim 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.

**Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)**  
**Notes to the Condensed Interim Financial Statements**  
**For the Nine Months Ended September 30, 2023 and 2022**  
**(Expressed in Canadian Dollars)**  
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**2. Basis of Presentation (continued)**

a) Significant Accounting Judgments and Estimates (continued)

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

ii. Investment entity

Management has applied judgment in determining whether the Company meets the criteria required under IFRS 10, in order to be classified as an investment entity. Management has applied the following typical characteristics of an investment entity: a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services; b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and c) measures and evaluates the performance of substantially all of its investments on a fair value basis. An investment entity shall not consolidate its subsidiaries or apply IFRS 3 (business combination) when it obtains control of another entity.

iii. Investments

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

iv. Loans receivable

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

v. Share-based compensation

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



**Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)**  
**Notes to the Condensed Interim Financial Statements**  
**For the Nine Months Ended September 30, 2023 and 2022**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – prepared by management)**

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

a) Significant Accounting Judgments 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 transactions

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

viii. Impairment of investments

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

ix. Fair value of investments and derivatives

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

**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, 2022.

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**4. Investments**

Investment continuity schedule as at September 30, 2023 and December 31, 2022 is presented as follows:

<b>Investment in Private companies</b>	
<b>Balance, December 31, 2021</b>	8,821,581
Cost of shares/warrants acquired	6,501,635
Conversion of SF credit facility	(3,905,478)
Fair value change	(9,795,858)
<b>Balance, December 31, 2022 and September 30, 2023</b>	<b>\$ 1,621,880</b>

At September 30, 2023 and December 31, 2022, the Company held the following investments:

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

At September 30, 2023, the Company held the following investment assets:

	<b>Cost</b>	<b>Fair Value</b>
<b>Assets held</b>		
Smithers Mining Claims.	\$ 562,500	\$ 562,500
Cirn Mining Claims.	\$ 800,000	\$ 800,000
Donovan Mining Claims.	\$ 800,000	\$ 800,000
	<b>\$ 2,162,500</b>	<b>\$ 2,162,500</b>

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

	<b>Cost</b>	<b>Fair Value</b>
<b>Assets held</b>		
Smithers Mining Claims.	\$ 562,500	\$ 562,500
	<b>\$ 562,500</b>	<b>\$ 562,500</b>

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**4. Investments (continued)**

*Funguys Beverage Inc.*

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

On February 8, 2021, the Company acquired all of the issued and outstanding common shares of Funguys Beverage Inc. ("Funguys") for 219,956 common shares of the Company at a price of \$10 per share and 109,978 warrants at an exercise price of \$25, exercisable for a period of twenty-four months following the closing date. The fair value of the warrants was estimated to be \$335,572 using the Black-Scholes option pricing model with the following assumptions: term - 2 years, expected volatility - 100%, risk-free rate - 0.18%, and expected dividends - zero

As at September 30, 2023, the fair value of the investment in Funguys was determined to be \$Nil (2022 - \$Nil). During the year ended December 31, 2022, the Company impaired Funguys investment and recognized a fair value loss of \$1,561,279. The impairment was recognized as the Company estimated realization of the value of Funguys investment was unforeseeable due to its continued lack of performance and the Company does not intend to support these types of investments due to changes in the sector of focus from investments towards mining exploration.

*Vegetarian Butcher Inc.*

On February 10, 2021, the Company acquired 1,842,105 common shares of The Vegetarian Butcher Inc. ("Vegetarian"), for a 12.4% ownership of Vegetarian, at \$0.19 per share for a total of \$350,000. The Company issued 20,000 finders' common shares in connection with the purchase of Vegetarian common shares at a value of \$25 per share (see Note 8). As at September 30, 2023, fair value of the investment was determined to be \$Nil (2022- \$Nil). During year ended December 31, 2022, the Company impaired Vegetarian Butcher investments and recognized a fair value loss of \$350,000. The impairment was recognized as the Company estimated realization of the value of Vegetarian Butcher investment was unforeseeable due to its continued lack of performance and the Company does not intend to support these types of investments due to changes in the sector of focus from investments towards mining exploration.

*Sophie's Kitchen, Inc.*

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

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

The Company received share purchase warrants entitling the Company to acquire additional common shares of Sophie's Kitchen with a value of US\$1,500,000 based on a twenty percent discount from the post-subscription valuation of Sophie's Kitchen immediately prior to a public listing of Sophie's Kitchen. These warrants can be converted to Sophie's Kitchen common equity at any time prior to the warrant maturity date of March 15, 2031. In connection to the warrants, the Company originally recognized the value of the warrants for \$1,250,000. On December 31, 2021, the Company revalued the warrants to \$1,095,000. As at September 30, 2023, the Company revalued the warrants to \$Nil.

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

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**4. Investments (continued)**

*Sophie's Kitchen, Inc. (continued)*

Sophie's Kitchen had the option to cause the Company to acquire additional Sophie's Kitchen shares valued at US\$2,000,000, less accrued interest ("Sophie's Kitchen Option"). The consideration paid by the Company for the Sophie's Kitchen Option was in the form of common shares of the Company based on a price of \$25 per share. In connection with the Sophie's Kitchen Option, the Company originally recognized a derivative liability for \$976,000. As at September 30, 2023, the derivative liability was valued at \$Nil (2022 - \$Nil) as the option expired unexercised on March 15, 2022.

On July 7, 2021, the Company acquired 1,531,751 Sophie's Kitchen shares. In consideration for the Sophie's Kitchen shares acquired, the Company made cash payments of \$1,212,524 and issued 27,093 common shares. Of the 27,093 common shares, 10,925 common shares were issued in connection to the in-kind investment for the settlement of US\$218,500 (described above). The cost of the investment in Sophie's Kitchen was valued at \$1,889,850 at December 31, 2021. At December 31, 2021, the Company recognized a gain on change of fair value of \$133,016 resulting in an investment in Sophie's Kitchen to \$2,022,866 at year end.

The Company issued 15,000 finders' common shares in connection with the SF Credit Facility at a value of \$25 per share (Note 8).

On March 15, 2022, total drawdowns of \$3,994,756 were made as per the SF Credit Facility, which includes interest accrual of \$153,856. On March 15, 2022, the principal and accrued interest on the credit facility were automatically converted into 3,217,674 common shares of Sophie's Kitchen. As at September 30, 2023, the fair value of Sophie's Kitchen investment in common shares is \$Nil (2022 - \$Nil). During the year ended December 31, 2022, the Company impaired Sophie's Kitchen investment and recognized a fair value loss of \$7,112,622. The impairment was recognized as the Company estimated realization of the value of Sophie's Kitchen investment was unforeseeable due to its continued lack of performance and the Company does not intend to support these types of investments due to changes in the sector of focus from investments towards mining exploration.

*Evanesce Packaging Solutions Inc.*

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

During the year ended December 31, 2022, the Company acquired 31,251 common shares in Evanescence through the fully exercise of 20,834 warrants outstanding at an exercise price of \$3.90 for cash consideration of \$121,879. In connection with the early exercise, the Company received an additional 10,417 incentive warrants in Evanescence. At September 30, 2023, the fair value of the investment was \$271,880 (2022 - \$271,880), resulting in \$Nil fair value gain or loss. The investment in Evanescence is subject to fair-value fluctuations. If the investment experiences a 10% increase or decrease in the unit price, the investment would result in fair value increase of \$26,000 and decrease of \$26,000, respectively.

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**4. Investments (continued)**

*Kojo Pet Performance Inc.*

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

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

The investment in Kojo is subject to fair-value fluctuations. If the investment experiences a 1.5% increase or decrease in the WACC, the investment would result in fair value increase of \$40,000 and decrease of \$41,000, respectively. As at September 30, 2023, the fair value of Kojo investment is \$Nil (2022 - \$Nil). During the year ended December 31, 2022, the Company impaired Kojo investment and recognized a fair value loss of \$1,035,000. The impairment was recognized as the Company estimated realization of the value of Kojo investment was unforeseeable due to its lack of performance, lack of working capital, and the Company does not intend to support these types of investments due to changes in the sector of focus from investments towards mining exploration.

*1000288601 Ontario Inc. (Ekosolve Ltd.)*

On September 29, 2022, completed its acquisition of 1000288601 Ontario Inc. (“Ontario Co”). In consideration for the transaction, the Company issued 450,000 common shares at a fair value share price of \$3.00 per share to the existing shareholders of Ontario Co. for a total consideration of \$1,350,000. With the acquisition, GOAT now controls a license for use of lithium solvent extraction technology in Canada from Australia-based Ekosolve Ltd. (“Ekosolve”). As at September 30, 2023, the fair value of the Ontario Co investment is \$1,350,000. The investment in Ekosolve is subject to fair-value fluctuations. If the investment experiences a 1.5% increase or decrease in the WACC, the investment would result in fair value increase of \$67,000 and decrease of \$72,000, respectively.

*Investment in mining claims*

On November 21, 2022, the Company issued 375,000 common shares with a fair value of \$562,500 to acquire 100% claim block (the “Claim Block”) in the vicinity of American Eagle Gold Corp.’s (“American Eagle Gold”) (TSXV: AE) copper mineralized NAK discovery (the “NAK Copper Discovery”), located approximately 85 kilometres from Smithers, British Columbia.

On March 24, 2023, the Company completed an asset purchase agreement to acquire certain mineral claims located in Quebec (the “Donovan Claims” and the “Cirn Claims”) with Donovan Explorations Ltd. and Cirn Crypto-Monnais Corp. Pursuant to the terms of the Agreement, the Company acquired a 100% interest the Donovan Claims and Cirn Claims in consideration for issuing 400,000 common shares of the Company to the Donovan Vendors and 400,000 common shares of the Company to the Cirn Vendors respectively, at a fair value of \$2.00 per share, representing an aggregate value of \$1,600,000 for the acquisitions (*Note 8*).

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**5. Loan Receivable**

During the period ended September 30, 2023, the Company loaned Funguys \$14,234 (2022 - \$58,043) for working capital purposes. As at September 30, 2023, the total loan receivable balance is \$Nil (2022 - \$Nil). The loan accrues zero-interest and is repayable on demand. The loan constitutes a related party transaction (see Note 9). During the period ended September 30, 2023, the Company derecognized and wrote off the loans receivable as the Company does not foresee collectability of the loans.

	<b>Amount</b>
	<b>\$</b>
<b>Balance at December 31, 2021</b>	205,000
Loans advanced	58,043
Write-off of loans	(263,043)
<b>Balance at December 31, 2022</b>	-
Loans advanced	14,234
Write-off of loans	(14,234)
<b>Balance at September 30, 2023</b>	-

**6. Prepaid expenses**

At September 30, 2023, the Company had the following prepaid expenses:

<b>Types of services</b>	<b>Amount</b>
Computer software	\$ 280
Consulting	3,206
Legal	15,000
Marketing	5,077
	<b>\$ 23,563</b>

During the period ended September 30, 2023, the Company entered into the following significant marketing contract:

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

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

<b>Types of services</b>	<b>Amount</b>
Computer software	\$ 280
Consulting	3,206
Legal	15,000
Marketing	23,375
	<b>\$ 41,861</b>

**7. Loan Payable**

As at September 30, 2023, outstanding loans consist of \$250,131 (2022 - \$138,849) of which \$131,271 (2022 - \$91,849) bears interest at 10% per annum, due on demand and are unsecured and \$75,000 (2022 - \$Nil) bears interest at 50% per annum due in advance, due on May 11, 2023. On August 16, 2023, the terms were amended and interests are at 20% per annum, due in cash on the earlier of five business day from the date on which the Company closes a private placement for gross proceeds of at least \$250,000 or 90 days from the date of the Amending Agreement. All other loans bear no interest rate and are due on demand and are unsecured.

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**8. Share Capital**

**Authorized**

Unlimited common shares without par value.

**Escrow Shares**

At September 30, 2023, there were 50,494 (2022 – 100,989) shares held in escrow and 25,247 will be released on each of the following dates: March 16, 2024 and September 16, 2024.

**Common Shares**

During the period ended September 30, 2023, the Company had the following transactions that resulted in the issuance of common shares:

On January 4, 2023, the Company issued 35,000 common shares pursuant to the conversion of RSUs at \$21 per share. As a result, the Company reallocated \$175,000 from reserve to share capital.

On January 10, 2023, the Company issued 80,000 common shares pursuant to the conversion of RSUs at \$21 per share. As a result, the Company reallocated \$400,000 from reserve to share capital.

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

During the period ended September 30, 2023, the Company received \$100,000 for subscriptions in advance for a private placement at a price of CAD\$0.065 per unit. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant will entitle the holder to purchase, for a period of 24 months from the date of issue, one additional common share of the Issuer at an exercise price of CAD\$0.085 per share. Private placement has not closed yet as of September 30, 2023.

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

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

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

On April 26, 2022, the Company issued 11,111 common shares pursuant to the exercise of options with an exercise price of \$9 per share for total proceeds of \$100,000. The Company reclassified \$57,320 from reserves to share capital.

On August 15, 2022, the Company issued 20,000 common shares pursuant to the conversion of RSUs at \$21 per share. The Company reclassified \$36,000 from reserves to share capital.

On August 16, 2022, the Company issued 250,000 common shares pursuant to the acquisition of Kojo Performance Inc. at a fair value share price of \$2.7 per share.

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

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**8. Share Capital (continued)**

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

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

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

The continuity of stock options granted to directors, officers, employees and consultants of the Company for the period ended September 30, 2023 is as follows:

<b>Grant Date</b>	<b>Expiry date</b>	<b>Number of options</b>	<b>Exercise price</b>
May 7, 2021	May 7, 2026	23,500	\$ 25
May 7, 2021	May 7, 2026	1,250	50
October 13, 2021	October 13, 2026	3,875	25
August 29, 2022	August 29, 2027	5,000	5
<b>Balance at September 30, 2023</b>		<b>33,625</b>	<b>\$ 21.28</b>

  

	<b>Number of options</b>	<b>Weighted average exercise price</b>
		\$
<b>Balance at December 31, 2021</b>	<b>48,125</b>	<b>26</b>
Options granted	21,111	9
Options exercised	(11,111)	9
Options expired	(21,500)	24
<b>Balance at December 31, 2022</b>	<b>36,625</b>	<b>22</b>
Options cancelled	(3,000)	5
<b>Balance at September 30, 2023</b>	<b>33,625</b>	<b>21.28</b>
<b>Vested and Exercisable</b>	<b>33,625</b>	<b>21.28</b>

As at September 30, 2023, the stock options have a weighted average remaining contractual life of 2.85 years (2022 – 3.67 years). During the period ended September 30, 2023, the weighted average share price for options exercised was \$21.28 per share.

On May 7, 2021, the Company granted 53,500 stock options with an exercise price of \$25 per share expiring on May 7, 2026 of which 53,000 stock options vesting equals one third of the stock options vest on the grant, one third vesting six months after the date of grant and the remaining one third to vest twelve months after the date of grant, and 500 vesting equals one fourth of the stock options vest on grant, and remaining vests one fourth every six months after the date of grant. As at September 30, 2023 and December 31, 2022 the outstanding stock options were 23,500. The Company also granted 2,750 stock options with an exercise price of \$50 expiring on May 7, 2026 of which 1,500 stock options vesting equals one third of the stock options vest on the grant, one third vesting six months after the date of grant and the remaining one third to vest twelve months after the date of grant, and 1,250 vesting equals one fourth of the stock options vest on grant, and remaining vests one fourth every six months after the date of grant, of which 1,000 stock options were cancelled during the year ended December 31, 2022. The fair value of the stock options was estimated to be \$1,037,052 for the full vesting period of the options, with a current period charge of \$908,507. The Black-Scholes option pricing model was used with the following assumptions: term - 5 years, expected volatility - 100%, risk free rate - 0.87%, and expected dividends - zero. During the period ended September 30, 2023, the Company recognized \$1,279 (2022 - \$101,440) share based compensation.



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**8. Share Capital (continued)**

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

On October 13, 2021, the Company granted 3,875 stock options with an exercise price of \$25 per share expiring on October 13, 2026. Half of the stock options vest on February 13, 2022, and the other half vest on April 13, 2022. The fair value of the stock options was estimated to be \$72,141 for the full vesting period of the options, with a current period charge of \$38,824. The Black-Scholes option pricing model was used with the following assumptions: term - 5 years, expected volatility - 100%, risk free rate - 1.27 %, and expected dividends - zero. During the period ended September 30, 2023, the Company recognized \$Nil (2022 - \$345,825) share based compensation.

On March 1, 2022, the Company granted 11,111 stock options to an arms-length consultant for business development and advisory services which vested immediately with an exercise price of \$9 per share expiring March 1, 2027. The fair value of the stock options was estimated to be \$57,320. The Black-Scholes option pricing model was used with the following assumptions: term - 5 years, expected volatility - 100%, risk free rate - 1.48 %, and expected dividends - zero. The volatility is based on approximation of similar entities. The stock option was exercised on April 1, 2022 and \$57,320 was reallocated from reserve to share capital.

On August 29, 2022, the Company granted 10,000 stock options to directors of the Company which vest four months after grant date with an exercise price of \$5 per share expiring August 29, 2027. The fair value of the stock options was estimated to be \$27,080. The Black-Scholes option pricing model was used with the following assumptions: term - 5 years, expected volatility - 100%, risk free rate - 3.31 %, and expected dividends - zero. The volatility is based on approximation of similar entities. During the year ended December 31, 2022, the Company cancelled 2,500 stock options. During the period ended September 30, 2023, the Company recognized \$Nil (2022 - \$27,080) share based compensation.

**Restricted Share Units**

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

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

On April 7, 2022, the Company granted 1,185 RSU to directors, officers and consultants of the Company with an exercise price of \$6 per RSU expiring April 7, 2027. The RSU's were fully vested on August 8, 2022. The fair value of the RSUs was \$6,920 calculated based on the Company's share price on the grant date. During the period ended September 30, 2023, the Company recognized \$Nil (2022 - \$6,920) share based compensation.

On August 29, 2022, the Company granted 115,000 RSU to directors, officers and consultants of the Company with an exercise price of \$3.8 per RSU expiring August 29, 2027. The RSUs were fully vested December 30, 2022. The fair value of the RSUs was \$432,400 calculated based on the Company's share price on the grant date. During the period ended September 30, 2023, the Company recognized \$Nil (2022 - \$432,400) share based compensation.

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**8. Share Capital (continued)**

**Restricted Share Units (continued)**

During the period ended September 30, 2023, a total of 115,000 RSUs were converted.

The following table summarizes information on RSUs outstanding and exercisable at September 30, 2023:

<b>Grant Date</b>	<b>Expiry date</b>	<b>Number of RSUs</b>	<b>Conversion price</b>
October 13, 2021	October 13, 2026	2,000	\$ 25
<b>Balance at September 30, 2023</b>		<b>2,000</b>	<b>\$ 25</b>

  

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

**Finders' Warrants**

The continuity of finders' warrants for the period ended September 30, 2023 is as follows:

	<b>Number of warrants</b>	<b>Weighted average exercise price</b>
		\$
<b>Balance at December 31, 2020</b>	-	-
Finders' warrants issued	2,783	75
<b>Balance at December 31, 2022 and 2021</b>	<b>2,783</b>	<b>75</b>
Finders' warrants expired	(2,783)	75
<b>Balance at September 30, 2023</b>	-	-

During the period ended September 30, 2023, all finders warrants with an exercise price between \$50 and \$100 expired. As a result, the Company reallocated \$19,784 from reserve to share capital.

**Warrants**

The continuity of warrants for the period ended September 30, 2023 is as follows:

<b>Grant Date</b>	<b>Expiry date</b>	<b>Number of warrants</b>	<b>Conversion price</b>
December 4, 2021	December 4, 2025	191,750	10
November 15, 2022	June 14, 2027	161,500	5
<b>Balance at September 30, 2023</b>		<b>353,250</b>	<b>\$ 22</b>

  

	<b>Number of warrants</b>	<b>Weighted average exercise price</b>
		\$
<b>Balance at December 31, 2021</b>	<b>411,246</b>	<b>30</b>
Warrants issued	161,500	5
<b>Balance at December 31, 2022</b>	<b>572,746</b>	<b>23</b>
Warrants expired	(219,497)	27
<b>Balance at September 30, 2023</b>	<b>353,250</b>	<b>22</b>

**Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)**  
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**For the Nine Months Ended September 30, 2023 and 2022**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – prepared by management)**

**8. Share Capital (continued)**

**Special Warrants**

The continuity of special warrants for the period ended September 30, 2023 is as follows:

	Number of warrants	Weighted average exercise price
		\$
<b>Balance at December 31, 2021</b>	-	-
Special Warrants issued	161,500	10
Special Warrants exercised	(161,500)	10
<b>Balance at December 31, 2022</b>	-	-
Special Warrants issued	<b>86,000</b>	<b>2.5</b>
<b>Balance at September 30, 2023</b>	<b>86,000</b>	<b>2.5</b>

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

On June 14, 2022, the Company issued 161,500 special warrants of the Company at a price of \$5 per special warrant for gross proceeds of \$807,500. Each Special Warrant is convertible into units with each unit consisting of one common share of the Company and one transferable common share purchase warrant with each warrant entitling the holder thereof to purchase one additional share of the Company at a price of \$10 per share for a period of 60 months from the date of issuance of the warrants. The Company recorded \$807,500 warrant reserve for the issuance of special warrants. On November 15, 2022, the Company amended the exercise price of the warrants from \$10 to \$5 per share purchase warrants. Share purchase warrants hold a forced exercise provision which applies if the Company trades at more than \$6.25 per share at any trading time. During the year ended December 31, 2022, all outstanding special warrants were converted into units of the Company and the Company allocated \$484,500 to share capital from reserves.

**9. Related Party Disclosures**

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

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

	For the period ended September 30, 2023	For the period ended September 30, 2022
	\$	\$
Management fees paid/accrued to companies controlled by officers of the Company	<b>37,800</b>	31,749
Management fees paid/accrued to companies controlled by former officers of the Company	<b>7,875</b>	168,758
Management fees paid/accrued to companies controlled by directors of the Company	<b>11,000</b>	72,525
Share-based compensation	-	144,590
	<b>56,675</b>	417,621

As at September 30, 2023, \$33,400 is due to related parties (2022 - \$26,675). All balances are unsecured, non-interest bearing, and are due on demand.

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**10. Financial Instruments and Risk Management**

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

As at September 30, 2023, the Company had a cash balance of \$100,339 (2022 - \$1,783) to settle current liabilities of \$663,461 (2022 - \$427,685), which are due within 12 months.

- b) Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. Cash is held with major financial institutions in Canada and, accordingly, credit risk is nominal.
- c) Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest rate risk consists of two components:
- i. To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and
  - ii. To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

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

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

As at September 30, 2023, the Company had cash of US\$Nil or \$Nil (2022 - US\$107 or \$147) at CAD equivalent. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in US\$ by 10% will increase or decrease foreign exchange gain or loss by approximately \$Nil (2022 - \$Nil).

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

- e) Price risk is the risk of potential losses to the Company's earnings due to movements in individual equity movements. As at September 30, 2023, the Company's investments of \$1,621,880 are subject to fair value fluctuations. If the fair value of the Company's investments had a decrease or increase of 10% with all other variances held constant, the net loss and comprehensive loss for the period ended September 30, 2023 would be approximately \$162,000 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.

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

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

The estimated fair value of cash and accounts payable and accrued liabilities are equal to their carrying values due to the short-term nature of these instruments. Loan receivables are measured at fair value using Level 2 inputs. Investments and the derivative liability are measured at fair value through profit and loss measured using Level 3 inputs.

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at September 30, 2023 and December 31, 2022:

	As at September 30, 2023		
	Level 1	Level 2	Level 3
	\$		\$
Cash	100,339	-	-
Investments	-	-	3,784,380

  

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

**g) Capital management**

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended September 30, 2023 and December 31, 2022. The Company is not subject to externally imposed capital requirements.

**11. Commitments**

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

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

**Goat Industries Ltd. (formerly Billy Goat Brands Ltd.)**

**Management Discussion and Analysis**

**For the nine months ended September 30, 2023 and 2022**

**(Expressed in Canadian Dollars)**

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*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 nine months ended September 30, 2023 and 2022. The discussion below should be read in conjunction with the Company's audited financial statements ("financial statements") for the year ended December 31, 2022. 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 November 15, 2023.***

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**BACKGROUND AND CORE BUSINESS**

Goat Industries Ltd. (formerly. Billy Goat Brands Ltd.) (the "Company" or "Goat") 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, cultured and cell agriculture spaces as well as the mining industry. On September 12, 2022, the Company changed its name from Billy Goat Brands Ltd. To Goat Industries Ltd.

The Company's head office is 1890 - 1075 West Georgia Street, Vancouver, BC, V6E 3C9 and its 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 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 16, 2022, the Company appointed Alex Bengier 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 Chief Executive Officer, replacing Tony Harris, former Chief Executive Officer and Director, effective immediately.

On March 10, 2023, the Company announced Mr. Mohammad Sharifi has joined the board of directors and audit committee. Mr. Sharifi will serve as an independent director and replaces Ms. Natasha Raey, who has resigned effective immediately.

On April 28, 2023, the Company announced Shriram Bangalore has resigned as the Company's Chief Financial Officer. Following the resignation, Lawrence Hay, the Company's Chief Executive Officer will assume the role of interim CFO while the Company searches for a suitable replacement.

**OPERATION HIGHLIGHTS**

The Company is an investment issuer focused on investing in high-potential companies operating in the ocean economy as well as minerals and resource properties. 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, (v) cultured and cell agriculture and (vi) minerals and resource properties. 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.

**Goat Industries Ltd. (formerly. Billy Goat Brands Ltd.)**  
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**OPERATION HIGHLIGHTS (continued)**

On June 8, 2023, the Company entered into a secured loan agreement dated May 8, 2023 with Summit Bancorp Inc., whereby it will receive an amount of up to CDN\$500,000 on a credit facility basis. The Loan will be funded in draws, with each draw being a maximum of CDN\$50,000 unless the parties agree to a larger amount (each, a "Draw"), and the first Draw has been made by the Company for an aggregate amount of CDN\$75,000. The Loan and Draws are secured and evidenced by promissory notes. Interest on the Loan is payable at a rate of fifty percent (50%) per annum with the interest on the entire Draw being due in advance at the end of the first month. Both the Company and the Lender agree that the repayment term on each tranche of the Loan shall be a maximum of two (2) years. The Company at its option may pay off the Loan and any outstanding interest by issuing common shares ("Shares") at the time of repayment based on a 20-day volume weighted average, with such Shares being issued using the maximum allowable discount to the market price at the time issuance in accordance with the policies of the Canadian Securities Exchange. On August 16, 2023, the terms were amended and interests are at 20% per annum, due in cash on the earlier of five business day from the date on which the Company closes a private placement for gross proceeds of at least \$250,000 or 90 days from the date of the Amending Agreement. All other loans bear no interest rate and are due on demand and are unsecured.

On August 16, 2022, the Company completed the acquisition of Kojo Pet Performance Inc. ("Kojo") in consideration of 250,000 common shares of the Company issued at a fair value share price of \$3.50 per share to the existing shareholders of Kojo.

Furthermore, the Vendors are eligible to earn up to an additional 300,000 Consideration Shares upon the realization of the following performance milestones by Kojo within 36 months from the date of closing:

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

On September 29, 2022, completed its acquisition of 1000288601 Ontario Inc. ("Ontario Co"). In consideration for the transaction, the Company has issued 450,000 common shares at a fair value share price of \$3 per share to the existing shareholders of Ontario Co. for a total consideration of \$1,350,000. With the acquisition, GOAT now controls a license for use of lithium solvent extraction technology (the "Technology") in Canada from Australia-based Ekosolve Ltd. ("Ekosolve"). The Technology is the culmination of four years of research and development by the faculty at the University of Melbourne's Chemical Engineering Department. The Technology is positioned as a more cost effective extraction technology than fractional crystallization, membrane filtering, MOF's, adsorption, reverse osmosis, and ion exchange. GOAT intends on leveraging the license for the Technology to pursue commercial relationships with prospectors, explorers and producers in the lithium brine sector. The Technology is expected to efficiently manage the processing of lithium brines to produce lithium chloride or lithium carbonate with a grade higher than 99.5% and a recovery of more than 95%.

On November 21, 2022, the company entered into an agreement to acquire claim block (the "Claim Block") in the vicinity of American Eagle Gold Corp.'s ("American Eagle Gold") (TSXV: AE) copper mineralized NAK discovery (the "NAK Copper Discovery"), located approximately 85 kilometres from Smithers, British Columbia. Under the agreement, the Company acquired its 100% interest in the Claim Block by issuing 375,000 common shares ("Consideration Shares"), at a fair value of \$562,500 on November 21, 2022, being the closing price of the Company's shares on the Canadian Securities Exchange (the "CSE") on the Effective Date.

The Consideration Shares are subject to a "hold" period of four months and one day for their date of issuance. The acquisition of the Claim Block neither constitutes a fundamental change, nor a change of business for the Company, nor is it expected to result in a change of control of the Company within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange. No finders' fees or commissions are payable in connection with the acquisition of the Claim Block.

On March 24, 2023, the Company completed two separate asset purchase agreements to acquire certain claim blocks located in Quebec, Canada (the "Lacana-Doran Property").

The Company has acquired the Lacana-Doran Claim Blocks from certain arm's length parties pursuant to two separate asset purchase agreements dated March 8, 2023 (the "Asset Purchase Agreements"). Pursuant to the Asset Purchase Agreements, the Company acquired 100% interest in the Lacana-Doran Claim Block by issuing an aggregate of 800,000 common shares (the "Consideration Shares") at a deemed issue price of \$1.1 per share for a purchase price of approximately \$880,000.

During April 2023, the Company, acquired, through staking, four additional claims located in close proximity to Brunswick Exploration's PLEX Project in Quebec., four additional claims adjacent to both Li-FT Power Ltd. (CSE: LIFT) and Patriot Battery Metals Inc. (TSXV: PMET), 8 additional claims in James Bay, Quebec and three claims located in the area of Orford Mining Corp's "Joutel Eagle Property" in Quebec's Abitibi District.



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**KEY INVESTMENT PORTFOLIO DESCRIPTION**

As at September 30, 2023, 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 distributor 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 September 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. In 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"). In 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.
- 100% ownership of Kojo Performance Inc. Kojo is an innovative pet-food brand focused on producing and marketing plant and cell-based pet food offerings.
- 100% ownership of 1000288601 Ontario Inc. ("Ontario Co"), which GOAT now controls a license for use of lithium solvent extraction technology in Canada from Australia-based Ekosolve Ltd.
- 100% ownership of claim block (the "Claim Block") in the vicinity of American Eagle Gold Corp.'s ("American Eagle Gold") (TSXV: AE) copper mineralized NAK discovery (the "NAK Copper Discovery"), located approximately 85 kilometres from Smithers, British Columbia.
- 100% interest ownership of mineral claims located in Quebec (the "Donovan Claims" and the "Cirn Claims") with Donovan Explorations Ltd. and Cirn Crypto-Monnais Corp.

***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 109,978 warrants pursuant to the transaction. FunGuys' principal business is the development, manufacturing and distribution of cold-brew coffee drinks infused with functional mushrooms.

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.

On September 9, 2022, FunGuys successfully achieved Phase II certification of TerraCycle's LOOP ("LOOP") testing protocols. This operational milestone further demonstrates FunGuys' market position as a socially responsible distributor of organic mushroom-infused cold brew coffee beverages underpinned by proprietary formulation stack.

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

***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.

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**KEY INVESTMENT PORTFOLIO DESCRIPTION (continued)**

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 expand 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.

During year ended December 31, 2022, the Company impaired Vegetarian Butcher investments and recognized a fair value loss of \$350,000. The impairment was recognized as the Company estimated realization of the value of Vegetarian Butcher investment was unforeseeable due to its continued lack of performances and the Company does not intend to support these types of investments due to the changes in the sector of focus from investments towards mining exploration.

***Sophie's Kitchen***

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 March 31, 2023, the Company revalued the warrants to be \$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 March 31, 2023, the derivative liability was valued at \$Nil (2022 - \$Nil) as the option expired unexercised on March 15, 2022.

On July 7, 2021, the Company acquired 1,531,751 Sophie's Kitchen shares. In consideration for the Sophie's Kitchen shares acquired, the Company made cash payments of \$1,212,524 and issued 27,093 common shares. Of the 27,093 common shares, 10,925 common shares were issued in connection to the in-kind investment for the settlement of US\$218,500 (described above). The cost of the investment in Sophie's Kitchen was valued at \$1,889,850 at December 31, 2021. At December 31, 2021, the Company recognized a gain on change of fair value of \$133,016 resulting in an investment in Sophie's Kitchen to \$2,022,866 at year end.

The Company issued 15,000 finders' common shares in connection with the SF Credit Facility at a value of \$2.5 per share.

On March 15, 2022, total drawdowns of \$3,994,756 (December 31, 2021 - \$3,905,478) were made as per the SF Credit Facility, which includes interest accrual of \$153,856 (December 31, 2021 - \$103,043). On March 15, 2022, the principal and accrued interest on the credit facility were automatically converted into 3,217,674 common shares of Sophie's Kitchen. As at September 30, 2023, the fair value of Sophie's Kitchen investment in common shares is \$Nil (December 31, 2022 - \$Nil). During the year ended December 31, 2022, the Company impaired Sophie's Kitchen investment and recognized a fair value loss of \$7,112,622. The impairment was recognized as the Company estimated realization of the value of Sophie's Kitchen investment was unforeseeable due to its continued lack of performances and the Company does not intend to support these types of investments due to the changes in the sector of focus from investments towards mining exploration.

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**KEY INVESTMENT PORTFOLIO DESCRIPTION (continued)**

***Evanescence Packaging Solutions Inc.***

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

Evanescence was founded to develop a sustainable alternative to traditional plastic packaging. Using a patented technology that considers strength, insulation and nesting capabilities, Evanescence's products are being designed to be functional yet environmentally friendly by being 100% compostable and organic. Evanescence'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, Evanescence 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. Evanescence'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, Evanescence created a free webinar featuring Doug Horne, Founder and Chief Executive Officer ("CEO") of Evanescence, 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 Evanescence plans to offer.

At September 30, 2023, the fair value of the investment was \$271,880 (December 31, 2022 - \$271,880), resulting in \$Nil fair value gain or loss. The investment in Evanescence is subject to fair-value fluctuations. If the investment experiences a 10% increase or decrease in the unit price, the investment would result in fair value increase of \$26,000 and decrease of \$26,000, respectively.

***Kojo Pet Performance Inc.***

On August 16, 2022, the Company completed the acquisition of Kojo Pet Performance Inc. ("Kojo") in consideration of 250,000 common shares of the Company issued at a fair value share price of \$3.5 per share to the existing shareholders of Kojo. Furthermore, the Vendors are eligible to earn up to an additional 300,000 Consideration Shares upon the realization of the following performance milestones by Kojo within 36 months from the date of closing. Kojo is an innovative pet-food brand focused on producing and marketing plant and cell-based pet food offerings. Kojo's cultured meat provides a sustainably sourced protein that gives pet the maximal nutrition with minimal environmental impact.

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

As at September 30, 2023, the fair value of Kojo investment is \$Nil (December 31, 2022 - \$Nil). During the year ended December 31, 2022, the Company impaired Kojo investment and recognized a fair value loss of \$1,035,000. The impairment was recognized as the Company estimated realization of the value of Kojo investment was unforeseeable due to its lack of performances, lack of working capital, and the Company does not intend to support these types of investments due to the changes in the sector of focus from investments towards mining exploration.

***1000288601 Ontario Inc. (Ekosolve Ltd.)***

On September 29, 2022, completed its acquisition of 1000288601 Ontario Inc. ("Ontario Co"). In consideration for the transaction, the Company has issued 450,000 common shares at a fair value share price of \$3 per share to the existing shareholders of Ontario Co. for a total consideration of \$1,350,000. With the acquisition, GOAT now controls a license for use of lithium solvent extraction technology in Canada from Australia-based Ekosolve Ltd. ("Ekosolve"). As at September 30, 2023, the fair value of the Ontario Co investment is \$1,350,000. The investment in Ekosolve is subject to fair-value fluctuations. If the investment experiences a 2.5% increase or decrease in the WACC, the investment would result in fair value increase of \$155,000 and decrease of \$163,000, respectively.

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**KEY INVESTMENT PORTFOLIO DESCRIPTION (continued)**

***Smithers Mining Claims***

On November 21, 2022, the Company issued 375,000 common shares with a fair value of \$562,500 to acquire 100% claim block (the "Claim Block") in the vicinity of American Eagle Gold Corp.'s ("American Eagle Gold") (TSXV: AE) copper mineralized NAK discovery (the "NAK Copper Discovery"), located approximately 85 kilometres from Smithers, British Columbia.

***Cirn and Donovan Mining Claims***

On March 24, 2023, the Company completed an asset purchase agreement to acquire certain mineral claims located in Quebec (the "Donovan Claims" and the "Cirn Claims") with Donovan Explorations Ltd. and Cirn Crypto-Monnais Corp. Pursuant to the terms of the Agreement, the Company acquired a 100% interest the Donovan Claims and Cirn Claims in consideration for issuing 400,000 common shares of the Company to the Donovan Vendors and 400,000 common shares of the Company to the Cirn Vendors respectively, at a fair value of \$2 per share, representing an aggregate value of \$1,600,000 for the acquisitions.

**EQUITY TRANSACTIONS**

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

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

On April 26, 2022, the Company issued 11,111 common shares pursuant to the exercise of options with an exercise price of \$9 per share for total proceeds of \$100,000. The Company reclassified \$57,320 from reserves to share capital.

On August 15, 2022, the Company issued 20,000 common shares pursuant to the conversion of RSUs at \$21 per share. The Company reclassified \$36,000 from reserves to share capital.

On August 16, 2022, the Company issued 250,000 common shares pursuant to the acquisition of Kojo Performance Inc. at a fair value share price of \$2.7 per share.

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

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

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

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

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

On October 26, 2022, the Company issued 450,000 common shares at a fair value price of \$3 per share to the existing shareholders of 1000288601 Ontario Inc. ("Ontario Co") pursuant to the acquisition of Ontario Co.

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

On November 21, 2022, the company issued 375,000 common shares with a fair value of \$562,500 to acquire 100% claim block (the "Claim Block") in the vicinity of American Eagle Gold Corp.'s ("American Eagle Gold") (TSXV: AE) copper mineralized NAK discovery (the "NAK Copper Discovery"), located approximately 85 kilometres from Smithers, British Columbia.

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**EQUITY TRANSACTIONS (continued)**

On January 4, 2023, the Company issued 35,000 common shares pursuant to the conversion of RSUs at \$21 per share. As a result, the Company reallocated \$175,000 from reserve to share capital.

On January 10, 2023, the Company issued 80,000 common shares pursuant to the conversion of RSUs at \$21 per share. As a result, the Company reallocated \$400,000 from reserve to share capital.

On February 2, 2023, the Company closed a non-brokered private placement of 86,000 warrants at a price of \$2.5 per Warrant for gross aggregate proceeds of \$215,000.

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

On July 14, 2023, the Company announced that pursuant to receipt of shareholder approval on July 11, 2023, the Company consolidated its issued and outstanding common shares (the "Share(s)") on the basis of one (1) post-Consolidation Share for each one hundred (100) pre-Consolidation Shares (the Consolidation") effective July 20, 2023 (the "Record Date"). The Company's name and trading symbol remains unchanged. The Consolidation resulted in the number of issued and outstanding Shares being reduced from 328,167,950 pre-Consolidated Shares to 3,281,680 post-Consolidation Shares.

**TRENDS AND INVESTMENT STRATEGY**

The Company is actively 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 mining, 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.

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**RESULTS OF OPERATIONS**

	Three Months ended September 30, 2023	Three Months ended September 30, 2022	Nine Months ended September 30, 2023	Nine Months ended September 30, 2022
<b>Operating Expenses</b>				
Advertising and promotions	\$ 25,278	\$ 167,800	\$ 75,004	\$ 669,492
Management fees	33,200	59,275	56,675	241,283
Office and miscellaneous	53,299	61,149	69,674	206,068
Professional fees	122,014	98,799	163,252	434,618
Share based compensation	373	123,893	1,279	629,609
Consulting fees	36,225	374,906	70,375	1,058,378
Transfer agent and filing fees	16,568	17,384	21,304	67,015
<b>Loss before other income (loss)</b>	<b>\$ (286,957)</b>	<b>\$ (903,206)</b>	<b>\$ (457,563)</b>	<b>\$ (3,306,463)</b>
<b>Other income (loss)</b>				
Foreign exchange	-	3,855	-	43,183
Interest income	-	-	-	47,189
Fair value loss on Funguys receivables	-	-	(14,234)	-
Fair value loss on Sophie's Kitchen investment	-	395,388	-	(466,727)
Gain on settlement of debt	-	65,625	-	85,250
Gain/Loss on derivative liability	-	-	-	74,000
<b>Net Loss and Comprehensive Loss for the Period</b>	<b>\$ (286,957)</b>	<b>\$ (438,338)</b>	<b>\$ (471,797)</b>	<b>\$ (3,523,568)</b>
<b>Net Loss per Share, Basic and Diluted</b>	<b>\$ (0.15)</b>	<b>\$ (0.41)</b>	<b>\$ (0.26)</b>	<b>\$ (3.31)</b>
<b>Weighted Average Number of Shares Outstanding</b>	<b>1,972,216</b>	<b>1,076,014</b>	<b>1,803,703</b>	<b>1,063,733</b>

For the nine months ended September 30, 2023 ("2023"), the Company recorded net loss of \$471,797. The Company recorded net loss of \$3,523,568 for the nine months ended September 30, 2022("2022"). Some of the significant charges to operations are as follows:

- Professional fees decreased to \$163,252 (2022 - \$434,618). There has been significant decrease in professional fees as the Company have shifted its focus towards mining industries and lessor acquisitions on investments which requires significant legal work has been mitigated.
- Advertising and promotions fees decreased to \$75,004 (2022 - \$669,492) The decrease relates to the Company engaging in various marketing activities during the prior period such as Future Money Trend and North Equities Corp, to continue to develop awareness of the Company's brands in prior period. During the period ended September 30, 2023, the Company shifted its main focus towards mining industries, thus, advertising has decreased significantly compared to prior period.
- Management fees decreased to \$56,675 (2022 - \$241,283). The decrease relates to changes on the Company's management which resulted in lessor management fees during the current period compared prior period.
- Consulting fees decreased to \$70,375 (2022 - \$1,058,378). The decrease relates mostly to consulting prepaids in 2021 year end which were fully expensed during the 2022 period end. There has been significant decrease with engagements with consultants during the current period.
- Share-based compensation decreased to \$1,279 (2022 - \$629,609). There has been significant decrease as during the period ended September 30, 2023, there has been Nil grants for option and RSU grants compared to prior period, which the Company granted to arms-length consultants for business development and advisory services as well as to management.

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**RESULTS OF OPERATIONS (continued)**

For the three months ended September 30, 2023, the Company recorded net loss of \$286,957 (2022 - \$438,338). Some of the significant charges to operations are as follows:

- Professional fees increased slightly to \$122,014 (2022 - \$98,799). The increase relates to the Company engaging lawyers and professionals to assist with ongoing investment opportunities and other regulatory filings.
- The Company incurred advertising and promotions fees of \$25,278 (2022 - \$167,800) in relation to marketing efforts to increase investor awareness through press releases. During the period ended September 30, 2023, the Company shifted its main focus towards mining industries, thus, advertising has decreased significantly compared to prior period.
- The Company incurred management fees of \$33,200 (2022 - \$59,275). The Company relies on management to execute the business strategy to achieve the financial and operational goals of the business. During the period ended September 30, 2023, there has been changes on the Company's management which resulted in lessor management fees compared to prior period.
- The Company incurred consulting fees of \$36,225 (2022 - \$374,906) in relation to management's efforts to identify strategic approaches to invest in the current market environment through the use of consultants. Decrease relates mostly to consulting prepaids in 2022 year end which were fully expensed during the current period end.

**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.

	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net loss	286,957	198,859	184,840	10,534,448
Basic and diluted loss per share	(0.15)	(0.15)	(0.18)	(8.09)
<b>Balance Sheet</b>				
Total Assets	3,908,282	3,862,954	3,842,660	2,228,024

  

	<b>September 30, 2022</b>	<b>June 30, 2022</b>	<b>March 31, 2021</b>	<b>December 31, 2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net loss	438,338	1,894,095	1,150,092	931,186
Basic and diluted loss per share	(0.41)	(1.84)	(1.12)	(1.41)
<b>Balance Sheet</b>				
Total Assets	10,123,103	9,430,078	10,576,550	11,014,629

During Q4 2022 (December 31, 2022), there has been significant increase in net losses. Significant losses were due to fair value loss on various investments, consulting expenses, and share based compensations.

In Q1 2023 to Q3 2023 (March 31, 2023 to September 30, 2023), net loss has decreased significantly as the management have implemented a cutting cost method in efforts to preserve cash.

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.

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**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.

As at September 30, 2023, the Company had a working capital deficiency of \$539,559 (December 31, 2022 - \$384,041) which primarily consisted of cash of \$100,339 (December 31, 2022- \$1,783), and prepaid expenses of \$23,563 (December 31, 2022- \$41,861). Current liabilities, being accounts payable and accrued liabilities of \$413,330 (December 31, 2022- \$288,836) and loans payable of \$250,131 (December 31, 2022- \$138,849).

During the period ended September 30, 2023, cash used in operating activities were \$316,444 (2022 - \$1,413,538). Cash from operating activities consisted of net losses and cash used to pay accounts payable and prepaid expenses. Please refer to results of operation for details.

During the period ended September 30, 2023, cash provided by financing activities were \$315,000 (2022 - \$907,500). This mainly consists of funds received from issuance of special warrants of \$215,000 (2022 - \$807,500).

During the period ended September 30, 2023, cash provided by investing activities were \$100,000 (2022 - \$(160,922)). This mainly consists of loans payable of \$100,000 (2022 - \$Nil).

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 3,261,680 shares, 33,625 stock options, 86,000 special warrants and 353,250 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, Interim CFO, Director, and Corporate Secretary
Alex Bengier	Director
Mohammad Sharifi	Director



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**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:

	<b>For the period ended September 30, 2023</b>	<b>For the period ended September 30, 2022</b>
	<b>\$</b>	<b>\$</b>
Management fees paid/accrued to companies controlled by officers of the Company	<b>37,800</b>	31,749
Management fees paid/accrued to companies controlled by former officers of the Company	<b>7,875</b>	168,758
Management fees paid/accrued to companies controlled by directors of the Company	<b>11,000</b>	72,525
Share-based compensation	-	144,590
	<b>56,675</b>	417,621

As at September 30, 2023, \$33,400 is due to related parties (2022 - \$26,675). All balances are unsecured, non-interest bearing, and are due on demand.

**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.

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**FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

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 September 30, 2023, the Company had cash of US \$Nil or \$Nil (2022 - US\$107 or \$147) at CAD equivalent. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in US\$ by 10% will increase or decrease foreign exchange gain or loss by approximately \$Nil (2022 - \$Nil).

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

**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 March 31, 2023 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.

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**RISK FACTORS (continued)**

**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.

**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 (iii) 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.

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**RISK FACTORS (continued)**

**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.

**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.

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**RISK FACTORS (continued)**

**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.

**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

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**Other Information**

Please refer to the Company's December 31, 2022 audited consolidated financial statements available on [www.sedarplus.ca](http://www.sedarplus.ca) under the Company's profile, for new accounting policies as well as future accounting pronouncements.