WSM VENTURES CORP.
Management Discussion and Analysis (“MD&A”)
for the three months ended March 31, 2024

1. Date and Presentation

This management discussion and analysis of financial position and results of operations (“MD&A) is prepared as at May 28, 2024 and should be read in conjunction with the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023 and the related notes thereto.

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the consolidated financial statements and MD&A, is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

2. History and Background

WSM Ventures Corp. (the “Company") was incorporated in the Province of British Columbia on May 11, 1981. On April 15, 2020, the Company changed its name from Avalon Blockchain Inc. to WSM Ventures Corp. The head office and records office of the Company is located at 1240- 1066 West Hastings Street, Vancouver, British Columbia, Canada, V6C 3X1. The Company’s common shares are listed on the Canadian Securities Exchange (“CSE”) under the symbol “WSM.X”. The Company has no current business or business assets and is currently in the process of exploring various business opportunities. The head office and records office of the Company is located at 1240-1066 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3X1.

On May 12, 2017, the Company consolidated its issued and outstanding common shares, stock options and share purchase warrants on the basis of one (1) new share for every ten (10) existing shares. On November 22, 2017, the Company consolidated its share capital, stock options and warrants on the basis of one (1) new common share for up to one point three three three four (1.3334) existing common shares. Unless otherwise indicated, all reference to share capital, stock options and share purchase warrants presented in this MD&A have been restated to reflect the two share consolidations.

On March 29, 2018, the Company changed its name from World Mahjong Limited to Avalon Blockchain Inc. following the completion of the reverse takeover transaction (“RTO”) and amalgamation (“Amalgamation”) of 1158716 B.C. Ltd. (“1158716”) with the Company’s newly incorporated wholly-owned subsidiary, 1146305 B.C. Ltd. (“1146305”). Pursuant to the amalgamation agreement and closing of the RTO, 1158716 and 1146305 amalgamated and the resulting entity (“Amalco”) became a wholly-owned subsidiary of the Company. The principal activity of Amalco is to seek the acquisition of qualifying assets or a business pursuant to the policies of the CSE.

As a result of the completion of the RTO, Amalco is deemed as the accounting acquirer for accounting purposes, and therefore its assets and liabilities and operations are included in the consolidated financial statements at their historical carrying value. Amalco’s operations were considered to be a continuance of the business and operations of Amalco. The Company’s results of operations are those of Amalco, with the Company’s operations being included from March 29, 2018 onwards, the closing date.

3. Selected Annual Information

As at	December 31, 2023 $	December 31, 2022 $	December 31, 2021 $
Revenues	-	-	-
Operating expenses	83,805	90,413	101,024
Net loss for the period	84,105	90,413	101,024
Comprehensive loss for the period	84,105	90,413	101,024
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)

As at	December 31, 2023 $	December 31, 2022 $	December 31, 2021 $
Working capital (deficiency)	(57,716)	26,389	116,802
Total assets	584	41,838	135,099
Total liabilities	58,300	15,449	18,297
Share capital	2,442,656	2,442,656	2,442,656
Accumulated deficit	(2,613,328)	(2,529,223)	(2,438,810)

4. Summary of Quarterly Results

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's consolidated financial statements. All dollar amounts are in Canadian dollars. There were no changes to the nature of the losses between the periods

	Three-month periods ended			
	March 31, 2024 $	December 31, 2023 $	September 30, 2023 $	June 30, 2023 $
Total revenue	-	-	-	-
Net loss and comprehensive loss	7,529	15,230	19,820	24,632
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

	Three-month periods ended			
	March 31, 2023 $	December 31, 2022 $	September 30, 2022 $	June 30, 2022 $
Total revenue	-	-	-	-
Net loss and comprehensive loss	24,423	21,336	20,538	21,207
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

5. Results of Operations

For the three months ended

	March 31, 2024	March 31, 2023	$ Movement	% Movement
Operating Expenses				
Audit and accounting	$ 1,500	$ 4,594	(3,094)	-67%
Bank charges	464	30	434	1447%
Consulting expenses	-	12,306	(12,306)	-100%
Transfer agent and regulatory expenses	5,126	7,494	(2,368)	-32%
Net loss for the period	**$ (7,090)**	**$ (24,424)**		
Interest expense	(439)	-	(439)	100%
Net loss and comprehensive loss for the period	**$ (7,529)**	**$ (24,424)**		

For the three-month period ended March 31, 2024, the Company incurred a net loss of $7,529 compared to a loss of $24,424 for three-month period ended March 31, 2023. Decrease in Q1 2024 vs Q1 2023 due to decrease of consulting fees incurred.

6. Liquidity and Capital Resources

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

Working capital

As at March 31, 2024, the Company had a working capital deficiency of $65,245 as compared to working capital deficiency of $57,716 as at December 31, 2023.

Cash

As at March 31, 2024 and December 31, 2023, the Company had cash balances of $Nil. The Company had bank indebtedness of $933 compared to $454 as at December 31, 2023. The increase in bank indebtedness is a result of bank interest charges and overdraft fees incurred.

Analysis of Cash Flows

Cash provided by (used in):		March 31, 2024		March 31, 2023
Operating activities	$	(479)	$	(20,903)
Investing activities		-		-
Financing activities		-		-
Increase (decrease) in cash	**$**	**(479)**	**$**	**(20,903)**

Operating Activities

Cash flows from operating activities can vary significantly from period to period as a result of the Company's working capital requirements which are dependent on activities to identify and evaluate potential business opportunities.

Investing Activities

No cash was received or used in investing activities during the three months ended March 31, 2024 or 2023.

Financing Activities

No cash was received or used in financing activities during the three months ended March 31, 2024 or 2023

Requirement of Additional Equity or Debt Financing

The Company relies primarily on debt and equity financings for all funds raised to date for its operations. Until the Company starts generating profitable operations, the Company intends to continue relying upon the issuance of securities or debt financing to finance its operations.

7. Capital Resources

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the identification and evaluation of a business and continue as a going concern. The Company considers capital to be all accounts in equity. The Company is not subject to any external capital requirements therefore 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 sustain future development of the business. Additional funds may be required to finance any business. Funds will also be used to investigate current business opportunities.

8. Off-Balance Sheet Arrangements

The Company currently has no off-balance sheet arrangements.

9. Transactions with Related Parties

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors, corporate officers, the Chief Executive Office and the Chief Financial Officer.. The following related party balances were observed in the year:

Key management compensation		March 31, 2024		March 31, 2023
Management fees (i)	$	-	$	5,250
Total key management compensation	**$**	**-**	**$**	**5,250**

(i) Included in accounts payable and accrued liabilities at March 31, 2024 is $10,500 (December 31, 2023 - $10,500) in management fees payable to an entity controlled by the current CFO of the Company.

As at March 31, 2024, there was $4,741 owed to a director of the Company (December 31, 2023 - $4,741) for Company expenses paid reimbursable from the Company to the related party.

10. Financial Instruments

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include credit risk, market risk, interest rate risk, foreign currency risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors. Please refer to Note 7 of the accompanying consolidated financial statements for further details.

11. Use of judgements and estimates

The preparation of the consolidated financial statements requires management to make estimates about, and apply assumptions or judgment to, future events and other matters that affect the reported amounts of the Company's assets, liabilities, expenses and related disclosures. Assumptions, estimates and judgments are based on historical experience, expectations, current trends and other factors that management believes to be relevant at the time at which the Company's financial statements are prepared.

Refer to Note 4 of the audited annual consolidated financial statements for the year ended December 31, 2023 for details on judgements and estimates.

12. Share Capital

Authorized share capital

a) Common Shares

As at March 31, 2024 the Company is authorized to issue an unlimited number of common shares without par value.

Issued and outstanding common shares	Number of shares		Amount
Balance, December 31, 2023 and March 31, 2024	**67,328,936**	**$**	**2,442,656**

There were no share issuances during the three months ended March 31, 2024.

b) Escrowed Shares

As at March 31, 2024 the Company has 12,000,000 common shares held in escrow (December 31, 2023 – 12,000,000)

13. Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

The Company has exercised reasonable diligence, the filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the filings.

The Company has exercised reasonable diligence, the financial statements together with the other financial information included in the filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the filings.

14. Forward Looking Information

Certain statements contained in this MD&A constitute forward-looking statements within the meaning of applicable securities laws including, among others, statements made or implied relating to the Company's objectives including but not limited to, strategies to achieve those objectives, management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by words such as "objective", "may", "will", "expect", "likely", "intend", "estimate", "anticipate", "believe", "should", "plans" or similar expressions suggesting future outcomes or events. Such forward-looking statements are not guarantees of future performance and reflect management's current beliefs based on information currently available.

Such statements involve estimates and assumptions that are subject to a number of known and unknown risks, uncertainties and other factors inherent in the business of the Company, and other materials filed with the securities regulatory authorities from time to time which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Those risks and uncertainties include but are not limited to: the ability of the Company to fund the capital and operating expenses necessary to achieve the business objectives of the Company; the dependence on key personnel; and the ability to access capital markets.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date such statements were made and readers are advised to consider such forward-looking statements in light of the risks set forth above. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statements to reflect new information or the occurrence of future events or circumstances.

15. Corporate Directory

Head Office
WSM Ventures Corp.
Suite 1240-1066 West Hastings Street
Vancouver, BC, V6C 3X1

Officers and Directors
Aleem Nathwani (Chief Executive Officer & Director)
David Ebert (Chief Financial Officer)
Anthony Alvaro (VP Business Development & Director)
Morgan Tincher (Director)

Members of the Audit Committee
Anthony Alvaro
Aleem Nathwani
Morgan Tincher

Legal Counsel
Cassels Brock & Blackwell LLP
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Auditors
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Transfer Agent
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