CoinAnalyst Corp.
(Formerly Brandenburg Energy Corp.)

Consolidated Financial Statements

August 31, 2021 and 2020

(Stated in Canadian Dollars)

Stern & Lovrics LLP
Chartered Professional Accountants

Samuel V. Stern, BA, CPA, CA
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Brandenburg Energy Corp.

Opinion

We have audited the financial statements of Brandenburg Energy Corp. (the "Company"), which comprise the statements of financial position as at August 31, 2021 and 2020, and the statements of loss and comprehensive loss, changes in shareholders' deficit and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $48,580 for the year ended August 31, 2020, and the Company had a working capital deficiency deficit of $12,077. These events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is George G. Lovrics.

Stern & Lovrics LLP

Toronto, Ontario
December 21, 2021

Chartered Professional Accountants

Licensed Public Accountants

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CoinAnalyst Corp. (Formerly Brandenburg Energy Corp.)
Consolidated Statements of Financial Position
As at August 31
(Stated in Canadian Dollars)

	Note	2021	2020
ASSETS			
Cash		$ 15,560	$ 87,761
Sales tax recoverable		13,655	432
Investment in 2828329 Ontario Inc.	9	10	-
TOTAL ASSETS		$ 29,225	$ 88,193
LIABILITIES			
Current liabilities			
Accounts payable and accrued	4	$ 101,444	$ 225,356
TOTAL LIABILITIES		101,444	225,356
SHAREHOLDERS' DEFICIT			
Share capital	6	2,761,670	2,587,914
Reserve	6	1,372,107	1,372,107
Deficit		(4,205,996)	(4,097,184)
TOTAL DEFICIT		(72,219)	(137,163)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		$ 29,225	$ 88,193

Going Concern – Note 1
Subsequent Event – Note 10

Approved on behalf of the Board:

Aaron Meckler
Director

Danial Talkins
Director

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

CoinAnalyst Corp. (Formerly Brandenburg Energy Corp.)
Consolidated Statements of Loss and Comprehensive Loss
For the years ended August 31
(Stated in Canadian Dollars)

	Note	2021	2020
Expenses			
Management fees		$ -	$ 173,756
Professional fees		95,233	45,000
Public company fees		12,790	11,124
General administration		789	528
		(108,812)	(230,408)
Loss and Comprehensive loss for the year		**$ (108,812)**	**$ (230,408)**
Loss per share – basic and diluted		**$ (0.03)**	**$ (0.47)**
Weighted average number of shares outstanding – basic and diluted		**3,286,174**	**494,362**

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

CoinAnalyst Corp. (Formerly Brandenburg Energy Corp.)
Consolidated Statements of Changes in Shareholders' Deficit
For the years ended August 31, 2021 and 2020
(Stated in Canadian Dollars)

	Note	Number of shares	Amount	Reserves	Warrants	Deficit	Total
Balance at August 31, 2019		**221,221**	**$ 2,482,914**	**$ 1,372,107**	**$ -**	**$ (3,866,776)**	**$ (11,755)**
Private placement	6	1,329,282	105,000	-	-	-	105,000
Net and comprehensive loss for the year		-	-	-	-	(230,408)	(230,408)
Balance at August 31, 2020		**1,550,503**	**2,587,914**	**$ 1,372,107**	**-**	**(4,097,184)**	**(137,163)**
Shares for debt	6	2,199,722	173,756	-	-	-	173,756
Net and comprehensive loss for the year		-	-	-	-	(108,812)	(108,812)
Balance at August 31, 2021		**3,750,225**	**$ 2,761,670**	**$ 1,372,107**	**$ -**	**$ (4,205,996)**	**$ (72,219)**

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

CoinAnalyst Corp. (Formerly Brandenburg Energy Corp.)
Consolidated Statements of Cash Flows
For the years ended August 31
(Stated in Canadian Dollars)

	2021	2020
Operating Activities		
Net loss for the year	$ (108,812)	$ (230,408)
Changes in non-cash working capital items:		
Sales tax recoverable	(13,223)	(432)
Accounts payable and accrued	49,844	213,601
Net cash flows used in operating activities	(71,191)	(17,239)
Investing Activities		
Investment in 2828329 Ontario Inc.	(10)	-
	(10)	-
Financing Activities		
Private placement of common shares	-	105,000
	-	105,000
Change in cash during the year	(72,201)	87,761
Cash, beginning of the year	87,761	-
Cash, end of the year	**$ 15,560**	**$ 87,761**

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

1. Corporate Information

CoinAnalyst Corp. (Formerly Brandenburg Energy Corp.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on 1 November 2007. The Company is focused on identifying suitable assets or businesses to acquire or merge with, with a view to maximizing value for shareholders. The Company was previously in the business of acquiring and exploring mineral and oil and gas properties. The recoverability of the amounts expended by the Company on acquiring and exploring mineral and oil and gas properties was dependent upon the existence of economically recoverable reserves, the ability of the Company to complete the acquisition and/or development of the properties and upon future profitable production.

The Company's securities are not presently listed on any stock exchange. However, the Company's securities are subject to a cease trade order issued by the British Columbia Securities Commission dated January 6, 2015 (the "**Cease Trade Order**") and by the Alberta Securities Commission on April 7, 2015, for failure to file certain continuous disclosure filings required under applicable securities laws. The Company applied for partial revocation of the Cease Trade Order, and on June 9, 2020, the British Columbia Securities Commission and Alberta Securities Commission granted a partial revocation of the Cease Trade Order, which allowed the Company to complete a private placement of up to $145,000. On June 17, 2020, the Company issued 105,000,000 common shares via a private placement for proceeds of $105,000.

The Company's financial statements as at August 31, 2021 and 2020 and for years then ended have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has a loss of $108,812 for year ended August 31, 2021 (August 31, 2020 - $230,408) and has a working capital deficit of $72,219 at August 31, 2021 (August 31, 2020 - $137,163).

The Company had cash of $15,560 at August 31, 2021 (August 31, 2020 - $87,761), and management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. Management believes that the Company will acquire capital resources to continue operating and maintain its business strategy during fiscal 2022. On June 14, 2021, the Company announced that it had completed a sub receipt offering through its subsidiary, 2828329 Ontario Inc. The terms of the financing were conditional on a public listing of its announced reverse takeover with Coin Analyst UG. Management was aware in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

On March 17, 2021, the Company announced that it had entered into a letter agreement with Coin Analyst UG, an arm's-length, German big-data digital asset technology platform ("Target"). Subsequent to August 31, 2021, the agreement closed.

The Company's registered office is 108 West Cordova Street, Vancouver, British Columbia, V6B 0G6.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company is not currently determinable, but management continues to monitor the situation.

These financial statements of the Company were approved and authorized for issue by the Board of Directors (the "Board") on December 21, 2021.

2. Basis of Preparation

Statement of Compliance with International Financial Reporting Standards ("IFRS")

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of Measurement

These financial statements have been prepared on an accrual basis and are based on historical costs except for certain financial instruments, which are measured at fair value as explained in the significant accounting policies set out in Note 3. The financial statements are presented in Canadian dollars which is the Company's functional currency.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its controlled entity. Subsidiaries consist of entities over which the Company is exposed to, or has right to, variable returns as well as the ability to affect these returns through the power to direct the relevant activities of the entities. All inter-company balances and transactions have been eliminated on consolidation. Details of its controlled entity is as follows:

		Percentage Owned	
	Country of Incorporation	September 30, 2021	September 30, 2020
2864025 Ontario Inc.	Canada	100%	n/a
2864021 Ontario Inc.	Canada	100%	n/a

Both subsidiaries were inactive at August 31, 2021.

<u>Equity investment in 2828329 Ontario Inc. ("2828329")</u>

The Company holds less than 1% of the shares in 2828329 at August 31, 2021. However, the Company does have indirect control over the operations and activities of 2828329, through common management and directorship, and has therefore accounted for its investment using the equity method of reporting. Under the equity method, the investment is initially recorded at cost and the carrying value is adjusted thereafter, to reflect the Company's pro-rata share of post-acquisition income or loss. The amount of adjustment is included in the determination of net income or loss of the Company, and the investment account of the Company is also increased or decreased to reflect the Company's share of capital transactions and changes in accounting policies. The carrying values of equity investments are regularly reviewed to ensure there is no impairment. During the year the Company invested $10 into 2828329 and this amount was not adjusted as 2828329 did not have any income from operations. When there is objective evidence of impairment, the investment is written down to recognize the loss. This special purpose company raised $250,000 during 2021. Subsequent to August 31, 2021, shares in the subsidiary were exchanged for shares in the Company, on a 1:1 basis. See Note 10.

3. Significant Accounting Policies

Significant accounting judgment and estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, apart from those requiring estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification of financial instruments; and
- the determination of the functional currency of the parent company and its subsidiary.

The preparation of the Company's financial statements in conformity with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, and provisions for restoration and environmental obligations and contingent liabilities.

Share-based Payments

The Company operates an incentive stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of share-based payments is charged to the statement of comprehensive loss with a corresponding credit recorded to the reserve account. The fair value of options is determined using the Black–Scholes Option Pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

The Company recognizes share issue costs for the fair value of agents' warrants issued as finder's fees in connection with private placements. The fair value calculated is recorded as share issue costs with a corresponding credit to the reserve account. The Company uses the Black-Scholes Option Pricing model to determine the fair value of the warrants issued.

The Black-Scholes Option Pricing model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values.

All equity-settled share-based payments are reflected in the reserve account, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in the reserve account is credited to share capital along with the consideration paid.

Financial instruments

The following table shows the classification of the Corporation's financial instruments under IFRS 9:

Financial assets	
Cash	FVTPL
Financial liabilities	
Accounts payables and accrued liabilities	Amortized cost

The Corporation classifies its financial assets in one of the following categories: (1) at fair value through profit or loss ("FVTPL"), (2) at amortized cost or (3) at fair value through other comprehensive income ("FVTOCI"). The classification depends on the purpose for which the financial assets were acquired, the business model in which they are managed and their cash flow characteristics. Management determines the classification of its financial assets at initial recognition.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of profit or loss in the period in which they arise.

Amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current or non-current based on their maturity date.

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment.

Impairment of financial assets at amortized cost

The Corporation recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Corporation 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 Corporation measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Corporation recognizes in the statements of 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.

Derecognition

Financial assets

The Corporation derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Corporation derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Corporation also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Fair value hierarchy

The Corporation uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 – Applies to assets or liabilities for which there are unobservable market data.

Cash has been measured at fair value using Level 1 inputs. The carrying value of trade payables and accrued liabilities approximate their fair value because of the short-term nature of these instruments or their ability of prompt liquidation.

Nature of provision liabilities

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, provisions for risks and expenses are recognized to cover probable outflows of resources that can be estimated and that result from present obligations resulting from past events. In the case where a potential obligation resulting from past events exists, but where occurrence of the outflow of resources is not probable or the estimate is not reliable, these contingent liabilities are disclosed in off-balance sheet commitments and litigation. The provisions are measured based on management's best estimate of outcome on the basis of facts known at the reporting date.

Income Taxes

Current income taxes:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income taxes:

Deferred income tax is provided based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Basic and Diluted Loss Per Share

Basic loss per share is computed by dividing the net loss applicable to the common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted loss per share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. The dilution is calculated based upon the net number of common shares issued should "in the money" options and warrants be exercised and the proceeds used to repurchase common shares at the average market price during the period. For the periods presented, diluted loss per share was equal to basic loss per share as the dilutive effect was anti-dilutive.

(Stated in Canadian Dollars)

Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Costs directly attributable to the issue of new shares are recognized in equity as a deduction from the proceeds. Costs attributable to the listing of existing shares are expensed as incurred.

Proceeds received on the issuance of units, consisting of common shares and share purchase warrants are allocated to common shares.

Recent Accounting Pronouncements and Accounting Changes

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Corporation's financial statements, except as follows:

IAS 1, Presentation of Financial Statements

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively. The Corporation is currently evaluating the impact of these amendments on its financial statements and will apply the amendments from the effective date.

4. Payable and Accrued Liabilities

Accounts payable and accrued liabilities are non-interest bearing, unsecured and have settlement dates within one year.

	2021	**2020**
Accounts payable and accrued	101,444	225,356

5. Due to Related Parties

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company did not report any remuneration of directors and key management personnel for the year ended August 31, 2021. During the year ended August 31, 2020, the Company report remuneration to a company owned by the incoming CEO of $146,860 and to a company owned by one of the directors in the amount of $26,896. These fees were paid for efforts to rehabilitate the Company.

During 2021, an equity reported company controlled by a common director received a $20,000 finder's fee related to a financing in 2828329 Ontario Inc.. The fees were netted against the proceeds raised in the 2021 period.

(Stated in Canadian Dollars)

Related party balances

On November 16, 2020, the $146,860 owed to a company owned by the CEO and $26,896 owed to a company owned by one of the directors were exchanged for 173,756,000 common shares. There were no management fees outstanding at August 31, 2021. At August 31, 2020, all management fees expensed in the 2020 year remained outstanding.

Any amounts due to related parties will be unsecured, non-interest bearing and have no fixed terms of repayment.

6. Share Capital

Authorized:

Unlimited common shares without par value.

Issued:

	Number of common shares	*$*
Common shares outstanding		
August 31, 2019	221,221	$ 2,482,914
Placement	1,329,282	105,000
August 31, 2020	1,550,503	$ 2,587,914
Shares for debt	2,199,722	173,756
August 31, 2021	3,750,225	$ 2,761,670

On June 17, 2020, the On June 17, 2020, the Company issued 1,329,282 common shares via a private placement for proceeds of $105,000.

On November 16, 2020, the Company issued 2,199,722 common shares in payment of debts of $173,756.

On June 8, 2021, the Company announced share consolidation ahead of its proposed public listing on the basis of 78.99:1 which changed the shares outstanding from 296,230,273 to 3,750,225 post consolidation. These statements reflect the share consolidation in all reported periods.

Reserve:

The reserve account records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

Warrants:

At August 31, 2021 and 2020 there were nil warrants outstanding.

Stock options:

The Company follows the policies of the TSX-V under which it is authorized to grant options of up to 10% of its issued and outstanding common shares to its officers, directors, employees and consultants. Under the policies, the exercise price of the stock options must equal the market price of the Company's stock on the date of grant. The options can be granted for a maximum term of five years.

Pursuant to the Company's Stock Option Plan, unless otherwise determined by the directors, stock options will vest on the grant date, except for options granted to persons undertaking investor relations activities, which will vest 25% every three months for twelve months.

(Stated in Canadian Dollars)

At August 31, 2021 there were nil stock options outstanding. No options were granted in the periods ended August 31, 2021 or 2020.

7. Financial Instruments and Risk Management

The Company's financial instruments include cash, accounts payable and accrued liabilities, and amounts receivable.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors its risk management processes. 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 that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash accounts. This risk is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. As at August 31, 2021, the Company held cash of $15,560 in trust with its legal counsel.

Liquidity and funding risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. Under current market conditions both liquidity and funding risk have been assessed as high.

The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from financing activities and its holdings of cash.

Historically, the Company's sources of funding have been the issuance of equity securities for cash, primarily through private placements and amounts due from related parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity, or other funding.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at August 31, 2021:

	Within one year	Between one and five years	More than five years
Accounts payable and accrued	$ 101,444	$ -	$ -
	$ 101,444	**$ -**	**$ -**

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's loan payable and due to related parties are not exposed to any significant interest rate risk.

(Stated in Canadian Dollars)

Foreign currency 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 is not exposed to material currency risk as its held no foreign currency denominated assets or liabilities. A 10% change in the value of the Canadian dollar against the US dollar would not materially affect the Company's operations.

Fair values

The fair values of the Company's financial assets and liabilities approximate their carrying amounts.

Financial instruments measured subsequent to initial recognition at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to estimate the fair values are observable. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

8. Deferred Income Taxes

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	August 31, 2021	August 31, 2020
Loss before income taxes	$ (108,812)	$ (230,408)
Statutory tax rate	26%	26%
Expected income tax recovery	(28,000)	(60,000)
Tax rate changes	-	-
Permanent differences and other	-	-
Change in unrecognized deferred income tax assets	28,000	60,000
Deferred income tax recovery	**$ -**	**$ -**

The Company has the following significant deductible temporary differences for which no deferred tax asset has been recognized:

	August 31, 2021	August 31, 2020
Exploration and evaluation assets	$ 427,000	$ 427,000
Property and equipment	2,000	2,000
Non-capital losses available for future years	624,000	596,000
	1,053,000	1,025,000
Unrecognized deferred income tax asset	(1,053,000)	(1,025,000)
Net deferred tax assets	**$ -**	**$ -**

The tax pools relating to the significant deductible temporary differences expire as follows:

(Stated in Canadian Dollars)

	2021	Expiry Date Range	2020	Expiry Date Range
Temporary Differences				
Exploration and evaluation assets	$ 1,640,000	No expiry date	$ 1,640,000	No expiry date
Investment tax credit	3,000	2030 to 2031	3,000	2030 to 2031
Property and equipment	9,000	No expiry date	9,000	No expiry date
Non-capital losses available for future period	$ 2,400,000	2028 to 2041	$ 2,291,000	2028 to 2040

9. Equity Accounted Investment

As at August 31, 2021, the Company had a <1% equity interest in 2828329 Ontario Inc., which is a private company (August 31, 2020 – Nil%). 2828329 Ontario Inc. was a special purpose vehicle used to raise $250,000 in 2021 ($230,000, net of costs of $20,000). 2828329 Ontario Inc. had no operations in 2021 and 2020. Funds of $36,725 were advanced to creditors on behalf of Coin Analyst UG (haftungsbeschrankt), which was the company that CoinAnalyst Corp. complete its corporate transaction. Cash of $193,275 remained on account at August 31, 2021. Subsequent to August 31, 2021, the $250,000 shares in 2828329 Ontario Inc. were converted into 2,500,000 CoinAnalyst Corp. shares.

10. Subsequent Event

On October 1, 2021, the Company announced receipt of conditional CSE listing approval as well as its ticker symbol “COYX.” Conditional approval was received on September 29, 2021

On October 26, 2021, the Company announced the closing of its reverse takeover with CoinAnalyst UG. In connection with the Business Combination, the Company completed two three-cornered amalgamations, one including 2864021 Ontario Inc. (“Subco 1”), a wholly owned subsidiary of the Company, and 2864014 Ontario Inc. (“Newco”), a special purpose corporation that, prior to the completion of the amalgamation, acquired all of the outstanding shares of the Target in exchange for common shares of Newco; and the other including 2864025 Ontario Inc. (“Subco 2”), a wholly owned subsidiary of the Company, and 2828329 Ontario Inc. (“Finco”), a special purpose financing vehicle incorporated to complete the Subscription Receipt Financing and Finco Share Financing (each as defined below). As part of the amalgamations, each holder of a common share of Finco and Newco received one CoinAnalyst Share in consideration for each common share of Finco or Newco held.

As previously announced, the Company through Finco raised $2,238,000 in a private placement of subscription receipts (“Subscription Receipt Financing”). In connection with the Business Combination, such subscription receipts were indirectly exchanged for the CoinAnalyst Shares and warrants (the “Warrants”). In connection with the Subscription Receipt Financing, Finco issued 895,200 broker warrants to registered finders. Prior to the closing of the Subscription Receipt Financing, Finco completed a private placement of 2,500,000 common shares of Finco (the “Finco Shares”) at a price of $0.10 per Finco Share to a group of strategic investors for aggregate gross proceeds of $250,000 (“Finco Share Financing”). In connection with the Finco Share Financing, Finco issued 200,000 broker warrants. As part of the Business Combination, the Finco Shares were exchanged for CoinAnalyst Shares on a one for one basis.

On November 1st, 2021, the Company started trading on the CSE under the symbol “COYX”

On November 9th, 2021, the Company commenced trading on the Frankfurt Stock Exchange with the trading symbol “1EO”