MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED July 31, 2024

Prepared as of September 25, 2024

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This management, discussion and analysis is prepared as at September 25, 2024, and should be read in conjunction with the condensed consolidated interim financial statements of CryptoBlox Technologies Inc. (the "Company") the six months ended July 31, 2024. The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the accompanying notes thereto. Except as otherwise disclosed, all dollar figures included therein, and the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING INFORMATION

This Management's Discussion and Analysis may include forward-looking statements with respect to business plans, activities, prospects, opportunities, and events anticipated or being pursued by the Company and the Company's future results. Although the Company believes the assumptions underlying such statements to be reasonable, any of the assumptions may prove to be incorrect. The anticipated results or events upon which current expectations are based may differ materially from actual results or events. Therefore, undue reliance should not be placed on such forward-looking information. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions in North America and internationally, (2) obtaining enough customers, (3) market competition, (4) the risk that the Company does not execute its business plan, (5) inability to retain key employees, (6) inability to finance operations and growth, (7) the Company's ability to protect proprietary rights, and (8) other factors beyond the Company's control.

Forward looking statements speak only as of the date of this MD&A and actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based may not occur. The forward-looking statements contained herein are expressly qualified by this cautionary statement. Investors are cautioned against attributing undue certainty to forward-looking statements.

OVERVIEW

CryptoBlox Technologies Inc. (the "Company") was incorporated under the laws of British Columbia on January 16, 2015. On March 4, 2022, the Company changed its name to CryptoBlox Technologies Inc. The Company's shares are listed on the Canadian Securities Exchange (the "Exchange") under the symbol "BLOX". The Company's registered records office is 6th floor – 905 West Pender Street, Vancouver, BC V6C 1L6. The company has the wholly owned subsidiary of 1Linx Ltd, CryptoPlug Technologies Inc., Optimal CP Inc. and Red Water Acquisition Corp.

CryptoBlox Technologies Inc. is a blockchain technology and infrastructure company working to develop three (3) divisions: Digital Asset Infrastructure & Mining, Mining Products & Technology and Structured Blockchain Products & Services, which collectively comprise its Diversified Blockchain Ecosystem Strategy.

Overview of the Company's Business Strategy

CryptoBlox Technologies Inc. is a blockchain technology and infrastructure company working to develop three (3) divisions: Digital Asset Infrastructure & Mining, Mining Products & Technology and Structured Blockchain Products & Services, which collectively comprise its Diversified Blockchain Ecosystem Strategy.

<u>Digital Asset Infrastructure & Mining</u>

Centered around the acquisition of Redwater, the Company's infrastructure will be based on off-grid/alternate energy powered digital asset mining to generate revenue. The Company anticipates low costs from alternative energy should lead to higher profit margins than its competitors and excess capacity, which will allow the Company to grow this division organically and via acquisitions in the future.

Mining Products & Technology

Centered around the Crypto Green license agreement, the Company is positioned to produce renewable energy mining products which it will launch and market to target markets. This complements the Company's Digital Asset Infrastructure & Mining division by allowing the Company to produce its own mining technology that powers digital asset miners sustainably.

Structured Blockchain Products & Services

This division is centered around the Blockchain Fintech acquisition, which will enable the Company to continue to develop the acquired technology and launch non-custodial products and services such as a web3 enabled digital asset wallet and a digital asset payment card, which then will allow purchasers of the Crypto Green products to monetize their digital assets generated through the products. Upon closing of this transaction, the Company will continue developing the Blockchain Fintech technology which can also be integrated into the Redwater and Crypto Green assets allowing the Company to also monetize stored digital assets.

Diversified Blockchain Ecosystem

Taken collectively, these three divisions make up the building blocks or "pillars" for the CryptoBlox Diversified Blockchain Ecosystem. With a diversified portfolio of sustainable mining and blockchain fintech products and services, the Company will be focused on building value by generating revenues across each of the divisions, while simultaneously achieving economies of scale through vertical integration.

Redwater

Description of the Project

Redwater is a modular air-cooled data center facility, powered by flared gas and equipped with heat recapture capabilities in Sturgeon County, Alberta. Redwater is owned by Redwater Acquisition Corp, which is a subsidiary to CryptoBlox. Redwater is the foundational asset in the Company's Diversified Blockchain Ecosystem, as it sets the foundation for the Sustainable Digital Asset Infrastructure & Mining division, which focuses predominantly on alternate energy powered off-grid digital asset mining.

On June 16, 2023, the Company entered into a Share Purchase Agreement (the "Redwater Agreement") with Red Water Acquisition Corp ("Redwater") to acquire 100% of the issued and outstanding shares of Redwater. The acquisition is determined to be a business combination. In exchange for 100% of the total issued and outstanding shares of Redwater, the Company will issue 22,000,000 common shares of the Company (the "Consideration Shares") at a deemed price of $0.50 per Consideration Share to the shareholders of Redwater for a deemed transaction value of $11,000,000. The Consideration Shares will be issued in tranches with 11,828,080 Consideration Shares delivered to Redwater's shareholders on closing of the Acquisition on June 29, 2023, and the remaining 10,171,920 Consideration Shares to be delivered upon the completion of certain milestones being met by Redwater pursuant to the terms of the agreement. The fair value of the consideration for the first tranche of 11,828,080 common shares is $1,774,212 at $0.15 per common share. The fair value of the outstanding consideration second and third tranche of 10,171,920 common shares is $0.12 per common share for a value of $1,216,921. The equipment acquired from Redwater consists of 133 units of Bitmain S19J Pros 104 T.H. ASIC Miners at the cost and depreciation of this equipment will be computed using the 55% declining balance method. The ASIC Miners are not in use as at July 31, 2024, and therefore have not been amortized.

Company's plans for Redwater and anticipated costs

The Company has secured plans to deploy up to 1 megawatt (MW) of capacity within Redwater with potential expansion plans of up to 3 MW over the next 18 to 24 months in collaboration with True North Data Solutions. Furthermore, True North Data Solutions and Redwater have secured an advantageous gas supply agreement (GSA) that is expected to reduce energy costs compared to average market rates, coming in at $0.015 per kilowatt-hour (kWh).

Status of the plan

The Company and the vendors of Redwater are currently in the process of completing their post-closing obligations and, in particular their obligations contemplated under the Second Addendum (described below), which must be completed no later than September 30, 2024.

Expenditures made on the product and plan to date

On June 29, 2023, the Company issued the first tranche of 11,828,080 common shares.

How expenditures relate to the timing and cost of the Redwater execution plan

The issuance of the first tranche closed the acquisition of Redwater which was a significant first step.

On June 28, 2024, all original parties to the Acquisition Agreement executed a second addendum agreement (the "Second Addendum") that pushes the outside date of the agreement from June 30, 2024 to September 30, 2024. This follows the same structure of the addendum agreement (the "Addendum") entered into on May 15, 2024 that revises the process of the Milestone Cash Payments where they will be made into an escrow account maintained with Endeavor. Pursuant to the Addendum, the Vendors have agreed to transfer an aggregate of $828,865 (the "First Cash Payment") Upon Redwater receiving the consent of Longshore to certain assignments of the Comgen Assets to Redwater, the First Cash Payment will be released to the Company (the "First Release") to be used to acquire the Comgen Assets from Comgen. Upon completion of the same, the Vendors will be issued an aggregate of 6,024,427 common shares of the Company (the "First Milestone Shares").

Within thirty (30) calendar days of the First Release, the Vendors will transfer an additional aggregate of $585,000 and US$145,950 (together, the "Second Cash Payment") into an escrow account. Upon Redwater receiving, among other things, evidence of certain amendments to the Miners Agreement and the Data Centre Agreement, the Revised Second Cash Payment will be released to the Company to be used to acquire the True North Miners and the True North Data Centre. Upon completion of the same, the Company will issue the remaining Milestone Shares to the Vendors, being an aggregate of 4,147,492 Milestone Shares (the "Second Milestone Shares").

The Revised First Milestone Shares and Revised Second Milestone Shares will be subject to a hold period expiring 10 calendar days after the later of (i) the date on which the Company files a business acquisition report under National Instrument 51-102 respecting its acquisition of Redwater, (ii) the date on which the Company files its consolidated annual financial statements for the year ended January 31, 2024 and (iii) the date on which the Second Milestone Shares are issued.

The Company intends to use the Milestone Cash Payments to fund:

(i) Redwater's payment to True North of US$145,950, pursuant to Redwater's option asset agreement with True North dated June 1, 2023 (the "Miners Agreement"), entitling Redwater to acquire an additional 100 MV7L 95-105TH/s 31J/TH miners from True North (the "True North Miners");

(ii) Redwater's payment to True North of $367,500, pursuant to Redwater's option asset purchase agreement with True North dated June 1, 2023 (the "Data Centre Agreement"), entitling Redwater to access to an air-cooled 1 MW power generation facility (the "True North Data Centre"); and

(iii) Redwater's payment to Comgen Power Solutions Ltd. ("Comgen") of $824,240, pursuant to Redwater's option asset purchase agreement with Comgen dated June 1, 2023, entitling Redwater to acquire from Comgen, among other things, a 1.25 MW natural gas power plant (the "Power Plant"), a fuel gas supply agreement (the "Gas Supply Agreement") with Longshore Resources Ltd. ("Longshore"), a surface access agreement (the "Surface Access Agreement") with Longshore and a power purchase agreement with True North (collectively, the "Comgen Assets"), the net result of which would be that Redwater's miners would have access to power at $0.015 per kWh.

Crypto Green

Description of the Project

On November 17, 2023 CryptoBlox acquired a four-year royalty-free, assignable, worldwide license (the "License") to develop and distribute products based on Crypto Green's modular technology that generates energy off-grid through wind and solar which can power digital asset mining. The License was a pivotal step in establishing the Company's Mining Products & Technology division as it allows the Company to offer retail end users accessibility to off-grid mining capabilities.

In consideration for the license agreement, the Company issued 40,000,000 common shares to Crypto Green's shareholders. A finder's fee of 2,800,000 common shares was issued to the party that introduced Crypto Green to the Company. The fair value of the consideration was $0.25 per common share for a total of $1,070,000 where $1,000,000 for the Patent license and 70,000 for the share issuance cost. The Crypto Green Patent license was fair valued at $800,000 on the date of purchase and recognized a $200,000 impairment on intangible during the year ended January 31, 2024. The Crypto Green License is amortized over 4 years.

Company's plans for Crypto Green and anticipated costs

The Company plans to further optimize and subsequently manufacture the renewable energy mining product and market them under its own brand. The projected costs for an initial prototype are approximately $250,000 which will encompass the prototype.

Status of the plan

Following the closing of the Crypto Green license acquisition, the Company is now sourcing funds to manufacture the prototype. The Company has also begun discussions with manufacturers in anticipation of producing the Crypto Green Products in commercial quantities.

Expenditures made on the product and plan to date

The Company has not yet manufactured the prototype or identified the manufacturing facilities and so there have been no material cash expenditures made on the product and plan to date. There have been significant man-hours invested in research towards the optimization of the technology.

How expenditures relate to the timing and cost of the Crypto Green execution plan

The Company's cost to manufacture a prototype is the first step in the commercialization of the renewable energy mining product. Upon receipt of the prototype, CryptoBlox will begin testing and further optimizing the technology through the implementation of alternate crypto mining algorithms along with other significant modifications including but not limited to a rebrand. Once the prototype is finalized, the Company will initiate a marketing and begin taking in pre-orders. The cost of the launch and the marketing of the products is not included in the $250,000 budget.

There have been no factors that have affected the value of the License since the acquisition.

Blockchain Fintech

Description of the Project

On March 4, 2024, the Company acquired Blockchain Fintech. This was the key component in establishing the Company's Structured Blockchain Products & Services division. Blockchain Fintech is developing technology the Company anticipates leveraging and building upon to launch non-custodial products and services such as the web3 enabled digital asset wallet and a digital asset payment card. These products will allow purchasers of the Crypto Green products to monetize digital assets generated through the products. Upon closing of this transaction, the Company will continue developing the Blockchain Fintech technology which can be integrated into the Redwater and Crypto Green assets allowing the Company to also monetize stored digital assets.

Company's plans for BFT and anticipated costs

Following closing of the acquisition, the Company plans to continue the development of the technology with the anticipated costs to be tied to certain milestones that are currently the subject of discussions between the Company, the CSE and the Vendors.

Status of the plan

The acquisition of Blockchain Fintech is pending CSE approval.

SUMMARY OF ANNUAL INFORMATION

The following table sets forth selected financial information of the Company which has been derived from the annual consolidated financial statements of the Company for the years ended January 31, 2024, 2023, and 2022.

	Year ended January 31, 2024	**Year ended January 31, 2023**	**Year ended January 31, 2022**
Total Revenue	$Nil	$Nil	$Nil
Total Expenses	$686,075	$1,157,409	$21,867,294
Net Loss – Continuing Operations	(2,213,813)	($7,061,443)	($21,748,025)
Net Gain – Discontinued Operations	$Nil	$1,179,357	$Nil
Net Loss - Per Share – Continuing Operations	($0.03)	($0.13)	($0.05)
Net Gain - Per Share – Discontinued Operations	$Nil	$0.02	$Nil
Total Assets	$7,161,830	$3,879,209	$10,690,169
Total Long-term Financial Liabilities	-	-	$46,531
Cash Dividends Declared per Share	$Nil	$Nil	$Nil

During the year ended January 31, 2024, the net loss from continuing operations was $2,213,813 (2023 – loss $7,061,443). The decrease in net loss is mainly attributable to a decrease in impairment of intangibles. The Company recorded a goodwill impairment on Redwater of $2,660,895 and an impairment on BMS Technology License intangible asset of $760,278 compared to the year ended January 31, 2023 which had an impairment of $6,000,000. The company had an investment gain of $1,450,333 as it sold its investment in IONiX Pro Battery Technologies Inc. to Modern Battery Solutions Inc. for $1,725,484. The total expenses reduced as consulting fees reduced by $200,784 and advertising costs reduced by $374,800. Professional fees, amortization expense and office and general expense also reduced over this period. The total assets increased from assets acquired through the acquisition of Redwater Acquisition Corp., Crypto Green Patent License Technology and investment in Modern.

During the year ended January 31, 2023, the net loss from continuing operations was $7,061,443 (2021 - $21,748,025). The decrease in net loss is mainly attributable to a decrease in acquisition cost, consulting fees, advertising expenses, and impairment of intangibles.

During the year ended January 31, 2022, the net loss from continuing operations was $21,748,025 (2021 - $1,654,213). The increase in net loss is mainly attributable to an increase in consideration in excess of net assets acquired from acquisition, an increase in advertising expenses, consulting fees, amortization expense and directors' fees.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial information as prepared in Canadian dollars under International Financial Reporting Standards derived from the Company's most recently completed fiscal quarters since inception:

	July 31, 2024 $	**April 30, 2024 $**	**January 31, 2024 $**	**October 31, 2023 $**
Total Assets	7,068,460	7,120,072	7,161,830	6,701,007
Working Capital	91,050	235,809	310,785	(1,561,353)
Revenue	-	-	-	-
Net Loss before other income	(247,979)	(237,878)	(187,767)	(194,137)
Loss per Share – Continuing Operations	(0.00)	(0.00)	(0.00)	(0.00)
	July 31, 2023 $	**April 30, 2023 $**	**January 31, 2023 $**	**October 31, 2022 $**
Total Assets	6,790,565	3,845,879	3,879,209	10,033,183
Working Capital	(1,436,586)	1,445,360	1,514,596	1,653,140
Revenue	-	-	-	-
Net Loss – before other income	(209,186)	(94,985)	(146,434))	(153,209)
Loss per Share – Continuing Operations	(0.00)	(0.00)	(0.00)	(0.00)

Factors causing significant variations in quarterly results are as follows:

During the three months ended October 31, 2022, the Company earned revenue of $nil, and incurred operating expenses of $153,209, comprised mainly of consulting fees of $60,000, marketing and advertising expense of $12,653, professional fees of $32,398, office and general expense of $16,761.

During the three months ended January 31, 2023, the Company earned revenue of $nil, and incurred operating expenses of $146,434, comprised mainly of consulting fees of $30,000, marketing and advertising expense of $4,110, professional fees of $50,369, and office and general expense of $37,158.

During the three months ended April 30, 2023, the Company earned revenue of $nil, and incurred operating expenses of $94,985, comprised mainly of consulting fees of $30,000, professional fees of $17,875, and office and general expense of $19,460.

During the three months ended July 31, 2023, the Company earned revenue of $nil, and incurred operating expenses of $209,186, comprised mainly of share-based compensation of $100,000, consulting fees of $30,000, professional fees of $32,273, and office and general expense of $9,681. The Company closed the acquisition of Red Water Acquisition Corp. on June 29, 2023 increasing the total net assets by $2,991,133. This acquisition increased current liability by $2,824,018.

During the three months ended October 31, 2023, the Company earned revenue of $nil, and incurred operating expenses of $194,137 comprised mainly of consulting fees of $30,000, management fees of $45,000, professional fees of $45,244, and office and general admin of $4,244.

During the three months ended January 31, 2024, the Company earned revenue of $nil, and incurred operating expenses of $187,767, comprised mainly of professional fees of $99,999, consulting fees of $30,216, management fees of $30,000, share based compensation of $82,060, office and general expense of $40,843. This was offset by a recovery of $93,917 of amortization due to the write-off of BMS Technology License Intangible Asset. The professional fees were predominantly related to legal and audit fees. On Nov 17, 2023, the entered into an agreement with Crypto Green to acquire technology that increased the total asset by $763,666 as at January 31, 2024.

During the three months ended April 30, 2024, the Company earned revenue of $nil, and incurred operating expenses of $207,878, comprised mainly of management fees of $30,000 further described in transactions with related parties, consulting fees of $30,896 related to accounting services, professional fees of $36,024 predominately for legal services, advertising expense of $22,939, interest expense of $12,303, office and general expense of $11,744.

During the three months ended July 31, 2024, the Company earned revenue of $nil, and incurred operating expenses of $247,979, comprised mainly of amortization of $50,000 on an intangible asset, management fees of $30,000 further described in transactions with related parties, consulting fees of $31,784 related to accounting services, professional fees of $43,524 predominately for legal services, interest expense of $12,303, office and general expense of $33,803, and $46,918 share-based compensation further described in transactions with related parties.

CASH AND WORKING CAPITAL

The Company requires additional working capital to meet its primary business objectives over the next 12 months. As at July 31, 2024, the Company had working capital of $91,050. The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants.

The Company may not be able to generate cash from its operations in the foreseeable future. The Company will have to rely on collections from outstanding receivables and loans, or raise funding through future equity issuances and through short-term borrowing in order to fund ongoing operations and to meet its obligations. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

Working capital includes a deposit of $1.9M to Daymak Inc. for the Spiritus Prototype and Spiritus Ultimate Prototype Cabrio made when part of the Company's focus was on the development of electric vehicles. Management is currently evaluating strategies to monetize this deposit given that its focus is no longer on the development of electric vehicles and anticipates these funds will be used for the development of the Crypto Green asset. A $150,000 deposit was paid to OJF Capital Ltd., a Company that sources crypto mining locations, for a deposit of a site that will house a future crypto mining operations.

Cash used in operating activities during the six months ended July 31, 2024 totaled $177,927 (2023 – $18,406). The changes in non-cash working capital were $143,308 (2023 - $219,875).

Cash generated from financing activities during the six months ended July 31, 2024 totaled $185,000 (2023 – $nil). On March 28, 2024, the Company received $75,000 loan, on May 7, 2024, $60,000 loan, on May 24, 2024, $25,000 loan, and on June 25, 2024, $25,000 loan from Xlabs Therapeutics (ONT) Inc. that will accrue interest of 18% compounded annually until maturity date after one year.

LIQUIDITY

As at July 31, 2024, the Company held assets totaling $7,068,460 consisting of $9,834 in cash, $275,167 in loan receivable, $401,486 in GST/HST receivable, $2,050,000 in deposits and prepaid expense, $1,725,484 in investment in securities.

As at July 31, 2024, the Company had total liabilities of $4,370,921 comprised of $1,216,921 of obligation to issue shares, $1,210,946 of accounts payable and accrued liabilities, $1,607,322 liability on purchase contract, $106,400 of due to related parties, $4,332 income tax payable, and $225,000 loan payable.

As at July 31, 2024, the Company had working capital of $91,050 as compared to working capital of $310,833 at January 31, 2024.

Readers are cautioned that a number of factors beyond the control of the Company could result in the Company not being able to sustain its current position. Such factors could include adverse economic conditions, political and regulatory concerns and key individual staffing problems amongst others.

CAPITAL RESOURCES

The Company defines capital as the components of shareholders' equity. The Company's objectives when managing capital are to support further advancement of the Company's business objectives, as well as to ensure that the Company is able to meet its financial obligations as they come due. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company relies on the expertise of the Company's management to sustain the future development of the business. 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 six months ended July 31, 2024, and the Company is not subject to externally imposed capital requirements.

The Company has not issued dividends to date and has no plans to pay dividends in the foreseeable future.

TRANSACTIONS WITH RELATED PARTIES

The Company has identified the directors and senior officers as key management personnel.

As at July 31, 2024, the Company owed a balance of $106,400 to the CEO (January 31, 2024 - $75,000). During the six months ended July 31, 2024, the Company expensed $60,000 in management fees for the CEO (July 31, 2024 – Nil). During the three months ended July 31, 2024, the Company expensed $30,000 in management fees (July 31, 2024 – Nil). On March 11, 2024, the company issued 54,545 shares at the value per share of $0.55 for total consideration for $30,000 for CEO debt conversion.

On January 24, 2024, the Company granted stock options to the officers and directors of the company at an exercise price of $0.065 for a term of five years. The options vest over a schedule of three years starting with 25% immediately and 12.5% after each six months, totally 100% vesting in three years. The fair value of the stock options calculated using the Black-Scholes model was $0.055 per stock option.

a) The CEO and director received 2,500,000 stock options. During the six months ended July 31, 2024, the Company expensed $41,355 through the statement of loss and comprehensive loss for vesting stock options.

b) The CFO received 250,000 stock options. During the six months ended July 31, 2024, the Company expensed $4,136 through the statement of loss and comprehensive loss for vesting stock options.

c) The other directors received 100,000 stock options each for a total of 200,000 stock options. During the six months ended July 31, 2024, the Company expensed $3,308 through the statement of loss and comprehensive loss for vesting stock options.

On June 16, 2023, Bryson Goodwin resigned as Chief Executive Officer and director of the Company. The Company appointed Taryn Stemp as its Interim Chief Executive Officer. On June 16, 2023, the Company appointed Akshay Sood to its board of directors. On August 4, 2023, the Company appointed Akshay Sood as its CEO. On August 25, 2023, Taryn Stemp resigned as director. On August 25, 2023, the Company appointed Rahim Teja to its board of directors.

On June 9, 2023, the Company incurred $100,000 director and officer fees by way of a common share issuance of 7,142,856 common shares. The shares were priced at $0.014 per share based on a 20-day volume weighted average price, resulting in a total transaction value of $100,000.

As at July 31, 2024, the directors of the Company were Akshay Sood, Rahim Teja, and Victor Hiu-Fai Ho.

SHARE DATA

Capitalization as of July 31 2024, and September 25, 2024:

The Company is authorized to issue an unlimited number of common shares.

On November 1, 2023, the Company completed a 10:1 consolidation of its total issued and outstanding shares. No fractional shares were issued. All fractional shares that resulted from the consolidation were rounded up or down to the nearest whole number. All share figures and references have been retroactively adjusted to reflect the share consolidation.

During the six months ended July 31, 2024

a) On March 11, 2024, the company issued 54,545 shares at the value per share of $0.55 for total consideration for $30,000 for CEO debt conversion.
b) On March 11, 2024, the company issued 54,545 shares at the value per share of $0.55 for total consideration for $30,000 for a consultant debt conversion.

During the six months ended July 31, 2023

a) On June 12, 2023, the Company issued 7,142,856 common shares at a price of $0.014 for a deemed transaction value of $100,000 to the directors and officer of the Company for directors' fees for the year ended January 31, 2023.
b) On June 29, 2023, the Company issued 118,280,800 common shares at a deemed price of $0.05 to Redwater shareholders for total consideration of $5,914,040 as part of consideration of Red Water acquisition.

As at July 31, 2024, and September 25, 2024, the common shares issued and outstanding is 109,314,600 and 110,464,600 respectively.

<u>Stock Options</u>

As at July 31, 2024 and September 25, 2024, there are 5,700,000 and 4,550,000 stock options outstanding respectively.

<u>Share Purchase Warrants</u>

As at July 31, 2024 and September 25, 2024, there are 450,000 share purchase warrants outstanding respectively.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that would require disclosure.

CRITICAL ACCOUNTING ESTIMATES

For information on material accounting policies and changes in accounting policies, please refer to Note 1 of the financial statements for the year ended January 31, 2024. As at July 31, 2024, there has been no changes.

FINANCIAL AND OTHER INSTRUMENTS

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash. The Company does not trade financial instruments for speculative purposes. The Company does not have a risk management committee nor written risk management policies. The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at July 31, 2024, as follows:

	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $
Cash	9,834	-	-
Investment in Modern	-	-	1,725,483
Investment in Voltaire	-	-	1
Balance July 31, 2024	9,834	-	1,725,484

The fair values of other financial instruments, which include accounts receivable, investments in securities, accounts payable, loans payable, liability on purchase contracts, obligation to issue shares, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

The investment in Modern Battery Solutions Inc. (Modern) is an investment in a private company valued at fair value. The acquisition of this investment was between two arm's length parties and occurred on January 2, 2024, for consideration of $1,725,483.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and accounts receivable. The Company limits exposure to credit loss by placing its cash with high credit quality financial institutions. The Company performs ongoing credit evaluations, does not require collateral and establishes an allowance for doubtful accounts based on the age of the receivable and the specific identification of receivables the Company considers at risk. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has exposure to currency risk from assets and liabilities denominated in US dollars. The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk. However, management believes that the risk from fluctuations in foreign exchange rates is not significant.

(d) 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 currently settles its financial obligations with cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Liquidity risk is assessed as high.

(e) Classification of financial instruments

Financial assets and liabilities included in the consolidated statement of financial position are as follows:

	July 31, 2024 $	January 31, 2024 $
Financial assets classified as fair value through profit or loss:		
Cash	9,834	3,276
Non-derivative financial liabilities:		
Trade payables	1,210,946	1,200,933
Income tax payable	4,332	4,332
Due to related parties	106,400	75,000
Loan Payable (Note 9)	225,000	40,000
Liability on purchase contracts (Note 8)	1,607,322	1,607,322
Obligation to issue shares (Note 8)	1,216,921	1,216,921
	4,370,921	1,901,411

SUBSEQUENT EVENTS

On August 22, 2024, the Company received $30,000 from Xlabs Therapeutics (ONT) Inc. by way of a loan at an interest rate of 18% per annum for a one-year term from the date received to pay on going operational costs.

Subsequent to the period ended July 31, 2024, 1,150,000 stock options were exercised at an exercise price of $0.065 per stock option.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During the three and six months ended July 31, 2024, the Company generated revenue of $nil from operations.

During the three and six months ended July 31, 2024, the Company incurred professional fees of $43,524 and $107,752; consulting fees of $31,784 and $62,680; share-based compensation of $46,918 and $94,290; management fees of $30,000 and $60,000; interest expense of $12,303 and $15,536; and office and general expense of $33,803 and $43,196; respectively.

DISCLOSURE OF INTERNAL CONTROLS

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited consolidated financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

RISK FACTORS

The risk factors disclosed in the annual MD&A for the year ended January 31, 2024 have not changed and apply to the six months ended July 31, 2024.