ADURO CLEAN TECHNOLOGIES INC.
(formerly DIMENSION FIVE TECHNOLOGIES INC.)

Suite 104, 1086 Modeland Road, Sarnia, Ontario, Canada, N7S 6L2

CSE FORM 2A

LISTING STATEMENT

DATE: April 27, 2021
(except as otherwise indicated)

NOTE TO READER

This Listing Statement has been prepared in connection with a securities exchange transaction which constitutes a "fundamental change" within the meaning of CSE Policy 8. As such, the disclosure that follows relates to the business of the new issuer, whose common shares must be requalified for listing on the CSE.

1. TABLE OF CONTENTS

SCHEDULES:

Definitions

The following is a glossary of certain definitions used in this Listing Statement. Terms and abbreviations used in this Listing Statement and also appearing in the documents attached as schedules to the Listing Statement (including the financial statements) are defined separately if the terms and abbreviations defined below are not used therein, except where otherwise indicated. Any capitalized term used but not defined in this Listing Statement have the meanings ascribed thereon in the CSE's Policies. Words below importing the singular, where the context requires, include the plural and *vice versa*, and words importing any gender include all genders. All dollar amounts herein are in Canadian dollars, unless otherwise stated.

"**2020 Circular**" means D5's notice of annual general meeting of shareholders and information circular dated, November 4 2020;

"**Aduro Convertible Notes**" means convertible promissory notes issued by Aduro Energy which are convertible into Aduro Shares;

"**Aduro Energy**" or "**Aduro**" means Aduro Energy Inc., a private corporation incorporated under the federal laws of Canada on December 15, 2011 and following the completion of the Transaction, a wholly-owned subsidiary of the Resulting Issuer;

"**Aduro Intellectual Property**" means the Aduro Licensed Intellectual Property and the Aduro Owned Intellectual Property;

"**Aduro Licensed Intellectual Property**" means all Contracts whereby Aduro Energy licenses Intellectual Property from any other Person (other than off-the-shelf licenses);

"**Aduro Noteholders**" means the holders of Aduro Convertible Notes;

"**Aduro Owned Intellectual Property**" means: (a) any item of Intellectual Property solely owned by the Aduro (including the patents and patent applications), and (b) any item of Intellectual Property in which the Aduro has or purports to have a joint or shared ownership interest;

"**Aduro Securities**" means the Aduro Shares and Aduro Convertible Notes, and any other securities or other indebtedness of the Aduro convertible into Aduro;

"**Aduro Shares**" means the Class A Common Shares, Class B Common Shares and Class A Preference Shares, all without par value, in the capital of the Aduro Energy;

"**Aduro Vendors**" means the holders of Aduro Securities immediately prior to the Closing;

"**Affiliate**" means, with respect to any specified Person at any time, each Person directly or indirectly, through one or more intermediaries, controlling, controlled by, or under direct or indirect common control with, such specified Person at such time;

"**Amendment Agreement**" means the agreement dated April 5, 2021 between D5, Aduro and the Aduro Vendors to amend the terms of the Securities Exchange Agreement to: (1) remove the requirements under the First Milestone Protection Plan and the Second Milestone Protection Plan, including the condition requiring entry into the Restricted Stock Agreement in accordance with the First Milestone Protection Plan and the Second Milestone Protection Plan; (2) remove the requirement of D5 to issue 10,000,000 Options to directors, officers and consultants of D5 on Closing of the Transaction; and (3) added the requirement for

D5 to issue an additional 8,440,087 Consideration Warrants on the Closing as part of the Consideration Securities to be issued for the Purchase Price;

"**Associate**" has the meaning ascribed to it in the *Securities Act* (British Columbia), as amended;

"**BCBCA**" means the *Business Corporations Act* (British Columbia) including the regulations thereunder, as amended;

"**BIC Grant**" means the Bioindustrial Innovation Canada ("BIC") Commercialization Rebate Project of $250,000 net of GST/HST from BIC for the development of the hydrochemolytic pilot unit for upgrading asphaltene and waste plastics by Aduro Energy.

"**Board**" means the board of directors of the Resulting Issuer;

"**Bridge Loan**" means the bridge loan in the principal amount of $500,000 advanced to the Aduro Energy by D5 prior to the Closing, of which $50,000 was advanced under the First Promissory Note, $50,000 was advanced under the Second Promissory Note, $15,000 was advanced under the Third Promissory Note, $15,000 was advanced under the Fourth Promissory Note, $20,000 was advanced under the Fifth Promissory Note, $250, 000 was advanced under the Sixth Promissory Note and $100,000 was advanced under the Seventh Promissory Note, which funds are secured by the General Security Agreement, and which at Closing was deemed to be an inter-company loan between the Resulting Issuer and its subsidiary, Aduro Energy;

"**CBCA**" means the *Canada Business Corporations Act* including the regulations thereunder, as amended;

"**CEO**" means an individual who acted as the Resulting Issuer's chief executive officer, or acted in a similar capacity, for any part of the most recently completed financial year;

"**CFO**" means an individual who acted as the Resulting Issuer's chief financial officer, or acted in a similar capacity, for any part of the most recently completed financial year;

"**Class A Special Warrants**" means special warrants of the Resulting Issuer which are convertible for no additional consideration into Resulting Issuer Shares on a one-for-one basis upon the later of (i) the achievement of the First Milestone, and (ii) distribution by the Special Warrant Trustee in accordance with the terms of the Securities Exchange Agreement, and which shall expire 2 years from the Closing Date if the First Milestone is not achieved within 2 years from the Closing Date;

"**Class B Special Warrants**" means special warrants of the Resulting Issuer which are convertible for no additional consideration into Resulting Issuer Shares on a one-for-one basis upon the later of (i) the achievement of the Second Milestone, and (ii) distribution by the Special Warrant Trustee in accordance with the terms of the Securities Exchange Agreement, and which shall expire 4 years from the Closing Date if the Second Milestone is not achieved within 4 years from the Closing Date;

"**Closing**" means the closing of the Transaction, which occurred on April 23, 2021;

"**Closing Date**" means the date of the Closing, being April 23, 2021;

"**Consideration Securities**" means the Consideration Shares, the Class A Special Warrants to be issued to the Aduro Special Warrant Trustee at the Closing as part of the Purchase Price, the Class B Special Warrants to be issued to the Aduro Special Warrant Trustee at the Closing as part of the Purchase Price and the Consideration Warrants to be granted at the Closing as part of the Purchase Price, and “**Consideration Security**” means any one of them;

“**Consideration Shares**” the Purchaser Shares to be issued to the Aduro Vendors at the Closing as part of the Purchase Price, and “**Consideration Share**” means any one of them;

“**Consideration Warrants**” means the 8,440,087 non-transferable common share purchase warrants of the Company, included in the Consideration Securities comprising the Purchase Price, exercisable at a price of $0.50 per Share on a post-Consolidation basis for a period of 48 months from the date of Closing, subject to an acceleration provision.

“**Consolidation**” means the three (3) for one (1) consolidation of the Company’s capital which was completed on closing of the Transaction on April 23, 2021;

“**CSE**” or “**Exchange**” means the Canadian Securities Exchange, operated by CNSX Markets Inc.;

“**CSE Approval**” means the final approval of the CSE in respect of the listing of the common shares of the Resulting Issuer on the CSE, as evidenced by the issuance of the new listing bulletin of the CSE in respect thereof;

“**D5**” or the “**Company**” means Dimension Five Technologies Inc., meaning the publicly-traded entity prior to the Closing of the Transaction, which was incorporated under the BCBCA on January 10, 2018;

“**D5 Discounted Share Price**” the greater of (on a pre-Consolidated basis): (i) 0.65 times the volume weighted average trading price of the Shares for the five trading days prior to the First Milestone Achievement Date, and (ii) $0.05;

“**D5 Financing**” means the non-brokered private placement offering of Shares pursuant to which D5 raised gross proceeds of $502,222 through the issuance of 10,044,440 (pre-Consolidation) Shares, at price of $0.05 per Share;

“**D5 Finders Warrants**” means the outstanding share purchase warrants to purchase 54,000 pre-Consolidated Shares at an exercise price of $0.07 per share (on a pre-Consolidation basis) which warrants expire on September 2, 2022;

“**Escrow Agent**” means the Transfer Agent, in its capacity as escrow agent for the Shares held in escrow under the Escrow Agreements;

“**Escrow 2018 Agreement**” means the escrow agreement dated September 27, 2018;

“**Escrow 2021 Agreement**” means the escrow agreement, in substantially the form of Form 46-201F1, between D5 and certain Aduro Securityholders as required by the policies of the CSE, dated April 23, 2021;

“**Escrow Agreements**” means together, the Escrow 2018 Agreement and the Escrow 2021 Agreement;

“**Escrowed Securities**” means the securities of the Resulting Issuer held in escrow by the Escrow Agent pursuant to the Escrow Agreements, as applicable;

“**Financing Warrant**” means each non-transferable common share purchase warrant included in each Unit sold in Second D5 Financing exercisable at a price of $0.167 each ($0.50 on a post-Consolidation basis) for a period of 48 months from the date of closing of the Second D5 Financing on February 4, 2021, subject to an acceleration provision;

"**First Financing**" means a financing by the Resulting Issuer at a price of more than $0.18 per Share by way of issuance of up to 13,888,888 Shares and resulting in gross proceeds received by the Resulting Issuer of at least $2.5 million (on a pre-Consolidation basis);

"**First Milestone**" means within 2 years of the Closing Date, the operation of a Show Room Unit to successfully obtain Product by application of Technology and validation of the same by Professor Paul Charpentier or such other independent third party agreed upon by D5 and Aduro Energy;

"**First Milestone Achievement Date**" means the date on which Professor Paul Charpentier or such other independent third party agreed upon by the D5 and Aduro Energy delivers its report to the Resulting Issuer validating that the Resulting Issuer has, through the operation of a Show Room Unit, successfully obtain Product by application of Technology;

"**First Milestone Protection Plan**" means the protection plan in respect of the First Milestone which is set forth in the Securities Exchange Agreement;

"**First Milestone Restricted Shares**" means the outstanding common shares of the Resulting Issuer and/or options to acquire common shares of the Resulting Issuer held by the Zimtu Group representing a total of 9,708,000 pre-Consolidation common shares;

"**First Milestone Share Repurchase Date**" means the date which is three months following the date on which the First Milestone was achieved by the Resulting Issuer, as may be extended pursuant to the Securities Exchange Agreement;

"**First Promissory Note**" means the promissory note from Aduro Energy to D5 in respect of the Bridge Loan in the amount of $50,000 dated August 7, 2020;

"**Fifth Promissory Note**" means the promissory note from Aduro Energy to D5 in respect of the Bridge Loan in the amount of $20,000 dated December 02, 2020;

"**Fourth Promissory Note**" means the promissory note from Aduro Energy to D5 in respect of the Bridge Loan in the amount of $15,000 dated November 18, 2020;

"**General Security Agreement**" means the general security agreement between Aduro Energy and D5 dated August 7, 2020 pursuant to which funds advanced under the Bridge Loan are secured by a security interest in all of Aduro's current and after acquired property, including the Aduro Intellectual Property.

"**Letter of Intent**" means the letter of intent dated July 13, 2020 between D5 and the Aduro Energy in respect of the Transaction.

"**Listing**" means the listing of the Resulting Issuer's Shares on the CSE on April 27, 2021;

"**Listing Statement**" means this CSE Form 2A Listing Statement dated effective April 27, 2021;

"**Milestones**" means, collectively, the First Milestone and the Second Milestone;

"**Name Change**" means the change of D5's name to "Aduro Energy Inc." or such other name designated by Aduro Energy which meets the applicable statutory requirements;

"**Note Amending Agreements**" means the agreements amending the Aduro Convertible Notes;

"**Option Plan**" means the stock option plan of the Resulting Issuer;

“**Options**” means options to acquire Shares pursuant to the Option Plan;

“**Person**” is to be construed broadly and includes an individual, sole proprietor, corporation, body corporate, partnership, joint venture, association, trust, unincorporated organization or any other entity, or any trustee, executor, administrator or other legal representative thereof;

“**Principal Vendor**” means Ofer Vicus, the principal shareholder of Aduro and one of the Aduro Vendors;

“**Product**” means, lighter petroleum oil obtained by upgrading heavier petroleum feedstocks or components thereof, or deoxygenated hydrocarbons obtained from upgrading renewable oil feedstocks, or liquid hydrocarbons obtained by upgrading of certain plastic or rubber feedstocks, where the upgrading is achieved by means of Technology;

“**Promissory Notes**” means the First Promissory Note, Second Promissory Note, Third Promissory Note, Fourth Promissory Note, Fifth Promissory Note, Sixth Promissory Note, and Seventh Promissory Note, and includes any other promissory notes entered into between D5 in connection with the Bridge Loan;

“**Purchase Price**” means the Consideration Shares and the Special Warrants to be issued as consideration for the Transaction;

“**Qualified First Financing**” means the first financing of at least $2,500,000 completed by the Resulting Issuer (on a pre-Consolidation basis);

“**Qualified Second Financing**” means the first financing of at least $4,500,000 completed by the Resulting Issuer after the Qualified First Financing (on a pre-Consolidation basis);

“**Related Person**” has the meaning ascribed to it in CSE Policy 1;

“**Reporting Issuer**” has the meaning ascribed to it in the *Securities Act* (British Columbia), as amended;

“**Restricted Stock Agreement**” means an agreement among D5, Aduro Energy, Zimtu and each member of the Zimtu Group who owns any First Milestone Restricted Shares or Second Milestone Restricted Shares with respect to the securities subject to the First Milestone Protection Plan and the Second Milestone Protection Plan which will provide that Zimtu may choose the mix of shares/options to be purchased for cancellation thereunder.

“**Resulting Issuer**” means the publicly-traded entity having the name “Aduro Clean Technologies Inc.” and its subsidiary, Aduro Energy, resulting from the Closing of the Transaction;

“**Reporting Issuer Board**” means the Purchaser Board following the completion of the Transaction;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval available on the Internet at www.sedar.com;

“Second D5 Financing” means the non-brokered private placement offering of units of the Company (each, a “**Unit**”) pursuant to which D5 raised gross proceeds of approximately $1,402,549 through the issuance of 16,898,174 pre-Consolidation Units, at price of approximately $0.083 per pre-Consolidation Unit before giving effect to the Consolidation, with each Unit being comprised of one Share and one non-transferable common share purchase warrant (each, a “**Financing Warrant**”) with each Financing Warrant exercisable at a price of $0.167 each ($0.50 on a post-Consolidation basis) for a period of 48 months from the date of closing of the Second D5 Financing on February 4, 2021, subject to an acceleration provision;

"**Second Financing**" means a financing by the Resulting Issuer, within three months of completing item 1, 2 or 3 of the Second Milestone, at a price of more than $0.30 per Share by way of issuance of up to 14,999,999 Shares resulting in gross proceeds received by the Resulting Issuer of at least $4.5 million (on a pre-Consolidation basis);

"**Second D5 Finders Warrants**" means outstanding share purchase warrants to purchase 227,836 Shares at an exercise price of $0.10 per share (on a pre-Consolidation basis) expiring on February 4, 2023;

"**Second Milestone**" means any one or more of the following within 4 years of Closing (on a pre-Consolidation basis):

1. A completed financial transaction with an institution which clearly has the capacity to finance Aduro's majority owned commercial operation of a manufacturing plant producing Product for commercial sale;

2. Product produced by a manufacturing plant owned in part by Aduro where Aduro's portion of the plant's equity is at least $2,000,000 greater than Aduro's investment;

3. A third party entering into a licence agreement with Aduro in respect of the Technology which Aduro and such third party estimate will generate at least $5,000,000 in revenue for Aduro over a three year period;

4. A third party equity investment in the Resulting Issuer of at least $3,000,000 at a company pre-money valuation of $40,000,000 or more;

5. The total market capitalization of the Resulting Issuer remaining at or above $65,000,000 for 19 out of any 20 consecutive trading days;

6. The Resulting Issuer having completed a public offering or private placement raising at least $4,000,000 at a minimum price per pre-Consolidation Share of $0.35 ($1.05 on a post-Consolidation basis), or a combination of grants, $0.35 pre-Consolidation share offering ($1.05 on a post-Consolidation basis) and other financing transaction raising at least $4,000,000; or

7. A third party enters into an agreement to acquire all of the issued and outstanding Resulting Issuer Shares at a minimum value of $1.00 on a pre-Consolidation basis ($3.00 on a post-Consolidation basis) per share;

"**Second Milestone Achievement Date**" means the date on which the Second Milestone is achieved by the Resulting Issuer;

"**Second Milestone Protection Plan**" means the protection plan in respect of the Second Milestone which is set forth the Securities Exchange Agreement;

"**Second Milestone Restricted Shares**" means (i) if any of the First Milestone Restricted Shares have been previously purchased for cancellation by the Resulting Issuer, outstanding common shares of the Resulting Issuer and/or options to acquire common shares of the Resulting Issuer held by the Zimtu Group representing a total of 907,150 pre-Consolidation common shares (302,383 post-Consolidation common shares) and (ii) if none of the First Milestone Restricted Shares have not been purchased for cancellation by the Resulting Issuer, outstanding common shares of the Resulting Issuer and/or options to acquire common shares of the Resulting Issuer held by the Zimtu Group representing a total of 6,307,000 pre-Consolidation common shares (2,102,333 post-Consolidation common shares);

“**Second Milestone Share Repurchase Date**” means the date which is three months following the date on which the Second Milestone was achieved by the Resulting Issuer, as may be extended;

“**Second Promissory Note**” means the promissory note from Aduro Energy to D5 in respect of the Bridge Loan in the amount of $50,000 dated August. 28, 2020;

“**Securities Exchange Agreement**” means the Securities Exchange Agreement dated October 22, 2020 among Aduro Energy, the Aduro Vendors and D5;

“**Shares**” means the common shares without par value of the Resulting Issuer;

“**Show Room Unit**” means means a pre-pilot reactor system successfully demonstrating the obtaining of Product by application Technology as validated by an independent third party;

“**Sixth Promissory Note**” means the amended promissory note from Aduro Energy to D5 in respect of the Bridge Loan in the amount of amended amount of $250,000 dated January 4, 2021;

“**Seventh Promissory Note**” means the promissory note from Aduro Energy to D5 in respect of the Bridge Loan in the amount of $100,000 dated March 4, 2021;

“**Special Warrants**” means, collectively, the Class A Special Warrants and the Class B Special Warrants to be issued as part of the Purchase Price;

”**Special Warrants Formula**” means the conversion formula, as set forth in the Note Amending Agreements, to determine the number of Class A Special Warrants to be issued to each Aduro Noteholder in which the number of Class A Special Warrants shall be equal to the Principal Amount of the Convertible Note plus the amount of accrued but unpaid interest thereon as of the First Milestone Achievement Date, divided by the D5 Discounted Share Price;

“**Technology**” means all of the technology owned, licensed, and used by Aduro for its processes and designs in respect of hydrochemolysis applied to obtain Products;

“**Third Promissory Note**” means the promissory note from Aduro Energy to D5 in respect of the Bridge Loan in the amount of $15,000 dated October 26, 2020;

“**Transaction**” means, collectively: (a) the acquisition by D5 of all of the issued and outstanding Aduro Shares from the Aduro Vendors; (b) the Name Change, and (c) all other transactions contemplated by the Securities Exchange Agreement;

“**Transfer Agent**” means Computershare Investor Services Inc., the transfer agent of the Resulting Issuer;

“**Unit**” means each unit of D5 issued in the Second D5 Financing, each Unit consisting of one Share and one Financing Warrant;

“**U.S.**” or “**United States**” means the United States of America, its territories and possessions, and any state of the United States and the District of Columbia;

“**Voting Trust Agreement**” means the voting trust agreement dated April 23, 2021 among Zimtu Capital Corp., David Hodge, Chris Parr and Craig Murata (the “**Trust Shareholders**”) and the Principal Vendor, pursuant to which the Principal Vendor was granted comprehensive voting rights with respect to all of the common shares of D5 owned by the Trust Shareholders (collectively, the "**Voting Trust Shares**"), being an aggregate of 9,833,335 pre-Consolidation Voting Trust Shares, which voting rights shall last until the earliest to occur of (i) the First Milestone Achievement Date and (ii) the date which is six months following the effective date of the voting trust agreement.

"**Warrants**" means the issued outstanding common share purchase warrants of the Resulting Issuer consisting of the Financing Warrants, the D5 Finders Warrants, the Second D5 Finders Warrants and the Consideration Warrants;

"**Zimtu**" means Zimtu Capital Corp.; and

"**Zimtu Group**" means Zimtu and/or any subsidiaries or affiliates of Zimtu.

FORWARD-LOOKING STATEMENTS

The information provided in this Listing Statement, including information incorporated by reference, may contain "forward-looking statements" about us. In addition, we may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by us that address activities, events or developments that we expect or anticipate will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on our then current expectations and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to:

- the Resulting Issuer's limited operating history upon which an evaluation of the Resulting Issuer and its prospects can be based;
- the Resulting Issuer's ability to generate profits;
- the Resulting Issuer's ability to manage growth;
- the adverse effect of competitors on the Resulting Issuer's operation, strategies and profitability;
- the Resulting Issuer's ability to successfully develop, protect and commercialize the Aduro technology, including the Aduro Intellectual Property;
- operational risks against which the Resulting Issuer may not be insured against or for which insurance is not available;
- the impact of negative cash flows on the Resulting Issuer's operations and how, if the Resulting Issuer is unable to obtain further financing, the Resulting Issuer's business operations may fail;
- the impact of strong market fluctuation that can negatively affect the pricing of commodities such as biofuels or crude oils;
- The impact of government regulations that can negatively affect economic justifications and or models;
- other risks described in this Listing Statement and described from time to time in our documents filed with Canadian securities regulatory authorities; and
- The impact COVID-19 has on the Resulting Issuer's ability to raise capital, successfully develop, and commercialize the Aduro technology.

Consequently, all forward-looking statements made in this Listing Statement and our other documents are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences or effects. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward- looking statements that we and/or persons acting on our behalf may issue. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation. See Section 17 – "*Risk Factors"*.

2. CORPORATE STRUCTURE

2.1 Corporate Name and Head and Registered Office

The Resulting Issuer's name is "Aduro Clean Technologies Inc." The Resulting Issuer's head office is located at Suite 104, 1086 Modeland Road, Sarnia, Ontario, Canada, N7S 6L2. The Resulting Issuer's registered and records office is located at 800 – 885 West Georgia Street, Vancouver, BC V6C 3H1. Our subsidiary, Aduro Energy Inc., was incorporated under the CBCA on December 15, 2011. Its office is located in Sarnia, Ontario.

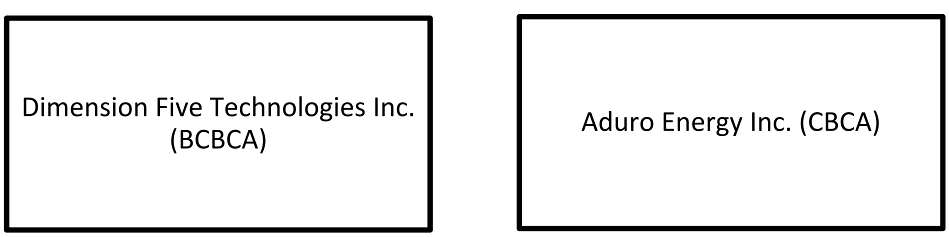
2.2 Jurisdiction of Incorporation

The Resulting Issuer was incorporated under the BCBCA under the name "Dimension Five Technologies Inc." on January 10, 2018. On April 23, 2021, the Resulting Issuer changed its name under the BCBCA to "Aduro Clean Technologies Inc."

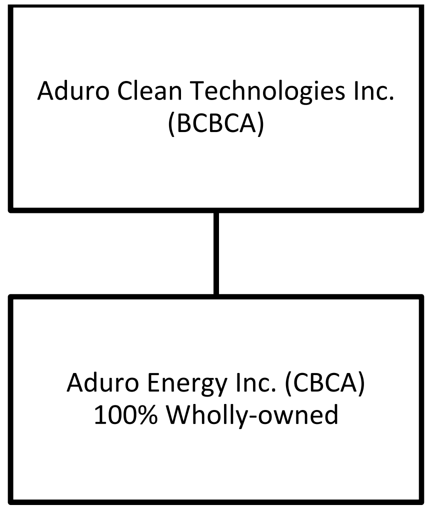
2.3 Inter-corporate Relationships

The Resulting Issuer has one wholly-owned subsidiary, Aduro Energy. The subsidiary was incorporated on December 15, 2011 under the federal laws of Canada and was acquired by D5 in the Transaction.

The following diagram presents the organizational chart of D5 and Aduro Energy prior to completion of the Transaction:



The following diagram presents the organizational chart of the Resulting Issuer, as of the date of this Listing Statement:



2.4 Fundamental Change

The Resulting Issuer has requalified for listing on the CSE following the Transaction, which constituted a “fundamental change” under the policies of the CSE. Following the Closing, Aduro Energy is a wholly-owned subsidiary of the Resulting Issuer.

Pursuant to the Securities Exchange Agreement, in consideration for the Transaction, at Closing, D5 issued the 40,000,000 Consideration Shares (on a pre-Consolidation basis), pro rata, to the Aduro Vendors at a deemed price of $0.05 per pre-Consolidation Consideration Share, and issued 80,000,000 Special Warrants (on a pre-Consolidation basis), which are divided equally between Class A Special Warrants and Class B Special Warrants, at a deemed price equal to the D5 Discounted Share Price. The Special Warrants will be held in trust by the Special Warrant Trustee until distributed to the Aduro Noteholders and Aduro Vendors upon the Resulting Issuer’s achievement of the Milestones in the development of the Aduro Energy Business, as set forth below.

The actual number of Class A Special Warrants to be distributed by the Special Warrant Trustee to the Aduro Noteholders will be determined by application of the Special Warrants Formula on the First Milestone Achievement Date. The actual number of Class B Special Warrants to be distributed to each Aduro Vendor was determined with reference only to the number of Consideration Shares issued to each Aduro Vendor.

The Special Warrants are convertible for no additional consideration into Resulting Issuer Shares on a one-for-one basis upon the later of (i) the achievement of the First Milestone, in the case of the Class A Special Warrants, or the achievement of the Second Milestone, in the case of the Class B Special Warrants, as applicable, and (ii) the distribution of the Special Warrants by the Special Warrant Trustee.

The First Milestone, which must be achieved within 2 years of the Closing, requires the Resulting Issuer to operate a Show Room Unit to successfully demonstrate the obtaining of “product”, meaning one or more taken from the group consisting of, lighter petroleum oil obtained by upgrading heavier petroleum feedstocks or its components, or deoxygenated hydrocarbons obtained from upgrading renewable oil feedstocks, or liquid hydrocarbons obtained by upgrading of certain plastic or rubber feedstocks, by application of the Technology of Aduro Energy. The operation of the Show Room Unit to obtain Product by application of the Technology must be independently validated by Professor Paul Charpentier or such other independent third party agreed upon by the Company and Aduro Energy.

The Second Milestone requires achievement of any one or more of following additional business objectives within 4 years of Closing (on a pre-Consolidation basis):

1. A completed financial transaction with an institution which clearly has the capacity to finance Aduro Energy's majority owned commercial operation of a manufacturing plant producing Product for commercial sale;
2. Product produced by a manufacturing plant owned in part by Aduro Energy where Aduro Energy's portion of the plant's equity is at least $2,000,000 greater than Aduro Energy's investment;
3. A third party entering into a licence agreement with Aduro Energy in respect of the Technology which Aduro Energy and such third party estimate will generate at least $5,000,000 in revenue for Aduro Energy over a three year period;
4. A third party equity investment in the Resulting Issuer of at least $3,000,000 at a company pre-money valuation of $40,000,000 or more;
5. The total market capitalization of the Resulting Issuer remaining at or above $65,000,000 for 19 out of any 20 consecutive trading days;
6. The Resulting Issuer having completed a public offering or private placement raising at least $4,000,000 at a minimum price per share of $0.35, or a combination of grants, $0.35 share offering and other financing transaction raising at least $4,000,000; or
7. A third party enters into an agreement to acquire all of the issued and outstanding Resulting Issuer Shares at a minimum value of $1.00 per share.

Under the terms of the Securities Exchange Agreement, a condition to the Closing of the Transaction was that D5, Aduro, Zimtu and each member of the Zimtu Group who owns First Milestone Restricted Shares or Second Milestone Restricted Shares would enter into the Restricted Stock Agreement with respect to the First Milestone Protection Plan and the Second Milestone Protection Plan. Pursuant to the First Milestone Protection Plan, if within 3 months of completing the First Milestone the Resulting Issuer had not completed the First Financing or completed the First Financing resulting in gross proceeds received by the Resulting Issuer of at least $2.5 million but which First Financing had occurred at a per share price of less than or equal to $0.18 per share, then the First Milestone Restricted Shares, held by the Zimtu or the Zimtu Group, would be purchased and cancelled by the Company for an aggregate amount of $1.00, subject to a three month extension for additional closings of the First Financing, and subject to a formula for reduction of the number of First Milestone Restricted Shares to be purchased. However, if the Resulting Issuer determined before a certain date that it did not need to raise additional capital through issuances of securities requiring Zimtu to act as broker or finder, then no First Milestone Restricted Shares would be repurchased.

Pursuant to the Second Milestone Protection Plan, if within 3 months of completing the Second Milestone the Resulting Issuer has not completed the Second Financing or completed the Second Financing resulting in gross proceeds received by the Resulting Issuer of at least $4.5 million but which Second Financing has occurred at a per share price of less than or equal to $0.30 per share, the Second Milestone Restricted Shares will be purchased and cancelled by the Resulting Issuer, subject to a three month extension to close the Second Financing in additional closings, and subject to formula for reduction of the number of Second Milestone Restricted Shares to be purchased. However, if the Resulting Issuer determines before a certain date that it does not need to raise additional capital through issuances of securities requiring Zimtu to act as broker or finder, then no Second Milestone Restricted Shares will be repurchased.

On December 28, 2020, the Company and D5 entered into an extension agreement, extending the deadline for completion of the Securities Exchange Agreement until March 31, 2021 or such other date as agreed by the parties.

On April 5, 2021, D5, Aduro and the Aduro Vendors entered into the Amendment Agreement which (1) removed the requirements under the First Milestone Protection Plan and the Second Milestone Protection Plan, including the condition requiring entry into the Restricted Stock Agreement in accordance with the First Milestone Protection Plan and the Second Milestone Protection Plan, (2) removed the requirement of D5 to grant 10,000,00 options to directors, officers and consultants of D5 on Closing and (3) provided for the grant of an additional 8,440,087 Consideration Warrants to be included in the Consideration Securities to be issued for the Purchase Price.

On April 23, 2021, the Principal Vendor and the Trust Shareholders entered into the Voting Trust Agreement, pursuant to which the Principal Vendor was granted comprehensive voting rights with respect to all of the common shares of D5 owned by the Trust Shareholders, being an aggregate of 9,833,335 pre-Consolidation Voting Trust Shares, which voting rights shall last until the earliest to occur of (i) the First Milestone Achievement Date and (ii) the date which is six months following the effective date of the voting trust agreement.

In connection with and prior to the Closing of the Transaction, the Company advanced a total of $500,000 to Aduro Energy under the Bridge Loan pursuant to the Promissory Notes. The Bridge Loan is secured against the Aduro Intellectual Property pursuant to the General Security Agreement. On Closing, the Bridge Loan became an inter-company loan.

In connection with the Closing, the Resulting Issuer adopted the business of Aduro Energy and changed its name to Aduro Energy Inc.

Also in connection with the Closing, the Company agreed to cause the Resulting Issuer Board of directors to be reconstituted to consist of five (5) directors, two (2) of which was to be David Hodge and Chris Parr, current directors of D5, as nominees of the D5, and three (3) of which would be nominees of Aduro Energy, including the Ofer Vicus, provided that each nominee for the Resulting Issuer Board was eligible to serve as a director of the Resulting Issuer under applicable laws and was acceptable to the CSE. However, since there were only three elected directors of D5 on Closing, the Resulting Issuer Board was reconstituted to consist of only four (4) directors, being the maximum number authorized under applicable corporate laws, one (1) of which was Chris Parr, a nominee of D5 and a current directors of D5, and three (3) of which were nominees of Aduro Energy, including the Ofer Vicus, William Marcus Trygstad and Peter Kampian.

On Closing, the current officers of D5 who will not be officers of the Resulting Issuer resigned, without payment or liability to D5 or Aduro Energy. The officers of the Resulting Issuer were reconstituted to consist of Ofer Vicus as Chief Executive Officer, William Marcus Trygstad as Chief Technology Officer, and Donnacha Rahill as Chief Financial Officer and Secretary.

Pursuant to the Definitive Agreement, D5 had also been permitted to grant a total of 10,000,000 Options at Closing with a term of 3 years to directors, officers and consultants of the D5, which Options would vest and become exercisable as follows:

(a) one-third of the Options would vest on Closing and be exercisable at a price of $0.10 per share;

(b) one-third of the Options would vest on closing of the Qualified First Financing with the exercise price of such options being equal to the share or unit price of said Qualified First Financing, and

(c) one-third of the Options would vest on closing of the Qualified Second Financing with the exercise price of such options being equal to the share or unit price of said Qualified Second Financing.

However, pursuant to the Amendment Agreement, D5, Aduro and the Principal Vendor agreed to remove the right of D5 to issue the Options to the directors, officers and consultants of D5 at Closing.

2.5 Incorporation Outside Canada

This is not applicable to the Resulting Issuer.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Business

On February 12, 2019, the Shares of D5 were listed on the CSE.

D5 was previously engaged in app and software development related to financial markets. D5 determined it was in its best interest to seek and pursue a business combination transaction.

On July 13, 2020, D5 entered into the Letter of Intent with Aduro Energy pursuant to which D5 agreed to acquire all of the issued and outstanding Aduro Shares. The Transaction was to be formalized in the definitive Securities Exchange Agreement.

Pursuant to the Letter of Intent, D5 agreed to advance the Bridge Loan to Aduro Energy. On August 7, 2020, D5 advanced $50,000 to Aduro Energy under the First Promissory Note and also entered into the General Security Agreement with Aduro Energy which secured the Bridge Loan against the current and after acquired property of Aduro Energy, including the Aduro Intellectual Property. Subsequently, D5 advanced an additional aggregate amount of $350,000 under the Bridge Loan pursuant to the Second Promissory Note, Third Promissory Note, Fourth Promissory Note, Fifth Promissory Note, Sixth Promissory Note and Seventh Promissory Note. A total of $500,000 has been advanced under the Bridge Loan as of the date of this Listing Statement.

On September 2, 2020, D5 completed the D5 Financing pursuant to which it issued (on a pre-Consolidation basis) an aggregate of 10,044,440 pre-Consolidation Shares at a price of $0.05 per pre-Consolidation Share for gross proceeds of $502,222. In connection with the D5 Financing, D5 paid cash finder's fees of $2,700 and issued 54,000 pre-Consolidation D5 Finders Warrants, each exercisable into one Share at a price of $0.07 per pre-Consolidation Share for a period of two years from date of issuance. Proceeds of the D5 Financing were used for general working capital and completion of the Transaction with Aduro Energy Inc., including the Bridge Loan.

On October 22, 2020, D5 entered into the definitive Securities Exchange Agreement, a copy of which is available under the Resulting Issuer's profile on SEDAR at www.sedar.com, in respect of the acquisition by D5 of all of the issued and outstanding Aduro Shares from the Aduro Vendors by way of a share exchange. Upon completion of the Transaction, Aduro Energy became a wholly-owned subsidiary of the Resulting Issuer. The Transaction represented a reverse takeover of D5 by Aduro Energy.

On February 4, 2021, D5 completed the Second D5 Financing pursuant to which it issued an aggregate of 16,898,174 pre-Consolidation Units at a price of approximately $0.083 per pre-Consolidation Unit for gross proceeds of $1,402,549. Each pre-Consolidation Unit sold in the Second D5 Financing was comprised of one Share and one non-transferable common share purchase warrant (each, a "**Warrant**") with each Warrant exercisable at a price of $0.167 each ($0.50 on a post-Consolidation basis) for a period of 48 months from the date of closing of the Second D5 Financing. Expiry of the Warrants sold in the Second D5 Financing is subject to acceleration in the event that the post-Consolidation Shares have a closing price on the Exchange of $1.00 or greater per Share for a period of ten (10) consecutive trading days at any time from the date that is four months and one day after the closing of the Second D5 Financing. In connection with the Second D5 Financing, D5 paid cash finder's fees of $18,910.43 and issued 227,836 pre-Consolidation D5 Finders Warrants, each exercisable into one Share at a price of $0.10 per Share until February 4, 2023.

The Transaction was completed pursuant to available securities law exemptions under applicable legislation. The Closing occurred on April 23, 2021. In connection with the completion of the Transaction, an aggregate of 40,000,000 pre-Consolidation Consideration Shares were issued to the Aduro Vendors at a deemed price of $0.05 per Consideration Share and 80,000,000 pre-Consolidation Special Warrants, which are divided equally between Class A Special Warrants and Class B Special Warrants, were issued at a deemed price equal to the D5 Discounted Share Price. The Special Warrants are to be held in trust by the Special Warrant Trustee until distributed to the Aduro Noteholders and Aduro Vendors upon the Resulting Issuer's achievement of the Milestones in the development of the Aduro Energy Business. The actual number of Class A Special Warrants to be distributed by the Special Warrant Trustee to the Aduro Noteholders will be determined by application of the Special Warrants Formula on the First Milestone Achievement Date. The actual number of Class B Special Warrants to be distributed to each Aduro Vendor was determined with reference only to the number of Consideration Shares issued to each Aduro Vendor. The Special Warrants are convertible for no additional consideration into Resulting Issuer Shares on a one-for-one basis upon the later of (i) the achievement of the First Milestone, in the case of the Class A Special Warrants, or the achievement of the Second Milestone, in the case of the Class B Special Warrants, as applicable, and (ii) the distribution of the Special Warrants by the Special Warrant Trustee. Following the completion of the Transaction, the business of Aduro Energy became the business of the Resulting Issuer. See Section 2.4 "*Fundamental Change*."

Immediately following the Closing of the Transaction and pursuant to the terms of the Second D5 Financing, the Resulting Issuer completed the Consolidation of its issued and outstanding share capital on a ratio of three (3) to one (1).

The principals and founders of Aduro Energy were Ofer Vicus (then and current CEO) and William Marcus Trygstad (then and current CTO), and the impetus for the company formation was the vision to develop hydrothermal upgrading (HTU) technology for upgrading heavy oils. But through R&D efforts of its scientists, Aduro found that HTU also could be applied beneficially in the seemingly unrelated fields of plastic and tire rubber upcycling and renewable oil upgrading. Moreover, discoveries made while pursuing those new uses of the technology provided deeper insights into fundamental chemistry, including that operating in connection with the original work on heavy oil. From that developed the current, versatile Aduro Hydrochemolytic™ technology HCT platform, which is covered by six patents and patents pending and is anticipated to be the subject of five academic research papers in 2021. With support from industry partners as early as 2015, pre-pilot demonstration projects have provided validation of Hydrochemolytic™ technology in key uses of the technology to support pre-commercial, pilot-scale demonstrations.

The Resulting Issuer is a Reporting Issuer in the Provinces of British Columbia and Ontario and trades on the CSE under the stock symbol "ACT".

On March 22, 2021, the Resulting Issuer received the conditional approval of the CSE in connection with the Listing.

On April 27, 2021, the Resulting Issuer received the CSE Approval.

3.2 Significant Acquisition and Disposition

Please refer to Section 3.1 – *General Development of the Business*.

3.3 Trends, Commitments, Events or Uncertainties

The Resulting Issuer’s success depends on its ability to develop, protect, and commercialize the Aduro technology based on the Aduro Intellectual Property. Aduro Energy is a clean energy technology company that currently has three principal applications or uses for its core Hydrochemolytic™ Technology (HCT™) platform: Hydrochemolytic Plastics Upcycling (HPU™), Hydrochemolytic Bitumen Upgrading (HBU™), and Hydrochemolytic Renewables Upgrading (HRU™) (the “technologies”). Each of these technologies has undergone significant development and laboratory testing; however, none of these technologies have been developed and implemented on a commercial scale. The Resulting Issuer is confident in its ability to do so, that confidence being grounded in Management’s understanding of the underlying science and on known principles of chemical engineering upon which such scale-up depends. Moreover, although the process chemistry is unique (it is covered by patents and patent applications), the process technology upon which scale-up and commercialization depends is not unique, but instead draws on chemical engineering practices that are well-established. Yet, uncertainty attaches to these activities because they entail activities not yet undertaken and factors not yet fully understood. As such, ultimate technical and commercial viability of each technology is unknown at this time. Furthermore, even if technically and commercial viable, the speed at which the technologies can be developed and commercialized is likewise uncertain due to factors ranging from those specific to the operation of the technology to those far beyond, e.g., macroeconomics, the trajectory of ESG (Environment, Society, and Governance), and public health. Despite management’s expectation that ESG considerations create a favorable environment for its technologies, the effects of known factors and those that are either unknown at this time or unknowable at any time mean that commercial viability (profitability) cannot be guaranteed, nor can the ability of the Resulting Issuer to raise sufficient funds to sustain development of any of the technologies to achieve profitability. The Resulting Issuer is planning to licence and partner with potential customers as a way to monetize the value of its technologies and as such there is no guarantee of future potential customer interest in licensing and/or partnering with the Resulting Issuer to advance and commercialize the technologies. Accordingly, the financial success of the Resulting Issuer is also dependent on the extent to which it can market and promote its technology to potential customers. As the Resulting issuer cannot guarantee the effectiveness of this approach, it cannot guarantee of future financial success. COVID 19 has also created uncertainty and has a direct effect on the Issuer's ability to raise capital and obtain new customers or partners. Other than as disclosed in this Listing Statement, the Resulting Issuer is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity, or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

FOR A MORE DETAILED DESCRIPTION OF UNCERTAINTIES AND RISKS SEE "FORWARD-LOOKING STATEMENTS" AT THE BEGINNING OF THIS DOCUMENT AND ITEM 17 RISK FACTORS.

4. NARRATIVE DESCRIPTION OF BUSINESS

4.1 General

Business of Resulting Issuer

Aduro Energy is a clean energy technology company, the core of which is its flexible Hydrochemolytic™ Technology (HCT) platform, which can be configured to upcycle plastics, tire rubber, and foams, and to upgrade renewable oils and bitumen. The company currently directs its Hydrochemolytic™ technology (HCT) toward these three principal application areas, and is described in further detail below under ***Business of Resulting Issuer and Principal Technology***. Aduro technology transforms lower-value feedstocks into more useful, higher-value chemical feedstocks and fuels. Although the technology can be implemented in stand-alone operations, its greatest economic relevance and impact is expected to be achieved through integration into the operational infrastructure at existing plants. Accordingly, Aduro intends to engage operating companies, municipalities, chemical and petrochemical producers in partnerships to demonstrate and implement the technology through licensing arrangements. As of the date of this Listing Statement, Aduro currently has no licensing arrangements in place.

A key to this approach is the technology's adaptability that is expected to confer both economic and operational flexibility to minimise implementation costs while maximising implementation speed. The following are examples of this approach.

(1) Distillers corn oil (DCO) by-product from ethanol production can be converted to renewable diesel by addition of Hydrochemolytic™ Renewables Upgrading (HRU) at the backend of ethanol plants. Alternatively, the same process can be integrated into crushed oil seed operations, beef and poultry processing plants, and existing biodiesel plants seeking to adapt to market demands.

(2) Hydrochemolytic™ Plastics Upcycling (HPU) can be implemented at operations that recover plastics or tire rubber. Possibilities include installation at (a) existing oil refineries for mass processing of waste plastic and tires into petroleum streams; and (b) small and large waste disposal sites for direct production of fuels and high-value chemical feedstocks, thereby avoiding the negative impact of transportation emissions and reducing the footprint of the landfilled in an advanced material processing ecosystem.

(3) Hydrochemolytic™ Bitumen Upgrading (HBU) units can be implemented at bitumen production operations in Alberta or in the 130 petroleum refineries in North America (or the 300 refineries globally) to enhance yields from the bottom-of-the-barrel bitumen output from vacuum distillation units.

(4) And in a particularly impactful scenario, HBU installations could co-process bitumen and plastics, serving to reduce the demand for petroleum, divert waste from landfills, and reduce the carbon footprint through the action of hydrogen from renewable sources (explained below under *Business of Resulting Issuer and Principal Technology*). This potential application of the Aduro technology has relevance to bitumen production in Alberta specifically, but is generally relevant to refining operations around the world.

Operational Highlights

The following sets out the operational highlights concerning the historical development of the Business:

1. Aduro has established a patent strategy based on initial lab experiments that explored early Hydrochemolytic™ concepts. The Aduro Hydrochemolytic™ technology is protected by the following three patents and three patents pending as of the date of this Listing Statement:

   Patents:

   i. SYSTEM AND METHOD FOR CONTROLLING AND OPTIMIZING THE HYDROTHERMAL UPGRADING OF HEAVY CRUDE OIL AND BITUMEN
      US Patent Number: 9,783,742 B2
      Type Original filing
      Inventor(s) W. Marcus Trygstad
      Assignee Aduro Energy, Inc.
      Filed Oct. 28, 2013
      Issued Oct. 10, 2017
      Expires Dec. 8, 2035 (anticipated)
      Foreign Canada, Germany, France, Italy, Russian Federation, United Kingdom

   ii. SYSTEM AND METHOD FOR CONTROLLING AND OPTIMIZING THE HYDROTHERMAL UPGRADING OF HEAVY CRUDE OIL AND BITUMEN
      US Patent Number: 9,644,455 B2
      Type Continuation in part from US 9,783,742 B2
      Inventor(s) W. Marcus Trygstad
      Assignee Aduro Energy, Inc.
      Filed Mar. 18, 2014
      Issued May 9, 2017
      Expires Nov. 4, 2034 (anticipated)
      Foreign* Canada, Germany, France, Italy, Russian Federation, United Kingdom

   iii. METHOD FOR EXTRACTING AND UPGRADING OF HEAVY AND SEMI-HEAVY OILS AND BITUMENS
      US Patent Number: 8,372,347 B2
      Type Original filing
      Inventor(s) Brian Berkowitz, Stephen R. Dunn, and Ishai Dror
      Orig. Assignee Yeda Research and Development Co Ltd.
      Owner Aduro Energy, Inc. (by legal agreement)
      Filed Apr. 11, 2011
      Issued Feb. 12, 2013
      Expires Nov. 14, 2025 (anticipated)
      Foreign Canada

   Patents Pending:

   i. SYSTEM AND METHOD FOR HYDROTHERMAL UPGRADING OF FATTY ACID FEEDSTOCK
      US Application Number: US15/818,274
      Type Continuation in part from US 9,783,742 B2
      Inventor(s) W. Marcus Trygstad
      Assignee Aduro Energy, Inc.
      Filed Nov. 20, 2017
      Issued n/a
      Expires n/a
      Foreign n/a

ii. SYSTEM AND METHOD FOR PRODUCING HYDROTHERMAL RENEWABLE DIESEL AND SATURATED FATTY ACIDS
US Application Number: US16/676,636
Type Continuation in part from US 9,783,742 B2
Inventor(s) W. Marcus Trygstad, Anil K. Jhawar, Muhammad B. I. Chowdhury, and Shaun J. Fraser
Assignee Aduro Energy, Inc.
Filed Nov. 7, 2019
Issued n/a
Expires n/a
Foreign n/a

iii. CHEMOLYTIC UPGRADING OF LOW-VALUE MACROMOLECULE FEEDSTOCKS TO HIGHER-VALUE FUELS AND CHEMICALS
US Application Numbers: US63/089,725; US63/092,313
Type Continuation in part from US 9,783,742 B2
Inventor(s) W. Marcus Trygstad and Anil K. Jhawar
Assignee Aduro Energy, Inc.
Filed Oct. 9, 2020; October 15, 2020
Issued n/a
Expires n/a
Foreign n/a

2. Aduro has raised approximately $400,000 in convertible debenture financing, including US$60,800.46 and $315,000 advanced under the Aduro Convertible Notes.

3. Aduro has received interest in advancing the Technology from both Canadian and foreign companies. For example, in 2019, Aduro entered into a lab services agreement with a publicly traded company to assess its possibilities for asphaltene upgrading using Aduro's HBU technology. Due to a confidentiality agreement between the public company and Aduro, the name of the public company cannot be disclosed at this time. After completion of the Show Room Unit, Aduro plans on entering into more lab services agreements to demonstrate to prospective customers the possibilities of the Technology which agreements are expected to result in some revenues for Aduro. Aduro intends to proceed with commercial licensing discussions after a larger scale pilot plant is built, which is anticipated to be within 24 months, and Aduro intends for discussions to occur first with companies who entered into lab services agreements (at this time, there is only one such company) and subsequently thereafter with other prospective customers.

4. Aduro has received approximately $1,148,600 in research grant contributions from federal and provincial organizations as detailed below:

   i. Natural Sciences Engineering Research Counsel of Canada – two grant contributions:

      i. $25,000 - Project: Development of a Hydrochemolytic Pilot Unit For Upgrading Asphaltene and Waste Plastics; Project Type: Engage Grants for colleges; Duration: 6 months (January 1, 2021 to June 1, 2021)

      ii. $448,000 – Project: Hydrothermal upgrading of non-food corn oil into high value alternative fuels; Project Type: NSERC Collaborative Research Grant; Duration: 24 months (January 1, 2018 to January 1, 2020)

   ii. Bioindustrial Innovation Canada – one grant contribution:

      i. $250,000 – Project: NA; Project Type: NA; Duration: 20 months (January 10, 2020 to January 7, 2022)

iii. <u>BIOFuelNet Canada</u> – three grant contributions:

   i. $10,000 – Project: BioFuelNet Knowledge Translation Program; Project Type: Knowledge Translation Program; Date: April 3, 2017

   ii. $22,500 – Project: BioFuelNet Cycle 1 Application Research and Development; Project Type: Techno-Economic Analysis; Duration: 6 months (October 1, 2016 to March 31, 2017)

   iii. $145,600 – Project: BioFuelNet Supercritical Catalysis of Biofuels; Project Type: Supercritical Catalysis of Biofuels; Duration: 24 months (January 1, 2015 to January 1, 2017)

iv. <u>Ontario Centres of Excellence</u> – three grant contributions:

   i. $150,000 – Project: Hydrothermal upgrading of non-food corn oil into high value alternative fuels; Project Type: Voucher for Innovation and Productivity II (VIP II); Duration: 24 months (October 1, 2016 to September 30, 2018)

   ii. $32,500 – Project: Hydrothermal Upgrading of Bitumen with Green Solvents; Project Type: TalentEdge Fellowship Program (TFP); Duration: 15 months (December 1, 2015 to February 28, 2017)

   iii. $50,000 – Project: Novel Technology for the Hydrothermal Upgrading of Heavy Oil; Project Type: Collaborate to Commercialize (C2C); Duration: 12 months (October 1, 2013 to September 30, 2014)

v. <u>Alberta Innovates – Energy and Environment Solutions</u> – one grant contribution:

   i. $15,000 – Project: New Technology To Process Bitumen And Heavy Oils; Project Type: NA; Duration: 6 months (January 1, 2012 to June 1, 2012)

12-Month Operational Objectives

Upon listing on the CSE, the Resulting Issuer's business objectives for the forthcoming 12 months are as follows:

Timeframe	**Business Objectives**	**Estimated Costs**
4 to 6 months	Complete the configuration and commissioning of the Show Room Unit to demonstrate Aduro Energy Hydrochemolytic™ upgrading technology on a pre-pilot scale and support demonstration projects for customers.	$200,000
6 to 9 months	Obtain third-party validation for the application of the Show Room Unit to demonstrate Aduro Hydrochemolytic™ technology in bitumen upgrading (HBU).	$10,000
6 to 9 months	Complete lab-scale experiments to extend HBU methodology for plastic recycling and migrate the methodology to the Show Room Unit.	$75,000
9 to 12	Generate industry awareness and engage target customers by way of a demonstration of Hydrochemolytic™ Bitumen	$150,000

Timeframe	Business Objectives	Estimated Costs
months	Upgrading and Hydrochemolytic™ Plastics Upcycling with the Showroom Unit.	
9 to 12 months	Advance technology R&D in partnership with new and existing partners.(1)	$100,000

(1) Aduro Energy currently has access to laboratory facilities at the Western University with the financial support of the Natural Sciences and Engineering Research Council of Canada ("**NSERC**") under the Collaborative Research and Development Grant program. Recently, Aduro Energy has taken action to move the NSERC-supported lab into the pilot scale, and for that Aduro Energy has partnered with BioIndustrial Innovation Canada ("**BIC**") under the Centre for Commercialization of Sustainable Chemistry Innovation ("**COMM SCI**") program.. BIC is providing a range of service for Aduro under the COMM SCI program, including: advisory support, financial support, employment support, access to engineering services at discounted rates, and commercial lab space at lower costs. In recent months, Aduro Energy has also executed a non-disclosure agreement with Brightlands Chemelot Campus ("Brightlands") in the Netherlands. The campus is a chemical hub for technologies with strong orientation to a circular economy, that is an economic system of closed loops in which raw materials, components and products such as waste plastics lose their value as little as possible. Aduro Energy anticipates that it will demonstrate the feasibility of converting different types of post-consumer polymers using Aduro Hydrochemolytic™ technology (HCT) into an alternative to petroleum-derived ethylene cracker feedstock. If successful, Brightlands and Aduro Energy may work to establish a post-consumer plastic waste into feedstock pilot site that is used for the production of new polymers. Recently, Aduro Energy partnered with Lambton College ("Lambton") based in Sarnia Ontario. Lambton will provide analytical testing services, and other testing services that compliment work being done at the Western University lab. In January 2021, Aduro Energy won a small additional NSERC grant for $25,000 to support the project.

12 Month Operational Goals

The following sets forth the operational milestones relating to the achievement of the Resulting Issuer's objectives:

1. Complete and commission the Show Room Unit within four months of closing.
2. Obtain third-party validation for the HBU application within six months of closing.
3. Advance existing research and development projects relative to HPU.
4. Engage the industry to participate in and support achievement of Milestone 1.

While the Resulting Issuer intends to pursue these milestones, there may be circumstances where, for valid business reasons, a reallocation of efforts may be necessary or advisable.

Estimated Cost of Obtaining 12 month operational Goals

The following table sets out the estimated costs of obtaining proposed milestones:

	Funds Available ($)
Working Capital as at March 31, 2021(1)	$1,275,305
Total Funds Available	$1,275,305
Expenditures: Research and Development	$50,000
Intellectual Property (Development and License Costs).	$60,000
Consultant Fees and Executive Officer Salaries	$230,000
Costs related to Listing	$100,000
Sales and marketing	$100,000
General and administrative expenses(3)	$161,900
Unallocated working capital	$50,000
TOTAL AFTER EXPENSES	**$523,405**

(1) Estimated working capital of the Resulting Issuer as of March 31, 2021 does not include the amounts outstanding under the Aduro Convertible Notes to be converted into Special Warrants in accordance with the Special Warrants Formula.

(2) G&A Expenses include: Accounting fees of $42,000; Legal fees of $50,000; Rent/lab expenses of $35,900; Insurance costs of $10,000; Transfer agent fees of $5,000; Exchange fees of $9,000 and Miscellaneous expenses of $10,000.

There may be circumstances where, for sound business reasons, the Resulting Issuer reallocates the funds. The Resulting Issuer may require additional funds in order to fulfill all of the Resulting Issuer's expenditure requirements and to meet its objectives, in which case the Resulting Issuer expects to either issue additional securities or incur indebtedness. There is no assurance that additional funding required by the Resulting Issuer will be available if required or available on terms that are favorable to the Resulting Issuer.

Financial Resources

The Company prepares its condensed consolidated financial statements in accordance with IFRS and the fiscal year end is November 30. The financial information and key performance indicators referenced below are used by management and directors in evaluating the performance of the Company and assessing the business. These indicators, IFRS and the Non-IFRS Financial Measures are typically used by similar companies operating in the technology industry.

The Company's current financial position is reflective of an early-stage Company in the process of securing funds for product research and development, business development, advisory, promotions, and operations. The Company has generated general operating expenses that are reflective of an early stage Company and reflective of RTO preparedness.

The Company's current expenses primarily relate to research and development, professional fees, and consulting fees. The Company also incurs costs for lease-related occupancy and other costs. Future operating results will depend on many factors, including technology regulations, the competitive environment, and the ability to expand into more services and geographical markets. There can be no assurance that the Company will be able to implement its strategic business plans in the timeframes estimated by management.

The Company has several business objectives for the short-term future, summarized in the following table:

Timeframe	Business Objectives	Estimated Costs
4 to 6 months	Complete the configuration and commissioning of the Show Room Unit to demonstrate Aduro Energy Hydrochemolytic™ technology (HCT) on a pre-pilot scale and support demonstration projects for customers.	$200,000
6 to 9 months	Obtain third-party validation for the application of the Show Room Unit to demonstrate Aduro Hydrochemolytic™ technology in bitumen upgrading (HBU).	$10,000
6 to 9 months	Complete lab-scale experiments to extend HBU methodology for plastic upcycling and migrate the methodology to the Show Room Unit.	$75,000
9 to 12 months	Generate industry awareness and engage target customers by way of a demonstration of Hydrochemolytic™ Bitumen Upgrading and Hydrochemolytic™ Plastics Upcycling with the Showroom Unit.	$150,000
9 to 12 months	Advance technology R&D in partnership with new and existing partners.(1)	$100,000

Cash Flow measures are used to evaluate the performance of the Company's operations and the ability to meet financial obligations. Cash balance for the Company as at November 30, 2020 is $420,000 and working capital is ($290,000). The Company defines working capital as current assets less current liabilities. Additional future working capital amounts may be needed and there can be no certainty that the Company can obtain these funds. The Company may need to raise funds in the future through equity or debt financing if and when it makes investments necessary to expand geographically and provide more service offerings.

The sale of additional equity or convertible debt may result in additional dilution to the Company's shareholders and such securities may have rights, preferences or privileges senior to those of the Company's common stock. To the extent that the Company relies upon debt financing, the Company will incur the obligation to repay the funds borrowed with interest and may become subject to covenants and restrictions that restrict operating flexibility. No assurance can be given that additional equity or debt financing will be available or that, if available, it can be obtained on terms favorable to the Company or its shareholders. If sufficient funding is not secured, then the Company may not able to establish and run a viable business.

The Company's success will depend to a substantial extent on the willingness of enterprises and individuals to utilize the Company's technology solutions. If enterprises and individuals do not perceive the benefits of The Company's products and services, then the market for these services may not expand as much or develop as quickly as management expects, either of which would significantly adversely affect the Company's business, financial condition, or operating results.

Business of Resulting Issuer and Principal Technology

The Aduro Energy business is the development and commercialization of the Aduro Intellectual Property covering the application of Hydrochemolytic™ technology (HCT) to create higher-value chemicals and fuels from lower-value feedstocks. In doing so, the business addresses important problems faced by the global community. Originally conceived to radically enhance aspects of petroleum processing, the Aduro Intellectual Property is protected by three patents and three patents pending (as of the date of this Listing Statement). Please see the list of three patents and three patents pending set forth above under "*Operational Highlights*."

The Technology is based on leveraging unique properties of water to achieve two important outcomes. First is the transformation of intractable post-consumer plastics and tire rubber, as well as renewable oils and bitumen, into manageable liquid intermediates. Then follows their stabilization by hydrogen derived from cheap, non-petroleum sources such as biomass and municipal waste. This second step is analogous to decades-old processes that use extremely high temperatures and often rely on molecular hydrogen derived from fossil fuels, which is distinctly different from green hydrogen from renewable sources.

In contrast with traditional approaches designed to process petroleum feedstocks, Aduro Hydrochemolytic™ technology (HCT) is highly efficient, operating at relatively low temperatures. This makes it significantly more environment-friendly than established alternatives like energy-intensive pyrolysis or gasification, and is more akin to natural processes occurring in nature. It is also highly configurable, supporting stand-alone, distributed deployment on smaller scales in remote locates or integration with existing operations, from biodiesel and ethanol plants to facilities for waste collection and recycling, to petrochemical plants. Although the conversion of non-petroleum feedstocks effectively reduces the demand for oil, Aduro Energy technology also offers the possibility for crude oil upgrading that is greener and cleaner. Instead of a being a single-purpose technology, Aduro Hydrochemolytic™ Technology (HCT) solutions can be applied in multiple ways that have a reduced operational and environmental footprint, compared with traditional approaches. Equally important, it also reduces the environmental impact associated with petroleum production and processing, landfilling, waste incineration and gasification, and unscrupulous dumping in oceans.

Aduro Energy's team of experienced scientists and engineers developed this highly flexible water-based chemical conversion technology and its application to three important problems: (a) transforming post-consumer waste plastics into feedstock for new products or fuel; (b) transforming renewable oils into renewable fuels and (c) upgrading bitumen into lighter pipelineable crudes. These are the focus points of Aduro Energy's commercial activities, and are described as follows:

Hydrochemolytic™ Plastics Upcycling (HPU), which was developed to address the mounting global problem of post-consumer plastics, foam, and rubber from used tires. HPU transforms plastics into useful feedstocks in the circular economy for production of new plastics and foams, paints and coatings, and detergents or, when appropriate, into high performance fuels.

Hydrochemolytic™ Renewables Upgrading (HRU), which transforms renewable oils into renewable motor fuels, bio-jet fuel, and specialty chemicals at relatively low temperatures without requirement for molecular hydrogen from external sources.

Hydrochemolytic™ Bitumen Upgrading (HBU), which is a completely new approach for transforming heavy crude oil and bitumen into light synthetic crude using feedstock such as Municipal Solid Waste (MSW) or biomass. Compared with traditional, decades-old methods, HBU employs lower temperatures and offers the possibility to use MSW and other waste as well as renewable materials like biomass as a source for hydrogen equivalents to upgrade bitumen into a medium-weight, easily transportable crude with a value higher than the benchmark Western Canadian Select (WCS). It obviates the requirement for expensive blending using light hydrocarbon diluent from distant reaches in North America, e.g., the U.S. Gulf Coast, and lends to downward-scaling and down-scoping to support distributed deployment at/near the wellhead.

These applications or uses of the technologies solve real-world problems confronting society globally by delivering superior performance in respect of economic and environmental considerations. While HPU transforms waste polymers into a resource, HBU makes bitumen a cleaner and greener petroleum feedstock. HRU goes beyond this, bypassing petroleum altogether to produce carbon-neutral green diesel or specialty chemicals from renewable, non-petroleum sources such as non-food oil-seed crops grown on marginal lands. Management believes that Aduro Energy is well positioned to capitalize on the significant growth potential in the clean energy technology sector through the advancement and commercialization of the HPU, HRU, and HBU technologies.

Technology Development

As of January 2021, Aduro Energy is building the Show Room Unit reactor system designed to process up to two liters of feedstock per hour to further validate the capabilities of Hydrochemolytic™ technology in the HBU and HPU applications. Located at laboratories at the Western University , the Show Room Unit will provide chemical engineering data to validate the upward scalability of the technology and support the design of much larger pre-commercial pilot systems. Also, the Show Room Unit will have ongoing value as a demonstration platform for attracting commercial partners, advancing technology R&D, improving process designs, and extending application of the technology to a wider range of feedstocks.

The Resulting Issuer's Principal Markets and Customers

Aduro Energy is directing its Hydrochemolytic™ technology (HTC) into applications or uses in three principal markets. The following provides further explanation about markets and customers.

Hydrochemolytic™ Plastics Upcycling, HPU.

Demand for a solution to handle plastic waste has been gaining attention on diverse fronts globally, being driven by growing public concern, media coverage, attention from various global agencies, and policy development by local and national governments. The global plastics pollution problem is in the spotlight due to the rapid increase in plastic waste and the absence of integrated, large-scale solutions.

Key potential customers include the following:

- Refineries
- Airlines
- Shipping industry
- Global and local energy companies
- Remote communities
- National and International waste collection companies
- Municipalities
- Governments

Hydrochemolytic™ Bitumen Upgrading, HBU.

The price of Alberta heavy oil is under heavy pressure, causing it to decline significantly and requiring producers to improve performance process efficiencies. Likewise, the range of traditional options that the industry relied on until now is also being severely tested and seems mainly to deliver incremental improvements where a paradigm change is needed. The Aduro HBU technology represents that sort of change, which will enable producers recover profit margins by reducing blending costs and increasing the value of the final product. Instead of the partial fix offered by partial upgrading techniques, HBU is capable of producing a grade of medium crude from Alberta bitumen. By eliminating the requirement for diluent, HBU not only eliminates that cost but also its volume fraction in WCS, effectively increasing the net capacity of pipelines by a third.

Key potential customers include:

- Canadian provincial heavy oil producers
- International heavy oil producers
- Refineries

Hydrochemolytic™ renewables upgrading, HRU

This technology offers the possibility to transform renewable oils into renewable motor fuels, bio-jet fuel, and specialty chemicals in scalable formats that can be integrated straightforwardly into existing operations.

Potential customers include:

- Ethanol producers
- Seed crushing plants that produce renewable oils
- Biodiesel plants seeking to respond to market demands

- Farmers seeking diversification through growing non-food oil seed crops on marginal lands
- Poultry and beef producers

Business model

The Aduro Energy business model is based principally on licensing, royalties, and research and development. Monetization of the Aduro clean energy platform through this model reduces the company's need for cash while enabling a pathway to commercialization that is relatively straightforward and fast. As of the date of this Listing Statement, Aduro Energy has not yet entered into any licensing, royalty or research and development agreements. The Company is at an early stage, and is now moving on to demonstrate the technology in its Show Room Unit. Over time based on the data generated using the Show Room Unit, the company anticipates that it may refine or alter its business model which may include providing upcycling/upgrading on a fee for service basis.

Contracts with Customers

1. Current Contracts with Customers

Aduro Energy has an existing customer to which it is providing experimental data on bitumen upgrading in exchange for $126,000, payable over the achievement of five milestones as follows:

Milestone 1 (Upon execution of agreement by both parties): 40%

Milestone 2 (Upon Aduro completing ordering the equipment for retrofit the Aduro Hydrochemolytic Bitumen Upgrading HBUTM): 30%

Milestone 3 (Upon Aduro completing retrofitting and commissioning the Aduro HBU™ unit): 10%

Milestone 4 (Upon Aduro completing test runs and samples shipped of upgraded crude): 5%

Milestone 5 (Upon Aduro completing delivery of final report): 15%

As of February 26, 2021, Aduro has completed Milestone 3, and has invoiced the customer for the payment due upon such completion. Aduro is currently working on completion of Milestones 4 and 5.

2. Customer acquisition strategy

Aduro Energy expects to develop commercial partnerships by means of demonstration projects. This strategy has been effective on a small scale for Aduro for securing customer feedstock and funding commitments. Aduro believes that the completion of the Show Room Unit will expand its ability to enter into contracts for such demonstration projects. Typically, these projects result is deliverables that include reports that detail: the technology; its performance; the key parameters and operational variables including chemical characterization of the feedstock and products; economic considerations covering product value and operational costs; operational considerations, and environmental considerations including emission footprint.

Mechanisms of overall market engagement include publications, conferences, trade events and a general social media presence (LinkedIn, Facebook, Twitter).

Aduro Energy has modest activity on Twitter and Linkedin, and is currently building its social media presence that also includes a new website which will act as its central business content and information repository. Aduro was also featured in an article on March 2, 2020:

https://www.ceocfointerviews.com/aduroenergy20.html

Competitive Conditions

For further information on competitive conditions, see Section 17 – "*Risk Factors*".

Lending Operations

The Resulting Issuer is not engaged in the business of lending and does not intend to advance loans to third parties.

Bankruptcy, Receivership or Similar Proceedings

The Resulting Issuer has not been subject to any voluntary or involuntary bankruptcy, receivership or similar proceedings.

Material Restructuring Transactions

See Section 3.1 – "*General Development of the Business*" and Section 3.2 "*Significant Acquisition and Disposition*" for more information.

Social or Environmental Policies

The Resulting Issuer has not implemented any social or environmental policies that are fundamental to its operations.

Regulatory Environment

Since Aduro Energy is the developer and licensor of its Technology and will not be an operator using its Technology, this could be subject to change, however at the moment the Resulting Issuer is not directly affected by any regulatory environment. Furthermore, given the nature of its technology, the Resulting Issuer believes that further environmental regulation will only increase the demand for technological solutions to climate change concerns.

Intangible Properties

As of November 2020, Aduro Energy's intangible properties consist of six patents filed and pending that are considered to be the Audro Intellectual Property and the Company's main assets. Aduro Energy has full control over both the pending and filed patents.

Cycles

The business of the Resulting Issuer generally is not affected by seasonality.

Changes to Contracts

The Resulting Issuer does not expect to be affected in the current financial year by renegotiation or termination of contracts or sub-contracts.

Effect of Environmental Protection Requirements

The Resulting Issuer does not expect its capital expenditures, earnings and competitive position to be materially affected by environmental protection requirements in the current financial year, or in future years.

Employees

The Resulting Issuer has three full time employees, two full time consultants, and three full time members on the technology research team supported by various grants. The three full time members of the technology research team are qualified scientists who have completed either a PHD or Master's degree in sciences and engineering, and they have 15 years of combined experience. The Resulting Issuer has utilized contractors as needed from time to time.

Foreign Operations

The Resulting Issuer does not have any foreign operations but certain of its personnel are located outside of Canada.

Material Contracts

The Resulting Issuer does not have any material contracts upon which it is substantially dependent upon.

4.2 Asset Backed Securities

The Resulting Issuer does not have any asset backed securities.

4.3 Companies with Mineral Projects

The Resulting Issuer does not have any mineral projects.

4.4 Companies with Oil and Gas Operations

The Resulting Issuer does not have any oil and gas operations.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Consolidated Financial Information – Annual Information

The Company prepared its condensed consolidated financial statements in accordance with IFRS.

D5's annual audited financial statements for the years ended May 31, 2020 and May 31, 2019 are attached hereto as Schedule B. D5's interim unaudited financial statements for the three months ended August 31, 2020 are also attached. Interim unaudited and reviewed financial statements for the six months ended November 30, 2020 are also attached in Schedule B. This information is summarized in the table below.

	For the three months ended November 30, 2020 (unaudited) ($)	For the three months ended August 31, 2020 (unaudited) ($)	For the Year Ended May 31 (audited)	
			2020 ($)	2019 ($)
Total Revenue	Nil	Nil	80,000	110,000
Total Expenses	48,871	43,991	319,707	356,452
Net Loss	48,871	43,973	510,514	244,919
Comprehensive Loss	47,011	43,973	510,514	244,919
Income (Loss) per Share – Basic and diluted	(0.00)	(0.00)	(0.02)	(0.01)
Dividends	Nil	Nil	Nil	Nil
Balance Sheet Data:	**As at November 30, 2020 ($)**	**As at August 31, 2020 ($)**	**As at May 31, 2020 ($)**	**As at May 31, 2019 ($)**
Total Assets	631,409	348,916	132,036	621,868
Total Long Term Liabilities	Nil	Nil	Nil	Nil
Total Current Assets	631,409	348,916	132,036	321,868
Total Current Liabilities	142,815	85,611	51,980	31,298
Shareholders' Equity (deficit)	488,594	263,305	80,056	590,570

These statements should be read in conjunction with the unaudited pro-forma consolidated financial statements of the Resulting Issuer for the year ended November 30, 2020, also included in Schedule B.

Aduro Energy's annual audited financial statements for the years ended November 30, 2020, November 30, 2019 and November 30, 2018 are also attached hereto as Schedule B. This information is summarized in the table below.

	For the Year Ended November (audited)		
	2020 ($)	2019 ($)	2018 ($)
Total Revenue	42,468	191,987	Nil
Total Expenses	502,943	440,532	344,532
Net Loss	428,385	248,545	344,532
Comprehensive Loss	428,385	248,545	344,532
Income (Loss) per Share – Basic and diluted	(0.32)	(0.19)	(0.26)
Dividends	Nil	Nil	Nil
Balance Sheet Data:	**2020 ($)**	**2019 ($)**	**2018 ($)**
Total Assets	141,197	109,057	114,859
Total Long Term Financial Liabilities	741,256	285,425	301,204
Total Current Assets	27,084	37,098	25,239
Total Current Liabilities	776,343	942,313	683,791
Shareholders' Equity (deficit)	(1,376,402)	(1,118,681)	(870,136)

Presentation of the financial information of Aduro's operations should be read in conjunction with the annual audited financial statements, in Schedule B, and unaudited pro-forma consolidated financial statements for the year ended November 30, 2020, also included in Schedule B.

5.2 Consolidated Financial Information – Quarterly Information

Please refer to the unaudited pro-forma consolidated financial statements of the Resulting Issuer for the year ended November 30, 2020.

5.3 Dividends

The Resulting Issuer does not have a dividend policy and does not pay dividends to its shareholders.

5.4 Foreign Generally Accepted Accounting Principles (GAAP)

Section 5.4 is not applicable to the Resulting Issuer.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

D5's management's discussion and analysis of its financial statements for the years ended May 31, 2020 and May 31, 2019 is attached hereto as Schedule C.

Aduro Energy's management's discussion and analysis of its financial statements for the years ended November 30, 2020, November 30, 2019 and November 30, 2018 is attached hereto as Schedule C.

7. MARKET FOR SECURITIES

Prior to Listing, the common shares of D5 were previously listed for trading on the CSE since February 11, 2019, under the symbols "DNAX" and most recently "DFT". Trading was halted following execution of the Letter of Intent for the Transaction on July 14, 2020. The common shares of the Resulting Issuer are currently listed on the CSE under the symbol "ACT".

8. CONSOLIDATED CAPITALIZATION

As of the date of this Listing Statement, following completion of the Transaction and following completion of the three (3) for (1) Consolidation, the outstanding capital of the Resulting Issuer (on a post-Consolidation basis) consists of:

(i) 30,073,533 Shares;

(ii) No Preferred Shares;

(iii) 26,666,656 Special Warrants; and

(iv) 8,540,026 Warrants[1].

[1] Includes Financing Warrants, Second D5 Finders Warrants, D5 Finders Warrants and Consideration Warrants.

9. OPTIONS TO PURCHASE SECURITIES

Stock Option Plan

The Board adopted the Stock Option Plan on September 6, 2018. The purpose of the Stock Option Plan is to attract and retain directors, officers, employees and consultants of the Resulting Issuer and to motivate them to advance the interest of the Resulting Issuer by affording them with the opportunity to acquire an equity interest in the Resulting Issuer through the grant of stock options under the Stock Option Plan. The Stock Option Plan provides that the number of Shares available for issuance is subject to the restrictions imposed under applicable securities laws or Exchange policies.

The Stock Option Plan will be administered by the Board, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such directors, officers, employees, or consultants of the Resulting Issuer and its Affiliates, if any, as the Board may from time to time designate. The exercise price of option grants will be determined by the Board, but after listing on the Exchange will not be less than the closing market price of the Shares on the Exchange less allowable discounts at the time of grant. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) one month from date of termination other than for cause, or as set forth in each particular stock option agreement; (iii) three months from the date of disability; or (iv) twelve months from the date of death. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Options Granted

As of the date hereof, the Resulting Issuer has no options granted under the Stock Option Plan.

10. DESCRIPTION OF THE SECURITIES

10.1 Description of Resulting Issuer's Securities

The Resulting Issuer is authorized to issue an unlimited number of Shares without par value. There are 30,073,533 post-Consolidation Shares issued and outstanding as of the date of this Listing Statement.

Shares

Holders of Shares are entitled to one vote for each Share held at all meetings of Shareholders, to receive dividends if, as and when declared by the Board, and to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Resulting Issuer. The Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring a holder of Shares to contribute additional capital, and no restrictions on the issuance of additional securities by the Resulting Issuer. There are no restrictions on the repurchase or redemption of Shares by the Resulting Issuer except to the extent that any such repurchase or redemption would render the Resulting Issuer insolvent.

Preferred Shares

The Resulting Issuer is authorized to issue an unlimited number of Preferred Shares, of which no Preferred Shares are issued. The holders of Preferred Shares are neither entitled to attend any general meeting of the Resulting Issuer nor vote at any such meeting. The holders of Preferred Shares are entitled to receive dividends as and when declared by the Board in such amounts and in such form as the Board may determine from time to time.

In the event of liquidation, dissolution or winding-up of the Resulting Issuer, each holder of Preferred Shares will be entitled to be paid, in preference to and in priority over any distribution of assets or payment to holders of Shares, an amount per share equal to the amount paid for each Preferred Share held plus all accrued but unpaid dividends.

10.2 10.6 - Miscellaneous Securities Provisions

None of the matters set out in sections 10.2 to 10.6 of CSE Form 2A are applicable to the share structure of the Resulting Issuer.

10.7 Prior Sales of Shares

The table below sets out the prior sales of Shares (on a pre-Consolidation basis) in the twelve months preceding the date of this Listing Statement:

Date of Issuance	Type of security issued	Number of securities issued	Price per security	Value received	Nature of consideration received
September 2, 2020	Shares	10,044,440	$0.05	$502,222	Cash
February 4, 2021	Units	16,898,174	$0.083	$1,402,549	Cash
April 23, 2021	Shares	40,000,000	$0.05	$2,000,000	Aduro Shares pursuant to the Securities Exchange Agreement

The Resulting Issuer has not completed any prior sales, other than those disclosed in the table, in the 12 months preceding the Listing Statement.

10.8 Stock Exchange Price

The Shares are currently listed on the CSE under the symbol "ACT". The following table sets out the high, low and closing trading prices and total trading volume of the Shares on a monthly basis for each month of the current quarter, for each month of the quarter immediately preceding the current quarter, and on a quarterly basis for the next preceding seven quarters:

Period	High	Low	Close	Volume Traded
January 1 to current, 2021	No trades(1)			
Month ended December 31, 2020	No trades(1)			
Quarter ended November 30, 2020	No trades(1)			
Quarter ended August 31, 2020	$0.07	$0.07	$0.07	0
Quarter ended May 31, 2020	$0.07	$0.07	$0.07	0
Quarter ended February 29, 2020	$0.07	$0.04	$0.07	546,000
Quarter ended November 30, 2019	$0.065	$0.03	$0.03	1,349,400
Quarter ended August 31, 2019	$0.05	$0.035	$0.04	320,000
Quarter ended May 31, 2019	$0.055	$0.045	$0.05	131,959

(1) Trading in the Shares on the CSE was halted on July 14, 2020, following execution of the Letter of Intent for the Transaction.

11. ESCROWED SECURITIES AND POOLING AGREEMENTS

Escrowed Securities

The following table sets out the number and class of securities of the Resulting Issuer held in escrow under the Escrow Agreements, to the knowledge of the Resulting Issuer, and the percentage that number represents of the outstanding securities of that class as at April 23, 2021:

Designation of Class of Securities Held in Escrow	Number of Securities Held in Escrow[(1)]	Percentage of Class
Common Shares	12,844,870[(2)]	42.71%
Warrants	2,408,561[(3)]	28.20%
Special Warrants	26,666,656[(4)]	100%

(1) On a post-Consolidation basis.
(2) Includes 1,430,001 post-Consolidation Common Shares held in escrow under the Escrow 2018 Agreement by Christopher Parr, David Hodge, Craig Murata and Zimtu Capital Corp. and 11,417,869 Common Shares held in escrow under the Escrow 2021 Agreement by Ofer Vicus and W. Marcus Trygstad.
(3) Consists of 2,408,561 post-Consolidation Consideration Warrants held by Ofer Vicus and W. Marcus Trygstad under the Escrow 2021 Agreement.
(4) Includes 13,333,328 post-Consolidation Class A Special Warrants and 13, 333,328 post-Consolidation Class B Special Warrants held in escrow by the Escrow Agent and which are held in trust for the Target Vendors by Ofer Vicus, as Special Warrant Trustee, until deemed to be distributed to the Target Vendors on achievement of the First Milestone and thereafter are converted into Common Shares on the First Milestone Achievement Date, in the case of the Class A Special Warrants, and on the Second Milestone Achievement Date, in the case of Class B Special Warrants. On conversion of the Special Warrants, the Common Shares issued to Ofer Vicus and W. Marcus Trygstad will be subject to escrow under the terms of the Escrow 2021 Agreement as Related Parties under the Policies of the CSE.

Ofer Vicus, W. Marcus Trygstad and Christopher Parr are Principals (as such term is defined under National Policy 46-201 – *Escrow for Initial Public Offering* ("**NP-46-201**")) or Related Persons who are required to be subject to an escrow agreement pursuant to section 2.8 of CSE Policy 2.

A total of 1,430,000 post-Consolidated Shares are held in escrow under the Escrow 2018 Agreement by Christopher Parr, David Hodge, Craig Murata, Zimtu Capital Corp and several others shareholders which are subject to the following release schedule:

Date of Automatic Timed Release	Shares Released
On August 12, 2021	1/2 of the remainder of the Shares held (715,000 Shares)
On February 12, 2022	The remainder of the Shares held (715,001 Shares)

A total of 11,417,869 post-Consolidated Shares are held in escrow under the Escrow 2021 Agreement by Ofer Vicus and Marc Trygsad and are subject to the following release schedule:

Date of Automatic Timed Release	Shares Released
On April 27, 2021	1/10 of the Shares held (1,141,786 Shares)
On October 27, 2021	1/6 of the remainder of the Shares held (1,712,680 Shares)
On April 27, 2022	1/5 of the remainder of the Shares held (1,712,680 Shares)

On October 27, 2022	1/4 of the remainder of the Shares held (1,712,680 Shares)
On April 27, 2023	1/3 of the remainder of the Shares held (1,712,680 Shares)
On October 27, 2023	1/2 of the remainder of the Shares held (1,712,680 Shares)
On April 27, 2024	The remainder of the Shares held (1,712,683 Shares)

The Escrow Agreements provide that the Shares are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, or transferred within escrow or otherwise dealt with in any manner without the prior written consent of the Exchange. In the event of the bankruptcy of an escrow shareholder, provided the Exchange does not object, the Shares held by such escrow shareholder may be transferred to the trustees in the bankruptcy or such person legally entitled to the escrowed shares which shares will remain in escrow subject to the escrow agreement. In the event of the death of an escrow shareholder, provided the Exchange does not object, the Shares held by the escrow shareholder will be released from escrow.

12. PRINCIPAL SHAREHOLDERS

12.1 Principal Shareholders

To the knowledge of the directors and senior officers of the Resulting Issuer, no person or company will beneficially own, directly or indirectly, or exercise control or direction over, shares of the Resulting Issuer carrying more than 10% of the voting rights attached to all outstanding Shares, other than the following principal shareholders:

Name	Ownership	Number of Common Shares(1)	Percentage of Class(3)(4)
Ofer Vicus	Registered and beneficial	10,123,106(2)	33.74%

(1) Post-Consolidation basis.

(2) Ofer Vicus is a considered a Principal as per NP 46-201 and, as such, his 10,123,106 Common Shares are subject to escrow under the Escrow 2021 Agreement. Does not include an additional 2,135,997 post-Consolidation Consideration Warrants. Also does not include 13,333,328 Class A Special Warrants and 13,333,328 Class B Special Warrants held as Special Warrant Trustee. On conversion of the Special Warrants, the Common Shares issued to Ofer Vicus will be subject to escrow under the terms of the Escrow 2021 Agreement as a Related Person under the Policies of the CSE.

(3) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at April 23, 2021, based upon information furnished to the Company by the individual director.

(4) Based on 30,073,533 post-Consolidation Shares outstanding as of the date hereof.

13. DIRECTORS AND OFFICERS

13.1 13.3, 13.5 Directors and Officers

The following table sets the name, residence and principal occupation of each director and executive officer of the Resulting Issuer. In addition, the table shows the date on which each individual first became a director and/or officer and the number of common shares of the Resulting Issuer that each individual beneficially owns, or exercises control or direction over, directly or indirectly, as of the date of this Listing Statement. The information as to shares owned beneficially, not being within the knowledge of the Resulting Issuer, has been forwarded by the directors and officers individually.

Name, Place of Residence and Position(s) with the Resulting Issuer	Principal Occupation, Business or Employment for Last Five Years[1]	Director or Officer Since	Number of Shares Owned[1]
Ofer Vicus[2] Ontario, Canada Canada *Chief Executive Officer and Director*	Founder and CEO of Aduro Energy Inc. since November 2011, Ofer Vicus has over 15 years of experience in developing and marketing innovative technologies and processes in Canada and abroad. He is the passion behind Aduro and responsible for building its research and business team. He has extensive knowledge in alternative approaches for petrochemical processes with a focus of limiting environmental impacts of the traditional chemical and petrochemical industries. He has distinguished himself through his ability to bring ideas to reality with advanced academic research, strong intellectual property foundations, and support by government programs and industry partners. Mr. Vicus has previously worked in leadership positions with other companies, including Spectronix Ltd. (2004-2006), a company that designed and manufactured EX optical flame detectors. As the Vice President of Business Development for Spectronix Ltd., Mr. Vicus supported the organization through operation and service. Mr. Vicus also served at Qualion NMR (2005-2006) as the Vice President, Marketing, developing marketing channels and tools for the adoption of inline NMR spectrometers by mid and large size refineries. Before launching Aduro, Mr. Vicus worked with the CEO of Curapipe Systems (2007-2010), a Trenchless Automated Leakage Repair (TALR) technology to seal cracks and holes in urban water pipes, as an investor and Vice President of Business Development, to develop the R&D, build an engineering team and establish a pilot unit, and to assist in capital raising. Mr. Vicus holds a Bachelor of Engineering in Industrial Engineering by Sunderland University, School of Engineering and Advanced Technologies and an Executive Master of Business Administration (Northwestern Kellogg / Tel Aviv Recanati University) .	April 23, 2021	10,123,106
Donnacha Rahill Ontario, Canada Canada *Chief Financial Officer and Secretary*	Donnacha Rahill is an internationally experienced financial executive specializing in work with start-ups. He has over 20 years of experience in various CFO and senior finance roles in Ireland, Canada and Singapore. For the five years prior to joining Aduro, Mr. Rahill served as Chief Financial Officer of Flow Capital Corp. (TSXV: FW) and during this time he took a leadership role in two business combination transactions. Mr. Rahill has been a Fellow of the Institute of Chartered Accountants in Ireland since November 1987.	January 11, 2021	Nil

Name, Place of Residence and Position(s) with the Resulting Issuer	Principal Occupation, Business or Employment for Last Five Years[1]	Director or Officer Since	Number of Shares Owned[1]
W. Marcus Trygstad Texas, United States *Chief Technology Officer and Director*	Co-founder of Aduro Energy, W. Marcus Trygstad, has over 25 years of experience in the development and application of advanced strategies for monitoring, controlling, and optimizing industrial processes, particularly in the downstream refining, petrochemical, pharmaceutical, and specialty chemical industries. His focus on fundamental process chemistry led to the genesis of Aduro Intellectual Property and early patent applications. Prior to Aduro Energy, Mr. Trygstad was involved in various technology developments as principal inventor and author of patent applications in advanced monitoring technology. Mr. Trygstad previously served as application scientist, business development manager, technical sales consultant, and product manager with various companies including ABB Ltd. (2000-2006), where he served as Application and Business Development Manager and Technical Sales Consultant; Invensys Plc (2006-2009), where he led the collaborative development, productization, and commercialization of sampling technology and measurement solutions for enabling Invensys offerings to the refining industry; and Yokogawa Electric Corporation (2012 – 2019), where he was involved in the technology development of process monitoring and measurement-enabled optimization solutions. Mr. Trygstad holds a B.A. Chemistry (St. Olaf College, Minnesota) and pursued Masters level studies in chemistry, material science & engineering, and chemometrics (University of Utah).	April 23, 2021	1,291,763
Chris Parr[2] British Columbia, Canada *Director*	Mr. Parr is an experienced venture capitalist and corporate development executive with a diverse background in the investment industry that spans over 10 years. Mr. Parr most recently served as President and Chief Executive Officer of D5. In addition, Mr. Parr served Zimtu, an investment issuer listed on the TSXV, in the capacity of Strategic Development Manager. In this role, he focused on identifying and working with undervalued technology companies in an effort to unlock their potential. In addition, Mr. Parr managed the marketing, development and promotion of the Zimtu Advantage software application. Mr. Parr held this role at Zimtu from May 2016 until July 31, 2018. Prior to Zimtu, Mr. Parr's role was a licensed investment advisor where he advised on futures, options, and equities at Global Securities Corp. from March 2014 to April 2016.	January 11, 2018 to present	844,444

Name, Place of Residence and Position(s) with the Resulting Issuer	Principal Occupation, Business or Employment for Last Five Years(1)	Director or Officer Since	Number of Shares Owned(1)
Peter Kampian(2) Ontario, Canada Director	Peter Kampian is a seasoned financial executive with a previous experience in leadership roles with startup and established companies undertaking various transactions, including acquisitions, initial public offerings, managing debts and raising capital. He has experience in a number of sectors, including renewable energy, cannabis and mining. Mr. Kampian is currently acting as Chief Restructuring Officer for PharmHouse Inc. He previously served as Chief Financial Officer (CFO) of DionyMed Brands Inc. (2017 to 2019) (DYME-CSE) and Mettrum Health Corp (2014-2017) (MT-TSX-V). He also previously served as the CFO of Algonquin Income Fund (currently TSX-AQN) (1999-2007). Mr. Kampian also holds various board positions including as a director of Red Pine Explorations (RPX-TSX-V) (2017 to present), Harborside Inc (HBOR-CSE) (2020 to present). He also previously held board positions at CannaRoyalty Corp (OriginHouse – acquired by Creco Labs Inc.) (2017-2018), James E Wagner Cultivation Ltd (2017-2020) and Flow Capital Corp (2017-2018). Mr. Kampian is a Canadian Chartered Accountant (CPA, CA, 1986), a member of the Institute of Corporate Directors (ICD.D) (2018) and a graduate of Wilfrid Laurier University (Bachelor of Business Administration, 1982).	April 23 2021	Nil

(1) Information is on a post-Consolidation basis and has been furnished by the respective officers/directors individually.

(2) Member of the Audit Committee.

As of the date of this Listing Statement, the directors and executive officers of the Resulting Issuer beneficially own, directly or indirectly, as a group 12,324,314 post-Consolidation Shares representing approximately 40.98% of all outstanding Shares on a non-dilutive basis.

13.4 Board Committees

The Resulting Issuer has one committee of the Board: the audit committee (the "**Audit Committee**"). The Audit Committee is comprised of three directors consisting of Chris Parr, Peter Kampian and Ofer Vicus (Chair).

13.5 Director and Officer Principal Occupations

The principal occupation of the Resulting Issuer's directors and officers is disclosed in the table above.

13.6 Corporate Cease Trade Orders or Bankruptcies

Peter Kampian was CFO of DionyMed Brands Inc. ("**DionyMed**") from November 2018 to March 2020. A receiver was appointed for DionyMed by the Supreme Court of British Columbia on October 29, 2019.

Peter Kampian was a director of James E Wagner Cultivation Corporation ("**JWC**") and also a member of the special committee of the board of JWC, which is mandated to restructure the financial affairs of JWC. JWC filed for protection under the Companies' Creditor Arrangement Act on April 1, 2020. On August 28, 2020, the sale of the JWC assets was completed and the Mr. Kampian resigned from the board of JWC.

To the knowledge of the Resulting Issuer, other than as disclosed above, no director, officer or promoter of the Resulting Issuer, or a securityholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has been, within 10 years before the date of this Listing

Statement, a director, officer or promoter of any person or company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the issuer access to any exemptions under applicable securities laws, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 Penalties or Sanctions

To the knowledge of the Resulting Issuer, no director, officer or promoter of the Resulting Issuer, or a securityholder holding sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable securityholder making a decision about the Transaction.

13.8 Settlement Agreements

See Section 13.7 above.

13.9 Personal Bankruptcies

To the knowledge of the Resulting Issuer, no director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or promoter.

13.10 Existing or Potential Conflicts of Interest

The directors of the Resulting Issuer are required by law to act honestly and in good faith with a view to the best interest of the Resulting Issuer and to disclose any interests with they may have in any project or opportunity of the Resulting Issuer. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Resulting Issuer will participate in any project or opportunity, that director will primarily consider the degree of risk to which the Resulting Issuer may be exposed and its financial position at that time.

To the knowledge of the Resulting Issuer, there are no known existing or potential conflicts of interest among the Resulting Issuer and its promoters, directors, officers or other members of management, as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promotes and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

13.11 Directors and Officers

The following sets out details respecting the directors and officers of the Resulting Issuer upon completion of the Transaction:

Ofer Vicus (Age 52) – Chief Executive Officer and Director

Founder and CEO of Aduro Energy Inc. since November 2011, Ofer Vicus has over 15 years of experience in developing and marketing innovative technologies and processes in Canada and abroad. He has extensive knowledge in alternative approaches for petrochemical processes with a focus of limiting environmental impacts of the traditional chemical and petrochemical industries. He has previously worked in leadership positions with innovative companies like, Curapipe Systems, Qualion NMR and Spectronix Ltd.

Mr. Vicus holds a Bachelor of Engineering in Industrial Engineering and an Executive Master of Business Administration (Kellogg/Tel Aviv University) and a Bachelor of Science. Industrial Engineering and Management (Sunderland University England School of Engineering and Advanced Technologies.)

Mr. Vicus devotes 100% of his time to performing the work required in connection with acting as a director and officer of the Resulting Issuer. Mr. Vicus is an employee of the Resulting Issuer. Mr. Vicus has entered into an employment agreement with the Resulting Issuer that contains non-competition and non-disclosure provisions.

Donnacha Rahill (Age 56) – CFO and Secretary

Donnacha Rahill is an internationally experienced financial executive specializing in work with start-ups. He has over 20 years of experience in various CFO and senior finance roles in Ireland, Canada and Singapore. For the five years prior to joining Aduro, Mr. Rahill served as Chief Financial Officer of Flow Capital Corp. (TSXV: FW) and during this time he took a leadership role in two business combination transactions.

Mr. Rahill has been a Fellow of the Institute of Chartered Accountants in Ireland since November 1987.

Mr. Rahill is an independent consultant of the Resulting Issuer and devotes approximately 20% of his time to performing his services.

William Marcus Trygstad (Age 64) – Chief Technology Officer and Director

Co-founder of Aduro Energy, William Marcus Trygstad, has over 25 years of experience in the development and application of advanced strategies for monitoring, controlling, and optimizing industrial processes, particularly in the downstream refining, petrochemical, pharmaceutical, and specialty chemical industries.

Mr. Trygstad previously served as application scientist, business development manager, technical sales consultant, and product manager with various companies including ABB Ltd. (2000-2006), Invensys Plc (2006-2009) and Yokogawa Electric Corporation (2012 – 2019).

Mr. Trygstad holds a B.A. Chemistry (St. Olaf College, Minnesota) and pursued Masters level studies in chemistry, material science & engineering, and chemometrics (University of Utah).

Mr. Trygstad devotes 100% of his time to performing the work required in connection with acting as an officer and director of the Resulting Issuer. Mr. Trygstad is an independent consultant of the Resulting

Issuer. Mr. Trygstad has entered into an independent consultant agreement with the Resulting Issuer that contains non-competition and non-disclosure provisions.

Chris Parr (Age 33) – Director

Mr. Parr is an experienced venture capitalist and corporate development executive with a diverse background in the investment industry that spans over 10 years.

Mr. Parr most recently served as President and Chief Executive Officer of D5. In addition, Mr. Parr served Zimtu, an investment issuer listed on the TSXV, in the capacity of Strategic Development Manager. In this role he focused on identifying and working with undervalued technology companies in an effort to unlock their potential. In addition, Mr. Parr managed the marketing, development and promotion of the Zimtu Advantage software application. Mr. Parr held this role at Zimtu from May 2016 until July 31, 2018.

Prior to Zimtu, Mr. Parr's role was a licensed investment advisor where he advised on futures, options, and equities at Global Securities Corp. from March 2014 to April 2016.

Mr. Parr devotes 50% of his time to performing the work required in connection with acting as a director of the Resulting Issuer. Mr. Parr has not entered into a non-competition or non-disclosure agreement with the Resulting Issuer.

Peter Kampian (62) – Director

Peter Kampian is seasoned financial executive with experience in leadership roles for startup and established companies.

Mr. Kampian is currently acting as Chief Restructuring Officer for PharmHouse Inc. He previously served as Chief Financial Officer (CFO) of DionyMed Brands Inc. (2017 to 2019) (DYME-CSE) and Mettrum Health Corp (2014-2017) (MT-TSX-V). He also previously served as the CFO of Algonquin Income Fund (currently TSX-AQN) (1999-2007). Mr. Kampian also holds various board positions including as a director of Red Pine Explorations (RPX-TSX-V) (2017 to present), Harborside Inc (HBOR-CSE) (2020 to present). He also previously held board positions at CannaRoyalty Corp (OriginHouse – acquired by Creco Labs Inc.) (2017-2018), James E Wagner Cultivation Ltd (2017-2020) and Flow Capital Corp (2017-2018).

Mr. Kampian is a Canadian Chartered Accountant (CPA, CA, 1986), a member of the Institute of Corporate Directors (ICD.D) (2018) and a graduate of Wilfrid Laurier University (Bachelor of Business Administration, 1982).

Mr. Kampian devotes 5% of his time to performing the work required in connection with acting as a director of the Resulting Issuer. Mr. Kampian has not entered into a non-competition or non-disclosure agreement with the Resulting Issuer.

14. CAPITALIZATION

14.1 Issued Capital

The following tables provide information about the Resulting Issuer's capitalization as of the date of this Listing Statement on a post-Consolidation basis:

Issued Capital[1]	Number of Securities (non-diluted)	Number of Securities (fully-diluted)[2]	% of Issued (non-diluted)	% of Issued (fully diluted)[2]
Public Float				
Total Outstanding **(A)**	30,073,533	65,280,215	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) **(B)**	12,259,313	41,334,530	40.76%	63.32%
Total Public Float (A-B)	**17,914,220**	**23,945,685**	**59.76%**	**36.68%**
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in shareholder agreement and securities held by control block holders **(C)**	15,075,425[3]	41,982,937[3]	50.13%	64.31%
Total Tradeable Float (A-C)	**14,998,108**	**23,297,278**	**49.87%**	**35.69%**

(1) Figures are reported to the best of the knowledge of management of the Resulting Issuer.

(2) Includes 13,333,328 post-Consolidation Class A Special Warrants and 13, 333,328 post-Consolidation Class B Special Warrants held in escrow by the Escrow Agent and which are held in trust for the Target Vendors by Ofer Vicus, as Special Warrant Trustee, until deemed to be distributed to the Target Vendors on achievement of the First Milestone and thereafter are converted into Common Shares on the First Milestone Achievement Date, in the case of the Class A Special Warrants, and on the Second Milestone Achievement Date, in the case of Class B Special Warrants. On conversion of the Special Warrants, the Common Shares issued to Ofer Vicus and W. Marcus Trygstad will be subject to escrow under the terms of the Escrow 2021 Agreement as Related Parties under the Policies of the CSE.

(3) Includes 12,844,870 post-Consolidated Common Shares held in escrow pursuant to the Escrow 2018 Agreement and Escrow 2021 Agreement and an additional 2,230,555 post-Consolidation Common Shares which are restricted under the Voting Trust Agreement.

Public Securityholders (Registered)

The following table sets forth information regarding the number of registered "public securityholders of the Resulting Issuer, being persons other than persons enumerated in section (B) of the *Issued Capital* table above:

Class of Security: Common Shares

Size of Holding	Number of Holders	Total Number of Securities[1]
1 – 99 securities	-	-
100 – 499 securities	21	7,000
500 – 999 securities	13	8,666
1,000 – 1,999 securities	1	1,333
2,000 – 2,999 securities	2	4,000
3,000 – 3,999 securities	10	33,333

4,000 – 4,999 securities	-	-
5,000 or more securities	76	30,019,201
Unable to confirm	-	-
TOTAL:	**123**	**30,073,533**

(1) On a post-Consolidation basis. The amounts included in this table are based on a shareholders list dated April 22 2021 and the treasury order of the Company dated April 21, 2021 in respect of the Common Shares issued to the Target Vendors on Closing of the Transaction. The Resulting Issuer may have other beneficial holders of its securities that it is not aware of. Certain of the shareholders in this table may be insiders of the Resulting Issuer, however such information is not distinguished in the share range report and accordingly is outside the knowledge of the Resulting Issuer.

Public Securityholders (Beneficial)

The following table sets forth information regarding the number of beneficial "public securityholders of the Resulting Issuer, being persons other than persons enumerated in section (B) of the *Issued Capital* table above who either: (i) hold securities in their own name as registered shareholders; or (ii) hold securities through an intermediary where the Resulting Issuer has been given written confirmation of shareholdings:

Class of Security: Common Shares

Size of Holding	Number of Holders	Total Number of Securities[(1)]
1 – 99 securities	2	133
100 – 499 securities	6	1,800
500 – 999 securities	3	2,000
1,000 – 1,999 securities	2	2,800
2,000 – 2,999 securities	2	4,667
3,000 – 3,999 securities	-	-
4,000 – 4,999 securities	-	-
5,000 or more securities	102	6,560,592
Unable to confirm	-	-
TOTAL:	**117**	**6,571,992**

(1) On a post-Consolidation basis. The amounts included in this table are based on a share range report dated November 5, 2020. The Resulting Issuer may have other beneficial holders of its securities that it is not aware of. Certain of the shareholders in this table may be insiders of the Resulting Issuer, however such information is not distinguished in the share range report and accordingly is outside the knowledge of the Resulting Issuer.

Non-Public Securityholders (Registered)

The following table sets forth information regarding the number of registered “non-public securityholders of the Resulting Issuer, being persons enumerated in section (B) of the issued capital chart:

Class of Security: Common Shares

Size of Holding	Number of Holders	Total Number of Securities(1)
1 – 99 securities	-	-
100 – 499 securities	-	-
500 – 999 securities	-	-
1,000 – 1,999 securities	-	-
2,000 – 2,999 securities	-	-
3,000 – 3,999 securities	-	-
4,000 – 4,999 securities	-	-
5,000 or more securities	3	12,259,313
Unable to confirm	-	-
TOTAL:	**3**	**12,259,313**

(1) On a post-Consolidation basis.

14.2 Convertible Securities

The following table summarizes the outstanding securities convertible into common shares in our authorized capital as of the date of this Listing Statement (post-Consolidation basis):

Description of Security (include conversion/exercise terms, including conversion/exercise price)	Number of convertible/exchangeable securities outstanding(1)	Number of listed securities issuable upon conversion/exercise(1)
Warrants(2)	8,540,026	8,540,026
Special Warrants(3)	26,666,656	26,666,656

(1) On a post-Consolidation basis.
(2) Consists of (i) 18,000 D5 Finders Warrants exercisable at $0.21 until September 2, 2022, (ii) 75,945 post-Consolidation Second D5 Finders Warrants exercisable at $0.30 until February 4, 2023, (iii) 5,632,724 post-Consolidation Financing Warrants exercisable at $0.50 until February 4, 2025; and (iv) 2,813,357 post-Consolidation Consideration Warrants exercisable on a cashless basis at a price of $0.50 per Share on a post-Consolidation basis until April 23, 2025, subject to an acceleration provision.
(3) Consists of 13,333,328 post Consolidation Class A Special Warrants and 13,333,328 post-Consolidation Class B Special Warrants, issued at a deemed price equal to the D5 Discounted Purchase Price, convertible for no additional consideration into Resulting Issuer Shares on a one-for-one basis upon the later of (i) the achievement of the First Milestone, in the case of the Class A Special Warrants, or the achievement of the Second Milestone, in the case of the Class B Special Warrants, as applicable, and (ii) the distribution of the Special Warrants by the Special Warrant Trustee.

14.3 Other Listed Securities

The Resulting Issuer has no other listed securities reserved for issuance that are not included in section 14.2.

15. EXECUTIVE COMPENSATION

Details related to the executive compensation paid by the Resulting Issuer, prepared in accordance with Form 51-102F6 of National Instrument 51-102 – *Continuous Disclosure Obligations*, are described below and can also be found under the Resulting Issuer's profile on SEDAR at www.sedar.com in the 2020 Circular, a copy of which is attached at Schedule D.

As of the date of this Listing Statement, the Resulting Issuer intends to make the following material changes to executive compensation:

Ofer Vicus	$3,833.33/ month	$46,000/ year
W. Marcus Trygstad	$3,833.33/ month	$46,000/ year
Chris Parr	$3,833.33/ month	$46,000/ year
Donnacha Rahill	$200/hour	Up to 16 hours per month

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

16.1 Aggregate Indebtedness

No directors, executive officers or employees, and no former directors, executive officers or employees, are indebted to the Resulting Issuer as at the date of this Listing Statement or were indebted to the Resulting Issuer since the beginning of the most recently completed financial year of the Resulting Issuer.

16.2 Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

No directors or executive officers of the Resulting Issuer, or associates of such directors or executive officers, are indebted to the Resulting Issuer as at the date of this Listing Statement or were indebted to the Resulting Issuer since the beginning of the most recently completed financial year of the Resulting Issuer, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Resulting Issuer.

17. RISK FACTORS

Description of Risk Factors

An investment in the Shares, in the event that the Shares are offered for sale at some time in the future, should be considered highly speculative due to the nature of the Resulting Issuer's business and the present stage of development. An investment in the Shares should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment. Potential investors should consult with their professional advisors to assess an investment in the Resulting Issuer. In evaluating the Resulting Issuer and its business, investors should carefully consider, in addition to other information contained in this Listing Statement, the risk factors below. These risk factors are not a definitive list of all risk factors associated with an investment in the Resulting Issuer or in connection with its operations and other risks and uncertainties affecting the Resulting Issuer's business could potentially arise or become material in the future.

The Resulting Issuer Is an Early Stage Technology Business

The Resulting Issuer's strategy is to focus on developing its clean energy technology platform. The Resulting Issuer technology platform is an early stage technology platform developed to upgrade renewable oils as well as waste plastics and rubber and Bitumen into to higher value products. The Resulting Issuer has invested and continues to invest a significant portion of its resources into this segment and will need to raise additional financing to pursue its business strategy. As with other comparable early stage technology businesses, the Resulting Issuer faces the risks of product and technology failure, unforeseen research and development delays, weak market acceptance, possible change in government regulatory and competition from new entrants. Realization of any of these risks could have a significant negative impact on the Resulting Issuer's anticipated future cash flows and its growth strategy.

Limited operating history and no assurance of profitability

The Resulting Issuer is a start-up business with a limited operating history and no established brand recognition. The Resulting Issuer will be subject to all the business risks and uncertainties associated with any new business enterprise, including the risks that it will not establish a market for its services, achieve its growth objectives or become profitable. The Resulting Issuer anticipates that it may take several years to achieve cash flow from operations. There can be no assurance that there will be demand for the Resulting Issuer's products or services or that the Resulting Issuer will ever become profitable.

Liquidity concerns and future financing requirements

The Resulting Issuer is in the development phase and has not generated any revenue. It will likely operate at a loss until its business becomes established and may require additional financing to fund future development of its technology and operations. The Resulting Issuer's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Resulting Issuer's business success. There can be no assurance that the Resulting Issuer will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to it. If additional financing is raised by issuing Common Shares from treasury, control of the Resulting Issuer may change, and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Resulting Issuer may be required to scale back its business plan or cease operating.

Need for funds

In the short term, the continued operation of the Resulting Issuer will be dependent upon its ability to procure additional financing. The Resulting Issuer must obtain such financing through equity financing and there can be no assurance that the Resulting Issuer can raise the required capital it needs to build and expand the Resulting Issuer's business. Without this additional financing, the Resulting Issuer may be unable to advance the Resulting Issuer's business model, and the Resulting Issuer will likely fail. There can be no certainty that the Resulting Issuer can obtain these funds, in which case any investment in the Resulting Issuer may be lost. The raising of equity funding will also result in dilution of the equity position held by the Resulting Issuer's shareholders.

Uncertainty of use of proceeds

Although the Resulting Issuer has set out its intended use of available funds in this Listing Statement, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "*Available Funds and Principal Purposes*".

Operational risks

The Resulting Issuer will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: pandemics such as COVID-19; catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labor disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Resulting Issuer's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Resulting Issuer's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. Also, the Resulting Issuer may be subject to or affected by liability or sustain loss for certain risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Resulting Issuer's future cash flows, earnings, results of operations and financial condition.

Technology risk

The Resulting Issuer's products and services are dependent upon advanced developments in its technologies which are susceptible to rapid impact by R&D and technological change. There can be no assurance that the Resulting Issuer's products and services will not be seriously affected by, or become obsolete as a result of, such technological changes. Further, some of the Resulting Issuer's services are currently under development and there can be no assurance that these development efforts will result in a viable product or service as conceived by the Resulting Issuer or at all.

Competition

The clean energy technology industry is highly competitive and the Resulting Issuer competes with a substantial number of companies that have greater financial, technical and marketing resources. As such, the Resulting Issuer is exposed to competition which could lead to loss of contracts or reduced margins and could have an adverse effect on the Resulting Issuer's business.

The Resulting Issuer's competitors may offer better value to the Resulting Issuer's prospective customers or substantially increase the resources devoted to the development and marketing of products and services that compete with those of the Resulting Issuer. There can be no assurance that the Resulting Issuer will be able to compete successfully against current or future competitors or that competitive pressures faced by the Resulting Issuer in the markets in which it operates will not have a material adverse effect on the Resulting Issuer's business. If the Resulting Issuer's competitors are successful in offering better pricing, service or products than the Resulting Issuer, this could render the Resulting Issuer's product and services offerings less desirable to merchant customers, resulting in the loss of merchant customers or a reduction in the price it could earn for its offerings.

Renewable Diesel Fuel Industry

Management understands that US, Canadian and most European governments require a minimum of 2% - 10% of diesel fuels to be comprised of renewable diesel. In Canada, it is 2% minimum by the federal government and in most provinces and an additional 2% has been added to the federal mandate, with some provinces increasing their requirement to 5% minimum blend, making a total blend of 7%. In USA it is 2-5% depending on State, with California seeking to increase to 10%. In Europe it is 5% for automotive and 10% for airlines.

- 2015 bio-diesel requirements for Western Canada were 196 million litres
- 2015 bio-diesel production in Western Canada was reported to be 42 million litres
- The remaining 89.9% had to be imported from abroad.

The development of a renewable fuel facility involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the renewable fuel production may result in substantial rewards, few renewable fuel facilities are developed into profitable businesses without significant help from government subsidies. Major expenses may be required to establish the refinery business. It is impossible to ensure that the current business plan by the Issuer will result in a profitable commercial refining operation.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Issuer not receiving an adequate return on invested capital. Renewable fuel refining operations generally involve a high degree of risk. The Issuer’s operations are subject to all the hazards and risks normally encountered in the feedstock, process design, the fluctuation of fuel prices and possible damage to, or destruction of the producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, refining operations are subject to hazards such as equipment failure and fuel storage areas, which may result in environmental pollution and consequent liability.

The Issuer’s refining activities are directed towards the search, evaluation and development of feedstock and its ability to convert it into renewable fuel. There is no certainty that the refineries will result in production of commercial quantities of renewable fuel. There is competition within the renewable fuel industry which is considered to have commercial potential. The Issuer will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production

Dependence on personnel

The Resulting Issuer’s future success depends substantially on the continued services of its executive officers and its key development personnel. If one or more of its executive officers or key development personnel were unable to or unwilling to continue in their present positions, the Resulting Issuer might not be able to replace them easily or at all. In addition, if any of its executive officers or key employees joins a competitor or forms a competing company, the Resulting Issuer may lose know-how, key professionals and staff members.

Commodity Prices

The profitability of the Issuer’s operations will be significantly affected by changes in the market price of various renewable fuels. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in renewable fuel prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of diesel fuel has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable. Depending on the price of diesel fuels, cash flow from operations may not be sufficient. Any figures for reserves presented by the Issuer will be estimates and no assurance can be given that the anticipated production of fuel will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of renewable fuels, may render refining uneconomical. Short-term operating factors relating to the production of renewable fuels, such as the increased feed stock costs or drop in renewable fuel prices, could cause the refining operation to be unprofitable in any particular accounting period

Volatility of common share price

The Shares are listed for trading on the Exchange. As such, factors such as announcements of quarterly variations in operating results, revenues, costs and market conditions in the digital advertising industry may have a significant impact on the market price of the Shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology and marketing sectors. There can be no assurance that an active or liquid market will develop or be sustained for the Shares.

Dividends

The Resulting Issuer has not paid dividends to shareholders in the past and does not anticipate paying dividends in the foreseeable future. The Resulting Issuer expects to retain its earnings to finance growth.

Officer and director conflicts

Because directors and officers of the Resulting Issuer are or may become directors or officers of other reporting companies or have significant shareholdings in other technology companies, the directors and officers of the Resulting Issuer may have a conflict of interest in conducting their duties. There can be no assurance such conflicts of interests will be resolved to the benefit of the Resulting Issuer.

Failure to Develop or Market Products or Services

Given the highly competitive and rapidly evolving alternative energy technology environment the Resulting Issuer operates in, where the Resulting Issuer’s products and services are subject to rapid technological change and evolving industry standards, it is important for the Resulting Issuer to constantly enhance its existing product offerings, as well as develop new product offerings to meet strategic opportunities as they evolve. The Resulting Issuer’s ability to enhance its technologies, products and services and to develop and introduce new innovative products and services to keep pace with technological developments and industry standards and the increasingly sophisticated needs of its clients and their customers will significantly affect its future success.

The Resulting Issuer’s future success depends on its ability to design and produce new products and services, deliver enhancements to its existing products and services, accurately predict and anticipate evolving technology and respond to technological advances in its industry, and respond to its customer’s shifting needs. While the Resulting Issuer anticipates that its research and development experience will allow it to explore additional business opportunities, there is no guarantee that those business opportunities will be realized. If the Resulting Issuer is unable to respond to technological changes, fails to or is delayed in developing products and services in a timely and cost-effective manner, the Resulting

Issuer's products and services may become obsolete, which would negatively impact sales, profitability and the continued viability of the business.

Developing new products and services in the alternative energy sector is very expensive, the Resulting Issuer may encounter delays when developing new technology solutions and services, and the investment in technology development may involve a long payback cycle. The Resulting Issuer's future plans include significant investment in technology solutions, research and development and related product opportunities. The failure to properly manage the expanding offering of products and services as well as the failure to develop and successfully market new products and services at favourable margins could have an adverse effect on the Resulting Issuer's business.

The reliability of our technology will be critical to our success

Our reputation and ability to attract, retain and serve our customers are also dependent upon the reliable performance of our technology, products and services. Our technology is novel but also very new, as such it has no history for us to build or relay on. We may experience interruptions, outages and other performance problems related to our technology, products or services. Such disruptions may be due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints and inadequate design. A future rapid expansion of our business could increase the risk of such disruptions. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Any errors, defects or security vulnerabilities discovered in our offerings could result in loss of revenue or delay in revenue recognition, loss of customers and increased service and warranty cost, any of which could adversely affect our business, results of operations and financial condition.

If we are unable to protect our intellectual property rights, our competitive position could be harmed or we could be required to incur significant expenses to enforce our rights

Our ability to protect our intellectual property affects the success of our business. We rely on trade secret, patent, copyright and trademark laws and confidentiality agreements with employees and third parties, all of which offer only limited protection. The steps we have taken to protect our proprietary rights may not be adequate to preclude misappropriation of our proprietary information or infringement of our intellectual property rights, and our ability to police such misappropriation or infringement is uncertain. The intellectual property rights granted to us, if any, may not provide us with proprietary protection or competitive advantages, and, as with any technology, competitors may be able to develop similar or superior technologies to our own now or in the future. There is no guarantee that such parties will abide by the terms of such agreements or that we will be able to adequately enforce our rights.

Conflicts of Interest

Certain directors and officers of the Resulting Issuer also serve, or may serve in the future, as directors and/or officers of other companies, and consequently conflicts of interest may arise between their duties as officers and directors of the Resulting Issuer and as officers and directors of such other companies. Any decision made by any of these directors and officers involving the Resulting Issuer will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Resulting Issuer and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which these directors may have a conflict of interest in accordance with, and subject to such other procedures and remedies as applicable, under the BCBCA and other applicable laws.

18. PROMOTER CONSIDERATION

Mr. Vicus is a promoter of the Resulting Issuer in that he took the initiative in founding and organizing Aduro Energy and was instrumental in facilitating the Transaction. Mr. Vicus beneficially owns, directly or indirectly, or exercise control or direction over, an aggregate of 10,123,106 post-Consolidation Shares, on an undiluted basis, being 33.74% of the outstanding Shares, as more particularly described elsewhere in this Listing Statement. See "*Directors, Officers and Promoters*" for additional information.

19. LEGAL PROCEEDINGS

There are no legal proceedings material to the Resulting Issuer to which the Resulting Issuer is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Resulting Issuer to be contemplated.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Resulting Issuer, or an associate or affiliate of a director, executive officer or principal shareholder of the Resulting Issuer, has any material interest, direct or indirect, in any transaction which has occurred within the three years before the date of this Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Resulting Issuer or a subsidiary of the Resulting Issuer.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

21.1 Auditors

The Resulting Issuer's auditor is DeVisser Gray LLP, at its Vancouver office, located at 401 – 905 West Pender Street, Vancouver, British Columbia V6C 1L6.

21.2 Transfer Agent and Registrar

The Resulting Issuer's registrar and transfer agent is Computershare Investor Services Inc., at its Vancouver office, located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia V6C 3A8. Transfers may be recorded in Toronto, Ontario or Vancouver, British Columbia.

22. MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company since April 21, 2019 to the date hereof which are currently in effect and considered to be material:

(a) the Letter of Intent, as described elsewhere in this Listing Statement;

(b) the First Promissory Note, as described elsewhere in this Listing Statement;

(c) the General Security Agreement, as described elsewhere in this Listing Statement;

(d) the Second Promissory Note, as described elsewhere in this Listing Statement;

(e) the Securities Exchange Agreement, as described elsewhere in this Listing Statement.

(f) the Third Promissory Note, as described elsewhere in this Listing Statement;

(g) the Fourth Promissory Note, as described elsewhere in this Listing Statement;

(h) the Fifth Promissory Note, as described elsewhere in this Listing Statement;

(i) the Sixth Promissory Note, as described elsewhere in this Listing Statement;

(j) the Seventh Promissory Note, as described elsewhere in this Listing Statement;

(k) the Amendment Agreement, as described elsewhere in this Listing Statement;

(l) the Voting Trust Agreement, as described elsewhere in this Listing Statement; and

(m) the Escrow 2021 Agreement, as described elsewhere in this Listing Statement.

The Company confirms that it will post on SEDAR all material contracts listed in this Listing Statement.

23. INTEREST OF EXPERTS

No person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Resulting Issuer or of an Associate or Affiliate of the Resulting Issuer and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Resulting Issuer or of an Associate or Affiliate of the Resulting Issuer and no such person is a promoter of the Resulting Issuer or an Associate or Affiliate of the Resulting Issuer. DeVisser Gray LLP is independent of the Resulting Issuer in accordance with the rules of professional conduct of the Chartered Professional Accountants of British Columbia.

24. OTHER MATERIAL FACTS

Other than as set out elsewhere in this Listing Statement, there are no other material facts about the Resulting Issuer and its securities which are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Resulting Issuer and its respective securities.

25. FINANCIAL STATEMENTS

The following financial statements, with the accompanying notes, are attached hereto as Schedule B:

- audited financial statements of D5 for the years ended May 31, 2020 and May 31, 2019;

- unaudited financial statements of D5 for the three month interim period ended August 31, 2020 and unaudited and reviewed financial statements for the six months ended November 30, 2020;

- audited financial statements of Aduro Energy for the years ended November 30, 2020, November 30, 2019 and November 30, 2018;

- Unaudited pro-forma consolidated financial statements of the Resulting Issuer as at November 30, 2020, for the year ended November 30, 2020.

SCHEDULE A

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its board of directors, Aduro Clean Technologies Inc., hereby applies for the listing of the above mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to Aduro Clean Technologies Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia, this 27th day of April, 2021.

"Ofer Vicus"
Name: Ofer Vicus
Title: Chief Executive Officer and Director

"Donnacha Rahill"
Name: Donnacha Rahill
Title: Chief Financial Officer and Secretary

William Marcus Trygstad"
Name: William Marcus Trygstad
Title: Chief Technology Officer and Director

"Chris Parr"
Name: Chris Parr
Title: Director

"Peter Kampian"
Name: Peter Kampian
Title: Director

CERTIFICATE OF ADURO ENERGY

Pursuant to a resolution duly passed by its Board of Directors, Aduro Energy Inc., hereby applies for the listing of the above mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to Aduro Energy Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Sarnia, Ontario, this 27th day of April, 2021.

____

Name: Ofer Vicus
Title: Chief Executive Officer and Director

____

Name: William Marcus Trygstad
Title: Chief Technology Officer and Director

____

Name: Peter Kampian
Title: Director

SCHEDULE B

FINANCIAL STATEMENTS

Audited financial statements of D5 for the years ended May 31, 2020 and May 31, 2019

DIMENSION FIVE TECHNOLOGIES INC

Financial Statements

May 31, 2020 and 2019

(Expressed in Canadian Dollars)

DeVISSERGRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

401-905 West Pender St
Vancouver BC V6C 1L6
t 604.687.5447
f 604.687.6737

Independent Auditor's Report

To the Shareholders of Dimension Five Technologies Inc.

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of Dimension Five Technologies Inc. (the "Company"), which comprise the statements of financial position as at May 31, 2020 and 2019, and the statements of loss and comprehensive loss, changes in equity 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 May 31, 2020 and 2019, 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 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.

Material Uncertainty Related to Going Concern
We draw attention to Note 1 in the financial statements which indicates that the Company has a deficit of $773,772 since inception and negative operating cash flows and is dependent upon its ability to raise adequate financing and generate profitable operations in the future. These conditions indicate the existence of a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern.

Other Information
Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis," but does not include the financial statements and our auditor's report thereon.

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, 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 audits.

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 Keith Macdonald.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada
August 25, 2020

Dimension Five Technologies Inc.
Statements of Financial Position
(Expressed in Canadian Dollars)

	May 31, 2020	May31, 2019
Assets		
Current		
Cash	$ **93,861**	$ 36,081
Guaranteed investment certificates (Note 4)	**28,750**	278,750
Interest receivable	**238**	1,147
GST receivable	**995**	390
Prepaid expenses	**873**	5,500
Deferred acquisition costs (Note 15)	**7,319**	-
	132,036	321,868
Non–current		
Intangible assets (Notes 3, 5, 7, 8 and 9)	**-**	300,000
	$ **132,036**	$ 621,868
Liabilities		
Current		
Accounts payable and accrued liabilities (Notes 6 and 10)	$ **51,980**	$ 2,924
Deferred App development funds (Note 7)	**-**	28,374
	51,980	31,298
Equity		
Share capital (Notes 8 and 9)	**838,828**	838,828
Reserves (Note 8)	**15,000**	15,000
Deficit	**(773,772)**	(263,258)
	80,056	590,570
	$ **132,036**	$ 621,868

Nature of operations and continuance of operations (Note 1)
Contingency (Note 10)
Subsequent events (Note 15)

On behalf of the Board:

"Chris Parr" ,Director

"David Hodge" ,Director

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

Dimension Five Technologies Inc.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

		For the year ended May 31, 2020		For the year ended May 31, 2019
Revenue				
License fees (Notes 3 and 9)	**$**	**80,000**	$	110,000
Expenses				
App maintenance		**51,744**		120,437
General and administrative (Note 11)		**267,963**		236,015
		319,707		356,452
Loss before other items		**(239,707)**		(246,452)
Other items				
Interest and other income (Notes 7 and 9)		**29,193**		1,533
Impairment of intangible asset (Note 5)		**(300,000)**		-
Net loss and comprehensive loss for the year	**$**	**(510,514)**	$	(244,919)
Basic and diluted loss per share	**$**	**(0.02)**	$	(0.01)
Weighted average number of common shares outstanding		**23,078,001**		21,082,516

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

Dimension Five Technologies Inc.
Statement of Changes in Equity
(Expressed in Canadian Dollars)

	Share Capital Number of Shares	Amount	Shares to be issued	Reserves	Deficit	Total Equity
Balance, May 31, 2018	1	**$ 1**	**$ 320,300**	$ -	**$ (18,339)**	**$ 301,962**
Shares issued for cash (Notes 8 and 9)	13,078,000	545,900	(320,300)	-	-	225,600
Shares issued as consideration for purchase of intangible assets (Notes 8 and 9)	10,000,000	300,000	-	-	-	300,000
Finder's fees (Notes 8 and 9)	-	(7,073)	-	-	-	(7,073)
Share-based compensation (Note 8)	-	-	-	15,000	-	15,000
Net loss for the year	-	-	-	-	(244,919)	(244,919)
Balance, May 31, 2019	**23,078,001**	**$ 838,828**	**$ -**	**$ 15,000**	**$ (263,258)**	**$ 590,570**
Net loss for the year	-	-	-	-	(510,514)	(510,514)
Balance, May 31, 2020	**23,078,001**	**$ 838,828**	**$ -**	**$ 15,000**	**$ (773,772)**	**$ 80,056**

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

Dimension Five Technologies Inc.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the year ended May 31, 2020	For the year ended May 31, 2019
Operating Activities		
Net loss for the year	$ **(510,514)**	$ (244,919)
Items not affecting cash:		
Deferred App development funds applied as other income	**(26,079)**	-
Impairment of intangible asset	**300,000**	-
Share-based payments	**-**	15,000
Changes in non-cash working capital:		
Interest receivable	**909**	(1,147)
GST receivable	**(605)**	78
Prepaid expenses	**4,627**	(3,500)
Deferred acquisition costs	**(7,319)**	-
Accounts payable and accrued liabilities	**49,056**	324
Cash used in operating activities	**(189,925)**	(234,164)
Investing Activities		
Purchase of guaranteed investment certificates	**-**	(278,750)
Improvement and re-development of intangible assets	**(2,295)**	(21,626)
Redemption of guaranteed investment certificate	**250,000**	-
Loans advanced to potential acquisition targets	**45,000**	-
Loans repaid by potential acquisition targets	**(45,000)**	-
Cash (used in) provided by investing activities	**247,705**	(300,376)
Financing Activities		
Proceeds from share issuance	**-**	225,600
Share issue costs	**-**	(7,073)
Deferred App development funds received	**-**	50,000
Cash provided by financing activities	**-**	268,527
Change in cash during the year	**57,780**	(266,013)
Cash, beginning of year	**36,081**	302,094
Cash, end of year	$ **93,861**	$ 36,081
Supplementary Information		
Shares issued as consideration for purchase of intangible assets	**-**	300,000

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Dimension Five Technologies Inc. (the "Company") was incorporated in the Province of British Columbia on January 10, 2018, under the Business Corporations Act of British Columbia. The Company's primary business was the development and monetization of its online software application Investorbase ("the App"). The App is currently inactive. On July 13, 2020, the Company entered into a binding letter of intent with Aduro Energy Inc. ("Aduro") to acquire 100% of the issued and outstanding shares of Aduro from the shareholders of Aduro (the "Acquisition"). If the Acquisition closes, the Company will become the Resulting Issuer immediately following closing, its name will be changed to Aduro Energy Inc. and the Resulting Issuer will adopt the business of Aduro (see Note 15).

On February 12, 2019, the Company's shares commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "DFT." In accordance with the rules and policies of the CSE, trading in the Company's shares was halted and will remain halted until either the Acquisition is completed or the letter of intent is terminated.

The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at 885 West Georgia Street, Suite 900, Vancouver, BC, Canada V6C 3H1.

These financial statements have been prepared on a going concern basis, assuming that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has a deficit of $773,772 since inception and negative operating cash flows. The continuing operations of the Company are dependent upon generating profitable operations and obtaining funding, as required, to meet the Company's operating commitments as they come due. These conditions indicate the existence of a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern.

These audited financial statements were authorized for issue by the Board of Directors on August 24, 2020.

2. BASIS OF PREPARATION

a) Statement of Compliance

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

b) Basis of Measurement

These financial statements have been prepared on a historical costs basis except for financial instruments classified at fair value (see Note 3). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and related disclosure during the reporting period. Judgement is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments and estimates (continued)

Significant areas requiring the use of management estimates and assumptions include:

- The determination of the fair value of common shares issued as consideration for the purchase of the App.
- The determination that the Company will continue as a going concern for the next year.

Assessment of impairment indicators

Judgment is required in assessing whether certain factors would be considered an indicator of impairment or impairment reversal. Management considers both internal and external information to determine whether there is an indicator of impairment or impairment reversal present and, accordingly, whether impairment testing is required. The information considered in assessing whether there is an indicator of impairment or impairment reversal includes, but is not limited to, the factors listed under "Intangible assets" below.

Intangible assets

Intangible assets consist of the App's mobile application front end, back end, website, and platform developed in-house or acquired externally. See Note 5.

Intangible assets acquired separately are initially recognized at cost. The amount initially recognized for internally-generated intangible assets is the sum of the expenditures incurred from the date that the Company can demonstrate all of the following: i) the technical feasibility of completing the intangible assets so that it will be available for use or sale; ii) its intention to complete the intangible asset and use or sell it; iii) its ability to use or sell the intangible asset; iv) how the intangible asset will generate probable future economic benefits; v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and vi) its ability to measure reliably the expenditure attributable to the intangible asset during its development. Until these criteria are met, expenditures are expensed as incurred.

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses, if any.

The accounting for an intangible asset is based on its useful life. Intangible assets with a finite useful life are amortized over their estimated useful life. Intangible assets with an indefinite useful life are not amortized. Intangible assets under development which are not ready for use are not amortized. The amortization method, estimated useful life, carrying value and residual value are reviewed each financial year-end or more frequently if required, and are adjusted as appropriate.

The App was assessed as having an indefinite useful life based on management's consideration of the following factors:

- With further development and marketing management expects the App to generate revenues from advertising, marketing small capitalization public companies, licensing fees and, potentially, user subscription fees;
- Comparison of the App to other popular online sites;
- Continuous maintenance and development of the App by incorporating new technologies;
- The stability of, and continued investment in companies in, the App's target niche;
- Expected competitive advantage over other existing and potential larger competitors;
- The level of expenditures expected to be required to generate revenues from the App; and
- The Company's 100% ownership and control of the App.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency transactions

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company is the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities that are measured at historical costs are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statements of loss and comprehensive loss.

Financial instruments

Financial Assets

At initial recognition, IFRS 9 *Financial Instruments* ("IFRS 9") requires financial assets to be measured at fair value and classified into three measurement categories: those subsequently measured at fair value through profit and loss ("FVTPL"), those subsequently measured at fair value through other comprehensive income ("FVTOCI") and those subsequently measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income. Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

IFRS 9 provides a three-stage expected credit loss model for calculating impairment for financial assets. Expected credit losses are required to be recognized when financial instruments are initially recognized and the amount of expected credit losses recognized are required to be updated at each reporting date to reflect changes in the credit risk of the financial instruments.

Financial Liabilities

At initial recognition, IFRS 9 requires financial liabilities to be measured at fair value and classified as subsequently measured at amortized cost except for when one of the specified exceptions applies. In cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the statement of loss, unless this creates an accounting mismatch.

For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Cash and cash equivalents / Guaranteed investment certificates

Cash and cash equivalents include cash on hand and demand deposits and investments with maturities from the date of acquisition of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant changes in value. Cash is classified as subsequently measured at amortized cost.

Cash equivalents are classified as subsequently measured at amortized cost except for money market investments which are classified as subsequently measured at FVTPL. Guaranteed investment certificates are classified as subsequently measured at amortized cost.

Trade receivables

Trade receivables relate to amounts received from sales under licensing agreements for use of the App. These receivables are non-interest bearing and are recognized at face amount, except when fair value is materially different, and are classified as subsequently measured at amortized cost. Trade receivables recorded are net of lifetime expected credit losses.

Trade payables

Trade payables are non-interest bearing if paid when due and are recognized at face amount, except when fair value is materially different. Trade payables are classified as subsequently measured at amortized cost.

Expected credit losses

For trade receivables, the Company applies the simplified approach to determining expected credit losses, which requires expected lifetime losses to be recognised upon initial recognition of the receivables.

The Company’s revenue consists of licensing fees earned from the use of its App. The licensee obtains control over the use of the App when access to the App is granted. License fees are payable monthly in advance on the first day of each month and revenue is recognized at month end.

Revenue recognition

IFRS 15 *Revenue from Contracts with Customers* provides a five-step model for the recognition of revenue when control of goods is transferred to, or a service is performed for, the customer. The five steps are to identify the contract(s) with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to each performance obligation and recognize revenue as each performance obligation is satisfied.

The Company’s revenue consists of licensing fees earned from the use of its App. The licensee obtains control over the use of the App when access to the App is granted. License fees are payable monthly in advance on the first day of each month and revenue is recognized at month end.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions

On September 6, 2018, the Company adopted an incentive stock option plan to attract and retain personnel and to provide incentives to employees, officers, directors and consultants. The Company grants stock options to buy common shares of the Company and the board of directors grants such options for periods of up to ten years, which vest immediately and are priced at the previous day's closing price.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments to non-employees are measured at the fair value of the 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.

Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the common shares are issued.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities on an undiscounted basis, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Earnings/Loss per share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to the owners of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per share is determined by adjusting the earnings or loss attributable to the owners of the Company and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Future Accounting Pronouncements

There are currently no amendments and/or revisions to existing IFRS standards or new standards effective for periods beginning after January 1, 2019 that are expected to be applicable to the Company.

4. GUARANTEED INVESTMENT CERTIFICATES

As at May 31, 2020, the Company had one (May 31, 2019: two) variable rate guaranteed investment certificate(s) ("GIC") totalling $28,750 (May 31, 2019: $278,750). GIC's have an interest rate of prime minus 2.7%. The GIC of $28,750 is held as security by the bank for the Company's credit cards and matures on August 23, 2020. The GIC has been classified as current asset as it may be redeemed on August 23, 2020 upon cancellation of the credit cards. See Note 10.

5. INTANGIBLE ASSETS

	May 31, 2020 $	**May 31, 2019 $**
Balance, beginning of the year	**300,000**	-
Purchase from Zimtu	**-**	300,000
Improvement and re-development costs incurred	**2,295**	21,626
Application of App development funds received from Zimtu	**(2,295)**	(21,626)
Impairment loss	**(300,000)**	-
Balance, end of the year	**-**	300,000

On July 1, 2018, the Company purchased the Zimtu Advantage software application (the "App") including the source code, website and other intellectual property rights from Zimtu Capital Corp. ("Zimtu") by issuing 10,000,000 common shares valued at $0.03 per share for total consideration of $300,000.

(Expressed in Canadian Dollars)

5. INTANGIBLE ASSETS (continued)

During the year-ended May 31, 2019, the Company re-developed the website's interface, re-engineered the platform and launched the beta version of the software application under a new brand named "Investorbase".

During the year ended May 31, 2020 further re-development of Investorbase was performed and later the LA with Zimtu was terminated. Due to the uncertainty of any recovery with no license agreement in place the Company recorded an impairment loss on the App of $300,000 at November 30, 2019.

See Notes 3, 7, 8, and 9.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consists of the following:

	May 31, 2020 $	**May 31, 2019 $**
Accounts payable	**12,319**	1,665
Accrued liabilities	**7,661**	1,259
Amounts due to related parties (Note 9)	**32,000**	-
	51,980	2,924

7. DEFERRED APP DEVELOPMENT FUNDS

On September 11, 2018, the Company entered into the AFDA with Zimtu whereby Zimtu agreed to provide the Company with up to $100,000 in funding to further improve and re-develop the App for its use. During the year-ended May 31, 2019, the Company received $50,000 from Zimtu.

On January 17, 2020, the Company terminated the AFDA. Pursuant to the termination agreement, the Company retained the $50,000 received from Zimtu. The funding was applied as follows:

	May 31, 2020 $	May 31, 2019 $
Balance, beginning of the year	28,374	-
App development funds received from Zimtu	-	50,000
Applied against improvement and re-development costs incurred	(2,295)	(21,626)
Applied as other income	(26,079)	-
Balance, end of the year	-	28,374

See Notes 5 and 9.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

Shares:

Authorized:
i. Unlimited common shares without par value
ii. Unlimited preferred shares without par value

Issued and outstanding:

As of May 31, 2020, the issued and outstanding common shares of the company consisted of 23,078,001 common shares and nil preferred shares (May 31, 2019: 23,078,001 common shares and nil preferred shares).

Pursuant to an agreement entered into on September 27, 2018 under National Policy 46-201 *Escrow for Initial Public Offerings* as an emerging issuer, 14,300,001 of these common shares were deposited into escrow. As at May 31, 2020, 8,580,002 (May 31, 2019, 12,870,002) common shares were being held in escrow and will be released in instalments of 2,145,000 every six months commencing six months after the listing date of February 12, 2019.

On June 15, 2018, the Company issued 3,600,000 common shares at $0.02 per share to certain directors and officers of the Company for proceeds of $72,000.

On July 1, 2018, the Company issued 10,000,000 common shares at $0.03 per share as consideration of payment for the purchase of the App as described in Note 5. See Note 9.

On July 6, 2018, the Company completed a non-brokered financing totalling $368,850 whereby it issued a total of 7,377,000 common shares at $0.05 per share. In association with this transaction, the Company paid $7,073 in finder's fees. The finder's fees were accounted for as a share issuance cost.

On July 27, 2018, the Company completed a non-brokered financing totalling $105,050 whereby it issued a total of 2,101,000 common shares at $0.05 per share.

Stock Options:

On September 6, 2018, the Company entered into stock option agreements with two directors pursuant to which each director was granted 200,000 share purchase options at an exercise price of $0.05 per option with any expiry date of September 6, 2023 and vesting immediately upon issuance.

A continuity schedule of the incentive stock options is as follows:

	May 31, 2020		**May 31, 2019**	
	Number of Options	Weighted Average exercise price	Number of Options	Weighted Average exercise price
Outstanding and exercisable, beginning of year	400,000	$ 0.05	-	$ -
Granted	-	-	400,000	0.05
Outstanding and exercisable, end of year	400,000	$ 0.05	400,000	$ 0.05
Weighted average life (years)	3.27		4.27	

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (continued)

Stock Options (continued):

The fair value of options granted during the year ended May 31, 2019 was estimated on the date of grant using the Black-Scholes option pricing model assuming no expected dividends and the following assumptions:

Expected stock price volatility	100%
Annual risk free interest rate	1.94%
Expected life of options	5 years
Expected forfeiture	0%

The weighted average fair value of options granted was $0.038 per option.

During the year ended May 31, 2020, the Company recognized share-based payments of $nil (May 31, 2019: $15,000) for options granted to directors in connection with their duties.

9. RELATED PARTY TRANSACTIONS

During the year ended May 31, 2020, compensation of related parties was as follows:

Key management and related party compensation	**For the year ended May 31, 2020 $**	For the year ended May 31, 2019 $
Remuneration and fees*	24,000	28,748
Salaries and benefits	72,837	48,000
Share-based payments	-	15,000
	96,837	91,748

* The remuneration and fees were allocated to professional fees of $24,000 (May 31, 2019: $24,000) and share issuance costs of $nil (May 31, 2019: $4,748).

During the year ended May 31, 2020, the Company incurred professional fees of $24,000 (May 31, 2019: $24,000) to a company controlled by the CFO of the Company. As at May 31, 2020, the Company owed $8,000 (May 31, 2019: $nil) to the company. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

During the year ended May 31, 2020 the Company incurred wages and benefits to the Company's CEO of $72,837 (May 31, 2019: $48,000). As at May 31, 2020, the Company owed $24,000 (May 31, 2019: $nil) to the CEO of the Company related to wages payable. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

During the year ended May 31, 2020, the Company incurred share-based compensation of $nil (May 31, 2019: $15,000) to directors of the Company.

9. RELATED PARTY TRANSACTIONS (continued)

During the year ended May 31, 2020, the Company had the following transactions with Zimtu, a company where a director of the Company is the CEO:

- App license fees earned – $80,000 (2019: $110,000);
- Deferred App development funds applied as other income – $26,079 ($nil);
- Administrative and managerial fees incurred – $44,000 (2019: $16,500);
- Consulting fees incurred – $25,000 (2019: $nil); and
- Finder's fees incurred – $nil (2019: $4,748).

See below for a description of the related agreements.

On June 15, 2018, the Company issued 3,600,000 common shares at $0.02 per share to certain directors and officers of the Company for proceeds of $72,000.

On July 1, 2018, the Company purchased the App including the source code, website and other intellectual property rights from Zimtu for 10,000,000 common shares valued at $0.03 per share for total consideration of $300,000. Of this amount, 4,300,000 common shares were issued to officers of the Company and 4,000,000 common shares were issued to Zimtu.

On July 1, 2018, the Company entered into a License Agreement (the "LA") with Zimtu, whereby the Company granted a non-exclusive, non-transferable, non-sublicensable and revocable app user license to Zimtu for a fee of $10,000 per month. The LA is for a term of 18 months and may be renewed for an additional 18 months if mutually agreed upon. The LA may be terminated by Zimtu by providing 30 days' notice to the Company. Pursuant to the LA, Zimtu has agreed to fund the Company's improvement, development and marketing costs for the App up to a maximum of $100,000. On November 1, 2018, Zimtu agreed that the minimum term of the license would be to October 31, 2019 and that 30 days' notice of termination would not be provided prior to October 1, 2019.

On September 11, 2018, the Company entered into an App Further Development Agreement (the "AFDA") with Zimtu whereby Zimtu agreed to provide the Company with up to $100,000 in funding to further improve and re-develop the App for its use in accordance with a to be agreed upon payment schedule.

On January 2, 2019, the Company received a payment of $50,000 from Zimtu pursuant to the AFDA. See Notes 5 and 7.

On March 1, 2019, the Company entered into a Management Services Agreement (the "MSA") with Zimtu. Pursuant to the MSA, Zimtu will provide the Company with administrative and managerial services for a fee of $5,500 per month plus GST, including office space and equipment, for a term of nine months ending on November 30, 2019. Zimtu can renew the MSA for further 12 month term provided that it hasn't been terminated by either party upon giving one month notice to the other. On October 31, 2019 the agreement was renewed for another year with the renewal agreement ending February 29, 2020.

Effective January 31, 2020, the Company terminated the LA, AFDA and MSA with Zimtu.

10. CONTINGENCY

The Company has corporate credit cards with an aggregate credit limit of $25,000. As at May 31, 2020, the available credit was $23,598.

(Expressed in Canadian Dollars)

11. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses consist of the following:

	For the year ended May 31, 2020	For the year ended May 31, 2019
	$	$
Advertising and promotion	**5,887**	2,420
Filing fees and transfer agent expenses	**19,807**	29,615
Office, rent and general (Note 9)	**49,726**	20,208
Professional services (Note 9)	**116,125**	117,355
Salaries and benefits (Note 9)	**76,418**	51,417
Share-based payments (Notes 8 and 9)	**-**	15,000
	267,963	236,015

12. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

	For the year ended May 31, 2020	For the year ended May 31, 2019
	$	$
Net loss for the year before tax	**(510,514)**	(244,919)
Expected income tax recovery	**(137,839)**	(66,128)
Net adjustment for deductible and non-deductible amounts	**81,106**	(1,908)
Net change in valuation allowance	**56,733**	68,036
Total income tax recovery	**-**	-

The significant components of the Company's deferred income tax assets are as follows:

	May 31, 2020	May 31, 2019
	$	$
Non-capital loss carryforwards	**463,000**	259,000
Share issue costs	**4,000**	6,000
Intangible assets	**299,000**	(15,000)
Deferred tax assets not recognized	**(766,000)**	(250,000)
Not deferred income tax assets	**-**	-

As at May 31, 2020, the Company has accumulated non-capital losses for the Canadian income tax purposes totalling approximately $463,000 (May 31, 2019 - $251,000). The losses expire in the following periods:

	$
2038	22,000
2039	229,000
2040	212,000
	463,000

13. FAIR VALUE MEASUREMENT

There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

Level 1 – Quoted Prices in Active Markets for Identical Assets
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant Other Observable Inputs
Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Significant Unobservable Inputs
Unobservable (supported by little or no market activity) prices.

14. CAPITAL MANAGEMENT

The Company's capital currently consists of shareholders' equity and working capital. The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern, meet financial obligations, have sufficient capital to achieve and maintain profitable operations and to provide returns for shareholders and benefits for other stakeholders. As at May 31, 2020, the Company had working capital of $80,056 (2019: $290,570).

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, while retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of four types of risk: foreign currency risk, interest rate risk, commodity price risk and equity price risk.

14. CAPITAL MANAGEMENT (continued)

Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and United States dollar or other foreign currencies will affect the Company's operations and financial results. The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company considers this risk to be minimal.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk consist primarily of cash and the GIC. Cash and the GIC are maintained with a financial institution of reputable credit and may be redeemed upon demand. The Company considers this risk to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meets its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's objective is to ensure that it has sufficient cash on demand to meet expected operational expenses. To achieve this objective, the Company will prepare annual capital expenditure budgets which will be regularly monitored and updated as necessary.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

15. SUBSEQUENT EVENTS

On July 13, 2020, the Company entered into a binding letter of intent (the "LOI") with Aduro Energy Inc. ("Aduro") for the purpose of setting out the essential terms and conditions of the proposed acquisition (the "Acquisition") by the Company of 100% of the issued and outstanding shares of Aduro, including shares issuable upon exercise of Aduro warrants. The Acquisition is to be a share exchange or three-cornered amalgamation pursuant to which the Company will purchase the Aduro shares from the Aduro shareholders in exchange for an aggregate 40 million shares of the Company and a portion of 80 million special warrants. The closing date of the Acquisition is the date designated by the Company, Aduro and Aduro's principal shareholder, which is within three business days after receipt of conditional acceptance from the CSE for the Acquisition, or such other date as the parties may agree to in writing. Immediately following completion of the Acquisition, the Company will become the Resulting Issuer (the "RI"), its name will be changed to Aduro Energy Inc. and the RI will adopt Aduro's business. Pursuant to the LOI:

- The parties will negotiate a definitive agreement by taking the following steps:
    - The Company will apply to the CSE for consent (*received on July 29, 2020)* to complete the Acquisition and to issue a $150,000 loan to Aduro;
    - Subject to CSE approval, and within 30 days of the execution of the LOI, the Company will lend $150,000 (*$50,000 advanced*) to Aduro to fund its working capital requirements until closing. The loan will bear interest at 6% per annum, be secured by a general security agreement (the "GSA") registered on all of Aduro's assets and have a maturity date of the earlier of one year from the date of advance or six months following the termination of the LOI. Aduro's assets will be released for the GSA upon the achievement of the First Milestone (the "FM") (1);

15. SUBSEQUENT EVENTS (continued)

  - The Company will raise a minimum of $500,000 by completing a private placement financing on or before August 31, 2020, by issuing common shares of the Company at an offering price of $0.05 per share or such other price as the CSE may require; and
  - Immediately prior to closing, Aduro will ensure that all options, warrants and any other rights to acquire Aduro shares, other than the convertible notes are converted or exercised.
- The purchase price is comprised of 40 million common shares of the Company (the "D5 Shares") and the rights of the existing Aduro shareholders and note holders to receive their pro-rata portion of up to an additional 80 million RI shares (the "Special Rights") represented by special warrants issued at closing which automatically convert into an aggregate of up to 80 million RI shares upon achievement of the FM and the Second Milestone (the "SM") (2);.
- On closing, all holders of Aduro convertible notes will have agreed to amend the terms of their notes so that they will automatically convert into special warrants on the achievement of the FM;
- On closing, all of the special warrants will be held in trust until distributed upon achievement of the FM;
- On closing, all Aduro shares that are issued and outstanding will be exchanged for 40 million D5 Shares plus a proportionate interest in the special warrants;
- At closing, Aduro's principal shareholder and three Aduro nominees will be appointed to the RI's five-person board of directors and Aduro's principal shareholder will be appointed as the RI's Chief Executive Officer. On the achievement of the SM, the Company will have the right to nominate a second member to the board of directors;
- At closing, the RI will grant a total of 10 million stock options to directors, officers and consultants of the Company. These options are valid for three years and will vest and become exercisable as follows:

  - one-third on closing at an exercise price of $0.10 per share;
  - one-third on closing of the first financing of at least $2.5 million at an exercise price equal to the share or unit price of the financing; and
  - one-third on closing of the first financing of at least $4.5 million at an exercise price equal to the share or unit price of the financing.
- On achievement of each of the milestones, the RI will issue an additional 40 million RI shares to the holders of special warrants upon their conversion on a pro-rata basis in satisfaction of the Residual Rights.

The Acquisition is contingent on the satisfaction of a number of regulatory requirements including:

- Acceptance of the CSE and the CSE accepting the Acquisition as a reverse takeover in accordance with its rules and policies;
- The preparation and filling with the CSE of a listing statement or information circular;
- Approval of the Company's shareholders if required by the CSE; and
- The filling of financial information with the CSE that complies with the requirements of both the CSE and the B.C. Securities Commissions applicable to reverse takeovers.

Unless otherwise agreed to in writing by the Company, Aduro, Aduo's principal shareholder and the Aduro security holders, the LOI will terminate without further notice or agreement in the event that:

- The Acquisition is rejected by the CSE;
- The $150,000 loan has not been advanced to Aduro in full on or before the 30th day following the execution of the LOI;
- The failure of the Company to complete the $500,000 private placement financing on or before September 21, 2020;
- The effective date of the Acquisition has not occurred on or before December 31, 2020 or such other later date as may be approved in writing by the Company, Aduro's principal shareholder and Aduro;

15. SUBSEQUENT EVENTS (continued)

- Upon written notice delivered either by the Company or Aduro stating that it is not prepared to complete the Acquisition as a result of its due diligence review; and
- Upon written notice of termination by a party due to a breach of the terms of the LOI and provided that such breach has not been cured within 30 days of such notice being received.

(1) First Milestone means within two years of closing, the operation of a show room unit to successfully obtain product by application of technology (all as defined) and the validation of same by an independent third party agreed upon by the Company and Aduro.

(2) Second Milestone means any one or more of (i) a completed financial transaction with an institution, (ii) product produced by a manufacturing plant owned in part by Aduro, (iii) a third party entering into a license agreement with Aduro, (iv) a third party equity investment in the RI, (v) the RI's market capitalization exceeding a threshold, (vi) the RI having completed a public offering or private placement and (vii) a third party entering into an agreement to acquire all of the RI's issued and outstanding shares (all as defined) within four years of closing.

In July and August 2020, and in connection with the LOI, $142,222 in stock subscriptions were received. These subscriptions are for a total of 2,844,440 common shares of the Company at a price of $0.05 per share.

On August 7, 2020, and in connection with the LOI and subsequent discussions, it was agreed that the Company will lend $150,000 to Aduro as follows:

- $50,000 upon Aduro signing a promissory note ("PN1") and an GSA to be registered in Ontario on all of Aduro's assets; and
- $100,000 upon Aduro signing a promissory note ("PN2") and such number of Aduro's convertible lenders signing amendment agreements to their loans as is acceptable to the Company.

On August 7, 2020, the Company and Aduro entered into PN1 and a GSA. Pursuant to PN1, the Company advanced $50,000 to Aduro. The loan bears interest at 6% per annum, matures in 12 months, may be prepaid without penalty in whole or in part together with all accrued and unpaid interest and is secured by the GSA. Pursuant to the GSA, Aduro granted the Company a security interest in all of its current and after-acquired property and any related proceeds as security for up to $150,000 to be borrowed under PN1 and PNs to be issued for further advances. The GSA may be terminated at any time by written agreement and will terminate upon completion of all payments due under the PN or provided that the Acquisition is completed, achievement of the FM.

16. COMPARATIVE AMOUNTS

Certain of the prior year's comparative amounts have been reclassified to conform with the current year's presentation.

Unaudited financial statements of D5 for the six months ended November 30, 2020

Condensed Interim Financial Statements

Six Months Ended November 30, 2020

(Unaudited - Expressed in Canadian Dollars)

Dimension Five Technologies Inc.
Condensed Interim Statements of Financial Position
Expressed in Canadian Dollars
(Unaudited – prepared by management)

		November 30, 2020		May 31, 2020 (audited)
Assets				
Current				
Cash	$	**370,970**	$	93,861
Guaranteed investment certificate (Note 5)		**29,000**		28,750
Interest receivable		**25**		238
GST receivable		**4,203**		995
Prepaid expenses and deposit (10)		**5,000**		873
Deferred acquisition costs (Notes 4 and 6)		**79,069**		7,319
Loans receivable (Notes 4 and 7)		**143,142**		-
	$	**631,409**	**$**	132,036
Liabilities				
Current				
Accounts payable and accrued liabilities (Notes 8 and 10)	$	**142,815**	$	51,980
Equity				
Share capital (Note 9)		**1,336,730**		838,828
Reserves (Note 9)		**16,620**		15,000
Deficit		**(864,756)**		(773,772)
		488,594		80,056
	$	**631,409**	$	132,036

Nature and continuance of operations (Note 1)

On behalf of the Board:

"Chris Parr", Director

"David Hodge", Director

Dimension Five Technologies Inc.
Condensed Interim Statements of Loss and Comprehensive Loss
Expressed in Canadian Dollars
(Unaudited – prepared by management)

	Three months ended November 30, 2020	Three months ended November 30, 2019	Six months ended November 30, 2020	Six months ended November 30, 2019
Revenue				
License fees (Note 10)	**$ -**	$ 30,000	**$ -**	$ 60,000
Expenses				
App maintenance (Note 10)	**-**	16,214	**-**	45,155
General and administrative (Note 11)	**48,871**	59,890	**92,862**	138,136
	48,871	76,104	**92,862**	183,291
Loss before other items	**(48,871)**	(46,104)	**(92,862)**	(123,291)
Other items				
Interest and other income (Note 7)	**1,860**	701	**1,878**	1,848
Impairment of intangible asset (Note 10)	**-**	(300,000)	**-**	(300,000)
	1,860	(299,299)	**1,878**	(298,152)
Loss and comprehensive loss for the period	**$ (47,011)**	$ (345,403)	**$ (90,984)**	$ (421,443)
Basic and diluted loss per share	**$ (0.00)**	$ (0.01)	**$ (0.00)**	$ (0.02)
Weighted average number of common shares outstanding	**33,012,063**	23,078,001	**28,017,890**	23,078,001

Dimension Five Technologies Inc.
Condensed Interim Statements of Changes in Equity
Expressed in Canadian Dollars
(Unaudited – prepared by management)

	Share Capital				
	Number of Shares	**Amount**	**Reserves**	**Deficit**	**Total Equity**
Balance, May 31, 2019	23,078,001	$ 838,828	$ 15,000	$ (263,258)	$ 590,570
Net loss for the period	-	-	-	(421,443)	(421,443)
Balance, November 30, 2019	**23,078,001**	**$ 838,828**	**$ 15,000**	**$ (684,701)**	**$ 169,127**

	Share Capital				
	Number of Shares	**Amount**	**Reserves**	**Deficit**	**Total Equity**
Balance, May 31, 2020	23,078,001	$ 838,828	$ 15,000	$ (773,772)	$ 80,056
Shares issued	10,044,440	502,222	-	-	502,222
Share issuance costs	-	(4,320)	1,620	-	(2,700)
Net loss for the period	-	-	-	(90,984)	(90,984)
Balance, November 30, 2020	**33,122,441**	**$ 1,336,730**	**$ 16,620**	**$ (864,756)**	**$ 488,594**

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

Dimension Five Technologies Inc.
Condensed Interim Statements of Cash Flows
Expressed in Canadian Dollars
(Unaudited – prepared by management)

		Six months ended November 30, 2020		Six months ended November 30, 2019
Operating Activities				
Net loss for the period	$	(90,984)	$	(421,443)
Items not affecting cash:				
Interest accrued on loans advanced		(1,842)		-
Impairment of intangible asset		-		300,000
Changes in non-cash working capital:				
Amounts receivable		(2,995)		(21,020)
Prepaid expenses and deposit		(4,127)		5,500
Accounts payable and accrued liabilities		60,140		21,827
Deferred App development funds		-		(2,295)
Cash used in operating activities		(39,808)		(117,431)
Investing Activities				
Redemption of guaranteed investment certificate		28,750		100,000
Purchase of guaranteed investment certificate		(29,000)		-
Deferred acquisition costs		(41,055)		-
Loans advanced		(141,300)		-
Cash provided by (used in) investing activities		(182,605)		100,000
Financing Activities				
Proceeds from issuance of common shares		502,222		-
Share issuance costs		(2,700)		-
Cash provided by financing activities		499,522		-
Change in cash during the period		277,109		(17,431)
Cash, beginning of period		93,861		36,081
Cash, end of period	$	370,970	$	18,650
Supplementary Information				
Deferred acquisition costs included in accounts payable and accrued liabilities	$	30,695	$	-

1. NATURE AND CONTINUANCE OF OPERATIONS

On October 22, 2020, the Company entered into a securities exchange agreement pursuant to which Aduro Energy Inc.'s ("Aduro") security holders agreed to sell their shares to the Company such that following closing, all of the issued and outstanding common shares of Aduro will be owned by the Company (the "Transaction"). As part of the Transaction, Aduro's management has a plan in place to attain a third-party equity investment at minimum of $2.5 million within six months of the closing of the Transaction. This investment, if closed, will be sufficient to complete Aduro's commercialization path and start to develop profitable operations. Aduro's management has also put in place a restructuring equity plan for its lenders to support the financial raise. See Note 4.

As at November 30, 2020, the Company had a deficit of $864,756 since inception and negative operating cash flows. The continuing operations of the Company are dependent upon generating profitable operations and obtaining funding, as required, to allow the Company to achieve its business objectives. These conditions indicate the existence of a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

The Company's annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). These condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting (IAS 34).

These condensed interim financial statements should be read in conjunction with the Company's most recent annual financial statements. These condensed interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements.

These financial statements were authorized for issue by the Board of Directors on January 26, 2021.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In preparing these financial statements, judgments are made in applying the Company's accounting policies. The areas of policy judgment are consistent with those reported in the 2020 annual financial statements. In addition, the Company makes assumptions about the future in deriving estimates used in preparing the financial statements.

In March 2020, the World Health Organization declared coronavirus, also known as "COVID-19" a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

4. TRANSACTIONS WITH ADURO ENERGY INC.

<u>Transactions with Aduro Energy Inc. prior to the Securities Exchange Agreement</u>

On July 13, 2020, the Company entered into a binding letter of intent (the "LOI") with Aduro Energy Inc. ("Aduro") whereby the Company would acquire 100% of the issued and outstanding shares of Aduro from Aduro's shareholders (the "Acquisition"). On July 29, 2020, the Company received consent from the Canadian Securities Exchange (the "CSE") to complete the Acquisition and to loan $150,000 to Aduro to fund its working capital requirements until closing. On October 22, 2020, the LOI was replaced and superseded by a securities exchange agreement.

4. TRANSACTIONS WITH ADURO ENERGY INC. (continued)

On August 7, 2020, the Company agreed to lend $150,000 to Aduro on the following conditions:

- $50,000 upon signing a promissory note ("PN1") and a general security agreement (the "GSA") on all of Aduro's assets to be registered in Ontario; and
- $100,000 upon signing a promissory note ("PN2") and such number of Aduro's convertible note lenders signing amendment agreements to their NPAs as is acceptable to the Company.

On August 7, 2020, the Company entered into PN1 with Aduro and $50,000 was advanced to Aduro. The loan is secured by the GSA, bears interest at 6% per annum, matures in 12 months and may be prepaid in whole or in part without penalty together with all accrued and unpaid interest. Pursuant to the GSA, the Company was granted a security interest in all of Aduro's current and after-acquired property and any related proceeds as security for up to $150,000 to be borrowed under PN1 and PNs to be issued for further advances. The GSA may be terminated at any time by written agreement and will terminate upon completion of all payments due under the PNs or provided that the Acquisition is completed, achievement of the first milestone (see below).

For PN2, the Company advanced $50,000, $15,000 and $15,000 on August 28, 2020, October 26, 2020 and November 18 respectively, bringing the aggregate advances to $130,000 as at November 30, 2020. The terms and conditions of the advances are as described for PN1 above.

<u>Securities Exchange Agreement with Aduro Energy Inc.</u>

On October 22, 2020, the Company entered into a securities exchange agreement (the "SEA") with Aduro's security holders and Aduro whereby the LOI entered into on July 13, 2020 was superseded and replaced. Pursuant to the SEA, Aduro's security holders (the "TVs") agreed to sell their shares (the "TSs") to the Company, the Company irrevocably agreed to acquire all of the issued and outstanding TSs from the TVs and the TVs irrevocably agreed to acquire all of the issued and outstanding TSs from the TVs and the TVs irrevocably agreed to exchange, assign and transfer their TSs to the Company in consideration for the payment of the purchase price by the Company to the TVs and Aduro's special warrant trustee (the "Trustee") on behalf of the TVs and the TN holders such that following closing, all of the issued and outstanding TSs will be owned by the Company.

i. Purchase Price

As consideration for the acquisition of the TSs at closing the Company will:

- Issue 40 million shares of the Company at a deemed price of $0.05 per share to the TVs in the specified amounts;
- Create and issue 80 million special warrants (the "SWs"), consisting of 40 million Class A special warrants (the "ASWs") and 40 million Class B special warrants (the "BSWs") at a deemed price equal to the Company's discounted share price (as defined), to the Trustee to be held in trust until distributed on the first milestone ("FM") achievement date to the:
    - TN holders, with the actual number of ASWs to be distributed being determined by application of the specified formula on the FM achievement date; and
    - TVs pro rata as specified, with the actual number of ASWs being determined after calculating the number of ASWs to be distributed to the TN holders and the actual number of BSWs to be distributed to each TV as specified.

4. TRANSACTIONS WITH ADURO ENERGY INC. (continued)

with the SWs being convertible for no additional consideration into the Company's shares on a one-for-one basis upon the later of the achievement of the FM in the case of the ASWs or the achievement of the second milestone ("SM") in the case of the BSWs, as applicable, and the distribution of the SWs by the Trustee.

ii. First Milestone Protection Plan

If, within three months of completing the FM, the Company has not completed the first financing resulting in gross proceeds of at least $2.5 million or has completed the first financing resulting in gross proceeds of at least $2.5 million having occurred at less than or equal to $0.18 per share, then the outstanding common shares of the Company and/or options to acquire common shares of the Company held by the Zimtu Group representing a total of 9,708,000 common shares will be purchased by the Company for an aggregate amount of $1 three months following the date the Company achieved the FM. If, prior to this date, the Company has:

- Completed the first financing of greater than $1.25 million, this date will be extended by three months and if within this additional three-month period the Company completes one or more additional closings of the first financing such that the aggregate gross proceeds of the first financing are at least $2.5 million and the per share price is greater than $0.18, no shares will be repurchased;
- Closed the first financing for gross proceeds of less than $2.5 million but greater than $1.25 million prior to the three-month period (as may have been extended) and the per share price of the first financing is greater than $0.18, the number of shares to be repurchased for an aggregate amount of $1 will be reduced by the ratio of the gross proceeds raised divided by $2.5 million; and
- Determined that it does not need to raise additional capital through the issuance of securities requiring Zimtu to act as a finder or a broker for a financing following the achievement of the FM, so shares will be repurchased.

iii. Second Milestone Protection Plan

If, within three months of achieving item 1, 2 or 3 of the SM, the Company has not completed the second financing resulting in gross proceeds of at least $4.5 million or has completed the second financing resulting in gross proceeds of at least $4.5 million having occurred at less than or equal to $0.30 per share, then if: (i) any of the common shares have been previously purchased for cancellation by the Company, outstanding common shares of the Company and/or options to acquire common shares of the Company held by the Zimtu Group representing a total of 907,150 common shares and (ii) if no common shares have not been purchased for cancellation, outstanding common shares of the Company and/or options to acquire common shares of the Company held by the Zimtu Group representing a total of 6,307,000 common shares will be purchased by the Company for an aggregate amount of $1 three months following the date the Company achieved the SM. If, prior to this date, the Company has:

- Completed the second financing of at least $2.25 million, this date will be extended by three months and if within this additional three-month period the Company completes one or more additional closings of the second financing such that the aggregate gross proceeds of the second financing are at least $4.5 million and the per share price is greater than $0.30, no shares will be repurchased;
- Closed the second financing for gross proceeds of less than $4.5 million but greater than $2.25 million prior to the three-month period (as may have been extended) and the per share price of the second financing is greater than $0.30, the number of shares to be repurchased for an aggregate amount of $1.00 will be reduced by the ratio of the gross proceeds raised divided by $4.5 million; and
- Determined that it does not need to raise additional capital through the issuance of securities requiring Zimtu to act as a finder or a broker for a financing following the achievement of item 1, 2 or 3 of the SM, no shares will be repurchased.

4. TRANSACTIONS WITH ADURO ENERGY INC. (continued)

The transaction will close on the date mutually agreed to by the Company, Aduro and the CEO of Aduro and will not be later than December 31, 2020 or such other date as may be mutually agreed to in writing.

In connection with the closing, the Company's Board will be reconstituted to consist of five directors, two being current directors of the Company as nominees of the Company and three being nominees of Aduro, including the CEO of Aduro. On closing, the Company's loan to Aduro will be deemed to be an intercompany loan and the Company will grant a total of 10 million stock options to directors, officers and consultants of the Company as determined by the Company prior to closing. These options will have a term of three years and will vest and become exercisable as follows:

- One-third on closing and exercisable at a price of $0.10 per share;
- One-third on closing of the first financing of at least $2.5 million completed by the Company after the closing (the "Qualified First Financing") with the exercise price being equal to the share or unit price of the Qualified First Financing, and
- One-third on closing of the first financing of at least $4.5 million completed by the Company after the Qualified First Financing (the "Qualified Second Financing") with the exercise price being equal to the share or unit price of the Qualified Second Financing.

The SEA may be terminated at any time prior to closing by the mutual written agreement of the Company and Aduro and either the Company or Aduro if:

- The transaction has not closed prior to December 31, 2020, unless otherwise extended by written agreement;
- The transaction is rejected by the CSE and all recourse or rights of appeal have been exhausted;
- Any order of a governmental body preventing the completion of the transaction has become final and non-appealable;
- Their respective Boards authorize them to enter into a legally binding agreement relating to a superior proposal (as defined); or
- There has been a material breach by the other party that is not cured within 10 business days after receiving notice of such breach.

On December 28, 2020, the Company and Aduro mutually agreed to extend the closing date to March 31, 2021.

5. GUARANTEED INVESTMENT CERTIFICATE

As at November 30, 2020, the Company had a $29,000 (May 31, 2020: $28,750) variable rate guaranteed investment certificate ("GIC"). The GIC bears interest at prime minus 2.6% and is redeemable without penalty. The GIC is being held as security by the bank for a credit card with credit limit of $15,000. The GIC has been classified as a current asset as it may be redeemed without penalty by the Company within one year and if the credit card is cancelled.

6. DEFERRED ACQUISITION COSTS

As at November 30, 2020, the Company had incurred $79,069 (May 31, 2020: $7,319) of legal costs pursuant to the Transaction with Aduro (see Note 4).

Expressed in Canadian Dollars

7. LOANS RECEIVABLE

As at November 30, 2020, the Company had loaned Aduro $130,000 (May 31, 2020: $nil) pursuant to the conditions as described in Note 4 and paid the $11,300 retainer for Aduro's audit for the year ended November 30, 2019. The amounts loaned mature between August 7, 2021 and November 18, 2021. As at November 30, 2020, $1,842 (May 31, 2020: $nil) in interest had been accrued on the amounts loaned.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consists of the following:

	November 30, 2020 $	May 31, 2020 $
Accounts payable	77,733	12,319
Accrued liabilities	597	7,661
Amounts due to related parties (Note 10)	64,485	32,000
	142,815	**51,980**

9. SHARE CAPITAL

Shares:

Authorized:
i. Unlimited common shares without par value
ii. Unlimited preferred shares without par value

Issued and outstanding:

As at November 30, 2020, the issued and outstanding common shares of the Company consisted of 33,122,441 common shares and nil preferred shares (May 31, 2020: 23,078,001 common shares and nil preferred shares).

On September 2, 2020, the Company completed a non-brokered private placement whereby it issued a total of 10,044,440 common shares at a price of $0.05 per share for gross proceeds of $502,222. The Company paid a cash finder's fee of $2,700 and granted 54,000 share purchase warrants (valued at $1,620) to one finder in connection with the closing of this private placement.

During the year ended May 31, 2020, no shares were issued.

As at November 30, 2020, 6,435,002 (May 31, 2020: 8,580,002) common shares were being held in escrow. The shares remaining in escrow will be released in instalments of 2,145,000 every six months until February 12, 2022.

Stock Options:

During the six months ended November 30, 2020 and the year ended May 30, 2020, no stock options were granted.

Expressed in Canadian Dollars

9. SHARE CAPITAL (continued)

Stock Options (continued):

A continuity schedule of the incentive stock options is as follows:

	November 30, 2020			May 31, 2020		
	Number of Options	Weighted Average exercise price		Number of Options	Weighted Average exercise price	
Outstanding and exercisable, beginning of period	400,000	$	0.05	400,000	$	0.05
Granted	-		-	-		-
Cancelled/Expired/Exercised	-		-	-		-
Outstanding and exercisable, end of period	**400,000**	**$**	**0.05**	**400,000**	**$**	**0.05**
Weighted average life (years)	**2.77**			**3.27**		

Share Purchase Warrants:

The fair value ascribed to the finder's warrants issued on September 2, 2020 was estimated using the Black-Scholes option pricing model based on the following assumptions:

	2020
Risk-free interest rate	0.26%
Expected life	2 years
Expected volatility	84.21%
Dividend rate	Nil

A continuity schedule of the share purchase warrants is as follows:

	November 30, 2020			May 31, 2020		
	Number of Warrants	Weighted Average exercise price		Number of Warrants	Weighted Average exercise price	
Outstanding and exercisable, beginning of period	-	$	-	-	$	-
Issued	54,000		0.07	-		-
Cancelled/Expired/Exercised	-		-	-		-
Outstanding and exercisable, end of period	**54,000**	**$**	**0.07**	**-**	**$**	**-**
Weighted average life (years)	**1.81**			**-**		

Expressed in Canadian Dollars

10. RELATED PARTY TRANSACTIONS

During the six months ended November 30, 2020 and November 30, 2019, compensation of related parties was as follows:

Key management and related party compensation	Six months ended November 30, 2020 $	Six months ended November 30, 2019 $
Remuneration and fees	16,400	12,000
Salaries and benefits	36,000	30,000
	52,400	42,000

During the six months ended November 30, 2020, the Company:

- incurred professional fees of $8,000 (2019: $12,000) to a company controlled by the former CFO of the Company. As at November 30, 2020, the Company owed $12,600 (May 31, 2020: $8,000) to the company;
- incurred professional fees of $8,400 (2019: $nil) to a company controlled by the new CFO of the Company. As at November 30, 2020, the Company owed $3,885 (May 31, 2020 $nil) to the company and had advanced a $5,000 refundable deposit to it; and
- incurred salaries and benefits of $36,000 (2019: $30,000) to the CEO of the Company. As at November 30, 2020, the Company owed $48,000 (May 31, 2020: $24,000) to the CEO of the Company related to salaries payable.

The amounts owing are unsecured, non-interest bearing, due on demand and to be settled in cash.

On July 1, 2018, the Company purchased the Zimtu Advantage software application (the "App") including the source code, website and other intellectual property rights from Zimtu Capital Corp. ("Zimtu") by issuing 10,000,000 common shares valued at $0.03 per share for total consideration of $300,000. The Company re-developed the website's interface, re-engineered the platform and launched the beta version of the software application under a new brand named "Investorbase". Due to the uncertainty of any recovery with no license agreement in place, the Company recorded an impairment loss on the App of $300,000 at November 30, 2019.

On July 1, 2018, the Company entered into a License Agreement (the "LA") with Zimtu, whereby the Company was granted a non-exclusive, non-transferable, non-sublicensable and revocable app user license to Zimtu for a fee of $10,000 per month. During the six months ended November 30, 2020, the Company earned license fees of $nil (2019: $60,000) pursuant to the LA.

On September 11, 2018, the Company entered into an App Further Development Agreement (the "AFDA") with Zimtu, where by Zimtu agreed to pay the Company a fee of $100,000 to improve and further develop the App for its use. During the six months ended November 30, 2020, no amount was applied against improvement and re-development costs (2019: $2,295).

On March 1, 2019, the Company entered into a Management Services Agreement (the "MSA") with Zimtu, whereby Zimtu agreed to provide the Company with administrative and managerial services for a fee of $5,500 per month plus GST, including office space and equipment. During the six months ended November 30, 2020, the Company incurred rent and other expenses of $nil (2019: $33,000) pursuant to the MSA.

Effective January 31, 2020, the Company terminated the LA, AFDA and MSA with Zimtu.

Expressed in Canadian Dollars

11. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses consist of the following:

	Three months ended November 30, 2020 $	Three months ended November 30, 2019 $	Six months ended November 30, 2020 $	Six months ended November 30, 2019 $
Advertising and promotion	1,710	1,158	4,162	1,846
Filing fees, transfer agent expenses and other listing expenses	6,850	7,003	12,854	12,376
Office, rent, and general (Note 10)	849	17,335	1,203	38,057
Professional services (Note 10)	20,754	15,849	36,754	48,030
Salaries and benefits (Note 10)	18,708	18,545	37,889	37,827
	48,871	59,890	92,862	138,136

12. SUBSEQUENT EVENTS

On December 2, 2020, the Company advanced Aduro an additional $20,000 pursuant to the conditions as described in Note 4, bringing the aggregate advances to $150,000. Also see Note 7.

On December 24, 2020, the Company entered into a promissory note with Aduro and $150,000 was advanced to Aduro. The advance is secured by the amended GSA, bears interest at 6% per annum calculated semi-annually and payable at maturity, matures in seven months and may be prepaid in whole or in part without penalty together with all accrued and unpaid interest. Also see Note 4.

On January 4, 2021, the Company entered into a promissory note and security agreement amendment for $250,000 with Aduro, replacing the promissory note entered into on December 24, 2020. On January 27, 2021, the Company advanced Aduro an additional $100,000 on the same terms and conditions as the superseded promissory note.

Audited financial statements of Aduro Energy for the years ended November 30, 2020, November 30, 2019 and November 30, 2018

Aduro Energy Inc.
Financial Statements
November 30, 2020 and 2019
(Expressed in Canadian dollars)

DeVISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

401-905 West Pender St
Vancouver BC V6C 1L6
www.devissergray.com
t 604.687.5447
f 604.687.6737

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Aduro Energy Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Aduro Energy Inc. which comprise the statements of financial position as at November 30, 2020 and November 30, 2019, and the statements of loss and comprehensive loss, changes in deficiency 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 Aduro Energy Inc. as at November 30, 2020 and November 30, 2019 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 Aduro Energy Inc. in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that Aduro Energy Inc. incurred a loss of $428,385 for the year ended November 30, 2020 and has an accumulated deficit of $1,638,266 as of the same date. The continuing operations of Aduro Energy Inc. are dependent upon its ability to attain sufficient investment to complete its commercialization path and develop profitable operations. These events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which casts significant doubt about Aduro Energy Inc.'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 information included in "Management's Discussion and Analysis", but does not include the financial statements and our auditor's report thereon.

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, 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 Aduro Energy Inc.'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 Aduro Energy Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Aduro Energy Inc.'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 Aduro Energy Inc.'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 Aduro Energy Inc.'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 Aduro Energy Inc. 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.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC
April 22, 2021

Aduro Energy Inc.
Statements of Financial Position
(Expressed in Canadian Dollars)

		November 30, 2020		November 30, 2019
Assets				
Current				
Cash and cash equivalents	$	**9**	$	5,967
Trade and other receivables (Note 6)		**27,075**		19,612
Other current assets (Note 7)		**-**		11,519
		27,084		37,098
Non–current				
Property and equipment (Note 8)		**15,890**		8,326
Right of use assets (Note 9)		**62,857**		-
Intangible assets (Note 10)		**35,366**		63,633
		114,113		71,959
	$	**141,197**	$	109,057
Liabilities				
Current				
Trade payables and other current liabilities (Note 11)	**$**	**391,472**	$	537,830
Bank overdraft		**12,326**		-
Contract liabilities (Note 18)		**37,883**		37,883
Project contributions payable (Note 12)		**87,750**		131,750
Lease liability – current portion (Note 14)		**76,542**		-
Debt - current portion (Note 13)		**170,370**		234,850
		776,343		942,313
Non–current				
Trade payables and other current liabilities (Notes 11)		**152,309**		-
Lease liability – non-current portion (Note 14)		**3,661**		-
Debt – non-current portion (Note 13)		**585,286**		285,425
		741,256		285,425
Deficiency				
Share capital (Note 15)		**254,943**		91,200
Contributed surplus (Note 15)		**6,921**		-
Accumulated deficit		**(1,638,266)**		(1,209,881)
		(1,376,402)		(1,118,681)
	$	**141,197**	$	109,057

Nature of operations and continuance of operations (Note 1)
Subsequent events (Note 26)

On behalf of the Board:

“Ofer Vicus”, Director

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

Aduro Energy Inc.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

		For the year ended November 30, 2020		For the year ended November 30, 2019
Revenue (Note 18)	$	**42,468**	$	191,987
Expenses				
Depreciation and amortization		**57,214**		32,259
Finance costs (Note 19)		**57,667**		46,319
Foreign exchange		**(1,412)**		1,438
General and administrative (Note 20)		**222,542**		186,000
Rent		**-**		18,715
Rental management		**50,425**		81,552
Research and development (Note 21)		**116,507**		74,249
		502,943		440,532
Loss before other items		**(460,475)**		(248,545)
Other items				
COVID 19 wage subsidy (Note 6)		**24,590**		-
Gain on settlement of debt (Note 17)		**7,500**		-
		32,090		-
Loss before income taxes		**(428,385)**		(248,545)
Income taxes (Note 22)		**-**		-
Net loss and comprehensive loss	$	**(428,385)**	$	(248,545)
Basic and diluted loss per share	$	**(0.32)**	$	(0.19)
Weighted average number of shares outstanding		**1,342,045**		1,317,305

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

Aduro Energy Inc.
Statements of Changes in Deficiency
(Expressed in Canadian Dollars)

	Share Capital						
	Number of Shares		Amounts				
	Class A	Class B	Class A	Class B	Contributed surplus	Accumulated Deficit	Total Deficiency
Balance, November 30, 2018	1,258,040	59,265	$ 1,200	$ 90,000	$ -	$ (961,336)	$ (870,136)
Net comprehensive loss	-	-	-	-	-	(248,545)	(248,545)
Balance, November 30, 2019	1,258,040	59,265	1,200	90,000	-	(1,209,881)	(1,118,681)
Net comprehensive loss	-	-	-	-	-	(428,385)	(428,385)
Share-based expense	-	-	-	-	6,921	-	6,921
Shares issued	-	119,433	-	163,743	-	-	163,743
Shares cancelled	(38,133)	-	-	-	-	-	-
Balance, November 30, 2020	**1,219,907**	**178,698**	**$ 1,200**	**$ 253,743**	**$ 6,921**	**$ (1,638,266)**	**$ (1,376,402)**

The accompanying notes are an integral part of these financial statements

Aduro Energy Inc.
Statements of Cash Flows
(Expressed in Canadian Dollars)

		For the year ended November 30, 2020		For the year ended November 30, 2019
Operating Activities				
Net loss	$	**(428,385)**	$	(248,545)
Adjustments for:				
Depreciation and amortization		**57,214**		32,259
Finance costs		**54,327**		32,984
Gain of settlement of debt		**(7,500)**		
Share-based payments		**9,186**		-
Foreign exchange		**(4,565)**		-
Change in non-cash working capital (Note 24)		**144,980**		165,583
Cash flow used in operating activities		**(174,743)**		(17,719)
Investing Activities				
Additions to property and equipment (Note 8)		**(8,263)**		(938)
Additions to intangible assets (Note 10)		**-**		(13,660)
Cash flow used in investing activities		**(8,263)**		(14,598)
Financing Activities				
Issuance of convertible notes (Note 13)		**30,000**		45,000
Proceeds from CEBA loan (Note 13)		**40,000**		-
Proceeds from promissory notes (Note 13)		**130,000**		-
Repayment of working capital loan – BDC		**(4,995)**		(16,650)
Interest paid		**(11,981)**		-
Lease liability – principal payments		**(18,302)**		-
Cash flows provided by financing activities		**164,722**		28,350
Increase (decrease) in cash		**(18,284)**		(3,967)
Cash and cash equivalents, beginning of year		**5,967**		9,934
Bank overdraft - net, end of year	$	**(12,317)**	$	5,967
Supplementary Information:				
Class B shares issued to settle trade payables	**$**	**161,478**	$	-
Accrued lease payments transferred to lease liability	**$**	**7,400**	$	-
Change in liabilities relating to foreign exchange	**$**	**4,565**	$	-

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Aduro Energy Inc. (the "Company") was incorporated under the Canada Business Corporations Act on December 15, 2011. The Company is an early-stage business focusing on developing environmentally-responsible technology for converting end-of-life plastics and tire rubber to specialty chemicals and fuels that replace petroleum, upgrading of heavy crude oils and the transformation of renewable oils into renewable fuels and specialty chemicals. The water base chemical recycling platform features three sector focus technologies, Hydrochemolytic Plastics Upgrading ("HPU"), Hydrochemolytic Renewables Upgrading ("HRU") and Hydrochemolytic Bitumen Upgrading ("HBU"). As at November 30, 2020, the Company has developed and owns five granted and pending patents (see Note 10). The registered and records office is located at Suite 1020, 50 Queen Street North, Kitchener, Ontario, Canada N2H 6M2.

On October 22, 2020, the Company entered into a securities exchange agreement pursuant to which the Company's security holders agreed to sell their shares to Dimension Five Technologies Inc. ("D5") such that following closing, all of the issued and outstanding common shares of the Company will be owned by D5 with D5 and the Company amalgamating into one entity (the "Transaction"). As part of the Transaction, management has a plan in place to attain a third-party equity investment at minimum of $2.5 million within six months of the closing of the Transaction. This investment, if closed, will be sufficient to complete its commercialization path and start to develop profitable operations. During the year, management put in place a restructuring equity plan for some of its debt-holders to support the financial raise. See Note 25.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has not been able to finance the day-to-day activities due to insufficient investment, negative operating cash flows and losses. The Company incurred a loss of $428,385 for the year ended November 30, 2020 and has accumulated losses of $1,638,266 as of the same date. The continuing operations of the Company are dependent upon its ability to attain sufficient investment to complete its commercialization path and develop profitable operations.

The adverse financial position of the Company indicates the existence of a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on the Statement of Financial Position.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Preparation of these financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity and areas where assumptions and estimates are significant to these financial statements are disclosed in Note 4.

These audited financial statements were authorized for issue by the Board of Directors on April 22, 2021.

b) Basis of measurement

The financial statements have been prepared using the historical cost basis except as detailed in the Company's accounting policies in Note 3.

c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

a) Foreign currency transactions

The Canadian dollar is the Company's functional and presentation currency. Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to the functional currency at the exchange rate in effect on the statement of financial position date with any resulting foreign exchange gain or loss recognized in net income (loss).

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate in effect on the date of the transaction. Foreign currency gains and losses on transactions are reported on a net basis and recognized in foreign exchange under Expenses within Statements of Loss and Comprehensive Loss.

b) Financial instruments

All financial instruments are measured at fair value upon initial recognition of the transaction.

Measurement

Measurement in subsequent periods is dependent on whether the instrument is classified as "amortized cost", "fair value through profit or loss" or "fair value through other comprehensive income".

The Company derecognizes a financial asset when the contractual right to the cash flows from the asset expire or it transfers the right to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

All of the Company's financial assets and liabilities are classified as amortized cost.

Trade and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value, adjusted for any directly attributable transaction costs. Subsequent to initial recognition, trade and other receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Financial liabilities are subsequently measured at amortized cost using the effective interest method.

c) Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset and bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of replacing a part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably.

The costs of day-to-day servicing of property and equipment (i.e. repairs and maintenance) are recognized under Expenses in the Statements of Loss and Comprehensive Loss as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Property and equipment (continued)

A summary of the expected life and residual values for the Company's property and equipment as at November 30, 2020 and 2019 was as follows:

	Expected Life	**Residual Values**
Computer equipment	5 years	-
Office equipment	10 years	-
Research equipment	20 years	-

Depreciation is calculated based on the cost of the asset, less its estimated residual value. Depreciation is recognized in the Statements of Loss and Comprehensive Loss on a straight-line basis over the estimated useful lives of each class of asset.

An item of property and equipment is derecognized when it is either disposed of or when it is determined that no further economic benefit is expected from the item's future use or disposal. Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal, less associated costs of disposal, with the carrying amount of property and equipment, and are recognized in Other Items within the Statements of Loss and Comprehensive Loss.

d) Identifiable intangible assets

Intangible assets are recorded at cost less accumulated amortization and impairment losses. Cost includes the purchase price and the directly attributable costs to bring the assets to the location and condition necessary for them to be capable of operating in the manner intended by management. Finite life intangible assets are amortized on a straight-line basis over their useful lives. Intangible assets with an indefinite useful life are not amortized. Amortization commences when an asset is ready for its intended use. Estimates of remaining useful lives are reviewed annually.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditures incurred from the date that the Company can demonstrate all of the following: (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (ii) its intention to complete the intangible asset and use or sell it; (iii) its ability to use or sell the intangible asset; (iv) how the intangible asset will generate probable future economic benefits; (v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and (vi) its ability to measure reliably the expenditure attributable to the intangible asset during its development. Until these criteria are met, expenditures are expensed as incurred.

A summary of the expected life and residual values for the Company's intangible assets as at November 30, 2020 and 2019 was as follows:

	Expected Life	**Residual Values**
Investor relations videos	5 years	-
Patents	20 years from day of filing	-

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Right-of-use assets and lease liability

Effective December 1, 2019, the Company has adopted IFRS 16 using the modified retrospective approach with the effect of initially applying this standard at the date of application. See Note 4.

i) Prior to November 30, 2019

Lease in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to net income (loss) on a straight-line basis over the lease term. Leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges. The interest element of the finance cost is charged to net income (loss) over the lease year so as to produce a constant yearly rate of interest on the remaining balance of the liability for each year. Assets acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

ii) Effective December 1, 2019

Where the Company has entered a lease, the Company has recognized a right-of-use asset representing its rights to use the underlying assets and a lease liability representing its obligation to make lease payments. The right-of-use asset, where it relates to an operating lease, has been presented net of accumulated amortization and is disclosed under right-of-use assets on the statement of financial position. The right of use assets are depreciated over the shorter of the lease term and their estimated useful lives unless it is reasonably certain that the Company will obtain ownership at the end of the lease term, in which case, the estimated useful life of the asset is used. The lease liability has been disclosed as a separate line item, allocated between current and non-current liabilities. The lease liability associate with all leases is measured at the present value of the expected lease payments at inception and discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, the Company's incremental borrowing rate is used to discount the lease liability. Judgement is required to determine the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise: fixed payments; variable lease payments that depend on an index or a rate; amounts expected to be payable under any residual value guarantee; the exercise price under any purchase option that the Company would be reasonably certain to exercise; lease payments in any optional renewal period if the Company is reasonably certain to exercise an extension option; and penalties for any early termination of a lease unless the Company is reasonably certain not to terminate early. The Company has elected to not include non-lease components related to premises leases in the determination of the lease liability.

A summary of the expected life and residual values for the Company's right-of-use assets as at November 30, 2019 was as follows:

	Expected Life	**Residual Values**
Motor vehicle	8 years	$36,350
Office lease	3 years	-

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Impairment

Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates a loss event has occurred after the initial recognition of the asset and the loss event had a negative effect on the estimated future cash flows of the asset that can be estimated reliably.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is an indication of impairment. If an indication exists, then the asset's carrying amount is assessed for impairment. An impairment loss is recognized in net income (loss) if the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing fair value less costs to sell, the Company must estimate the price that would be received to sell the asset less any incremental costs directly attributable to the disposal. In assessing value in use, the estimated cash flows are discounted to their present value using an appropriate discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognized in prior periods are assessed at each reporting date for indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and the decrease in impairment loss can be objectively related to an event occurring after the impairment was recognized. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Such reversal is recognized in net income (loss).

g) Employee benefits

Share-based based compensation expense relates to stock options. The grant date fair value of stock options is measured using the Black-Scholes option pricing model and is recognized as an expense, with a corresponding increase in contributed surplus in equity, over the vesting period. The amount recognized as an expense is based on the estimate of the number of awards expected to vest, which is revised if subsequent information indicates that actual forfeitures are likely to differ from the estimate. Upon exercise of stock options, the consideration paid by the holder is included in share capital and the related contributed surplus associated with the stock options exercised is reclassified into share capital.

Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based compensation arrangement or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period. Share-based payments to non-employees are measured at the fair value of the 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.

h) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a finance cost within the Statements of Loss and Comprehensive Loss. As at November 30, 2020, the Company did not have any provisions.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Share capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. If shares are issued when options and warrants are exercised, the share capital account also comprises the compensation costs previously recorded as contributed surplus. If shares are issued within the conversion option on convertible securities' exercise, the share capital account also comprise the equity component if any of the convertible securities. Common shares issued for consideration other than cash are valued based on the fair value at the date the common shares are issued.

j) Revenues from contracts with customers

Revenue is recognized at the point in time when the customer obtains control of the product and/or service. Control is achieved when a product is delivered to or the service is performed for the customer, the Company has a present right to payment for the product and/or service, significant risks and rewards of ownership have transferred to the customer according to contract terms and there is no unfulfilled obligation that could affect the customer's acceptance of the product and/or service. For contract services that last over a year, revenue is recognized over the duration of the contract.

k) Contract balances

Contract assets are recognized when goods or services are transferred to customers before consideration is received or before the Company has an unconditional right to payment for performance completed to date. Contract assets are subsequently transferred to receivables when the right of payment becomes unconditional. Contract liabilities are recognized when amounts are received from customers in advance of transfer of goods or services. Contract liabilities are subsequently recognized in revenue as or when the Company performs under contracts.

l) Government grants

Research and experimental development tax credits are recognized using the cost reduction method in the year that they are received by the Company. Investment tax credits are subject to the customary approvals by the pertinent tax authorities. Adjustments, if required, are reflected in the year when such assessments are received.

Government grants related to income are recognized under other items within Statements of Loss and Comprehensive Loss. The benefit of loans from government at a below market interest rate are measured and recognized as the difference between the amount expected to be received, less, when material, a discount to reduce the loan to fair value. The benefit amount is presented with the carrying value of the loans as debt in the Statements of Financial Position. The benefit amount is amortized over the repayment period of the loans using the effective interest method.

m) Finance costs

Finance costs comprise interest expense on borrowings, costs associated with securing debt instruments and unwinding of the discount on provisions.

n) Research and development

Research costs are expensed as incurred. Development costs are only capitalized when the product or process is clearly defined; the technical feasibility has been established; the future market for the product or process is clearly defined; and the Company is committed, and has the resources, to complete the project. During the years ended November 30, 2020 and 2019, no development costs were deferred and accounted for as identified intangible assets.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Income tax

Income tax expense is comprised of current and deferred income taxes. Income tax is recognized in net income (loss) and other comprehensive income (loss) except to the extent that it relates to items recognized in equity on the consolidated statements of financial position. Current income tax is calculated using tax rates which are enacted or substantively enacted at the end of the reporting period. Deferred income taxes are recognized, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income taxes are determined using tax rates which are enacted or substantively enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized to the extent it is probable that taxable profits will be available against which the deductible balances can be utilized. All deferred tax assets are analyzed at each reporting period and reduced to the extent that it is no longer probable that the asset will be recovered.

p) Earnings (loss) per share

Earnings (loss) per share is computed by dividing the income (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. Under this method, the weighted average number of common shares used to calculate the dilutive effect in the Statements of Loss and Comprehensive Loss assumes that the proceeds that could be obtained upon exercise of options, warrants and similar instruments would be used to purchase common shares at the average market price during the period.

In periods where a net loss is incurred, basic and diluted loss per share is the same as the effect of outstanding stock options and warrants would be anti-dilutive.

q) Operating segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company’s other operating segments. All operating segments’ results are reviewed regularly by senior management to make decisions about resources to be allocated to the operating segment and assess its performance. Operating segment results that are reported to senior management include items directly attributable to an operating segment as well as those that can be allocated on a reasonable basis. The Company has one reportable operating segment.

r) Standards adopted in the year

As at December 1, 2019, the Company adopted the following standards:

<u>IFRS 16 – Leases</u>

The Company has initially applied IFRS 16 Leases (“IFRS 16”) from January 1, 2019 (“Initial Application”) which replaces IAS 17 Leases and related interpretations. IFRS 16 establishes a single, on-balance sheet accounting model for leases. As a result, the Company, as a lessee, has recognized a right-of-use asset representing its rights to use the underlying assets and a lease liability representing its obligation to make lease payments. The right-of-use asset, where it relates to an operating lease, has been presented net of accumulated amortization and is disclosed under right-of-use assets. The lease liability has been disclosed as a separate line item, allocated between current and non-current liabilities. The Company has adopted IFRS 16 using the modified retrospective approach with the effect of initially applying this standard at the date of Initial Application. Accordingly, this election means that the comparative information has not been restated and the disclosure requirements in IFRS 16 have not generally been applied to comparative information. Following a review of the Company’s leases, no adjustment was required and therefore no adjustment was required to be made to the accumulated deficit as at the date of Initial Application.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

r) Standards adopted in the year (continued)

The reconciliation of the lease liability as at December 1, 2019 is as follows:

	2020		
	Premises $	**Vehicle** $	**Total** $
Future aggregate minimum lease payments	49,044	13,000	62,044
Accrued lease payments	7,400	-	7,400
	56,444	13,000	69,444
Effect of including exercise price for purchase option	-	36,350	36,350
Effect of discounting at the incremental rate of borrowing	(5,234)	-	(5,234)
Effect of discounting at the implicit interest rate	-	(2,055)	(2,055)
Lease liability as at December 1, 2019	51,210	47,295	98,505

The incremental rate of borrowing and the implicit interest rate used in the determination of the lease liability were 8.45% and 3.92%, respectively.

s) New interpretations and amendments not yet adopted

A number of interpretations are not yet effective for the year ended November 30, 2020 and have not been applied in preparing these financial statements. The following new interpretations and amendments have been issued, but are not yet effective until financial years beginning on or after January 1, 2020, and may impact the Company in the future:

IAS 12 and IFRIC 23 – Income Taxes

IAS 12 currently provides guidance on current and deferred tax assets and liabilities however uncertainty may exist on how tax law applies to certain transactions. IFRIC 23 provides guidance on how to address this uncertainty related to tax treatments.

IAS 1 – Presentation of Financial Statements

IAS 1 has amended the definition of material to "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The previous definition of material from IAS 1 was "omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor."

IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

IAS 8 amended the definition of material to reflect the changes outlined above under IAS 1.

IFRS 3 – Business Combinations

The definition of a business has been amended in IFRS 3 to be "an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities." The previous definition under IFRS 3 was "an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants."

4. CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies (described in Note 3) and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Certain of the Company's accounting policies and disclosures require key assumptions concerning the future and other estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or disclosures within the next fiscal year. Where applicable, further information about the assumptions made is disclosed in the notes specific to that asset or liability. The critical accounting estimates and judgments set out below have been applied consistently to all periods presented in these financial statements.

a) Ability to continue as a going concern

Evaluation of the ability of the Company to realize its strategy for funding its future needs for working capital involves making judgments.

b) Property and equipment/right of use assets/intangible assets

Property and equipment/intangible are depreciated/amortized over the estimated useful life of the asset to the asset's estimated residual value as determined by management. All estimates of useful lives and residual values are set out in Notes 3 c), d) and e). Assessing the reasonableness of the estimated useful life, residual value and the appropriate depreciation/amortization methodology requires judgment and is based on management's experience and knowledge of the industry.

c) Impairment

An evaluation of whether or not an asset is impaired involves consideration of whether indicators of impairment exist. Factors which could indicate impairment exists include: significant underperformance of an asset relative to historical or projected operating results, significant changes in the manner in which an asset is used or in the Company's overall business strategy, the carrying amount of the net assets of the Company being more than its market capitalization or significant negative industry or economic trends. In some cases, these events are clear. However, in many cases, a clearly identifiable event indicating possible impairment does not occur. Instead, a series of individually insignificant events occur over a period of time leading to an indication that an asset may be impaired. Events can occur in these situations that may not be known until a date subsequent to their occurrence. When there is an indicator of impairment, the recoverable amount of the asset is estimated to determine the amount of impairment, if any. If indicators conclude that the asset is no longer impaired, the Company will reverse impairment losses on assets only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Similar to determining if an impairment exists, judgment is required in assessing if a reversal of an impairment loss is required.

d) COVID-19

In March 2020, the World Health Organization declared coronavirus, also known as "COVID-19" a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

(Expressed in Canadian Dollars)

5. OPERATING SEGMENTS

Reportable Segments

The Company is an early stage business focusing on developing environmentally-responsible technology for converting end-of-life plastics and tire rubber to specialty chemicals and fuels that replace petroleum, upgrading of heavy crude oils and the transformation of renewable oils into renewable fuels and specialty chemicals. For management purposes, the Company activities are managed and monitored by senior management as one operating segment. The financial statements included are the same financial statements that management uses to monitor the performance of the Company and for the allocation of resources.

Entity Wide Disclosures

As at, and for the years ended, November 30, 2020 and 2019, the Company's operations and assets were in Canada.

As an early stage development company, the Company was not yet generating sustainable revenues from its development activities. For the year ended November 30, 2020, the revenues recognized were $42,468 (2019 - $191,987). The revenues of $42,468 was made up of $nil (2019 - $50,512) by industry partner relating to a laboratory services agreement which was not completed as of November 30, 2020 and $42,468 (2019 - $141,475) for a short-term management services arrangement. These revenues provided cash flow for the Company's research and development activities.

For the year ended November 30, 2020, 100% (2019 - 100%) of the Company's total revenue was from one (2019 - two) customer who was located in Canada.

6. TRADE AND OTHER RECEIVABLES

The Company's trade and other receivables as at November 30, 2020 and 2019 were as follows:

	November 30, 2020 $	**November 30, 2019 $**
Trade receivables	**-**	11,144
COVID19 wage subsidy	**14,426**	-
HST receivable	**12,649**	8,468
Total	**27,075**	19,612

On June 1, 2020 and November 30, 2020, the Company entered into industrial research assistance program contribution agreements (the "CAs") with the National Research Council of Canada (the "NRC") whereby the NRC contributed COVID 19 wage subsidy funding of $10,164 and $14,426, respectively. The CAs terminate five years after the project completion dates and the NRC has the right to conduct compliance audits during that time. $14,126 was received on December 24, 2020.

The Company's exposure to credit risk related to trade and other receivables is disclosed in Note 23.

7. OTHER CURRENT ASSETS

The Company's other current assets as at November 30, 2020 and 2019 were as follows:

	November 30, 2020 $	**November 30, 2019 $**
Prepaid expenses	**-**	2,609
Deposits	**-**	8,910
Total	**-**	11,519

(Expressed in Canadian Dollars)

8. PROPERTY AND EQUIPMENT

The following table summarizes the Company's property and equipment as at November 30, 2020 and 2019:

	Computer Equipment $	Office Equipment $	Research Equipment $	Total $
Cost:				
Balance at November 30, 2018	5,226	4,113	8,602	17,941
Additions	-	938	-	938
Balance at November 30, 2019	5,226	5,051	8,602	18,879
Additions	-	-	8,263	8,263
Balance at November 30, 2020	**5,226**	**5,051**	**16,865**	**27,142**
Accumulated depreciation:				
Balance at November 30, 2018	4,942	1,187	432	6,561
Depreciation	284	3,278	430	3,992
Balance at November 30, 2019	5,226	4,465	862	10,553
Depreciation	-	269	430	699
Balance at November 30, 2020	**5,226**	**4,734**	**1,292**	**11,252**
Carrying amounts:				
At November 30, 2019	-	586	7,740	8,326
At November 30, 2020	**-**	**317**	**15,573**	**15,890**

As at November 30, 2020, the Company had not identified any impairment indicators.

9. RIGHT OF USE ASSETS

The following table summarizes the Company's right of use assets as at November 30, 2020 and 2019:

	Motor Vehicle $	Office Lease $	Total $
Cost:			
Balance at November 30, 2019	-	-	-
Adjustment – IFRS 16 implementation (Note 3r)	72,411	57,592	130,003
Balance at December 1, 2019	72,411	57,592	130,003
Additions	-	-	-
Balance at November 30, 2020	**72,411**	**57,592**	**130,003**
Accumulated depreciation:			
Balance at November 30, 2019	-	-	-
Adjustment – IFRS 16 implementation (Note 3r)	25,116	13,782	38,898
Balance at December 1, 2019	25,116	13,782	38,898
Depreciation for year	9,051	19,197	28,248
Balance at November 30, 2020	**34,167**	**32,979**	**67,146**
Carrying amounts:			
At November 30, 2019	-	-	-
At November 30, 2020	**38,244**	**24,613**	**62,857**

(Expressed in Canadian Dollars)

9. RIGHT OF USE ASSETS (continued)

The office lease was for the Company's research office located at the Western Sarnia-Lambton Research Park in Sarnia, Ontario. The Company's research equipment is located at the premises.

10. INTANGIBLE ASSETS

The following table summarizes the Company's intangible assets as at November 30, 2020 and 2019:

	Investor Relations Videos $	**Patent $**	**Total $**
Cost:			
Balance at November 30, 2018	31,595	76,858	108,453
Additions	13,660	-	13,660
Balance at November 30, 2019	45,255	76,858	122,113
Additions	-	-	-
Balance at November 30, 2020	**45,255**	**76,858**	**122,113**
Accumulated amortization:			
Balance at November 30, 2018	10,998	19,215	30,213
Amortization	9,052	19,215	28,267
Balance at November 30, 2019	20,050	38,430	58,480
Amortization	9,052	19,215	28,267
Balance at November 30, 2020	**29,102**	**57,645**	**86,747**
Carrying amounts:			
At November 30, 2019	25,205	38,428	63,633
At November 30, 2020	**16,153**	**19,213**	**35,366**

At November 30, 2020, the Company had not identified any impairment indicators.

Investor relations videos

The Company engaged two production companies with each producing a promotional 3D animation movie for the purpose of implementing a marketing strategy for communicating with, and increasing awareness of the Company's solutions by, investors, partners and customers.

Patents

On January 24, 2018, the Company entered into a patent purchase agreement (the "PPA") whereby the Company purchased the seller/assignor's entire right, title and interest (being 7/12 of the rights) in and to the transferred patents (as defined) for a purchase price comprised of the reimbursement of US$60,535 ($76,858) in patent costs incurred (*paid*) and the payment of the greater of 0.1% of purchaser revenues or 1% of purchaser net profit (both as defined) on a quarterly basis during the term (the "Purchase Price Payable"). On August 14, 2020, the Company and the seller/assignor entered into an amendment to the PPA pursuant to which the Purchase Price Payable was settled by issuing 1,500 Class B shares (the "Settlement") to the seller/assignor. The Company determined the fair value of the Settlement was $2,265 and this amount was expensed as the Purchase Price Payable was not a contractual obligation under the PPA. See Note 15.

(Expressed in Canadian Dollars)

10. INTANGIBLE ASSETS (continued)

Development costs

On October 1, 2020, the Company entered into a commercialization services agreement (the "CSA") with Bioindustrial Innovation Canada ("BIC") whereby the Company and certain commercialization service providers will carry out a project titled, "*Development of a Hydrochemolytic Pilot Unit for Upgrading Asphaltene and Waste Plastics*" for the purpose of designing, commissioning and building a revenue generating, pilot-scale start-up unit to process potential customers' feedstock to demonstrate the Company's patented HPU technology. The term of the CSA is until March 31, 2022, the total project cost is $1,826,888 (being $445,720 in cash and $1,381,168 in-kind) and the Company's contribution is $1,396,888 (being $195,720 in cash ($337,500 less a cash rebate of $141,780) and $1,201,168 in-kind). The Company is required to pay 100% of its contribution to BIC prior to the start of service. The CSA includes a commercialization rebate estimated to be approximately $250,000 net of taxes. Upon completion, BIC will provide the commercialization rebate to the Company within 60 days (or such longer period pending receipt of funds from government support) subject to the continuing availability of government support to BIC. This project is considered as development and as such any expenditures incurred will be capitalized and recognized as an intangible asset provided it meets the recognition criteria under *IAS 38 Intangible Assets*.

Patents controlled by the Company not recognized as an intangible asset

The Company has control over various patents that were not recognized by the Company as an asset as it was not possible to determine whether the assets meet the recognition criteria of IAS 38 *Intangible Assets.* The details of the patents not recognized are as follows:

Patent Name	**Filing Date**	**Issue Date**
System and Method for Controlling and Optimizing the Hydrothermal Upgrading of Heavy Crude Oil and Bitumen	2013	2017
System and Method for Controlling and Optimizing the Hydrothermal Upgrading of Heavy Crude Oil and Bitumen	2014	2017
System and Method for Hydrothermal Upgrading of Fatty Acid Feedstock	2017	Pending
System and Method for Producing Hydrothermal Renewable Diesel and Saturated Fatty Acids	2019	Pending
Chemolytic Upgrading of Low-Value Macromolecule Feedstocks to Higher-Value Fuels and Chemicals	2020	Pending

The Company has recognized all expenses incurred in developing these patents under Research and development in the Statements of Loss and Comprehensive Loss.

As at November 30, 2020, the Company had incurred US$321,671 ($410,761) in patent development costs.

(Expressed in Canadian Dollars)

11. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

The Company's trade payables and other current liabilities as at November 30, 2020 and 2019 were as follows:

	November 30, 2020 $	**November 30, 2019 $**
Accounts payable	**253,853**	421,409
Accrued liabilities	**193,031**	35,000
Advances payable (1)	**60,675**	51,175
Due to related parties (Note 16) (1)	**36,222**	30,246
	543,781	537,830
Less: Current portion	**391,472**	537,830
Non-current portion (2) (3)	**152,309**	-

(1) These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

(2) $29,137 of this amount relates to an agreement amendment on September 1, 2020, where the Company agreed to settle the outstanding balance of $46,000 with monthly payments of $3,500 made until December 1, 2020 or January 1, 2021 and the remaining balance in monthly payments no later than May 1, 2022.

(3) $26,274 of this amount relates to an agreement with a professional services provider where the outstanding balance of US$70,866 as at September 3, 2020 will be repaid over a period of 20 months. As at November 30, 2020, US$70,866 ($91,877) was included in accounts payable.

The Company's exposure to foreign exchange and liquidity risk related to trade payables and other current liabilities is disclosed in Note 23.

12. PROJECT CONTRIBUTIONS PAYABLE

On September 21, 2016, the Company entered into an Ontario Centres of Excellence Funding Agreement (the "OCEFA") with a private company in Ontario ("GSA") and the University of Western Ontario ("UWO") whereby the parties engaged in the project titled, "*Hydrothermal Upgrading of Non-Food Corn Oil into High Value Alternative Fuels*" (the "Project"). The Project was for a period of two years, commencing on October 1, 2016 and ending on September 30, 2018 with a $280,000 cash contribution being required from both the Company and GSA of which the Company's share was $93,760. The Company paid its portion of the cash contribution in quarterly instalments of $11,720. The balance outstanding as at November 30, 2020 was $nil (2019 - $nil).

On December 6, 2016, the UWO submitted a grant application to the Natural Sciences and Engineering Research Council of Canada ("NSERC") requesting a three-year, $448,000 collaborative research and development ("CRD") grant for the Project, with a $280,000 cash commitment being required from the Company and GSA.

On June 6, 2017, the Company received from GSA $136,250, being the final payment required for NSERC's funding participation in the Project and this amount was retained by the Company. On November 1, 2019, pursuant to the UWO having obtained an NSERC CRD grant extending the Project and requiring the Company to provide matching funds in contribution to the grant, the Company and the UWO entered into an amending agreement to the OCEFA whereby they agreed to continue their research collaboration under the same terms as the OCEFA and the term was extended to December 30, 2020. Between November 2019 to November 2020, the Company paid UWO $48,500 from the retained NSERC's funding participation in the Project. The balance recognized as at November 30, 2020 was $87,750 (2019 - $131,750).

On October 1, 2020, the Company and the UWO entered into a second amending agreement to the OCEFA whereby the term was extended to December 30, 2021 and the monthly payment schedule was amended as follows: $13,000 as previously invoiced and $12,602 from December 1, 2020 to September 1, 2021. As at November 30, 2020 the Company's commitment under this payment schedule was $137,760 of which $87,750 will come from the retained NSERC's funding participation in the Project.

The Company's exposure to liquidity risk related to project contributions payable is disclosed in Note 23.

(Expressed in Canadian Dollars)

13. DEBT

As at November 30, 2020 and 2019, the Company's long-term debt instruments were as follows:

	November 30, 2020 $	November 30, 2019 $
Working capital loan – BDC	**64,935**	69,930
Accrued interest - working capital loan – BDC	**3,563**	-
Canada Emergency Business Account ("CEBA")	**40,000**	-
D5 promissory notes	**130,000**	-
Accrued interest - D5 promissory notes	**1,842**	-
Convertible notes	**393,898**	365,868
Accrued interest – convertible notes	**121,418**	84,477
Total long-term debt	**755,656**	520,275
Less current portion:		
Working capital loan – BDC	**34,965**	24,975
Accrued interest - working capital loan – BDC	**3,563**	-
D5 promissory notes	**130,000**	-
Accrued interest - D5 promissory notes	**1,842**	-
Convertible notes	**-**	145,868
Accrued interest – convertible notes	**-**	64,007
Total current portion	**170,370**	234,850
Total non-current portion	**585,286**	285,425

Working capital loan –BDC

On August 21, 2017, the Company entered into a loan agreement (the "LA") with the Business Development Bank of Canada (the "BDC") whereby the Company received a $100,000 working capital loan. The loan bears interest at the BDC's floating base rate (5.05% at inception) plus a variance (3.4% at inception). The term of the loan is 60 months with the principal balance, interest and all other amounts owing under the loan being due and payable in full by February 10, 2023. The loan is secured by a personal guarantee from the president of the Company. The outstanding balance and all accrued interest may be repaid at any time without penalty. On September 8, 2020, the Company and the BDC entered into an amending and standstill agreement whereby the monthly payments were changed to $1,015 commencing September 10, 2020 with the last payment due on February 10, 2021. At that time, principal of $19,980 and interest of $1,533 is due for immediate payment and the Company plans to discuss a payment plan with BDC to repay these amounts. On expiry of the amending and standstill agreement, the Company will revert to paying monthly principal of $1,665 plus interest. As at November 30, 2020, the BDC's floating base rate was 4.55% (2019 - 6.05%) and the interest rate was 7.95% (2019 - 9.45%).

CEBA

On April 20, 2020, the Company received, through TD Canada Trust, a $40,000 loan ("Principal"). During the initial term expiring on December 31, 2022, the Company is not required to repay any portion of the loan and no interest will be paid. The loan can be repaid at any time without penalty. If the Company repays at least 75% of the loan on or before December 31, 2022, the remaining balance of the loan will be forgiven ("Early Repayment Forgiveness"). During the extended term starting January 1, 2023 and expiring on December 31, 2025, the Company will pay interest at the rate of 5% on a monthly basis. In the event there is no Early Repayment Forgiveness, the Principal must be repaid in full on December 31, 2025.

13. DEBT (continued)

D5 Promissory Notes

Between August 7, 2020 and November 30, 2020, the Company issued promissory notes to D5 for a total of $150,000 of which $130,000 was advanced and outstanding as at November 30, 2020. The advances were made on the following conditions:

- all advances are secured by a general security agreement (the "GSA") on all of the Company's assets to be registered in Ontario;
- such number of the Company's convertible note lenders signing amendment agreements to their agreements as is acceptable to D5;
- all promissory notes bear interest at 6% payable on maturity;
- all promissory notes mature within 12 months; and
- the promissory notes may be terminated at any time with no penalty.

On the closing of the Transaction (Note 25), D5 and the Company will become a legal subsidiary of D5 and therefore the debt will be between a parent and a wholly owned subsidiary.

In August 2020, D5 paid the $11,300 retainer for the Company's audit for the year ended November 30, 2019. This amount is included in trade payables at November 30, 2020.

Convertible notes

Between February 1, 2013 and August 30, 2015, the Company entered into seven note purchase agreements (the "NPAs") with investors whereby the investors purchased convertible notes (the "CNs") totaling US$60,797 (November 30, 2020 - $78,898; November 30, 2019 - $80,868) from the Company. The CNs bear interest at 8.5% per annum and the principal balance and accrued interest are due and payable on or after maturity. Of this amount, US$4,200 was purchased by an officer of the Company. See Note 16.

Between June 17, 2017 and February 12, 2019, the Company entered into six NPAs with investors whereby the investors purchased CNs totaling $285,000 from the Company. The CNs bear interest at 8.5% per annum, compounded annually and the accrued interest is payable upon the earlier of the maturity date or an equity financing. A $100,000 CN sold on June 17, 2017 was secured on the Company's expected entitlement to a Scientific Research and Experimental Development tax credit for the years ending November 30, 2017 to November 30, 2019.

On January 27, 2020, the Company entered into three NPAs with investors whereby the investors purchased CNs totaling $30,000 from the Company. The CNs bear interest at 8.5% per annum and the accrued interest is payable upon the earlier of the maturity date or a next equity financing.

In August and September 2020, all outstanding NPAs and CNs were amended (the "Amendment"). Under the Amendment, the interest rate remained unchanged but the maturity dates were extended to August 31, 2022 (the "Maturity Date"). In addition, if, prior to the Maturity Date, the Company completes the Transaction and the First Milestone ("FM") is achieved, on the FM achievement date, each CN will automatically convert into the number of special warrants as determined by the specified formula under the Amendment. In the event that an ensuing automatic conversion has not already occurred, all accrued interest is due and payable at the Maturity Date. The Amendment included a restrictive covenant whereby the holders undertake not to: (i) take any action for enforcement of the CN; (ii) make a claim against the Company for default of any term of the CN prior to maturity; and (iii) demand any repayment of interest or principal prior to maturity and confirm that upon completion of the Transaction, their only right under the CN prior to maturity is the entitlement to receive special warrants upon achievement of the FM.

The Company's exposure to foreign exchange and liquidity risk related to debt is disclosed in Note 23.

(Expressed in Canadian Dollars)

13. DEBT (continued)

Scheduled principal and accrued interest payments

As at November 30, 2020, the scheduled principal and accrued interest until maturity were as follows:

	Working Capital Loan – BDC	**CEBA**	**D5 Promissory Notes**	**Convertible Notes**	**Total**
	$	**$**	**$**	**$**	**$**
2021	38,528	-	131,842	-	170,370
2022	19,980	-	-	515,316	535,296
2023	9,990	-	-	-	9,990
2024	-	-	-	-	-
2025	-	40,000	-	-	40,000

The scheduled payments in this table do not take into account any conversion of the convertible notes, exercise of the early termination options, Early Repayment Forgiveness and that the promissory notes of D5 will become an inter-group loan between a parent and wholly owned subsidiary.

Debt continuity

The net change in debt during the years ended November 30, 2020 and 2019 was as follows:

	November 30, 2020	**November 30, 2019**
	$	**$**
Starting balance	**520,275**	458,941
Cash flows:		
Proceeds received – new convertible notes	**30,000**	45,000
Proceeds received – CEBA	**40,000**	-
Proceeds received – D5 promissory notes	**130,000**	-
Debt repayments – working capital loan - BDC	**(4,995)**	(16,650)
Non-cash changes:		
Accrued interest – convertible notes	**36,941**	32,984
Accrued interest – working capital loan - BDC	**3,563**	-
Accrued interest – D5 promissory notes	**1,842**	-
Changes in foreign exchange rate	**(1,970)**	-
Ending balance	**755,656**	520,275

(Expressed in Canadian Dollars)

14. LEASE LIABILITY

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows

	2020		
	Premises	**Vehicle**	**Total**
	$	**$**	**$**
Undiscounted minimum lease payments:			
Less than one year	39,977	1,857	41,834
Two to three years	3,700	-	3,700
	43,677	1,857	45,534
Effect of discounting	(1,315)	(366)	(1,681)
Present value of minimum lease payments	42,362	1,491	43,853
Purchase option price	-	36,350	36,350
Total lease liability	42,362	37,841	80,203
Current portion	(38,701)	(37,841)	(76,542)
Non-current portion	3,661	-	3,661

The net change in the lease liability is as follows:

	2020
	$
Balance at December 1, 2019	98,505
Cash flows:	
Principal payments	(18,302)
Balance at November 30, 2020	80,203

During the year ended November 30, 2020, interest of $4,664 (2019 - $nil) is included in finance costs (Note 19).

The Company's exposure to liquidity risk related to lease liability is disclosed in Note 23.

15. SHARE CAPITAL

Shares

Authorized

The Company has authorized share capital of:

- Unlimited Class A voting, common shares without par value;
- Unlimited Class B non-voting, common shares without par value; and
- Unlimited Class A voting, convertible, redeemable preferred shares without par value.

Shares of the Company cannot be transferred without the consent of either the directors of the Company or a holder(s) of shares having at least a majority of the votes attaching to all shares of the Company. The holders of the preferred shares are entitled to convert, on a share-for-share basis, the whole or any part of their preferred shares into common shares of the Company. The Company may redeem at any time the whole, or from time to time any part, of the then outstanding preferred shares, either on a pro rata basis or otherwise, on payment of an amount to be established by the directors for each series upon the date of first issuance of the shares in each series, plus all declared and unpaid non-cumulative cash dividends thereon (the redemption amount).

In the event of liquidation, dissolution or winding up of the Company or upon any other distribution of the property of the Company among its shareholders, the Class A and Class B common shareholders are entitled to receive the remaining assets of the Company pari passu subject to the prior rights of the Class A preferred shareholders on dissolution.

15. SHARE CAPITAL (continued)

Unanimous Shareholders Agreement

On April 25, 2013, the Company entered into a unanimous shareholders agreement (the "USA") with shareholders holding 1,259,600 Class A common shares of the Company. Pursuant to the USA, no shareholder will directly or indirectly sell, assign transfer or grant an option or in any manner dispose of any shares or pledge, charge or otherwise encumber any shares unless such is specifically permitted in the USA and is done in accordance with its provisions. The USA terminates on the earlier of the written agreement of the Company's shareholders representing at least 75% of the voting shares of the Company, one person becoming the owner of all the shares of the Company, dissolution of the Company or upon the receipt for a final prospectus of the Company issued by the relevant securities regulatory authorities in connection with an initial public offering of the Company's shares.

Dividends

Class A and Class B common shareholders are entitled to receive a non-cumulative dividend at the sole discretion of the directors of the Company, subject to the prior rights of the holders of the Class A preferred shares to any dividends as the directors may declare. Class A preferred shareholders are entitled to receive dividends (whether in cash, shares or other property) if, as and when declared by the Board of Directors (the "Board") of the Company and prior to the rights of the Class A and Class B common shares provided that any such dividends will be declared and paid in an equal amount and on an as-converted basis (as defined) on each preferred share.

Issued

The Company has issued share capital of:

- 1,219,907 (2018 – 1,258,040) Class A common shares; and
- 178,698 (2018 – 59,265) Class B common shares.

On August 10, 2020, the Company entered into a share cancellation/return to treasury agreement with the CEO of the Company whereby the CEO returned to the Company, and the Company cancelled, 38,133 Class A common shares so that 38,133 Class B common shares could be issued to service providers for services provided in prior years. On August 10 and 14, 2020, the Company issued a total of 119,433 Class B common shares (including the 38,133 noted above) of which 106,933 were issued to settle $161,478 of outstanding accounts payable, 1,500 were issued to settle the Purchase Price Payable (Note 10) and 11,000 were issued to two consultants under agreements (the "CAs) to provide scientific consulting in the field of heavy oil upgrading. The term of the CAs is for a period of 24 months commencing on February 1, 2020, unless sooner terminated. If, for any reason during the term, the consultants cease to provide the consulting services they are required to return the pro-rated number of shares for the remaining months in the term for which no consulting services were provided. The Company has accounted for the expense based on the fair value of the 11,000 shares issued and a vesting term of two years. For the year ended November 30, 2020, an expense of $6,921 has been recognized with the credit going to contributed surplus.

On January 11, 2021, the Company entered into new CAs with the consultants. See Note 26.

<u>Stock Options</u>

Subject to the provisions of the Canada Business Corporations Act, the Company may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Company at such time and to such persons and for such consideration as determined by the Board. Pursuant to the USA, stock options granted to employees or consultants of the Company by the Board must represent less than one million underlying shares. As at November 30, 2020 and 2019, there were no stock options outstanding.

<u>Warrants</u>

As at November 30, 2020 and 2019, there were no warrants outstanding.

(Expressed in Canadian Dollars)

16. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount established and agreed to by the related parties.

Compensation of key management personnel

Key management personnel are those persons that have authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly, and by definition include the directors of the Company.

During the years ended November 30, 2020 and 2019 compensation of key management personnel was as follows:

	Year ended November 30, 2020 $	**Year ended November 30, 2019 $**
Salary and related costs	**47,225**	52,594

As at November 30, 2020 and 2019, due to related parties was comprised of the following:

	November 30, 2020 $	**November 30, 2019 $**
Due to key management personnel	**36,222**	30,246

These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at November 30, 2020, for the CNs, the Company had principal of US$4,200 (2019 - US$4,200) and interest payable of US$4,275 (2019 - US$3,729) outstanding to one of the key management personnel. Accrued interest on this CN for the year ended November 30, 2020, was $546 (2019 - $704).

17. CONTRACTUAL OBLIGATIONS

Consulting and Advisory Services Agreement

On September 15, 2016, the Company entered into a consulting and advisory services agreement (the "CASA") whereby the consultant will provide assistance in creating and executing a business plan, identifying and securing sources of funding, developing marketing strategies and communication and other tasks as requested. As consideration for consulting services provided from March 2013 to September 2016, the Company will pay the consultant $75,000 in instalments as agreed between the parties. On September 1, 2020, the Company and the consultant entered into an amendment to the CASA whereby the outstanding balance of $55,000 was reduced to $46,000 and interest will accrue at 6% per annum. Commencing September 1, 2020, monthly payments of $3,500 will be made until December 1, 2020 or January 1, 2021 and the remaining balance will then be repaid in monthly payments no later than May 1, 2022. As at November 30, 2020, $39,000 (2019 - $56,500) was included in accounts payable.

OCEFA

As outlined in Note 12, on October 1, 2020, the Company and the UWO entered into a second amending agreement to the OCEFA whereby the term was extended to December 30, 2021 and the monthly payment schedule was amended. As at November 30, 2020, the Company's commitment under this payment schedule was $137,760 of which $87,750 will come from the retained NSERC's funding participation in the Project leaving the Company with a commitment of $50,010 that must be paid before December 1, 2021.

(Expressed in Canadian Dollars)

18. REVENUE

Revenue recognized in the Statements of Loss and Comprehensive Loss is comprised of the following:

	Year ended November 30, 2020 $	Year ended November 30, 2019 $
Cleantech	**-**	50,512
Rental management	**42,468**	141,475
	42,468	191,987

Lab Services Agreement

On June 10, 2019, the Company entered into a lab services agreement (the "LSA") with a publicly traded company ("CEI") whereby CEI will evaluate the Company's technology in order to assess its possibilities for asphaltene upgrading and with the evaluation being made on asphaltene samples supplied by CEI. The provision of project services (as defined) commenced in early June 2019 with an expected completion date of November 30, 2019. The LSA will remain in force and effect until the completion date unless sooner terminated.

The total projected cost of the project services is $126,280 with payments being made by CEI upon completion of the following milestones:

- Milestone 1 – Agreement execution (40%, being $50,512);
- Milestone 2 – Retrofit and commissioning of HTU unit complete (30%, being $37,883);
- Milestone 3 – Runs complete and sample shipped (15%, being $18,942); and
- Milestone 4 – Delivery of final report (15%, being $18,942).

As at November 30, 2020, CEI had paid for Milestones 1 and 2 and only Milestone 1 was complete. Revenue is recognized on the completion of the milestone and when collection is probable.

In January 2021, the LSA was amended and restated whereby the completion date was extended to December 15, 2021 and the milestones were revised as follows: Milestone 1 (40%), Milestone 2 (30 %), Milestone 3 (10%), Milestone 4 (5%) and Milestone 5 (15%). On January 31, 2021, CEI confirmed the completion of Milestone 2 and the Company recognized revenue of $37,883.

19. FINANCE COSTS

Finance costs recognized in the Statements of Loss and Comprehensive Loss are comprised of the following:

	Year ended November 30, 2020 $	Year ended November 30, 2019 $
Bank charges and interest	**4,724**	4,731
Lease finance charges	**4,664**	-
Interest on debt:		
Working capital loan – BDC (Note 13)	**8,231**	8,604
Convertible notes (Note 13)	**36,941**	32,984
CEBA (Note 13)	**628**	-
D5 promissory notes (Note 13)	**1,842**	-
Other finance costs	**637**	-
Total finance costs	**57,667**	46,319

(Expressed in Canadian Dollars)

20. GENERAL AND ADMINISTRATIVE

General and administrative expenses recognized in the Statements of Loss and Comprehensive Loss are comprised of the following:

	Year ended November 30, 2020 $	**Year ended November 30, 2019 $**
Advertising and promotion	**8,049**	1,789
Automobile	**16,895**	23,725
Business development	**-**	20,000
Office and general	**9,857**	10,368
Professional fees	**167,885**	64,684
Travel	**4,075**	12,840
Salary and related costs	**15,781**	52,594
Total general and administrative	**222,542**	186,000

21. RESEARCH AND DEVELOPMENT

Research and development expenses recognized in the Statements of Loss and Comprehensive Loss are comprised of the following:

	Year ended November 30, 2020 $	**Year ended November 30, 2019 $**
Payments to UWO – project development costs	**-**	11,720
Professional fees – patent development costs	**76,165**	47,204
Subcontractor costs	**4,350**	15,325
Salary and related costs	**51,857**	-
Consulting fees (Note 15)	**6,921**	-
Purchase Price Payable settlement (Note 10)	**2,265**	-
Investment tax credits received	**(25,051)**	-
Total research and development	**116,507**	74,249

The Company received in May 2020 investment tax credits of $18,241 and $6,810 relating to the years ended November 30, 2018 and 2019, respectively. These amounts were recognised in the current financial year as the amounts were received this year.

(Expressed in Canadian Dollars)

22. INCOME TAXES

The following provides a reconciliation of loss before income taxes to total income taxes recognized in the Statements of Loss and Comprehensive Loss:

	Year ended November 30, 2020 $	**Year ended November 30, 2019 $**
Loss before income taxes	**(428,385)**	(248,545)
Statutory rate	**27.00%**	27.00%
Expected income tax recovery	**(115,664)**	(67,107)
Deductible and non-deductible items	**22,530**	13,226
Unrecognized benefit of non-capital losses	**93,134**	53,881
Total income taxes	**-**	-

As at November 30, 2020 and 2019, the nature of the Company's temporary differences was as follows:

	November 30, 2020 $	**November 30, 2019 $**
Tax loss carry forwards	**1,173,000**	819,000
Property and equipment and intangible assets	**(100,000)**	(64,000)
Investment tax credit	**(11,000)**	(25,000)
Finance costs	**19,000**	29,000
Valuation allowance	**(1,081,000)**	(759,000)
Total deductible temporary differences not recognized	**-**	-

As at November 30, 2020, the Company has accumulated non-capital losses for the Canadian income tax purposes totalling approximately $1,173,000 (2019 - $819,000). The losses expire in the following periods:

	Year of Origin	**Year of Expiry**	**Amount $**
	2013	2033	56,000
	2014	2034	47,000
	2015	2035	75,000
	2016	2036	-
	2017	2037	150,000
	2018	2038	282,000
	2019	2039	209,000
	2020	2040	354,000
Total tax loss carry forwards			1,173,000

(Expressed in Canadian Dollars)

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial risk management

Interest rate risk

The Company is exposed to interest rate risk on its working capital loan to the extent that BDC's floating base rate and variance change. A one percent change in the interest rate would have had an immaterial impact on finance costs for the years ended November 30, 2020 and 2019. The remaining debt and lease liability have fixed cost of funds rate until maturity though subject to interest rate fluctuations if refinanced.

Foreign exchange risk

The Company is primarily exposed to foreign currency fluctuations in relation to its US dollar trade payables and convertible notes. US dollar financial instruments subject to foreign exchange risk are summarized below. The Company has assessed the risk and decided not to hedge the risk.

(US$)	November 30, 2020 $	November 30, 2019 $
Trade payables	**90,201**	78,756
Due to related parties	**1,500**	-
Convertible notes	**60,797**	60,797
Accrued interest – convertible notes	**33,555**	27,823
Net US dollar exposure	**186,053**	167,376

As at November 30, 2020, with other variables unchanged, a $0.10 change in the Canadian dollar against the US dollar would result in a $18,605 pre-tax loss (2019 - $16,738) from the Company's financial instruments.

Credit risk

Credit risk arises from cash held with a bank as well as credit exposure to customers in the form of outstanding trade and other receivables, but excluding balances receivable from government entities. The maximum exposure to credit risk is equal to the carrying value of the financial assets which reflects management's assessment of the credit risk which at November 30, 2020 was $9 (2019 - $17,111).

Impairment losses

The allowance for doubtful accounts in respect of trade and other receivables is used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible. At that point the amounts are considered unrecoverable and are written off against the financial asset directly. For the year ended November 30, 2020, the Company impaired $nil in trade receivables (2019 - $nil).

Liquidity risk

Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they become due. The Company manages liquidity risk through management of its cash and cash equivalents and working capital balances which is made up of trade payables, other current liabilities, project contributions payable, working capital loans and other debt.

(Expressed in Canadian Dollars)

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

The table below provides an analysis of the expected maturities of the Company's outstanding obligations as at November 30, 2020 and November 30, 2019:

		Due prior to			
	Amount	**2021**	**2022**	**2023**	**2024+**
	$	**$**	**$**	**$**	**$**
Trade payables and other current liabilities	543,781	391,473	55,411	-	96,897
Project contributions payable	87,750	87,750	-	-	-
Debt (Note 13) (1)	755,656	170,370	535,296	9,990	40,000
Lease liability	80,203	76,542	3,661	-	-
Total expected maturities	1,467,390	726,135	594,368	9,990	136,897

(1) On the closing of the transaction, of the $755,656, $515,316 relates to convertible notes which are converted to special warrants and $131,842 will become inter-group between the legal parent and wholly owned subsidiary.

		Due prior to			
	Amount	**2020**	**2021**	**2022**	**2023+**
	$	**$**	**$**	**$**	**$**
Trade payables and other current liabilities	537,830	456,409	81,421	-	-
Project contributions payable	131,750	131,750	-	-	-
Working capital loan – BDC	69,930	24,975	19,980	19,980	4,995
Convertible notes	365,868	145,868	120,000	100,000	-
Convertible notes – accrued interest	84,477	64,007	11,487	8,983	-
Total expected maturities	1,189,855	823,009	232,888	128,963	4,995

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income (loss) or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

Capital management

The overall capitalization of the Company as at November 30, 2020 and 2019 was as follows:

	November 30, 2020	**November 30, 2019**
	$	**$**
Total debt (excluding accrued interest)	**709,036**	435,798
Shareholders' deficiency	**(1,376,402)**	(1,118,681)
Total (negative) capitalization	**(667,366)**	(682,883)

(Expressed in Canadian Dollars)

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Capital management (continued)

Management is focused on several objectives while managing the capital structure of the Company, specifically:

- Ensuring the Company has the financing capacity to execute its business plan and meet its strategic objectives while capitalizing on opportunities that add value for the Company's shareholders;
- Maintaining a strong capital base; and
- Safeguarding the Company's ability to continue as a going concern, such that it provides returns for shareholders and benefits for other stakeholders.

As part of the Transaction, one of the milestones is to attain a third-party equity investment of $2.5 million within six months of closing of the Transaction. This investment, if closed, is intended to ensure that the Company will meet the objectives outline above. Following the closing of the Transaction, $393,898 of the convertible debt will automatically be converted and $130,000 will become inter-group between the legal parent and the wholly owned subsidiary.

24. SUPPLEMENTAL CASH FLOW INFORMATION

For the years ended November 30, 2020 and 2019, the net change in non-cash working capital balances consists of the following:

	November 30, 2020 $	November 30, 2019 $
Decrease (increase) in current assets:		
Trade and other receivables	**(7,463)**	(9,242)
Other current assets	**11,519**	(6,584)
Increase (decrease) in current liabilities:		
Trade payables and other current liabilities	**169,399**	148,026
Contract liabilities	**-**	37,883
Advances payable	**9,500**	-
Due to related parties	**6,025**	-
Project contributions payable	**(44,000)**	(4,500)
Net change in non-cash working capital balances	**144,980**	165,583

25. TRANSACTION WITH DIMENSION FIVE TECHNOLOGIES INC.

Securities Exchange Agreement with D5

On October 22, 2020, the Company entered into a securities exchange agreement (the "SEA") with the Company's security holders and D5 whereby the LOI entered into on July 13, 2020 was superseded and replaced. Pursuant to the SEA, the Company's security holders (the "TVs") agreed to sell their shares (the "TSs") to D5. D5 irrevocably agreed to acquire all of the issued and outstanding TSs from the TVs and the TVs irrevocably agreed to exchange, assign and transfer their TSs to D5 in consideration for the payment of the purchase price by D5 to the TVs and the Company's special warrant trustee (the "Trustee") on behalf of the TVs and the TN holders such that following closing, all of the issued and outstanding TSs will be owned by D5. Under the SEA the closing date was December 31, 2020 (the "Closing Date"). On December 28, 2020, the Company and D5 entered into an extension agreement where the Closing Date is extended to March 31, 2021 or such earlier or later date as maybe mutually agreed upon in writing by D5 and the Company.

25. TRANSACTION WITH DIMENSION FIVE TECHNOLOGIES INC. (continued)

i. Purchase Price

As consideration for the acquisition of the TSs at closing D5 will:

- Issue 40 million shares of D5 at a deemed price of $0.05 per share to the TVs in the specified amounts;
- Create and issue 80 million special warrants (the "SWs"), consisting of 40 million Class A special warrants (the "ASWs") and 40 million Class B special warrants (the "BSWs") at a deemed price equal to D5's discounted share price (as defined), to the Trustee to be held in trust until distributed on the first milestone ("FM") achievement date to the:
  - TN holders, with the actual number of ASWs to be distributed being determined by application of the specified formula on the FM achievement date; and
  - TVs pro rata as specified, with the actual number of ASWs being determined after calculating the number of ASWs to be distributed to the TN holders and the actual number of BSWs to be distributed to each TV as specified.

with the SWs being convertible for no additional consideration into D5 shares on a one-for-one basis upon the later of the achievement of the FM in the case of the ASWs or the achievement of the second milestone ("SM") in the case of the BSWs, as applicable, and the distribution of the SWs by the Trustee.

ii. First Milestone Protection Plan

If, within three months of completing the FM, D5 has not completed the first financing resulting in gross proceeds of at least $2.5 million or has completed the first financing resulting in gross proceeds of at least $2.5 million having occurred at less than or equal to $0.18 per share, then the outstanding common shares of D5 and/or options to acquire common shares of D5 held by the Zimtu Group representing a total of 9,708,000 common shares will be purchased by D5 for an aggregate amount of $1 three months following the date D5 achieved the FM. If, prior to this date, D5 has:

- Completed the first financing of greater than $1.25 million, this date will be extended by three months and if within this additional three-month period D5 completes one or more additional closings of the first financing such that the aggregate gross proceeds of the first financing are at least $2.5 million and the per share price is greater than $0.18,no shares will be repurchased;
- Closed the first financing for gross proceeds of less than $2.5 million but greater than $1.25 million prior to the three-month period (as may have been extended) and the per share price of the first financing is greater than $0.18, the number of shares to be repurchased for an aggregate amount of $1 will be reduced by the ratio of the gross proceeds raised divided by $2.5 million; and
- Determined that it does not need to raise additional capital through the issuance of securities requiring Zimtu to act as a finder or a broker for a financing following the achievement of the FM, no shares will be repurchased.

iii. Second Milestone Protection Plan

If, within three months of achieving item 1, 2 or 3 of the SM, D5 has not completed the second financing resulting in gross proceeds of at least $4.5 million or has completed the second financing resulting in gross proceeds of at least $4.5 million having occurred at less than or equal to $0.30 per share, then if:(i) any of the common shares have been previously purchased for cancellation by D5, outstanding common shares of D5 and/or options to acquire common shares of D5 held by the Zimtu Group representing a total of 907,150 common shares and (ii) if no common shares have not been purchased for cancellation, outstanding common shares of D5 and/or options to acquire common shares of D5 held by the Zimtu Group representing a total of 6,307,000 common shares will be purchased by D5 for an aggregate amount of $1 three months following the date D5 achieved the SM. If, prior to this date, D5 has:

25. TRANSACTION WITH DIMENSION FIVE TECHNOLOGIES INC. (continued)

iii. Second Milestone Protection Plan (continued)

- Completed the second financing of at least $2.25 million, this date will be extended by three months and if within this additional three-month period D5 completes one or more additional closings of the second financing such that the aggregate gross proceeds of the second financing are at least $4.5 million and the per share price is greater than $0.30, no shares will be repurchased;
- Closed the second financing for gross proceeds of less than $4.5 million but greater than $2.25 million prior to the three-month period (as may have been extended) and the per share price of the second financing is greater than $0.30, the number of shares to be repurchased for an aggregate amount of $1.00 will be reduced by the ratio of the gross proceeds raised divided by $4.5 million; and
- Determined that it does not need to raise additional capital through the issuance of securities requiring Zimtu to act as a finder or a broker for a financing following the achievement of item 1, 2 or 3 of the SM, no shares will be repurchased.

The transaction will close on the date mutually agreed to by D5, the Company and the CEO of the Company and will not be later than December 31, 2020 or such other date as may be mutually agreed to in writing.

In connection with the closing, D5's Board will be reconstituted to consist of five directors, two being current directors of D5 as nominees of D5 and three being nominees of the Company, including the CEO of the Company. On closing, D5's loan to the Company will be deemed to be an intercompany loan and D5 will grant a total of 10 million stock options to directors, officers and consultants of D5 as determined by D5 prior to closing. These options will have a term of three years and will vest and become exercisable as follows:

- One-third on closing and exercisable at a price of $0.10 per share;
- One-third on closing of the first financing of at least $2.5 million completed by D5 after the closing (the “Qualified First Financing”) with the exercise price being equal to the share or unit price of the Qualified Frist Financing, and
- One-third on closing of the first financing of at least $4.5 million completed by D5 after the Qualified Frist Financing (the “Qualified Second Financing”) with the exercise price being equal to the share or unit price of the Qualified Second Financing.

The SEA may be terminated at any time prior to closing by the mutual written agreement of D5 and the Company and either D5 or the Company if:

- The transaction is rejected by the CSE and all recourse or rights of appeal have been exhausted;
- Any order of a governmental body preventing the completion of the transaction has become final and non-appealable;
- Their respective Boards authorize them to enter into a legally binding agreement relating to a superior proposal (as defined); or
- There has been a material breach by the other party that is not cured within 10 business days after receiving notice of such breach.

26. SUBSEQUENT EVENTS

Events not disclosed elsewhere in these financial statements are as follows:

On December 2, 2020, D5 advanced the Company an additional $20,000 pursuant to the conditions as described in Note 13, bringing the aggregate advances to $150,000. Also see Note 25.

On December 24, 2020, the Company entered into a promissory note with D5 and $150,000 was advanced by D5. The advance is secured by the amended GSA, bears interest at 6% per annum calculated semi-annually and payable at maturity, matures in seven months and may be prepaid in while or in part without penalty together with all accrued and unpaid interest. Also see Note 13.

26. SUBSEQUENT EVENTS (continued)

On January 4, 2021, the Company entered into a promissory note and security agreement amendment for $250,000 with D5, replacing the promissory note entered into on December 24, 2020. On January 27, 2021, D5 advanced the Company an additional $100,000 on the same terms and conditions as the superseded promissory note.

On January 11, 2021, the Company entered into new CAs with the consultants whereby they were engaged to provide the same services. As compensation for providing these services, the Company will issue 4,000 Class A common shares to one consultant and 400 Class A common shares to the other consultant, with the shares being granted on the one-year anniversary of the commencement date. The term of the CAs is for a period of 12 months commencing on February 1, 2021, unless sooner terminated. The CAs can be terminated by either party giving 30 days written notice to the other and they can be formally renewed if permitted by the Institute that employs the consultants. See note 15.

Unaudited pro-forma consolidated financial statements of the Resulting Issuer for the year ended November 30, 2020

Aduro Energy Inc. (formerly Dimension Five Technologies Inc.)
Pro Forma Unaudited Consolidated Statement of Comprehensive Loss
For the year ended November 30, 2020 (Canadian dollars)

	Dimension Five (Note 1)	Aduro Energy Inc. (Note 1)	Note	Pro Forma Adjustments	Pro Forma Consolidated
Revenue					
Rental management	$ -	42,468			$ 42,468
License fees	20,000	-	2e)	(20,000)	-
Total Revenue	**20,000**	**42,468**		**(20,000)**	**42,468**
Expenses					
Depreciation and amortization	-	57,214			57,214
Finance costs	-	57,667			57,667
Foreign exchange	-	(1,412)			(1,412)
General and administrative	222,689	222,542			445,231
Rental management	-	50,425			50,425
Research and development	-	116,507			116,507
App maintenance	6,589	-	2e)	(6,589)	-
Listing expense	-	-	2a)	1,553,693	1,553,693
Total operating expenses	**$ 229,278**	**$ 502,943**		**$ 1,547,104**	**$ 2,279,325**
Loss before other items	**(209,278)**	**(460,475)**		**(1,567,104)**	**(2,236,857)**
Other items					
COVID 19 wage subsidy	-	24,590			24,590
Gain on settlement of debt	-	7,500			7,500
Interest and other income	29,223	-			29,223
	29,223	**32,090**		-	**61,313**
Loss before taxes and loss from continuing operations	**(180,055)**	**(428,385)**		**(1,567,104)**	**(2,175,544)**
Net income from discontinued operations, net of tax	**-**	**-**		**13,411**	**13,411**
Total comprehensive loss for the period	**(180,055)**	**(428,385)**		**(1,553,693)**	**(2,162,133)**
Loss per share					$
- Basic					(0.0540)
- Diluted					Note 1
Weighted Average Common Shares					
- Basic					40,000,000
- Diluted					Note 1

Note 1: as losses were incurred any adjustments to the diluted result is anti-dilutive and therefore excluded.

Aduro Energy Inc. (formerly Dimension Five Technologies Inc.)
Pro Forma Unaudited Consolidated Statement of Financial Position
As at November 30, 2020 (Canadian dollars)

	Dimension Five	Aduro Energy Inc.	Note	Pro Forma Adjustments	Pro Forma Consolidated
Assets					
Current assets					
Cash and cash equivalents	$ 399,970	$ 9	2c) & 2d)	$ 1,089,918	$ 1,489,897
Loan receivable	143,142	-	2b)	(143,142)	-
Accounts receivable	4,203	27,075			31,278
Other current assets	25	-			25
Deposit and prepaid expenses	5,000	-			5,000
Deferred acquisition expenses	79,069	-	2b)	(79,069)	-
Total current assets	**631,409**	**27,084**		**867,707**	**1,526,200**
Non-current assets					
Property and equipment	-	15,890			15,890
Right of use assets	-	62,857			62,857
Intangible assets	-	35,366			35,366
Total non-current assets	**-**	**114,113**			**114,113**
Total assets	**$ 631,409**	**$ 141,197**		**$867,707**	**$ 1,640,413**
Liabilities and Shareholders' Equity					
Current liabilities					
Accounts payable and accrued liabilities	142,815	391,472	2b), 2c) & 2d)	(202,694)	331,593
Bank overdraft	-	12,326	2d)	(12,326)	-
Contract Liabilities	-	37,883			37,883
Project contribution payable	-	87,750			87,750
Lease liability- current portion	-	76,542			76,542
Debt – current portion	-	170,370	2d)	(131,842)	38,528
Total current liabilities	**142,815**	**776,343**		**$ (346,862)**	**572,296**
Non-current liabilities					
Accounts payable and accrued liabilities	-	152,309			152,309
Lease liability- non-current portion	-	3,661			3,661
Debt – non-current portion	-	585,286			585,286
Total non-current liabilities	-	**741,256**			741,256
Shareholders equity					
Share Capital	1,336,730	254,943	2a), 2c), & 2d)	1,164,301	2,755,974
Contributed surplus	16,620	6,921	2a)	(16,620)	6,931
Warrant reserves	-	-	2a), 2c)	576,756	576,756
Deficit	(864,756)	(1,638,266)	2a)	(509,868)	(3,012,890)
Total Shareholders' Equity	**$ 488,594**	**$ (1,376,402)**		**$ 1,214,569**	**$ 326,761**
Total Liabilities and Shareholders' Equity	**$ 631,409**	**$ 141,197**		**$ 867,707**	**$ 1,640,313**

Aduro Energy Inc. (formerly Dimension Five Technologies Inc.)
Notes to Pro Forma Unaudited Consolidated Statement of Comprehensive Loss and Financial Position
For the year ended November 30, 2020 (Canadian dollars)

1. Basis of Presentation

On October 22, 2020, Dimension Five Technologies Inc. (the “Company”) entered into a securities exchange agreement (the “SEA”) with Aduro Energy Inc. (the “Aduro Energy”). Pursuant to the SEA, Aduro Energy’s security holders (the “TVs”) agreed to sell their shares (the “TSs”) to the Company. The Company irrevocably agreed to acquire all of the issued and outstanding TSs from the TVs and the TVs irrevocably agreed to exchange, assign and transfer their TSs to the Company in consideration for the payment of the purchase price by the Company to the TVs and the Company’s special warrant trustee (the “Trustee”) on behalf of the TVs and the TN holders such that following closing, all of the issued and outstanding TSs will be owned by the Company. Under the SEA the closing date was December 31, 2020 (the “Closing Date”). On December 28, 2020, the Company and Aduro Energy entered into an extension agreement where the Closing Date is extended to March 31, 2021 or such earlier or later date as maybe mutually agreed upon in writing by the Company and the Aduro Energy.

As consideration for the acquisition of the TSs at closing the Company will:

- Issue 40 million shares of the Company at a deemed price of $0.05 per share to the TVs in the specified amounts;
- Create and issue 80 million special warrants (the “SWs”), consisting of 40 million Class A special warrants (the “ASWs”) and 40 million Class B special warrants (the “BSWs”) at a deemed price equal to the Company’s discounted share price (as defined), to the Trustee to be held in trust until distributed on the first milestone (“FM”) achievement date to i) the TN holders, with the actual number of ASWs to be distributed being determined by application of the specified formula on the FM achievement date and ii) to the TVs pro rata as specified, with the actual number of ASWs being determined after calculating the number of ASWs to be distributed to the TN holders and the actual number of BSWs to be distributed to each TV as specified.

The SWs are convertible for no additional consideration into Company shares on a one-for-one basis upon the later of the achievement of the FM in the case of the ASWs or the achievement of the second milestone(“SM”) in the case of the BSWs, as applicable, and the distribution of the SWs by the Trustee.

In determining the acquirer for accounting purposes, management looked to the composition of the board of directors, the composition of key management personnel and the proportionate ownership of each control block following the closing. It is largely anticipated that management and the board will largely come from Aduro Energy and will be the acquirer for accounting purposes.

The unaudited pro forma consolidated statements of net and comprehensive loss and financial position for the year ended November 30, 2020 have been prepared in accordance with International Financial Reporting Standards (“IFRS”). The unaudited pro forma consolidated statements of net and comprehensive loss and financial position for the year ended November 30, 2020 have been prepared for inclusion in the CSE Form 2A dated [ ].

The unaudited pro forma consolidated statement of financial position as at November 30, 2020 from information derived from the following:

a) The unaudited statement of financial position of the Company as at November 30, 2020; and
b) The audited statement of financial position of Aduro Energy as at November 30, 2020.

The unaudited pro forma consolidated statements of net and comprehensive loss for the year ended November 30, 2020 from information derived from the following:

i) For the Company, the unaudited statement of net and comprehensive loss for the period ended November 30, 2020, the audited statement of net and comprehensive loss for the year ended May 31, 2020 and the unaudited statement of net and comprehensive loss for the period ended November 30, 2019; and
ii) For the Aduro Energy, the audited statement of net and comprehensive loss for the year ended November 30, 2020.

For the year ended November 30, 2020 (Canadian dollars)

In the opinion of management, the unaudited pro forma consolidated statements of comprehensive loss and financial position includes all adjustments necessary for fair presentation in accordance with IFRS. The unaudited pro forma consolidated statement of comprehensive loss and financial position gives effect to the transactions and assumptions, as described in Note 2, as if they had occurred during the period. The unaudited pro forma consolidated statement of financial position is not intended to reflect the financial position which would have actually resulted had the proposed transactions been effected on the dates indicated.

The unaudited pro forma consolidated statements of comprehensive loss and financial position should be read in conjunction with the financial statements and notes thereto of the Company and the Aduro Energy.

2. Pro Forma Assumptions and Adjustments

The unaudited pro forma consolidated statements of comprehensive loss and financial position give effect to the completion of the following transactions as if the transactions occurred on November 30, 2020:

a) On the closing of the transaction under the SEA, a reverse take-over ("RTO") has occurred Aduro Energy is accounting acquirer. This is because Aduro Energy will control as defined under *IFRS 10 Consolidated Financial Statements* the relevant activities following the RTO.

The Company did not meet the definition of a "business" under *IFRS 3 Business Combinations* so causing the Transaction to be treated as a share-based payment under IFRS 2 rather than a business combination. The Company's main attribute is it's public listing. Under this premise, as consideration for 100% of the outstanding shares of Aduro, by way of reverse acquisition, the consideration is based on the fair value of the shares and warrants held by the Company's shareholders (the "Shares and Warrants") and the outstanding finders warrants ("Finders Warrants"). Based on the price of the private placement closed on February 4th, 2020, the Shares and Warrants were assigned a fair value of $0.05 per share and $0.0336 per share warrant. The Finders Warrants were assigned an average fair value of $0.0319 per warrant. The total consideration assigned was $3,077,787. The consideration has been allocated first to the fair value of the net assets acquired with any excess to non-cash cost of the transaction as follows:

Consideration	3,077,787
Fair value of net identifiable assets as at November 30, 2020	(1,703,163)
Excess attributed to the cost of listing (Note 3iii))	**1,374,624**
Transaction costs related to the acquisition	
Legal and other professional fees (Note 2 b)	179,069
Listing expense	**1,553,693**

The fair value of the consideration is calculated as follows:

50,020,615 common shares at 5 cents	2,501,031
18,898,174 share warrants at 3.36 cents	567,779
281,836 finders warrants at 3.19 cents	8,977
Total	**3,077,787**

The fair value of the net identifiable assets for the Company as at November 30, 2020 was comprised of:

Cash and cash equivalents	1,476,118
Loans receivable from Aduro Energy (eliminated on consolidation)	413,142
Accounts receivable and other receivables	9,228
Accounts payable and accrued liabilities	(195,325)
Total	**1,703,163**

For the year ended November 30, 2020 (Canadian dollars)

b) Transaction costs to be incurred by the Company are estimated to be $179,069. $79,069 of this amount is already part of Deferred transactions costs and the balance of $100,000 is included in accrued liabilities. There is no specific guidance related to transaction costs in *IFRS 2 Shared Based Payments* and therefore these costs are expensed.

c) On February 4, 2021, the Company closed a non-brokered private placement pursuant to which the net proceeds raised in cash was $1,383,638 (the "**Offering**"). Under the Offering, the Company issued 16,898,174 units (each, a "**Unit**"), at a price of $0.083 per Unit for gross proceeds of $1,402,548. Each Unit is comprised of one common share (each, a "**Share**") and one common share purchase warrant (a "**Warrant**"), with each Warrant entitling the holder thereof to acquire one Share (each, a "**Warrant Share**") at a price of $0.167 per Warrant Share for a period of forty-eight months after the date of closing (the "**Closing**"). The Warrant is subject to acceleration provisions in the event that the Shares have a closing price on the Canadian Securities Exchange (or such other exchange on which the Shares may be traded at such time) of $0.33 or greater per Share for a period of ten consecutive trading days at any time from the date that is four months and one day after the Closing. The Company paid cash finder's fees of $18,910.43 and issued 227,836 share purchase warrants (the "**Finder's Warrants**") to certain finders in connection with the Private Placement. Each Finder's Warrant is exercisable into one Share at a price of $0.10 per Share (on a pre-Consolidation basis) for a period of two years after the Closing. Of the $1,383,638, $819,772 was allocated to common shares and $563,866 was allocated to warrants reserve.

d) Starting in August 2020, the Company has advanced a total of $411,300 through promissory notes. As at November 30, 2020, the advances outstanding were $141,300 and there was interest due of $1,842. As of today, the aggregate outstanding is $413,142. The advances made since November 30, 2020 total $270,000 and this amount is part of the adjustment of $293,720 made against cash and cash equivalents. The objective of the adjustment is to reflect the true cash and cash equivalents and to eliminate for consolidation purposes the balance between the Company and Aduro Energy.

e) During the year ended November 30, 2020, the Company's primary business of developing and monetization of its online software application Investorbase ("the App") discontinued because the App became inactive. In order to comply with IFRS, the amounts recognized in the unaudited pro forma consolidated statements of comprehensive loss relating to the App are classified under discontinued operations.

3. Share Capital

i) Common Shares

A continuity of the common shares of the resulting issuer is as follows:

	Number of shares	$
Outstanding shares prior to the closing of transaction	50,020,615	254,943
Issued to Aduro Energy shareholders	40,000,000	2,501,031
Per Pro Forma Unaudited Consolidated Statement of Financial Position	**90,020,615**	**$2,755,974**

ii) Warrants

The details of the share warrants outstanding are:

Issue date	Number of warrants outstanding	Exercise price	Expiry date	Fair value $
February 4, 2021	18,898,174	$0.167	February 4, 2025	567,779

There are 281,836 Finder Warrants with a recognized fair value of $8,977 bringing the total warrant reserve to $576,756.

iii) Deficit

A reconciliation of the proforma consolidated accumulated deficit was**:**

Reported accumulated deficit for Aduro Energy at November 30, 2020	(1,638,266)
Listing expense (Note 2a)	(1,374,624)
Accumulated deficit after the closing	**(3,012,890)**

SCHEDULE C

MD&As

Management's discussion and analysis of D5's financial statements for the years ended May 31, 2020 and May 31, 2019

Management Discussion and Analysis

For the year ended May 31, 2020
Prepared as of August 24, 2020

General

The following is a discussion and analysis of the operations, results, and financial position of Dimension Five Technologies Inc. (the "Company") for the year ended May 31, 2020, and should be read in conjunction with the financial statements for the year ended May 31, 2020, all of which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS").

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The Company's actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by law, the Company undertakes no obligation to release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to future price levels, success of technology development, success of marketing and product adoption, development time lines, currency fluctuations, requirements for additional capital, unanticipated expenses, trademark or patent disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors 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 the forward-looking statements. Such factors include, among others, risks related to the integration of acquisitions; future price levels; accidents, labor disputes and other risks of the technology industry; delays in obtaining approvals or financing. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

History of the Company

Dimension Five Technologies Inc. (the "Company") was incorporated in the Province of British Columbia on January 10, 2018, under the Business Corporations Act of British Columbia. The Company's original primary business was the development and monetization of its online software application Investorbase ("the App"). The App is currently inactive. On July 14, 2020 the Company entered into a binding letter of intent with Aduro Energy Inc. ("Aduro") to acquire 100% of the issued and outstanding shares of Aduro from the shareholders of Aduro (the "Transaction"). If the transaction closes Aduro's primary business will become the Company's new primary business (see section titled "Proposed Transactions and Subsequent Events for more information). On February 12, 2019, the Company's shares commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "DFT." The Company's shares are currently halted.

The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at 885 West Georgia Street, Suite 900, Vancouver, BC, Canada V6C 3H1.

Year-to-date Highlights

During the year ended May 31, 2020, the Company earned $80,000 in licensing revenues.

On September 3, 2019 the Company entered into a non-binding letter of intent with Emergent Waste Solutions Inc. ("EWS") regarding a proposed transaction to acquire all of the issued and outstanding securities of EWS. After a period of due diligence, the Company abandoned plans to acquire the EWS securities.

On November 30, 2019, an impairment charge to the App of $300,000 was reported due to the uncertainty of any recovery related to the subsequent termination of the App license agreement with Zimtu. The App is currently inactive and the Company is seeking to change its main business activities and is currently seeking new opportunities.

On December 11, 2019, the Company entered into a share exchange agreement (the "SEA") with Digital Cavalier Technology Services Inc. doing business as Youneeq ("Youneeq") to acquire all of the issued and outstanding securities of Youneeq (the "Transaction"). On April 28, 2020, upon further due diligence and considering current economic conditions, the Company abandoned the transaction with Digital Cavalier Technology Services Inc.

Business of the Company

The Company's original business was the development and monetization of its online software application Investorbase ("the App"). The App is currently inactive and the Company is seeking to change its main business activities and is currently seeking new opportunities.

Selected Annual Information

The following table provides selected audited financial information that should be read in conjunction with the audited financial statements and notes:

	For the year ended May 31, 2020 $	For the year ended May 31, 2019 $	For the period from incorporation on January 10, 2018 to May 31, 2018 $
Total revenues	**80,000**	110,000	-
Net loss and comprehensive loss	**(510,514)**	(244,919)	(18,339)
Net loss per share and diluted share	**(0.02)**	(0.01)	(18,339)
Total assets	**132,036**	621,868	304,562
Total short-term financial liabilities	**51,980**	2,924	2,600
Total long-term financial liabilities	**-**	-	-
Cash dividend declared per share	**-**	-	-

Results of Operations

Year Ended May 31, 2020

The Company recorded a loss of $510,514 during the year ended May 31, 2020 compared to a loss of $244,919 during the year ended May 31, 2019 for a difference of $265,595.

During the year ended May 31, 2020:

- License fee revenues (2020: $80,000, 2019: $110,000) decreased due to termination of the license agreement with Zimtu on January 31, 2020. The Company has not earned license fee revenue since the termination of the agreement and does not expect to in the foreseeable future.
- App maintenance expenses (2020: $51,744, 2019: $120,437) decreased due to the App becoming inactive in the year ended May 31, 2020.
- General and administrative expenses (2020: $267,963, 2019: $236,015) increased as detailed below.
- Other income and interest (2020: $29,193, 2019: $1,533) increased due to recording other income of $26,079 related to the termination of the App further development agreement with Zimtu.
- Impairment of intangible assets (2020: $300,000, 2019 $nil) was reported due to the uncertainty of any recovery after the termination of the App license agreement with Zimtu.

General and administrative expenses

The Company incurred the following general and administrative expenses for the year ended May 31, 2020 and 2019:

	For the year ended May 31, 2020 $	For the year ended May 31, 2019 $
Advertising and promotion	**5,887**	2,420
Filing fees and transfer agent expenses	**19,807**	29,615
Office, rent and general	**49,726**	20,208
Professional services	**116,125**	117,355
Salaries and benefits	**76,418**	51,417
Share-based payments	**-**	15,000
	267,963	236,015

When compared to the prior year:

- Overall general and administrative expenses (2020: $267,963, 2019: $236, 2015) increased.
- Advertising and promotion expenses (2020: $5,887, 2019: $2,420) increased.

- Office, rent and general expenses (2020: $49,726, 2019: $20,208) increased as the management services agreement with Zimtu was in place for more months in 2020 compared to 2019. The management services agreement was terminated January 31, 2020.
- Professional services expenses (2020: $116,125, 2019: $117,355) increased slightly. Accounting fees (2020: $38,697, 2019: $52,415) decreased due to lower audit fees, consulting fees (2020: $25,000, 2019: $3,450) increased due to $25,000 consulting fees paid to Zimtu and legal fees (2020: $52,428, 2019: 61,490) decreased slightly.
- Salaries and benefits (2020: $76,418, 2019: $51,417) increased as the CEO earned wages for more months in 2020.
- Share-based payments (2020: $nil, 2019: $15,000) decreased due to options being issued in 2019 but not in 2020.

Summary of Quarterly Results

Three Months Ended May 31, 2020

The following is a summary of the results from the eight most recent financial quarters ending:

	May 31, 2020 $	**February 29, 2020 $**	**November 30, 2019 $**	**August 31, 2019 $**
Revenue	863	46,482	30,701	31,147
Net loss	(31,580)	(57,492)	(345,403)	(76,039)
Loss per share	(0.00)	(0.00)	(0.01)	(0.00)

	May 31, 2019 $	**February 28, 2019 $**	**November 30, 2018 $**	**August 31, 2018 $**
Revenue	9,694	50,306	30,000	20,000
Net loss	(77,814)	(46,367)	(80,303)	(40,435)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

During the three months ended May 31, 2020:

- Net loss for the three months ended May 31, 2020 was $31,580 compared to a net loss of $77,814 for the three months ended May 31, 2019.
- License fee revenues for the three months ended May 31, 2020 was $nil compared to $30,000 for the three months ended May 31, 2019. The decrease was due to termination of the license agreement with Zimtu on January 31, 2020. Other income and interest for the three months ended May 31, 2020 was $863 compared to ($18,974) for the three months ended May 31, 2019. During the three months ended May 31, 2019, App development revenue of $21,626 was reclassified as intangible assets resulting in a negative other income.
- App maintenance expenses for the three months ended May 31, 2020 was $504 compared to $28,453 for the three months ended May 31, 2019 decreased due to the App becoming inactive in the year ended May 31, 2020.
- General and administrative expenses decreased as detailed below.

General and administrative expenses

The Company incurred the following general and administrative expenses during the three months ended May 31, 2020 and 2019:

	May 31, 2020 $	May 31, 2019 $
Advertising and promotion	**1,388**	1,228
Filing fees and transfer agent expenses	**3,455**	8,283
Office, rent and general	**893**	16,859
Professional services	**7,151**	15,140
Salaries and benefits	**19,052**	19,765
	31,939	61,275

All operating expenses decreased in the three months ended May 31, 2020 compared to the three months ended May 31, 2019.

- Advertising and promotion expenses (2020: $1,388, 2019: $1,228) were consistent with the prior period.
- Filing fees and transfer agent expenses (2020: $3,455, 2019: $8,283) decreased as the Company incurred lower transfer agent fees compared to the prior period.
- Office, rent and general expenses (2020: $893, 2020: $16,859) decreased due to the termination of the management services agreement with Zimtu on January 31, 2020.
- Professional services expenses (2020: 7,151, 2020: $15,140) decreased due to less legal work compared with the prior period.
- Salaries and benefits (2020: $19,052, 2019: $19,765) was consistent with the prior period.

Liquidity and Capital Resources

Total assets of the Company at May 31, 2020 were $132,036 compared to $621,868 at May 31, 2019. At May 31, 2020, the primary assets consisted of cash of $$93,861 (May 31, 2019: $36,081), guaranteed investment certificates ("GICs") of $28,750 (May 31, 2019: $278,750), and intangible assets of $nil (May 31, 2019 $300,000). The Company has no long-term debt.

At May 31, 2020, the Company had a working capital of $80,056 compared to $290,570 at May 31, 2019. Working capital includes cash of $93,861 (May 31, 2019: $36,081) available to meet current financial liabilities of $51,980 (May 31, 2019: $2,924) and other short term business requirements. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Cash used in operating activities during the year ended May 31, 2020 was $189,925 compared to $234,164 during the year ended May 31, 2019. Cash was mostly spent on app maintenance fees, rent, management services, filing fees and transfer agent expenses, professional fees and salaries and benefits and adjusted for items not involving cash.

Cash provided by investing activities during the year ended May 31, 2020 was $247,705 compared to $300,376 of cash used during the year ended May 31, 2019. Cash that was used in operations was provided by the redemption of a GIC in the current year.

Cash provided by financing activities during the year ended May 31, 2020 was $nil compared to $268, 527 of cash provided by financing activities during the year ended May 31, 2019. In the year ended May 31, 2019, cash was mainly provided from the issuance of common shares and App improvement and development funds received from Zimtu.

During the period ended May 31, 2020, the Company raised $nil (May 31, 2019: $545,900) through the issuance of common shares. In the year ended May 31, 2019 $320,300 in subscriptions were received during the previous year.

The Company has financed its operations to date primarily through the issuance of common shares and App license revenue. The Company ceased earning App license revenue at January 31, 2020 and must generate additional capital for future operations. The Company will seek capital through various means including the issuance of equity and/or debt.

In management's view, the Company's financial success will be dependent upon finding new business opportunities and obtaining capital through the issuance of equity and/or debt which may take longer than expected.

Off balance sheet arrangements

As at May 31, 2020, the Company had no material off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

Related Party Transactions

During the year ended May 31, 2020, compensation of related parties was as follows:

Key management and related party compensation	**For the year ended May 31, 2020 $**	For the year ended May 31, 2019 $
Fees*	24,000	28,748
Salaries and benefits	72,837	48,000
Share-based payments	-	15,000
	96,837	91,748

* The fees were allocated to professional fees of $24,000 (May 31, 2019: $24,000) and share issuance costs of $nil (May 31, 2019: $4,748).

During the year ended May 31, 2020, the Company incurred finder's fees of $nil (May 31, 2019: $4,748) to Zimtu.

During the year ended May 31, 2020, the Company incurred professional fees of $24,000 (May 31, 2019: $24,000) to a company controlled by the CFO of the Company. As at May 31, 2020, the Company owed $8,000 (May 31, 2019: $nil) to the related company. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

During the year ended May 31, 2020, the Company incurred wages and benefits to the Company's CEO of $72,837 (May 31, 2019: $48,000). As at May 31, 2020, the Company owed $24,000 (May 31, 2019: $nil) to the CEO of the Company related to wages payable. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

During the year ended May 31, 2020, the Company incurred share-based compensation of $nil (May 31, 2019: $15,000) to directors of the Company.

During the year ended May 31, 2020, the Company had the following related party transactions with Zimtu: The Company earned licencing revenues of $80,000 (May 31, 2019: $110,000) pursuant to the License Agreement, earned App development fees and other income of $28,374 (May 31, 2019: $21,626) related to the App Further Development Agreement and incurred rent and other expenses of $44,000 (May 31, 2019: $16,500) pursuant to the Management Services Agreement. See below for details of the agreements.

On June 15, 2018, the Company issued 3,600,000 common shares at $0.02 per share to certain directors and officers of the Company for proceeds of $72,000.

On July 1, 2018, the Company purchased the App including the source code, website and other intellectual property rights from Zimtu for 10,000,000 common shares valued at $0.03 per share for total consideration of $300,000. Of this amount, 4,300,000 common shares were issued to officers of the Company and 4,000,000 common shares were issued to Zimtu.

On July 1, 2018, the Company entered into a License Agreement (the "LA") with Zimtu, whereby the Company has granted a non-exclusive, non-transferable, non-sublicensable and revocable app user license to Zimtu for a fee of $10,000 per month. The LA is for a term of 18 months and may be renewed for an additional 18 months if mutually agreed upon. The LA may be terminated by Zimtu by providing 30 days' notice to the Company. Pursuant to the LA, Zimtu has agreed to fund the Company's improvement, development and marketing costs for the App up to a maximum of $100,000. On November 1, 2018, Zimtu agreed that the minimum term of the license will be to October 31, 2019 and that 30 days' notice of termination would not be provided prior to October 1, 2019.

On September 11, 2018, the Company entered into an App Further Development Agreement (the "AFDA") with Zimtu whereby Zimtu agreed to provide the Company with up to $100,000 in funding to further improve and re-develop the App for its use in accordance with a to be agreed upon payment schedule.

On January 2, 2019, the Company received a payment of $50,000 from Zimtu pursuant to the AFDA. See Notes 5 and 7.

On March 1, 2019, the Company entered into a Management Services Agreement (the "MSA") with Zimtu. Pursuant to the MSA, Zimtu will provide the Company with administrative and managerial services for a fee of $5,500 per month plus GST, including office space and equipment, for a term of nine months ending on November 30, 2019. The Company can renew the MSA for further 12 month term provided that it hasn't been terminated by either party upon giving one month notice to the other. On October 31, 2019 the agreement was renewed for another year with the renewal agreement ending February 29, 2020.

On December 9, 2019 the Company paid $25,000 to Zimtu for consulting fees.

On January 17, 2020, the Company terminated the License Agreement, AFDA and MSA with Zimtu. The date of termination is effective as at January 31, 2020.

Other MD&A Requirements

Disclosure of Outstanding Share Capital

The Company has an authorized share capital of:

i. Unlimited common shares without par value
ii. Unlimited preferred shares without par value

The following table describes the issued and outstanding share capital of the Company:

	August 24, 2020	May 31, 2020	May 31, 2019	May 31, 2018
Common Shares	23,078,001	23,078,001	23,078,001	1
Preferred Shares	-	-	-	-
Stock Options	400,000	400,000	400,000	-
Fully Diluted Shares	23,478,001	23,478,001	23,478,001	1

On February 12, 2019, there were 14,300,001 common shares held in escrow. At the date of this report, the balance of common shares remaining in escrow is 8,580,002.

For additional details of outstanding share capital, refer to the financial statements for the year ended May 31, 2020.

Risk Factors

Liquidity Concerns and Future Financing Requirements: The Company is in the development phase and has not generated any revenue. It will likely operate at a loss until its business becomes established and may require additional financing to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to it. If additional financing is raised by issuing Shares from treasury, control of the Company may change, and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its business plan or cease operating.

Limited Operating History and No Assurance of Profitability: The Company is a start-up business with a limited operating history and no established brand recognition. The Company will be subject to all the business risks and uncertainties associated with any new business enterprise, including the risks that it will not establish a market for its services, achieve its growth objectives or become profitable. The Company anticipates that it may take several years to achieve positive cash flow from operations. There can be no assurance that there will be demand for the Company's services or that the Company will become profitable.

Need for funds: In the short term, the continued operation of the Company will be dependent upon its ability to procure additional financing. The Company must obtain such financing through equity financing and there can be no assurance that the Company can raise the required capital it needs to build and expand the Company's business. Without this additional financing, the Company may be unable to advance the Company's business model, and the Company will likely fail. There can be no certainty that the Company can obtain these funds, in which case any investment in the Company may be lost. The raising of equity funding will also result in dilution of the equity position held by the Company's shareholders.

Uncertainty of Use of Proceeds: Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "Use of Proceeds".

Operational Risks: The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labor disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Technology Risk: The Company's products and services are dependent upon advanced technologies which are susceptible to rapid technological change. There can be no assurance that the Company's products and services will not be seriously affected by, or become obsolete as a result of, such technological changes. Further, some of the Company's services are currently under development and there can be no assurance that these development efforts will result in a viable service as conceived by the Company or at all.

Unforeseen Competition: There can be no assurance that significant competition will not enter the market and offer any number of similar services to those provided by the Company. Such competition could have a significant adverse effect on the growth potential of the Company's business by effectively dividing the existing market for such products and services.

Trends: The Company's success depends on the continuation of stock trading and the ability of products to add new users, sell licensing and generate revenue. Future revenues will be largely dependent on the company's ability to generate revenue from third parties advertising within the Company's products. Changes in media trends which affect user adoption and marketing habits may significantly affect the Company's ability to collect revenue in the future. If third party marketers decide that the Company's products are experimental or unproven, or if third party policies limit our ability to deliver or target advertising on mobile devices and desktop, or if adverse legal developments arise relating to advertising, including legislative and regulatory developments and developments in litigation, or if our products are unable to sustain or increase the value of our ads or marketers' ability to analyze and measure the value of our ads, or if trends for advertising on mobile devices or on personal computers changes, our advertising revenue could be adversely affected.

Dependence on Personnel: The Company's future success depends substantially on the continued services of its executive officers and its key development personnel. If one or more of its executive officers or key development personnel were unable to unwilling to continue in their present positions, the Company might not be able to replace them easily or at all. In addition, if any of its executive officers or key employees joins a competitor or forms a competing company, the Company may lose know-how, key professionals and staff members.

Management of Growth: The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

Data Security Risks: The Company will utilize servers with significant amounts of data stored thereon at the company's physical office and stored on the cloud, on the internet through third party companies. Should the Company be responsible for the loss of any or all the data stored by it, the liability could materially undermine the financial stability of the Company. Also, much of the data stored at the Company's premises or within the servers will be confidential. Anyone who can circumvent the Company's security measures could misappropriate proprietary information or cause interruptions in its operations.

Volatility of Share Price: It is anticipated that the Shares will be listed for trading on the Exchange in the near future. As such, factors such as announcements of quarterly variations in operating results, revenues, costs and market conditions in the digital advertising industry may have a significant impact on the market price of the shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology and marketing sectors. There can be no assurance that an active or liquid market will develop or be sustained for the Shares.

Dividends: The Company has not paid dividends to shareholders in the past and does not anticipate paying dividends in the foreseeable future. The Company expects to retain its earnings to finance growth.

Officer and Director Conflicts: Because directors and officers of the Company and/or the Company are or may become directors or officers of other reporting companies or have significant shareholdings in other technology companies, the directors and officers of the Company may have a conflict of interest in conducting their duties. There can be no assurance such conflicts of interests will be resolved to the benefit of the Company.

Our future growth depends in large part on the success of our partner relationships: In addition to our sales force, we rely on partners to increase our sales and distribution of our software and services. We are dependent on partner relationships to contribute to our growth and to create leverage in our business model. Our future growth will be increasingly dependent on the success of our partner relationships, and if those partnerships do not provide such benefits, our ability to grow our business will be harmed. If we are unable to scale our partner relationships effectively, or if our partners are unable to serve our customers effectively, we may need to expand our services organization, which could adversely affect our results of operations.

We may not be able to respond to rapid technological changes with new offerings: The markets for our software are characterized by constant technological changes, changing open-source software platform technologies and standards, changing customer needs and frequent new software product introductions and improvements. The introduction of third-party solutions embodying new technologies and the emergence of new industry standards, including any open-source projects that have become widely adopted, could make our existing and future software offerings obsolete and unmarketable.

Incorrect or improper implementation or use of our software could result in customer dissatisfaction: Our platform must integrate with a variety of operating systems, software applications and hardware developed by others. If we or our customers are unable to implement our software successfully, or are unable to do so in a timely manner, or if we are unable to devote the necessary resources to ensure that our solutions interoperate with other software, systems and hardware, customer perceptions of our company may be impaired, our reputation and brand may suffer and customers may choose not to increase their use of our software.

The reliability of our software will be critical to our success: Our reputation and ability to attract, retain and serve our customers are dependent upon the reliable performance of our software and our underlying technical and network infrastructure. We have experienced, and will in the future experience, interruptions, outages and other performance problems. In addition, we rely on third-party service providers to host and deliver certain information, and these third parties may also experience interruptions, outages and other performance problems. Such disruptions may be due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints and inadequate design. A future rapid expansion of our business could increase the risk of such disruptions. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Any errors, defects or security vulnerabilities discovered in our offerings could result in loss of revenue or delay in revenue recognition, loss of customers and increased service and warranty cost, any of which could adversely affect our business, results of operations and financial condition.

If we are unable to protect our intellectual property rights, our competitive position could be harmed or we could be required to incur significant expenses to enforce our rights: Our ability to protect our intellectual property affects the success of our business. We rely on trade secret, patent, copyright and trademark laws and confidentiality agreements with employees and third parties, all of which offer only limited protection. The steps we have taken to protect our proprietary rights may not be adequate to preclude misappropriation of our proprietary information or infringement of our intellectual property rights, and our ability to police such misappropriation or infringement is uncertain. The intellectual property rights granted to us, if any, may not provide us with proprietary protection or competitive advantages, and, as with any technology, competitors may be able to develop similar or superior technologies to our own now or in the future. In addition, we rely on contractual and license agreements with third parties in connection with their use of our products and technology. There is no guarantee that such parties will abide by the terms of such agreements or that we will be able to adequately enforce our rights.

Claims by others that we or our customers infringe the proprietary technology of such other persons could force us to pay damages or prevent us from using certain technology in our products: Third parties could claim that our products or technology infringe their proprietary rights. Any claim of infringement by a third party, even one without merit, could cause us to incur substantial costs defending against the claim, and could distract our management from our business. Furthermore, a party making such a claim, if successful, could secure a judgment that requires us to pay substantial damages. A judgment could also include an injunction or other court order that could prevent us from offering our products. In addition, we might be required to seek a license for the use of such intellectual property, which may not be available on commercially reasonable terms or at all. Alternatively, we may be required to develop non-infringing technology, which could require significant effort and expense and may ultimately not be successful.

Changes in Accounting Policies

There have been no changes in the accounting policies.

Future Accounting Standards, Amendments, and Interpretations Not Yet Effective

For details of the Company’s Future Accounting Standards, including accounting standards not yet adopted, new accounting standards adopted, and accounting standards amended but not yet effective, please refer to Note 3 of the Company’s financial statements for the year ended May 31, 2020.

Financial Instruments and Capital Disclosures

As at May 31, 2020, the Company's financial instruments consist of cash, GICs, interest receivable, and accounts payable and accrued liabilities. The carrying value of these financial instruments approximate their fair values. The use of financial instruments can expose the Company to several risks, including interest rate, credit, currency, and market risk. A discussion of the Company’s use of financial instruments and their associated risk is provided below:

a) Fair value - The Company classifies its financial instruments using a fair value hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company’s investments. The hierarchy of inputs and description of inputs is described as follows:

b) Interest rate risk - The Company is not exposed to significant interest rate risk even though the Company has cash balances, and its current policy is to invest excess cash in certificates of deposit or money market funds of major Canadian chartered banks. The GICs bear interest at a rate of prime minus a percentage and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. The sensitivity of the Company to a variation of 1% in the interest rate would not have a significant impact. The Company's other financial assets and financial liabilities do not comprise any interest rate risk since they do not bear interest.

c) Credit risk - The Company is not exposed to significant credit risk on its cash and GICs due to them being placed with a Canadian chartered bank. One customer accounted for 100% of the Company's licensing revenue.

d) Currency risk - The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

f) Market risk - Market risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is not exposed to significant market risk as the financial instruments consists mainly of cash and GICs held at a major Canadian chartered bank.

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the periods ended May 31, 2020 and May 31, 2019. The Company is not subject to externally imposed capital requirements.

Proposed Transactions and Subsequent Events

On July 14, 2020 the Company entered into a binding letter of intent (the "LOI") with Aduro Energy Inc. ("Aduro" or "Aduro Energy") to acquire 100% of the issued and outstanding shares of Aduro from the shareholders of Aduro (the "Transaction").

Aduro Energy, established in 2012, is an Ontario-based private company that has developed a highly flexible clean energy platform featuring three water-based technologies: Hydrochemolytic Plastics Upgrading ("HPU"); Hydrochemolytic Renewables Upgrading ("HRU"); and Hydrochemolytic Bitumen Upgrading ("HBU").

The Transaction is to be a share exchange or three-cornered amalgamation pursuant to which D5 will purchase all of the Aduro Shares from the Aduro Shareholders, and the Aduro Convertible Notes from their holders, in exchange for an aggregate of 40,000,000 D5 Shares and 80,000,000 Special Warrants. The Special Warrants will automatically convert on a one for one basis into D5 common shares upon the achievement of certain milestones in the development of the Aduro business. The Parties are to negotiate the Definitive Agreement and to use all commercially reasonable efforts to complete ancillary agreements, apply for and obtain CSE approval of the Transaction.

Under CSE rules, trading in the Company's shares will remain halted until the Company either closes the Transaction or terminates the LOI.

Approval

The Board of Directors of Dimension Five Technologies Inc. has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

Management’s discussion and analysis of D5’s financial statements for the six months ended November 30, 2020

Management Discussion and Analysis

For the Six Months Ended November 30, 2020
Prepared as of January 29, 2020

General

The following is a discussion and analysis of the operations, results, and financial position of Dimension Five Technologies Inc. (the "Company") for the six months ended November 30, 2020, and should be read in conjunction with the financial statements for the six months ended November 30, 2020, all of which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS").

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The Company's actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by law, the Company undertakes no obligation to release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to future price levels, success of technology development, success of marketing and product adoption, development time lines, currency fluctuations, requirements for additional capital, unanticipated expenses, trademark or patent disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors 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 the forward-looking statements. Such factors include, among others, risks related to the integration of acquisitions; future price levels; accidents, labor disputes and other risks of the technology industry; delays in obtaining approvals or financing. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Company Overview

Dimension Five Technologies Inc. (the "Company") was incorporated in the Province of British Columbia on January 10, 2018, under the Business Corporations Act of British Columbia. On February 12, 2019, the Company's shares commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "DFT." In accordance with the rules and policies of the CSE, trading in the Company's shares was halted and will remain halted until either the proposed Aduro Energy Inc. ("Aduro") acquisition is completed (see section titled "Transaction with Aduro Energy Inc." for additional details).

The Company's primary business was the development and monetization of Investorbase (the "App"). The App is currently inactive and due to the uncertainty of any recovery, the Company recorded an impairment loss on the App of $300,000 (a value equal to 100% of the asset) at November 30, 2019.

The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at 885 West Georgia Street, Suite 900, Vancouver, BC, Canada V6C 3H1.

Second Quarter 2021 Highlights

During the three months ended November 30, 2020, the Company completed a non-brokered private placement for gross proceeds of $502,222.

On October 22, 2020, the Company entered into the SEA with Aduro's security holders and Aduro whereby the LOI entered into on July 13, 2020 was superseded and replaced.

Transaction with Aduro Energy Inc.

Transactions with Aduro Energy Inc. prior to the Securities Exchange Agreement

On July 13, 2020, the Company entered into a binding letter of intent (the "LOI") with Aduro Energy Inc. ("Aduro") whereby the Company would acquire 100% of the issued and outstanding shares of Aduro from Aduro's shareholders (the "Acquisition"). On July 29, 2020, the Company received consent from the Canadian Securities Exchange (the "CSE") to complete the Acquisition and to loan $150,000 to Aduro to fund its working capital requirements until closing. On October 22, 2020, the LOI was replaced and superseded by a securities exchange agreement.

On August 7, 2020, the Company agreed to lend $150,000 to Aduro on the following conditions:

- $50,000 upon signing a promissory note ("PN1") and a general security agreement (the "GSA") on all of Aduro's assets to be registered in Ontario; and
- $100,000 upon signing a promissory note ("PN2") and such number of Aduro's convertible note lenders signing amendment agreements to their NPAs as is acceptable to the Company.

On August 7, 2020, the Company entered into PN1 with Aduro and $50,000 was advanced to Aduro. The loan is secured by the GSA, bears interest at 6% per annum, matures in 12 months and may be prepaid in whole or in part without penalty together with all accrued and unpaid interest. Pursuant to the GSA, the Company was granted a security interest in all of Aduro's current and after-acquired property and any related proceeds as security for up to $150,000 to be borrowed under PN1 and PNs to be issued for further advances. The GSA may be terminated at any time by written agreement and will terminate upon completion of all payments due under the PNs or provided that the Acquisition is completed, achievement of the first milestone (see below).

For PN2, the Company advanced $50,000, $15,000 and $15,000 on August 28, 2020, October 26, 2020 and November 18 respectively, bringing the aggregate advances to $130,000 as at November 30, 2020. The terms and conditions of the advances are as described for PN1 above.

Securities Exchange Agreement with Aduro Energy Inc.

On October 22, 2020, the Company entered into a securities exchange agreement (the "SEA") with Aduro's security holders and Aduro whereby the LOI entered into on July 13, 2020 was superseded and replaced. Pursuant to the SEA, Aduro's security holders (the "TVs") agreed to sell their shares (the "TSs") to the Company, the Company irrevocably agreed to acquire all of the issued and outstanding TSs from the TVs and the TVs irrevocably agreed to acquire all of the issued and outstanding TSs from the TVs and the TVs irrevocably agreed to exchange, assign and transfer their TSs to the Company in consideration for the payment of the purchase price by the Company to the TVs and Aduro's special warrant trustee (the "Trustee") on behalf of the TVs and the TN holders such that following closing, all of the issued and outstanding TSs will be owned by the Company.

i. *Purchase Price*

As consideration for the acquisition of the TSs at closing the Company will:

- Issue 40 million shares of the Company at a deemed price of $0.05 per share to the TVs in the specified amounts;
- Create and issue 80 million special warrants (the "SWs"), consisting of 40 million Class A special warrants (the "ASWs") and 40 million Class B special warrants (the "BSWs") at a deemed price equal to the Company's discounted share price (as defined), to the Trustee to be held in trust until distributed on the first milestone ("FM") achievement date to the:

    - TN holders, with the actual number of ASWs to be distributed being determined by application of the specified formula on the FM achievement date; and
    - TVs pro rata as specified, with the actual number of ASWs being determined after calculating the number of ASWs to be distributed to the TN holders and the actual number of BSWs to be distributed to each TV as specified.

    with the SWs being convertible for no additional consideration into the Company's shares on a one-for-one basis upon the later of the achievement of the FM in the case of the ASWs or the achievement of the second milestone ("SM") in the case of the BSWs, as applicable, and the distribution of the SWs by the Trustee.

ii. *First Milestone Protection Plan*

If, within three months of completing the FM, the Company has not completed the first financing resulting in gross proceeds of at least $2.5 million or has completed the first financing resulting in gross proceeds of at least $2.5 million having occurred at less than or equal to $0.18 per share, then the outstanding common shares of the Company and/or options to acquire common shares of the Company held by the Zimtu Group representing a total of 9,708,000 common shares will be purchased by the Company for an aggregate amount of $1 three months following the date the Company achieved the FM. If, prior to this date, the Company has:

- Completed the first financing of greater than $1.25 million, this date will be extended by three months and if within this additional three-month period the Company completes one or more additional closings of the first financing such that the aggregate gross proceeds of the first financing are at least $2.5 million and the per share price is greater than $0.18, no shares will be repurchased;
- Closed the first financing for gross proceeds of less than $2.5 million but greater than $1.25 million prior to the three-month period (as may have been extended) and the per share price of the first financing is greater than $0.18, the number of shares to be repurchased for an aggregate amount of $1 will be reduced by the ratio of the gross proceeds raised divided by $2.5 million; and
- Determined that it does not need to raise additional capital through the issuance of securities requiring Zimtu to act as a finder or a broker for a financing following the achievement of the FM, so shares will be repurchased.

iii. *Second Milestone Protection Plan*

If, within three months of achieving item 1, 2 or 3 of the SM, the Company has not completed the second financing resulting in gross proceeds of at least $4.5 million or has completed the second financing resulting in gross proceeds of at least $4.5 million having occurred at less than or equal to $0.30 per share, then if: (i) any of the common shares have been previously purchased for cancellation by the Company, outstanding common shares of the Company and/or options to acquire common shares of the Company held by the Zimtu Group representing a total of 907,150 common shares and (ii) if no common shares have not been purchased for cancellation, outstanding common shares of the Company and/or options to acquire common shares of the Company held by the Zimtu Group representing a total of 6,307,000 common shares will be purchased by the Company for an aggregate amount of $1 three months following the date the Company achieved the SM. If, prior to this date, the Company has:

- Completed the second financing of at least $2.25 million, this date will be extended by three months and if within this additional three-month period the Company completes one or more additional closings of the second financing such that the aggregate gross proceeds of the second financing are at least $4.5 million and the per share price is greater than $0.30, no shares will be repurchased;
- Closed the second financing for gross proceeds of less than $4.5 million but greater than $2.25 million prior to the three-month period (as may have been extended) and the per share price of the second financing is greater than $0.30, the number of shares to be repurchased for an aggregate amount of $1.00 will be reduced by the ratio of the gross proceeds raised divided by $4.5 million; and

- Determined that it does not need to raise additional capital through the issuance of securities requiring Zimtu to act as a finder or a broker for a financing following the achievement of item 1, 2 or 3 of the SM, no shares will be repurchased.

The transaction will close on the date mutually agreed to by the Company, Aduro and the CEO of Aduro and will not be later than December 31, 2020 or such other date as may be mutually agreed to in writing.

In connection with the closing, the Company's Board will be reconstituted to consist of five directors, two being current directors of the Company as nominees of the Company and three being nominees of Aduro, including the CEO of Aduro. On closing, the Company's loan to Aduro will be deemed to be an intercompany loan and the Company will grant a total of 10 million stock options to directors, officers and consultants of the Company as determined by the Company prior to closing. These options will have a term of three years and will vest and become exercisable as follows:

- One-third on closing and exercisable at a price of $0.10 per share;
- One-third on closing of the first financing of at least $2.5 million completed by the Company after the closing (the "Qualified First Financing") with the exercise price being equal to the share or unit price of the Qualified First Financing, and
- One-third on closing of the first financing of at least $4.5 million completed by the Company after the Qualified First Financing (the "Qualified Second Financing") with the exercise price being equal to the share or unit price of the Qualified Second Financing.

The SEA may be terminated at any time prior to closing by the mutual written agreement of the Company and Aduro and either the Company or Aduro if:

- The transaction has not closed prior to December 31, 2020, unless otherwise extended by written agreement;
- The transaction is rejected by the CSE and all recourse or rights of appeal have been exhausted;
- Any order of a governmental body preventing the completion of the transaction has become final and non-appealable;
- Their respective Boards authorize them to enter into a legally binding agreement relating to a superior proposal (as defined); or
- There has been a material breach by the other party that is not cured within 10 business days after receiving notice of such breach.

On December 28, 2020, the Company and Aduro mutually agreed to extend the closing date to March 31, 2021. To date the Company has incurred $79,069 in respect of the transaction and this amount is recognized as deferred acquisition costs on the statement of financial position as at November 30, 2020.

Selected Annual Information

The following is a summary of the financial data of the Company for the fiscal years ended November 30, 2020 and 2019. The following information is derived from the audited financial statements of the Company:

	For the year ended May 31, 2020 $	For the year ended May 31, 2019 $	For the period from incorporation on January 10, 2019 to May 31, 2018 $
Total revenue	80,000	110,000	-
Net loss and comprehensive loss	(510,514)	(244,919)	(18,339)
Not loss per share and diluted share	(0.02)	(0.01)	(18,339)
Total assets	(132,036)	621,868	304,562

The Company has recorded losses in each three most recent fiscal years and expects to continue to record losses until such time as an economic business acquisition has been completed and profits generated. The increased net loss and comprehensive loss in 2020 was due to a $300,000 impairment loss recorded on the App – the Company's intangible asset.

Results of Operations for the six months ended November 30, 2020 and 2019.

Revenues

The Company recorded total revenue of $1,860 (2019: $61,848) in the period. The revenue consisted of license fees of $nil (2019: $60,000) and interest and other income of $1,860 (2018: $1,848) in the period. The license fee revenue was related to the License Agreement with Zimtu Capital Corp. ("Zimtu") terminated during fiscal 2020.

Expenses

Expenses in the period: App maintenance expenses of $nil (2019: $45,155) and general and administrative expenses of $92,862 (2019: $138,136). App maintenance expenses consist of stock market exchange data fees of $nil (2019: $44,158) and website hosting fees of $nil (2019: $997).

The Company incurred the following general and administrative expenses in the period:

	Six months ended November 30, 2019	Six months ended November 30, 2019
	$	$
Advertising and promotion	4,162	1,846
Filing fees, transfer agent expenses and other listing expenses	12,854	12,376
Office and general	1,203	38,057
Professional services	36,754	48,030
Salaries and benefits	37,889	37,827
Total	92,862	138,136

The overall operating expenses of the Company increased as follows when compared to the prior year period:

- Advertising and promotion expenses (2020: $4,162, 2019: $1,846) increased as the Company engaged in additional news releases.
- Filing fees, transfer agent expenses and other listing expenses (2020: $12,854, 2019: $12,376) were fairly consistent with the same period in the prior year.
- Office and general expenses (2020: $1,203, 2019: $38,057) decreased due to the termination of the Management Services Agreement (the "MSA") with Zimtu on January 1, 2020. The agreement included services for rent, management and other services.
- Professional services expenses (2020: $36,754, 2019: $48,030) decreased as the Company incurred higher legal and accounting fees in fiscal 2019.
- Salaries and benefits expenses (2020: $37,889, 2019: $37,827) which relate to the CEO's wages were consistent with the prior year period.

Summary of Quarterly Results

The following table presents selected audited and unaudited financial information from the completed financial quarters since the incorporation of the Company:

	November 30, 2020 $	August 31, 2020 $	May 31, 2020 $	February 28, 2020 $
Revenue	-	-	-	20,000
Expenses	48,871	43,991	33,461	102,956
Impairment of intangible asset	-	-	-	-
Net loss and comprehensive loss	(47,011)	(43,973)	(32,598)	(56,474)
Total assets	631,409	348,916	132,036	143,570
Working Capital	488,594	263,305	80,056	112,653
Total liabilities	142,815	85,611	51,980	30,917
Equity	488,594	263,305	80,056	112,653

	November 30, 2019 $	August 31, 2019 $	May 31, 2019 $	February 28, 2019 $
Revenue	30,701	31,147	9,694	50,306
Expenses	76,104	107,186	88,840	96,874
Impairment of intangible asset	(300,000)	-	-	-
Net loss and comprehensive loss	(345,403)	(76,039)	(77,814)	(46,367)
Total assets	219,956	570,867	621,868	717,648
Working Capital	169,127	214,531	290,570	348,078
Total liabilities	50,829	56,336	31,298	49,264
Equity	169,127	570,867	590,570	668,387

The quarterly fluctuations shown above were generally related to legal and audit fees related to the Transaction with Aduro and auditing of the annual financial statements. Liabilities increased in recent quarters due to the CEO and CFO deferring a portion of their wages and fees since October 2019. In recent quarters, no license fee revenue or maintenance expenses related to the App have been received or incurred dur to the termination of the App licensing agreement on January 31, 2020. The Company reported an impairment loss of $300,000 on the App in the quarter ended November 30, 2019 which resulted in an increased net loss and decrease of total assets.

Liquidity and Capital Resources

Total assets of the Company as at November 30, 2020 were $631,409 compared to $132,036 for the year ended May 31, 2020. The primary assets are cash of $370,970 (May 31, 2020: $93,861), guaranteed investment certificates ("GIC") of $29,000 (May 31, 2020: $28,750), and loans receivable of $143,142 (May 31, 2020: $nil). The Company has no long-term debt.

At November 30, 2020, the Company had a working capital of $488,594 compared to $80,056 for the year ended May 31, 2020. Working capital includes cash of $370,970 (May 31, 2020: $93,861) and other current assets available to meet current liabilities of $142,815 (May 31, 2020: $51,980). The Company's accounts payable and accrued liabilities have short-term contractual maturities.

Cash used in operating activities during the six months ended November 30, 2020 was $39,808 compared to $117,431 of cash used in operating activities during the six months ended November 30, 2019. Cash was mostly spent on filing fees and transfer agent expenses, professional fees and salaries and benefits and adjusted for items not involving cash.

Cash used in investing activities during the six months ended November 30, 2020 was $182,605 compared to $100,000 of cash provided by investing activities during the six months ended November 30, 2019. Cash was used mainly to advance Aduro loans pursuant to the SEA and legal expenses incurred on the Transaction.

Cash provided by financing activities during the six months ended November 30, 2020 was $499,522 compared to $nil of cash provided by financing activities during the six months ended November 30, 2019. The $499,522 was related to the private placement completed on September 2, 2020.

The Company has financed its operations to date primarily through the issuance of common shares and the App license fee revenue. The Company ceased earning the APP license fee revenue as of January 31, 2020 and must generate additional capital for future operations. The Company will seek capital through various means including issuance of equity or debt.

In management's view, the Company's financial success will be dependent upon closing of the Transaction with Aduro or finding new business opportunities and obtaining capital through the issuance of equity or debt which may take longer than expected.

Off balance sheet arrangements

At November 30, 20120, the Company had no material off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

Related Party Transactions

During the Six Months Ended November 30, 2020 and 2019 compensation of related parties was as follows:

Key management and related party compensation	Six months ended November 30, 2019 $	Six months ended November 30, 2019 $
Remuneration and fees	16,400	12,000
Salaries and benefits	36,000	30,000
	52,400	42,000

During the Six Months Ended November 30, 2020, the Company incurred professional fees of $8,000 (November 30, 2019: $12,000) to a company controlled by the former CFO of the Company and incurred professional fees of $8,400 (November 30, 2019: $nil) to a company controlled by the new CFO of the Company. As at November 30, 2020, the Company owed $16,485 (May 31, 2020: $8,000) to the related companies. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

Salaries and benefits consist of wages paid to the Company's CEO. During the six months ended November 30, 2020, the Company incurred salaries and benefits of $36,000 (November 30, 2019: $30,000). As at November 30, 2020, the Company owed $48,000 (May 31, 2020: $24,000) to the CEO of the Company related to wages payable. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

Other MD&A Requirements

Disclosure of Outstanding Share Capital

The Company has an authorized share capital of:

i. Unlimited common shares without par value
ii. Unlimited preferred shares without par value

The following table describes the issued and outstanding share capital of the Company:

	November 30, 2020	May 31, 2020	November 30, 2019	May 31, 2019
Common Shares	33,122,441	23,078,001	23,078,001	23,078,001
Preferred Shares	-	-	-	-
Stock Options	400,000	400,000	400,000	400,000
Fully Diluted Shares	33,122,441	23,478,001	23,478,001	23,478,001

As at November 30, 2020, 6,435,002 (May 31, 2020: 8,580,002) common shares were being held in escrow. The shares remaining in escrow will be released in instalments of 2,145,000 every six months until February 12, 2022.

For additional details of outstanding share capital, refer to the financial statements for the period ended November 30, 2020.

Risk Factors

Liquidity Concerns and Future Financing Requirements: The Company is in the development phase and has not generated any revenue. It will likely operate at a loss until its business becomes established and may require additional financing to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to it. If additional financing is raised by issuing Shares from treasury, control of the Company may change, and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its business plan or cease operating.

Limited Operating History and No Assurance of Profitability: The Company is a start-up business with a limited operating history and no established brand recognition. The Company will be subject to all the business risks and uncertainties associated with any new business enterprise, including the risks that it will not establish a market for its services, achieve its growth objectives or become profitable. The Company anticipates that it may take several years to achieve positive cash flow from operations. There can be no assurance that there will be demand for the Company's services or that the Company will become profitable.

Need for funds: In the short term, the continued operation of the Company will be dependent upon its ability to procure additional financing. The Company must obtain such financing through equity financing and there can be no assurance that the Company can raise the required capital it needs to build and expand the Company's business. Without this additional financing, the Company may be unable to advance the Company's business model, and the Company will likely fail. There can be no certainty that the Company can obtain these funds, in which case any investment in the Company may be lost. The raising of equity funding will also result in dilution of the equity position held by the Company's shareholders.

Uncertainty of Use of Proceeds: Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "Use of Proceeds".

Operational Risks: The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labor disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Technology Risk: The Company's products and services are dependent upon advanced technologies which are susceptible to rapid technological change. There can be no assurance that the Company's products and services will not be seriously affected by, or become obsolete as a result of, such technological changes. Further, some of the Company's services are currently under development and there can be no assurance that these development efforts will result in a viable service as conceived by the Company or at all.

Unforeseen Competition: There can be no assurance that significant competition will not enter the market and offer any number of similar services to those provided by the Company. Such competition could have a significant adverse effect on the growth potential of the Company's business by effectively dividing the existing market for such products and services.

Trends: The Company's success depends on the continuation of stock trading and the ability of products to add new users, sell licensing and generate revenue. Future revenues will be largely dependent on the company's ability to generate revenue from third parties advertising within the Company's products. Changes in media trends which affect user adoption and marketing habits may significantly affect the Company's ability to collect revenue in the future. If third party marketers decide that the Company's products are experimental or unproven, or if third party policies limit our ability to deliver or target advertising on mobile devices and desktop, or if adverse legal developments arise relating to advertising, including legislative and regulatory developments and developments in litigation, or if our products are unable to sustain or increase the value of our ads or marketers' ability to analyze and measure the value of our ads, or if trends for advertising on mobile devices or on personal computers changes, our advertising revenue could be adversely affected.

Dependence on Personnel: The Company's future success depends substantially on the continued services of its executive officers and its key development personnel. If one or more of its executive officers or key development personnel were unable to unwilling to continue in their present positions, the Company might not be able to replace them easily or at all. In addition, if any of its executive officers or key employees joins a competitor or forms a competing company, the Company may lose know-how, key professionals and staff members.

Management of Growth: The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

Data Security Risks: The Company will utilize servers with significant amounts of data stored thereon at the company's physical office and stored on the cloud, on the internet through third party companies. Should the Company be responsible for the loss of any or all the data stored by it, the liability could materially undermine the financial stability of the Company. Also, much of the data stored at the Company's premises or within the servers will be confidential. Anyone who can circumvent the Company's security measures could misappropriate proprietary information or cause interruptions in its operations.

Volatility of Share Price: It is anticipated that the Shares will be listed for trading on the Exchange in the near future. As such, factors such as announcements of quarterly variations in operating results, revenues, costs and market conditions in the digital advertising industry may have a significant impact on the market price of the shares. Global stock markets, including the Exchange, have from time-to-time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology and marketing sectors. There can be no assurance that an active or liquid market will develop or be sustained for the Shares.

Dividends: The Company has not paid dividends to shareholders in the past and does not anticipate paying dividends in the foreseeable future. The Company expects to retain its earnings to finance growth.

Officer and Director Conflicts: Because directors and officers of the Company and/or the Company are or may become directors or officers of other reporting companies or have significant shareholdings in other technology companies, the directors and officers of the Company may have a conflict of interest in conducting their duties. There can be no assurance such conflicts of interests will be resolved to the benefit of the Company.

Our future growth depends in large part on the success of our partner relationships: In addition to our sales force, we rely on partners to increase our sales and distribution of our software and services. We are dependent on partner relationships to contribute to our growth and to create leverage in our business model. Our future growth will be increasingly dependent on the success of our partner relationships, and if those partnerships do not provide such benefits, our ability to grow our business will be harmed. If we are unable to scale our partner relationships effectively, or if our partners are unable to serve our customers effectively, we may need to expand our services organization, which could adversely affect our results of operations.

We may not be able to respond to rapid technological changes with new offerings: The markets for our software are characterized by constant technological changes, changing open-source software platform technologies and standards, changing customer needs and frequent new software product introductions and improvements. The introduction of third-party solutions embodying new technologies and the emergence of new industry standards, including any open-source projects that have become widely adopted, could make our existing and future software offerings obsolete and unmarketable.

Incorrect or improper implementation or use of our software could result in customer dissatisfaction: Our platform must integrate with a variety of operating systems, software applications and hardware developed by others. If we or our customers are unable to implement our software successfully, or are unable to do so in a timely manner, or if we are unable to devote the necessary resources to ensure that our solutions interoperate with other software, systems and hardware, customer perceptions of our company may be impaired, our reputation and brand may suffer and customers may choose not to increase their use of our software.

The reliability of our software will be critical to our success: Our reputation and ability to attract, retain and serve our customers are dependent upon the reliable performance of our software and our underlying technical and network infrastructure. We have experienced, and will in the future experience, interruptions, outages and other performance problems. In addition, we rely on third-party service providers to host and deliver certain information, and these third parties may also experience interruptions, outages and other performance problems. Such disruptions may be due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints and inadequate design. A future rapid expansion of our business could increase the risk of such disruptions. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Any errors, defects or security vulnerabilities discovered in our offerings could result in loss of revenue or delay in revenue recognition, loss of customers and increased service and warranty cost, any of which could adversely affect our business, results of operations and financial condition.

If we are unable to protect our intellectual property rights, our competitive position could be harmed or we could be required to incur significant expenses to enforce our rights: Our ability to protect our intellectual property affects the success of our business. We rely on trade secret, patent, copyright and trademark laws and confidentiality agreements with employees and third parties, all of which offer only limited protection. The steps we have taken to protect our proprietary rights may not be adequate to preclude misappropriation of our proprietary information or infringement of our intellectual property rights, and our ability to police such misappropriation or infringement is uncertain. The intellectual property rights granted to us, if any, may not provide us with proprietary protection or competitive advantages, and, as with any technology, competitors may be able to develop similar or superior technologies to our own now or in the future. In addition, we rely on contractual and license agreements with third parties in connection with their use of our products and technology. There is no guarantee that such parties will abide by the terms of such agreements or that we will be able to adequately enforce our rights.

Claims by others that we or our customers infringe the proprietary technology of such other persons could force us to pay damages or prevent us from using certain technology in our products: Third parties could claim that our products or technology infringe their proprietary rights. Any claim of infringement by a third party, even one without merit, could cause us to incur substantial costs defending against the claim, and could distract our management from our business. Furthermore, a party making such a claim, if successful, could secure a judgment that requires us to pay substantial damages. A judgment could also include an injunction or other court order that could prevent us from offering our products. In addition, we might be required to seek a license for the use of such intellectual property, which may not be available on commercially reasonable terms or at all. Alternatively, we may be required to develop non-infringing technology, which could require significant effort and expense and may ultimately not be successful.

Changes in Accounting Policies

There have been no changes in the accounting policies.

Future Accounting Standards, Amendments, and Interpretations Not Yet Effective

For details of the Company’s Future Accounting Standards, including accounting standards not yet adopted, new accounting standards adopted, and accounting standards amended but not yet effective, please refer to Note 3 of the Company’s financial statements for the three and six months ended November 30, 2020.

Financial Instruments and Capital Disclosures

As at November 30, 2020, the Company's financial instruments consist of cash and cash equivalents, GIC investment, loans receivable and accounts payable and accrued liabilities. The carrying value of these financial instruments approximate their fair values. The use of financial instruments can expose the Company to several risks, including interest rate, credit, currency, and market risk. A discussion of the Company’s use of financial instruments and their associated risk is provided below:

a) Fair value - The Company classifies its financial instruments using a fair value hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company's investments. The hierarchy of inputs and description of inputs is described as follows:

b) Interest rate risk - The Company is not exposed to significant interest rate risk even though the Company has cash balances, and its current policy is to invest excess cash in certificates of deposit or money market funds of major Canadian chartered banks. The GIC included in investment bear interest at a fixed rate, and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. The sensitivity of the Company to a variation of 1% in the interest rate would not have a significant impact. The Company's other financial assets and financial liabilities do not comprise any interest rate risk since they do not bear interest.

c) Credit risk - The Company is not exposed to significant credit risk on its cash and cash equivalents and investments due to its cash and cash equivalents are placed with major financial institutions and investments are placed with a Canadian chartered bank. Management believes that the credit risk with respect to advances and amounts receivables is remote. One customer accounted for 100% of the Company's licensing revenue.

d) Currency risk - The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

e) Market risk - Market risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is not exposed to significant market risk as the financial instruments consists mainly of cash and a GIC held at a major Canadian chartered bank.

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the periods ended November 30, 2020 and May 31, 2020. The Company is not subject to externally imposed capital requirements.

Approval

The Board of Directors of Dimension Five Technologies Inc. has approved the disclosure contained in this MD&A.

Management's discussion and analysis of Aduro Energy's financial statements for the years ended November 30, 2020, November 30 2019 and November 30 2018.

ADURO ENERGY INC.

Management Discussion & Analysis

For the years ended November 30, 2020 and 2019

(in Canadian Dollars)

Management's Discussion and Analysis of Financial Condition and Results of Operations for the Year Ended November 30, 2020

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") of Aduro Energy Inc. ("Aduro" or the "Company") should be read in conjunction with the Company's audited financial statements for the year ended November 30, 2020 and the accompanying notes thereto (the "Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The MD&A has been prepared as of April 22, 2021 pursuant to the disclosure requirements under National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102") of the Canadian Securities Administrators ("CSA").

All dollar amounts are expressed in Canadian dollars. This MD&A contains forward-looking information within the meaning of Canadian securities laws, and the use of non-GAAP measures. Refer to "Cautionary Statement Regarding Forward-Looking Statements" and "Cautionary Statement Regarding Certain Non-GAAP Performance Measures" included within this MD&A. This MD&A and the Company's annual audited financial statements, annual information form ("AIF"), press releases and other disclosure documents required to be filed by applicable securities laws have been filed in Canada on SEDAR at www.sedar.com. Additional information can also be found on the Company's website at http://aduroenergy.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking statements" that reflect the Company's current expectations and projections about its future results. Forward-looking statements are statements that are not historical facts, and include, but are not limited to: estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to future operations, capital raising initiatives, the impact of industry and macroeconomic factors on the Company's operations, and market opportunities; and statements regarding future performance.

The global pandemic related to an outbreak of the novel coronavirus disease ("COVID-19") has cast uncertainty on each of the underlying assumptions. There can be no assurance that they continue to be valid. The situation is dynamic and the ultimate duration and magnitude of the impact of COVID-19 on the economy and the financial effect on the Company's business remain unknown at this time. These impacts could include, amongst others, an impact on our ability to obtain debt or equity financing, increased credit risk on receivables, potential future decreases in revenue or profitability of the Company's ongoing operations.

Forward-looking statements used in this MD&A are subject to various risks, uncertainties and other factors, most of which are difficult to predict and are generally beyond the control of the Company. These risks, uncertainties and other factors may include, but are not limited to, those set forth under "Risks and Uncertainties" below.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks, uncertainties and other factors, including the risks, uncertainties and other factors identified above and elsewhere in this MD&A, actual events may differ materially from current expectations and projections.

The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities law.

The forward-looking statements contained herein are based on information available as of April 22, 2021.

Cautionary Statement Regarding Non-GAAP Performance Measures

This MD&A makes reference to certain non-IFRS financial measures that are used by management to evaluate the Company's performance which are commonly used by financial analysts in evaluating the financial performance of companies, including companies in the medical and technology industry. Accordingly, we believe that the Non-GAAP Financial Measures may be useful metrics for evaluating the Company's financial performance, as they are measures that we use internally to assess the Company's performance, in addition to IFRS measures. Readers are cautioned that the Non-IFRS Financial Measures do not have a standardized meaning and should not be used in isolation or as a substitute for net (loss) income, cash flows from operating activities or other income or cash flow statement data prepared in accordance with IFRS.

BUSINESS OVERVIEW AND DESCRIPTION

Aduro was incorporated under the Canada Business Corporations Act on December 15, 2011. The principal address of the Company is located at Suite 104, 1086 Modeland Road, Sarnia, Ontario, Canada, N7S 6L2 and the registered and records office of the Company is located at Suite 1020, 50 Queen Street North, Kitchener, Ontario, Canada N2H 6M2.

The Company is a private, early-stage, Ontario-based technology company that has developed a highly flexible chemical recycling platform featuring three water-based technologies: Hydrochemolytic Plastics Upcycling™ ("HPU"), Hydrochemolytic Renewables Upgrading™ ("HRU") and Hydrochemolytic Bitumen Upgrading™ ("HBU"). As at of today, the Company owns through acquiring and developing, six granted and pending patents.

Aduro's business model is based principally on licensing, royalties, and research and development. Monetization of the Aduro clean energy platform through this model reduces company needs for cash while enabling a relatively pathway to commercialization that is relatively straightforward and fast.

Aduro will develop commercial partnerships by means of demonstration projects. The effectiveness of this strategy has been demonstrated to be very effective for securing customer feedstock and funding commitments. Deliverables include reports that detail: the technology; its performance (including yields and mass balance); the key parameters and operational variables including chemical characterization of the feedstock and products; economic considerations covering product value and operational costs; operational considerations, and environmental considerations including GHG footprint and life cycle analysis.

Since inception, the founders Ofer Vicus, CEO and Marcus Trygstad, CTO, and the impetus for the company formation was the vision to develop hydrothermal upgrading technology ("HTU") for upgrading heavy oils. But through R&D efforts of its scientists, Aduro found that HTU also could be applied beneficially in the seemingly unrelated fields of plastic and tire rubber upcycling and renewable oil upgrading. Moreover, discoveries made while pursuing those new applications provided deeper insights into fundamental chemistry, including that operating in connection with the original work on heavy oil. From that developed the current, versatile Aduro Hydrochemolytic™ technology platform, which is covered by six patents and patents pending and is anticipated to yield five academic research papers in 2021. With support from industry partners as early as 2015, pre-pilot demonstration projects have provided validation of Hydrochemolytic™ technology in key applications to support pre- commerical, pilot-scale demonstrations.

The company currently directs its Hydrochemolytic™ technology toward these three principal application areas. Aduro technology transforms lower-value feedstocks into useful, higher- value chemical feedstocks and fuels. Although it can be implemented in stand-alone operations, its greatest economic relevance and impact is achieved through integration into the operational infrastructure at existing plants. Accordingly, Aduro engages entities in partnerships to demonstrate and implement the technology through licensing arrangements.

A key to this approach is the technology's adaptability that confers both economic and operational flexibility to minimise implementation costs while maximising implementation speed. The following are examples of the approach.

1) The distillers corn oil ("DCO") byproduct from ethanol production can be converted to renewable diesel by addition of HRU at the backend of ethanol plants. Alternatively, the same process can be integrated into crushed oil seed operations, beef and poultry processing plants, and existing biodiesel plants seeking to adapt to market demands.
2) HPU can be implemented at operations that recover plastics or tire rubber for the production of either new plastics or hydrocarbon fuels. Possibilities include installation at (a) existing oil refineries for mass processing of waste plastic and tires into petroleum streams; and (b) small and large waste disposal sites for direct production of fuels and high-value chemical feedstocks, thereby avoiding the negative impact of transportation emissions and reducing the footprint of the landfilled in an advanced material processing ecosystem.
3) HBU units can be implemented at bitumen production operations in Alberta or in the 130 petroleum refineries in North America (or the 300 refineries globally) to enhance yields from the bottom-of-the-barrel bitumen output from vacuum distillation units.
4) And in a particularly impactful scenario, HBU installations co-process bitumen and plastics, serving to reduce the demand for petroleum, divert waste from landfills, and reduce the carbon footprint through the action of hydrogen from renewable sources (explained below).

Aduro is building a showroom reactor system designed to process feedstock per hour to further validate the capabilities of Hydrochemolytic™ technology in the HBU and HPU applications. Located at laboratories at the University of Western Ontario, it will provide chemical engineering data to validate the upward scalability of the technology and support the design of much larger pre-commercial pilot systems. Also, it will have ongoing value as a demonstration platform for attracting commercial partners, advancing technology R&D, improving process designs, and extending application of the technology to a wider range of feedstocks.

TECHNOLOGY DESCRIPTION

The purpose of Aduro is the development and commercialization of its Intellectual Property covering the application of Hydrochemolytic™ technology to create higher-value chemicals and fuels from lower-value feedstocks. In doing so, it addresses important problems faced by the global community. Originally conceived to radically enhance aspects of petroleum processing, the technology is protected by six patents and patents pending on file (as of March 2021). It is based on leveraging unique properties of water to achieve two important outcomes. First is the transformation of intractable post-consumer plastics and tire rubber, as well as renewable oils and bitumen, into manageable liquid intermediates. Then follows their stabilization by hydrogen derived from cheap, non-petroleum sources such as biomass and municipal waste. This second step is analogous to decades-old processes that use extremely high temperatures and often rely on molecular hydrogen derived from fossil fuels, which is distinctly different from green hydrogen from renewable sources.

In contrast with traditional approaches designed to process petroleum feedstocks, Aduro Hydrochemolytic™ technology is highly efficient, operating at relatively low temperatures. This makes it significantly more environment-friendly than established alternatives like energy-intensive pyrolysis or gasification, and is more akin to natural processes occurring in nature. It is also highly configurable, supporting stand-alone, distributed deployment on smaller scales in remote locations or integration with existing operations, from biodiesel and ethanol plants to facilities for waste collection and recycling, to petrochemical plants. Although the conversion of non-petroleum feedstocks effectively reduces the demand for oil, Aduro technology also offers the possibility for crude oil upgrading that is greener and cleaner. Instead of a being a single-purpose technology, Aduro Hydrochemolytic™ chemical recycling platform solutions can be applied in multiple ways that have a reduced operational and environmental footprint, compared with traditional approaches. Equally important, it also reduces the environmental impact associated with petroleum production and processing, landfilling, waste incineration and gasification, and unscrupulous dumping in oceans.

The Company's team of experienced scientists and engineers developed this highly flexible water-based chemical conversion technology and its application to three important problems. These are the focus points of Aduro's commercial activities, and are described as follows:

HPU, which was developed to address the mounting global problem of post-consumer plastics, foam, and rubber from used tires. HPU transforms plastics into useful feedstocks in the circular economy for production of new plastics and foams, paints and coatings, and detergents or, when appropriate, into high performance fuels.

HRU, which transforms renewable oils into renewable motor fuels, bio-jet fuel, and specialty chemicals at relatively low temperatures without requirement for molecular hydrogen from external sources.

HBU, which is a completely new approach for transforming heavy crude oil and bitumen into light synthetic crude using feedstock such as Municipal Solid Waste("MSW") or biomass. Compared with traditional, decades-old methods, HBU employs lower temperatures and offers the possibility to use MSW and other waste as well as renewable materials like biomass as a source for hydrogen equivalents to upgrade bitumen into a medium-weight, easily transportable crude with a value higher than the benchmark Western Canadian Select ("WCS"). It obviates the requirement for expensive blending using light hydrocarbon diluent from distant reaches in North America, e.g., the U.S. Gulf Coast, and lends to downward-scaling and down-scoping to support distributed deployment at/near the wellhead.

These applications solve real-world problems confronting society globally by delivering superior performance in respect of economic and environmental considerations. While HPU transforms waste into a resource, HBU makes bitumen a cleaner and greener petroleum feedstock. HRU goes beyond this, bypassing petroleum altogether to produce carbon-neutral green diesel or specialty chemicals from renewable, non-petroleum sources such as non-food oil-seed crops grown on marginal lands. Management believes that Aduro is well positioned to capitalize on the significant growth potential in the clean energy technology sector through the advancement and commercialization of the HPU, HRU, and HBU technologies.

GLOBAL PANDEMIC

In December 2019, a novel strain of coronavirus disease, COVID-19, was first reported. Less than four months later, on March 11, 2020, the World Health Organization declared COVID-19 a pandemic — the first pandemic caused by a coronavirus. The outbreak has resulted in the implementation of significant governmental measures worldwide, including lockdowns, closures, quarantines and travel bans, intended to control the spread of the virus, and has caused severe global disruptions.

The overall severity, duration, and extent to which the COVID-19 pandemic impacts the Company's business, results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to the duration, spread, severity, and impact of the COVID-19 pandemic, the effects of the COVID-19 pandemic on the Company's customers, suppliers and vendors and the remedial actions and stimulus measures adopted by local and federal governments, and to what extent normal economic and operating conditions can resume. The management team is closely following the progression of COVID-19 and its potential impact on the Company. Even after the COVID-19 pandemic has subsided, the Company may experience adverse impacts to its business as a result of any economic recession or depression that has occurred or may occur in the future. Therefore, the Company cannot reasonably estimate the impact at this time on its business, liquidity, capital resources and financial results.

TRANSACTION WITH DIMENSION FIVE TECHNOLOGIES INC.

On October 22, 2020, the Company entered into a securities exchange agreement (the "SEA") with the Company's security holders and Dimension Five Technologies Inc. ("D5"). Pursuant to the SEA, the Company's security holders (the "TVs") agreed to sell their shares (the "TSs") to D5. D5 irrevocably agreed to acquire all of the issued and outstanding TSs from the TVs and the TVs irrevocably agreed to exchange, assign and transfer their TSs to D5 in consideration for the payment of the purchase price by D5 to the TVs and the Company's special warrant trustee (the "Trustee") on behalf of the TVs and the TN holders such that following closing, all of the issued and outstanding TSs will be owned by D5. Under the SEA, the closing date was December 31, 2020 (the "Closing Date"). On December 28, 2020, the Company and D5 entered into an extension agreement where the Closing Date is extended to March 31, 2021 or such earlier or later date as maybe mutually agreed upon in writing by D5 and the Company.

The full details of the transaction (the "Transaction") are detailed on Note 25 of the Company's audited financial statements for the year ended November 30, 2020 and this note should be read to get a full understanding of the financial details of the Transaction. On closing, the Transaction will be considered a reverse take-over ("RTO") with Aduro the accounting acquirer because the Company will control as defined under *IFRS 10 Financial Statements* the relevant activities of D5 and the Company.

SELECTED FINANCIAL INFORMATION

The Company prepares its financial statements in accordance with IFRS and the fiscal year end is November 30.

The financial information and key performance indicators referenced below are used by management and directors in evaluating the performance of the Company and assessing the business. These indicators, IFRS and the Non-GAAP Financial Measures are typically used by similar companies operating in the technology industry.

FINANCIAL POSITION AND OPERATIONS

The Transaction provides the Company the opportunity to access capital to allow the Company to develop and sustain its activities and meet its objectives. While the Company's success will ultimately depend to a substantial extent on the willingness of enterprises and individuals to utilize the Company's technology solutions, gaining access to capital is a significant tool. If enterprises and individuals do not perceive the benefits of the Company's products and services, then the market for these services may not expand as much or develop as quickly as management expects, either of which would significantly adversely affect the Company's business, financial condition, or operating results.

The following should be read in conjunction with the audited financial statements for the year ended November 30, 2020 for a comprehensive overview and understanding on the financial position and operations. Notes haven't been duplicated from those financial statements into the MD&A in order to eliminate duplication and redundancies, but as well, provide great effectiveness and usefulness.

The following table presents selected financial information of the Company's operations for the years ended November 30, 2020, 2019 and 2018.

	For the year ended November 30, 2020	For the year ended November 30, 2019	For the year ended November 30, 2018
Revenue	$ 42,468	$ 191,987	S -
Total Expenses	502,943	440,532	344,532
Other items	32,090	-	-
Net loss and comprehensive loss	(428,385)	(248,545)	(344,532)

As the Company is an early-stage business, it has a limited history of operations and as expected has not generated significant revenue. The ability to generate future revenue depends on the ability to attract and retain users to the technology.

As at November 30, 2020, the Company has an accumulated deficit of $1,638,266. The Company's current financial position is reflective of an early-stage business in the process of raising capital for product research and development, business development, advisory, promotions, and operations.

Revenue for the year ended November 30, 2020, has decreased to $42,468 compared to $191,987 for the year ended November 30, 2019. The Company earned during the year ended November 30, 2019, $50,512 from the lab services agreement (the "Agreement") following the completion of the first milestone while under this Agreement no revenue was earned during the year ended November 30, 2020 because the second milestone was only completed in January 2021 when the Company then recognized revenue of $37,883. The Company earned $141,475 for rental management services during the year ended November 30, 2019 compared to $42,468 during the year ended November 30, 2020. Due to the COVID 19 pandemic, the Company stopped providing these services from March 2020 and therefore no revenue was earned from that time.

The Company has incurred general operating expenses that are reflective of an early-stage Company and reflective of a business in the latter stages of going public. For the year ended November 30, 2020, the Company's total expenses were $502,943 of which $116,507 was for research and development, $57,214 for depreciation and amortization, $57,667 for finance and interest costs and $167,885 for professional fees mostly relating to legal, audit and accounting fees. For the year ended November 30, 2019, of the Company's total expenses of $440,532, $74,249 was for research and development, $32,259 for depreciation and amortization, $46,319 for finance and interest costs and $64,684 for professional fees mostly relating to legal, audit and accounting fees.

Depreciation and amortization was $57,214 for the year ended November 30, 2020 compared to $32,259 for the year ended November 30, 2019. The increase of $24,955 was due to depreciation of $28,248 charged for the first time on right of use assets as the Company adopted IFRS 16 on December 1, 2019. The offset to the depreciation on the right of use asset is that there is no rent expense in the year ended November 30, 2020 compared to $18,715 incurred in the year ended November 30, 2019.

Finance costs were $57,667 for the year ended November 30, 2020 compared to $46,319 for the year ended November 30, 2019 with the increase due to $4,664 of finance lease charges under IFRS 16 been recognized starting December 1, 2019, increased finance costs of $3,107 on new financings closed during the year and an increase of $3,957 for interest on the convertible notes due to the higher balance outstanding on the convertible notes.

General and administrative expenses were $222,542 for the year ended November 30, 2020, compared to $186,000 for the year ended November 30, 2019. Professional expenses have increased from $64,684 in the year ended November 30, 2019 to $167,885 for the year ended November 30, 2020 and the increase is due to the $86,990 legal expenses incurred during the year on the Transaction by the Company. Offsetting this increase is a reduction in salary and related costs of $36,813 included in general and administrative expenses.

Research and development expenses were $116,507 for the year ended November 30, 2020 compared to $74,249 for the year ended November 30, 2019 with the increase due to $51,587 of salary and related costs allocated to research and development in the year ended November 30, 2020 compared to nil for the year ended November 30, 2019.

WORKING CAPITAL

The following table presents selected financial information of the Company's working capital as at November 30, 2020 and November 30, 2019.

	November 30, 2020	November 30, 2019
Cash and cash equivalents	$ (12,317)	$ 5,967
Trade and other receivables	27,075	19,612
Other current assets	-	11,519
Trade payable and other current liabilities	(391,472)	(537,830)
Contract liabilities & project contributions payable	(125,633)	(169,663)
Lease liability – current portion	(76,542)	-
Current portion of long-term debt	(170,370)	(234,850)
Working Capital	**(749,259)**	**(905,245)**

The working capital balance as at November 30, 2020 was $(749,259) compared to $(905,245) as at November 30, 2019. Prior to the signing of the SEA with D5, the Company agreed with the convertible note holders to amend the terms of the notes where the interest rate remained unchanged but the maturity dates were extended to August 31, 2022 so improving the Company's working capital position. As at November 30, 2020, the total advances made by D5 to the Company were $130,000. Since November 30, 2020, the Company's operations were financed from advances of $270,000 from D5. On the closing of the Transaction, the total outstanding advances of $400,000 from D5 will be classified as an inter-group loan between a parent and subsidiary. The Company defines working capital as current assets less current liabilities.

The Company does not expect to generate positive cash flow from operations for the foreseeable future due to additional R&D expenses, including expenses and operating expenses associated with supporting these activities. It is expected that negative cash flow from operations will continue until such time, if ever, that the Company receives regulatory approval to commercialize any of it's products under development and/or or milestone revenue from any such products should they exceed the Company's expenses.

LIQUIDITY

As at November 30, 2020, the maturity of the Company's obligations are as follows:

			Due prior to		
	Amount	**2021**	**2022**	**2023**	**2024+**
	$	**$**	**$**	**$**	**$**
Trade payables and other current liabilities	543,781	391,473	55,411	-	96,897
Project contributions payable	87,750	87,750	-	-	-
Debt	755,656	170,370	535,296	9,990	40,000
Lease liability	80,203	76,542	3,661	-	-
Total expected maturities	**1,467,390**	**726,135**	**594,368**	**9,990**	**136,897**

Due to the accumulated deficit, the Company has negative capitalization of $(667,366) as at November 30, 2020 compared to $(682,883) as at November 30, 2019. On February 4, 2021, D5 announced, as part of closing the Transaction, a non-brokered private placement that raised through an equity issue, cash of $1,402,548 which following the closing of the Transaction will mean that the Company's operations are adequately financed and will be capable of meeting it's financial obligations.

SHARE DATA

As at the date of the MD&A, the Company has 1,219,907 Class A common shares and 178,698 Class B common shares for an aggregate total of 1,398,605 shares.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not currently have any off-balance sheet arrangements that have or are reasonably likely to have a material current or future adverse effect on its financial condition, revenue or expenses, results of operations, liquidity, capital expenditures or capital resources.

TRANSACTIONS BETWEEN RELATED PARTIES

Compensation of key management personnel

Key management personnel are those persons that have authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly, and by definition include the directors of the Company.

During the years ended November 30, 2020 and 2019 compensation of key management personnel was as follows:

	Year ended November 30, 2020	**Year ended November 30, 2019**
	$	**$**
Salary and related costs	**47,225**	52,594

As at November 30, 2020 and 2019, due to related parties was comprised of the following:

	November 30, 2020 $	November 30, 2019 $
Due to key management personnel	**36,222**	30,246

These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at November 30, 2020, for the convertible notes, the Company had principal of US$4,200 (2019: US$4,200) and interest payable of US$4,275 (2019: US$3,729) outstanding to one of the key management personnel. Accrued interest on this convertible note for the year ended November 30, 2020, was $708 (2019: $726).

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company's financial instruments are exposed to a variety of financial risks, which periodically include credit risk, liquidity risk, foreign exchange risk and interest rate risk which could impact results of operations and financial position. The financial instruments and the financial risk management of these financial instruments of the Company are described in note 23 of the audited financial statements for the year ended November 30, 2020.

The Company has exposure to credit risk, liquidity risk, market risk, foreign exchange rate risk, interest rate risk, and inflation risk. The board of directors has the overall responsibility for the oversight of these risks and reviews the Company's policies on an ongoing basis to ensure that these risks are appropriately managed. The significant financial risk management policies of the Company are described in the audited financial statements for the year ended November 30, 2020.

CRITICAL ACCOUNTING POLICIES, ESTIMATES, AND JUDGMENTS

The preparation of financial statements requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant accounting policies of the Company are described in note 4 in the audited financial statements for the year ended November 30, 2020. These critical judgments, estimates and assumptions in applying the Company's accounting policies could result in a material effect on actual results and in the next financial year on carrying amounts of assets and liabilities.

NEW STANDARDS, AMENDMENTS, AND INTERPRETATIONS ADOPTED AND UNADOPTED

The Company has applied IFRS 16 Leases ("IFRS 16") from December 1, 2019 which replaces IAS 17 Leases and related interpretations. IFRS 16 establishes a single, on-balance sheet accounting model for leases. As a result, the Company, as a lessee, has recognized a right-of-use asset representing its rights to use the underlying assets and a lease liability representing its obligation to make lease payments. The Company has adopted IFRS 16 using the modified retrospective approach with the effect of initially applying this standard from December 1, 2019. Accordingly, this election means that the comparative information has not been restated and the disclosure requirements in IFRS 16 have not generally been applied to comparative information. Following a review of the Company's leases, no adjustment was required and therefore no adjustment was required to be made to the accumulated deficit as at December 1, 2019.

IFRS and IASB published amendments to IFRS that were adopted or unadopted by the Company are described in note 3r in the audited financial statements for the year ended November 30, 2020.

RISKS FACTORS

Many factors could cause the Company's actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking statements and forward-looking information, including without limitation, the following factors, which risk factors are incorporated by reference into this document, and should be reviewed in detail by all readers:

● Early Stage Business: early stage technology developed to upgrade renewable oils as well as waste plastics and rubber and Bitumen into to higher value products. Aduro faces the risks of product and technology failure, unforeseen research and development delays, weak market acceptance, possible change in government regulatory and competition from new entrants. Realization of any of these risks could have a significant negative impact on anticipated future cash flows and its growth strategy.

● Achievement of Business Objectives: Even if its financial resources are sufficient to fund its current operations, there is no guarantee that the Company will be able to achieve its business objectives. The continued development of the Company may require additional financing and there can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

● Growth needs Additional Funding: Our continued development may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of the Company's current business strategy or the Company's ceasing to carry on business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be available on favorable terms. If additional funds are raised through issuances of equity, equity-linked securities, or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences, and privileges superior to those of holders of Common Shares.

● Protection of Intellectual Property Rights: We rely on patented proprietary expertise and other trade secrets to develop and maintain the Company's competitive position. The Company's success depends, to a significant degree, upon the Company's ability to protect and preserve the Company's intellectual property.

● Product Innovation: The Company's growth in part depends on the Company's ability to develop and market new products The success of the Company's innovation and product development efforts is affected by the Company's ability to anticipate changes in consumer preferences, the technical capability of the Company's R&D team in developing and testing product prototypes, including complying with applicable governmental regulations, the success of the Company's management and sales and marketing team in introducing and marketing new products and positive acceptance by consumers. Failure to develop and successfully market and sell new products, we are currently working to develop, may inhibit the Company's growth, sales and profitability.

● Limited Operating History: start-up business with a limited operating history and no established brand recognition. Risks that it will not establish a market for its services, achieve its growth objectives or become profitable. Aduro anticipates that it may take several years to achieve cash flow from operations. There can be no assurance that there will be demand for the products or services or that Aduro will ever become profitable.

● Reliance on Key Personnel: We strongly depend on the business and technical expertise of the Company's management team and there is possibility that this dependence will decrease in the near term.

● Retention and Recruitment: The Company's success, and the Company's ability to increase revenue and operate profitably, depends in part on the Company's ability to acquire new customers, so that they purchase, and continue to purchase, the Company's products.

● Technology: products and services are dependent upon advanced developments in it's technologies which are susceptible to rapid impact by R&D and technological change. There can be no assurance that the products and services will not be seriously affected by, or become obsolete as a result of, such technological changes.

● Competition: The industry we operate in is intensely competitive and we face competition from many competitors that have substantial financial backing and established brand reputation.

● Market Research and Forecasts: The Company is largely reliant on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the energy clean technology industry in Canada and internationally. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

● Growth Related Risks: The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls.

● Price and Volume Volatility: In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early-stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

● History of Net Losses: The Company has a history of net losses, may incur significant net losses in the future and may not achieve or maintain profitability.

● Economic Conditions: Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

● Litigation: The Company may become party to litigation, mediation and/or arbitration from time to time in the ordinary course of business which could adversely affect its business.

● Internal Controls: The Company's ability to implement and maintain internal controls over financial reporting and disclosure and procedures.

● Liquidity: There can be no assurance that an active and liquid market for the common shares will be maintained and an investor may find it difficult to resell any securities of the Company.

● Dividends: The Company does not anticipate paying any dividends on the common shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

● International Operations: The expansion into international markets will result in increased operational, regulatory and other risks.

- Nature of securities: The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

PROPOSED TRANSACTIONS

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A. Confidentiality agreements and non-binding agreements may be entered into from time to time, with independent entities to allow for discussions of the potential acquisition and/or development of potential business relationships.

APPROVAL

The Board of Directors oversees management's responsibility for financial reporting and internal control systems. The Board of Directors of the Company has approved the financial statements and the disclosure contained in this MD&A.

INTERNAL CONTROLS OVER FINANCING REPORTING

The Chief Executive Officer and Chief Financial Officer, in accordance with National Instrument 52-109 ("NI 52-109"), have both certified that they have reviewed the financial report and this MD&A (the "Filings") and that, based on their knowledge having exercised reasonable diligence, (a) 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 with respect to the period covered by the filings; and (b) the financial report together with the other financial information included in the Filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the Filings. The Company's internal controls over financial reporting ("ICFR") are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's management is responsible for establishing and maintaining adequate ICFR for the Company.

Management, including the CEO and CFO, does not expect that the Company's ICFR will prevent or detect all errors and all fraud or will be effective under all future conditions. A control system is subject to inherent limitations and even those systems determined to be effective can provide only reasonable, but not absolute, assurance that the control objectives will be met with respect to financial statement preparation and presentation.

CSA National Instrument 52-109 requires the CEO and CFO to certify that they are responsible for establishing and maintaining ICFR for the Company and that those internal controls have been designed and are effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The CEO and CFO are also responsible for disclosing any changes to the Company's internal controls during the most recent period that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

OTHER REQUIREMENTS

Additional disclosure of the Company's material change reports, news releases and other information can be obtained on SEDAR at www.sedar.com.

SCHEDULE D

2020 CIRCULAR

DIMENSION FIVE TECHNOLOGIES INC.

Suite 1450 – 789 West Pender Street
Vancouver, BC V6C 1H2

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 7, 2020

AND

INFORMATION CIRCULAR

November 4, 2020

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.

DIMENSION FIVE TECHNOLOGIES INC.

Suite 1450 – 789 West Pender Street
Vancouver, BC V6C 1H2
Telephone: (604) 681-1568

NOTICE OF ANNUAL GENERAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**Meeting**") of shareholders of Dimension Five Technologies Inc. (the "**Company**") will be held at the offices of the Company at Suite 1450 – 789 West Pender Street, Vancouver, BC, on Monday, December 7, 2020, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended May 31, 2020, and the accompanying reports of the auditors;

2. to set the number of directors of the Company at three (3);

3. to elect Chris Parr, David Hodge and Patrick Butler as directors of the Company;

4. to appoint DeVisser Gray LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending May 31, 2021 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending May 31, 2021; and

5. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company's board of directors has fixed October 28, 2020 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

COVID-19

In view of the current and rapidly evolving COVID-19 outbreak, the Company encourages Shareholders <u>not</u> to attend the Meeting in person. No more than 10 persons will be permitted to attend in person at the in-person location for the Meeting. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages Shareholders to vote prior to the Meeting.

<u>Any person who intends to attend the Meeting in person must register with Janet Ming at least 72 hours in advance and receive approval, by email notice with full name and contact information of shareholder to Janet Ming, jming@zimtu.com.</u>

Shareholders are encouraged to vote on the matters before the meeting by proxy and to join the Meeting by Zoom. The Zoom link will be provided to the public in advance of the AGM by news release. Any person who intends to attend the Meeting via Zoom may but is not required to register his/her name and email address with Janet Ming in advance, by email to Janet Ming, jming@zimtu.com.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing, that holds your securities on your behalf (an "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 4th day of November, 2020.

By Order of the Board of Directors of

DIMENSION FIVE TECHNOLOGIES INC.

"Chris Parr"
Chris Parr
President, Chief Executive Officer
and Director

DIMENSION FIVE TECHNOLOGIES INC.
Suite 1450 – 789 West Pender Street
Vancouver, BC V6C 1H2
Telephone: (604) 681-1568

INFORMATION CIRCULAR

November 4, 2020

INTRODUCTION

This information circular (the "**Information Circular**") accompanies the notice of annual general meeting of shareholders (the "**Notice**") of Dimension Five Technologies Inc. (the "**Company**") and is furnished to shareholders (each, a "**Shareholder**") holding common shares (each, a "**Share**") in the capital of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the "**Meeting**") of the Shareholders to be held at 10:00 a.m. (Vancouver time) on Monday, December 7, 2020 at the offices of the Company at Suite 1450 – 789 West Pender Street, Vancouver, British Columbia, or at any adjournment or postponement thereof.

COVID-19

In view of the current and rapidly evolving COVID-19 outbreak, the Company encourages Shareholders not to attend the Meeting in person. No more than 10 persons will be permitted to attend in person at the in-person location for the Meeting. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages Shareholders to vote prior to the Meeting.

Any person who intends to attend the Meeting in person must register with Janet Ming at least 72 hours in advance and receive approval, by email notice with full name and contact information of shareholder to Janet Ming, jming@zimtu.com.

Shareholders are encouraged to vote on the matters before the meeting by proxy and to join the Meeting by Zoom. The Zoom link will be provided to the public in advance of the AGM by news release. Any person who intends to attend the Meeting via Zoom may but is not required to register his/her name and email address with Janet Ming in advance, by email to Janet Ming, jming@zimtu.com.

Date and Currency

The date of this Information Circular is November 4, 2020. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representation must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. Shareholders are entitled to one vote for each Share held on the record date of October 28, 2020 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders in the enclosed form of proxy (the "**Designated Persons**") are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

The Shareholder may vote by mail, by telephone or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in his sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at anytime before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact, authorized in writing, or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to the names of all Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by his, her or its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") of the Canadian Securities Administrators. An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under NI 54-101.

The Company is sending proxy-related materials directly to non-objecting beneficial owners of the Shares. The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares under NI 54-101 and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

All references to Shareholders in this Information Circular are to registered Shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the board of directors of the Company (the "**Board**") to be the close of business on October 28, 2020 (the "**Record Date**"), a total of 33,122,441 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares, other than as set forth below:

Name of Shareholder	Number of Shares Owned	Percentage of Outstanding Shares(1)(2)
Zimtu Capital Corp.(3)	6,260,000	18.90%

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at October 28, 2020, based upon information furnished to the Company by the individual directors. Options, warrants or other convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days, are counted as outstanding for computing the percentage of the person holding such options, warrants or other convertible securities, but are not counted as outstanding for computing the percentage of any other person.

(2) Based on 33,122,441 Shares outstanding as of the Record Date.

(3) Zimtu Capital Corp. ("**Zimtu**"), a British Columbia company, is a reporting issuer and listed on the TSX Venture Exchange ("**TSXV**").

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended May 31, 2020, together with the auditor's reports thereon, will be presented to the Shareholders at the Meeting. The Company's financial statements and management discussion and analysis are on available on SEDAR at www.sedar.com.

NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at three (3). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management of the Company recommends the approval of setting the number of directors of the Company at three (3).

ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name Province Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Shares Owned[(1)]
Chris Parr[(2)] British Columbia, Canada *President, Chief Executive Officer and Director*	Mr. Parr is an experienced venture capitalist with a focus on early stage companies where he has helped develop several of these companies into valuations exceeding $100 Million. He has over 10 years' experience in financing, business development and investing in this sector. Mr. Parr most recently served Zimtu, an investment issuer listed on the TSXV, in the capacity of Strategic Development Manager. In this role he focused on identifying and working with undervalued technology companies in an effort to unlock their potential. In addition, Mr. Parr managed the marketing, development and promotion of the Zimtu Advantage software application. Mr. Parr held this role at Zimtu from May 2016 until July 31, 2018. Prior to Zimtu, Mr. Parr's role was a licensed investment advisor where he advised on futures and options advising and trading at Global Securities Corp. from March 2014 to April 2016.	January 11, 2018 to present	2,728,334
David Hodge[(2)] British Columbia, Canada *Director*	Mr. Hodge, has an extensive background in business that includes over 25 years' experience in the management and financing of publicly-traded companies. His strengths lie in leadership and imaginative direction. Mr. Hodge is currently the President and a director of Zimtu and the chief executive officer and a director of Commerce Resources Corp., a junior mining company listed on the TSXV, roles he has held since July 2008 and September 2014 respectively.	January 11, 2018 to present	3,040,334[(3)]
Patrick Butler[(2)] British Columbia, Canada *Director*	Mr. Butler has over 10 years' experience in the capital markets, having worked as an Investment Advisor, Exempt Market Dealer Representative and in the fields of corporate development and investor relations. Mr. Butler has been the President and Chief Executive Officer of Creekside Communications from October 2014 to present and a registered representative with Ascenta Finance Corp., a private institutional investment bank, from May 2020. Mr. Butler was the VP Corporate Development for Zinc8 Energy Solutions Inc., a technology company listed on the Canadian Securities Exchange from April 2019 to August 2020.	August 11, 2020	100,000

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 16, 2019, based upon information furnished to the Company by the individual directors. Options, warrants, debentures or other convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days, are counted as outstanding for computing the percentage of the person holding such options, warrants or other convertible securities, but are not counted as outstanding for computing the percentage of any other person.

(2) Member of the audit committee.

(3) 2,000 of these Shares are held by Deborah Hodge, the spouse of David Hodge. Deborah Hodge has control over her investment decisions.

Management of the Company recommends the election of each of the nominees listed above as a director of the Company.

Orders

No proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency.

No proposed director of the Company has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Statement of Executive Compensation:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

(a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,

(b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

(c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company:

Name and Position	Fiscal Year Ended May 31	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites[(1)] ($)	Value of all other Compensation ($)	Total Compensation ($)
Chris Parr[(2)] CEO, President and Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	36,000[(3)] 48,000[(3)]	36,000 48,000
Craig Murata[(4)] Former CFO, Secretary and Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	12,000 24,000	12,000 24,000
David Hodge[(5)] Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Dusan Berka[(6)] Former Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Name and Position	Fiscal Year Ended May 31	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites[(1)] ($)	Value of all other Compensation ($)	Total Compensation ($)
Sheng-Chieh (Jack) Huang[(7)] Former Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

(1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) $15,000, if the NEO or director's total salary for the financial year is $150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than $150,000 but less than $500,000, or (c) $50,000 if the NEO or director's total salary for the financial year is $500,000 or greater.

(2) Mr. Parr was appointed a director of the Company on January 10, 2018, the CEO on January 11, 2018 and the president on September 6, 2018.

(3) These fees are paid to Mr. Parr as compensation for his provision of services as the CEO and president of the Company. Mr. Parr did not receive additional compensation for serving as a director of the Company.

(4) Mr. Murata was appointed the CFO of the Company on January 11, 2018, a director on February 20, 2018 and the secretary on July 29, 2019. Mr. Murata resigned as the CFO, the secretary and a director of the Company on September 30, 2020.

(5) Mr. Hodge was appointed as a director of the Company on September 6, 2018.

(6) Mr. Berka was a director of the Company from September 6, 2018 until March 11, 2020.

(7) Mr. Huang was a director of the Company from September 6, 2018 until July 31, 2020.

Stock Options and Other Compensation Securities

During the year ended May 31, 2020 no compensation securities were granted or issued to directors and NEOs by the Company or any subsidiary thereof for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof.

As at May 31, 2020:

(a) Chris Parr, the President, CEO and a director of the Company, did not own any compensation securities.

(b) Craig Murata, the former CFO, Secretary and a director of the Company, did not own any compensation securities.

(c) David Hodge, a director of the Company, did not own any compensation securities.

(d) Dusan Berka, a former director of the Company, indirectly through Duster Capital Corp., owned 400,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of $0.05 per Share until September 5, 2023; and

(e) Sheng-Chieh (Jack) Huang, a former director of the Company, owned 400,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of $0.05 per Share until September 5, 2023.

All of the options set out above vested immediately on the date of grant.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by directors and NEOs during the year ended May 31, 2020.

Stock Option Plans and Other Incentive Plans

The Board adopted a Stock Option Plan (the "**Plan**") on September 6, 2018. The purpose of the Plan is to attract and retain directors, officers, employees and consultants of the Company and to motivate them to advance the interest of the Company by affording them with the opportunity to acquire an equity interest in the Company through the grant of stock options under the Plan. The Plan provides that the number of Shares available for issuance is subject to the restrictions imposed under applicable securities laws or Canadian Securities Exchange (the "**CSE**") policies.

The Plan will be administered by the Board, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Plan to such directors, officers, employees, or consultants of the Company and its affiliates, if any, as the Board may from time to time designate. The exercise price of option grants will be determined by the Board, but after listing on the CSE will not be less than the greater of the closing market prices of the underlying Shares on (i) the trading day prior to the date of grant of the stock options and (ii) the date of grant of the stock options. All options granted under the Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) one month from date of termination other than for cause, or as set forth in each particular stock option agreement; (iii) three months from the date of disability; or (iv) twelve months from the date of death. Options granted under the Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Employment, Consulting and Management Agreements

The Company is not party to any formal, written employment, consulting or management agreements with any NEO or director. However, the Company pays Chris Parr $6,000 per month for Mr. Parr's services as the CEO and president of the Company.

Oversight and Description of Director and NEO Compensation

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions related to their own respective compensation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard.

Executive officers' compensation is currently composed of two major components: a short term compensation component, which includes the payment of management fees to certain NEOs, and a long-term compensation component, which includes the grant of stock options under the Plan. Management fees primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The Company intends to further develop these compensation components.

The management fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time.

The second component of the executive officers' compensation is stock options. The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the shareholders of the Company. Therefore, a significant portion of total compensation granted by the Company, being the grant of stock options, is based upon overall corporate performance.

Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The Company relies on Board discussion, without formal objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in management fees are to be evaluated on an individual basis and are performance and market-based. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Plan, being the Company's only equity compensation plan, as of May 31, 2020:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights[1] (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	Nil	N/A	**Nil**
Equity compensation plans not approved by security holders	400,000	$0.05	1,907,800
Total	**400,000**	**$0.05**	**1,907,800**

(1) The Company does not have any warrants or rights outstanding under any equity compensation plans.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint DeVisser Gray LLP, Chartered Professional Accountants, as auditors of the Company for the fiscal year ending May 31, 2021, and to authorize the directors of the Company to fix the remuneration to be to be paid to the auditors for the fiscal year ending May 31, 2021. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management of the Company recommends that Shareholders vote for the appointment of DeVisser Gray LLP, Chartered Professional Accountants, as the Company's auditors for the Company's fiscal year ending May 31, 2021 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending May 31, 2021.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the "**Audit Committee**").

Audit Committee Charter

The Board has adopted an audit committee charter (the "**Charter**") that sets out the roles and responsibilities of the Audit Committee. The Charter is attached as Schedule "I" to the Company's Prospectus dated February 4, 2019 filed on SEDAR at www.sedar.com.

Composition of the Audit Committee

The Company's Audit Committee is currently comprised of three directors, consisting of Chris Parr (Chair), David Hodge and Patrick Butler. As defined in NI 52-110, Mr. Parr, the Company's CEO and President, is not "independent", as he is an officer of the Company. Messrs. Berka and Huang are "independent" as defined in NI 52-110.

All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as an understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries, and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

All of the members of the Audit Committee are able to understand and interpret information related to financial statement analysis. Each of the members of the Audit Committee has a general understanding of the accounting principles used by the Company to prepare its financial statements and will seek clarification from the Company's auditors, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies. The relevant experience of the current members of the Audit Committee is as follows:

Chris Parr

Mr. Parr is an experienced venture capitalist with a focus on early stage companies where he has helped develop several of these companies into valuations exceeding $100 Million. He has over 10 years' experience in financing, business development and investing in this sector. Mr. Parr's passion is in working with entrepreneurs and identifying technology that has significant growth potential.

Mr. Parr most recently served Zimtu, an investment issuer listed on the TSXV, in the capacity of Strategic Development Manager. In this role he focused on identifying and working with undervalued technology companies in an effort to unlock their potential. In addition, Mr. Parr managed the marketing, development and promotion of the Zimtu Advantage software application. Mr. Parr held this role at Zimtu from May 2016 until July 31, 2018.

Prior to Zimtu, Mr. Parr's role was a licensed investment advisor where he advised on futures and options advising and trading at Global Securities Corp. from March 2014 to April 2016.

David Hodge

Mr. Hodge, has an extensive background in business that includes over 25 years' experience in the management and financing of publicly-traded companies. His strengths lie in leadership and imaginative direction.

Mr. Hodge is currently the President and a director of Zimtu and the chief executive officer and a director of Commerce Resources Corp., a junior mining company listed on the TSXV, roles he has held since July 2008 and September 2014 respectively.

Patrick Butler

Mr. Butler has over 10 years' experience in the capital markets, having worked as an Investment Advisor, Exempt Market Dealer Representative and in the fields of corporate development and investor relations.

Mr. Butler has been the President and CEO of Creekside Communications from October 2014 to present and a registered representative with Ascenta Finance Corp., a private institutional investment bank, from May 2020. Mr. Butler was the VP Corporate Development for Zinc8 Energy Solutions Inc., a technology company listed on the CSE from April 2019 to August 2020.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 *(De Minimis Non-Audit Services)* provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 *(Exemptions)* permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and the Audit Committee, on a case-by-case basis as applicable.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's auditor, DeVisser Gray LLP, Chartered Professional Accountants, for the fiscal years ended May 31, 2020 and 2019, by category, are as follows:

Financial Year Ended May 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2020	$11,750	Nil	Nil	Nil
2019	$13,500	Nil	Nil	Nil

Exemption

The Company is relying on the exemption provided by Section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company's most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both carrying more than ten percent of the voting rights attached to the Shares outstanding (each, an "**Insider**"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares, where such person will receive no extra or special benefit or advantage not shared on a *pro rata* basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

There were no management functions of the Company, which were, to any substantial degree, performed by persons other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE

General

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), as adopted by the Canadian Securities Administrators, prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through meetings of the Board.

Mr. Parr, the Company's CEO, President and a director is not considered to be independent as he is an officer of the Company. Messrs. Hodge and Butler are considered to be independent in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the respective director's ability to act with the best interests of the Company, other than the interests and relationships arising from being Shareholders.

Directorships

The following table sets out information regarding other directorships presently held by directors of the Company with other reporting issuers (or the equivalent) in Canada or any foreign jurisdiction:

Name of Director	Names of Other Reporting Issuers	Securities Exchange
David Hodge	Zimtu Capital Corp. Commerce Resources Corp. Zinc8 Energy Solutions Inc.	TSX Venture Exchange TSX Venture Exchange Canadian Securities Exchange

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board believes that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Company's management is in contact with individuals involved in the technology sector. From these sources management has made a number of contacts and in the event that the Company requires any new directors, such individuals will be brought to the attention of the Board. The Company will conduct reference and background checks on suitable candidates. New nominees generally must have a track record in business management, areas of strategic interest to the Company, the ability to devote the time required to carry out the obligations and responsibilities of a director and a willingness to serve in that capacity.

Compensation

At present, the Board as a whole determines the compensation of the CEO and CFO and does so with reference to industry standards and the financial situation of the Company. The Board has the sole responsibility for determining the compensation of the directors of the Company.

Given the Company's size, limited operating history and lack of revenues, the Board does not plan to form a compensation committee to monitor and review the salary and benefits of the executive officers of the Company at the present time. The Board will carry out these functions until such time as it deems the formation of a compensation committee is warranted.

Other Board Committees

The Board has no committees other than the Audit Committee.

Assessments

The Board regularly monitors the adequacy and effectiveness of information given to directors, communications between the Board and management, and the strategic direction and processes of the Board and its committees.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, or any associate or affiliate of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

Directors, executive officers, proposed nominees for election as director of the Company may be interested in the approval of the Company's stock option plan, pursuant to which they may be granted stock options. See "*Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans*", below, for more information.

ADDITIONAL INFORMATION

On October 23, 2020, the Company announced that it has entered into a securities exchange agreement with Aduro Energy Inc. ("**Aduro Energy**"), and all its securityholders whereby the Company has agreed to acquire all of the issued and outstanding shares of Aduro Energy (the "**Acquisition**"). The Acquisition, an arm's length transaction, will constitute a "fundamental change" for the Company under the policies of the CSE, and is considered a new listing.

Completion of the Acquisition remains subject to a number of conditions including, among other things approval of the CSE and written approval of a majority of the shareholders of the Company. The Company will seek written approval from certain shareholders upon a Listing Statement being completed which will be used as the basis for the new listing on the CSE.

Additional information relating to the Company is available on SEDAR at www.sedar.com. Shareholders may contact the Company at its office at #1450 – 789 West Pender Street, Vancouver, BC V6C 1H2, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "**MD&A**"). Financial information is provided in the Company's comparative annual financial statements and MD&A for its most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available at www.sedar.com.

OTHER MATTERS

Other than the above, management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved, and the delivery of it to each Shareholder entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

Dated at Vancouver, British Columbia as of this 4th day of November, 2020.

ON BEHALF OF THE BOARD OF DIRECTORS OF

DIMENSION FIVE TECHNOLOGIES INC.

"Chris Parr"
Chris Parr
President, Chief Executive Officer
and Director