

LIQUID META CAPITAL HOLDINGS LTD

Management Discussion and Analysis

for the three months and the year ended

May 31, 2025

The following Management's Discussion and Analysis ("MD&A") comments on the audited financial condition and results of operations of Liquid Meta Capital Holdings Ltd. ("Liquid Meta" or the "Company") as at and for the year ended May 31, 2025. All data in this MD&A has been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A should be read in conjunction with Liquid Meta's audited financial statements for the years ended May 31, 2025 and 2024 (the "Financial Statements"). The results presented in the MD&A are not necessarily indicative of the results that may be expected for any future period.

Unless the context otherwise requires, all references to "Liquid Meta", "Company", "our", "us", and "we" refers to Liquid Meta Capital Holdings Ltd.

This MD&A is dated September 15, 2025. All amounts are presented in US dollars, unless otherwise noted.

Additional information related to Liquid Meta is available on the Company's profile on SEDAR+ at www.sedarplus.ca.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains forward-looking statements. All information other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions (including negative variations) suggesting future outcomes or statements regarding an outlook. In particular, this MD&A contains forward-looking statements with respect to, among other things, our objectives, goals, strategies, intentions, plans, estimates, outlook, expected growth and business opportunities. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties and undue reliance should not be placed on such statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Certain material factors or assumptions are applied in making forward-looking statements, including without limitation, factors and assumptions regarding revenues, operating costs and tariffs, taxes and fees, changes in market competition, governmental or regulatory developments, changes in tax legislation and general economic conditions. Actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things: the Company's ability to develop various decentralized finance software applications which are considered financially viable; the sufficiency of the Company's cash and cash generated from operations to meet its working capital and capital expenditure requirements; the ability of the Company to raise sufficient capital to fund operations and meet its financial obligations; and changes in accounting standards. The Company has made certain assumptions about the Company's business, the economy and digital currencies, decentralized finance and blockchain sectors in general and has also assumed that there will be no significant events occurring outside of the Company's normal course of business.

The Company cautions you that the foregoing list may not contain all of the forward-looking statements made in this MD&A. The Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits that the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are cautioned not to place undue reliance on the forward-looking information contained in this MD&A, as a number of factors – many of which are beyond our control and the effects of which are difficult to predict – could cause actual future results, conditions, actions or events to differ materially from the targets,

expectations, estimates or intentions expressed in the forward-looking information. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this document are made as at the date of this document and Liquid Meta does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. All of the forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.

Non-IFRS Measure

The Company has included herein certain supplemental measures of key performance, such as net loss excluding non-cash charges. The term "net loss excluding non-cash charges" refers to net earnings (loss) before share-based compensation. The Company believes that net loss excluding non-cash charges is useful supplemental information as it provides an indication of the results generated by the Company's main business activities prior to taking into consideration the items listed above. The MD&A presents a net loss excluding non-cash charges, as a non-IFRS financial measure, to assist readers in understanding the Company's performance during the period in discussion herein. Please refer to "Net loss excluding non-cash charge" table on page 5 of this MD&A for a reconciliation of net loss excluding non-cash charges to the "Issuer's GAAP" (as such term is defined in National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards). This non-IFRS measure does not have any standardized meaning and is therefore unlikely to be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Corporate Overview and Nature of Business

Liquid Meta was incorporated provincially under the Business Corporation Act (British Columbia) on January 6, 2020 as Liquid Meta Capital Holdings Ltd. Liquid Meta's registered office is located at 700-401 West Georgia Street, Vancouver, British Columbia, V6B 5A1. The Company was a public company whose common shares traded on the CBOE Canada under the symbol "LIQD", before it was delisted on December 23, 2024.

Prior to discontinuing its operations, Liquid Meta was a technology-enabled company that was building proprietary software and tools to access, automate, and scale operations within the fast-growing DeFi segment of the blockchain industry. Liquid Meta was a DeFi and Web3 focused company and was developing best-in-class technology and operational expertise allowing it to build a scaled business within proof-of-stake ("PoS") based networks (see "Proof-of-Stake" for more information).

On December 21, 2022, the Company announced that it initiated a process to evaluate potential strategic alternatives and that it was pausing the development of its proprietary software. Further, on March 9, 2023, the Company announced that its board of directors had concluded the initial phase of its previously announced strategic review process, as disclosed in the Company's press release dated December 21, 2022. Subsequently, on May 29, 2023, the Board determined that it is desirable and in the best interest of the Company to discontinue the operations of the Company's liquidity crypto mining business and discontinue the development of the Company's MetaBridge technology. Since then, the Company's operational focus has been, and continues to be, on identifying and investigating potential strategic transactions or alternatives for the Company. As part of its strategic review process, the Board of Directors continues to evaluate potential strategic alternatives to preserve or maximize shareholder value, including, among other things, consider a range of options that may include, but are not limited to, a sale, merger, divestiture, return of capital, other strategic transactions, or continuing to operate as an independent public company. The Company is in the process of evaluating its future business operations and will provide an update once details are available. Please refer to the "subsequent events" disclosure for additional details.

Highlights for the three months and the year ended May 31, 2025

- Total net revenues earned from providing liquidity in liquidity pools were $nil for both the three months and the year ended May 31, 2025, compared to $139,241 and $139,441 for the three months and the year ended May 31, 2024, respectively.
- Net revenue was $68,083 and $432,387 for the three months and the year ended May 31, 2025 of which $422,651 pertains to interest income from Guaranteed Investment Certificates (GICs) and term deposits as well as its notes receivable.

Overall Performance, Selected Quarterly Information & Discussion of Operations

- As at May 31, 2025, on average, the Company held 98.9% of its assets in cash & cash equivalents.

Summary of Financial and Operating Results

Selected financial information of the Company for the three months and the year ended May 31, 2025, is provided below:

	For the three months ended May 31			**For the year ended May 31**		
	2025	**2024**	**2023**	**2025**	**2024**	**2023**
	$	$	$	$	$	$
Net realized gain (loss) on digital assets	-	98,376	(337,166)	9,736	104,809	(1,034,449)
Net realized gain (loss) and revenues earned from providing liquidity in liquidity pools	-	139,241	181,105	-	139,441	411,472
Staking Revenue	-	-	44,679	-	-	44,679
Interest income	68,083	105,982	167,271	422,651	303,968	333,799
Net revenue (costs)	**68,083**	**343,599**	**55,889**	**432,387**	**548,218**	**(244,499)**
Total expenses	**(83,952)**	**30,819**	**205,163**	**(289,324)**	**(1,009,682)**	**(6,786,896)**
Net Profit/ (loss) from operations	(15,869)	312,780	(149,274)	143,063	1,557,900	(7,031,395)
Basic income (loss) per Share	(0.00)	0.01	(0.01)	0.00	0.03	(0.13)
Diluted income (loss) per Share	(0.00)	0.01	(0.01)	0.00	0.03	(0.13)

The Company reported net revenues for the three months and the year ended May 31, 2025, of $68,083 and $432,387 respectively. Net revenues (costs) for the three months and the year ended May 31, 2024, were $343,599 and $548,218 respectively. Net revenues (costs) for the three months and the year ended May 31, 2023, were $55,889 and $ (244,499) respectively.

Net operating profit (loss) for the three months and the year ended May 31, 2025, was $(15,869) and $143,063 respectively. Net profit for the three months and the year ended May 31, 2024, was $312,780 and $1,557,900 respectively. Net loss for the three months and the year ended May 31, 2023, was $(149,274) and $(7,031,395) respectively. Basic and diluted income (loss) per share for the three months and the year ended May 31, 2025, was $(0.00) and $0.00, respectively. Basic and diluted income per share for the three months and the year ended May 31, 2024, was $0.01 and $0.03, respectively. Basic and diluted loss per share for the three months and the year ended May 31, 2023, was $(0.01) and $(0.13), respectively.

The following is a summary of the Company's quarterly financial results:

	Quarter ended May 31, 2025 **$**	**Quarter ended February 29, 2025** **$**	**Quarter ended November 30, 2024** **$**	**Quarter ended August 31, 2024** **$**	**Quarter ended May 31, 2024** **$**	**Quarter ended February 28, 2024** **$**	**Quarter ended November 30, 2023** **$**	**Quarter ended August 31, 2023** **$**
Revenue	68,083	107,436	124,274	132,594	343,599	88,479	55,493	60,647
Expenses (Recovery)	83,952	64,620	77,348	63,404	30,819	118,620	(1,273,077)	113,955
Net income (Loss)	(15,869)	42,816	46,926	69,190	312,780	(30,141)	1,328,570	(53,309)
Net income (loss) per share	(0.00)	0.00	0.00	0.00	0.01	(0.00)	0.03	(0.00)

The material variances between quarters are outlined below:

Both revenue and expenses decreased significantly following the Company's decision to cease its business activity during the year ended May 31, 2023.

97% of the Company's revenue for the year ended May 2025 was derived from interest income.

During the quarter ended May 31, 2024, the Company recorded $237,617 in revenue in relation to digital assets. Of this, $139,411 relates to tokens were received as a direct result of the Company's contributions to protocols before ceasing operations. These tokens were not released until the year ended May 31, 2024 and had not been announced during the prior years. The remaining amount relates to a net gain on the tokens held at year end.

During the quarter ended November 30, 2023, the Company sold its related claim for $1.4M.

Net loss excluding non-cash charge

	For the three months ended May 31		For the year ended May 31	
	2025	**2024**	**2025**	**2024**
	$	$	$	$
Net Gain/(loss)	(15,869)	312,780	143,063	1,557,900
Non-cash charges:				
Share-based compensation	-	4,963	-	35,767
Net Gain/(loss) excluding non-cash charge*	(15,869)	317,743	143,063	1,593,667

* Net Gain/(Loss) Excluding non-cash charges is a non-IFRS measure and is discussed in the "Non-IFRS Measure" section of the MD&A.

Excluding non-cash charges, the Company's adjusted income (loss) for the three months and the year ended May 31, 2025, were $(15,869) and $143,063 respectively. Excluding non-cash charges, the Company's adjusted income (loss) for the three months and the year ended May 31, 2024, were $317,743 and $1,593,667 respectively.

Net loss primarily consisted of the following operating expenses:

	For the three months ended May 31		For the year ended May 31	
Operating expenses	**2025**	**2024**	**2025**	**2024**
	$	$	$	$
Impairment (recovery) loss on financial assets – net	-	-	-	(1,428,099)
Share-based compensation (i)	-	4,963	-	35,767
Professional fees (ii)	75,034	19,438	243,855	283,483
General and administrative	9,225	(1,340)	39,636	59,728
Regulatory fees	-	6,505	-	21,052
Information technology	-	(1,985)	-	1,655
Penalties and Settlements	-	-	2,662	1,110
Advertising, marketing and investor relations	-	-	-	8,241
Direct transaction costs	-	-	-	43
Depreciation	-	807	-	3,228
Exchange Gain/Loss	(307)	2,431	3,171	4,110
Total operating expenses	**83,952**	**30,819**	**289,324**	**(1,009,682)**

Notes:

i. Value of options and warrants that were recognized during the period of respective three months and for the year respectively.

ii. Primarily consists of legal, audit, and accounting fees, and management compensation (see related party transactions).

Liquidity and Capital Resources

As of May 31, 2025, the Company had total assets of $6,288,693, which primarily consisted of cash and cash equivalents of $6,220,446, amounts receivable of $37,119, and prepaid expenses of $31,128. The Company had total liabilities of $94,744 which is comprised of accounts payable and accrued liabilities of $94,744.

As of May 31, 2024, the Company had total assets of $6,125,008 which primarily consisted of cash and cash equivalents of $3,756,086, USD coin of $617, digital assets of $237,000, amounts receivable of $99,368, prepaid expenses of $31,937 and notes receivable of $2,000,000. The Company had total liabilities of $74,122 which is comprised of accounts payable and accrued liabilities of $74,122.

For the period from June 1, 2024 to May 31, 2025, the Company experienced cash inflows of $464,360 from operating activities and cash inflows of $2,000,000 from investing activities.

For the period from June 1, 2023 to May 31, 2024, the Company experienced cash inflows of $1,160,420 from operating activities and cash outflows of $2,000,000 from investing activities.

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, to meet its capital expenditures for its continued operations, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. The Company manages its capital structure and adjusts it considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, or acquire or dispose of assets. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis. The Company considers its shareholders' equity balance and borrowings as capital.

Off-Balance Sheet Arrangements

The Company has not entered any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivatives instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

Related Party Transactions

The Company's related parties consist of entities where the executive officers and directors of the Company are principals. Their position in these entities results in their having control of or significant influence over the financial or operating policies of these entities.

Key management personnel includes those having the authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. The Company has determined its key management personnel to be executive officers and directors of the Company.

a) Included in accounts payable and accrued liabilities as at May 31, 2025 is $nil payable and accrued to officers of the company. (May 31, 2024 - $10,986).

b) Included in professional fees, are expenses for the year ended May 31, 2025 of $173,314 incurred with officers of the Company (2024 - $162,866).

c) Included in the share-based compensation for the year ended May 31, 2025 is $nil incurred with directors and officers of the Company (2024 – $35,767).

Issued and outstanding share data

As of September 15, 2025, the Company had 53,837,246 common shares issued and outstanding.

Options

The following table is a summary of the Company's options outstanding as at September 15, 2025:

As at September 15, 2025		
Outstanding	Exercise price	Expiry date
#	$	
970,000	C$0.075	August 8, 2028

Warrants

The following table is a summary of the Company's warrants outstanding as at September 15, 2025:

As at September 15, 2025		
Outstanding	Exercise price	Expiry date
#	$	
437,044	0.28	May 1, 2026

Capital Management

The Company's capital management objectives are to preserve capital, especially during difficult macro-economic environments. The company can at times increase its cash and cash equivalents on its balance sheet to preserve its financial integrity. The Company defines capital as the aggregate of its share capital and borrowings.

The Company manages its capital structure in accordance with changes in economic conditions. To maintain or adjust its capital structure, the Company may elect to issue or repay financial liabilities, issue shares, repurchase shares, pay dividends or undertake any other activities as deemed appropriate under specific circumstances. The Company is not subject to any externally imposed capital requirements.

The management of the Company reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

Financial Risk Management

Carrying values of financial instruments as at May 31, 2025 and May 31, 2024 are as follows:

	As at May 31, 2025	As at May 31,2024
	$	$
Financial assets		
FVTPL, measured at fair value		
Notes receivable	-	2,000,000
Financial assets, measured at amortized costs		
Cash and cash equivalents	6,220,446	3,756,086
Amounts receivable	37,119	99,368
USD coin	-	617
Financial liabilities, measured at amortized costs:	94,744	74,122
Accounts payable and accrued liabilities		
Digital asset loans payable – USD coin		

The Company has determined the estimated fair value of its financial instruments, if any, based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments, if any, are not materially different from their carrying values.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in levels 1 to 3 of the fair value hierarchy based on the degree to which inputs used in measuring fair value is observable:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities. There are no financial instruments measured at fair value which are classified as Level 1.

Level 2 – inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). There are no financial instruments measured at fair value which are classified as level 2.

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). The Company's level 3 financial instruments are restricted to notes receivable. The convertible promissory notes of a privately held company are not quoted on an exchange. Management believes that the fair value of the notes receivable have not changed since the initial purchase cost (refer to note 5 of the audited financial statements).

Risk exposure and management

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to credit risk at the reporting date to recognized financial assets is the carrying amount of cash and cash equivalents, notes receivable and amounts receivable as disclosed in the statements of financial position.

The Company manages credit risk, in respect of cash and cash equivalents, by maintaining bank accounts at highly rated financial institutions. The notes receivable are secured against the assets and property of Cellview.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

As at May 31, 2025 and 2024, the Company had working capital of $6,193,949 and $6,050,886, respectively.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and price risk. These are discussed further below.

I. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing financial instruments are limited to its cash and cash equivalents and notes receivable which are based on fixed interest rates. The Company does not have interest bearing debt and therefore is not exposed to significant interest rate risk.

II. Foreign currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company holds positions in various crypto currencies which have a market value stated in US dollars. Exchange rate fluctuations affect the costs that the Company incurs in its operations. The Company's functional currency is the US dollar and major purchases are transacted in US dollars. The Company is not subject to material foreign currency risk.

III. Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The company is not subject to material price risk.

Material Accounting Policies

The Company's material accounting policies and changes to them can be found in Note 3 of its audited financial statements for the year ended May 31, 2025.

Critical Accounting Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments and estimates and form assumptions 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 amount of revenues and expenses during the reporting period. Actual results could 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 future periods affected.

Critical accounting judgments

(i) Functional currency
(ii) the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Risks

General Risks

Liquid Meta has a limited operating history

Liquid Meta has a limited history of operations and is in the early stage of development. As such, Liquid Meta will be subject to many risks common to early-stage enterprises, including undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, and lack of revenue. There is no assurance that Liquid Meta will achieve its operating goals. There is no assurance that Liquid Meta will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. There can be no assurance that Liquid Meta will be able to earn material revenue or that any of its activities will generate positive cash flow.

Liquid Meta's compliance and risk management programs may not be effective

The Company's ability to comply with applicable laws and rules is largely dependent on the establishment and maintenance of compliance, review and reporting systems, as well as the ability to attract and retain qualified compliance and other risk management personnel, as needed. The Company cannot provide any assurance that its compliance policies and procedures will be effective or that it will be successful in monitoring or evaluating its risks. If there is any alleged non-compliance with applicable laws or regulations, The Company could be subject to investigations and judicial or administrative proceedings that may result in substantial penalties or civil lawsuits for damages, restitution or other remedies, which could be significant. Any of these outcomes, individually or together, may materially and adversely affect the Company's reputation, financial condition and valuation, and the value of its common shares.

Unexpected market disruptions may cause major losses for Liquid Meta

The Company may incur major losses in the event of disrupted markets and other extraordinary events in which market behavior diverges significantly from historically recognized patterns. The risk of loss in such events may be compounded by the fact that, in disrupted markets, many positions may become illiquid, making it difficult or impossible to close out positions against which markets are moving. Market disruptions caused by unexpected political, military and terrorist events, or other factors, may from time to time cause dramatic losses for Liquid Meta.

Notes receivable

On January 17, 2024, the company entered into a binding LOI with Cellview regarding the acquisition of all of the issued and outstanding shares of Cellview by the Company that would result in a reverse take-over of the Company by Cellview ("the Transaction"). Pursuant to the Transaction, the holders of the issued and outstanding Cellview Shares shall receive such number of common shares in the capital of the Company for each Cellview Share held such that upon completion of the Transaction, shareholders of Cellview would hold approximately 75% of the issued and outstanding shares of the Resulting Issuer while the shareholders of Liquid Meta would hold approximately 25% of the issued and outstanding shares of the Resulting Issuer, subject to adjustment in certain circumstances.

In connection with the binding LOI, on January 17, 2024, the Company advanced a bridge loan of $1,000,000 to Cellview pursuant to the terms of a secured convertible promissory note entered into between Cellview and the Company. The note yields interest at a rate of 15% per annum and the principal and accrued and unpaid interest of this note will be due and payable 12 months following the date of issuance unless earlier converted into shares in the capital of Cellview upon the completion of certain liquidity events.

On March 7, 2024, pursuant to the terms of the binding LOI with Cellview and the certain escrow agreement entered into by the Company in connection therewith, the $1,000,000 disbursement advanced to the escrow agent was released to Cellview in exchange for the issuance of a subsequent secured convertible promissory note by Cellview.

Unless earlier converted into shares in the capital of Cellview upon the completion of certain liquidity events, the principal and accrued and unpaid interest of the above note will be due and payable on January 17, 2025 and yields interest at a rate of 15% per annum.

These notes are secured against the assets and property of Cellview.

Included in amounts receivable was interest of $91,233 accrued on the outstanding notes as of May 31, 2024.

On August 9, 2024, the Company terminated the LOI with Cellview.

On February 10, 2025, the Company received the full outstanding amount, including any related interest owing.

SUBSEQUENT EVENTS

On June 30, 2025, the Company advanced $1,000,000 to TimePlay Inc. pursuant to a strategic Letter of Intent ("LOI") approved by the Board of Directors on June 18, 2025. Under the LOI, the Company intends to acquire all of the issued and outstanding shares of Timeplay by the Company that would result in a reverse take-over of the Company by TimePlay. Pursuant to the Transaction, TimePlay will be valued at 75% of the total value of the Resulting Issuer, while Liquid Meta will be valued at 25% of the total value.

The Company agrees to subscribe for such number of shares for an aggregate price of USD$2,000,000, to be paid in two tranches. The first tranche of $1,000,000 was funded upon execution of the LOI (paid on June 30, 2025). The second tranche of $1,000,000 will be paid upon the execution of the Definitive Agreement. The preferred shares carry an annual interest rate of 15% and are fully retractable. In the event of non-repayment, the Company has the option to convert the preferred shares into common equity at a pre-money valuation of CAD $15 million.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A.