

GreenBank Capital Inc.

Condensed Interim Consolidated Financial Statements

April 30, 2021

(expressed in Canadian dollars)

(unaudited)

Management's Comments on Unaudited Condensed Interim Consolidated Financial Statements

These unaudited condensed interim consolidated financial statements of GreenBank Capital Inc. (the "Company") have been prepared by management and approved by the Board of Directors of the Company.

These unaudited condensed interim consolidated financial statements have not been reviewed by the Company's external auditors.

GreenBank Capital Inc.
Consolidated Statements of Financial Position

(expressed in Canadian dollars)

(unaudited)

	Notes	April 30, 2021 \$	July 31, 2020 \$
ASSETS			
Current assets			
Cash		3,070,565	44,676
Accounts receivable		678	33,154
HST recoverable		40,509	6,563
Due from related parties	4	12,681	14,126
Prepaid expenses		7,657	1,540
Total current assets		3,132,091	100,059
Non-current assets			
Exploration and evaluation assets	5	871,504	745,949
Investments	6	1,143,423	242,537
Investment in Staminier Limited	7	825,539	825,539
Investment in associate	8	196,097	17,186
Total non-current assets		3,036,563	1,831,211
Total assets		6,168,655	1,931,270
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		348,662	393,270
Due to Staminier	9	485,191	55,862
Due to related parties	10	277,744	316,500
Total current liabilities		1,111,597	765,632
Non-current liabilities			
Canada Emergency Business Account loan	11	29,435	19,302
Convertible loans due to related parties	12	657,682	709,855
Total non-current liabilities		687,117	729,157
Total liabilities		1,798,714	1,494,789
Equity			
Common share capital	13	7,156,286	4,375,072
Warrants	13	1,628,950	-
Contributed surplus		3,043,632	2,359,632
Share-based payment reserve		545,000	545,000
Deficit		(8,395,328)	(7,118,834)
Total equity attributed to owners of Greenbank		3,978,540	160,870
Non-controlling interest	14	391,401	275,611
Total equity		4,369,941	436,481
Total liabilities and equity		6,168,655	1,931,270
Going concern	2		
Subsequent event	20		

Approved on behalf of the Board of Directors:

David Lonsdale
Director

Mark Wettreich
Director

The notes to the consolidated financial statements are an integral part of these statements.

GreenBank Capital Inc.

Consolidated Statements of Loss and Comprehensive Loss

(expressed in Canadian dollars)

(unaudited)

	Notes	3 months ended April 30,		9 months ended April 30,	
		2021	2020	2021	2020
			\$	\$	\$
Revenue					
Consulting	18	50,000	-	62,500	-
Expenses					
Consulting		39,540	20,182	81,540	76,484
Management fees		20,840	-	63,018	-
Foreign exchange loss		2,754	(2,263)	2,754	(2,454)
Investor relations and market research		5,090	-	5,704	3,976
Office and general		20,139	6,781	48,428	43,671
Payroll		-	37,799	-	129,740
Professional fees		49,242	35,801	93,238	88,132
Public company costs		34,249	22,206	99,207	103,589
Stock-based compensation		684,000	-	684,000	26,865
Research and development		-	-	-	10,516
Interest		26,438	-	26,438	-
Accretion		12	-	2,819	-
Other income		(12,681)	-	(12,681)	-
		869,623	120,506	1,094,465	480,519
Net loss from operations		(819,623)	(120,506)	(1,031,965)	(480,519)
Other income (expenses)					
Provision for bad debts		-	1,907	-	-
Gain on sale of investments		-	-	5,851	-
Unrealized gain (loss) on investments		(540,000)	(20,445)	(499,111)	(40,889)
Share of income (loss) of associate		(165)	65	205,849	(1,858)
Other income		12,668	-	22,668	29,168
Net loss from continuing operations		(1,347,120)	(138,979)	(1,296,708)	(494,098)
Net loss from discontinued operations		-	(2,280)	-	39,588
Net loss		(1,347,120)	(141,259)	(1,296,708)	(454,510)
Other comprehensive loss					
Net movement in foreign currency		-	(9,270)	-	6,992
Comprehensive loss		(1,347,120)	(150,529)	(1,296,708)	(447,518)
Net loss attributed to:					
Equity holders of GreenBank Capital Inc.		(1,408,564)	(117,526)	(1,276,494)	(309,378)
Non-controlling interest		61,444	(23,733)	(20,214)	(145,132)
		(1,347,120)	(141,259)	(1,296,708)	(454,510)
Net comprehensive loss attributed to:					
Equity holders of GreenBank Capital Inc.		(1,408,564)	(126,796)	(1,276,494)	(302,386)
Non-controlling interest		61,444	(23,733)	(20,214)	(145,132)
		(1,347,120)	(150,529)	(1,296,708)	(447,518)

Basic and diluted net loss per share

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The notes to the consolidated financial statements are an integral part of these statements.

GreenBank Capital Inc.

Consolidated Statements of Cash Flows

(expressed in Canadian dollars)

(unaudited)

	Notes	9 months ended April 30,	
		2021	2020
		\$	\$
Operating activities			
Net loss		(1,296,708)	(454,510)
Non-cash adjustments for:			
Unrealized loss on investments		499,111	40,889
Gain on dissolution of subsidiaries		-	26,865
Stock-based compensation		684,000	-
Interest not paid		5,143	-
Other income		(12,685)	-
Accretion		2,818	-
Share of income (loss) of associate		(205,849)	1,858
		<u>(324,170)</u>	<u>(384,898)</u>
Net changes in non-cash working capital			
Accounts receivable		32,476	(92)
HST recoverable		(33,946)	16,568
Prepaid expenses		(6,117)	(7,406)
Amounts payable and other liabilities		43,030	40,600
Net cash used in operating activities - continuing operations		(288,728)	(335,228)
Net cash used in operating activities - discontinued operations		-	(20,278)
Net cash used in operating activities		(288,728)	(355,506)
Investing activities			
Return of capital from associate		26,938	-
Investments		-	-
Expenditures on exploration and evaluation assets		(125,555)	(111,405)
Net cash used in investing activities		(98,617)	(111,405)
Financing activities			
Private placement of units		2,876,358	-
Share issue costs		(76,787)	-
Loan proceeds		20,000	40,000
Convertible loans		21,296	-
Repayment of convertible loan		(19,730)	-
Due from related parties		1,445	3,197
Due to related parties		30,462	278,251
Due to Staminier		424,187	38,608
Subsidiary transactions			
Private placement of common shares		126,004	-
Acquisition of assets		10,000	-
Private placement of units		-	68,000
Exercise of warrants		-	10,000
Exercise of stock options		-	35,000
Share issue costs		-	(1,224)
Net cash provided by financing activities		3,413,234	471,832
Foreign exchange impact on cash		-	(9,980)
Net increase in cash		3,025,889	(5,059)
Cash, beginning of period		44,676	73,287
Cash, end of period		3,070,565	68,228

Non-cash transactions

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GreenBank Capital Inc.
Consolidated Statements of Changes in Equity

(expressed in Canadian dollars)

(unaudited)

	Common shares		Reserves			Foreign currency reserve	Deficit	Non- controlling interest	Total
	Number	Amount \$	Warrants \$	Share-based payments \$	Contributed surplus \$				
Balance July 31, 2020	49,814,286	4,375,072	-	545,000	2,359,632	-	(7,118,834)	275,611	436,481
Private placement of units	10,036,351	4,516,358	-	-	-	-	-	-	4,516,358
Finder units	17,500	7,875	-	-	-	-	-	-	7,875
Fair value of unit warrants	-	(1,628,000)	1,628,000	-	-	-	-	-	-
Fair value of finder warrants	-	(950)	950	-	-	-	-	-	-
Share issue costs	-	(114,069)	-	-	-	-	-	-	(114,069)
Stock-based compensation	-	-	-	-	684,000	-	-	-	684,000
Fair value of cancelled stock options	-	-	-	-	-	-	-	-	-
Capital transactions of subsidiary									
Private placement of common shares	-	-	-	-	-	-	-	126,004	126,004
Acquisition of assets	-	-	-	-	-	-	-	10,000	10,000
Comprehensive loss for the period	-	-	-	-	-	-	(1,276,494)	(20,214)	(1,296,708)
Balance, April 30, 2021	59,868,137	7,156,286	1,628,950	545,000	3,043,632	-	(8,395,328)	391,401	4,369,941
Balance, July 31, 2019	27,320,024	3,549,535	256,353	777,372	940,417	12,787	(5,862,050)	336,600	11,014
Acquisition of interest in Staminier	22,494,262	825,539	-	-	-	-	-	-	825,539
Fair value adjustment for convertible loans	-	-	-	-	385,490	-	-	-	385,490
Expiry of stock options	-	-	-	(777,372)	777,372	-	-	-	-
Expiry of warrants	-	-	(256,353)	-	256,353	-	-	-	-
Capital transactions of subsidiary									
Private placement of flow-through units	-	-	-	-	-	-	-	68,000	68,000
Fair value of warrants issued	-	-	22,447	-	-	-	-	(22,447)	-
Fair value of finder's warrants	-	-	-	-	490	-	-	(490)	-
Exercise of warrants	-	-	-	-	-	-	-	10,000	10,000
Exercise of stock options	-	-	-	-	-	-	-	35,000	35,000
Share issuance costs	-	-	-	-	-	-	-	(1,224)	(1,224)
Option payment	-	-	-	-	-	-	-	22,500	22,500
Allocation of contributed surplus to common shares	-	-	-	-	8,315	-	(17)	18,550	26,848
Allocation	-	-	1,718	-	3,335	-	1,741	-	6,794
Comprehensive loss for the period	-	-	-	-	-	6,992	(309,378)	(145,132)	(447,518)
Balance, April 30, 2020	49,814,286	4,375,074	24,165	-	2,371,772	19,779	(6,169,704)	321,357	942,443

GreenBank Capital Inc.

Notes to Condensed Interim Consolidated Financial Statements

April 30, 2021

(expressed in Canadian dollars)
(unaudited)

1. Nature of operations

GreenBank Capital Inc. (the "Company") was incorporated on January 30, 2013 under the laws of the Province of British Columbia. The Company is a public company whose common shares are listed for trading on the Canadian Securities Exchange under the symbol "GBC", and are also traded in the USA under symbol "OTCMKTS: GRNBF" and in Frankfurt, Germany on the Deutsche Börse under symbol FRA: 2TL. The head office of the Company is located at 100 King Street West, Suite 5700, Toronto, Ontario M5X 1C7.

The primary business of the Company is merchant banking. The Company owns an equity portfolio of small cap investments comprising 10-100% ownership positions:

	Ownership percentage	
	April 30, 2021	July 31, 2020
		%
Subsidiaries		
GreenBank Financial Inc.	100.00	100.00
Kabaddi Games Inc. ("Kabaddi")	59.50	59.50
Blockchain Evolution Inc. (Blockchain")	52.50	52.50
Gander Exploration Inc. (Gander")	34.76	34.76
Buchans Wileys Exploration Inc. ("Buchans")	25.16	25.16
Ubique Minerals Ltd. ("Ubique")	21.34	22.34
Associate		
GBC Grand Exploration Inc. ("GBC Grand")	47.47	47.47
Other		
The Lonsdale Group ("Lonsdale")	10.00	10.00
Staminier Limited ("Staminier")	19.00	19.00
Inside Bay Street Corporation ("Inside Bay Street")	19.00	19.00
Minfocus Exploration Corporation ("Minfocus")	8.30	11.12
Reliable Stock Transfer Inc. ("Reliable")	10.00	10.00
St-Georges Eco-Mining Corp.	1.00	–
Flex Capital EHF	5.00	–

2. Going concern assumption

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company has yet to generate significant revenues. For the 9 months ended April 30, 2021, the Company recorded a net loss from continuing operations of \$1,286,708 (2020 - \$494,098) and incurred a cashflow deficit from continuing operations of \$288,724 (2020 - \$335,228). The net losses from continuing operations and cashflow deficits from continuing operations limit the Company's ability to fund its operations and to further its merchant banking activities.

The continued operation of the Company is dependent upon the support of the Company's creditors and the Company's ability to secure equity financing, loans and advances from related parties to meet its existing obligations and further its merchant banking activities. The Company is actively seeking to raise the necessary equity financing, however, there can be no assurance that additional equity financing will be available.

During the 9 months ended April 30, 2021, the Company received advances of \$424,186 from Staminier (see note 9) and completed a private placement of units with gross proceeds of 4,516,358 (see note 13).

The outbreak of COVID-19 has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

3. Statement of compliance and basis of presentation

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards and its interpretations adopted by the International Accounting Standards Board.

The accounting policies used in these condensed interim consolidated financial statements are consistent with those disclosed in the Company's audited consolidated financial statements for the year ended July 31, 2020.

These condensed interim consolidated financial statements do not include certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS and should be read in conjunction with the Company's annual financial statements for the year ended July 31, 2020.

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on June 29, 2021.

Basis of presentation

These condensed interim consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments which may be measured at fair value in subsequent periods, and have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the functional currency.

4. Due from related parties

Due from related parties includes amounts due from companies with directors, officers and shareholders in common. The amounts are unsecured, non-interest bearing and due on demand.

5. Exploration and evaluation assets

	Ubique		Total \$
	Daniels Harbour \$	Kapusksing \$	
Balance, July 31, 2020	514,503	231,446	745,949
Drilling and development costs	41,675	108,526	150,201
Junior Exploration Assistance Program rebate	(24,646)	–	(24,646)
Balance, April 30, 2021	531,532	339,972	871,504

Daniel's Harbour

Ubique owns Daniel's Harbour consisting of 26 claims around the former Daniel's Harbour zinc mine situated approximately 10 km northeast of the town of Daniel's Harbour, Newfoundland.

Kapuskasing

On February 13, 2019, MinKap Resources Inc. (“MinKap”) granted an option which entitles Ubique to earn a 55% or 70% interest in Kapuskasing in western Newfoundland, which comprises 42 claim units covering 1,326 hectares adjacent to Daniel’s Harbour. In order to earn its interest, Ubique is required to make payments, issue common shares and incur exploration expenditures as follows:

	Payments \$	Common shares of Ubique		Exploration expenditures \$
		Number	Fair value \$	
To earn a 55% interest				
On signing of agreement (paid and issued)	10,000	500,000	100,000	–
September 15, 2019 (incurred)	–	–	–	100,000
February 12, 2020 (paid and issued)	10,000	500,000	22,500	–
February 12, 2021 (issued)	–	200,000	–	–
February 28, 2021 (incurred)	–	–	–	200,000
September 1, 2021	40,000	–	–	–
February 28, 2022	–	–	–	300,000
February 12, 2024	–	–	–	400,000
	60,000	1,200,000	122,500	1,000,000
To increase to a 70% interest				
February 28, 2025	–	–	–	400,000
	60,000	1,200,000	122,500	1,400,000

Upon Ubique earning either a 55% or 70% interest, the companies will form a joint venture to continue exploration, or MinKap may elect to grant an option entitling Ubique to earn an additional 5% interest in the property for every additional work expenditure of \$100,000 to a limit of 95% interest, at which time, MinKap’s interest shall be converted to a 2% net smelter royalty (“NSR”). Ubique will then have the right to buy back 1.75% of the NSR for \$2,000,000.

The underlying vendors are entitled to an NSR of 3% of which 2% may be repurchased for \$2,000,000. In addition, the underlying vendors are entitled to a bonus payment in the event that the Operator delineates a NI 43-101 compliant resource of a minimum of 5,000,000 tonnes of ore with a grade of at least 7% zinc.

6. Investments

	April 30, 2021 \$	July 31, 2020 \$
Shares of Canadian public companies	903,112	102,223
Shares of Canadian private companies	240,311	140,314
	1,143,423	242,537

Shares in a public company is measured at fair value based on the shares quoted market price at the date of the consolidated statement of financial position. During the 9 months ended April 30, 2021, the Company recognized an unrealized loss of \$499,111, (2020 - \$40,889) on its investments in public companies.

Shares in private companies are recorded at fair value based on the estimated value of the underlying assets and liabilities of the entities or the implied value based on recent financing transactions. During the 9 months ended April 30, 2021 and 2020, the Company recorded no unrealized gain or loss on its investments in private companies.

Acquisition of interest in St-Georges Eco-Mining Corp.

On March 25, 2021, the Company acquired 2,000,000 common shares of St-Georges Eco-Mining Corp. (“St-Georges”) from two St-Georges shareholders for consideration of \$1,299,998 consisting of 2,888,888 Units (see note 13). The Company has an option to purchase an additional 500,000 shares until September 28, 2021 at a price equal to the greater of the closing price on September 11, 2021 and \$0.50 per common share, with the purchase price to be paid by the Company issuing common shares at a price equal to the greater of the closing price of the Company’s shares on September 11, 2021 and \$0.45 per common share.

Acquisition of interest in Flex

On March 25, 2021, the Company acquired a 5% interest in Flex Capital EHF ("Flex"), the producer of the Eflex app, for consideration of \$100,000 consisting of 222,222 Units (see note 13). The Company also agreed to purchase an additional 20% interest in Flex for \$300,000 by acquiring shares issued from treasury. Pursuant to an Investment Agreement:

- a) the Company has a right of first refusal on any equity fund raising proposed by Flex and shall also have a pre-emption right to participate in any issue of shares by Flex if it does choose to exercise its right of first refusal.
- b) provided the Company holds at least 5% of the issued share capital of Flex, the Company has the right to nominate one person to the board of Flex (and each committee of the board).
- c) the Company [will be] appointed to act as an advisor to Flex on financing rounds and to take Flex to a public listing in Canada.

7. Investment in Staminier Limited ("Staminier")

The Company owns a 19% interest in Staminier, a United Kingdom-based merchant banking business whose overall strategy is to (a) acquire substantial interests in undervalued fast-growing companies with at least five years of profitability and proven cash flow and (b) provide private and public companies with business advisory, corporate finance and marketing services.

In accordance with the terms of the share purchase agreement:

- a) Staminier has advanced \$480,000 to the Company in respect of a line of credit for general working capital purposes. See note 9.
- b) Subject to the Company complying with regulatory requirements, including the possible filing of a prospectus if deemed to be required, the Company has a call option to acquire the remaining 81% of Staminier ("Acquisition") in consideration of the issue of 87,789,202 5-year non-interest bearing, non-voting convertible loan notes which grant the holder the right to convert each loan note into one common share at a conversion price of \$0.0367 per common share ("Call Option"). The expiry date of the Call Option has been informally extended from April 14, 2021 to provide Staminier with time to obtain the necessary consent for the Acquisition from an investment fund which provided funding to Staminier.
- c) Staminier has a put option to sell the remaining 81% of Staminier to the Company from April 15, 2021 (extended from September 12, 2020) to October 14, 2021 (extended from March 11, 2021) ("Put Option") in consideration of the issue of 87,789,202 5-year non-interest bearing, non-voting convertible loan notes which may be converted into common shares at a conversion price of \$0.0367 per common share. Until such time as the Company files a prospectus, the notes cannot be converted if any conversion would result in the noteholders owning more than 45% of the outstanding common shares of the Company. Provided the net asset value of Staminier is not less than £2,250,000, the Company undertakes to file a prospectus within 90 days of a request to do so by the noteholders.
- d) Staminier has the right to nominate one person to the Company's Board of Directors.

8. Investment in associate

As at April 30, 2021, the Company held 47.47% of the outstanding GBC Grand common shares (July 31, 2020 - 47.74%).

	\$
Balance, July 31, 2020	17,186
Share of income	205,848
Return of capital	(26,938)
Balance, April 30, 2021	196,096

On November 9, 2020, GBC Grand sold the Twilite gold property, comprising 65 claims located 14 km southwest of Grand Falls-Windsor, Newfoundland, to TRU Precious Metal Corp. (formerly Trius Investments Inc.) for the following consideration:

Consideration	\$
Cash	100,000
1,435,000 common shares of TRU at deemed price of \$0.25 per common share	358,750
1% net smelter returns royalty from any future mineral production at Twilite, of which 0.5% can be repurchased by TRU for \$1,000,000.	
500,000 common shares of TRU if TRU defines at least 500,000 ounces of Au or Au-equivalent in the inferred category in a mineral resource estimate for Twilite and/or claims acquired by the Purchaser within 5 km of Twilite, and a further 500,000 common shares of TRU if TRU defines a further 500,000 ounces of Au or Au-equivalent in such a mineral resource estimate.	
	458,750

The following is a summary of the statement of position of GBC Grand and a reconciliation to carrying amounts as at April 30, 2021:

	\$
Assets	
Current	
Cash	1,346
Investment in TRU Precious Metal Corp.	416,150
	417,496
Liabilities and shareholders' equity	
Current	
Accounts payable and accrued liabilities	271
Shareholders' equity	417,225
	417,496
Reconciliation to carrying amount of GBC Grand:	
Share percentage ownership	47.47%
	\$
Company's share of net assets	198,057
Difference between the Company's share of net assets and carrying value	(1,795)
Carrying value of investment	196,261

The following is a summary of the statement of loss of GBC Grand for the 9 months ended April 30, 2021:

	\$
Income	
Gain on sale of mineral properties	458,826
Gain on settlement of accounts payable	6,910
	465,736
Expenses	
Professional fees	2,802
Consulting fees	29,125
General and administrative	170
	32,097
Net income	433,639

9. Due to Staminier

Staminier has advanced \$480,000 to the Company in respect of a line of credit for general working capital purposes. The Initial Loan of \$240,000 will bear interest at 5% per annum paid quarterly and in the event the Company completes the Acquisition, the Initial Loan will be interest free. The Supplementary Loan of \$240,000 will be interest free. In the event that the Company does not complete the Acquisition, the Initial Loan and Supplementary Loan (collectively, "Loans") shall be repaid on the earlier of the Company raising more than \$1,000,000 from the issue of common shares and December 31, 2021. In the event that the Company completes the Acquisition, the Loans shall be repaid on the earlier of the Company raising more than \$1,000,000 from the issue of common shares and December 31, 2022. The Loans are to be secured by a fixed charge over all the assets of the Company.

	\$
Balance, July 31, 2020	55,862
Advanced	424,186
Interest	5,143
Balance, April 30, 2021	485,191

10. Due to related parties

Due to related parties includes amounts due to companies with directors, officers and shareholders in common. These amounts are unsecured, non-interest bearing and due on demand.

On March 15, 2021, the Company issued common shares in settlement of \$69, 218 due to a related party. See note 13.

11. Canada Emergency Business Account loan

The Government of Canada announced that it will be providing the Canada Emergency Business Account loans (“CEBA Loan”) to support Canadian businesses that have been adversely affected by COVID-19. On April 20, 2020, the Company received a CEBA Loan of \$40,000. The CEBA Loan is government guaranteed, interest-free until December 31, 2022, and if not repaid by December 31, 2022, it will be extended for an additional 3-year term bearing interest at the rate of 5%. The term loan can be repaid at any time without penalty, and if, \$30,000 is repaid by December 31, 2022, the remaining \$10,000 will be forgiven.

The Company has initially recognized the fair value of the loan of \$18,342 as the present value of principal and interest payments using a discount rate of 20%. The difference between the face value and present value of \$21,658 was recorded as income from government assistance.

A continuity of the CEBA loan is presented below:

	\$
Balance, July 31, 2020	19,302
Advance	20,000
Fair value adjustment to other income	(12,685)
Accretion	2,818
Balance, April 30, 2021	29,435

12. Convertible loans due to related parties

From September 11, 2020 to March 11, 2025, the Convertible Loans are convertible at the option of the holder into common shares at a conversion price equal to the greater of \$0.30 per common share and the closing price of the Company's common shares on the conversion date. On March 11, 2025, the Company has the option to redeem the Convertible Loans for cash or require conversion of the Convertible Loans into common shares at a conversion price of \$0.30 per common share, providing that the common shares are still listed for trading on the Canadian Stock Exchange or equivalent exchange.

The Convertible Loan is a contract comprised of a loan and a conversion option derivative in respect of option of the holders to convert the Convertible Loan into common shares. The Company has designated the entire contract to be accounted at fair value through profit and loss. The Company has initially recognized the fair value of the contract of \$324,365 as the present value of principal and interest payments using a discount rate of 20%. The difference between the face value and present value of \$385,490 has been credited to contributed surplus.

Effective July 28, 2020, the Company completed the restoration of its common shares for trading on the Canadian Securities Exchange and on July 31, 2020, as a consequence of its shares trading above \$0.30 per share, the convertible loans were revalued to face value.

A continuity of the convertible loans is presented below:

	\$
Balance, July 31, 2020	709,855
Interest	21,296
Settled by issue of common shares (see note 13)	(53,735)
Repayment	(19,730)
Balance, April 30, 2021	657,682

13. Share capital

Authorized

An unlimited number of common shares without par value
 An unlimited number of \$0.33 Series C non-voting preferred shares.

Issued

Common shares

The number of issued common shares at April 30, 2021 and July 31, 2020 includes 150,000 common shares that are held by the Company's subsidiary, Blockchain and 100,842 common shares that are held by the Company's subsidiary, Ubique, which have been treated as treasury shares and excluded from the number of outstanding common shares.

Preferred shares

At July 31, 2020 and April 30, 2021, there were no issued preferred shares outstanding.

Private placement

On March 25, 2021, the Company completed a non-brokered private placement of 10,036,351 units ("Units") at a price of \$0.45 per unit for gross proceeds of \$4,516,358. Each Unit consisted of one common share and one-half of a common share purchase warrant, with each whole warrant entitling the holder to acquire one common share for \$0.50 until March 25, 2024.

Consideration for the private placement was as follows:

	\$
Cash	2,905,765
Investment in St-Georges Eco-Mining Corp.	1,299,998
Investment in Flex	100,000
Settlement of accounts payable	87,642
Settlement of amount due to a related party	69,218
Conversion of convertible debt	53,735
	<hr/> 4,516,358

In connection with the private placement, the Company:

- a) paid finders fees of \$85,987;
- b) issued 17,500 finders' units consisting of one common share and one-half of a common share purchase warrant, with each whole warrant entitling the holder to acquire one common share for \$0.50 until March 25, 2024;
- c) issued 2,944 funder warrants entitling the holder to acquire one common share for \$0.50 until March 25, 2024.

The fair value of the unit warrants and finder warrants was calculated using the Black-Scholes option pricing model with the following inputs and assumptions:

	Unit and finders' unit warrants	Finders' warrants
Warrants issued	5,026,926	2,944
Exercise price	\$0.50	\$0.50
Share price	\$0.50	\$0.50
Risk-free interest rate	0.46%	0.46%
Expected volatility based on historical volatility	107%	107%
Expected life of warrants	3 years	3 years
Expected dividend yield	0%	0%
Fair value	\$1,628,000	\$950
Fair value per warrant	\$0.32	\$0.32

Officers of the Company subscribed for 401,667 units.

Warrants

A continuity of the Company's outstanding warrants is presented below:

	Weighted- average exercise price \$	Number of warrants
Balance, July 31, 2020	—	—
Issued		
Unit warrants	0.50	5,018,176
Finders' unit warrants	0.50	8,750
Finders' warrants	0.50	2,944
Balance, April 30, 2021	<hr/> 0.50	<hr/> 5,029,870

A summary of the Company's warrants outstanding at April 30, 2021 is presented below:

Exercise price	Expiry date	Number of warrants
\$0.50	March 25, 2024	5,029,870

Stock options

The Company has a stock option plan in place under which the Board of Directors may grant options to acquire common shares of the Company to qualified directors, officers, employees and other service providers. The stock options vest according to the provisions of the individual option agreements approved by the directors' resolutions and have a maximum life of ten years. The plan allows for the issuance of up to 10% of the number of issued and outstanding common shares of the Company at any time on a non-diluted basis. The following table summarizes the activity in stock options over the period.

A continuity of the Company's outstanding stock options is presented below:

	Weighted-average exercise price \$	Number of stock options
Balance, July 31, 2020	0.30	2,539,386
Granted	0.45	2,900,000
Cancelled		
Balance, April 30, 2021	0.38	5,439,386

On February 22, 2021, the Company granted 2,900,000 stock options to directors, officers and consultants, entitling the holder to purchase one common share for \$0.45 until February 22, 2024.

The assumptions for the calculation of the fair value of the stock options using the Black-Scholes option pricing model is presented below:

Date of grant	February 21, 2021
Expiry date	February 21, 2024
Stock options granted	2,900,000
Exercise price	\$0.450
Share price	\$0.415
Risk-free interest rate	0.30%
Expected volatility based on historical volatility	94%
Expected life of stock options	3 years
Expected dividend yield	0%
Forfeiture rate	0%
Vesting	On date of grant
Fair value	\$684,000
Fair value per stock option	\$0.24

14. Non-controlling interests

A continuity of the non-controlling interest by subsidiary is as follows:

	Blockchain \$	Kabaddi \$	Ubique \$	Buchans \$	Gander \$	Total \$
Balance, July 31, 2020	(156,616)	(31,051)	508,001	(40,766)	(3,959)	275,611
Private placement of common shares	—	—	126,004	—	—	126,004
Acquisition of assets	—	—	10,000	—	—	10,000
Share of loss	(5,905)	(1,420)	10,578	(13,993)	(9,474)	(20,214)
Balance, April 30, 2021	(162,520)	(32,470)	654,583	(54,759)	(13,433)	391,401

15. Basic and diluted net loss per share

	3 months ended April 30,		9 months ended April 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Continuing operations	(0.03)	(0.00)	(0.03)	(0.02)
Discontinued operations	-	-	-	-
Basic and diluted net loss per share	(0.03)	(0.00)	(0.03)	(0.01)

Weighted average number of common shares outstanding - basic and diluted	49,814,286	40,067,678	49,814,286	30,652,272
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16. Non-cash transactions

	9 months ended April 30,	
	2021	2020
	\$	\$
Issue of common shares for settlements		
Accounts payable	87,642	-
Due to related party	69,218	-
Convertible loan due to related party	53,735	-
Issue of common shares for investments		
St-Georges Eco-Mining Corp.	1,299,998	-
Flex Capital EHF	100,000	-

16. Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair values of cash, accounts receivable, HST recoverable, due from related parties, accounts payable and accrued liabilities, due to Staminier, due to related parties, Canada Emergency Business Account loan and convertible loans due to related parties at April 30, 2021 approximated their respective carrying value due to their short term to maturity.

Classification of fair value of financial instruments

The Company classified the fair value of its financial instruments measured at fair value according to the following hierarchy based on the amount of observable inputs used to value the instrument:

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

The Company's investments in private companies are considered Level 3 in the hierarchy and the investment in a public company is considered Level 1.

17. Financial risk management

The Company's activities expose it to a variety of financial risks that arise from its investment, exploration and financing activities, including credit risk, liquidity risk and market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's maximum exposure to credit risk is equal to the Company's cash and due from related parties. The Company limits its exposure to credit risk on its cash by holding deposits with high credit quality Canadian chartered bank.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial liabilities that are settled in cash or other financial assets. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as they come due, other than amounts owing to related parties.

The Company has no revenues and the continued operation of the Company is dependent upon the support of the Company's creditors and the Company's ability to secure equity financing, loans and advances from related parties to meet its existing obligations and further its merchant banking activities (note 2).

The following table sets out financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Accounts payable and accrued liabilities	Due to Staminier	Due to related parties	Canada Emergency Business Account Loan	Convertible loans due to related parties	Total
	\$	\$	\$	\$	\$	\$
Less than 1 year	348,662	485,191	277,744	–	–	1,111,597
1-5 years	–	–	–	29,435	657,682	687,117
More than 5 years	–	–	–	–	–	–
Balance, April 30, 2021	348,662	485,191	277,744	29,435	657,682	1,798,714

Market risk

Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates, and interest rates will affect the Company's income or the value of its financial instruments.

Equity price risk

The Company is exposed to equity price risk with respect to investments. The Company's approach to managing equity price risk is to optimize the return from its marketable securities within acceptable parameters for equity price risk. The Company estimates that if the fair value of its investments in shares of public companies as at April 30, 2021 had changed by 10%, with all other variables held constant, the unrealized gain (loss) would have decreased or increased by \$90,311.

Currency risk

Currency risk arises from the Company's financial instruments and purchases that are denominated in a currency other than the Canadian dollar, the Company's functional currency. As all of the Company's purchases are in Canadian dollars, the Company limits its exposure to currency risk by maintaining its cash in Canadian dollars.

Interest rate risk

The Company's exposure to interest rate risk is limited due to the short-term nature of its financial instruments and the interest rates on financial liabilities are fixed.

Capital management

Capital of the Company consists of common shares, reserve for warrants, contributed surplus, share-based payment reserve, foreign currency reserve and deficit. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can make investments for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. The Board of Directors has not established quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the Company. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company has no revenues and the continued operation of the Company is dependent upon the support of the Company's creditors and the Company's ability to secure equity financing, loans and advances from related parties to meet its existing obligations and further its merchant banking activities (note 2). In order to achieve its objectives, the Company intends to raise additional funds as required.

The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the year.

18. Related party transactions and disclosures

	9 months ended April 30,	
	2021	2020
	\$	\$
Revenue		
Consulting from Gander	12,500	–
Expenses		
Transfer agent fees to Reliable	20,678	20,825

Compensation of key management personnel

The Company considers its directors and officers to be key management personnel. Transactions with key management personnel are set out as follows:

	9 months ended April 30,	
	2021	2020
	\$	\$
Salaries	–	75,000
Exploration and evaluation	35,652	–
Management fees incurred by:		
The Company	54,000	51,250
A subsidiary of the Company	61,000	–
Stock-based compensation	448,137	–
	598,789	126,250

See notes 4, 10, 12 and 13 for other related party transactions.

19. Segmented information

The Company has three reportable segments: merchant banking, software development and mineral exploration (Year ended July 31, 2020 - four reportable segments: merchant banking, financial services, software development and mineral exploration).

The Company evaluates performance and allocates resources based on profit or loss from operations before income taxes as well as results from operating activities. All the operations are in North America hence no geographical segmental information is provided. Information on reportable segments is as follows:

	April 30,	July 31,
	2021	2020
	\$	\$
Segment assets		
Merchant banking	5,214,728	1,136,860
Software development	1,968	280
Mineral exploration	951,959	794,130
	6,168,655	1,931,270
Segment liabilities		
Merchant banking	1,309,189	1,065,099
Software development	188,219	201,894
Mineral exploration	301,306	227,793
	1,798,714	1,494,786

	9 months ended April 30,	
	2021	2020
	\$	\$
Revenue		
Merchant banking	62,500	–
Financial services	–	–
Software development	–	–
Mineral exploration	–	–
	<hr/> 62,500	<hr/> –
Segment income (loss)		
Merchant banking	(1,261,171)	(282,817)
Financial services	–	43,586
Software development	(15,937)	(56,252)
Mineral exploration	(19,598)	(159,016)
	<hr/> (1,296,707)	<hr/> 454,510

20. Subsequent event

Acquisition of interest in Beelivery

On June 25, 2021, the Company entered into a definitive investment agreement to acquire a 25.833% interest in Beelivery, a UK-based, fast-growing and profitable online grocery delivery platform. Pursuant to the Investment agreement, the Company will acquire a 5.833% interest in Beelivery for £2,500,680 (“Initial Subscription”), of which, £997,066 has been paid (“Tranche 1”) and £1,503,614 will be paid by September 3, 2021 (“Tranche 2”). Subject to the completion of the Initial Subscription, the Company will have an option to acquire an additional 20% interest in Beelivery for £40,000,000 by subscribing for new shares and/or acquiring existing ones from shareholders until June 25, 2023 and Beelivery (or the selling Beelivery shareholders) has the option to require the Company to pay the £40,000,000 in cash or by issuing common shares of the Company at \$2.00 per share; Beelivery will engage the Company on a non-exclusive basis to advise on its funding and strategic issues for an annual fee of £60,000. The Company is entitled to appoint one director to the Board of Beelivery.

For the purposes of financing Tranche 1, a loan of £600,000 (“Loan”) was provided to the Company by Saminier. The Loan will bear interest at the rate of 7.5% per annum (if the Company completes the Acquisition of the balance of Saminier’s issued share capital, the Loan will be interest-free) and is repayable upon the earlier of the Company raising more than \$1,500,000 from this issue of common shares and July 31, 2022.