Goat Industries Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars)

Set out below is a review of the activities, results of operations and financial condition of Goat Industries Ltd. ("Goat", or the "Company") for the years ended December 31, 2025 and 2024. The discussion below should be read in conjunction with the Company's audited financial statements ("financial statements") for the year ended December 31, 2025. Those financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar figures included in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated. This MD&A has been prepared as at July 31, 2026.

BACKGROUND AND CORE BUSINESS

Goat Industries Ltd. (the "Company" or "GOAT") is an investment holding firm. On September 11, 2024, the Company adopted a revised investment policy whereby the Company's investments are not limited to any one sector. The Company was formerly focused on making investments in the functional foods, plant-based proteins, and health and wellness spaces as well as the mining industry. The Company was formed on September 22, 2020, under the Business Corporations Act in the Province of British Columbia, Canada. On September 12, 2022, the Company changed its name from Billy Goat Brands Ltd. to Goat Industries Ltd.

The Company's head office, registered address, and records office are located at 1500 - 1111 West Hastings Street, Vancouver, BC, V6E 2J3.

The Company's common shares are listed on the OTCQB Venture Market under the trading symbol BGTTF, on the Canadian Securities Exchange under the trading symbol GOAT, and on the Frankfurt Stock Exchange under the symbol 26B.

CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS

MANAGEMENT TEAM UPDATES

On January 5, 2024, the Company announced Lawrence Hay had stepped down as interim Chief Financial Officer, effective immediately. Following Mr. Hay's resignation, Kevin Cornish was appointed as Chief Financial Officer.

On January 16, 2024, the Company announced Mohammed Sharifi had resigned from the Board of Directors, effective immediately. Following Mr. Sharifi's resignation, the Company appointed Matthew McArthur as a Director of the Company.

On January 25, 2024, the Company announced Alex Benger had resigned from the Board of Directors, effective immediately. Following Mr. Benger's resignation, the Company appointed Justin Jacobson as a Director of the Company.

On April 4, 2025, Michael Leahy resigned as a Director and Chief Executive Officer. Following Mr. Leahy's resignation, the Company commenced a search for a suitable candidate to assume the role of Chief Executive Officer.

On April 25, 2025, Kevin Cornish was appointed as interim Chief Executive Officer while the Company completes its search for a suitable candidate to assume the role of Chief Executive Officer.

On December 10, 2025, concurrently with closing of the BETSource Transaction (defined below), Henry (Hank) Frecon III was appointed to the Board of Directors of the Company.

On December 12, 2025, Lawrence Hay stepped down as a director and corporate secretary of the Company.

On December 15, 2025, the Company appointed Steve Vanry as a Director of the Company and corporate secretary.

On April 27, 2026, Steve Vanry resigned as a Director of the Company and corporate secretary.

OPERATION HIGHLIGHTS

The Company is an investment issuer focused on investing in high-potential companies. It intends to accomplish these goals through the identification of and investment in securities of private and publicly listed entities. The Company plans to generate returns on its investments, including through mergers or acquisitions, go public transactions or other liquidity events of its investee companies or projects.

Formerly, the Company was focused on making investments in companies that are involved in the food and beverage industry, with a focus on: (i) plant-based protein, (ii) functional foods, (iii) food technology, (iv) fermented foods, (v) cultured and cell agriculture and (vi) mineral explorations and natural resources. On September 11, 2024, the Company adopted a revised investment policy whereby the Company's investments are not limited to any one sector.

The Company operates with environmental, social and governance ("ESG") values and targets investments with organizations that also operate with the same ESG standards. The Company operates with a decentralized executive team.

On December 10, 2025 (the "Transaction Date"), GOAT acquired 100% of the issued and outstanding capital of Veroom, Inc. ("Veroom") and 1509467 B.C. Ltd. ("150 BC" and, together with Veroom, the "Targets") from their respective securityholders (the "Vendors"). Veroom, 150 BC and 150 BC's wholly owned subsidiary Source Gaming Company ("Source Gaming") manage, develop, market and license the BETSource digital platform ("BETSource Platform"), a media network package integrating a blend of live rights content, integrated sports betting content, and advanced advertising capabilities.

The consolidated entities of 150 BC and Source Gaming represent the operations termed BETSource.

KEY INVESTMENT PORTFOLIO DESCRIPTION

BETSource Group

On December 10, 2025, the Company acquired 150 BC and Veroom from the Vendors. The Company's acquisition of 150 BC (the "150 BC Transaction") was carried out pursuant to a share exchange agreement dated September 26, 2025 and the Company's acquisition of Veroom (the "Veroom Acquisition" and, together with the 150 BC Transaction, the "BETSource Transaction") was carried out pursuant to a share exchange agreement dated October 14, 2025.

150 BC is the parent company of, and wholly owns, Source Gaming. Source Gaming is a Pennsylvania-based digital media and technology company focused on creating and commercializing advanced engagement and monetization tools for sports and sports-betting related content. Source Gaming currently generates revenues and operates solely in the United States and Ontario, Canada. Source Gaming's revenues are derived from: a) subscriptions from businesses and consumers; b) advertising and sponsorship inventory sales; and c) affiliate-based revenues through attribution events. Source Gaming operates the product known as BETSource and currently holds Affiliate licenses for its sports wagering technology and business in over 15 United States (which include but are not limited to: New Jersey, Pennsylvania, Kansas, Michigan, Arizona, Colorado, Illinois, Wyoming, Iowa, Connecticut, New Hampshire, West Virginia, Tennessee, Louisiana, Virginia and New York) (collectively, the "Licensed States") and the Province of Ontario, enabling it to generate revenues from attribution events such as driving users to subscribe to licensed sportsbooks. Depending on the State, revenues can be earned through fixed payments earned per customer acquisition or as a percentage of revenue. Source Gaming's model allows it to operate nationally and in any territory with respect to its advertising and content platform, and in States from which it has obtained appropriate licenses where its direct relationships with sportsbooks require regulatory approval. Source Gaming's core product, BETSource, (i) synchronizes and integrates sports books and sports gaming interactive applications to personalize the experience of end users while they are experiencing and viewing live sports content, (ii) includes contextual advertising features that provide additional forms of monetization in live and on-demand video content, enabling media owners, leagues, and casinos to enhance their current revenue models and unlock new revenue streams, while providing their end users with a more robust feature set, (iii) incorporates live sports rights and distribution of live sports content into the BETSource product suite, and (iv) enables casinos to: (A) launch and manage their own branded wagering and entertainment channels; (B) target users with AI-driven "hyper-performance" advertising and interactive betting moments; (C) participate in localized and regional Retail Media Network models, earning a share of advertising revenues; and (D) offer audiences live, exclusive, and interactive sports content. In sum, through its technology platform, Source Gaming allows brands and sportsbooks to target users contextually "within the moment" of live sports content, blending entertainment, wagering, and personalized user experiences. Veroom serves as the dedicated sales and marketing division for Source Gaming and the BETSource network. In this, Veroom is responsible for partner acquisition, advertising sales, affiliate sportsbook integrations and casino-facing marketing initiatives, acting as a bridge between Source Gaming's technology and commercial deployment, coordinating with casinos, sportsbooks, and streaming partners to drive adoption and revenue growth. To do so, Veroom's team leverages deep industry relationships across media, gaming, and advertising technology, providing direct access to brands and casinos seeking to monetize live sports content.

Pursuant to the BETSource Transaction, the Company acquired all of the issued and outstanding securities of the Targets from the Vendors, in exchange for an aggregate of 70,000,002 common shares in the capital of the Company (each, a "Company Share"), issued at a deemed price of $0.21 per Company Share (the "Purchase Price"). The Company also issued to the shareholders of Veroom an aggregate of 62,710,000 performance warrants (the "Performance Warrants"), with such Performance Warrants to be exercisable into Company Shares at a price of $0.45 per share, exercisable for a period of five years. The Performance Warrants vest as follows: (i) 50% of the Performance Warrants shall vest upon 150 BC booking annual revenues (consolidated basis) of USD$10,000,000, as reasonably determined by the board of directors of the Company (the "Board") ("Milestone 1"); and (ii) the remaining 50% of the Performance Warrants shall vest upon 150 BC booking annual revenues (on a consolidated basis) of USD$20,000,000, as reasonably determined by the Board ("Milestone 2" and, collectively with Milestone 1, the "Milestones").

In addition:

1. 62,500,000 of the Company Shares issued to the Vendors are subject to a voluntary escrow (the "Escrowed Shares"), contemplating release (the "Escrowed Share Release") as follows: (i) 25% of the Escrowed Shares four (4) months and ten days following the date (the "BAR Filing Date") on which the Company files a business acquisition report under National Instrument 51-102 – Continuous Disclosure Obligations in connection with the BETSource Transaction (filed on February 23, 2026); (ii) 18.75% of the Escrowed Shares seven (7) months and ten days following the BAR Filing Date; (iii) 18.75% of the Escrowed Shares ten (10) months and ten days following the BAR Filing Date; (iv) 18.75% of the Escrowed Shares 13 months and ten days following the BAR Filing Date; and (v) 18.75% of the Escrowed Shares 16 months and ten days following the BAR Filing Date (the "Escrow"). Notwithstanding, in the event that Milestone 1 is achieved, the Escrowed Share Release shall be accelerated in respect of 50% of the originally Escrowed Shares and, in the event that Milestone 2 is achieved, the Escrowed Share Release shall be accelerated in respect of the remaining 50% of the originally Escrowed Shares;

2. 11,299,368 of the Escrowed Shares issued to entities beneficially owned by Henry Frecon III, the Founder and CEO of Source Gaming and a director of 150 BC and Veroom, are subject to an enhanced voluntary escrow, contemplating release as follows: i) 10% of such shares four (4) months and ten days following the BAR Filing Date; (ii) 15% of the Escrowed Shares ten (10) months and ten days following the BAR Filing Date; (iii) 15% of the Escrowed Shares 16 months and ten days following the BAR Filing Date; (iv) 15% of the Escrowed Shares 22 months and ten days following the BAR Filing Date; (v) 15% of the Escrowed Shares 28 months and ten days following the BAR Filing Date; (vi) 15% of the Escrowed Shares 34 months and ten days following the BAR Filing Date; and (vii) 15% of the Escrowed Shares 40 months and ten days following the BAR Filing Date; and

3. 7,500,000 of the Company Shares issued to the Vendors are subject to a voluntary escrow, contemplating release on the date that is four (4) months and ten days following the BAR Filing Date.

As a condition to completing the BETSource Transaction, the Company obtained the written consent (the "Consent") of holders (the "Consenting Shareholders") of more than 50% of the outstanding shares of the Company pursuant to the policies of the Canadian Securities Exchange on October 23, 2025. Auditor reviewed financial statements, as well as certain business disclosures were provided to the Consenting Shareholders in connection with the Consent. The BETSource Transaction and the terms thereof were settled pursuant to arm's length negotiations.

Concurrently with closing, Henry (Hank) Frecon III was appointed to the Board of Directors of the Company. Mr. Frecon is the CEO and Co-Founder of Source Digital and the Founder and CEO of Source Gaming, where he has overseen the development of the core platforms and managed key operational, product, and licensing functions across the sports, gaming, and digital-media sectors. He continues to supervise day-to-day operations, technology planning, and commercial implementation for both entities. As a result of the BETSource Transaction, Mr. Frecon became a principal securityholder of the Company.

In connection with the BETSource Transaction, the Vendors entered into a voting trust agreement, pursuant to which all voting rights attached to the Company Shares issued to the Vendors on closing are held in trust by an individual appointed by the Company, with full power and authority to vote such Company Shares in all respects, to attend and do all things as the Vendor may be entitled to do at any meeting or in connection with any meeting and to take part in or consent to any corporate action on behalf of the Vendor. The current voting trustee under this agreement is Steve Vanry and the Company anticipates appointing a board member to replace Mr. Vanry in such role in due course, given Mr. Vanry has resigned as a director and officer of the Company.

The fair value of the BETSource Group investment has been recorded based on reference to the Company's concurrent $0.30 unit financing that closed on November 13, 2025, as well as with consideration for a discount for lack of marketability ("DLOM") factor. The Company recorded a fair value of consideration of $14,917,523 on the closing date. The valuation represents a Level 3 fair value measurement as it involves non-observable inputs.

During the year ended December 31, 2025, the Company advanced the BETSource Group $1,717,768 (US$1,221,000) prior to the closing date and an additional $200,000 subsequent to the closing date. The advances bear simple interest at a rate of 10% per annum, calculated and payable monthly and matures 24 months from the date of each draw. During the year ended December 31, 2025, the Company accrued interest receivable of $38,938 (US$27,857) (2024 - $nil) and unrealized foreign exchange loss on the principal and interest receivable of $47,625 (2024 - $nil). These refundable advances are considered to be transaction costs associated with facilitating its investment in BETSource Group and are expensed as transaction costs in accordance with the accounting policy for FVTPL (fair value through profit and loss) investments.

The Company completed the BETSource Transaction on December 10, 2025. Given the short period between the closing date and the Company's fiscal year end, and the absence of any intervening events that would impact fair value, the Company concluded that the fair value of BETSource at December 31, 2025 was not materially different from its value at the closing date.

Historical Investments

On September 11, 2024, the Company adopted a revised investment policy whereby the Company's investments are not limited to any one sector. The Company was formerly focused on making investments in the functional foods, plant-based proteins, and health and wellness space as well as the mining industry (the "Historical Investments"). With the Company's revised investment policy, the Company determined that these Historical Investments would not lead to the realization of future value due to their continued lack of performance. Accordingly, the Company has impaired its historical investments accordingly.

Funguys Beverage Inc.

On February 8, 2021, the Company acquired all of the issued and outstanding common shares of Funguys Beverage Inc. ("Funguys"). During the year ended December 31, 2022, the Company impaired Funguys investment and recognized a fair value loss of $1,561,279. As at December 31, 2025 and 2024, the fair value of the investment in Funguys was determined to be $nil.

Sophie's Kitchen, Inc.

On February 8, 2021, and throughout the year ended December 31, 2021, the Company entered into various loan credit facility agreements to and acquired common shares of Sophie's Kitchen, Inc. ("Sophie's Kitchen"). During the year ended December 31, 2022, the Company impaired Sophie's Kitchen investment and recognized a fair value loss of $7,112,622. As at December 31, 2025 and 2024, the fair value of the investment in Sophie's Kitchen was determined to be $nil.

Vegetarian Butcher Inc.

On February 10, 2021, the Company acquired a 12.4% ownership of Vegetarian Butcher Inc. ("Vegetarian"). During the year ended December 31, 2022, the Company impaired the Vegetarian investment and recognized a fair value loss of $350,000. As at December 31, 2025 and 2024, the fair value of the investment in Vegetarian was determined to be $nil.

Evanesce Packaging Solutions Inc.

On August 13, 2021, the Company subscribed to units of Evanesce Packaging Solutions Inc. ("Evanesce"). Each unit consisted of one common share of Evanesce and one-half common share purchase warrant. During the year ended December 31, 2022, the Company acquired 31,251 common shares in Evanesce through the full exercise of 20,834 warrants outstanding at an exercise price of $3.90 for cash consideration of $121,879. In connection with the early exercise, the Company received an additional 10,417 incentive warrants in Evanesce. During the year ended December 31, 2025, the Company impaired Evanesce investment and recognized a fair value loss of $1 (2024 - $271,879). As at December 31, 2025 and 2024, the fair value of the investment in Evanesce was determined to be $nil.

Kojo Pet Performance Inc.

On August 16, 2022, the Company completed the acquisition of Kojo Pet Performance Inc. ("Kojo"). During the year ended December 31, 2022, the Company impaired Kojo investment and recognized a fair value loss of $1,035,000. As at December 31, 2025 and 2024, the fair value of the investment in Kojo was determined to be $nil.

1000288601 Ontario Inc. (Ekosolve Ltd.)

On September 29, 2022, the Company completed its acquisition of 1000288601 Ontario Inc. ("Ekosolve."). During the year ended December 31, 2023, the Company impaired Ekosolve investment and recognized a fair value loss of $1,350,000. As at December 31, 2025 and 2024, the fair value of the investment in Ekosolve was determined to be $nil.

Historical investments in mining claims

On March 24, 2023, the Company completed an asset purchase agreement with Donovan Explorations Ltd. ("Donovan Vendors") and Cirn Crypto-Monnais Corp. ("Cirn Vendors") to acquire certain mineral claims located in Quebec (the "Donovan Claims" and the "Cirn Claims"). Pursuant to the terms of the Agreement, the Company acquired a 100% interest in the Donovan Claims and Cirn Claims in consideration for issuing 400,000 common shares of the Company to the Donovan Vendors and 400,000 common shares of the Company to the Cirn Vendors respectively, at a fair value of $2.00 per share, representing an aggregate value of $1,600,000 for the acquisitions. During the year ended December 31, 2023, the Company impaired the Donovan Claims and the Cirn Claims and recognized a fair value loss of $1,600,000. The impairment was recognized as the Company does not intend to pursue exploration opportunities.

On April 3, 2024, the Company entered into an option agreement (the "Option Agreement") with an arm's length party (the "Purchaser"). The Option Agreement provides the Purchaser the option to acquire up to a 100% interest in the Donovan and Cirn Claims for the following considerations:

- Upon exercise of the Option Agreement by the Purchaser, $10,000 and shares of the Purchaser representing 10% of the issued and outstanding shares.
- Upon final execution of the Option Agreement by the Company and the Purchaser, $10,000 and shares of the Purchaser representing 10% of the issued and outstanding shares.

TRENDS AND INVESTMENT STRATEGY

Overview

The Company is actively pursuing asset purchases and investment opportunities in high revenue growth businesses. Specifically, the Company will look for diversified exposure to expansion-stage companies with ESG values (environmental, social and governance) and their associated brands. Formerly, the Company was focused on making investments in key categories related to the ocean economy with specific focus on mining, functional foods, plant-based proteins, food technology, fermented foods and cultured and cell agriculture spaces, including functional foods, plant-based proteins and nutraceuticals. On September 11, 2024, the Company adopted a revised investment policy (the "Investment Policy") whereby the Company's investments are not limited to any one sector. The Company will look to take meaningful ownership in each asset it invests in, to provide not only financial support, but also management and operational support. The Company targets businesses that have strong management teams that can drive revenue growth in their respective industries.

Investment structure and fees

The Investment Policy provides that the Company's primary objective is to invest its funds for purposes of generating returns from capital appreciation and investment income through investments in securities of private and publicly listed entities. The Investment Policy also provides that the Company may establish an investment committee and may engage an investment manager to assist with identifying and executing investments and monitoring investments over time. The Investment Policy does not establish any specific fee arrangement with an investment manager or other management or advisory service provider. The Company confirms that, to the extent it enters into any material investment management or advisory arrangement, it will include appropriate disclosure regarding the structure of the arrangement and any related fees in its MD&A going forward.

Investment selection criteria

The Investment Policy states that the Company does not intend to limit its investments to any one sector, with the key investment criterion being whether the investment is of suitable scale and quality such that it is likely to achieve a significant increase in value for the Company's shareholders. The Investment Policy also identifies assessment factors that may be considered in determining the composition of the portfolio, including the inherent value of the target's assets or potential, management quality, capital requirements, expected ability to raise capital, anticipated rate of return and level of risk, financial performance, exit strategy, product differentiation, distribution, growth and gross margins, profits or timeline to break-even.

Targets and restrictions

The Investment Policy provides the Company with flexibility as to industry, geography, stage of development and investment type. It states that the Company is not bound or restricted as to geographic, percentage diversity, number of investments or other restrictive parameters, and that the Company may employ a wide range of investment instruments, including equity, bridge loans, secured loans, unsecured loans, convertible debentures, warrants and options, joint ventures, partnerships, net profit interests and other hybrid instruments. The Investment Policy also contemplates both private and public company investments and early stage opportunities with attractive risk/reward ratios.

Investment time horizon and realization

The Investment Policy provides that investments may be acquired and held for short-term gains, income generation or long-term capital appreciation, depending on the specific investment. It also provides that the Company will have flexibility on the return sought while seeking to recapture its capital within a reasonable period following the initial investment and will continually seek liquidity opportunities for its investments with a view to optimizing return, recognizing that no two investments will be alike in terms of duration held or the best means of exiting an investment.

Involvement with investees

The Investment Policy contemplates that the Company may work closely with an investee's management and board and, in certain circumstances, may have a representative appointed to an investee's board of directors. The Investment Policy further provides that the Company may seek a more active role with investees, including by advising management, assisting with financing and capital, providing strategic guidance, sourcing industry experts, recruiting management, finding and appointing advisory board members, taking a seat on the investee's board and making strategic introductions to potential business partners.

Monitoring processes

The Investment Policy provides that the Company will seek to maintain the ability to actively review and monitor all of its investments on an ongoing basis and that investees will be required to provide continuous disclosure of operations and financial status. The Investment Policy also provides that, if an investment committee is appointed, it will monitor the Company's investment portfolio on an ongoing basis, remain subject to the direction of the board of directors and present an overview of the state of the investment portfolio to the board of directors on a quarterly basis.

Investment committee

The Investment Policy provides that the board of directors may appoint an investment committee to assist the board in discharging its oversight responsibilities relating to investment opportunities and that the committee, if established, will be comprised of a majority of members of the board of directors. If appointed, prospective investments will be channeled through the committee, which will assess whether each proposal fits the Company's investment and corporate strategy, conduct preliminary due diligence, determine whether to reject the proposal or proceed to detailed due diligence, prepare a summary of the rationale for any recommended investment and monitor the portfolio on an ongoing basis. The Investment Policy does not identify specific committee members and the Board has not implemented such a committee at this time. The Company confirms that, to the extent an investment committee is established or relied upon, the Company will include appropriate disclosure regarding its composition and key responsibilities in its MD&A going forward.

Investment manager versus the investment entity

The Investment Policy contemplates that an investment manager, if engaged, may assist with identifying and executing investments and monitoring investments over time. The Investment Policy does not delegate ultimate investment authority to an investment manager. Rather, the Company, acting through its board of directors and, if applicable, its investment committee and senior management, retains responsibility for the Company's investment objectives, strategy, restrictions and approval process.

Board approval of investments, sales and valuations

The Investment Policy provides that once a decision has been reached to recommend an investment, a summary of the rationale for the investment decision will be prepared by the investment committee, if appointed, and submitted to the board of directors. This summary is expected to include, among other things, the estimated return on investment, timeline of investment, guidelines against which future progress can be measured and the risks associated with the investment. The Investment Policy further provides that all investments will be submitted to the board of directors for final approval and that the Company's investment objectives, strategy, principal investment targets and investment restrictions may be amended only on the recommendation of the investment committee or senior management and approval by the board of directors. The Investment Policy does not prescribe a separate detailed procedure for board approval of investment sales or valuations. The Company confirms that it will include appropriate disclosure in its MD&A regarding the board's role in approving investment purchases, sales and valuations going forward, including as part of its disclosure regarding significant investment valuations and related estimates, judgments and inputs, as applicable.

SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed quarters, all prepared in accordance with IFRS.

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
	$	$	$	$
Net loss	**4,878,995**	506,169	106,771	307,303
Basic and diluted loss per share	**(0.11)**	(0.04)	(0.01)	(0.03)
Total Assets	**17,884,497**	514,806	28,499	5,482

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
	$	$	$	$
Net loss	559,217	254,203	133,329	67,657
Basic and diluted loss per share	(0.07)	(0.04)	(0.03)	(0.02)
Total Assets	888	301,593	452,287	302,952

There are no general trends regarding the Company's quarterly results and the Company's business is not seasonal, as it can develop and progress on a year-round basis (funding permitting). Quarterly results may vary significantly depending mainly on whether the Company has engaged in new activities or abandoned any projects and these factors, which may account for material variations in the Company's quarterly net income (losses) are not predictable.

During Q4 2024 (three months ended December 31, 2024) and Q4 2025 (three months ended December 31, 2025), the significant increase in net losses was due to fair value loss on various investments, consulting expenses, and share based compensation.

SELECTED ANNUAL INFORMATION

A summary of selected annual financial information for the last three fiscal years is as follows, as expressed in Canadian dollars, and in accordance with IFRS:

	For years ended December 31,		
	2025	2024	2023
	$	$	$
Net loss	**(5,799,238)**	(1,014,406)	(4,079,959)
Basic and diluted loss per share	**(0.29)**	(0.18)	(1.33)
Total Assets	**17,884,497**	888	296,989
Total Liabilities	**455,441**	831,232	760,330

RESULTS OF OPERATIONS

Year ended December 31, 2025 ("2025") compared to year ended December 31, 2024 ("2024")

For the year ended December 31, 2025, the Company recorded a net loss of $5,799,238 (2024 - $1,014,406). Some of the significant charges to operations are as follows:

- Professional fees increased to $338,839 (2024 - $80,575). The Company engaged additional lawyers and professionals to assist with ongoing investment opportunities and other regulatory filings during the prior year.

- Management fees decreased slightly to $35,925 (2024 - $49,275). The decrease relates to changes on the Company's management which resulted in a reduction in management fees as compared to the prior year.

- Office and miscellaneous costs increased to $78,699 (2024 - $21,727) due to increased business activity around the reorganization of the business and acquisition of the BETSource Group.

- Consulting fees increased to $585,877 (2024 - $370,905). The Company engaged additional consultants during the year in relation to work done around the acquisition of the BETSource Group as well as an increased reliance on outsourced services.

- Transfer agent and filing fees decreased to $45,831 (2024 - $92,419) as the Company initiated a lower level of treasury transactions in 2025 compared to 2024.

- Share-based compensation increased significantly to $2,391,795 (2024 - $92,419) resulting from the value ascribed to the issuance of warrants, options and RSUs.

- The Company recognized a net loss of $331,024 (2024 - $30,733) on the settlement of certain payables balances and historical liabilities. The Company took the opportunity to settle aged payables as it continued the reorganization of the Company.

- The Company recognized net interest income of $32,421 (2024 – net expense of $33,682) resulting from the income on cash balances held at December 31, 2025 and advances receivable from the BETSource Group.

- The Company incurred a foreign exchange loss of $73,587 (2024 - $nil) in relation to transactions with United States based vendors and transactions, in relation to the BETSource Group.

- Transaction costs increased to $1,909,081 (2024 - $nil) due to costs incurred with the acquisition of the BETSource Group.

- Financing costs increased to $41,000 (2024 - $33,500) due to various costs associated with settlement of convertible promissory notes payable and the acquisition of the BETSource Group.

Three months ended December 31, 2025 ("Q4 2025") compared to the three months ended December 31, 2024 ("Q4 2024")

For the three months ended December 31, 2025, the Company recorded a net loss of $4,878,995 (Q4 2024 - $559,217). Some of the significant charges to operations are as follows:

- Professional fees increased to $290,286 (Q4 2024 - $11,644). The Company engaged additional lawyers and professionals to assist with ongoing investment opportunities and other regulatory filings during the prior year.

- Management fees decreased slightly to $9,375 (Q4 2024 - $12,525). The decrease relates to changes on the Company's management which resulted in a reduction in management fees as compared to the prior year.

- Office and miscellaneous costs increased to $65,818 (Q4 2024 - $28,064) due to increased business activity around the reorganization of the business and acquisition of the BETSource Group.

- Consulting fees increased to $473,167 (Q4 2024 - $204,435). The Company engaged additional consultants during the year in relation to work done around the acquisition of the BETSource Group as the Company increased reliance on outsourced services.

- Transfer agent and filing fees decreased to $22,816 (Q4 2024 - $69,342) as the Company initiated a lower level of treasury transactions in Q4 2025 compared to Q4 2024.

- Share-based compensation increased significantly to $1,797,000 (Q4 2024 - $50,445) resulting from the value ascribed to the issuance of warrants, options and RSUs.

- The Company recognized a net loss of $270,674 (Q4 2024 - $30,733) on the settlement of certain payables balances and historical liabilities. The Company took the opportunity to settle aged payables as it continued the reorganization of the Company.

- The Company recognized net interest income of $28,852 (Q4 2024 - net expense of $33,682) resulting from the income on cash balances held at December 31, 2025 and advances receivable from the BETSource Group.

- The Company incurred a foreign exchange loss of $69,629 (Q4 2024 - $nil) in relation to transactions with United States based vendors and transactions, in relation to BETSource.

- Transaction costs increased to $1,909,081 (Q4 2024 - $nil) due to costs incurred with the acquisition of the BETSource Group.

LIQUIDITY AND CAPITAL RESOURCES

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise programs depending on its working capital position.

As at December 31, 2025, the Company had a working capital of $2,511,533 (December 31, 2024 - deficiency of $606,331) which primarily consisted of cash of $2,694,656 (December 31, 2024 - $887), prepaid expenses of $272,318 (December 31, 2024 - $nil). As at December 31, 2025, accounts payable and accrued liabilities of $416,341 (December 31, 2024 - $582,218) and loans payable of $39,100 (December 31, 2024 - $25,000).

During the period ended December 31, 2025, cash used in operating activities was $3,106,967 (December 31, 2024 - $360,954). During the period ended December 31, 2025, cash used in operating activities consisted of net losses of $5,799,238 (2024 - $1,014,406), and cash used to pay accounts payable and prepaid expenses, as well as items not affecting cash including share-based compensation, and loss on debt settlement. Please refer to results of operation for details.

During the period ended December 31, 2025, cash provided by financing activities was $5,800,736 (December 31, 2024 - $355,218). This mainly consisted of funds received from issuance of shares of $5,284,615 (December 31, 2024 - $344,410), funds received from the exercise of warrants of $586,402 (December 31, 2024 - $nil), funds received from the exercise of stock options of $182,248 (December 31, 2024 - $nil), loan proceeds of $124,500 (December 31, 2024 - $92,000) and, net loan repayments of $131,567 (December 31, 2024 - $81,192), offset by the payment of share issue costs of $245,462 (2024 - $nil).

Other than the above-mentioned current liabilities, the Company has no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

Common Share Transactions

The Company's significant transactions during the year ended December 31, 2025 were as follows:

During the year ended December 31, 2025, the Company had the following common share transactions:

- On January 23, 2025, the Company issued 2,717,959 units pursuant to the conversion of $258,206 principal value of convertible promissory notes. Each unit is comprised of one common share and one common share purchase warrant, with each warrant exercisable into one common share for a period of two years at a price of $0.15.

- On February 10, 2025, the Company settled debt in an aggregate amount of $150,000 by issuing an aggregate of 600,000 units with a fair value of $446,100, recognizing a loss on debt settlement of $296,100. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at $0.325 for two years from the date of issuance. The warrants were valued using the Black-Scholes model with the following inputs: term – 2 years, expected volatility – 201%, risk free rate – 2.66%, and expected dividends – zero.

- On October 6, 2025, the Company issued 6,697,332 units at a price of $0.30 per unit for gross proceeds of $2,009,200 and 33,334 units for settlement of debt of $18,000 pursuant to a non-brokered private placement. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant will entitle the holder thereof to acquire one common share at a price of $0.45 for a period of two years from the date of issuance. The compensatory warrants related to the settlement of debt were valued using the Black-Scholes model with the following inputs: term – 2 years, expected volatility – 155%, risk free rate – 2.47%, and expected dividends – zero. The Company recognized a loss on settlement of debt of $4,654.

- On November 13, 2025, the Company issued 10,918,045 units at a price of $0.30 per unit for gross proceeds of $3,275,414 and 283,666 units for settlement of debt of $41,000 pursuant to a non-brokered private placement. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant will entitle the holder thereof to acquire one common share at a price of $0.45 for a period of two years from the date of issuance. The compensatory warrants related to the settlement of debt were valued using the Black-Scholes model with the following inputs: term – 2 years, expected volatility – 151%, risk free rate – 2.47%, and expected dividends – zero. The Company recognized a loss on settlement of debt of $206,399.

- On December 10, 2025, the Company issued 70,000,002 common shares upon the acquisition of the BETSource Group, subject to contractual resale restrictions with a fair value of $14,917,523. Alongside, the Company issued an aggregate of 62,710,000 performance warrants with a fair value of $nil.

- During the year ended December 31, 2025, the Company issued 1,150,000 common shares upon the exercise of stock options for total proceeds of $182,248. In addition, $153,638 representing the fair value initially recognized, was re-allocated from reserves to share capital.

- During the year ended December 31, 2025, the Company issued 3,909,336 common shares upon the exercise of warrants for total proceeds of $586,402.

- During the year ended December 31, 2025, the Company issued 700,000 common shares upon the conversion of RSUs for no additional consideration. In addition, $222,000 representing the fair value initially recognized, was re-allocated from reserves to share capital.

Loan Payable

During the year ended December 31, 2025, the Company received $124,500 (2024 - $92,000) in loans from arm's length parties, incurred interest of $5,167 (2024 - $nil) and facilitation fees of $41,000 (2024 - $nil). During the year ended December 31, 2025, the Company made cash principal payments of $117,000 (2024 - $81,192), interest payments of $3,567 (2024 - $nil) and paid $1,000 towards facilitation fee to loan holders (2024 - $nil) and $25,000 of facilitation fees was forgiven by the lender and included in gain on write off of accounts payable (2024 - $nil).

During the year ended December 31, 2024, the Company extinguished $316,156 of loans payable bearing interest at 10% per annum in exchange for the issuance of $316,156 in convertible promissory notes.

As at December 31, 2025, loans payable of $39,100 (December 31, 2024 - $25,000) consisted of $32,500 in principal (December 31, 2024 - $25,000), accrued interest of $1,600 (December 31, 2024 - $nil), and facilitation fees of $5,000 (December 31, 2024 - $nil). The principal bears interest at 10% per annum, are due on demand and unsecured.

Convertible Promissory Notes

During the year ended December 31, 2024, the Company issued $316,156 of convertible promissory notes in exchange for the extinguishment of $316,156 of loans payable. Each convertible promissory note is convertible into units consisting of one common share and one common share purchase warrant at a conversion price of $0.095. Each common share purchase warrant has a term of 24 months from the date of issuance and entitles the holder to purchase one common share at a price of $0.15. The convertible promissory notes are unsecured, non-interest bearing and mature on June 28, 2026. On initial recognition, the Company bifurcated $54,870 to equity and $261,286 to the carrying value of the convertible promissory notes, which will be accreted to $316,156 over the term of the convertible promissory notes. During the year ended December 31, 2025, the Company recognized accretion of $1,350 (2024 - $10,907) included in interest expense in the statements of loss and comprehensive loss. The effective interest rate of the debentures is 10%.

On January 23, 2025, the Company issued 2,717,959 units pursuant to the conversion of $258,206 of convertible promissory notes. As a result, the Company reallocated $225,363 from the carrying value and $44,813 from equity portion of convertible promissory notes to share capital. During the year ended December 31, 2024, the Company issued 610,000 units pursuant to the conversion of $48,179 of convertible promissory notes. As a result, the Company reallocated $48,179 from the carrying value and $10,057 from the equity portion of the convertible promissory notes to share capital.

As at December 31, 2025, outstanding convertible promissory notes were $nil (December 31, 2024 - $224,014).

RELATED PARTY TRANSACTIONS

The Directors and Executive Officers of the Company are as follows:

Kevin Cornish	Interim CEO, and CFO
Matthew McArthur	Director
Justin Jacobson	Director
Henry (Hank) Frecon III	Director
Steve Vanry	Former Director, and Corporate Secretary
Michael Leahy	Former CEO
Shriram Bangalore	Former CFO
Alex Benger	Former Director
Mohammad Sharifi	Former Director
Lawrence Hay	Former Director, former CFO & former corporate secretary

A summary of the Company's related party transactions for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
	$	$
Management fees paid/accrued to companies controlled by officers of the Company	**17,325**	12,600
Management fees paid/accrued to former officers or directors of the Company	**3,150**	12,300
Management fees paid/accrued to companies controlled by directors of the Company	**1,050**	12,600
Management fees paid/accrued to directors of the Company	**14,400**	11,775
	35,925	49,275

As at December 31, 2025, $5,250 was due to related parties (December 31, 2024 - $68,325) and included in the accounts payable and accrued liabilities. All balances are unsecured, non-interest bearing, and are due on demand.

During fiscal 2025, the Company completed debt settlements with related parties, settling aggregate debt of $18,000 with the issuance of 33,334 units with a fair value of $22,654, resulting in a loss on settlement of $4,654.

SIGNIFICANT ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the reported amount of net assets, liabilities, and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the amortization of equipment, recoverability of the carrying value of exploration and evaluation assets, fair value measurements for, reserves and accumulated depletion, financial instruments and stock-based compensation and other equity-based payments, and the recoverability of deferred tax assets. Actual results may differ from those estimates and judgments.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgement applied in preparing the Company's financial statements is the assessment of the Company's ability to continue as a going concern.

OUTSTANDING SHARE DATA

The following details the common shares, stock options, RSUs, finders' warrants, and warrants outstanding as of the date of this MD&A

	December 31, 2025	MD&A Date
	#	#
Common shares	105,404,414	108,574,413
Finder's warrants	712,377	600,377
Warrants	76,379,371	75,191,794
Options	2,050,000	2,050,000
RSU	3,000,000	800,000

EVENTS AFTER THE REPORTING PERIOD

The following events occurred subsequent to the year-ended December 31, 2025:

- the British Columbia Securities Commission ("BCSC") issued a Cease Trade Order ("CTO") to the Company, as a result of the Company's failure to file the following periodic disclosures when due: (1) annual audited financial statements for the year ended December 31, 2025; (2) annual management's discussion and analysis for the year ended December 31, 2025; and (3) certification of annual filings for the year ended December 31, 2025;
- granted 250,000 RSU's to a consultant;

- entered into a marketing agreement for consideration of $400,000 with services to be received over a six-month period;
- advanced $1,267,222 to Source Digital, Inc., a company with a common director, pursuant to a promissory note agreement signed January 1, 2026, which can be drawn in tranches to an aggregate amount of $2,000,000. Amounts drawn under the note are due on demand and bear interest at 10% per annum.
- advanced US$100,000 to Epoxy AI, LLC. The promissory note is non-interest bearing, subject to a general security agreement and is repayable 90 days following a triggering event, being the failure of the Company and Epoxy to sign and complete a definitive agreement;
- issued 2,450,000 common shares for settlement of RSU's, prior to the CTO;
- issued 720,000 common shares on exercise of warrants for proceeds of $108,000; prior to the CTO.

BETSource GROUP INVESTMENT

The following discussion pertains specifically to the Company's investment in the BETSource Group and is presented in US$. The specifically disclosed information in this section is for the results of operation of BETSource for the year ended December 31, 2025. The disclosures in this section are unaudited and out of the scope from the Company's audited financial statements for the year ended December 31, 2025. Comparative figures have not been presented because the comparative period preceded the commencement of BETSource's operations and, accordingly, would not provide meaningful comparative information.

BETSource Group - Results of Operations

	Year ended December 31, 2025
	US$
REVENUE	**43,480**
OPERATING EXPENSES	
Foreign exchange	**1,000**
General and administrative	**28,079**
Corporate development	**47,000**
Licensing fee	**204,750**
Managed services	**388,158**
Payroll expense	**360,624**
Professional fees	**66,780**
Subcontractors	**168,480**
Travel	**29,651**
Operating loss	**(1,251,042)**
OTHER EXPENSES	
Facilitation fees	**5,000**
Interest expense on loans payable	**1,134**
Interest expense on promissory note	**27,515**
Net loss and comprehensive loss for the year	**(1,284,691)**

Year ended December 31, 2025 ("2025")

For the year ended December 31, 2025, the BETSource Group recorded a net loss of US$1,284,691. Some of the significant charges to operations are as follows:

- Revenue was US$43,480 resulting from services and platform fees being generated through the Company's BETSource network. BETSource began operations during the year ended December 31, 2025.

- Operating expenses were US$1,251,042 resulting from the launch of BETSource operations and noting the incurrence of start up costs corresponding with the increase in the scale of operations as the Company began its ramp up of business operations following the acquisition by GOAT.

- General and administrative expenses were US$28,079 resulting from general office costs and administrative costs associated with BETSource beginning to monetize and use its application platform.

- Corporate development expenses were US$47,000 resulting in fees for planning and strategic planning coinciding with the launch of the BETSource application and the commencement of revenue generating operations.

- Licensing fees incurred from Source Digital were US$204,750 resulting from the usage of digital technologies and licensed app usage by the Company. These technologies form the basis of the BETsource application. With the new ownership structure (with Source Digital holding less than a 51% stake in Source Gaming), it is expected that Source Digital will charge Source Gaming approximately US$41,000 a month to solidify all of the baseline technology functions and expand all of the adtech feature sets beyond just interactive betting.

- Managed services expense incurred from Source Digital were US$388,158 in relation to leadership and administrative support charged to Source Gaming via managed services fees.

- Payroll expenses were US$360,624 resulting from preparatory work and due to increased staff and employees coinciding with the launch of business operations and the associated technical preparatory work.

- Professional fees were US$66,780 resulting from an allocation of legal costs as well as directly incurred accounting and audit fees related to work done around the acquisition by GOAT and the associated regulatory filings required to be completed.

- Subcontractor expenses were US$168,480 resulting from the use of subcontracted technology services and support coinciding with the launch of business operations by the BETSource Group.

- Travel expenses were US$29,651 due to a general increase in travel for business purposes in relation to the launch and commencement of operations of the BETSource platform, as well as travel related in relation to the acquisition of the BETSource Group by GOAT.

- The BETSource Group incurred US$5,000 in facilitation fees related to the initiation of a promissory notes payable to GOAT which commenced in October of 2025.

- The BETSource Group incurred US$28,649 of interest expense in relation to its outstanding obligations related to loans payables and its promissory note payable to GOAT.

BETSource Group - Liquidity and cash flow results

	Year ended December 31, 2025
	US$
OPERATING	
Net loss and comprehensive loss for the period	(1,284,691)
Items not affecting cash:	
Accrued interest on promissory notes payable	27,515
Accrued interest on loans payable	1,133
Changes in non-cash working capital:	
Accounts payable and accrued liabilities	(15,078)
Due to related party	(87,885)
Net cash - Operating	(1,359,006)
INVESTING	
Cash acquired in RTO transaction	184,980
Net cash - Investing	184,980
FINANCING	
Advances on promissory notes payable	1,175,023
Net cash - Financing	1,175,023
Change in cash during the period	997
Cash, beginning of the period	937
Cash, end of the period	1,934

During the year ended December 31, 2025, cash used in operating activities was US$1,359,006. Cash used in operating activities consisted of net loss and comprehensive loss of US$1,284,691, interest expenses of US$28,648, payments to accounts payable and accrued liabilities of US$15,078, and offset by a decrease in due from related party of US$87,885. Please refer to the BETSource Group's results of operation for details.

During the year ended December 31, 2025, cash from investing activities was US$184,980 resulting from cash acquired during the RTO transaction between 150 BC and Source Gaming.

During the year ended December 31, 2025, cash from financing activities was US$1,175,023 owing to advances received on promissory notes payable to GOAT, in relation with the GOAT acquisition.

OFF STATEMENT OF FINANCIAL POSITION ARRANGEMENTS

At the date of this report, the Company had no material off statement of financial position arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

PROPOSED TRANSACTIONS

There are currently no significant proposed transactions, other than what is disclosed elsewhere in the MD&A.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles most of its financial obligations with cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company is exposed to liquidity risk.

As at December 31, 2025, the Company had a cash balance of $2,694,656 (December 31, 2024 - $887) to settle current liabilities of $455,441 (December 31, 2024 - $607,218), which are due within 12 months.

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 that potentially subject the Company to a concentration of credit risk consist primarily of cash.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest rate risk consists of two components:

To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and

To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and financial liabilities are generally not exposed to interest rate cash flow risk due to their fixed interest rates and short-term nature and maturity.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange. The Company has limited foreign exchange exposure. The Company has not entered into any foreign currency contracts to mitigate this risk.

Price risk

Price risk is the risk of potential losses to the Company's earnings due to movements in individual equity movements. As at December 31, 2025, the Company's investments of $14,917,523 are subject to fair value fluctuations. If the fair value of the Company's investments had a decrease or increase of 10% with all other variances held constant, the net loss and comprehensive loss for the year ended December 31, 2025 would be approximately $1,491,752 higher or lower based on the fair value of the BETSource Group.

Management of capital

The Company manages its capital structure and makes adjustments 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 years ended December 31, 2025 and 2024. The Company is not subject to externally imposed capital requirements.

RISK FACTORS

The following are certain risk factors relating to the business carried on by the Company that prospective holders of Shares should carefully consider.

Early Stage

The Company's present business is at an early stage. As such, the Company is subject to many risks including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenue. There is no assurance that the Company 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. The Company currently has no source of revenue and expects to obtain financing in the future primarily through further equity and/or debt financing. While it has been successful in obtaining financing in the past, there is no guarantee that the Company will be successful now, or in the future. Failure to raise additional financing on a timely basis could cause the Company to eventually suspend its operations.

No Profits to Date

The Company has not made profits since its incorporation and it may not be profitable for the foreseeable future. Its future profitability will, in particular, depend upon the timing of the realization or disposition of the Company's investments. Because of the limited operating history and the uncertainties surrounding the Company's investments, management does not believe that the operating results to date should be regarded as indicators for the Company's future performance.

Going Concern Assumption

The financial statements of the Company have been prepared in accordance with IFRS on a going concern basis, which presumes 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's continuation as a "going concern" is uncertain and is dependent upon, amongst other things, attaining a satisfactory revenue level, the support of its customers, its ability to continue profitable operations, the generation of cash from operations, and its ability to obtain financing arrangements and capital in the future. These material uncertainties represent risks to the Company's ability to continue as a going concern and realize its assets and pay its liabilities as they become due. If the "going concern" assumption was not appropriate for the financial statements, then adjustments would be necessary to the carrying values of assets and liabilities, the reported expenses and the balance sheet classifications used. Such adjustments could be material.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to successfully develop its business. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Expenses May Not Align With Revenues

Unexpected events may materially harm the Company's ability to align incurred expenses with recognized revenues. The Company incurs operating expenses based upon anticipated revenue trends. Since a high percentage of these expenses may be relatively fixed, a delay in recognizing revenues from transactions related to these expenses (such a delay may be due to the factors described elsewhere in this risk factor section or it may be due to other factors) could cause significant variations in operating results from quarter to quarter, and such a delay could materially reduce operating income. If these expenses are not subsequently matched by revenues, the Company's business, financial condition, or results of operations could be materially and adversely affected.

Market Acceptance

The growth of the Company's investments in part depends on their ability to develop and market new products and improvements to their existing products that appeal to consumer preferences. The success of an investee company's innovation and product development efforts is affected by its ability to anticipate changes in consumer preferences, the technical capability of its research and development team in developing and testing product prototypes, including complying with applicable governmental regulations, the success of its management and sales and marketing team in introducing and marketing new products and positive acceptance by consumers. Failure to develop, successfully market and sell new products may inhibit an investee company's growth, sales and profitability, which may have a material adverse effect on the Company's investment.

Global Financial Developments

Stress in the global financial system may adversely affect the Company's finances and operations in ways that may be hard to predict or to defend against. Financial developments seemingly unrelated to the Company or to its industry may adversely affect the Company over the course of time. For example, material increases in any applicable interest rate benchmarks may increase the debt payment costs for any credit facilities. Credit contraction in financial markets may hurt its ability to access credit in the event that the Company identifies an acquisition opportunity or require significant access to credit for other reasons. A reduction in credit, combined with reduced economic activity, may adversely affect business. Any of these events, or any other events caused by turmoil in 36 world financial markets, may have a material adverse effect on the Company business, operating results, and financial condition.

Regulatory Risks

Various aspects of the Company's business and/or investments are subject to laws of the jurisdictions in which they operate. The impact of applicable governmental legislative and compliance regime and any delays in obtaining, or failure to obtain, regulatory approvals could significantly delay or impact the development of markets, products and sales initiatives and could have a material adverse effect on the business, results of operations and financial condition of the Company and/or its investments.

Dependence on Third Party Relationships

The Company is highly dependent on a number of third-party relationships to conduct its business and implement expansion plans. It cannot be assured that all of these partnerships will turn out to be as advantageous as currently anticipated or that other partnerships would not have proven to be more advantageous. In addition, it is impossible to assure that all associated partners will perform their obligations as agreed.

Economic Conditions

Current and future unfavourable economic conditions could negatively impact the Company's financial viability. Unfavourable economic conditions could also increase the Company's financing costs, decrease net income or increase net loss, limit access to capital markets and negatively impact any of the availability of credit facilities to the Company.

Failure to Grow at the Rate Anticipated

The Company is a start-up company with no history of sales or profitability. If the Company is unable to achieve adequate revenue growth, its ability to become profitable may be adversely affected and the Company may not have adequate resources to execute its business strategy.

Management of Growth

The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Company may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Company's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate and manage its employees. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

Litigation

The Company may become involved in litigation that may materially adversely affect it. From time to time in the ordinary course of the Company business, it may become involved in various legal proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition. More specifically, the Company may face claims relating to information that is retrieved from or transmitted over the Internet or through the solution and claims related to the Company's products. In particular, the nature of the Company's business exposes it to claims related to intellectual property rights, rights of privacy, and personal injury torts. Furthermore, there is no assurance that any liability incurred as a result of litigation can be recovered from the Company's insurance policy.

Conflicts of interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA. To the best of the Company's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest between the Company and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

Difficulty to Forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the sports wagering technology business. 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.

Internal Controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's Shares.

Concentration Risk

The Company's investment portfolio is currently concentrated in a single investment, being the BETSource Group. As at December 31, 2025, the BETSource Group represented substantially all of the fair value of the Company's investment portfolio. This concentration means that the Company's financial performance is closely tied to the performance of a single investee and a single underlying business. Any adverse developments affecting the BETSource Group, whether operational, financial, regulatory, technological or otherwise, could have a material adverse effect on the Company's results of operations, financial condition and the value of its investments. Unlike a diversified investment portfolio, the Company does not currently benefit from risk mitigation through diversification across multiple investments, industries or geographies. There can be no assurance that the Company will be successful in diversifying its investment portfolio in the future, and the Company may continue to be dependent on the BETSource Group for an extended period of time.

Valuation Risk Related to Investments in Private Companies

The Company's investment in the BETSource Group is an investment in private companies whose securities are not publicly traded. As a result, the fair value of the Company's investment must be determined using valuation techniques that rely on estimates, assumptions and judgments of management, including Level 3 fair value measurements involving non-observable inputs. These estimates are inherently uncertain and may differ significantly from the values that would be realized in an arm's length transaction or upon a liquidity event. Factors that may affect the fair value of the Company's investment include, among other things, the financial performance of the investee, changes in market conditions, developments in the sports betting and digital media industries, the investee's ability to achieve revenue milestones, and the availability and terms of comparable transactions. There can be no assurance that valuation methodologies applied will accurately reflect the realizable value of the investment. A material change in the fair value of the BETSource Group investment could have a significant impact on the Company's financial statements and results of operations. The Company has a history of impairment of its historical investments, and there is a risk that the BETSource Group investment may also be subject to fair value losses in the future.

Currency Risk

The BETSource Group operates primarily in the United States, and its revenues and expenses are predominantly denominated in United States dollars. The Company's functional and reporting currency is the Canadian dollar. As a result, the Company is exposed to foreign currency exchange risk arising from fluctuations in the exchange rate between the Canadian dollar and the United States dollar. As the Company continues to fund the operations of the BETSource Group through advances denominated in United States dollars, and as the BETSource Group's revenues are generated in United States dollars, fluctuations in exchange rates may have a material impact on the Company's reported financial results, including the fair value of its investment, the carrying value of intercompany balances, and the translation of the investee's financial performance for disclosure purposes. The Company has not entered into any hedging arrangements to mitigate this foreign currency exposure.

Conflicts of Interest Related to Investment and Fee Structure

Certain directors and officers of the Company may have interests in the BETSource Group, including through their prior roles with or ownership interests in the entities comprising the BETSource Group. Henry (Hank) Frecon III, a director of the Company and a principal securityholder, is the CEO and co-founder of Source Gaming and continues to supervise day-to-day operations, technology planning and commercial implementation for the BETSource Group. This dual role may give rise to conflicts of interest between Mr. Frecon's duties to the Company as a director and his interests in, and obligations to, the BETSource Group. In addition, certain former shareholders of 1509467 B.C. Ltd. and Veroom, Inc. hold performance warrants that vest upon the achievement of revenue milestones by the BETSource Group. These performance-based compensation arrangements may create incentives that are not fully aligned with the interests of the Company's other shareholders, including with respect to the timing or characterization of revenue recognition, capital allocation decisions, and the pursuit of growth strategies that prioritize short-term revenue targets over long-term value creation. The Company relies on the fiduciary duties of its directors under the Business Corporations Act (British Columbia) and its internal governance policies and procedures to manage potential conflicts of interest. However, there can be no assurance that such measures will be sufficient to prevent conflicts from arising or to ensure that all transactions between the Company and the BETSource Group are conducted on terms that are in the best interests of the Company's shareholders.

Industry-Specific Risks — Sports Betting, Gaming Technology and Digital Media

The BETSource Group operates in the sports betting, gaming technology and digital media industries, which are subject to rapid technological change, evolving consumer preferences, intense competition and significant regulatory oversight. The success of the BETSource Group depends on its ability to maintain and enhance its proprietary technology platform, attract and retain users and commercial partners, and adapt to shifting market dynamics. The sports betting industry in the United States is characterized by a rapidly evolving regulatory landscape, with legalization and licensing requirements varying significantly from state to state. Changes in legislation, regulation or licensing requirements in any of the jurisdictions in which the BETSource Group operates, or seeks to operate, could restrict, delay or prohibit the BETSource Group's operations, increase compliance costs or otherwise adversely affect its business. The BETSource Group also faces significant competition from established industry participants with substantially greater scale, resources, brand recognition, revenue generation, and market share. There can be no assurance that the BETSource Group will be able to successfully compete against these participants or that its products and services will achieve meaningful market adoption. In addition, the digital media and advertising industries are subject to cyclical fluctuations and changes in advertiser spending patterns, which could adversely affect the BETSource Group's ability to generate advertising revenues through its platform.

Specific Key Risks of the Investee — BETSource Group

As the Company's sole current investment, the following risks specific to the BETSource Group could materially affect the Company:

Limited operating history and revenue generation: Source Gaming has a limited operating history. Source Gaming has since entered into revenue-generating contracts, there is no assurance that Source Gaming will be able to generate sufficient revenues to sustain its operations or achieve profitability. The BETSource Group's revenue model relies on subscriptions, advertising and sponsorship inventory sales, and affiliate-based revenues through attribution events, all of which remain at an early stage of development.

Dependence on key contracts and relationships: The BETSource Group's current revenue base is heavily dependent on a limited number of contractual relationships. The loss of, or a material adverse change in, any of these key relationships could have a disproportionate impact on the BETSource Group's revenues and financial condition. There can be no assurance that its remaining or future commercial relationships will generate the anticipated revenues or prove to be commercially viable.

Dependence on key personnel: The BETSource Group is highly dependent on the continued services and leadership of Henry (Hank) Frecon III, who serves as the CEO of Source Gaming and oversees day-to-day operations, technology planning and commercial implementation. The loss of Mr. Frecon's services could have a material adverse effect on the BETSource Group's operations and the Company's investment.

Capital requirements and need for ongoing funding: The BETSource Group does not currently generate sufficient revenues to fund its operations independently and has been reliant on advances from the Company to support its operations. There can be no assurance that the Company will have sufficient capital to continue funding the BETSource Group, and the Company's ability to do so is dependent on its own ability to raise additional financing through equity or debt issuances.

Licensing and regulatory compliance: Source Gaming currently holds affiliate licenses for sports wagering in over 15 U.S. states and the Province of Ontario. The maintenance of these licenses is essential to the BETSource Group's ability to generate affiliate-based revenues. Any failure to maintain existing licenses, obtain licenses in new jurisdictions, or comply with applicable regulatory requirements could materially restrict the BETSource Group's operations and revenue-generating capacity.

Regulatory, Legal and Economic Risks of Operating in Emerging or Developing Markets

While the BETSource Group currently operates primarily in the United States and Ontario, Canada, the Company's investment policy does not restrict investments by geography. The Company may in the future invest in companies that operate in emerging or developing markets, which may be subject to heightened regulatory, legal and economic risks, including political instability, currency controls, expropriation risk, weak rule of law, less developed regulatory frameworks, limited access to judicial remedies, and greater susceptibility to corruption and fraud. In addition, certain segments of the United States sports betting and online gaming market in which the BETSource Group currently operates may be considered emerging markets from a regulatory perspective, as the legal framework governing sports betting continues to evolve following the 2018 U.S. Supreme Court decision in Murphy v. National Collegiate Athletic Association. State-by-state legalization remains ongoing, and the regulatory environment is subject to change. These factors may give rise to uncertainty regarding the enforceability of contracts, the stability of licensing regimes, and the potential for changes in tax treatment, all of which could adversely affect the BETSource Group's operations and, in turn, the value of the Company's investment.

Cautionary Statement

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A: Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, 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 "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", “propose”, "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These 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. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental regulatory and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company to meet certain work commitments, and work plans to be conducted by the Company.