

MINEHUB TECHNOLOGIES INC.

Condensed Consolidated Interim Financial Statements

For the Nine Months Ended October 31, 2021 and 2020

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

MINEHUB TECHNOLOGIES INC.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	Notes	October 31, 2021 (Unaudited)	January 31, 2021
Assets			
Current assets			
Cash		\$ 5,877,967	\$ 456,179
Receivables	4	317,064	125,918
Prepaid expenses	8	786,884	263,000
Total assets		\$ 6,981,915	\$ 845,097
Liabilities			
Current liabilities			
Trade payables and accrued liabilities	5	\$ 704,791	\$ 889,925
Short-term loans	6	-	252,766
Convertible notes	7	1,202,794	898,681
		1,907,585	2,041,372
Long-term liabilities			
Convertible notes	7	-	752,547
Total liabilities		-	2,793,919
Shareholders' equity			
Share capital	8	17,351,747	5,232,840
Equity component of convertible debt reserve	8	78,012	131,507
Equity compensation reserve	8,9	1,669,707	424,506
Deficit		(14,025,136)	(7,737,675)
Total shareholders' equity		5,074,330	(1,948,822)
Total liabilities and shareholders' equity		\$ 6,981,915	\$ 845,097

Nature of and continuance of operations (Note 1)
Subsequent events (Note 13)

Approved on behalf of the Board on December 20, 2021:

"Vince Sorace"
Vince Sorace, Director

"Joseph Nakhla"
Joseph Nakhla, Director

The accompanying notes are an integral part of these consolidated interim financial statements

MINEHUB TECHNOLOGIES INC.
Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

	Notes	Three Months Ended October 31, 2021	Three Months Ended October 31, 2020	Nine Months Ended October 31, 2021	Nine Months Ended October 31, 2020
Revenue		\$ -	\$ 19,875	\$ -	\$ 47,646
Expenses					
Administrative services		\$ 15,000	\$ 18,000	\$ 49,500	\$ 54,000
Consulting		534,397	14,148	889,903	47,529
Finance expense	8	162,949	-	359,383	49,800
Interest expense	6,7	87,297	31,090	242,078	67,345
Development costs		717,284	775,556	2,055,963	925,556
Management fees	10	253,542	129,435	544,431	315,890
Marketing		265,115	5,077	360,040	9,027
Office and miscellaneous		130,145	18,311	288,206	42,806
Payroll expenses		143,199	32,225	256,463	32,225
Professional fees		126,650	89,023	399,397	110,667
Regulatory fees		79,393	895	94,656	900
Stock-based compensation	8,10	199,589	99,182	615,427	100,182
Travel		611	-	1,497	8,849
		(2,715,171)	(1,212,942)	(6,156,944)	(1,764,776)
Other income (expenses)					
Foreign exchange gain (loss)		(5,213)	1,584	2,778	(25,509)
Loss on debt settlement	7(c)	(133,295)	-	(133,295)	-
Net and comprehensive loss		\$ (2,853,679)	\$ (1,191,483)	\$ (6,287,461)	\$ (1,742,639)
Loss per share – basic and diluted		\$ (0.04)	\$ (0.03)	\$ (0.10)	\$ (0.05)
Weighted Average Number of Shares Outstanding		66,464,012	41,521,782	63,117,658	37,397,410

The accompanying notes are an integral part of these consolidated interim financial statements

MINEHUB TECHNOLOGIES INC.

 Consolidated Interim Statement of Changes in Shareholders' Equity
 (Expressed in Canadian dollars)

	Notes	Share Capital		Equity Compensation Reserve	Equity Component of Convertible Debt Reserve	Deficit	Total Shareholders' Equity
		Number of Shares	Amount				
Balance, January 31, 2020		33,771,000	\$ 2,456,050	\$ 38,571	\$ -	\$(4,500,188)	\$ (2,005,567)
Shares issued for cash, net of share issue cost	8	9,277,250	2,343,160	-	-	-	2,343,160
Shares issued as finders' fees	8	906,000	-	-	-	-	-
Shares issued as a bonus on financings	8	199,200	49,800	-	-	-	49,800
Shares issued for services	8	78,200	19,550	-	-	-	19,550
Stock-based compensation	8,10	-	-	100,182	-	-	100,182
Shares issued for debt	6 (e),8	154,120	38,530	-	-	-	38,530
Equity component of convertible notes	8	-	-	-	112,141	-	112,141
Net and comprehensive loss for the period		-	-	-	-	(1,742,639)	(1,742,639)
Balance, October 31, 2020		44,385,770	\$ 4,907,090	\$ 138,753	\$ 112,141	\$(6,242,827)	\$ (1,084,843)
Balance, January 31, 2021		45,037,270	\$ 5,232,840	\$ 424,506	\$ 131,507	\$(7,737,675)	\$ (1,948,822)
Shares issued for cash, net of share issue cost	8	15,299,350	11,536,980	303,543	-	-	11,840,523
Shares issued as finders' fees	8	50,000	-	-	-	-	-
Cancellation of founders' shares and issued for prepaid services	8	(692,000)	(96,050)	-	-	-	(96,050)
Shares issued for services	8	431,000	253,000	-	-	-	253,000
Repayment and conversion of convertible debt	7,8	266,600	266,600	-	(21,739)	-	244,861
Compensation warrants	8	-	-	382,227	-	-	382,227
Exercise of warrants	8	150,000	112,500	-	-	-	112,500
Reallocation of fair value upon warrant exercise	8	-	31,756	-	(31,756)	-	-
Exercise of stock options	8	28,750	8,125	-	-	-	8,125
Reallocation of fair value upon stock option exercise	8	-	5,996	(5,996)	-	-	-
Stock-based compensation	8,10	-	-	565,427	-	-	565,427
Net and comprehensive loss for the year		-	-	-	-	(6,287,461)	(6,287,461)
Balance, October 31, 2021		60,570,970	\$ 17,351,747	\$ 1,669,707	\$ 78,012	\$(14,025,136)	\$ 5,074,330

The accompanying notes are an integral part of these consolidated interim financial statements

MINEHUB TECHNOLOGIES INC.
Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars)

	Nine Months Ended October 31, 2021	Nine Months Ended October 31, 2020
Cash provided by (used in):		
Operating activities		
Net loss	\$ (6,287,461)	\$ (1,742,639)
Item not effecting cash:		
Interest expense	242,078	67,345
Non-cash consulting fees	196,500	19,550
Non-cash finance expense	258,189	-
Stock-based compensation	615,427	100,182
Shares issued as bonus on loans	-	49,800
Shares issued for debt	-	38,530
Loss on debt settlement	133,295	-
Changes in non-cash working capital items:		
Accounts receivable	(191,146)	(158,765)
Prepaid expenses	(504,296)	(3,500)
Accounts payable and accrued liabilities	(185,184)	(179,149)
Net cash used in operating activities	(5,722,598)	(1,808,646)
Financing activities		
Proceeds from issuance of shares, net of issue costs	11,855,473	2,343,160
Proceeds from the issuance of loans	-	-
Proceeds from the exercise of warrants	112,500	-
Proceeds from the exercise of stock options	8,125	-
Loan repayment	(831,712)	-
Net cash provided by financing activities	11,144,386	2,343,160
Increase in cash	5,421,788	534,514
Cash, beginning	456,179	34,561
Cash, ending	\$ 5,877,967	\$ 569,075

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MINEHUB TECHNOLOGIES INC.

Notes to Consolidated Interim Financial Statements
For the nine months ended October 31, 2021 and 2020
(Expressed in Canadian dollars)

1. Nature and continuance of operations

MineHub Technologies Inc. (the “Company”) was incorporated in the province of British Columbia on February 19, 2018. The Company is engaged in the development and operation of a block-chain technology platform for the mining industry. The Company’s registered and records office is 400-725 Granville Street, Vancouver, British Columbia, V7Y 1G5. The Company’s head office is located at 717-1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3. On September 7, 2021, the Company’s common shares began trading on the TSX Venture Exchange (“TSX-V”) under the ticker MHUB and on the OTCQB under the ticker MHUBF.

These consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at October 31, 2021, the Company has generated minimal revenues and has incurred losses since inception. The Company’s continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors and/or private placements of common stock. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as “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. 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 and its operations in future periods.

These consolidated interim financial statements were authorized for issue by the Board of Directors on December 16, 2021.

2. Significant accounting policies

(a) Statement of compliance to International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed, and therefore these condensed consolidated interim financial statements should be read in conjunction with the Company’s January 31, 2021 audited annual consolidated financial statements and the notes to such financial statements.

(b) Basis of preparation

The consolidated interim financial statements have been prepared based on historical costs modified where applicable. The consolidated interim financial statements are presented in Canadian dollars unless otherwise noted. The policies set out below were consistently applied to all periods presented unless otherwise noted.

MINEHUB TECHNOLOGIES INC.
Notes to Consolidated Interim Financial Statements
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(Expressed in Canadian dollars)

2. Significant accounting policies (continued)

(c) Use of estimates and assumptions

The preparation of consolidated interim financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include fair value measurements for financial instruments, and the recoverability and measurement of deferred tax assets.

(d) Significant judgments

The preparation of consolidated interim financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company’s consolidated interim financial statements include:

- The assessment of the Company’s ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- Whether the expenditures incurred on the development of the Company’s platform meets the criteria for recognition as an intangible asset pursuant to IAS 38 *Intangible Assets*. The Company has determined that to date the Company’s platform under development does not meet the capitalization criteria. Consequently, the expenditures incurred that are directly attributable to its development have been expensed.

(e) Basis of consolidation

These consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries, Minehub (USA) Inc. and Minehub Technologies Netherlands B.V. All inter-company balances and transactions have been eliminated upon consolidation.

3. Development costs

On December 18, 2018, the Company entered into an agreement with The International Business Machines Corporation (“IBM”) to collaboratively develop a block-chain enabled platform to track and trace minerals from miners to end buyers. During the nine months ended October 31, 2021, the Company incurred \$1,786,570 (2020: \$695,136) to IBM in connection with the development of the platform (Note 5).

4. Receivables

	October 31, 2021	January 31, 2021
Sales taxes recoverable	\$ 317,064	\$ 119,528
Other receivables	-	6,390
	\$ 317,064	\$ 125,918

MINEHUB TECHNOLOGIES INC.

Notes to Consolidated Interim Financial Statements
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(Expressed in Canadian dollars)

5. Trade payables and accrued liabilities

	October 31, 2021	January 31, 2021
Trade payables (Note 10)	\$ 105,497	\$ 179,929
IBM (Note 3)	599,294	460,610
Accrued liabilities (Note 10)	-	249,386
	<u>\$ 704,791</u>	<u>\$ 889,925</u>

6. Short-term loans

(a) On December 19, 2018, the Company entered into a loan agreement to borrow an amount of US \$275,000 (CAD \$368,610) to be used for working capital, repayable in two months, bearing 5% interest per annum on default and has a bonus payment of US \$15,000 (CAD \$20,100) on settlement. During the six months ended July 31, 2020, the Company accrued a total of \$9,688 of interest on the loan. On July 31, 2020, the Company entered into an agreement with the lender to transfer the principal amount, bonus payment and accrued interest into a combined convertible debenture in the amount of \$416,730 (Note 7(a)).

(b) On December 19, 2018, the Company entered into a loan agreement to borrow an amount of US \$80,000 (CAD \$107,200) to be used for working capital, repayable in two months, bearing 5% interest per annum on default and has a bonus payment of US \$8,000 (CAD \$10,720) on settlement. During the six months ended July 31, 2020, the Company accrued a total of \$2,940 of interest on the loan. On July 31, 2020, the Company entered into an agreement with the lender to transfer the principal amount, bonus payment and accrued interest into a convertible debenture in the amount of \$126,500 (Note 7(b)).

(c) On June 18, 2019, the Company entered into a loan agreement to borrow an amount of \$250,000 to be used for working capital. The loan bears interest at 10% per annum and is repayable on or before March 31, 2022. During the nine months ended October 31, 2021, the Company accrued \$62,251 of interest and accretion (2020: \$18,767). On September 24, 2021, the Company repaid the loan and interest in full.

(d) On June 19, 2019, the Company entered into a loan agreement with a company related by common director and officer to borrow an amount of \$150,000 for a duration of 120 days. The loan bears interest at 10% per annum. During the six months ended July 31, 2020, the Company accrued \$9,749 of interest. On July 31, 2020, the loan was acquired by another lender and the Company entered into an agreement with the new lender to transfer the principal amount, bonus payment and accrued interest into a combined convertible debenture in the amount of \$166,800 (Note 7(a)).

(e) On July 22, 2019, the Company entered into a loan agreement with a company related by common director and officer to borrow an amount of \$35,000 for a duration of 120 days. The loan bears interest at 10% per annum. During the six months ended July 31, 2020, the Company accrued \$1,745 of interest. On July 31, 2020, the Company repaid the principal of the loan and accrued interest with 154,120 shares with fair value of \$38,530.

(f) In January 2020, the Company entered into a loan agreement to borrow an amount of \$75,000 to be used for working capital, repayable in two months, bearing interest of 5% per annum and has a bonus payment of \$4,000 on settlement. During the six months ended July 31, 2020, the Company accrued a total of \$5,969 of interest on the loan. On July 31, 2020, the Company entered into an agreement with the lender to transfer the principal amount, bonus payment and accrued interest into a combined convertible debenture in the amount of \$80,970 (Note 7(a)).

MINEHUB TECHNOLOGIES INC.

Notes to Consolidated Interim Financial Statements
For the nine months ended October 31, 2021 and 2020
(Expressed in Canadian dollars)

7. Convertible notes

(a) On July 31, 2020, the Company entered into an agreement to combine three outstanding short-term loans into one convertible promissory note with principal amount of \$664,500 (Note 6 (a,d,f)). The convertible promissory note matures in two years on July 31, 2022 and bears simple interest of 5% per annum. The lender has an option to convert all or a portion of the principal amount and accrued interest into units of the Company at \$0.25 per share. Each unit consists of one common share of the Company and one-half share purchase warrant entitling the holder to purchase one share of the Company at an exercise price of \$0.50 per share until July 31, 2023.

The convertible promissory note is a compound financial instrument as it includes both a liability and equity components. On initial recognition, the Company determined the fair value of the liability component on the date of issue to be \$590,549. The fair value of the liability was determined by calculating the fair value of the future cash flows of the loan assuming a discount rate of 12%. The equity component of the promissory note was determined to be \$73,951, which comprises of the principal value less the liability component. On September 6, 2021, \$40,000 of the convertible promissory note was assigned to two other lenders with the same terms (Notes 7(d) and 7(e)).

Details of movement of the convertible promissory note are as follows:

	October 31, 2021	January 31, 2021
Balance, beginning of period	\$ 633,389	\$ -
Loans amount converted or assigned	(40,000)	664,500
Equity component of convertible debenture	-	(73,951)
Accretion of convertible debenture	23,931	26,091
Interest accrued	24,549	16,749
Balance, end of period	\$ 641,869	\$ 633,389

(b) On July 31, 2020, the Company entered into an agreement to convert a short term loan into a convertible promissory note with principal amount of \$126,500 (Note 6(b)). The convertible note matures in two years on July 31, 2022 and bears simple interest of 5% per annum. The lender has an option to convert all or a portion of the principal amount and accrued interest into common shares of the Company at \$0.25 per share.

The convertible promissory note is a compound financial instrument as it includes both a liability and equity components. On initial recognition, the Company determined the fair value of the liability component on the date of issue to be \$112,422. The fair value of the liability was determined by calculating the fair value of the future cash flows of the loan assuming a discount rate of 12%. The equity component of the promissory note was determined to be \$14,078, which comprises of the principal value less the liability component.

Details of movement of the convertible promissory note are as follows:

	April 30, 2021	January 31, 2021
Balance, beginning of period	\$ 119,158	\$ -
Loans amount converted	-	126,500
Equity component of convertible debenture	-	(14,078)
Accretion of convertible debenture	5,266	3,548
Interest accrued	4,810	3,188
Balance, end of period	\$ 129,234	\$ 119,158

MINEHUB TECHNOLOGIES INC.

Notes to Consolidated Interim Financial Statements
For the nine months ended October 31, 2021 and 2020
(Expressed in Canadian dollars)

7. Convertible Debt (continued)

(c) On January 21, 2021, the Company entered into two convertible promissory note agreements to borrow an amount of \$500,000 each for total proceeds of \$1,000,000. Each convertible note matures in one year on January 21, 2022 and bears interest of 10% per annum. If the Company does not complete an Initial Public Offering (“IPO”) within the first six month from the agreement date, the interest will increase to 15% per annum. The lenders are required to convert a minimum of 25% of the outstanding principal amount and accrued interest into common shares of the Company at \$0.50 per share on the event of an IPO. The lenders have an option to convert all or any portion of the remaining 75% of the outstanding principal and accrued interest into common shares of the Company at \$0.50 per share. Additionally, the Company issued 150,000 share purchase warrants to each lender for total 300,000 share purchase warrants. Each purchase warrant entitles the holder to purchase one share of the Company at an exercise price of \$0.75 per share until January 21, 2023.

The convertible promissory notes are a compound financial instrument as it includes both a liability and equity components. On initial recognition, the Company determined the fair value of the liability component of each convertible note on the date of issue to be \$478,261. The fair value of the liability was determined by calculating the fair value of the future cash flows of the loan assuming a discount rate of 15%. The equity component of each promissory note was determined to be \$21,739, which comprised the principal value less the liability component. The equity component of the warrants per each promissory note was determined to be \$31,756 using Black-Scholes Option Pricing Model with the following assumptions: Number of warrants: 150,000; Risk free rate of 0.16%; Expected life of 2 years; Expected volatility of 100% and divided yield on \$Nil.

On April 16, 2021, the Company repaid in full the principal and accrued interest for total amount of \$525,000 of one convertible promissory note issued on January 1, 2021. On September 1, 2021, the remaining lender converted \$125,000 in principal and \$8,305 in interest in exchange for 266,600 common shares with a fair value of \$266,600 (Note 8), leading to a loss on debt settlement of \$133,295.

Details of movement of the convertible promissory notes are as follows:

	April 30, 2021		January 31, 2021	
Balance, beginning of period	\$	898,681	\$	-
Amount advanced (repaid)		(650,000)		1,000,000
Equity component of convertible debenture		21,739		(43,478)
Warrant component of convertible debenture		-		(63,512)
Accretion of convertible debenture		65,284		2,932
Interest accrued		55,685		2,739
Balance, end of period	\$	391,389	\$	898,681

(d) On September 4, 2021, \$20,000 of the principal from the loan described in Note 7 (a) was assigned to a new lender with the same terms.

Details of movement of the convertible promissory note are as follows:

	October 31, 2021		January 31, 2021	
Balance, beginning of period	\$	-	\$	-
Loans amount assigned		20,000		-
Interest accrued		151		-
Balance, end of period	\$	20,151	\$	-

(e) On September 4, 2021, an additional \$20,000 of the principal from the loan described in Note 7 (a) was assigned to a new lender with the same terms.

MINEHUB TECHNOLOGIES INC.

Notes to Consolidated Interim Financial Statements
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(Expressed in Canadian dollars)

7. Convertible Debt (continued)

Details of movement of the convertible promissory note are as follows:

	October 31, 2021	January 31, 2021
Balance, beginning of period	\$ -	\$ -
Loans amount assigned	20,000	-
Interest accrued	151	-
Balance, end of period	\$ 20,151	\$ -

8. Share capital

Authorized share capital

Unlimited common shares without par value

Issued share capital

At October 31, 2021, there were 60,570,970 issued and fully paid common shares (October 31, 2020 – 44,385,770).

Share issuances

Nine Months Ended October 31, 2021:

On February 8, 2021, the Company cancelled 500,000 common shares originally issued to a founder of the Company at \$0.0001 and on March 15, 2021 the Company cancelled 192,000 common shares issued at \$0.50 for prepaid services.

On March 1, 2021, the Company issued 200,000 common shares of the Company with a fair value of \$100,000 for prepaid services, recorded on the consolidated interim statement of financial position. During the nine months ended October 31, 2021, the Company recognized \$33,333 in finance expense based on the services provided during the period. On March 15, 2021, the Company issued 156,000 common shares of the Company with a fair value of \$78,000 for prepaid services. During the nine months ended October 31, 2021, the Company recognized \$58,500 in consulting fees based on the services provided during the period.

On April 1, 2021, the Company issued 400,000 common shares of the Company at a price of \$0.375 per share for gross proceeds of \$150,000. The fair value of the shares was determined to be \$0.50 per share and accordingly, stock-based compensation expense of \$50,000 for the difference in fair value was recognized. On April 13, 2021, the Company issued 4,780,000 common shares of the Company at a price of \$0.50 for gross proceeds of \$2,390,000. In connection with the issuances, the Company incurred cash share issuance costs of \$14,950.

On May 3, 2021, the Company entered into a service agreement with Red Cloud Financial Services Inc. (“RCFS”) whereby the Company will pay RCFS \$10,000 per month for 6 months by issuing total 75,000 common shares. On June 15, 2021, the Company issued 75,000 common shares with a fair value of \$75,000 to RCFS pursuant to the service agreement.

On June 10, 2021, the Company issued 9,200,000 subscription receipts in connection with a brokered private placement and issued 919,350 subscription receipts in connection with a non-brokered placement at \$1.00 per subscription receipts for total gross proceeds of \$10,119,350.

MINEHUB TECHNOLOGIES INC.

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(Expressed in Canadian dollars)

8. Share capital (continued)

In connection with the brokered private placement, the Company paid \$50,000 in cash and issued 50,000 common shares with a fair value of \$50,000 to finders and incurred legal costs totaling \$76,174 in connection with the placement.

On August 26, 2021, the Company satisfied the escrow release conditions relating to the private placements, including the acceptance of the Company's final prospectus dated August 18, 2021 and conditional approval from the TSX-V to list the issued and outstanding common shares of the Company. Accordingly, 10,119,350 common shares were issued to the holders of the subscription receipts and \$9,391,647 in cash was released from escrow, which represents the net proceeds after accounting for additional agents' fees of \$727,703. Also in connection with the close of the private placement, a total of 599,800 agent warrants with a fair value of \$303,543 were issued.

On September 1, 2021, the Company settled \$125,000 in principal and \$8,305 in interest in exchange for 266,600 common shares with a fair value of \$266,600 (Note 7 (c)).

During the nine months ended October 31, 2021, the Company issued 150,000 common shares pursuant to the exercise of 150,000 warrants at an exercise price of \$0.50 per warrant for gross proceeds of \$112,500. Pursuant to the exercise, a fair value reallocation between the equity component of convertible debt reserve and share capital in the amount of \$31,756 was made.

During the nine months ended October 31, 2021, the Company issued 28,750 common shares pursuant to the exercise of 28,750 options exercise prices of \$0.25 and \$0.50 per option for gross proceeds of \$8,125. Pursuant to the exercise, a fair value reallocation between reserves and share capital in the amount of \$5,996 was made.

Nine Months Ended October 31, 2020:

During the nine months ended October 31, 2020, the Company issued 9,277,250 common shares for total gross proceeds of \$2,538,300. The Company recorded \$30,640 as share issue costs in connection with the issuance of the shares. On July 31, 2020, the Company issued 906,000 shares at a value of \$164,500 as finders' fees relating to various private placements. The Company also issued 199,200 bonus shares with fair value of \$49,800 to certain subscribers in the cash financings described above.

In July 2020, the Company issued 78,200 shares at a value of \$19,550 for services provided by a consultant to the Company.

On July 31, 2020, the Company issued 154,120 shares to settle a debt of \$38,530 (Note 6(e)).

Warrants

Warrant transactions are summarized as follows:

	Number of warrants	Weighted average exercise price
Warrants outstanding, January 31, 2021	3,762,944	\$ 0.53
Issued	2,299,800	\$ 0.58
Exercised	(150,000)	\$ 0.75
Warrants outstanding, October 31, 2021	5,912,744	\$ 0.54

MINEHUB TECHNOLOGIES INC.

Notes to Consolidated Interim Financial Statements
 For the nine months ended October 31, 2021 and 2020
 (Expressed in Canadian dollars)

8. Share capital (continued)*Warrants*

Details of warrants outstanding as at October 31, 2021 are as follows:

Exercise Price	Expiry Date	Balance, end of period
\$0.64	March 31, 2022	100,000
\$0.25	September 7, 2022	500,000
\$0.50	September 7, 2022	500,000
\$1.00	September 7, 2022	72,000
\$0.50	October 13, 2022	195,311
\$0.64	October 13, 2022	195,313
\$0.50	October 28, 2022	261,120
\$0.50	November 14, 2022	2,215,200
\$0.50	January 21, 2023	150,000
\$0.50	January 31, 2023	176,000
\$0.50	March 31, 2023	240,000
\$0.50	April 29, 2023	80,000
\$0.50	March 1, 2023	700,000
\$1.00	August 26, 2023	527,800
		5,912,744

At October 31, 2021, the weighted-average remaining contractual life of warrants outstanding was 1.12 years.

On February 1, 2021, the Company issued 500,000 compensation warrants at an exercise price of \$0.25 per share with an expiry date one year from the date that the Company completes a listing of its common shares on a Canadian stock exchange, which was estimated to be August 31, 2021 and actually occurred on September 7, 2021. The compensation warrants vest according to the following schedule: 25% three months from the listing date, 25% six months from the listing date, 25% nine months from the listing date and 25% twelve months from the listing date. The total fair value of the compensation warrants was determined to be \$161,760 using the Black-Scholes Option Pricing Model with the following assumptions: average risk-free interest rate of 0.23%; expected life of 1.58 years; expected volatility of 100% and dividend yield of \$Nil. The Company recognized \$106,306 in finance expense on the consolidated interim statement of comprehensive loss during the nine months ended October 31, 2021 in accordance with the vesting of the compensation warrants.

On February 1, 2021, the Company issued 500,000 compensation warrants at an exercise price of \$0.50 per share with an expiry date one year from the date that the Company completes a listing of its common shares on a Canadian stock exchange, which was estimated to be August 31, 2021 and actually occurred on September 7, 2021. The compensation warrants vest according to the following schedule: 25% on the listing date, 25% three months from the listing date, 25% six months from the listing date and 25% nine months from the listing date. The total fair value of the compensation warrants was determined to be \$117,757 using the Black-Scholes Option Pricing Model with the following assumptions: average risk-free interest rate of 0.23%; expected life of 1.58 years; expected volatility of 100% and dividend yield of \$Nil. The Company recognized \$92,926 in finance expense on the consolidated interim statement of comprehensive loss during the nine months ended October 31, 2021 in accordance with the vesting of the compensation warrants.

On March 1, 2021, the Company issued 700,000 compensation warrants in exchange for services at an exercise price of \$0.50 per share with an expiry date of March 1, 2024. The Company recognized \$182,995 in prepaid expense on the consolidated interim statement of financial position, determined using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.49%; expected life of 3 years; expected volatility of 100% and dividend yield of \$Nil. The Company is amortizing the prepaid expense over

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8. Share capital (continued)

the service period of two years. During the nine months ended October 31, 2021, the Company recognized \$60,999 in finance expense on the consolidated interim statement of comprehensive loss.

On August 26, 2021 and September 3, 2021, in connection with the June 10, 2021 private placement, the Company granted 527,800 and 72,000 agent warrants, respectively at an exercise price of \$1.00 per share with an expiry date two and one years from the grant date, respectively. The total fair value of the agent warrants was determined to be \$303,543 using the Black-Scholes Option Pricing Model with the following assumptions: average risk-free interest rate of 0.46%; expected life of 1.88 years; expected volatility of 100% and dividend yield of \$Nil. The Company recognized \$303,543 in share issuance costs pertaining to the grant.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time-to-time, in its discretion, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted.

Stock options transactions are summarized as follows:

	Number of options	Weighted average exercise price
Options outstanding, January 31, 2021	4,405,000	0.29
Issued	645,000	0.90
Exercised	(28,750)	0.28
Cancelled	(36,250)	0.33
Options outstanding, October 31, 2021	4,985,000	\$ 0.33
Options exercisable, October 31, 2021	3,655,944	\$ 0.30

On April 13, 2021, the Company granted 125,000 stock options to consultants of the Company at an exercise price of \$0.50 per common share for a period of five years ending April 13, 2026. The options vest in four equal parts over two years ending April 13, 2023. The total value of these options on grant date was \$46,408 and the Company recognized \$11,770 in stock-based compensation expense for the portion of options vested during the three months ended April 30, 2021, determined using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.93%; expected life of 5 years; expected volatility of 100% and dividend yield of \$Nil.

On September 2, 2021, the Company granted 520,000 stock options to consultants of the Company at an exercise price of \$1.00 per common share for a period of five years ending April 13, 2026. Of the options, 60,000 vested immediately and \$44,795 in stock-based compensation was recorded, determined using the same assumptions as below. The remaining options vest in four equal parts over two years ending September 2, 2023. The total value of these options on grant date was \$343,425 and the Company recognized \$58,081 in stock-based compensation expense for the portion of options vested during the nine months ended October 31, 2021, determined using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.93%; expected life of 5 years; expected volatility of 100% and dividend yield of \$Nil.

During the nine months ended October 31, 2021, the Company recorded a total of \$615,427 (2020: \$100,182) in stock-based compensation expense, which includes \$50,000 for the difference in fair value from the April 1, 2021 private placement.

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9. Reserves

Stock options reserve

The stock options reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised and cancelled, the amount recorded is transferred to deficit.

Warrants reserve

The warrants reserve records fair value of the warrants issued for services until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

10. Related party transactions

Key management compensation is as follows:

	Three Months Ended October 31		Nine Months Ended October 31,	
	2021	2020	2021	2020
Aggregate cash compensation	\$ 280,725	\$ 253,542	\$ 626,484	\$ 544,431
Stock-based compensation	71,807	74,895	331,449	74,895
	\$ 352,532	\$ 328,437	\$ 957,933	\$ 619,326

At October 31, 2021, included in accounts payable and accrued liabilities is \$28,050 (January 31, 2021 - \$Nil) due to directors and officers or companies controlled by directors and officers. These amounts are unsecured, non-interest bearing and have no fixed payment terms (Note 5).

11. Financial instruments and risks

(a) Fair values

The fair values of cash, receivables, accounts payable, and short term loans approximate their carrying values due to the short-term to maturities of these financial instruments.

(b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash. The risk in cash is managed through the use of a major financial institution which has a high credit quality as determined by rating agencies. Credit risk is assessed as low.

(d) Foreign exchange rate risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company has no assets or liabilities denominated in foreign currencies; therefore, is not exposed to foreign exchange risk.

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11. Financial instruments and risks

(e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company requires funds to finance its business development activities. In addition, the Company needs to raise equity financing to carry out its research and development activities. There is no assurance that financing will be available or, if available, that such financings will be on terms acceptable to the Company; however, based on the private placement closed in August 2021, liquidity risk is assessed as low.

12. Capital management

The Company's capital structure consists of cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. 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 sustain future development of the business. The Company is dependent on external financing to fund its activities. In order to carry out research and development and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. 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 since inception. The Company is not subject to externally imposed capital requirements.

13. Subsequent events

On November 1, 2021, the Company granted 500,000 stock options to consultants at a price of \$1.06, exercisable for five years from the grant date.

On December 8, 2021, the Company issued 20,000 common shares and granted 10,000 warrants pursuant to the conversion of debt.