

# GURU ORGANIC ENERGY CORP.

(formerly MIRA X ACQUISITION CORP.)

## FORM 51-102F1 INTERIM MANAGEMENT'S DISCUSSION & ANALYSIS

### Date

The following management's discussion and analysis ("MD&A") of the operations, results, and financial position of Guru Organic Energy Corp. (formerly Mira X Acquisition Corp.) ("Mira"), dated November 27, 2020, covers the interim period ended September 30, 2020 and should be read in conjunction with the unaudited interim financial statements of the Company for the same period, which were prepared in accordance with International Financial Reporting Standards. Additional information on the Company is also available on SEDAR at [www.sedar.com](http://www.sedar.com).

Where we say "we", "us", "our", or the "Company" we mean Guru Organic Energy Corp (formerly MIRA X Acquisition Corp.) unless otherwise indicated. All amounts are presented in Canadian dollars unless otherwise indicated.

### *Forward-looking statements*

*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 completion of the Transaction and the terms on which the Transaction is intended to be completed as well as the Company's ability to complete any qualifying transaction.*

*With respect to forward-looking statements above and otherwise contained in this MD&A, the Company has made assumptions regarding, among other things:*

- *the legislative and regulatory environment;*
- *the impact of increasing competition;*
- *ability to obtain regulatory and shareholder approvals; and*
- *the Company's ability to obtain additional financing on satisfactory terms.*

*The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below:*

- *volatility in the market conditions;*

- *incorrect assessments of the value of acquisitions;*
- *due diligence reviews; and*
- *competition for suitable acquisitions.*

*The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of these risk factors set forth above.*

## **Overall Performance**

GURU Organic Energy Corp. (formerly Mira X Acquisition Inc.) is classified as a “Capital Pool Corporation” for the purposes of the policies of the TSX Venture Exchange (the “Exchange”). As a result, the Company’s current business is to identify and evaluate businesses and assets with a view to completing a “Qualifying Transaction”. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a non-arm’s length Qualifying Transaction is also subject to “majority of the minority approval” in accordance with Policy 2.4 of the Exchange. The Company did not conduct any commercial operations other than to enter into discussions for the purpose of identifying potential acquisitions or interests.

The Company had 24 months to complete its Qualifying Transaction once it listed on the Exchange. The Company was listed on the Exchange on March 25, 2018. As the Company was not able to complete a qualifying transaction by March 25, 2020, trading in the shares of the company was suspended effective March 30, 2020.

On October 28, 2020, the Company completed its qualifying transaction with 6384269 Canada Inc. (doing business as GURU Beverage Co. & GURU Beverage Inc.) (the «GURU») pursuant to Policy 2.4 of the TSX Venture Exchange. In accordance with the amalgamation agreement dated September 28, 2020, Mira X Subco Inc., a wholly owned subsidiary of the Company, amalgamated with GURU. Mira X has changed its name to GURU Organic Energy Corp.

## **Results of Operations**

As at September 30, 2020, the Company had no operations other than identifying a qualifying transaction.

*For the nine-month period ended September 30, 2020, Mira incurred operating expenses of \$71,969 and reversed accrued legal fees of \$69,197 for the net loss of \$2,802 (9M-2019 -- \$214,597). These operating expenses are related to costs associated with the evaluation and negotiation of potential qualifying transactions, accounting and legal fees, listing fees and general and administrative expenses.*

*For the three-month period ended September 30, 2020, Mira incurred operating expenses of \$25,201 and reversed accrued legal fees of \$69,197 for the net income of \$43,967 (Q3-2019 -- \$(53,794)). These operating expenses are related to costs associated with the evaluation and negotiation of potential qualifying transactions, accounting and legal fees, listing fees and general and administrative expenses.*

## Selected Financial Information

A summary of selected financial information as follows:

	For the nine-month period ended September 30, 2020	For the nine-month period ended September 30, 2019
Total expenses	\$71,969	\$214,597
Accrual reversal	\$69,167	\$-
Net loss		
- Total	\$(2,802)	\$(214,597)
- Per share	\$(0.00)	\$(0.06)
Total assets	\$21,319	\$149,867
Cash used in operations	\$(70,927)	\$(207,004)
Long-term financial liabilities	\$Nil	\$Nil

For the periods ended September 30, 2020, the Company reported no discontinued operations and declared no cash dividends.

## Detailed Quarterly Results<sup>1</sup>

	Q4-2018	Q1-2019	Q2-2019	Q3-2019	Q4-2019	Q1-2020	Q2-2020	Q3-2020
Qualifying Transaction Expenses	\$84,379	\$55,595	\$48,675	\$35,297	\$27,717	\$18,817	\$-	\$(51,406)
General and Administration Costs:								
Office and administrative	\$13,878	\$18,342	\$16,212	\$15,276	\$15,591	\$12,211	\$7,472	\$7,439
Professional fees	\$16,532	\$11,755	\$10,224	\$3,221	\$11,251	\$-	\$8,268	\$-
Loss (income) for the period	\$114,789	\$85,692	\$75,111	\$53,794	\$54,560	\$31,028	\$15,740	\$(43,697)
Loss (income) per share	\$0.03*	\$0.02*	\$0.02*	\$0.02*	\$0.02*	\$0.01*	\$0.00*	\$(0.01*)

\*does not include escrowed shares as they are contingently returnable.

This summary of quarterly results should be read in conjunction with the financial statements and notes included in the Company's financial statements as at September 30, 2020.

## Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions. As at September 30, 2020, there was the \$372 outstanding balance (December 31, 2020 - \$Nil) due to a company's director of Mira X for out-of-pocket expenses.

During the period ended September 30, 2020, the Company incurred occupancy charges of \$2,486 from a company in which a former director of Mira X is the president. These charges are included in office and administration expenses.

There was no compensation to key management personnel during the periods ended September 30, 2020 and 2019.

<sup>1</sup> Discrepancies in recalculated amounts or percentages may occur due to rounding.

## Disclosure of Outstanding Share Data

As of September 30<sup>th</sup>, the following is a description of the outstanding equity securities and exercisable securities previously issued by the Company (pre-qualifying transaction, Subsequent Event Note 10 in the financial statements):

	<b>Authorized</b>	<b>Description of Securities</b>
Voting or equity securities issued and outstanding	Unlimited Common Shares	11,200,000 Common Shares (deposited in escrow) 3,500,000 Common Shares issued for cash on March 20, 2018
Securities convertible or exercisable into voting or equity securities - stock options	Stock options to acquire up to 10% of outstanding Common Shares	1,470,000 Stock options to acquire 1,470,000 Common Shares – granted on March 20, 2018
Securities convertible or exercisable into voting or equity securities - agent's option	Agent's options to acquire up to 350,000 common shares	350,000 Agent's option to acquire up to 350,000 common shares - granted on March 20, 2018 and expired on March 20, 2020 unexercised
Voting or equity securities issuable on conversion or exchange of outstanding securities	(as above)	(as above)

On March 20, 2018, the Company completed an initial public offering of 3,500,000 common shares at a price of \$0.10 per share for gross proceeds to the Company of \$350,000 to purchasers in Ontario, Alberta and British Columbia. The agent received a cash commission of \$35,000 and the agent's legal fees and other disbursements. The agent was also granted a non-transferable option to acquire 350,000 of common shares of the Company for a period of 24 months from the date of listing of the common shares on the TSX Venture Exchange at an exercise price of \$0.10 per common share. These Agent options expired on March 20, 2020 unexercised.

On March 20, 2018, the Company granted an aggregate of 1,470,000 stock options to directors and officers of Mira X to purchase common shares, exercisable at a price of \$0.10 per share until March 20, 2028.

These were cancelled post-qualified transaction. Refer to note 10- subsequent events in the financial statements.

## Financial Instruments and Risk Factors

The Company's financial instrument consists of cash and accounts payable and accrued liabilities, approximate fair values due to the relatively short-term maturities of these instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

## Liquidity and Capital Resources

As at September 30, 2020, Mira had net working capital of \$2,229 (December 31, 2019 - \$5,031) comprised of cash, prepaid expenses, accounts payable and accrued liabilities and due to a director and officer. This included accounts payable and accrued liabilities of \$18,718 (December 31, 2019 - \$85,746), an amount due to a director and officer of \$372 (December 31, 2019 - \$Nil), which are due within 12 months, and cash

of \$19,850 (December 31, 2019 - \$90,777) in the Company's bank account trust account. Mira does not generate revenue from operations and any significant improvements in working capital would result from the issuance of share capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the potential qualifying transaction. 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 defines capital to include its working capital position and the capital stock, and option components of its shareholders equity.

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 period ended September 30, 2020. The Company is not a subject to externally imposed capital requirements, except for cash restrictions as described in the note 3 of the financial statements. Note that all cash restrictions no longer apply post Qualifying Transaction (refer to note 10 - subsequent events in the financial statements).

Although economic conditions in the financial market appear to have made a modest recovery, it remains difficult under current economic conditions to secure debt or equity financing for some companies. If the current market conditions persist for an extended period of time, there can be no assurance that additional funding will be available to the Company or if available, that this funding will be on acceptable terms.

#### **Critical Accounting policies and Estimates updated**

Critical accounting estimates are those estimates that have a high degree of uncertainty and for which changes in those estimates could materially impact the Company's results.

#### **Additional Information**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).