

EARTHLABS



(Formerly GoldSpot Discoveries Corp.)

Management Discussion and Analysis
of Financial Position and Results of Operations
As at and for the Three and Nine Months Ended September 30, 2022

This report is dated November 28, 2022



Management's Discussion and Analysis For the quarter ended: September 30, 2022

Introduction

This management's discussion and analysis ("MD&A") of the consolidated financial condition and results of operation of EarthLabs Inc. (formerly GoldSpot Discoveries Corp.) ("EarthLabs" or the "Company") should be read in conjunction with EarthLabs' unaudited interim condensed consolidated financial statements and notes thereto as at and for the three and nine months ended September 30, 2022 and the annual audited consolidated financial statements and notes thereto as at and for the year ended December 31, 2021. The same accounting policies and methods of computation were followed in the preparation of the interim condensed consolidated financial statements as were followed in the preparation and described in Note 3 of the annual financial statements as at and for the year ended December 31, 2021.

Unless indicated otherwise, all financial data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts in this MD&A are reported in Canadian dollars unless otherwise indicated.

Forward-Looking Information:

Certain information contained in this MD&A constitutes forward-looking information, which is information relating to future events or the Company's future performance and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, but is not limited to the Company's anticipated investment activities and results and financing activities, the Company's future working capital requirements, the impact of changes in accounting policies and other factors on the Company's operating results, and the performance of global capital markets and interest rates, the exposure of its financial instruments to various risks and its ability to manage those risks, and the Company's ability to use tax resource pools and loss carry-forwards.

Forward-looking information involves 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 information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking information contained in this MD&A include, but are not limited to: risks relating to the Company's ability to raise capital in order to fund obligations as they become due, the Company's ability to generate taxable income from operations, the strength of the Canadian, U.S. and other economies, foreign exchange fluctuations, political and economic conditions in the countries in which

the Company's customers are located, and other risks included elsewhere in this MD&A under the heading "Other Risks".

Readers are cautioned that the foregoing lists of factors are not exhaustive. Although the Company has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. The forward-looking information contained in this MD&A are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

The COVID-19 Pandemic, beginning in Q1 of 2020, has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the true extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, the Company anticipate this outbreak may cause reduced sales /customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which will negatively impact the Company's business and financial condition. The Company continues to implement certain procedures and actions which aligns with the recommendations of the health and government authorities in the locations which EarthLabs operates, including social distancing while continuing normal operations and sales through work-from-home policies and learn-from-home environments. While the Company is not immune to these challenging times, the Company believes that it can continue to serve its customers around the world with the tools and resources available in these challenging times.

Overview of Business

Nature of the Business:

On August 31, 2022, the Company changed its name to EarthLabs Inc. (formerly GoldSpot Discoveries Corp.) ("EarthLabs" or the "Company"). EarthLabs was incorporated under the *Canada Business Corporations Act* on May 1, 2017. On February 21, 2019, the Company commenced trading on the TSX Venture Exchange ("TSXV") under the symbol "SPOT" and on the OTCQX Best Market under the symbol "SPOFF". The Company's head office is at 69 Yonge Street, Suite 1010, Toronto, Ontario, M5E 1K3.

EarthLabs is a technology company using artificial intelligence to revolutionize the future of global mineral exploration with a full suite of data and knowledge-driven SaaS tools and services. EarthLabs works with industry leaders across all commodity and deposit types to identify new exploration targets, develop cutting-edge technologies and to strategically invest in mineral exploration companies. Our leading team of expert scientist's merge geoscience and data science to deliver bespoke solutions that save time, reduce costs and produce far more accurate results than ever before possible.

Principal Business Overview:

EarthLabs is a technology company that provides Artificial Intelligence (“AI”) and Data Science to Subject Matter Experts and has developed a portfolio of software and hardware to improve mineral deposit discovery and understanding. The Company’s specializations represent an attractive offering to junior exploration companies who request this technical expertise but lack sufficient capital to hire services outright. EarthLabs makes strategic investments in these junior companies to acquire royalties and equity, while the issuer benefits from dedicated access to geology and data science expertise and a constantly growing portfolio of technology.

In addition, with the recent acquisitions of Geotic Inc. (“Geotic”) and CEO.CA Technologies Ltd. (“CEO.CA”), the Company now has a portfolio of software-as-a-service (“SaaS”) tools that generate annual recurring revenue for EarthLabs.

EarthLabs operates two principal business divisions:

- **Exploration Technology Division** which houses the Company’s exploration SaaS and global consulting services and field services divisions; and
- **Financial Technology Division** which houses the Company’s financial technology (CEO.CA, DigiGeoData, Resource Quantamental) and growing investment portfolio.

The Company’s marketing efforts focus on the growing demand for our solutions and to establish EarthLabs as a thought leader and innovator across the markets we and our subsidiaries serve.

On October 25, 2022, the Company announced that it had entered into an agreement to sell the Company’s Exploration Technology Division. As a result, results for the Exploration Technology Division for the three and nine months ended September 30, 2022 have been classified as loss from discontinued operations in the consolidated statement of loss and comprehensive loss. The assets and liabilities have been classified as assets held for sale and liabilities directly associated with the assets held for sale, respectively, in the consolidated statement of financial position as at September 30, 2022.

Exploration Technology Division

EarthLabs’s Exploration Technology Division (“ETD”) is a combination of acquired tools and services from third-party exploration software companies including Geotic as well as in-house developed tools such as LithoLens, a modular SaaS solution that uses AI for processing, optimizing, and extracting data from rock imagery and MinusOne, a software solution for creating 3-D models from geophysical data processed using deterministic and stochastic inversion methods.

Applied Geophysics data collection: Multi-Parameter Acquisition Survey System

Along with its wholly-owned subsidiary, Ridgeline Exploration Services Inc., EarthLabs’s M-PASS (Multi-Parameter Acquisition Survey System) allows the simultaneous capture of gradient magnetics, LiDAR, 4-band orthophoto imagery, electromagnetic information in the Very Low Frequency (“VLF”) band, and radiometric data. Our experience and analysis of legacy data layers held at client projects has indicated that they are generally poorly suited to advanced analytical methods – the datasets are not optimised in terms of resolution, quality, or overlapping coverage. By adding MPASS in-house data collection,

EarthLabs brings a significantly improved kick-starter to exploration targeting. Clients benefit from increased data efficiency, reduced mobilization and flight costs as compared with traditional third-party collection, and access to the EarthLabs data processing platforms for geophysics.

Geotic Inc.

From drilling data collection to 3D modelling, Geotic offers an integrated software solution to hundreds of global junior mineral explorers and senior producers with cost effective data analytics and a focus on quality and ease of use over traditional manual data collection methods. Geotic's software includes GeoticLog, its customizable core-logging platform; GeoticMine, its 3-D geological modelling and visualization solution; GeoticSection, its drill-hole visualizer, GeoticCAD, a cost-effective alternative to common industry tools with an integrated drawing motor; and GeoticField, its field-based survey data-entry platform.

Financial Technology Division

EarthLabs's Financial Technology ("FTD") business vertical includes the Resource Quantamental investment decision engine, CEO.CA, DigiGeoData and the Company's investment portfolio. Through FTD, EarthLabs offers a wide range of cloud-based, interoperable web applications. These applications represent EarthLabs's domain expertise within the mineral resource sector and generate annual recurring revenue for EarthLabs through multiple SaaS solutions.

Primary FTD Technology:

CEO.CA Technologies Ltd.

CEO.CA is a social network for investors & traders in junior resource & venture stocks with online and mobile functionality. CEO.CA is visited by millions of users each year from over 164 countries. Since 2012, CEO.CA has brought investors together to discuss their portfolio holdings and find new investment opportunities. In addition to providing a chat medium, CEO.CA offers a monthly premium service known as CEO.CA PRO for real-time stock price monitoring and live market depth. CEO.CA is supporting a new wave of informed and educated market participants as a centralized investment resource hub.

DigiGeoData Inc.

On February 1, 2022, EarthLabs closed the acquisition of DigiGeoData, a digital mapping interface backed by a full suite of seamless claim data, assets, 43-101 reports and geological layers. DigiGeoData is developing its DigiGeoAtlas platform, a software-based GIS interactive mapping interface alongside its DigiGeoMaps distribution business used by over 300 clients. The Company believes the Atlas platform will become an industry staple alongside the addition of new visual data layers to CEO.CA and data sourced from the RQ platform to enhance investment decision making within the exploration space.

Resource Quantamental

Resource Quantamental (RQ) is the experimental arm of EarthLabs, creating an AI decision engine for investments. The platform combines technology, people, and data to identify long-term growth opportunities through partnerships, investments, and royalties. At a high-level, RQ combines a

traditional fundamental approach to investing, with AI-driven quantitative analysis. To maximize the chances of success, RQ combines different skillsets (data science, capital markets), and diverse datasets (geological data, market data, macroeconomic data, management data, insider data, company-specific data).

To EarthLabs's knowledge, this investment strategy has never before been applied to the mining sector and there are currently no similar tools or comprehensive databases available to use. The platform is the foundation for RQ and is EarthLabs's most significant data asset. To EarthLabs's knowledge, it is the largest database focused purely on resource investing with a collection of various data sources spanning fundamentals, geology, insiders, and industry specific information. The platform is currently focused on the TSX Venture, with plans to encompass other exchanges with a large number of mining issuers. To date, resources have been dedicated to cleaning and standardizing multiple data types and inputs, optimized for quantamental research. Research is on-going to include new data sources, are regularly updated and continuously monitored.

Investment Portfolio

EarthLabs's investment portfolio is a combination of its strategic investments in junior mineral exploration companies of which EarthLabs assists with exploration and discovery efforts as well as comprises certain royalties from these junior companies. EarthLabs is building a basket of equities and royalties, allowing investors that invest in EarthLabs to gain exposure to AI-driven mining assets.

Financial Highlights for Three and Nine Months Ended September 30, 2022

- For the three months ended September 30, 2022, from its recent acquisitions of CEO.CA and DigiGeoData, the Company had advertising and subscriptions revenue of \$1,278,108 and sales of digital maps of \$52,600; For the nine months ended September 30, 2022, the Company had advertising and subscriptions revenue of \$2,417,831, and sales of digital maps of \$186,050 as compared to \$nil in the prior year periods;
- The Company's net investments losses was \$3,747,401 for the three months ended September 30, 2022 as compared to \$10,363,074 for the three months ended September 30, 2021; Net investments losses was \$12,089,495 for the nine months ended September 30, 2022 as compared to net investments gains of \$3,557,563 for the nine months ended September 30, 2021.
- For the three months ended September 30, 2022, the Company had a net loss from continuing operations of \$3,818,176 (basic loss per share of \$0.03) as compared to \$9,674,712 (basic loss per share of \$0.08) for the three months ended September 30, 2021; Net loss from discontinued operations of \$855,268 (basic loss per share of \$0.01) as compared to net income from discontinued operations of \$108,082 (basic earnings per share of \$0.00) for the three months ended September 30, 2021; Net loss and comprehensive loss of \$4,673,444 (basic loss per share of \$0.04) as compared to \$9,566,630 (basic loss per share of \$0.08) for the three months ended September 30, 2021.
- For the nine months ended September 30, 2022, the Company had a net loss from continuing operations of \$13,664,107 (basic loss per share of \$0.10) as compared to \$495,280 (basic loss per share of \$0.00) for the nine months ended September 30, 2021; Net loss from discontinued operations of \$530,579 (basic loss per share of \$0.00) as compared to net income from discontinued

operations of \$1,685,933 (basic earnings per share of \$0.09) for the nine months ended September 30, 2021; Net loss and comprehensive loss of \$14,194,686 (basic loss per share of \$0.10) as compared to net income and comprehensive income of \$8,850,451 (basic earnings per share of \$0.09) for the nine months ended September 30, 2021. In the prior year period, the Company also recorded realized gains on the disposition of a subsidiary of \$7,659,798.

- As at September 30, 2022, the Company has cash and cash equivalents, due from brokers, investments and equity investments of \$35,766,413 as compared to \$50,337,817 as at December 31, 2021.

Equity investment in Golden Planet Mining Corp. (“GPM”)

On August 14, 2020, the Company incorporated a wholly-owned subsidiary, XCorp AI Ltd. (“XCorp”) to acquire certain exploration and evaluation assets. XCorp was formed as an initiative between the Company and Hanging Wall Metals Inc. (“Hanging Wall”), a private exploration company, and it holds an option to acquire a 100% interest in the Rider Block Project (located in central British Columbia, Canada) pursuant to an option agreement dated October 9, 2020 with Hanging Wall.

On January 1, 2021, the Company completed the transaction of its majority owned subsidiary, XCorp with Golden Planet Mining Corp. (“GPM”) (the “Transaction”). Pursuant to the Transaction, (i) EarthLabs and each of the other shareholders of XCorp. exchanged their common shares of XCorp (“XCorp Shares”) on the basis of 1.6999431 common shares of GPM (“GPM Shares”) for each one (1) XCorp Share held; and (ii) XCorp became a wholly-owned subsidiary of GPM. Immediately following the Transaction, EarthLabs held an aggregate of 16,149,629 GPM Shares representing 31.3% of all issued and outstanding GPM Shares on a non-diluted basis.

In July 2021, GPM completed a non-brokered financing by issuing 7,330,078 GPM common shares at a price of \$0.90 per share, raising gross proceeds of \$6,597,070. The Company participated in the financing and increased its holdings by 1,110,371 GPM common shares at a total cost of \$999,334. As a result, as at December 31, 2021, the Company owned 28.3% of GPM.

As at December 31, 2021, EarthLabs held an aggregate of 17,260,000 GPM Shares representing 28.3% of all issued and outstanding GPM Shares on a non-diluted basis. For the year ended December 31, 2021, included in the consolidated statement of income and comprehensive income is realized gains from disposition of subsidiary of \$7,659,798 and the dilution resulted in a gain on deemed disposition of equity investment of \$712,765.

On January 31, 2022, GPM acquired an investee of the Company, Godzilla Gold Corp (“Godzilla”), a private company focused on mineral exploration in Newfoundland and Labrador. GPM acquired all of the issued and outstanding shares of Godzilla in exchange for shares of GPM, at an exchange ratio of 1 for 4.44444. The acquisition was completed on January 31, 2022 and the Company received 666,666 shares of GPM in exchange for its 150,000 shares of Godzilla.

In addition, on March 21, 2022, the Company received 120,520 shares of GPM in exchange for receivables owing to the Company by GPM for consulting services. As a result, as at the date of these interim condensed consolidated financial statements, the Company owns 27.5% of GPM.

For the nine months ended September 30, 2022, included in the consolidated statement of loss and comprehensive loss is realized gains from disposition of Godzilla of \$450,000 and the dilution resulted in a gain on deemed disposition of equity investment of \$407,790.

The following table reconciles the summarized financial information to the carrying amount of EarthLabs's interest in GPM:

	September 30, 2022	December 31, 2021
Opening net assets - GPM	\$ 21,142,352	\$ 6,067,597
Net change in share capital - GPM	4,108,464	19,389,461
Total net loss and comprehensive loss - GPM	(1,416,792)	(4,314,706)
Closing net assets - GPM	\$ 23,834,024	\$ 21,142,352
GoldSpot's ownership	27.52%	28.29%
GoldSpot's share of closing net assets	\$ 6,559,123	\$ 5,981,171
Goodwill relating to investment in GPM	2,659,652	2,511,701
Carrying amount in the statements of financial position	\$ 9,218,775	\$ 8,492,872

The following is a summary of the Company's investment in GPM:

	GPM
Equity investment as at December 31, 2020	\$ -
Share exchange of XCorp for GPM (at fair value)	8,074,815
Purchased during the year	999,334
EarthLabs's share of loss	(1,294,042)
Gain on deemed disposition of equity investment	712,765
Equity investment as at December 31, 2021	\$ 8,492,872
Received on settlement of debt	108,468
EarthLabs's share of loss for the period	(390,355)
Share exchange of Godzilla for GPM (at fair value)	600,000
Gain on deemed disposition of equity investment	407,790
Equity investment at September 30, 2022	\$ 9,218,775

As at September 30, 2022 and December 31, 2021, the Company determined that there were no indicators of impairment on the equity investment in GPM.

Discontinued Operations and assets held for sale

On October 25, 2022, the Company, ALS GoldSpot Discoveries Ltd. (formerly 1377900 BC Ltd.) ("Purchaser") and ALS Canada Ltd. ("ALS Canada") entered into a Definitive Agreement governing a proposed disposition (the "Disposition") by the Company to the Purchaser of all of the Company's right, title and interest in the following (collectively, the Exploration Technology Division):

- (a) all of the issued and outstanding shares of the Company's wholly-owned subsidiaries: Ridgeline Explorations Services Inc. and Géotic Inc. (the "Purchased Entities");
- (b) the business currently carried on by the Company through its exploration technology division and by the Purchased Entities (collectively, the "Business"), including but not limited to the business of the development, maintenance and marketing of geological exploration consulting services that

specialize in the application of machine learning and other automated data assessment technologies and tools; and

- (c) all undertakings, property, assets, rights and interests of the Company used exclusively in connection with the Business, including without limitation, specified accounts receivable, inventories, intellectual property, books, records and goodwill.

The purchase price (the "Purchase Price") payable by the Purchaser to the Company for the Exploration Technology Division is comprised of (i) a cash payment of \$24,000,000 payable at closing (subject to standard working capital adjustments); and (ii) the assumption by the Purchaser of certain specified assumed liabilities, including deferred revenue obligations of the Company in an aggregate amount of up to \$6,000,000. ALS Canada is party to the Definitive Agreement as guarantor of the prompt payment and performance of all indebtedness and other obligations of the Purchaser thereunder.

The Disposition is an arm's length transaction and may be terminated in certain specified circumstances, including: (1) by the Purchaser or Company if any condition precedent in its favour has not been satisfied or waived by closing; (2) by the Purchaser in the event of any loss, damage or destruction of the assets being purchased prior to closing which constitutes a "material adverse change" (as defined in the Definitive Agreement); (4) by the Company or Purchaser if any governmental authority, including the TSXV, has notified either party in writing that it will not approve the Disposition; (5) by mutual consent of the Purchaser and the Company; or (6) by the Purchaser or Company unless it is in material breach of the Disposition Agreement, if the closing has not occurred on or before January 31, 2023 (subject to specified exceptions).

The Disposition is subject to customary closing conditions including the receipt of all applicable director, shareholder, third party and regulatory approvals, including the approval of the TSX Venture Exchange, and is currently expected to close by December 31, 2022.

As a result of the Disposition, results for Ridgeline, Geotic, and its consulting division for the three and nine months ended September 30, 2022 have been classified as loss from discontinued operations in the interim condensed consolidated statement of loss and comprehensive loss. The assets and liabilities have been classified as assets held for sale and liabilities directly associated with the assets held for sale, respectively, in the interim condensed consolidated statement of financial position as at September 30, 2022.

Assets and liabilities related to the Company's ETD operations have been reclassified as assets held for sale and liabilities directly associated with the assets held for sale:

	September 30, 2022
Cash and cash equivalents	\$ 418,015
Accounts receivable, net of expected credit losses (ECL)	833,816
Sales tax recoverable	8,573
Prepays	179,658
Income tax receivable	112,255
Property and equipment	1,762,194
Intangible assets	1,781,291
Goodwill	2,283,190
Assets held for sale	\$ 7,378,992
Accounts payable and accrued liabilities	\$ 705,502
Sales tax payable	30,863
Deferred revenue	5,504,114
Lease liabilities	130,365
Deferred tax liabilities	395,786
Liabilities directly associated with the assets held for sale	\$ 6,766,630

To conform with the current period classification of the discontinued operations, prior period results have been reclassified to discontinued operations. Results of discontinued operations are as follows for the three and nine months ended September 30, 2022:

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Revenue				
Consulting income	\$ 2,859,158	\$ 2,051,683	\$ 9,012,431	\$ 6,342,225
Sales of software licensing	112,683	-	435,244	-
Other income	388,300	-	468,860	-
	3,360,141	2,051,683	9,916,535	6,342,225
Expenses				
Operating, general and administrative	3,399,613	1,521,563	8,343,314	3,681,523
Research and development	662,073	376,741	1,920,086	917,129
Finance expenses	35,573	5,363	43,297	17,706
	4,097,259	1,903,667	10,306,697	4,616,358
Loss before income taxes	(737,118)	148,016	(390,162)	1,725,867
Income tax expense	118,150	39,934	140,417	39,934
Net income (loss) and comprehensive income (loss) for the period from discontinued operations	\$ (855,268)	\$ 108,082	\$ (530,579)	\$ 1,685,933

Results of Operations

The Company's selected quarterly results for the most recently completed interim financial periods are as follows:

	Quarter ended ⁽¹⁾			
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Advertising and subscriptions	\$ 1,278,108	\$ 450,019	\$ 689,704	\$ 438,773
Net investment gains (losses)	(3,747,401)	(8,083,620)	(258,474)	3,581,506
Sales of digital maps	52,600	53,000	80,450	-
Operating, general and administrative	(2,027,353)	(2,513,683)	(1,713,239)	(1,549,391)
Research and development	(228,976)	(207,239)	(94,041)	(45,000)
Loss from equity investment	(238,053)	(73,398)	(78,904)	(68,613)
Gain on deemed disposition of equity investment	-	-	407,790	712,765
Net income (loss) from continuing operations	(3,818,176)	(8,973,182)	(872,749)	2,580,529
Net income (loss) from discontinued operations	(855,268)	70,998	253,691	(390,013)
Net income (loss) and comprehensive income (loss) for the period	(4,673,444)	(8,902,184)	(619,058)	2,190,516
Earnings (loss) per common share based on net income (loss) for the period – basic	(0.04)	(0.07)	(0.01)	0.02
Earnings (loss) per common share based on net income (loss) for the period – diluted	(0.04)	(0.07)	(0.01)	0.02

	Quarter ended ⁽¹⁾			
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Net investment gains (losses)	\$ (10,363,074)	\$ 16,003,092	\$ (2,082,455)	\$ 5,786,078
Operating, general and administrative	(747,446)	(1,703,653)	(604,578)	(542,720)
Loss from equity investment	(273,304)	(660,880)	(291,245)	-
Net income (loss) from continuing operations	(9,674,712)	11,965,958	(2,786,526)	3,845,677
Realized gains from disposition of subsidiary	-	-	7,659,798	-
Net income from discontinued operations	108,082	747,936	829,915	657,761
Net income (loss) and comprehensive income (loss) for the period	(9,566,630)	12,713,894	5,703,187	4,503,438
Earnings (loss) per common share based on net income (loss) for the period – basic	(0.08)	0.13	0.06	0.05
Earnings (loss) per common share based on net income (loss) for the period – diluted	(0.08)	0.12	0.06	0.05

(1) To conform with the current period classification of the discontinued operations, prior period results have been reclassified to discontinued operations. The Company did not declare any dividends during any of the periods indicated.

Three months ended September 30, 2022 and 2021:

In prior reporting periods, the Company's Exploration Technology Division revenue was primarily consisted of consulting revenue and sales of maps which is now part of net income (loss) from discontinued operations.

For the three months ended September 30, 2022, the Company reported advertising and subscriptions of \$1,278,108 and sales of digital maps of \$52,600, from its newly acquired wholly owned subsidiaries CEO.CA and DigiGeoData. None of these revenue occurred during the three months ended September 30, 2021.

The Company has investments in some of its customers. The Company does not have a firm policy regarding (i) the extent of its investments in its customers; or (ii) the percentage of issued and outstanding shares that it may acquire in any given customer. In September 2021, the Company had contracted a portfolio manager to help manage its growing portfolio and with the acquisitions and disposition of any of its investments. The Company has also entered into a managed account authorization agreement with one of its broker to manage its investment portfolio. The Company does not seek to acquire any particular level of ownership in order to exert influence over any of its investees and treats such holdings as passive investments. The Company may opt to hold, decrease or increase its position in any investee company at any time based upon market forces, management's assessment of the investment in question and the funding needs of the Company. The value of any particular investee company will be affected by its operations and general market fluctuations, each of which are beyond the control of the Company. Accordingly, the value of the Company's investments could increase or decrease at any time, and the Company may not realize upon any unrealized gains which it has reported, depending upon the nature and timing of its disposal of any such investments. See also the Investments section and Investment Risks section elsewhere in this MD&A.

For the three months ended September 30, 2022, the Company reported net investment losses of \$3,747,401 as compared \$10,363,074 for the three months ended September 30, 2021, related to net unrealized losses on investments of \$1,980,227 (three months ended September 30, 2021 – net unrealized losses on investments of \$10,699,712) from the net write-down to fair value and net reversal of previously recognized unrealized gains on the investments and the Company had net realized losses on disposal of investments of \$1,767,174 (three months ended September 30, 2021 – net realized gains of \$336,638) in accordance with the Company's accounting policy for investments.

For the three months ended September 30, 2022, the Company reported other income of \$31,618 as compared to \$10,306 for the three months ended September 30, 2021. Other income primarily consisted of dividend/interest income earned on the Company's investments. A summary of other income for the three months ended September 30, 2022 and 2021 is as follows:

	Three months ended	
	September 30,	
	2022	2021
Dividend income	\$ 21,352	\$ -
Interest income	9,146	10,306
Other income	1,120	-
	\$ 31,618	\$ 10,306

Included in operating, general, and administrative expenses for the three months ended September 30 are the following:

	Three months ended September 30,	
	2022	2021
Salaries and consulting fees	\$ 672,534	\$ 279,191
Amortization and depreciation	340,525	8,757
Stock-based compensation expense	327,747	225,420
Professional fees	196,497	96,674
Software licensing fees	180,779	-
Shareholder relations and filing fees	74,803	31,981
Directors' fees	64,500	64,500
Brokerage fees and transaction costs	56,754	10,868
Other office and general	50,935	7,596
Other employee benefits	30,551	15,995
Provision for ECLs	22,533	-
Operating lease payments	14,742	14,985
Travel and promotion	9,387	-
Foreign exchange gain	(14,934)	(8,521)
	\$ 2,027,353	\$ 747,446

For the three months ended September 30, 2022, the Company had operating, general and administrative expenses of \$2,027,353 as compared to \$747,446 for the three months ended September 30, 2021, primarily due to an increase in operating activities which resulted in additional staff and other expenses relating to its newly acquired subsidiaries. These expenses related to the Company's Financial Technology Division and corporate operating expenses. For the three months ended September 30, 2022 and 2021, salaries and consulting fees continue to be the Company's highest operating expense as expected. The Company expects a continued increase in salaries and consulting fees due to an increase in hiring to support the increase in number of clients (revenue) and the increase in the activities of its recently acquired subsidiaries, CEO.CA and DigiGeoData. For the three months ended September 30, 2022, amortization and depreciation includes \$328,340 for the amortization of intangible assets related the acquisitions of CEO.CA and DigiGeoData. During the quarter ended December 31, 2021, the Company entered into a managed account authorization agreement with one of its broker to manage its investment portfolio. The broker charges a management fee rather transaction costs associated with the trading activities.

For the three months ended September 30, 2022, the Company's research and development expenditures (which consist of salaries and consulting fees) totalled \$228,976 as compared to \$nil for the three months ended September 30, 2021.

For the three months ended September 30, 2022, the Company had recorded finance expenses of \$3,406 as compared to \$3,336 for the three months ended September 30, 2021. The finance expenses relate to lease liabilities and the amount is the difference between lease payments and the net present value that has been accrued in accordance with the accounting policy for leases.

For the three months ended September 30, 2022, the Company recorded a loss from its equity investment of \$238,053 as compared to \$273,304 for the three months ended September 30, 2021. See Equity Investment in Golden Planet Mining Corp. ("GPM") Section elsewhere in this MD&A.

For the three months ended September 30, 2022, the Company had recorded income tax recovery of \$1,064,187 as compared to \$1,702,142 for the three months ended September 30, 2021. The income tax recovery was primarily related to the deferred tax liabilities due to the Company's temporary differences on investments, equity investments and intangible assets.

For the three months ended September 30, 2022, the Company had a net loss from continuing operations of \$3,818,176 (basic loss per share of \$0.03) as compared to \$9,674,712 (basic loss per share of \$0.08) for the three months ended September 30, 2021.

For the three months ended September 30, 2022, the Company had a net loss from discontinued operations of \$855,268 (basic loss per share of \$0.01) as compared to net income from discontinued operations of \$108,082 (basic loss per share of \$0.00) for the three months ended September 30, 2021. The discontinued operations is related to the Company's Exploration Technology Division which includes the Company's subsidiaries Ridgeline and Geotic.

For the three months ended September 30, 2022, the Company had a net loss and comprehensive loss of \$4,673,444 (basic loss per share of \$0.04) as compared to \$9,566,630 (basic loss per share of \$0.08) for the three months ended September 30, 2021.

Nine months ended September 30, 2022 and 2021:

In prior reporting periods, the Company's Exploration Technology Division revenue was primarily consisted of consulting revenue and sales of maps which is now part of net income (loss) from discontinued operations for the period.

For the nine months ended September 30, 2022, the Company reported advertising and subscriptions of \$2,417,831 and sales of digital maps of \$186,050, from its newly acquired wholly owned subsidiaries CEO.CA and DigiGeoData. None of these revenue occurred during the nine months ended September 30, 2021.

For the nine months ended September 30, 2022, the Company reported net investment losses of \$12,089,495 as compared to net investment gains of \$3,557,563 for the nine months ended September 30, 2021, related to net unrealized losses on investments of \$11,099,612 (nine months ended September 30, 2021 – net unrealized gains on investments of \$2,080,248) from the write-down to fair value and reversal of previously recognized unrealized gains on the investments and the Company had net realized losses on disposal of investments of \$989,883 (nine months ended September 30, 2021 – net realized gains of \$1,477,315) in accordance with the Company's accounting policy for investments.

A summary of other income for the nine months ended September 30, 2022 and 2021 is as follows:

	Nine months ended	
	September 30,	
	2022	2021
Dividend income	\$ 129,124	\$ -
Collection of ECL prior to acquisition of subsidiaries		-
Interest income	14,932	14,889
Other income	5,013	-
	\$ 149,069	\$ 14,889

Included in operating, general, and administrative expenses for the nine months ended September 30 are the following:

	Nine months ended	
	September 30,	
	2022	2021
Salaries and consulting fees	\$ 1,664,613	\$ 2,015,249
Stock-based compensation expense	1,522,429	561,493
Amortization and depreciation	992,765	26,271
Software licensing fees	614,784	-
Professional fees	554,055	236,125
Brokerage fees and transaction costs	200,279	58,184
Directors' fees	193,500	170,500
Other office and general	188,735	25,106
Shareholder relations and filing fees	161,287	90,864
Other employee benefits	98,775	55,928
Operating lease payments	45,454	43,377
Travel and promotion	30,394	-
Provision for ECLs	23,466	-
Foreign exchange gain	(15,677)	(3,688)
Research and development tax credits	(20,584)	(223,732)
	\$ 6,254,275	\$ 3,055,677

For the nine months ended September 30, 2022, the Company had operating, general and administrative expenses of \$6,254,275 as compared to \$3,055,677 for the nine months ended September 30, 2021, primarily due to an increase in operating activities which resulted in additional staff and other expenses relating to its newly acquired subsidiaries. For the nine months ended September 30, 2022 and 2021, salaries and consulting fees continue to be the Company's highest operating expense as expected. For the nine months ended September 30, 2022, amortization and depreciation includes \$963,066 for the amortization of intangible assets related the acquisitions of its subsidiaries, CEO.CA and DigiGeoData. During the quarter ended December 31, 2021, the Company entered into a managed account authorization agreement with one of its broker to manage its investment portfolio. The broker charges a management fee rather transaction costs associated with the trading activities.

Stock-based compensation expense increased by \$960,936 as compared to the nine months ended September 30, 2021. Stock-based compensation expense will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date. Stock options are accounted for in accordance with the fair value method of accounting for stock-based compensation. The fair value of these options is estimated at the date of grant using the Black-Scholes option pricing model, and expensed over the vesting periods

based on the graded method. Unvested forfeited stock options are not expensed during the period. On January 31, 2022, the Company granted 1,240,000 options exercisable at \$0.73 per share, expiring on January 31, 2027, and on May 31, 2022, the Company granted 4,472,500 options exercisable at \$0.485 per share, expiring on May 31, 2027.

The increases in expenses were offset by the recording of research and development tax credits. The Company undertakes research and development activities, the costs of which are eligible for investment tax credits which may be refunded or applied to reduce income tax payable in the current year and future years. During the nine months ended September 30, 2022, the Company recognized \$20,584 (nine months ended September 30, 2021 - \$223,732) of Investment Tax Credits, which has been deducted from operating, general and administrative expenses. Investment tax credits for the fiscal year are dependent upon qualification of each individual project under stringent technical criteria and amounts may vary upon further review by the Canada Revenue Agency and Revenue Quebec. Adjustments to the claim, if any, will be accounted for in the year of assessment.

For the nine months ended September 30, 2022, the Company's research and development expenditures (which consist of salaries and consulting fees) totalled \$530,256 as compared to \$nil for the nine months ended September 30, 2021.

For the nine months ended September 30, 2022, the Company had recorded finance expenses of \$8,633 as compared to \$10,810 for the nine months ended September 30, 2021. The finance expenses relate to lease liabilities and the amount is the difference between lease payments and the net present value that has been accrued in accordance with the accounting policy for leases.

For the nine months ended September 30, 2022, the Company recorded a loss from its equity investment of \$390,355 as compared to \$1,225,429 for the nine months ended September 30, 2021. In addition, the Company recorded a gain on deemed disposition of equity investment of \$407,790 as a result of the Company's dilution ownership in GPM. See Equity investment in Golden Planet Mining Corp. ("GPM") Section elsewhere in this MD&A.

For the nine months ended September 30, 2022, the Company had recorded income tax recovery of \$2,445,867 as compared to income tax recovery of \$224,184 for the nine months ended September 30, 2022. The income tax recovery was primarily related to the reversal of net deferred tax liabilities due to the Company's temporary differences on unrealized gains on its investments, equity investments and intangible assets.

For the nine months ended September 30, 2022, the Company had a net loss from continuing operations of \$13,664,107 (basic loss per share of \$0.10) as compared to \$495,280 (basic loss per share of \$0.00) for the nine months ended September 30, 2021.

For the three months ended September 30, 2022, the Company had a net loss from discontinued operations of \$530,579 (basic loss per share of \$0.00) as compared to net income from discontinued operations of \$1,685,933 (basic loss per share of \$0.09) for the nine months ended September 30, 2021. The discontinued operations related to the Company's Exploration Technology Division which includes the Company's subsidiaries Ridgeline and Geotic. In the prior year period, the Company also recorded realized gains on disposition of subsidiary of \$7,659,798.

For the nine months ended September 30, 2022, the Company had a net loss and comprehensive loss of \$14,194,686 (basic loss per share of \$0.10) as compared to net income and comprehensive income of \$8,850,451 (basic earnings per share of \$0.09) for the nine months ended September 30, 2021.

Cash Flows

Nine months ended September 30, 2022 and 2021:

During the nine months ended September 30, 2022, the Company used cash of \$2,131,345 in operating activities as compared to \$6,691,667 for the nine months ended September 30, 2021. For the nine months ended September 30, 2022, the Company had significant non-cash items relating to gain on deemed disposition of equity investment of \$407,790 (2021 - \$nil), stock-based compensation expense of \$1,522,429 (2021 - \$561,493), and amortization and depreciation of \$992,765 (2021 - \$26,271). During the nine months ended September 30, 2022, the Company purchased investments totalling \$12,103,706 (2021 - \$9,352,263) and received proceeds on disposition of investments totalling \$12,143,802 (2021 -\$3,818,939). The Company's investment activities, specifically the purchases of gold mining producers, are expected to decrease activity as its consulting business decreases (discontinued operations). For the nine months ended September 30, 2022, deferred revenue increased by \$1,710,285 and due from brokers increased by \$1,039,641. During the nine months ended September 30, 2022, the Company used net cash of \$1,210,256 from discontinued operations.

During the nine months ended September 30, 2022, the Company used net cash of \$34,633 in financing activities as compared to generating net cash of \$19,936,223 during the nine months ended September 30, 2021. During the nine months ended September 30, 2022, the Company received cash of \$107,159 (2021 - \$87,571) from the exercise of stock options offset by using cash of \$36,549 (2021 - \$32,175) for principal payments of lease liabilities and \$15,000 for the share issuance costs (for the acquisition of DigiGeoData). During the nine months ended September 30, 2021, the Company received net cash of \$19,373,941 from two private placement financings of which one was a bought deal public offering for gross proceeds of \$11,500,000 and the Company also received proceeds of \$596,355 from the exercise of broker warrants. During the nine months ended September 30, 2022, the Company used net cash of \$90,243 (nine months ended September 30, 2021 - \$89,469) for discontinued operations.

During the nine months ended September 30, 2022, cash used in investing activities was \$1,441,379 as compared to \$347,929 during the nine months ended September 30, 2021. During the nine months ended September 30, 2022, the Company spent a net total of \$971,886 for its acquisition of DigiGeoData. During the nine months ended September 30, 2022, the Company used cash of \$469,493 (nine months ended September 30, 2021 - \$347,929) for discontinued operations in investing activities.

For the nine months ended September 30, 2022, the Company had a net decrease in cash and cash equivalents of \$3,607,357 as compared to a net increase in cash and cash equivalents of \$12,896,627 for the nine months ended September 30, 2021. As a result, the Company had a cash and cash equivalents balance of \$2,951,461 as at September 30, 2022 as compared to \$17,363,804 as at September 30, 2021, relating to continuing operations.

Investments:

The fair value and cost of investments are as at September 30, 2022 and December 31, 2021 as follows:

	Fair Value	Cost
September 30, 2022	\$ 21,945,276	\$ 21,747,715
December 31, 2021	\$ 34,674,867	\$ 23,377,694

As at September 30, 2022, included in the fair value is warrants with a fair value of \$2,686,740 (December 31, 2021 - \$3,083,032), valued in accordance with the Company's accounting policy for warrants.

As at September 30, 2022, the fair value of investments exceeded original cost by \$197,561 as compared to \$11,297,173 as at December 31, 2021. The decrease for the nine months ended September 30, 2022 was primarily due to the net change in unrealized losses on investments of \$11,099,612.

The fair value of the Company's investments as reflected in its financial statements and calculated in accordance with IFRS and its accounting policies may differ from the actual proceeds of disposition that would be realized by the Company. For example, the amounts at which the Company's publicly-traded investments could be disposed of currently may differ from fair values based on market quotes, as the value at which significant ownership positions are sold is often different than the quoted market price due to a variety of factors such as premiums paid for large blocks or discounts due to illiquidity.

During the nine months ended September 30, 2022, three of the Company's private investees were listed on a public exchange and another was acquired by a private company. As at September 30, 2022, total investments included securities of 6 private companies with a fair value totalling \$3,252,848 (14.8% of total fair value of the Company's investments; cost of \$2,560,735). As at December 31, 2021, total investments included securities of 6 private companies with a fair value totalling \$3,043,301 (8.8% of total fair value of the Company's investments; cost of \$2,331,603). The fair value was determined in accordance with the Company's accounting policy for private company investments. The amounts at which the Company's private company investments could be disposed of currently may differ significantly from their carrying values since there is no active market to dispose of these investments.

In addition, as at September 30, 2022, the Company has an equity investment in GPM totalling \$9,218,775 (fair value of \$16,242,467), as previously discussed.

Segmented information:

The management of the Company is responsible for the Company's sales and considers the business to have two operating segments:

- The Exploration Technology Division which houses the Company's exploration SaaS and global consulting services and field services divisions (Ridgeline and Geotic); and
- The Financial Technology Division which houses the Company's financial technology (CEO.CA and DigiGeoData) and growing investment portfolio.

For the nine months ended September 30, 2021, the Company had only one operating segment other than corporate operations. The Company measures each reportable operating segment's performance based on revenue and segment operating income, which is the profit metric utilized by the Company's management, for assessing the performance of operating segments. The Company has a single reportable geographic segment, Canada, and all of the Company's assets and equipment are located in Canada. The Company's operating segments are not reliant on any single external customer. The internal reporting provided to the management of the Company's assets, liabilities, and performance is prepared consistently with the measurement and recognition principles of IFRS. The intercompany sales

and advances have been eliminated in the interim condensed consolidated financial statements. The Company does not report total assets or total liabilities based on its reportable operating segments.

On October 25, 2022, the Company announced that it has entered into an agreement to sell the Company's Exploration Technology Division. As a result, results for the Exploration Technology Division for the three and nine months ended September 30, 2022 have been classified as loss from discontinued operations in the interim condensed consolidated statement of loss and comprehensive loss. The assets and liabilities have been classified as assets held for sale and liabilities directly associated with the assets held for sale, respectively, in the interim condensed consolidated statement of financial position as at September 30, 2022. See Discontinued operations Section.

Liquidity and capital resources:

Interim condensed consolidated statements of financial position highlights	September 30, 2022	December 31, 2021
Cash and cash equivalents	\$ 2,951,461	\$ 6,558,818
Due from brokers	1,650,901	611,260
Accounts receivable, net of expected credit losses	75,676	1,288,398
Investments, at fair value	21,945,276	34,674,867
Equity investment	9,218,775	8,492,872
Assets held for sale	7,378,992	-
Property and equipment	154,868	1,641,549
Intangible Assets	8,836,463	9,977,352
Goodwill	8,321,591	9,038,472
Total assets	60,696,606	73,125,047
Accounts payable and accrued liabilities	497,168	2,477,421
Deferred revenue	1,875,600	6,073,101
Liabilities directly associated with the assets held for sale	6,766,630	-
Deferred tax liabilities	347,929	3,291,684
Total liabilities	10,253,483	12,105,478
Share capital, contributed surplus, and warrants	49,731,841	46,113,601
Retained earnings	711,282	14,905,968

As at September 30, 2022, total liabilities decreased by \$1,851,995 to \$10,253,483 as compared to \$12,105,478 as at December 31, 2021, primarily due to a decrease in deferred revenue, deferred tax liabilities and accounts payable and accrued liabilities. The deferred tax liabilities as at September 30, 2022 and December 31, 2021 relates to the potential tax payable on the Company's unrealized gains on its investments, equity investment, intangible assets and other temporary tax differences. As at September 30, 2022, total liabilities included \$6,766,630 in liabilities directly associated with the assets held for sale.

The Company's cash and cash equivalents and investments as at September 30, 2022 is sufficient to meet the Company's current liabilities. The Company continues to have no long-term debt (other than non-current lease liabilities) and is well positioned to meet its operating expenditure obligations as they become due and to fund its investing activities.

Related party transactions:

All transactions with related parties have occurred in the normal course of operations.

- (a) Key management personnel are defined as those individuals having authority and responsibility for planning, directing, and controlling the activities of the Company. EarthLabs considers Denis Laviolette, its Executive Chairman and President (“EC&P”), Vincent Dube-Bourgeois, its Chief Executive Officer (“CEO”), Binh Quach, its Chief Financial Officer and Corporate Secretary (“CFO”), Cejay Kim, its Chief Business Officer, and Shawn Hood, its Chief Technology Officer to be its key management personnel, in addition to its board of directors.

Compensation of key management is included in the consolidated statements of income (loss) and comprehensive income (loss) as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Salaries and consulting fees	\$ 206,250	\$ 187,500	\$ 581,250	\$ 1,737,500
Directors fees	64,500	64,500	193,500	170,500
Stock-based compensation expense	100,977	23,288	412,213	117,020
Employee benefits	5,479	3,583	16,789	10,748
	\$ 377,206	\$ 278,871	\$ 1,203,752	\$ 2,035,768

For the nine months ended September 30, 2021, included in salaries and consulting fees were cash bonuses paid to key management personnel totaling \$1,175,000.

- (b) During the nine months ended September 30, 2022, the Company recorded consulting revenue (included in net income (loss) from discontinued operations) of \$262,237 (nine months ended September 30, 2021 - \$1,019,659) from New Found Gold Corp (“NFGC”), a mineral exploration company trading on the TSX Venture Exchange under the symbol “NFG”. As at September 30, 2022, included in assets held for sale is accounts receivable of \$5,085 (December 31, 2021 - \$225,619) due from NFGC. As at September 30, 2022, the Company also has an investment in NFGC with a fair value of \$4,837,677 (December 31, 2021 - \$9,294,300). The Company’s EC&P is also a director and President of NFGC.
- (c) During the nine months ended September 30, 2022, the Company recorded consulting revenue (included in net income (loss) from discontinued operations) of \$50,497 (nine months ended September 30, 2021 - \$407,116) from Golden Planet Mining Corp. As at September 30, 2022, the Company had an accounts receivable of nil (December 31, 2021 - \$97,840) due from GPM. As at September 30, 2022, the Company also has an equity investment of \$9,218,775 (December 31, 2021 - \$8,492,872). The Company’s EC&P is also a director and CEO of GPM. Also, the Company’s CTO is the Chief Operations Officer of GPM.
- (d) As at September 30, 2022, included in accounts payable and accrued liabilities is \$23,330 (December 31, 2021 - \$18,864) due to the officers of the Company, relating to the reimbursement of expenses.

Off-Balance Sheet arrangements:

In January 2019, the Company entered into a Mineral Interest Purchase Agreement (the "Agreement") with a wholly-owned subsidiary of Triple Flag Mining Finance Bermuda Ltd. ("Triple Flag"), a company that focuses on financing and investing in the mining sector. In connection with the Agreement, Triple Flag has acquired 50% of certain mineral interests held or to be acquired by EarthLabs, and certain rights with respect to future mineral interests that are acquired by EarthLabs, for cash consideration of \$100,000. The Company also has net smelter royalties agreements with various junior mining companies in connection with service contracts with them.

As at September 30, 2022, there were no other off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of EarthLabs.

Management of capital:

There were no changes in the Company's approach to capital management during the three months ended September 30, 2022. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from its shareholders or raise additional funds. The Company considers its capital to include total equity which amounts to \$50,443,123 on September 30, 2022 (December 31, 2021 – \$61,019,569). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders.

Since inception, the Company has not declared any cash dividends to its shareholders as part of its capital management program. The Company's current capital resources are sufficient to discharge its current liabilities as at September 30, 2022.

Financial instruments and financial risk management:

Financial instruments

The carrying amounts of accounts receivable, net of ECL, accounts payable and accrued liabilities, and current lease liabilities approximate their fair value due to their short periods to maturity.

Financial risk management

The Company has exposure to credit risk, market risk, liquidity risk, and currency risk associated with its financial assets and liabilities.

There were no significant or material changes to the Company's risk management during the three months ended September 30, 2022. A discussion of the Company's use of financial instruments and other associated risks is as follows.

(d) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. Financial instruments which potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, due from brokers and accounts receivable. All funds in cash are held in financial institutions that have a credit rating above AA and the Company believes the risk of loss to be remote.

The Company has accounts receivable from mining and exploration companies. The Company's credit risk arises from the possibility that a counterparty which owes the Company money is unable or unwilling to meet its obligations in accordance with the terms and conditions in the contracts with the Company, which would result in a financial loss to the Company. These specific mining and exploration companies may be affected by economic factors and government factors which may impact accounts receivable. Management does not believe that a single industry or geographic region represents significant credit risk. This risk is mitigated through established credit management techniques, including monitoring counterparty creditworthiness, setting exposure limits and monitoring exposure against these customer credit limits.

The maximum exposure to credit risk is the carrying amount of the Company's cash and cash equivalents, due from brokers and accounts receivable, net of ECLs which total \$4,866,495 as at September 30, 2022 (December 31, 2021 - \$8,458,476).

An aging of accounts receivable, net of expected credit losses are as follows as at September 30, 2022 and December 31, 2021:

	September 30, 2022	December 31, 2021
Accounts receivable aging		
0-30 days	\$ 63,992	\$ 790,547
31-60 days	8,755	346,383
61-90 days	3,020	142,191
Greater than 90 days	22,533	125,752
	\$ 98,300	\$ 1,404,873
Expected credit loss provision	(22,533)	(116,475)
Accounts receivable, net of expected credit losses	\$ 75,767	\$ 1,288,398

The movement in the expected credit loss provision can be reconciled as follows as at September 30, 2022 and December 31, 2021:

	September 30, 2022	December 31, 2021
Expected credit loss provision:		
Expected credit loss provision, beginning balance	\$ (116,475)	\$ (55,528)
Provision used during the year	933	4,678
Provision recorded during the period	(23,466)	(65,625)
Reclassified to liabilities directly associated with the assets held for sale	116,475	-
Expected credit loss provision, ending balance	\$ (22,533)	\$ (116,475)

The following default rates are used to calculate the expected credit loss provision on accounts receivable as at September 30, 2022:

	Total	0-30 days	31-60 days	61-90 days	Greater than 90 days
Default rates		0%	0%	0%	100%
Accounts receivable	\$ 98,300	\$ 63,992	\$ 8,755	\$ 3,020	\$ 22,533
Expected credit loss provisions	\$ 22,533	\$ -	\$ -	\$ -	\$ 22,533

The following default rates are used to calculate the expected credit loss provision on accounts receivable as at December 31, 2021:

	Total	0-30 days	31-60 days	61-90 days	Greater than 90 days
Default rates		0%	0%	0%	93%
Accounts receivable	\$ 1,404,873	\$ 790,547	\$ 346,383	\$ 142,191	\$ 125,752
Expected credit loss provisions	\$ 116,475	\$ -	\$ -	\$ -	\$ 116,475

The Company does not have collateral to any of its receivable balances.

During the year ended December 31, 2020, the Canadian federal government made certain government support programs available to eligible entities as part of its COVID-19 economic response plan. Each applicant's eligibility for these programs is subject to validation and detailed verification by the federal government. Due to nature of the eligibility requirements and related calculations, it is possible that the eligibility requirements may not be considered to be met upon validation, and as such the benefits received may be repayable. During the nine months ended September 30, 2022 and 2021, the Company did not receive any wage subsidies. During the nine months ended September 30, 2022, the Company repaid \$40,000 in Canada Emergency Business Account ("CEBA") loans.

(e) Market risk:

Market risk is the risk that the fair value of future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices.

Additionally, the Company adjusts its investments to fair value at the end of each reporting period. This process could result in significant write-downs of the Company's investments over one or more reporting periods, particularly during periods of overall market instability, which would have a significant unfavourable effect on the Company's financial position. As at September 30, 2022, the Company held \$572,549 in U.S. denominated investments (December 31, 2021 – \$1,286,887) therefore market risk also includes currency risk.

There were no changes in the way the Company manages market risk during the nine months ended September 30, 2022.

The following table shows the estimated sensitivity of the Company's after-tax net income for the three and nine months ended September 30, 2022 from a change in the fair value price of the Company's investments with all other variables held constant as at September 30, 2022:

Percentage of change in closing trade price	Decrease in after-tax net loss from % increase in closing trade price	Increase in after-tax net loss from % decrease in closing trade price
2%	\$ 380,751	\$ (380,751)
4%	761,501	(761,501)
6%	1,142,252	(1,142,252)
8%	1,523,002	(1,523,002)
10%	1,903,753	(1,903,753)

The following table shows the estimated sensitivity of the Company's after-tax net income for the three and nine months ended September 30, 2021 from a change in the fair value price of the Company's investments with all other variables held constant as at September 30, 2021:

Percentage of change in closing trade price	Increase in after-tax net income from % increase in closing trade price	Decrease in after-tax net income from % decrease in closing trade price
2%	\$ 466,921	\$ (466,921)
4%	933,842	(933,842)
6%	1,400,762	(1,400,762)
8%	1,867,683	(1,867,683)
10%	2,334,604	(2,334,604)

(f) Liquidity risk:

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company's management is responsible for reviewing liquidity resources to ensure funds are available to meet financial obligations as they become due, as well as ensuring funds exist to support business strategies and operating growth.

There were no changes to the way that the Company manages liquidity risk during the three months ended September 30, 2022. The Company's accounts payable and accrued liabilities are due within less than 1 year as at September 30, 2022 and December 31, 2021. The Company's cash and cash equivalents balance is sufficient to meet the Company's current liabilities.

The following table shows the Company's liabilities and potential due dates related to liquidity risk as at September 30, 2022:

Liabilities and obligations	Payments due by period				
	Total	Less than 1 year	1 – 3 years	4 – 5 years	Non-cash payable
Accounts payable and accrued liabilities	\$ 497,168	\$ 497,168	\$ -	\$ -	\$ -
Sales tax payable	350,396	350,396	-	-	-
Deferred revenue	1,875,600	-	-	-	1,875,600
Income tax payable	264,492	264,492	-	-	-
Liabilities directly associated with the assets held for sale	6,766,630	6,766,630	-	-	-
Deferred tax liabilities	347,929	-	-	-	347,929
Office and other lease payments	200,074	17,285	132,232	50,557	-
	\$ 10,302,289	\$ 7,895,971	\$ 132,232	\$ 50,557	\$ 2,223,529

The following table shows the Company's liabilities and potential due dates related to liquidity risk as at December 31, 2021:

Liabilities and obligations	Payments due by period				
	Total	Less than 1 year	1 – 3 years	4 – 5 years	Non-cash payable
Accounts payable and accrued liabilities	\$ 2,477,421	\$ 2,477,421	\$ -	\$ -	\$ -
Sales tax payable	31,933	31,933	-	-	-
Deferred revenue	6,073,101	-	-	-	6,073,101
Income tax payable	4,600	4,600	-	-	-
Deferred tax liabilities	3,291,684	-	-	-	3,291,684
Office and other lease payments	252,969	157,189	95,780	-	-
	\$ 12,131,708	\$ 2,671,143	\$ 95,780	\$ -	\$ 9,364,785

The following table shows the Company's source of liquidity by assets as at September 30, 2022:

Assets	Payments due by period				
	Total	Less than 1 year	1 – 3 years	4 – 5 years	Non-liquid assets
Cash and cash equivalents	\$ 2,951,461	\$ 2,951,461	\$ -	\$ -	\$ -
Due from brokers	1,650,901	1,650,901	-	-	-
Accounts receivable, net of ECLs	75,767	75,767	-	-	-
Investments, at fair value	21,945,276	21,945,276	-	-	-
Equity investment	9,218,775	9,218,775	-	-	-
Prepays	162,512	-	-	-	162,512
Assets held for sale	7,378,992	-	-	-	7,378,992
Property and equipment	154,868	-	-	-	154,868
Intangible assets	8,836,463	-	-	-	8,836,463
Goodwill	8,321,591	-	-	-	8,321,591
	\$ 60,696,606	\$ 35,842,180	\$ -	\$ -	\$ 24,854,426

The following table shows the Company's source of liquidity by assets as at December 31, 2021:

Assets	Payments due by period				
	Total	Less than 1 year	1 – 3 years	4 – 5 years	Non-liquid assets
Cash and cash equivalents	\$ 6,558,818	\$ 6,558,818	\$ -	\$ -	\$ -
Due from brokers	611,260	611,260	-	-	-
Accounts receivable, net of ECLs	1,288,398	1,288,398	-	-	-
Investments, at fair value	34,674,867	34,674,867	-	-	-
Equity investment	8,492,872	8,492,872	-	-	-
Tax credits receivable	447,068	447,068	-	-	-
Prepays	394,391	-	-	-	394,391
Property and equipment	1,641,549	-	-	-	1,641,549
Intangible assets	9,977,352	-	-	-	9,977,352
Goodwill	9,038,472	-	-	-	9,038,472
	\$ 73,125,047	\$ 52,073,283	\$ -	\$ -	\$ 21,051,764

(g) Currency risk:

Currency risk is the risk of loss from the Canadian dollar depreciating when it fluctuates against other foreign currencies. The Company presently holds funds in Canadian dollars but some of its receivables are denominated in U.S. dollars. The Company does not engage in any hedging activities to mitigate its foreign exchange risk. A change in the foreign exchange rate of the Canadian dollar versus another currency may increase or decrease the value of the Company's financial instruments. There were no changes to the way that the Company manages currency risk during the nine months ended September 30, 2022.

As at September 30, 2022, the Company had \$262,473 (US\$191,660) in net cash, accounts receivable, due from brokers and accounts payable (September 30, 2021 - \$337,424 (US\$264,833)) and had the Canadian dollar strengthened or declined by 5% in relation to the U.S. dollar, with all other variables held constant, net income and comprehensive income for the three and nine months ended September 30, 2022 would have decreased or increased, respectively, by approximately \$13,124 (three and nine months ended September 30, 2021 - \$13,242). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Other Risks:

The Company's financial condition, results of operation and business are subject to certain risks, which may negatively affect them. Certain of these risks are described below in addition to elsewhere in this MD&A.

(a) Cash flows from consulting income:

The Company currently generates revenue and cash flows from its consulting services. The availability of these sources of funds and the Company's ability to maintain a network and attract additional customers will depend on a number of factors, many of which are outside of the Company's control. A significant portion of the Company's revenues have come from four

customers in short-term contracts. The Company's contracts are generally short-term and the Company is actively seeking to diversify its customer base with longer-term contracts, the loss of any one of its customers or the inability to attract additional customers will result in a material adverse effect on the business and may adversely affect revenues going forward.

(b) Dependence on management and key personnel:

EarthLabs's future growth and its ability to develop, depend, to a significant extent, on its ability to attract and retain highly qualified staff. EarthLabs relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Company will be able to retain such personnel. The loss of one or more key employees, consultants or members of senior management, if such persons are not replaced, could have a material adverse effect on EarthLabs's business, financial condition and prospects. To operate successfully and manage its potential future growth, EarthLabs must attract and retain highly qualified engineering, managerial and financial staff. Competition for its personnel can be intense, and the Company cannot ensure that it will be able to bring in and retain highly skilled technical and management staff in the future. In addition, the Company may be obligated to increase the compensation paid to current or new staff, which could substantially increase operating expenses.

(c) Technological changes:

The Company's consulting services and investing divisions operate in business segments that are entirely dependent on technology and the internet. As such, technological change will impact the ability of the Company to expand and grow its business and will affect the costs and expenses incurred by the Company, including capital requirements. The Company's products and services rely heavily on third-party software. There is a risk that new technologies and standards may render the Company's software applications obsolete. The Company may be required to invest significant capital in new technology and software development to remain competitive.

(d) Investment risks:

Through its investing division, the Company will acquire securities of public and private companies from time to time, which are primarily junior or small-cap companies. Poor investment performance could impair revenues and growth. The market values of the securities can experience significant fluctuations in the short and long term due to factors beyond the Company's control. Market value can be reflective of the actual or anticipated operating results of the companies and/or the general market conditions in a specific sector as a whole, such as fluctuations in commodity prices and global political and economic conditions. The Company's investments will be carried at fair value, and unrealized gains/losses on the securities and realized losses on the securities sold could have a material adverse impact on the Company's operating results. There is no assurance that EarthLabs will be able to achieve or maintain any particular level investment return, which may have a material adverse impact on its ability to attract investors. Furthermore, the junior mining space tends to be more volatile than the general market indices. This volatility combined with negative or poor performance could combine to lead to a reduction in investor interest.

(e) Private issuers and illiquid securities:

The Company invests in securities of private issuers. Investments in private issuers cannot be resold without a prospectus, an available exemption or an appropriate ruling under relevant securities legislation and there may not be any market for such securities. These limitations may

impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private issuers may offer relatively high potential returns, but will also be subject to a relatively high degree of risk. There can be no assurance that a public market will develop for any of the Company's private company investments or that the Company will otherwise be able to realize a return on such investments. The Company also invests in illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time the Company is able to do so, and the value of such securities could decline during such period. Illiquid investments are subject to various risks, particularly the risk that the Company will be unable to realize the Company's investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit strategy. In some cases, the Company may be prohibited by contract or by law from selling such securities for a period of time or otherwise be restricted from disposing of such securities. Furthermore, the types of investments made may require a substantial length of time to liquidate.

(f) COVID-19 (coronavirus):

EarthLabs's employees, contractors and suppliers could be affected by contagious diseases, including COVID-19, that could result in a reduction in our workforce due to illness or quarantine, transportation and travel restrictions, and other factors beyond our control specifically, the restrictions put in place by the Canadian, provincial and municipal governments regarding isolation/quarantine orders.

While the extent of the impact is unknown, the Company determined that in 2021 and for the three months ended September 30, 2022, there were no material expectations of increased credit losses, and there were no material indicators of impairment of intangibles, goodwill, or other long-term assets. Travel restrictions had little impact on the Company's consulting business. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's portfolio which could have a significant impact on the Company's operations. The extent to which the COVID-19 outbreak impacts the Company's results will continue to depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus, the actions to contain its impact, and the efficacy of the vaccines and vaccination programs in every country.

Significant Accounting Policies:

Refer to Note 2 of the Notes to the consolidated financial statements as at and for year ended December 31, 2021, for details of the Company's basis of preparation of the consolidated financial statements.

Refer to Note 3 of the Notes to the consolidated financial statements as at and for the year ended December 31, 2021, for details of the Company's accounting policies.

Due to the nature of the Company's operations, various legal matters can arise from time to time. The Company believes that none of the litigation in which it is currently involved, or has been involved, in individually or in the aggregate, is material to the Company's consolidated financial condition or results of operations. In the event that management's estimate of the future resolution of these matters changes, the Company will recognize the effects of the changes in its consolidated financial statements for the period in which such changes occur.

Critical accounting estimates:

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Critical accounting estimates used in the preparation of the Company's interim condensed consolidated financial statements include the Company's provision for expected credit losses, valuation of privately-held companies, the valuation related to the Company's deferred tax assets ("DTA"), the valuation of stock-based compensation expense, the valuation of unlisted warrants of investees, the valuation of the Company's broker warrants, and the valuation of the Company's intangible assets and goodwill, and commitments and contingencies.

Provision for expected credit losses (ECL):

The Company performs impairment testing annually for accounts receivable in accordance with IFRS 9. The ECL model requires considerable judgement, including consideration of how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. IFRS 9 outlines a three-stage approach to recognizing ECLs which is intended to reflect the increase in credit risks of a financial instrument based on i) 12-month expected credit losses or ii) lifetime expected credit losses. The Company measures provision for ECLs at an amount equal to lifetime ECLs.

The Company applies the simplified approach to determine ECLs on trade receivables by using a provision matrix based on historical credit loss experiences. The historical results are used to calculate the run rates of default which are then applied over the expected life of the trade receivables, adjusted for forward looking estimates. Management is required to make the judgment whether a receivable balance is collectible based on their relationship with the client and knowledge of the client's financial position. These judgments will affect the reported amounts of accounts receivable and provision for expected credit losses. If the economic conditions of the debtors of the Company were to deteriorate, resulting in an impairment of their ability to make payments, additional provisions might be required.

Accounts receivable, net of expected credit losses consist of the following as at September 30, 2022 and December 31, 2021:

	September 30, 2022	December 31, 2021
Accounts receivable	\$ 98,300	\$ 1,404,873
Expected credit loss provision	(22,533)	(116,475)
	\$ 75,767	\$ 1,288,398

Valuation of privately-held investments:

The valuation of these investments ("private investments") requires management to assess the current financial status and prospects of private investments based upon potentially incomplete or unaudited financial information provided by the investee company, on management's general knowledge of the private investment's activities, and on any political or economic events that may impact upon the private investment specifically, and to attempt to quantify the impact of such events on the fair value of the investment. In addition to any events or circumstances that may affect the fair value of a particular private investment, management can consider general market conditions that may affect the fair value

either of a specific private investment or of a group, segment or complete portfolio of private investments.

As at September 30, 2022, the Company had six private investees (December 31, 2021 – six private investees), with the following changes in its private investment categorized as level 3 in the financial instrument hierarchy:

	Opening balance at January 1,	Purchases	Transfer to Level 1 or 2	Net unrealized gains	Ending balance
September 30, 2022	\$ 3,043,301	\$ 1,174,134	\$ (946,700)	\$ (17,887)	\$ 3,252,848
December 31, 2021	\$ 1,150,625	\$ 2,975,004	\$ (1,620,157)	\$ 537,829	\$ 3,043,301

During the nine months ended September 30, 2022, three (year ended December 2021 – four) of the Company's private investees were listed on a public exchange and another was acquired by a private company. The net unrealized gains (losses) primarily reflect recent transaction prices.

Deferred tax assets ("DTA") and Deferred tax liabilities ("DTL"):

Deferred tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

DTL are recognized for all taxable temporary differences and DTA are recognized for all temporary deductible differences, carry forward of unused tax credits and unused tax losses. The Company does not record DTA to the extent that it considers it is not more likely than not that temporary deductible differences, the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset. As at September 30, 2022, the Company recorded a DTL of \$347,929 (December 31, 2021 - \$3,291,684) relating to taxable temporary differences associated with the unrealized gains on investments, equity investment and other temporary differences.

Stock-based Compensation Expense:

The Company uses the Black-Scholes option pricing model to calculate stock-based compensation expense and the fair value of the warrants and broker warrants issued under the Company's private placements. The model requires six key inputs: exercise price, the market price at the date of issue, risk-free interest rate, expected dividend yield, expected life and expected volatility. The first two inputs are facts rather than estimates, while the risk-free interest rate, expected life, expected volatility and expected dividend yield (estimated at 0% based on the Company's history of not paying any dividends) are based on the Company's estimates. A shorter expected life of the option, lower volatility number or higher dividend yield used would result in a decrease in stock-based compensation expense. A longer expected life of the option or a higher volatility number used would result in an increase in stock-based compensation expense. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of stock-based compensation expense. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

On January 31, 2022, the Company granted 1,240,000 stock options to employees and consultants of the Company, exercisable at \$0.73 per share expiring on January 31, 2027.

On May 31, 2022, the Company granted 4,472,500 stock options to directors, officers, employees and consultants of the Company, exercisable at \$0.485 per share expiring May 31, 2027. The stock options granted vest at the rate of 1/3 of the grant every year over 3 years. Options granted are accounted for by the fair value method of accounting for stock-based compensation. The Company records compensation expense and credits contributed surplus for all options granted.

The fair value of the options granted on January 31, 2022 and May 31, 2022 was estimated at the date of grant using the Black-Scholes option valuation model with the following assumptions:

Black-Scholes option valuation model assumptions used (weighted average)	
Expected volatility	106.2%-109.6%
Expected dividend yield	0%
Risk-free interest rate	1.64%-2.72%
Expected option life in years	5 years
Expected forfeiture rate	0%
Fair value per stock option granted on January 31, 2022	\$ 0.576
Fair value per stock option granted on May 31, 2022	\$ 0.379

On April 27, 2021, the Company granted 1,170,000 stock options to employees and consultants of the Company, exercisable at \$0.68 per share expiring on April 27, 2026. The stock options granted vest at the rate of 1/6 of the grant every three months over an 18-month period. Options granted are accounted for by the fair value method of accounting for stock-based compensation. The Company records compensation expense and credits contributed surplus for all options granted.

The fair value of the options granted on April 27, 2021 was estimated at the date of grant using the Black-Scholes option valuation model with the following assumptions:

Black-Scholes option valuation model assumptions used (weighted average)	
Expected volatility	119.2%
Expected dividend yield	0%
Risk-free interest rate	0.96%
Expected option life in years	5 years
Expected forfeiture rate	0%
Fair value per stock option granted on April 27, 2021	\$ 0.559

The expected volatility is based on the historical volatility of comparable companies over the life of the options. The Company has not paid any cash dividends historically and has no plans to pay cash dividends in the foreseeable future. The risk-free interest rate is based on the yield of Canadian Benchmark Bonds with equivalent terms. The expected option life in years represents the period of time that options granted are expected to be outstanding based on the vesting dates.

For the three months ended September 30, 2022, included in the interim condensed consolidated statements of income (loss) and comprehensive income (loss) is stock-based compensation expense of \$327,747 (three months ended September 30, 2021 - \$225,420) relating to the stock options granted to directors, officers, employees and consultants of the Company.

For the nine months ended September 30, 2022, included in the interim condensed consolidated statements of income (loss) and comprehensive income (loss) is stock-based compensation expense of \$1,522,429 (nine months ended September 30, 2021 - \$561,493) relating to the stock options granted to directors, officers, employees and consultants of the Company.

Valuation of unlisted warrants of investees:

The Company uses the Black-Scholes option pricing model to calculate the fair value of unlisted warrants of public companies if there are sufficient and reliable observable market inputs; if no such market inputs are available, the warrants are valued at intrinsic value. The model requires six key inputs: i) risk free interest rate; ii) exercise price; iii) market price at date of issue; iv) expected dividend yield; v) expected life; and vi) expected volatility. The first four inputs are facts rather than estimates, while the expected life, expected volatility and expected dividend yield (estimated at 0% based on the Company's history of not paying any dividends) are based on the Company's estimates. A shorter expected life of the warrant, lower volatility number or higher dividend yield used would result in a decrease in the fair value of the warrant. A longer expected life of the warrant or a higher volatility number used would result in an increase in the fair value of the warrant. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. As at September 30, 2022, the fair value of unlisted warrants were \$2,686,740 (December 31, 2021 – \$3,083,032).

Valuation of the Company's broker warrants:

On June 2, 2021, the Company completed a bought deal public offering to which EarthLabs issued 14,375,000 common shares at a price of \$0.80 per share, for aggregate gross proceeds of \$11,500,000, which included the full exercise of the over-allotment option. In connection with this offering, the Company paid a cash commission to the Underwriter in the amount of \$660,000, together with an aggregate of 825,000 broker warrants (the "Broker Warrants"). Each Broker Warrant entitles the Underwriter to purchase one common share at an exercise price of \$0.80 expiring on June 2, 2023.

The Broker Warrants were valued using the Black-Scholes option pricing model with the following assumptions: expected volatility of 114.9%; dividend yield of 0%; risk-free interest rate of 0.32%; and an expected life of 2.0 years. The expected volatility is based on the average historical volatility over the life of the Broker Warrant at EarthLabs's closing share trade price. The Company has not paid any cash dividends historically and has no plans to pay cash dividends in the foreseeable future. The risk-free interest rate is based on the yield of Canadian Benchmark Bonds with equivalent terms. The expected option life in years represents the period of time that the Broker Warrants are expected to be outstanding. The value assigned to the compensation options was \$425,700.

Valuation of the Company's intangible assets and Goodwill:

The acquisition of Ridgeline resulted in a purchase price allocation with intangible assets of \$530,000 and goodwill of \$1,380,883.

The intangible assets acquired comprises of the trade name/brand with a fair value of \$210,000, non-compete agreements with a fair value of \$320,000 and customer relationships with a fair value of \$nil. The fair values were determined using a discounted cash flow analysis with the following assumptions:

Assumptions	Intangible assets		
	Trade name/ brand	Non-compete agreements	Customer relationships
Discount rate	28.6%	26.6%	26.6%
% revenue associated with trade name	100%	n/a	n/a
Pre-tax royalty rate	2.0%	n/a	n/a
Life of the intangible asset	15 years	4 years	n/a

Probability to compete	n/a	37.5%	n/a
Revenue impact % rate	n/a	50.0%	n/a
Income tax rate	27.0%	27.0%	27.0%

The acquisition of CEO.CA resulted in a purchase price allocation with intangible assets of \$8,202,000 and goodwill of \$6,755,282.

The intangible assets are comprised of the developed technology with a fair value of \$6,288,000, trade name/brand with a fair value of \$1,734,000 and customer relationships with a fair value of \$180,000. The fair values were determined using a discounted cash flow analysis with the following assumptions:

Assumptions	Intangible assets		
	Developed technology	Trade name/brand	Customer relationships
Discount rate	37.3%	36.3%	19.7%
% revenue associated	100%	100%	100%
Pre-tax royalty rate	n/a	5.0%	n/a
Life of the intangible asset	7 years	15 years	5 years
Customer attrition rate	n/a	n/a	33.0%
Income tax rate	26.5%	26.5%	26.5%

The acquisition of Geotic resulted in a purchase price allocation with intangible assets of \$1,609,000 and goodwill of \$902,307.

The intangible assets are comprised of the developed technology with a fair value of \$1,380,000, trade name/brand with a fair value of \$64,000, customer relationships with a fair value of \$132,000 and non-compete agreements with a fair value of \$33,000. The fair values were determined using a discounted cash flow analysis with the following assumptions:

Assumptions	Intangible assets			
	Developed technology	Trade name/brand	Customer relationships	Non-compete agreements
Discount rate	56.0%	56.0%	20.0%	56.0%
% revenue associated	100%	100%	100%	n/a
Pre-tax royalty rate	n/a	1.5%	n/a	n/a
Life of the intangible asset	7 years	8 years	5 years	2 years
Customer attrition rate	n/a	n/a	20.0%	n/a
Probability to compete	n/a	n/a	n/a	15.0%
Revenue impact % rate	n/a	n/a	n/a	10.0%
Income tax rate	26.5%	26.5%	26.5%	26.5%

On February 1, 2022, the Company acquired DigiGeoData and due to the timing of the acquisition, the Company will require additional information to allocate the fair values to the net assets acquired, particularly to any intangibles acquired. The determination of the fair value of the net assets will be revised by the Company as additional information is received.

At acquisition date on February 1, 2022, the Company has preliminarily allocated the purchase price as follows:

Consideration		
Equity consideration (2,803,738 common shares)	\$	2,003,652
Cash consideration		876,946
Total consideration	\$	2,880,598
Net assets acquired		
Cash	\$	28,114
Accounts receivable, net of ECL		54,026
Accounts payable and accrued liabilities		(33,984)
Sales tax payable		(11,948)
Shareholder loan		(123,054)
CEBA loan		(40,000)
Deferred tax liability		(418,865)
Intangible assets		1,860,000
Net assets at fair value, as at February 1, 2022	\$	1,314,289
Goodwill	\$	1,566,309

The goodwill generated as a result of this acquisition relates to other intangible assets such as workforce and synergies that do not qualify for separate recognition. No goodwill for the DigiGeoData acquisition is expected to be deductible for tax purposes.

Commitments and contingencies:

In addition to the Company's liabilities and obligations, the Company is party to legal proceedings and other claims in the ordinary course of its operations. Litigation and other claims are subject to many uncertainties and the outcome of individual matters is not predictable. Where management can estimate that there is a loss probable, a provision has been recorded in its consolidated financial statements, where proceedings are at a premature stage or the ultimate outcome is not determinable, then no provision is recorded. It is possible that the final resolution of these matters may require the Company to make expenditures over an extended period of time and in a range of amounts that cannot be reasonably estimated and may differ significantly from any amounts recorded in these consolidated financial statements. Should the Company be unsuccessful in its defense or settlement of one or more of these legal actions, there could be a materially adverse effect on the Company's consolidated financial position, future expectations, and cash flows.

Outstanding Share Data:

As at the date of this MD&A, the number of common shares of the Company outstanding and the number of common shares issuable pursuant to other outstanding securities of EarthLabs are as follows:

Common shares	Number of securities outstanding	Number of securities exercisable
Outstanding	136,555,193	136,555,193
Issuable under the exercise of options	12,687,727	7,961,542
Issuable under the exercise of broker warrants	79,556	79,556
Total diluted common shares	149,322,476	144,596,291

Refer to Note 21 of the Notes to the interim consolidated financial statements as at and for the nine months ended September 30, 2022, for details of the Company's share capital as at September 30, 2022.

Additional Information:

Additional information relating to EarthLabs may be found on the Company's website at www.earthlabs.com and the Company's profile on Sedar at www.sedar.com.