



CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED  
AUGUST 31, 2024  
(Expressed in Canadian Dollars)  
(Unaudited)

**NOTICE OF NO AUDITOR REVIEW  
OF THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2024**

The accompanying condensed interim financial statements of Argo Living Soils Corp. (the “Company”) for the three and nine months ended August 31, 2024, have been prepared by, and are the responsibility of, the Company’s management.

The Company’s independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of the condensed interim statements by an entity’s auditor. These condensed interim financial statements include all adjustments, consisting of normal and recurring items, that management considers necessary for a fair presentation of the financial position, results of operations and cash flows.

**ARGO LIVING SOILS CORP.**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)  
(Unaudited)

<b>As at</b>	<i>Note</i>	<b>August 31, 2024</b>	<b>November 30, 2023</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash		\$ 55,375	\$ 98,895
Amounts receivable	4	4,586	5,023
Prepaid expenses		7,226	5,354
		67,187	109,272
<b>Non-Current Assets</b>			
Equipment	5	-	28,786
<b>Total Assets</b>		<b>\$ 67,187</b>	<b>\$ 138,058</b>
<b>Liabilities and Shareholders' Equity (Deficit)</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	8	\$ 53,373	\$ 30,453
Due to related parties	10	22,500	-
<b>Total Liabilities</b>		<b>75,873</b>	<b>30,453</b>
<b>Shareholders' Equity (Deficit)</b>			
Share capital	7	1,814,176	1,237,546
Contributed surplus		13,388	13,388
Obligation to issue shares	6,7	-	49,406
Share-based payment reserve	7	195,924	198,998
Accumulated deficit		(2,032,174)	(1,391,733)
		<b>(8,686)</b>	<b>107,605</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>		<b>\$ 67,187</b>	<b>\$ 138,058</b>

Nature and continuance of operations – Note 1

Subsequent event – Note 12

Approved on behalf of the Board of Directors

*"Robert Intile"*

Director

*"Peter Hoyle"*

Director

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

**ARGO LIVING SOILS CORP.**  
**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)  
(Unaudited)

		For the three months ended		For the nine months ended	
	Note	August 31,		August 31,	
		2024	2023	2024	2023
<b>General and administrative expenses:</b>					
Advertising and promotion		\$ 40,505	\$ 1,170	\$ 263,035	\$ 1,580
Amortization	5	407	4,820	2,281	14,459
Audit and accounting		–	–	2,366	2,381
Consulting	10	31,000	10,000	122,250	35,500
Farming expense		–	–	–	1,553
Management	10	2,400	5,500	30,300	8,500
Office and miscellaneous		5,631	670	26,997	4,234
Professional fees		23,456	19,986	61,963	36,790
Regulatory and filing fees		15,291	6,847	34,189	24,011
Research and development	11	48,750	–	73,750	–
<b>Operating expenses</b>		<b>(167,440)</b>	<b>(48,993)</b>	<b>(617,131)</b>	<b>(129,008)</b>
Other income	4,8,10	–	–	3,195	–
Loss on sale of equipment	5	(26,505)	–	(26,505)	–
<b>Net loss and comprehensive loss</b>		<b>\$ (193,945)</b>	<b>\$ (48,993)</b>	<b>\$ (640,441)</b>	<b>\$ (129,008)</b>
<b>Loss per share – basic and diluted</b>		<b>\$ (0.01)</b>	<b>\$ (0.00)</b>	<b>\$ (0.05)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding –</b>					
basic and diluted		<b>13,423,837</b>	<b>10,736,658</b>	<b>12,461,101</b>	<b>10,118,671</b>

*Note: All share and per share amounts in these condensed interim consolidated financial statements have been retrospectively adjusted to reflect the 1-for-2 share consolidation completed on July 26, 2024.*

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

**ARGO LIVING SOILS CORP.****CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)**

(Expressed in Canadian Dollars)

(Unaudited)

	<b>Number of Common Shares</b>	<b>Share Capital</b>	<b>Obligation to Issue Shares</b>	<b>Contributed Surplus</b>	<b>Share-based Payment Reserve</b>	<b>Accumulated Deficit</b>	<b>Total Shareholders' Equity</b>
<b>Balance at November 30, 2022</b>	9,188,151	\$ 891,990	\$ –	\$ 13,388	\$ 21,700	\$ (809,972)	\$ 117,106
Shares issued for cash	1,500,000	300,000	–	–	–	–	300,000
Share issuance costs	–	(56,692)	–	–	21,970	–	(34,722)
Shares issued on exercise of warrants	140,850	42,893	–	–	(14,723)	–	28,170
Net loss	–	–	–	–	–	(129,008)	(129,008)
<b>Balance at August 31, 2023</b>	<b>10,829,001</b>	<b>\$1,178,191</b>	<b>\$ –</b>	<b>\$ 13,388</b>	<b>\$ 28,947</b>	<b>\$ (938,980)</b>	<b>\$ 281,546</b>
<b>Balance at November 30, 2023</b>	<b>11,079,001</b>	<b>\$1,237,546</b>	<b>\$ 49,406</b>	<b>\$ 13,388</b>	<b>\$ 198,998</b>	<b>\$ (1,391,733)</b>	<b>\$ 107,605</b>
Shares issued for cash	1,500,000	300,000	–	–	–	–	300,000
Share issuance costs	–	(29,219)	–	–	8,619	–	(20,600)
Shares issued on exercise of warrants	550,000	217,693	–	–	(11,693)	–	206,000
Shares issued for license	250,000	49,406	(49,406)	–	–	–	–
Shares issued for research and development	125,000	38,750	–	–	–	–	38,750
Net loss	–	–	–	–	–	(640,441)	(640,441)
<b>Balance at August 31, 2024</b>	<b>13,504,001</b>	<b>\$1,814,176</b>	<b>\$ –</b>	<b>\$ 13,388</b>	<b>\$ 195,924</b>	<b>\$ (2,032,174)</b>	<b>\$ (8,686)</b>

*Note: All share and per share amounts in these condensed interim consolidated financial statements have been retrospectively adjusted to reflect the 1-for-2 share consolidation completed on July 26, 2024.*

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

**ARGO LIVING SOILS CORP.**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars)  
(Unaudited)

	<b>For the nine months ended</b>	
	<b>August 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>		
Net loss	\$ (640,441)	\$ (129,008)
Non-cash items:		
Amortization	2,281	14,457
Gain on modification of lease	–	(260)
Interest expense	–	438
Loss on sale of equipment	26,505	–
Shares issued for research and development	38,750	–
Changes in working capital items:		
Amounts receivable	437	(553)
Prepaid expenses	(1,872)	1,419
Accounts payable and accrued liabilities	22,920	(15,033)
Due to related parties	22,500	(3,675)
<b>Cash used in operating activities</b>	<b>(528,920)</b>	<b>(132,215)</b>
<b>Financing activities</b>		
Issuance of shares, net of share issuance costs	244,400	265,278
Shares issued on exercise of warrants	206,000	28,170
Advances	35,000	(25,000)
Repayment of lease obligations	–	(9,000)
<b>Cash provided by financing activities</b>	<b>485,400</b>	<b>259,448</b>
<b>Increase (decrease) in cash</b>	<b>(43,520)</b>	<b>127,233</b>
<b>Cash, beginning</b>	<b>98,895</b>	<b>84,047</b>
<b>Cash, ending</b>	<b>\$ 55,375</b>	<b>\$ 211,280</b>

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

## **ARGO LIVING SOILS CORP.**

Notes to the Condensed Interim Financial Statements  
For the Three and Nine Months ended August 31, 2024  
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(Unaudited)

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### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Argo Living Soils Corp. (the “Company”) was incorporated on March 14, 2018, under the Business Corporation Act of British Columbia. The Company is an agribusiness company specializing in producing and developing organic products including soil amendments, living soils, bio-fertilizers, and vermicompost. The Company’s common shares trade on the Canadian Securities Exchange (the “CSE”) under the symbol “ARGO”. The Company’s corporate office is located at 820 – 1130 West Pender Street, Vancouver, BC V6E 4A4, and its registered and records office address is 1200 - 750 West Pender Street, Vancouver, BC V6C 2T8.

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will have sufficient capital to fund the costs of its operations and realize the carrying value of assets and discharge liabilities in the normal course of operations. A different base of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at August 31, 2024, the Company has not advanced its operations to commercial production. The ability of the Company to continue as a going concern is dependent upon the successful results from its agribusiness activities and its ability to attain profitable operations and generate funds from and/or raising sufficient equity financing, issuing debt or securing related party advances to complete the development of its agribusiness. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management anticipates that the Company will need to seek out additional equity financing to continue with planned development and general operations for the ensuing year.

On July 26, 2024, the Company completed a share consolidation (reverse stock split) on the basis of one new share for every two old shares. As a result of the share consolidation, the number of issued and outstanding ordinary shares was reduced from 27,008,001 to 13,504,001 shares. The share consolidation did not change the proportionate ownership interest of any shareholder or the total equity attributable to the Company's shareholders. All references to share and per share amounts in these condensed interim consolidated financial statements and accompanying notes have been retrospectively adjusted to reflect the share consolidation as if it had occurred at the beginning of the earliest period presented.

These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in the normal course of business and at amounts different from those reflected in the accompanying financial statements. These adjustments could be material.

### **2. BASIS OF PREPARATION AND GOING CONCERN**

These condensed interim financial statements were authorized for issue on October 22, 2024, by the directors of the Company.

#### **a) Statement of compliance**

The condensed interim financial statements have been prepared in accordance with International Accounting Standard IAS 34 – Interim Financial Reporting. The condensed interim financial statements, prepared in conformity with IAS 34, follow the same accounting principles and methods of application as the most recent audited annual financial statements. Since these condensed interim financial statements do not include all disclosures required by the International Financial Reporting Standards (“IFRS”) for annual financial statements, they should be read in conjunction with the Company’s audited financial statements for the year ended November 30, 2023.

#### **b) Going concern**

These condensed interim financial statements were prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the nine months ended August 31, 2024, the Company has negative cash flow from operations and recurring operating losses and, as at that date, has an accumulated deficit of \$2,032,174. The continuing operations of the Company are dependent upon its ability to obtain sufficient financing and the success of its business activities. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs with loans from directors and companies controlled by directors and/or issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

## ARGO LIVING SOILS CORP.

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c) Functional currency

The functional and presentation currency of the Company is the Canadian dollar.

d) Measurement basis

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

### 3. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Company's Board of Directors monitors and approves its risk management practices. The Company's most significant areas of financial risk and risk management are as follows:

#### Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is attributable to cash. To limit its exposure to credit risk, the Company holds its cash with high-credit quality financial institutions in Canada.

#### Interest Rate Risk

The Company's current exposure to interest rate arises from the interest rate impact on its cash. The fair value of cash is not significantly affected by changes in short term interest rates.

#### Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company attempts to manage liquidity risk by maintaining sufficient cash balances to satisfy current and planned expenditures. The Company may from time to time have to issue additional shares to ensure there is sufficient capital to meet long term objectives.

#### Foreign currency Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Company is exposed to foreign exchange risk as a result of having to acquire some of its assets and services in US Dollars, and moving its research and development efforts to Malaysia.

#### Financial Instruments

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and

Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value of cash, accounts payable and accrued liabilities, and amounts due to related parties approximate fair value due to the short-term nature of the financial instruments.

### 4. AMOUNTS RECEIVABLE

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	August 31, 2024		November 30, 2023
Royalty receivable (Note 6)	\$	–	\$ 1,493
GST receivable		4,586	3,530
<b>Amounts receivable</b>	<b>\$</b>	<b>4,586</b>	<b>\$ 5,023</b>

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**5. EQUIPMENT**

<b>Cost</b>	<b>Farming Equipment</b>
<b>Balance at November 30, 2022</b>	<b>\$ 95,659</b>
Impairment	(56,376)
<b>Balance at November 30, 2023</b>	<b>39,283</b>
Sale of equipment	(39,283)
<b>Balance at August 31, 2024</b>	<b>\$ –</b>
<b>Accumulated Depreciation</b>	
<b>Balance at November 30, 2022</b>	<b>\$ 14,909</b>
Additions	9,607
Impairment	(14,019)
<b>Balance at November 30, 2023</b>	<b>10,497</b>
Additions	2,281
Sale of equipment	(12,778)
<b>Balance at August 31, 2024</b>	<b>\$ –</b>
<b>Net Carrying Amounts</b>	
<b>Balance, November 30, 2023</b>	<b>\$ 28,786</b>
<b>Balance, August 31, 2024</b>	<b>\$ –</b>

During the fourth quarter of the Company's fiscal 2023, the Company recorded impairment of equipment of \$42,357 related to the abandoned equipment which could not be moved to a new location upon termination of the farming lease. On July 5, 2024, the Company terminated its joint venture agreement with Pacific Composting, and as a result the Company sold the remaining equipment. The Company recognized \$26,505 loss on the sale of the equipment.

**6. LICENSE**

On September 27, 2023, the Company entered into a license agreement (the "Agreement") with Canadian AgriChar Inc ("Canadian AgriChar"). Pursuant to the Agreement, the Company was granted an exclusive right and license (the "License") to globally market and sell "CHAR+ BioChar", a soil amendment product, for an initial term of 10 years. The Company was to receive a 30% royalty on eligible sales of CHAR+ products. As consideration for the License, on September 27, 2023, the Company issued 250,000 common shares and on March 12, 2024, issued a further 250,000 common shares. In addition, to acquire the License the Company granted to principals of Canadian AgriChar options to acquire up to 650,000 common shares (the "Options") exercisable at \$0.30 per share expiring on September 27, 2028. To assist the Company with setting up its marketing and sales infrastructure, the Company agreed to pay Canadian AgriChar a monthly \$6,000 management fee for a term of one year commencing on September 23, 2023.

Due to the lack of historical data, the Company determined the value of the License to be \$Nil, therefore the fair value of shares and options issued as consideration for the License of \$278,812 were recorded as part of share-based compensation for the year ended November 30, 2023.

The following table summarizes the value assigned to each component issued as consideration for the License as at acquisition date:

250,000 shares issued on approval of the Agreement	\$ 52,419
250,000 shares issued on March 12, 2024	49,406
Options granted for the License	176,987
<b>Total consideration</b>	<b>\$ 278,812</b>

The Company used the Finnerty model to determine the fair value of the shares, which resulted in \$52,419 assigned to the 250,000 shares that were issued on September 27, 2023, calculated as \$0.28 per share discounted using 25.12% rate to reflect a four-month hold period imposed on these shares, and \$49,406 assigned to remaining 250,000 shares issued

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on March 12, 2024; this value was calculated as \$0.28 per share discounted using 29.42% rate to reflect a six-month evaluation period and a four-month hold period.

The value of the options granted for the License was determined to be \$176,987. The Company used Black Scholes option pricing model with the following assumptions: Share price - \$0.28; exercise price - \$0.30; expected life – 5 years; expected volatility – 194.54%; risk free interest rate – 4.33%.

The Agreement with Canadian AgriChar was considered a related party transaction under IAS 24 *Related Party Disclosures* given that the director and the owner of Canadian AgriChar was also a director of the Company at the time the Company entered into the Agreement.

On April 30, 2024, the Company terminated the Agreement with Canadian AgriChar and as a result the options granted to the principals of Canadian AgriChar were cancelled.

During the three- and nine-month periods ended August 31, 2024, the Company earned \$Nil and \$3,011 in royalty fees associated with the License, respectively (2023 - \$Nil and \$Nil) (Note 10).

## **7. SHARE CAPITAL**

### **Authorized**

Unlimited common shares without par value (the “Shares”).

On July 26, 2024, the Company completed a share consolidation (reverse stock split) on the basis of one new share for every two old shares. As a result of the share consolidation, the number of issued and outstanding ordinary shares was reduced from 27,008,001 to 13,504,001 shares. The share consolidation did not change the proportionate ownership interest of any shareholder or the total equity attributable to the Company's shareholders. All references to share and per share amounts in these condensed interim consolidated financial statements and accompanying notes have been retrospectively adjusted to reflect the share consolidation as if it had occurred at the beginning of the earliest period presented.

On March 31, 2021, the Company entered into an Escrow Agreement, whereby 1,000,001 shares held by insiders of the Company were placed in escrow. The escrowed shares were being released over a 36-month period with 10% released on July 30, 2021, and the remaining escrowed shares released at a rate of 150,000 shares every six months from August 3, 2021. As of August 31, 2024, all the shares have been released from escrow.

### **Share issuances**

On March 21, 2024, the Company closed a non-brokered private placement offering by issuing 1,500,000 units (the “Units”) at a price of \$0.20 per Unit, for aggregate gross proceeds of \$300,000 (the “Offering”) (Note 9). Each Unit was comprised of one common share and one transferrable purchase warrant (a “Warrant”). Each Warrant entitles the holder to purchase one additional common share at \$0.40 per share expiring on March 21, 2026.

In connection with the Offering, the Company paid \$9,800 in legal and regulatory fees, and cash commission of \$10,800. In addition, the Company issued agents' warrants to acquire up to 54,000 common shares (the “Agent’s Warrants”), which can be exercised at a price of \$0.40 per Agent’s Warrant until March 21, 2026. The Company calculated the value of the Agent’s Warrants to be \$8,618 using the Black Scholes option pricing model with the following assumptions: Share price - \$0.20; exercise price - \$0.40; expected life – 2 years; expected volatility – 203.08%; risk free interest rate – 4.15%.

On March 12, 2024, the Company issued 250,000 shares as consideration for the License (Note 6). The shares were determined to have a value of \$49,406 calculated as \$0.28 per share discounted using 29.42% rate to reflect a six-month evaluation period from the initial date of the License Agreement, being September 27, 2023, and a four-month hold period.

On June 26, 2024, the Company issued 125,000 shares in connection with the memorandum of understanding (the “MOU”) to establish a strategic partnership between the Company and Connective Global SDN BHD (“Connective Global”). The shares were valued at \$38,750 (Note 11).

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During the nine-month period ended August 31, 2024, the Company issued a total of 70,000 shares and an additional 35,000 warrants to acquire 35,000 common shares at \$0.40 per warrant share expiring on March 17, 2025. These shares and warrants were issued on exercise of finder's units for total proceeds of \$14,000. The average share price on the dates the finder's units were exercised was \$0.44. The finder's warrants had an initial value of \$11,693.

During the nine-month period ended August 31, 2024, the Company issued a total of 480,000 shares on exercise of warrants for total proceeds of \$192,000. The average share price on the date of exercises was \$0.46.

**Options**

On January 21, 2021, the Company adopted a stock option plan. Under the Company's stock option plan, the Company may grant options to employees, consultants and directors up to 10% of the issued and outstanding share capital at the date of grant. The exercise price of the options granted will be no less than the market price of the Company's shares and the maximum term of the options will be ten years.

The following table summarizes the stock option activity:

	Number of Options	Weighted Average Exercise Price
<b>Balance at November 30, 2022</b>	<b>75,000</b>	<b>\$ 0.20</b>
Granted	650,000	0.30
<b>Balance at November 30, 2023</b>	<b>725,000</b>	<b>\$ 0.28</b>
Cancelled	(650,000)	0.30
<b>Balance at August 31, 2024</b>	<b>75,000</b>	<b>\$ 0.20</b>

At August 31, 2024, the following stock option were outstanding:

Number of Options Granted	Number of Options Exercisable	Exercise Price	Expiry Date
75,000	75,000	\$ 0.20	January 21, 2025

As at August 31, 2024, the remaining contractual life of the stock options granted was 0.39 years.

**Warrants**

The following table summarizes the changes in warrants:

	Number of Warrants	Weighted Average Exercise Price
<b>Balance at November 30, 2022</b>	<b>4,166,850</b>	<b>\$ 0.680</b>
Issued <sup>(1)</sup>	840,000	0.38
Exercised	(140,850)	0.20
Expired	(26,000)	0.20
<b>Balance at November 30, 2023</b>	<b>4,840,000</b>	<b>\$ 0.40</b>
Issued	1,589,000	0.40
Exercised	(550,000)	0.38
<b>Balance at August 31, 2024</b>	<b>5,879,000</b>	<b>\$ 0.40</b>

- (1) 840,000 Warrants issued included 90,000 Agent's Warrants the Company issued in connection with March 17, 2023, private placement. The Agent's Warrants entitle the holders to acquire up to 90,000 Units at a price of \$0.20 per Unit until March 17, 2025. Each Unit is comprised of one common share and one half of one Share purchase warrant. Each whole Warrant can be

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exercised into one Share of the Company at a price of \$0.40 at any time on or before March 17, 2025. During the nine-month period ended August 31, 2024, the Company issued 70,000 shares and 35,000 Warrants on exercise of the Agent's Warrants.

At August 31, 2024, the following warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
3,520,000 <sup>(1)</sup>	\$ 0.40	July 30, 2026
750,000	\$ 0.40	March 17, 2025
20,000 <sup>(2)</sup>	\$ 0.20	March 17, 2025
35,000 <sup>(3)</sup>	\$ 0.40	March 17, 2025
1,500,000	\$ 0.40	March 21, 2026
54,000 <sup>(4)</sup>	\$ 0.40	March 21, 2026
5,879,000	\$ 0.40	

(1) On July 18, 2023, these Warrants were repriced from \$0.70 per warrant share to \$0.40 per warrant share and the expiry date was extended from August 3, 2023, to July 30, 2026.

(2) Agent's Warrants that were issued in connection with March 17, 2023, private placement. The Agent's Warrants entitle the holders to acquire up to 20,000 Units at a price of \$0.20 per Unit until March 17, 2025. Each Unit is comprised of one common share and one half of one Share purchase warrant. Each whole Warrant can be exercised into one Share of the Company at a price of \$0.40 at any time on or before March 17, 2025.

(3) Finder's warrants issued on exercise of Agent's Warrants. Each Warrant can be exercised into one Share of the Company at a price of \$0.40 at any time on or before March 17, 2025.

(4) Finder's warrants issued as part of March 21, 2024 Offering.

As at August 31, 2024, the remaining contractual life of warrants was 1.63 years.

### 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	August 31, 2024	November 30, 2023
Trade payables	\$ 50,360	\$ 262
Accrued liabilities	2,735	30,191
Overpayment on royalty receivable (Notes 4 and 6)	278	—
<b>Accounts payable and accrued liabilities</b>	<b>\$ 53,373</b>	<b>\$ 30,453</b>

### 9. ADVANCES PAYABLE

During the nine-month period ended August 31, 2024, the Company received a total of \$45,500 in advances, which were borrowed under non-interest-bearing, unsecured debt arrangements payable on demand (2023 - \$Nil). On March 21, 2024, as part of the Offering (Note 7), the Company issued a total of 175,000 units to partially settle the amount owed; remaining \$10,500 were paid in cash.

During the nine-month period ended August 31, 2023, the Company repaid \$25,000, which was borrowed under a non-interest-bearing debt arrangement during the year ended November 30, 2021.

### 10. RELATED PARTY TRANSACTIONS

Related parties include the officers, key management personnel, close family members and entities controlled by these individuals. The Company's key management personnel comprise the President, CEO, CFO, directors and other essential officers.

**ARGO LIVING SOILS CORP.**

Notes to the Condensed Interim Financial Statements  
For the Three and Nine Months ended August 31, 2024  
(Expressed in Canadian Dollars)  
(Unaudited)

During the nine-month periods ended August 31, 2024 and 2023, the Company had the following transactions with related parties:

	Nine months ended	
	August 31,	
	2024	2023
Management fees paid or accrued to the CEO, CFO and director of the Company	\$ 6,300	\$ 4,500
Management fees paid or accrued to a company controlled by a former director and officer of the Company <sup>(1)</sup>	24,000	4,000
Consulting fees paid or accrued to a director of the Company	22,500	–
Consulting fees paid or accrued to a former director of the Company <sup>(2)</sup>	–	3,000
Consulting fees paid or accrued to a company controlled by a former director of the Company <sup>(2)</sup>	–	27,000
<b>Total</b>	<b>\$ 52,800</b>	<b>\$ 38,500</b>

(1) On April 30, 2024, the Company terminated the Agreement with Canadian AgriChar and Mr. Ken Bowman resigned from all positions he held with the Company.

(2) Mr. Joao (John) Da Costa resigned from all positions he held with the Company on February 6, 2023.

The balances due to related parties consist of amounts owed directly to the officers and directors of the Company and to private companies controlled by the officers and directors of the Company. These amounts are unsecured, non-interest-bearing and due on demand. At August 31, 2024, the balance payable to related parties was \$22,500 (2023 - \$Nil).

During the nine-month period ended August 31, 2024, the Company earned \$3,011 in royalty fees associated with the License (2023 - \$Nil) (Note 6). As at August 31, 2024, the Company had \$278 in overpayment received on royalty, which was included in accounts payable and accrues liabilities (Note 8).

## 11. RESEARCH AND DEVELOPMENT

On April 9, 2024, the Company signed a non-binding memorandum of understanding (the “MOU”) to establish a strategic partnership between the Company and Connective Global SDN BHD (“Connective Global”). Under the terms of the MOU, the Company and Connective Global agreed to jointly conduct research and development of biochar for agricultural and industrial applications at University Putra Malaysia (“UPM”) over a period of up to 12 months.

The Company has committed to funding a total of \$100,000 for research and development and to issue up to 500,000 common shares to Connective Global in stages, based on achieving certain performance milestones in the research and development phase.

As at August 31, 2024, the Company paid \$35,000 in cash, and issued 125,000 common shares valued at \$38,750 (Note 7).

## 12. SUBSEQUENT EVENT

Subsequent to August 31, 2024, the Company announced a private placement offering of up to 3,000,000 units (the "Units") at a price of \$0.15 per Unit, for aggregate gross proceeds of up to \$450,000 (the "Offering"). Each Unit will consist of one common share in the capital of the Company and one transferrable share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share in the capital of the Company at a price of \$0.20 per share for a period of 24 months following the closing of the Offering. As of the date of the filing these condensed interim financial statements, the Company received a total of \$29,260 in subscriptions to 195,067 Units.