REX

REX OPPORTUNITY CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED
SEPTEMBER 30, 2022

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The following management's discussion and analysis should be read in conjunction with the unaudited condensed interim consolidated financial statements and notes thereto as at and for the three and six months ended September 30, 2022 ("Interim Financial Statements") and with the audited annual financial statements and notes thereto as at and for the year ended March 31, 2022 of Rex Opportunity Corp. (the "Company" or "Rex"). All figures are in Canadian dollars ($ or CAD) unless otherwise stated. Additional information relating to the Company is available on SEDAR at ***www.sedar.com****.*

DATE

This management's discussion and analysis ("MD&A") is dated November 16, 2022 and is in respect of the three and six months ended September 30, 2022.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's "forecast", "estimate", "expect" and similar expressions, as they relate to the Company's current views with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the Company's actual results, performance, or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments.

OVERVIEW

Rex is a corporation continued into the Province of Ontario from the Yukon Territory on September 29, 2011. Rex is a reporting issuer in the Provinces of Manitoba, Ontario, and Quebec.

The Company's only assets consist of cash in the amount of $140,693 (March 31, 2022 - $160,564), amounts receivable in the amount of $44,850 (March 31, 2022 - $36,123), prepaid expenses of $720 (March 31, 2022 - $720) and YouTube channel royalty $148,185 (March 31, 2022 - $nil).

CORPORATE

On March 3, 2022, the Company closed a non-brokered private placement of 4,355,000 units at a price of $0.25 per unit for aggregate gross proceeds of $1,088,750. Each unit consists of one common share of REX and one common share purchase warrant with each whole warrant exercisable to purchase one common share of REX at an exercise price of $0.45 for a period of two years from the date REX's common shares are listed for trading on a recognized Canadian stock exchange, subject to accelerated expiry in the event the common shares trade at a 5-day VWAP at or above $0.60. The private placement include a payment of $1,063,750 accrued deferred compensation of the CEO of the Company directed to subscribe for 4,255,000 units subscribed.

On April 21, 2022, the Company closed a non-brokered private placement of 180,000 units at a price of $0.25 per unit for aggregate gross proceeds of $45,000. Each unit consists of one common share of REX and one common share purchase warrant with each whole warrant exercisable to purchase one (1) common share of REX at an exercise price of $0.45 for a period of two years from the date REX's common shares are listed for trading on a recognized Canadian stock exchange, subject to accelerated expiry in the event the common shares trade at a 5-day VWAP at or above $0.60. In connection with the private

placement, the Company paid cash finder's fee of $1,200 and issued 4,800 broker warrants. Each broker warrant will entitle the holder to acquire one common share of REX at a price of $0.25 for a period of two years from the date REX's common shares are listed for trading on a recognized Canadian stock exchange.

On April 29, 2022, the Company closed a non-brokered private placement of 200,000 units at a price of $0.25 per unit for aggregate gross proceeds of $50,000. Each unit consists of one common share of REX and one common share purchase warrant with each whole warrant exercisable to purchase one common share of REX at an exercise price of $0.45 for a period of two years from the date REX's common shares are listed for trading on a recognized Canadian stock exchange, subject to accelerated expiry in the event the common shares trade at a 5-day VWAP at or above $0.60.

On May 20, 2022, the Company closed a non-brokered private placement of 1,000,000 Units at a price of $0.15 per unit for aggregate gross proceeds of $150,000. Each unit consists of one common share of REX and one common share purchase warrant with each whole warrant exercisable to purchase one common share of REX at an exercise price of $0.20 for a period of three years. In connection with the private placement, the Company paid a cash finder's fee of $7,500.

On July 11, 2022 the Company issued 450,000 units at $0.10 per unit in respect of which subscription proceeds of $45,000 had previously been received and which were still to be issued as at March 31, 2022 at the request of the subscriber. Each unit consisted of one common share and one warrant, each warrant exercisable at $0.35 for 2 years from the date the Company's common shares are listed for trading on a recognized Canadian stock exchange.

During the six months ended September 30, 2022, OntInc advanced another $402,500 to REX. The loan payable is unsecured, due on demand and not interest-bearing.

On July 20, 2022, REX closed a non-brokered private placement financing of 64,686 units at $0.15 per unit for gross proceeds of $9,703. Each unit consisted of one common share and one warrant, each warrant exercisable at $0.20 for 3 years.

On September 22, 2022, REX closed a non-brokered private placement financing of 264,250 units at 0.15 per unit by way of direction of payment of $39,638 of accounts payable to subscribe for units. Each unit consisted of one common share and one warrant, each warrant exercisable at $0.20 for 3 years.

REX completed an initial YouTube Channel Royalty creation and acquisition on September 22, 2022 with a payment of $148,185.

On October 12, 2022, 25,000 stock options were granted with each option exercisable for one common share at the average pre-listing financing issue prices for five year.

On October 24, 2022, REX completed a financing related three-corner amalgamation of OntInc. and 2855509 Ontario Corp. , a wholly owned subsidiary of REX.

During early 2022, OntInc completed a non-brokered private placement of units at a price of $0.25 per unit, resulting in net proceeds of $577,500 net of retractions of $100,000, each unit comprised of one common share of OntInc and one common share purchase warrant. Each warrant entitled the holder to acquire one common share of OntInc at an exercise price of $0.45 for a period of two years from the date REX's common shares are listed for trading on a recognized Canadian stock exchange, subject to an accelerated expiry in the event the common shares trade at a 5-day VWAP at or above $0.60. The terms of the subscription agreement under the offering provided that upon certain conditions being met OntInc would amalgamate with a wholly owned subsidiary of REX by way of a 3-cornered amalgamation and securityholders of OntInc would receive common shares in the capital of REX and REX warrants with identical characteristics as the warrants.

REX and the shareholders of OntInc agreed to waive the conditions and issue 1.666667 common shares in the capital of REX and 1.666667 common share purchase warrants of REX for each outstanding

OntInc common share and warrant with the same characteristics, resulting in the issuance of 3,850,001 shares and warrants of REX.

In connection with the completion of the amalgamation REX also issued 60,000 broker warrants. Each broker warrant entitles the holder to acquire one (1) common share of REX at a price of $0.25 for a period of two (2) years from the date REX's common shares are listed for trading on a recognized Canadian stock exchange.

Management is implementing a business strategy of creating and acquiring royalties on YouTube channels.

The Company identifies and reaches out to creators of video content posted on YouTube channels to come to terms to create and acquire royalties on the channel revenues paid to the creators by YouTube and Google.

GOING CONCERN

As at September 30, 2022, the Company had working capital deficiency of $840,571 (March 31, 2022 - $324,755) and an accumulated deficit of $5,928,927 (March 31, 2022 – accumulated deficit of $4,896,295). The Company's ability to continue operations is dependent on management's ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurances that it will be able to do so in the future.

The accompanying financial statements have been prepared based on accounting principles applicable to a going concern, which assumes the realization of assets and discharge of liabilities in the normal course of business. Success of the business of the Company cannot be determined. Furthermore, the Company has limited working capital to develop its business.

The accompanying financial statements do not include any adjustments to the recoverability and classification of certain liabilities that might be necessary if the Company were unable to continue as a going concern. Such adjustments could be material.

SELECTED FINANCIAL INFORMATION (IN $, OTHER THAN NUMBER OF SHARES)

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Six Months Ended September 30, 2022	Six Months Ended September 30, 2021
Continued Operations				
Total revenue	-	-	-	-
Net loss	(533,204)	(516,146)	(1,032,632)	(1,065,930)
Basic and diluted loss per share	(0.01)	(0.00)	(0.02)	(0.02)

QUARTERLY SELECTED FINANCIAL INFORMATION (IN $)

	Q2 Sept. 30, 2022	Q1 June 30, 2022	Q4 Mar.31, 2022	Q3 Dec. 31, 2021
Net loss	(533,204)	(499,428)	(614,035)	(508,018)

Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.01)

	Q2 Sept 30, 2021	Q1 June 30, 2021	Q4 Mar. 31, 2021	Q3 Dec. 31, 2020
Net loss	(516,146)	(549,784)	(656,112)	(870,240)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.02)

RESULTS OF OPERATIONS

During the three and six months ended September 30, 2022, no revenue was earned as the Company was still implementing its business strategy.

Administration and Other Costs

General and administrative expenses were $472,825 and $918,211, respectively, during the three and six months ended September 30, 2022 (three and six months ended September 30, 2021 - $467,042 and $953,026, respectively). The changes are primarily due to changes in salaries and wages, consulting, management, and legal fees. Share-based payment expenses were $nil during the three and six months ended September 30, 2022 (three and six months ended September 30, 2021 - $nil and $63,800, respectively). Accretion expenses were $60,379 and $114,421, respectively, during the three and six months ended September 30, 2022 (three and six months ended September 30, 2021 - $49,104).

LIQUIDITY AND CAPITAL RESOURCES

The Company's working capital has been provided by non-brokered private placements.

The Company must obtain alternative sources of funding to finance its ongoing general and administrative expenses, comply with its continuous disclosure obligations, and to implement the new business strategy.

There is no assurance that funds can or will be obtained. Failure to obtain financing could result in the Company defaulting upon its corporate and continuous disclosure obligations.

During the six months ended September 30, 2022, the Company closed six non-brokered private placements of 2,158,936 units for aggregate gross proceeds of $339,341.

Working Capital

The change in working capital of the Company will depend on the amount of general and administrative expenses of the operations during the period.

The working capital deficiency increased to $840,571 at September 30, 2022 from a deficiency of $324,755 at March 31, 2022. The increase is primarily due to expenditures made during the six months ended September 30, 2022 to implement the business strategy.

Financing

The Company has no off-balance sheet financing arrangements or significant capital or operating lease arrangements, purchase obligations or other contractual commitments that could materially reduce its level of liquidity.

RELATED PARTY TRANSACTIONS

For the three and six months ended September 30, 2022, the Company incurred legal fees of $439 and $12,337, respectively, included in general and administrative expenses (three and six months ended September 30, 2021 - $4,819 and $14,522, respectively) and share issue costs of $nil and $7,500, respectively (three and six months ended September 30, 2021 - $nil) payable to Boyle & Co. LLP ("Boyle & Co."), a law firm who is one of the major shareholders with 30.88% holdings of REX, of which a director and former director of the Company are partners. Included in amounts payable and other liabilities as at September 30, 2022 is $108,282 (March 31, 2022 - $103,445) owing to this law firm, which was discounted

to $86,626 (March 31, 2022 - $82,756) and was included in non-current due to related parties on the consolidated statements of financial position and the comparative amounts of last year was included in current due to related parties on the consolidated statements of financial position. The deferred amount will become payable 12 months after written request for payment.

Rex entered into an outsourcing agreement with a company controlled by a director effective from March 1, 2020. As per the terms of the contract, the related company will provide:

- Office facilities, personnel, staff and business supplies and services to Rex
- Rex shall pay the company for provision of office facilities, personnel, staff and business supplies and services at market rates on cost recovery plus 15% overhead fee basis.

Expenses of $105,399 and $221,626, respectively, which include management fees, salaries (paid on behalf of REX), consulting fees, office and other expenses was recorded during the three and six months ended September 30, 2022 (three and six months ended September 30, 2021 - $117,724 and $257,804, respectively), with respect to this outsourcing agreement with Miller's Thumb Inc. ("Miller's Thumb"), a company owned by the partners of Boyle & Co. At the end of September 30, 2022, the amounts payable outstanding with respect to this outsourcing agreement was $27,937 (March 31, 2022 - $225,843), which was discounted to $22,350 (March 31, 2022 - $180,647) and was included in non-current due to related parties on the consolidated statements of financial position and the comparative amounts of last year was included in current due to related parties on the consolidated statements of financial position. The deferred amount will become payable 12 months after written request for payment.

For the three and six months ended September 30, 2022, a corporation wholly owned by the CEO, provided the services of the CEO as CEO to REX at $50,000 (three and six months ended September 30, 2021 - $50,000) per month. Payment is to be invested into REX on identical terms to private placement financing completed prior to REX listing and deferred until 12 months after written request for payment upon which the deferred amount will be payable. Expenses of $150,000 and $300,000, respectively, have been recorded for the three and six months ended September 30, 2022 (three and six months ended September 30, 2021 - $150,000 and $300,000, respectively). During the year ended March 31, 2022, $1,063,750 accrued deferred compensation was directed to subscribe for 4,255,000 units in the private placement on March 3, 2022. During the three and six months ended September 30, 2022, $10,082 and $12,575, respectively, accretion expense (three and six months ended September 30, 2021 - $nil and $33,460, respectively) was recorded for the CEO's accrued compensation in the unaudited condensed interim consolidated statements of loss and comprehensive loss. A liability of $350,000 as at September 30, 2022 (March 31, 2022 - $50,000) has been recorded for the CEO's accrued compensation which was discounted to $280,000 and was included in non-current accrued compensation on the unaudited condensed interim consolidated statements of financial position.

An expense of $nil has been recorded for the three and six months ended September 30, 2022 (three and six months ended September 30, 2021 - $nil) for the former Chief Operating Officer ("COO") of the Company who resigned on December 4, 2020 and the Company has redistributed his duties and responsibilities such that no replacement is required. Payment is 75% deferred until REX is listed. An accrued compensation liability of $72,000 as at September 30, 2022 (March 31, 2022 - $72,000) has been recorded.

During the three and six months ended September 30, 2022, the Company incurred fees of $16,480 and $24,270, respectively (three and six months ended September 30, 2021 - $12,206) related to services of Carmelo Marrelli to act as the Chief Financial Officer ("CFO") of the Company. Carmelo Marrelli is the Managing Director of Marrelli Support Services Inc. ("MSSI"). Services were incurred for bookkeeping, accounting and CFO services. As at September 30, 2022, MSSI was owed $27,165 (March 31, 2022 - $15,239) and this amount was included in accounts payable and accrued liabilities. This amount is unsecured and non-interest bearing.

For the three and six months ended September 30, 2022, the CIO earned $14,585 per month ($12,000 per month for July and August 2020 and $14,585 per month from September 2020 onwards). Payment is 75% deferred for the portion relating to July 2020 to March 2021, 65% for the portion thereafter to March 31, 2022 and 35% deferred henceforth until REX is listed. The deferred amount will become payable 12 months

after written request for payment. Expenses of $43,750 and $87,500, respectively, have been recorded for the three and six months ended September 30, 2022 (three and six months ended September 30, 2021 - $43,750 and $87,500, respectively). During the three and six months ended September 30, 2022, $11,378 and $21,869, respectively, accretion expense (three and six months ended September 30, 2021 - $6,305) was recorded for the CIO's accrued compensation in the unaudited condensed interim consolidated statements of loss and comprehensive loss. An accrued compensation liability of $241,014 (March 31, 2022 - $210,389) has been recorded as at September 30, 2022 which was discounted to $192,811 and was included in non-current accrued compensation on the consolidated statements of financial position.

During the three and six months ended September 30, 2022, the Company recorded director fees of $37,500 and $75,000, respectively (three and six months ended September 30, 2021 - $37,500 and $75,000, respectively). As at September 30, 2022, accrued director fees of $250,000 (March 31, 2022 - $187,500) have been recorded which were discounted to $206,166 and were included in non-current due to related parties on the consolidated statements of financial position and $50,000 accrued director fees was not discounted and was included in the current due to related parties on the unaudited condensed interim consolidated statements of financial position. During the three and six months ended September 30, 2022, $7,719 and $17,068, respectively accretion expense (three and six months ended September 30, 2021 - $nil) was recorded for the deferred director fees in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

Pursuant to a consulting agreement between the Company, MSSI and Carmelo Marrelli, Carmelo Marrelli was appointed as CFO on May 5, 2021 with effect as of May 28, 2021 (the “Effective Date”), Carmelo Marrelli as Chief Financial Officer (a) is paid $500 per month; (b) is reimbursed disbursements incurred in connection with the CFO duties; (c) granted stock options; and (d) may be terminated upon 30 days’ notice, upon payment (i) if within two calendar years of the Effective Date, (A) 30% of annual remuneration, (B) an amount calculated as the balance monthly fees payable for the initial 24 months; and (ii) if after two years of the Effective Date, 20% of annual remuneration.

As at September 30, 2022, the directors, certain former directors, and officers of the Company collectively controlled 44,067,117 common shares or approximately 65.55% (March 31, 2022 – 44,237,950 common shares or approximately 67.99%) of the total common shares outstanding. To the knowledge of directors and officers of the Company, the remainder of the Company’s outstanding common shares are widely held. These holdings can change at any time at the discretion of the owner.

During the three and six months ended September 30, 2022, the Company recorded $nil (three and six months ended September 30, 2021 - $nil and $41,300, respectively) stock-based compensation for management of the Company.

Effective June 30, 2021, a corporation owned by the CEO, the CIO and two vice presidents of the Company agreed to defer their accrued compensation to 12 months and one day after written demand for payment is made. No interest is payable on these deferred amounts. IFRS requires that if an interest rate is below a market rate of interest for a similar loan, estimated at 25%, there is deemed to be a benefit which is recorded in equity. The amount of the benefit is recognized over the estimated term of the accrued compensation as an accretion expense. The Company has discounted a total accrued compensation of $962,534 to its current value of $770,027 using an effective interest rate of 25%. The difference between current value and undiscounted amount was recorded in contributed surplus. During the year ended March 31, 2022, $1,063,750 accrued deferred compensation owed to the corporation owned by the CEO of the Company was paid and funds directed to subscribe for the issuance of 4,255,000 units in the private placement on March 3, 2022. The accretion on the non-current accrued compensation will be accounted for as a shareholder contribution until such time that the repayment is requested by the Lender. During three and six months ended September 30, 2022, the Company recorded $38,957 and $67,231, respectively (three and six months ended September 30, 2021 - $49,104) accretion expense relating to the deferred compensation in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

Effective September 30, 2021, certain directors of the Company and two vendors of the Company, Boyle & Co. and Miller’s Thumb, agreed to defer their accrued director fees and accounts payable to 12 months and one day after written demand for payment is made and one director agreed to defer payment of his

accrued director fees to April 1, 2023. No interest is payable on these deferred amounts. IFRS requires that if an interest rate is below a market rate of interest for a similar loan, estimated at 25%, there is deemed to be a benefit which is recorded in equity. The amount of the benefit is recognized over the estimated term of the accrued liabilities as an accretion expense. The Company has discounted total accrued liabilities of $386,219 to its current value of $315,141 using an effective interest rate of 25%. The difference between current value and the undiscounted amount was recorded in contributed surplus. The accretion on the non-current liabilities will be accounted for as a shareholder contribution until such time that the repayment is requested by the lender. During the three and six months ended September 30, 2022, the Company recorded $21,422 and $47,190, respectively, (three and six months ended September 30, 2021 - $nil) of accretion expense relating to the deferred compensation in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The following table sets forth the material components of the Company's general and administrative costs for the three and six months ended September 30, 2022 and 2021.

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Six Months Ended September 30, 2022	Six Months Ended September 30, 2021
Salaries and wages	$282,626	$296,048	$ 555,264	$ 610,523
Consulting fees	72,017	45,958	114,108	125,020
Management fees	14,200	15,250	28,850	33,450
Legal, audit and accounting fees	59,425	47,725	76,155	64,684
Information technology costs	1,510	1,391	2,667	4,144
Rent	13,829	13,829	27,659	27,659
Share-based payments	-	-	-	63,800
Director fees	37,500	37,500	75,000	75,000
Other	(8,282)	9,341	38,508	12,546
Total	472,825	$467,042	$ 918,211	$ 1,016,826

DISCLOSURE OF OUTSTANDING SHARE DATA

As at the date of this MD&A, the following is a description of the outstanding equity securities and convertible securities previously issued by the Company:

	Authorized	Outstanding November 16, 2022	Outstanding September 30, 2022
Voting or equity securities issued and outstanding	Unlimited Common Shares	71,076,940 Common Shares	67,226,939 Common Shares

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Financial Statements in accordance with IFRS requires the Company to make judgments in applying its accounting policies, estimates and assumptions about the future. These judgments, estimates and assumptions affect the reported amounts of assets, liabilities, revenues and other items in net operating earnings or loss and the related disclosure of contingent assets and liabilities included in the Financial Statements. The Company evaluates its estimates on an ongoing basis. The estimates are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances. These estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amounts of revenues and other items. Actual results may differ from these estimates under different assumptions or conditions. A summary of the more significant judgments and estimates made by management in the preparation of its financial information is provided in Note 3 of the annual financial statements for the fiscal year ended March 31, 2022.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies in Note 3 of the annual financial statements for the fiscal year ended March 31, 2022, have been applied consistently to all periods presented in these unaudited condensed interim consolidated financial statements for the three and six months ended September 30, 2022.

FINANCIAL INSTRUMENTS

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying values of the Company's short-term financial instruments, comprising cash, amounts receivable, amounts payable and other liabilities, and advances from related parties approximate their fair values.

Cash and amounts receivable are measured at amortized cost. Amounts payable and accrued liabilities and advances from related parties are measured at amortized cost.

The Company estimates that the fair values of its financial instruments approximate their carrying values at September 30, 2022 because of the limited term of these instruments.

RISK AND UNCERTAINTIES

Foreign Exchange Risk

The Company currently operates in Canadian dollars, and as such, may be negatively impacted by fluctuations in foreign exchange rates. The Company manages this risk by minimizing the number of transactions that result in the settlement currency differing from the currency of the initial transaction. At September 30, 2022, the Company held US$36,032 (March 31, 2022 – US$85,152) in trade accounts payable and accrued liabilities and accrued compensation denominated in US dollars. A 1% change in foreign exchange rates would not have a significant impact on the Company's net loss.

Credit Risk

The Company has no significant concentration of credit risk arising from operations.

Interest Rate Risk

The Company currently has no outstanding variable interest-bearing loans and, therefore the Company is not exposed to interest rate risk through fluctuations in the prime interest rate.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

At September 30, 2022, the Company had a cash balance of $140,693 to settle current liabilities of $1,026,833. All of the Company's financial liabilities other than non-current accrued compensation and due to related parties have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company intends to finance future requirements from share issuances, the exercise of options and/or warrants, debt or other sources. There can be no certainty of the Company's ability to raise additional financing through these means.

The following table shows the maturity date of the Company's financial liabilities as at September 30, 2022:

	Total	Less than 1 year	1 to 2 years	Maturity
Trade accounts payable and accrued liabilities	$140,442	$140,442	$Nil	N/A
Due to related parties	461,384	75,165	386,219	(ii)
Accrued compensation (i)	1,196,260	233,726	962,534	(ii)
Loan payable (iii)(iv)	577,500	577,500	Nil	(iii)(iv)

(i) Presented on a non-discounted basis.

(ii) The non-current portion is due 12 months and one day after receipt of written demand for payment.

(iii) Due on demand.

(iv) subsequent to year end became intercompany loan upon acquisition by REX of lender.

Business Risk

The Company was a long-time inactive issuer implementing with limited resources an internally generating business strategy. The outcome of the business strategy is uncertain and subject to, among other things, the adequacy of proceeds of any financing, the ability of the Company to obtain financing, the regulatory environment, the economy and capital markets generally and in particular, present and future business strategies, the ability of management to develop and implement the business strategy, the importance of key directors, employees, advisors and consultants, and potential for competition.

Novel Coronavirus ("COVID 19") Risk

The Company's operations and its business strategy could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the geographic spread of the virus, the severity of the disease, the recurrence of the outbreak, and reimposition of travel and quarantine restrictions by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary

to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing the certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on the SEDAR website at **www.sedar.com**.