#### Offering Memorandum: Part II of Offering Document (Exhibit A to Form C)

Off-World, Inc. 540 W. Woodbury Rd. Pasadena, CA 91001 https://www.offworld.ai/

Up to \$4,999,992.14 in Class A Common Stock at \$8.09 Minimum Target Amount: \$14,998.24

A crowdfunding investment involves risk. You should not invest any funds in this offering unless you can afford to lose your entire investment.

In making an investment decision, investors must rely on their own examination of the issuer and the terms of the offering, including the merits and risks involved. These securities have not been recommended or approved by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not passed upon the accuracy or adequacy of this document.

The U.S. Securities and Exchange Commission does not pass upon the merits of any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering document or literature.

These securities are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.

In the event that we become a reporting company under the Securities Exchange Act of 1934, we intend to take advantage of the provisions that relate to "Emerging Growth Companies" under the JOBS Act of 2012, including electing to delay compliance with certain new and revised accounting standards under the Sarbanes-Oxley Act of 2002.

#### Company:

Company: Off-World, Inc.

Address: 540 W. Woodbury Rd., Pasadena, CA 91001

State of Incorporation: DE

Date Incorporated: January 25, 2016

#### Terms:

Equity

Offering Minimum: \$14,998.24 | 1,854 shares of Class A Common Stock Offering Maximum: \$4,999,992.14 | 618,046 shares of Class A Common Stock

Type of Security Offered: Class A Common Stock

Purchase Price of Security Offered: \$8.09

Minimum Investment Amount (per investor): \$499.85

Reservations Bonus

All reservation holders will be eligible for 5% bonus shares.

Loyalty Bonus

All employees, friends, and family will receive 5% bonus shares.

Time Based Perks:

Early Bronze: Invest \$1,000+ within the first 3 weeks and receive 5% bonus shares

Early Silver: Invest \$2,500+ within the first 3 weeks and receive 10% bonus shares

Early Gold: Invest \$5,000+ within the first 3 weeks and receive 15% bonus shares

#### Volume Based Perks:

Tier 1: Invest \$1,000+ and receive a zoom invite to remotely watch the Surveyor in action.

Tier 2: Invest \$5,000+ and receive 7% bonus shares + receive a zoom invite to remotely watch the Surveyor in action.

Tier 3: Invest \$10,000+ and receive 12% bonus shares + tour our facility\* + receive a zoom invite to remotely watch the Surveyor in action.

Tier 4: Invest \$25,000+ and receive 15% bonus shares + 30 mins video call with Jim + drive Surveyor (remote) + tour our facility\*

Tier 5: Invest \$50,000+ and receive 15% bonus shares + 30 mins video call with Jim+ drive Surveyor (remote or in person) + tour our facility\*

Tier 6: Invest \$75,000+ and receive 20% bonus shares + 30 mins video call with Jim + drive Surveyor (remote or in person) + tour our facility\*

Tier 7: Invest \$100,000+ and receive 25% bonus shares + 30 mins video call with Jim + drive Surveyor (remote or in person) + add investor name on a bot + tour our facility\*

\* Travel and lodging not included

The 10% StartEngine Owners' Bonus

Off-World, Inc. will offer 10% additional bonus shares for all investments that are committed by investors that are eligible for the StartEngine Crowdfunding Inc. OWNer's bonus.

This means eligible StartEngine shareholders will receive a 10% bonus for any shares they purchase in this offering. For example, if you buy 100 shares of Class A Common Stock at \$8.09 / share, you will receive 110 shares of Class A Common Stock, meaning you'll own 110 shares for \$809. Fractional shares will not be distributed and share bonuses will be determined by rounding down to the nearest whole share.

This 10% Bonus is only valid during the investors eligibility period. Investors eligible for this bonus will also have priority if they are on a waitlist to invest and the company surpasses its maximum funding goal. They will have the first opportunity to

invest should room in the offering become available if prior investments are canceled or fail.

Investors will receive the highest single bonus they are eligible for among the bonuses based on the amount invested and time of offering elapsed (if any). Eligible investors will also receive the Owner's Bonus and Reservations Bonus and Loyalty Bonus in addition to the aforementioned bonus.

#### The Company and its Business

Company Overview

#### Company Overview

Off-World, Inc. or OffWorld is a technology corporation organized under the laws of the state of Delaware that develops industrial automation and processing equipment for commercial mining.

#### Business Model

The Company's business model consists of disrupting the mining industry by implementing technology that will allow us to mine areas that are currently unreachable (increases supply of scarce resources) reduce human bodily injury/death, and slave labor eliminate the environmental threat that current methods pose (e.g. erosion, sinkholes, loss of biodiversity, soil /groundwater contamination,). We are focused on targeting markets like multinational mining companies, mine owners/operators, and swarm robotics (e.g. defense, agriculture, energy/utilities, etc.).

#### Corporate Structure

Off-World, Inc. is the parent company of OffWorld South Africa, OffWorld Australia, and OffWorld Luxemburg. All subsidiaries are wholly owned.

The subsidiary Offworld Africa (PTY) Ltd manages program execution for contracted work. The US entity directly funds operations of this subsidiary.

The subsidiary Offworld Australia PTY Limited is also used for program execution. The US entity directly funds operations.

The subsidiary Offworld Europe, SARL executed contracted work with the Luxemburg Space Agency (LSA). This entity receives revenue from the LSA, however the US entity fills funding gaps.

There are no flow of funds between the subsidiaries.

#### Intellectual Property

The Company has a strong proprietary IP portfolio with significant product development success. We have 20+ pending global patents.

Competitors and Industry

#### Competitors

Our competitors mainly include large OEM manufacturing companies and other robotics companies. Many of these companies are developing products with specific form factors that have limited capabilities.

However, we differ from OEMs because we are focused on an autonomous solution across the value chain, not one particular mining activity. We further differentiate ourselves through our development of a variety of swarm robots that can communicate with one another to accomplish many tasks across the value spectrum.

Furthermore, we are also focusing on deployments both on Earth and in space.

#### Industry

The total addressable market for core minerals (copper, nickel, platinum, gold, lithium, and cobalt) is \$417b.

Current Stage and Roadmap

#### Current Stage

We are currently in the product development phase. Specifically, we are finishing the steps needed to harden our microwave processor in preparation to begin commercial distribution of the technology by late 2024. This technology will be used to weaken rock structures during the processing phase in order to extract minerals more efficiently. This product is closer to commercialization than the rest of the technology portfolio.

Two of our nine species of mining robots (digger bot & microwave system) are undergoing field testing and advanced R&D, but are physically conducting work at live mines and some are under contract and generate revenue.

Future Roadmap

Between 2023 and 2025, we plan to deploy robots into customer mines to improve our existing platform and improve excavating functionality, ultimately to integrate our tech with current operations. The following three to four years will be focused on scaling manufacturing and customer acquisition. We plan to target stranded and dormant assets to mine copper, nickel, platinum and gold.

#### The Team

Officers and Directors

Name: James (Jim) Keravala

James (Jim) Keravala's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

 Position: CEO, Chief Architect, Board Member Dates of Service: January, 2016 - Present

Responsibilities: Jim owns the vision. He is also Co-Founder and is the original architect of Swarm Robotic Mining. He receives an annual salary of \$225,000 and owns 29% of the company's current equity.

Name: Josh Izenberg

Josh Izenberg's current primary role is with IzenbergLaw. Josh Izenberg currently services 5 to 10 hours per week in their role with the Issuer.

Positions and offices currently held with the issuer:

Position: Chief Legal Officer, Secretary (Part-Time)

Dates of Service: April, 2016 - Present

Responsibilities: Josh manages all legal issues for the company. He receives an annual salary of \$60,000. He owns 6.47% of the company's equity.

0.4770 of the company 3 equity.

Other business experience in the past three years:

Employer: IzenbergLaw

Title: Principal

Dates of Service: March, 2015 - Present

Responsibilities: Josh outsources legal services.

Name: Mark Nall

Mark Nall's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

Position: Chief Strategy Officer

Dates of Service: January, 2016 - Present

Responsibilities: Mark develops strategic insights, actionable strategic plans, and advises the CEO on corporate risks

and opportunities. He receives an annual salary of \$192,000. He owns 16.2% of the company's equity.

Name: Amaresh Kollipara

Amaresh Kollipara's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

Position: Chief Revenue Officer

Dates of Service: May, 2019 - Present

Responsibilities: Amaresh helps the company acquire new customers, partners, and collaborators. He also assists with setting business strategy and company direction. He receives an annual salary of \$220,000. Amaresh has been granted roughly 128,000 stock options.

Other business experience in the past three years:

Employer: SETI Institute

Title: Member, Board of Trustees Dates of Service: March, 2017 - Present

Responsibilities: As a member of the Board, Amaresh meets once a quarter with other Board members to provide guidance and help to manage the organization's interests in conjunction with the management of the organization.

Other business experience in the past three years:

Employer: Space for Humanity
 Title: Member, Board of Directors
 Dates of Service: August, 2022 - Present

Responsibilities: As a member of the Board, he meets once a quarter with other Board members to provide guidance

and help to manage the organization's interests in conjunction with the management of the organization.

Name: James Murray

James Murray's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

 Position: Chief Engineer, Board Member Dates of Service: January, 2016 - Present

Responsibilities: James is also co-founder. He is head of project management of key research and development in the company since inception. He is also responsible for engineering and product assurance execution at the technical and operational level. James receives an annual salary of \$204,000. Note that it has never reached that amount due to sacrificing a large fraction of this planned compensation to keep all employees paid during the growth of the company. He owns 16.2% of the company's equity.

Name: Mehul Gandhi

Mehul Gandhi's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

Position: Chief Financial Officer
 Dates of Service: July, 2022 - Present

Responsibilities: Mehul leads financial management, accounting, treasury management, and capital markets functions. He receives an annual salary of \$300,000. Mehul has been granted stock options of approximately 1.75% of the company's equity upon exercise.

Other business experience in the past three years:

 Employer: Morgan Stanley Title: Executive Director

Dates of Service: August, 2011 - April, 2022

Responsibilities: Mehul's primary responsibilities included originating and leading the execution of M&A advisory and capital raising transactions.

Name: Alicia Kavelaars

Alicia Kavelaars's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

· Position: Chief Technology Officer, Board Member

Dates of Service: January, 2016 - Present

Responsibilities: Alicia manages the technology. She receives an annual salary of \$228,000 and has been granted stock options.

#### Risk Factors

The SEC requires the company to identify risks that are specific to its business and its financial condition. The company is still subject to all the same risks that all companies in its business, and all companies in the economy, are exposed to. These

include risks relating to economic downturns, political and economic events and technological developments (such as hacking and the ability to prevent hacking). Additionally, early-stage companies are inherently more risky than more developed companies. You should consider general risks as well as specific risks when deciding whether to invest.

These are the risks that relate to the Company:

#### Uncertain Risk

An investment in the Company (also referred to as "we", "us", "our", or the "Company") involves a high degree of risk and should only be considered by those who can afford the loss of their entire investment. Furthermore, the purchase of any securities should only be undertaken by persons whose financial resources are sufficient to indefinitely retain an illiquid investment. Each investor in the Company should thoroughly research any offering before making an investment decision and consider all of the information provided regarding the Company as well as the following risk factors, in addition to the other information in the Company's Form C. The following risk factors are not intended, and shall not be deemed to be, a complete description of the commercial, financial, and other risks inherent in the investment in the Company.

#### Our business projections are only projections

There can be no assurance that the Company will meet its projections. There can be no assurance that the Company will be able to find sufficient demand for its product or service, that people think it's a better option than a competing product or service, or that we will be able to provide a product or service at a level that allows the Company to generate revenue, make a profit, or grow the business.

#### Any valuation is difficult to assess

The valuation for the offering was established by the Company. Unlike listed companies that are independently valued through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess, may not be exact, and you may risk overpaying for your investment.

#### The transferability of the Securities you are buying is limited

You should be prepared to hold this investment for several years or longer. For the 12 months following your investment, there will be restrictions on the securities you purchase. More importantly, there are a limited number of established markets for the resale of these securities. As a result, if you decide to sell these securities in the future, you may not be able to find, or may have difficulty finding, a buyer, and you may have to locate an interested buyer when you do seek to resell your investment. The Company may be acquired by an existing player in the industry. However, that may never happen or it may happen at a price that results in you losing money on this investment.

#### Your investment could be illiquid for a long time

You should be prepared to hold this investment for several years or longer. For the 12 months following your investment, there will be restrictions on how you can resell the securities you receive. More importantly, there are limited established markets for these securities. As a result, if you decide to sell these securities in the future, you may not be able to find a buyer. The Company may be acquired by an existing player in the same or a similar industry. However, that may never happen or it may happen at a price that results in you losing money on this investment.

#### If the Company cannot raise sufficient funds it will not succeed

The Company is offering Non-Voting Common Stock in the amount of up to \$5,000,000 in this offering, and may close on any investments that are made. The Company is likely to need additional funds in the future in order to grow, and if it cannot raise those funds for whatever reason, including reasons relating to the Company itself or the broader economy, it may not survive. If the Company manages to raise only the minimum amount of funds sought, it will have to find other sources of funding for some of the plans outlined in "Use of Proceeds."

#### We may not have enough capital as needed and may be required to raise more capital.

In order to continue to operate and grow the business, we will likely need to raise additional capital beyond this current financing round by offering shares of our Common or Preferred Stock and/or other classes of equity. All of these would result in dilution to our existing investors, plus they may include additional rights or terms that may be unfavorable to our existing investor base. We cannot assure you that the necessary funds will be available on a timely basis, on favorable terms, or at all, or that such funds, if raised, would be sufficient. The level and timing of future expenditure will depend on a number of factors, many of which are outside our control. If we are not able to obtain additional capital on acceptable terms, or at all, we may be forced to curtail or abandon our growth plans, which could adversely impact the Company, its business, development, financial condition, operating results or prospects.

#### Terms of subsequent financings may adversely impact your investment

We will likely need to engage in common equity, debt, or preferred stock financings in the future, which may reduce the value of your investment in the Company. Interest on debt securities could increase costs and negatively impact operating results. Preferred stock could be issued in series from time to time with such designation, rights, preferences, and limitations as needed to raise capital. The terms of preferred stock could be more advantageous to those investors than to the holders of non-voting common stock or other securities. In addition, if we need to raise more equity capital from the sale of Non-Voting Common Stock, institutional or other investors may negotiate terms that are likely to be more favorable than the terms of your investment, and possibly a lower purchase price per security.

#### Management's Discretion as to Use of Proceeds

Our success will be substantially dependent upon the discretion and judgment of our management team with respect to the application and allocation of the proceeds of this offering. The Use of Proceeds described below is an estimate based on our current business plan. We, however, may find it necessary or advisable to re-allocate portions of the net proceeds reserved for one category to another, and we will have broad discretion in doing so.

#### Projections: Forward Looking Information

Any projections or forward-looking statements regarding our anticipated financial or operational performance are hypothetical and are based on management's best estimate of the probable results of our operations and may not have been reviewed by our independent accountants. These projections are based on assumptions that management believes are reasonable. Some assumptions invariably will not materialize due to unanticipated events and circumstances beyond management's control. Therefore, actual results of operations will vary from such projections, and such variances may be material. Any projected results cannot be guaranteed.

The amount raised in this offering may include investments from company insiders or immediate family members Officers, directors, executives, and existing owners with a controlling stake in the Company (or their immediate family members) may make investments in this offering. Any such investments will be included in the raised amount reflected on the campaign page.

#### We may never have an operational product or service

It is possible that there may never be operational products or that the products may never be used to engage in transactions. It is possible that the failure to release the products or services is the result of a change in business model upon the Company's making a determination that the business model, or some other factor, will not be in the best interest of the Company. In addition, the failure to launch products or services can result in significant losses of time and resources. Low adoption rates can result in lackluster revenue and diminished market share even if a product or service is launched.

#### Some of our products are still in the prototype phase and might never be operational products

Developing new products and technologies can be a complex process that involves significant risks and uncertainties. Technical challenges, design flaws, manufacturing defects, and regulatory hurdles can all impact the success of a product or service. It is possible that there may never be an operational product or that the product may never be used to engage in transactions. It is possible that the failure to release the product is the result of a change in business model upon the Company's making a determination that the business model, or some other factor, will not be in the best interest of the Company and its stockholders.

#### Developing new products and technologies entails significant risks and uncertainties

Competition can be intense in many markets, and a failure to keep up with competitors or anticipate shifts in market dynamics can lead to revenue declines or market share losses. We are currently in the research and development stage and have only manufactured a prototype for our Surveyor or Microfractor. Delays or cost overruns in the development of our Surveyor or Microfractor and failure of the product to meet our performance estimates may be caused by, among other things, unanticipated technological hurdles, difficulties in manufacturing, changes to design, and regulatory hurdles. Any of these events could materially and adversely affect our operating performance and results of operations.

#### Minority Holder; Securities with No Voting Rights

The Class A Common Stock that an investor is buying has no voting rights attached to them. This means that you will have no rights in dictating how the Company will be run. You are trusting in management's discretion in making good business decisions that will grow your investments. Furthermore, in the event of a liquidation of our company, you will only be paid out if there is any cash remaining after all of the creditors of our company have been paid out.

#### You are trusting that management will make the best decision for the company

You are trusting in management's discretion. You are buying securities as a minority holder, and therefore must trust the management of the Company to make good business decisions that grow your investment.

#### Insufficient Funds

The Company might not sell enough securities in this offering to meet its operating needs and fulfill its plans, in which case it may cease operating and result in a loss on your investment. Even if we sell all the non-voting common stock we are offering now, the Company may need to raise more funds in the future, and if unsuccessful in doing so, the Company will fail. Even if we make a successful offering in the future, the terms of that offering might result in your investment in the Company being worth less if later investors have better terms than those in this offering.

This offering involves "rolling closings," which may mean that earlier investors may not have the benefit of information that later investors have.

Once we meet our target amount for this offering, we may request that StartEngine instruct the escrow agent to disburse offering funds to us. At that point, investors whose subscription agreements have been accepted will become our investors. All early-stage companies are subject to a number of risks and uncertainties, and it is not uncommon for material changes to be made to the offering terms, or to companies' businesses, plans, or prospects, sometimes with little or no notice. When such changes happen during the course of an offering, we must file an amendment to our Form C with the SEC, and investors whose subscriptions have not yet been accepted will have the right to withdraw their subscriptions and get their

money back. Investors whose subscriptions have already been accepted, however, will already be our investors and will have no such right.

Our new product could fail to achieve the sales projections we expect

Our growth projections are based on the assumption that with an increased advertising and marketing budget, our products will be able to gain traction in the marketplace at a faster rate than our current products have. It is possible that our new products will fail to gain market acceptance for any number of reasons. If the new products fail to achieve significant sales and acceptance in the marketplace, this could materially and adversely impact the value of your investment.

We are an early stage company and have limited revenue and operating history

The Company has a short history, few customers, and effectively no revenue. If you are investing in our company, it's because you think that OffWorld is a good idea, that the team will be able to successfully market, and sell the product or service, that we can price them right and sell them to enough people so that the Company will succeed. Further, there is no assurance that we will be profitable in future.

We have pending patent approval's that might be vulnerable

One of the Company's most valuable assets is its intellectual property. The Company's intellectual property such as patents, trademarks, copyrights, Internet domain names, and trade secrets may not be registered with the proper authorities. We believe one of the most valuable components of the Company is our intellectual property portfolio. Due to the value, competitors may misappropriate or violate the rights owned by the Company. The Company intends to continue to protect its intellectual property portfolio from such violations. It is important to note that unforeseeable costs associated with such practices may invade the capital of the Company due to its unregistered intellectual property.

The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could harm our business

Our business depends on our ability to attract, retain, and develop highly skilled and qualified employees. As we grow, we will need to continue to attract and hire additional employees in various areas, including sales, marketing, design, development, operations, finance, legal, and human resources. However, we may face competition for qualified candidates, and we cannot guarantee that we will be successful in recruiting or retaining suitable employees. Additionally, if we make hiring mistakes or fail to develop and train our employees adequately, it could have a negative impact on our business, financial condition, or operating results. We may also need to compete with other companies in our industry for highly skilled and qualified employees. If we are unable to attract and retain the right talent, it may impact our ability to execute our business plan successfully, which could adversely affect the value of your investment. Furthermore, the economic environment may affect our ability to hire qualified candidates, and we cannot predict whether we will be able to find the right employees when we need them. This would likely adversely impact the value of your investment.

#### Our financial statements include a going concern note

Our ability to continue as a going concern for the next twelve months is dependent upon our ability to generate sufficient cash flows from operations to meet our obligations, and/or to obtain additional capital financing from investors and/or third parties. No assurance can be given that we will be successful in these efforts. These factors, among others, raise substantial doubt about our ability to continue as a going concern for a reasonable period of time.

#### The Company's business model is capital intensive

The amount of capital the Company is attempting to raise in this Offering is not enough to sustain the Company's current business plan. In order to achieve near and long-term goals, the Company will need to procure funds in addition to the amount raised in the Offering. There is no guarantee the Company will be able to raise such funds on acceptable terms or at all. If the Company is not able to raise sufficient capital in the future, then it will not be able to execute its business plan, its continued operations will be in jeopardy and it may be forced to cease operations and sell or otherwise transfer all or substantially all of its remaining assets, which could cause a Purchaser to lose all or a portion of his or her investment.

#### Our newest technology is not yet fully developed

We are still developing components of Surveyor and Microfractor that will eventually go into mass production. We may be unable to convert our current version to a viable product that can easily be replicated and put into mass production. Surveyor and Microfractor is still being developed by our team and has not yet been delivered to a corporate partner for testing. Additionally, we may not be able to make a transition to mass production, either via in house manufacturing or contract manufacturers.

A significant portion of the Company's voting securities are beneficially owned by James Keravala our Chief Executive Officer, whose interests may differ from those of the other stockholders

As of the date of this Offering Circular, James Keravala beneficially owns approximately 97.53% of the shares of the Company's issued and outstanding voting securities. Assuming all of the shares of Common Stock being offered are sold, he will beneficially own approximately [XYZ]% of the shares of the Company's issued and outstanding voting securities. This concentration of ownership may have the effect of delaying or preventing a change in control, which may not be in the best interest of the Company's other stockholders.

#### Ownership and Capital Structure; Rights of the Securities

#### Ownership

The following table sets forth information regarding beneficial ownership of the company's holders of 20% or more of any class of voting securities as of the date of this Offering Statement filing.

Stockholder Name	Number of Securities Owned	Type of Security Owned	Percentage
Jim Keravala	2,250,100	Class A Common Stock	29.1%

#### The Company's Securities

The Company has authorized Class A Common Stock, and Class F Common Stock. As part of the Regulation Crowdfunding raise, the Company will be offering up to 618,046 of Class A Common Stock.

Class A Common Stock

The amount of security authorized is 20,000,000 with a total of 10,957,247 outstanding.

Voting Rights

1 vote per share

Material Rights

The total amount outstanding includes 5,475,080 shares to be issued pursant to stock options, reserved but unissued.

Class F Common Stock

The amount of security authorized is 10,000,000 with a total of 4,500,000 outstanding.

Voting Rights

100 votes per share

Material Rights

The total amount outstanding includes 2,250,000 shares to be issued pursuant to outstanding warrants.

#### What it means to be a minority holder

As a minority holder of Class A Common Stock of the company, you will have limited rights in regards to the corporate actions of the company, including additional issuances of securities, company repurchases of securities, a sale of the company or its significant assets, or company transactions with related parties. Further, investors in this offering may have rights less than those of other investors, and will have limited influence on the corporate actions of the company.

#### Dilution

Investors should understand the potential for dilution. The investor's stake in a company could be diluted due to the company issuing additional shares. In other words, when the company issues more shares, the percentage of the company that you own will go down, even though the value of the company may go up. You will own a smaller piece of a larger company. This increase in number of shares outstanding could result from a stock offering (such as an initial public offering, another crowdfunding round, a venture capital round, angel investment), employees exercising stock options, or by conversion of certain instruments (e.g. convertible bonds, preferred shares or warrants) into stock. If the company decides to issue more shares, an investor could experience value dilution, with each share being worth less than before, and control dilution, with the total percentage an investor owns being less than before. There may also be earnings dilution, with a reduction in the amount earned per share (though this typically occurs only if the company offers dividends, and most early stage companies are unlikely to offer dividends, preferring to invest any earnings into the company).

#### Transferability of securities

For a year, the securities can only be resold:

- In an IPO;
- · To the company;
- · To an accredited investor; and
- . To a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created

for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

#### Recent Offerings of Securities

We have made the following issuances of securities within the last three years:

Type of security sold: SAFE
 Final amount sold: \$4,070,000.00

Use of proceeds: R&D and Company Expenses

Date: August 30, 2021

Offering exemption relied upon: Rule 501 of Regulation D

Type of security sold: SAFE
 Final amount sold: \$2,250,000.00

Use of proceeds: R&D and Company Expenses

Date: May 25, 2023

Offering exemption relied upon: Rule 501 of Regulation D

#### Financial Condition and Results of Operations

#### Financial Condition

You should read the following discussion and analysis of our financial condition and results of our operations together with our financial statements and related notes appearing at the end of this Offering Memorandum. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the section entitled "Risk Factors" and elsewhere in this Offering Memorandum.

#### Results of Operations

Circumstances which led to the performance of financial statements:

Year ended December 31, 2021 & 2022

For the year ended December 31, 2021 the Company primarily focused on performing research and development ("R&D") activities to develop industrial robotics technologies for the commercial mining industry. OffWorld Africa (PTY) Ltd. ("Africa") was incorporated in South Africa on July 16, 2020, and during the years ended December 31, 2022 and 2021, primarily provided R&D services on behalf of OffWorld to its two principal customers. OffWorld SARL was incorporated in Luxembourg on May 16, 2017. As of December 31, 2022 and 2021, SARL had no significant operations.

During the year ended December 31, 2021, substantially all of the company's revenue was earned from purchase orders ("POs") placed under a Framework Joint Development Agreement (the "FJDA") entered into with a single customer. Under the FJDA, the company and the customer enter into a number of "learning cycles" with the ultimate goal of developing a robotic mining system ("RMS"). Each learning cycle comprises a number of interdependent R&D, project management and other tasks, and is deemed to be a separate performance obligation. During the year ended December 31, 2022, substantially all of the Company's revenue was earned from POs placed under the FJDA, and a similar contract, the "Pilot Collaboration", with a separate customer.

For the year ended December 31, 2022 and 2021, the Company had received gross receipts of \$6,345,684 and \$5,954,51, respectively, from engaging in contracts to research, design, develop, and test a new product or product enhancement to develop its robotic technologies. The Company develops integrated robotic platforms including both hardware and software components. During the years ended December 31, 2022 and 2021, revenues derived from these contracts comprised a single major revenue stream: collaboration towards the goal of designing and constructing a Swarm Robotic Mining ("SRM") System. The company performs services under various types of contracts, including time and materials ("T&M") and firm-fixed-price ("FFP") contracts. The company generally bills based on milestones specified in each contract. Revenues are recognized when control of these services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services.

As of December 31, 2022 and 2021, the Company had operating expenses of \$6,477,746 and \$3,068,312 respectively, most of which were related to performing R&D and project management services, which primarily includes personnel and related costs, third-party contract services, and materials. R&D costs consist primarily of personnel and related expenses associated with the development of new and existing services. The Company expenses research and development costs as incurred.

Historical results and cash flows:

The Company is currently in the pre-revenue stage with certain products that have been tested in the field via paid engagements. Other products are in the research and development ("R&D") phase.

We are of the opinion that historical cash flows are not indicative of the revenue and cash flows to be expected for the future because they rely on the assumption that NRE is the only future revenue source, which it is not. Several products are close to phasing out of R&D and into sales at an increasing scale. Such additional revenue would help cover production costs, and therefore expand margins.

We plan to generate future cash flows by providing products and/or services such as mapping, surveying, detection and inspection performed by our robots to customers across multiple industries, including mining, construction and defense.

#### Liquidity and Capital Resources

What capital resources are currently available to the Company? (Cash on hand, existing lines of credit, shareholder loans, etc...)

As of January 12, 2024, the Company had cash on hand of \$421,092. This is compared to December 31, 2022, when the company had cash on hand of \$458,471.

How do the funds of this campaign factor into your financial resources? (Are these funds critical to your company operations? Or do you have other funds or capital resources available?)

In the Company's opinion, the proceeds from this offering are not critical to company operations, given cash on hand, NRE revenue and Grants are other sources of capital. This offering is however critical to our cash requirements to carry out our full plan of operations which includes hiring more technical and operational talent.

Are the funds from this campaign necessary to the viability of the company? (Of the total funds that your company has, how much of that will be made up of funds raised from the crowdfunding campaign?)

We believe the funds from this campaign are not necessary to the viability of the Company. Of the total funds that our Company has, 92.3% will be made up of funds raised from the crowdfunding campaign, if it raises its maximum funding goal.

How long will you be able to operate the company if you raise your minimum? What expenses is this estimate based on?

If the Company raises the minimum offering amount of \$15,000, we anticipate the Company will still be able to operate.

How long will you be able to operate the company if you raise your maximum funding goal?

The Company is in the process of securing additional financing from private investors and through this planned Regulation CF offering. The Company believes that if it raises \$5,000,000 in this Offering, it will be able to fund operations for the Company over 18 months as it continues to develop and deploy Surveyor and Microfractor. It is estimated that the Microfractor system will be commercially available within the next 18-24 months, at which point it will be ready for larger scale deployment which is anticipated to generate substantial revenue. The Surveyor robot is the closest product to commercial readiness, and the Company estimates that it will be ready for commercial deployment sometime in H1 2024, also contributing to revenue growth.

Are there any additional future sources of capital available to your company? (Required capital contributions, lines of credit, contemplated future capital raises, etc...)

Additional research and development is also needed to finish products that are still pre-revenue. As such, the Company expects to continue to require outside capital beyond these sources and until its revenue can sustain business operations.

#### Indebtedness

 Creditor: Auto Loan Amount Owed: \$3,603.00 Interest Rate: 9.04%

Maturity Date: December 31, 2024 There is a monthly payment of \$448.  Creditor: Equipment Loan Amount Owed: \$3,322.00
 Interest Rate: 0.0%

Maturity Date: October 31, 2023

The loan has no stated interest. The loan requires monthly payments of \$366.

 Creditor: Software License Loans Amount Owed: \$77,780.00
 Interest Rate: 0.0%

Maturity Date: April 30, 2025

The loans require monthly payments of \$4,413 and \$6,687 through April 2025 and August 2022, respectively.

 Creditor: Promissory Note Amount Owed: \$200,000.00
 Interest Rate: 19.0%

Maturity Date: June 30, 2023

In December 2022, the Company received \$200,000 under a promissory note with a financial institution, that matured in June 2023. The promissory note bore interest at 13% over the first three months and at 19% over the last three months, with all outstanding principal and accrued but unpaid interest due at maturity.

#### Related Party Transactions

The Company has not conducted any related party transactions

#### Valuation

Pre-Money Valuation: \$125,049,128.23

Valuation Details:

We believe OffWorld is valued at \$125 million. For the purposes of this valuation analyses, OffWorld has made numerous assumptions with respect to its business performance and market conditions. Our management forecast assumes:

- Successful commercialization of the Surveyor in H2 2024, Microwave in early 2025 and SRM in 2026.
- Steady state gross margin of ~60% and EBITDA margin of ~40%.

There are three valuation approaches that support our valuation:

- Discounted Cash Flow: Our DCF analysis assumes a discount rate range of 30-50% commensurate with the rates used by VC firms for early-stage start-ups. The terminal value (as of 12/2028) is based on FY+2 exit EBITDA multiples of 10x to 20x based on selected peer group of public companies operating in Robotics, Industrial Technology, Automation Software and Space sectors.
- 2. Discounted Equity Value: The future equity value (as of 12/2026) is based on FY+1 exit EBITDA multiples of 15x to 25x based on selected peer group and FY+2 exit EBITDA multiples of 10x to 20x based on selected peer group. We assume a discount rate of 40% to derive equity value as of 12/2023.
- 3. Precedent Transactions: We have also analyzed revenue multiples for recent sale transactions of early-stage Robotics companies. Fetch Robotics is a developer of autonomous mobile robots designed to improve warehousing and intralogistics operations. In the summer of 2021, Fetch Robotics was acquired by Zebra Technologies for \$305M. Clearpath Robotics is a manufacturer and developer of a fleet of mobile robotic platforms to accelerate robotics research and development. Clearpath was sold to Rockwell automation in October 2023 for more than \$600M.

Source for Fetch Robotics transaction: https://spectrum.ieee.org/zebra-technologies-acquire-fetch-robotics

#### Use of Proceeds

If we raise the Target Offering Amount of \$14,998.24 we plan to use these proceeds as follows:

- StartEngine Platform Fees 5.5%
- StartEngine Service Fees

94.5%

Fees for certain creative design, legal, marketing, technical, and administrative support services provided by

StartEngine, of which the final amount may vary.

If we raise the over allotment amount of \$4,999,992.14, we plan to use these proceeds as follows:

 StartEngine Platform Fees 5.5%

#### Research & Development

64.5%

We will use 64.5% of the funds raised for market and customer research, new product development and market testing.

#### Inventory

10.0%

We will use 10% of the funds raised to purchase inventory for the Company's Surveyor and Microfractor products in preparation of launch of the products.

#### Company Employment

10.0%

We will use 10% of the funds to hire key personnel for production, sales & marketing. Wages to be commensurate with training, experience and position.

#### · Working Capital

10.0%

We will use 10% of the funds for working capital to cover expenses for the initial launch as well as ongoing day-to-day operations of the Company.

The Company may change the intended use of proceeds if our officers believe it is in the best interests of the company.

#### Regulatory Information

#### Disqualification

No disqualifying event has been recorded in respect to the company or its officers or directors.

#### Compliance Failure

The company has not previously failed to comply with the requirements of Regulation Crowdfunding.

#### Ongoing Reporting

The Company will file a report electronically with the SEC annually and post the report on its website no later than April 30 (120 days after Fiscal Year End). Once posted, the annual report may be found on the Company's website at https://www.offworld.ai/ (https://www.offworld.ai/investors).

The Company must continue to comply with the ongoing reporting requirements until:

- (1) it is required to file reports under Section 13(a) or Section 15(d) of the Exchange Act;
- (2) it has filed at least one (1) annual report pursuant to Regulation Crowdfunding and has fewer than three hundred (300) holders of record and has total assets that do not exceed \$10,000,000;
- (3) it has filed at least three (3) annual reports pursuant to Regulation Crowdfunding;
- (4) it or another party repurchases all of the securities issued in reliance on Section 4(a)(6) of the Securities Act, including any payment in full of debt securities or any complete redemption of redeemable securities; or
- (5) it liquidates or dissolves its business in accordance with state law.

#### Updates

Updates on the status of this Offering may be found at: www.startengine.com/offworld

#### Investing Process

See Exhibit E to the Offering Statement of which this Offering Memorandum forms a part.

#### EXHIBIT B TO FORM C

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW FOR Off-World, Inc.

[See attached]

## OFF-WORLD, INC. AND SUBSIDIARIES

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

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#### Consolidated Balance Sheets

December 31,	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 422,629	\$ 5,462,996
Accounts receivable	1,009,606	1,290,589
Prepaid expenses	159,454	81,275
Total current assets	1,591,689	6,834,860
Property and equipment, net	838,774	648,747
Other assets	_	
Operating lease right-of-use assets	3,584,863	-
Finance lease right-of-use asset	180,749	-
Deposits	191,877	107,419
Patents	52,947	52,947
Total other assets	4,010,436	160,366
Total assets	\$ 6,440,899	\$ 7,643,973

#### Consolidated Balance Sheets

December 31,	2022	2021
Liabilities and Stockholders' (Deficit) Equity		
Current liabilities		
Notes payable, current \$	231,221 \$	60,176
Note payable - Paycheck Protection Program	-	408,175
Accounts payable and accrued expenses	47,246	104,949
Deferred revenue	86,471	1,185,371
Operating lease liabilities, current	869,239	-
Finance lease liability, current	61,370	-
Total current liabilities	1,295,547	1,758,671
Long term liabilities		
Notes payable, noncurrent	53,484	12,748
Simple agreements for future equity	4,827,600	3,402,788
Operating lease liabilities, noncurrent	3,426,979	-
Finance lease liability, noncurrent	119,367	-
Total long term liabilities	8,427,430	3,415,536
Total liabilities	9,722,977	5,174,207
Commitments and contingencies		
Stockholders' (deficit) equity		
Common stock, \$0.00001 par value; 30,000,000 shares		
authorized; 7,732,167 shares issued and outstanding		
at December 31, 2022 and 2021	77	77
Additional paid-in capital	4,917,650	469,603
Other comprehensive income	22,981	-
(Accumulated deficit) retained earnings	(8,222,786)	2,000,086
Total stockholders' (deficit) equity	(3,282,078)	2,469,766
Total liabilities and stockholders' (deficit) equity \$	6,440,899 \$	7,643,973

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

No Assurance Provided

#### Consolidated Statements of Operations

Years Ended December 31,		2022		2021
Revenue	\$	6,270,334	\$	6,625,210
Cost of revenue		5,637,578		3,916,391
Gross profit		632,756	2,708,819	
Selling, general and administrative expenses		11,052,905		3,200,589
Loss from operations		(10,420,149)		(491,770)
Other income (expense) Gain on forgiveness of Paycheck Protection Program Ioan Simple agreements for future equity liability remeasurement Foreign excahnge gains and Iosses Other (expense) income		408,175 (149,812) (116,702) (25,484)		228,635 (357,788) 22,982 (6,252)
Total other income		116,177		(112,423)
Net loss before benefit from income taxes	(	(10,303,972)		(604,193)
Benefit from income taxes		81,100		245,794
Net loss	(	(10,222,872)		(358,399)
Other comprehensive loss Gain on foreign exchange		22,981		
Comprehensive loss	\$ (	(10,199,891)	\$	(358,399)

Off-World, Inc. and Subsidiaries

Consolidated Statements of Stockholders' (Deficit) Equity

	Commo	n Stock		Additional Paid-In	Other Comprehensive	Retained Earnings (Accumulated	
	Shares	Am	ount	Capital	Income	Deficit)	Total
Balance, January 1, 2021, as previously stated	7,732,167	\$	77	\$ 121,239	\$ -	\$ 2,567,752	2,689,068
Prior period adjustment (Note 14)	-			209,267	-	(209,267)	-
Balance, January 1, 2021, as restated	7,732,167		77	330,506	-	2,358,485	2,689,068
Stock-based compensation			-	139,097	-	-	139,097
Net loss				-	-	(358,399)	(358,399)
Balance, December 31, 2021	7,732,167		77	469,603	-	2,000,086	2,469,766
Stock-based compensation			-	4,448,047	-	-	4,448,047
Other comprehensive gain due to foreign exchange rate translation					22,981		22,981
Net loss	-			-		(10,222,872)	(10,222,872)
Balance, December 31, 2022 The accompanying Notes to	7,732,167 Consolidated Fir	\$ ancial S	totomonisto .	\$ 4,917,650	\$ 22,981	Lototopopopo	(3,282,078)

No Assurance Provided

#### Consolidated Statements of Cash Flows

Years Ended December 31,		2022		2021
Cash flows from operating activities				
Net loss	\$	(10,222,872)	\$	(358,399)
Adjustments to reconcile net loss to net cash (used in)				
provided by operating activities				
Depreciation		220,499		175,182
Amortization of right-of-use asset - finance lease		10,633		-
Stock-based compensation		3,467,107		139,097
Warrant expense		980,940		-
Operating lease right-of-use assets		698,566		-
Simple agreements for future equity liability remeasurement		149,812		357,788
Gain on forgiveness of Paycheck Protection Program Ioan		(408,175)		(228,635)
Discount on note payable		41,362		-
Deferred income taxes				(253,800)
(Increase) decrease in				
Accounts receivable		280,983		211,711
Prepaid expenses		(78,179)		(51,591)
Deposits		(84,458)		(2,760)
Increase (decrease) in				
Accounts payable and accrued expenses		(57,704)		13,614
Income taxes payable		1 - 1		(34,200)
Deferred revenue		(1,098,900)		1,185,371
Operating lease liabilities		(387,211)		-
Net cash (used in) provided by operating activities		(6,487,597)		1,153,378
Cook flows from investing activities				
Cash flows from investing activities		(10.500)		(050 570)
Purchases of property and equipment		(10,526)		(259,572)
Cash flows from financing activities				
Proceeds from note payable		200,000		78,262
Proceeds from note payable - Paycheck Protection Program				408,175
Repayment of notes payable		(29,580)		(35,032)
Repayment of finance lease liability		(10,645)		(00,002)
Proceeds from issuance of simple agreements for future equity		1,275,000		3,045,000
Net cash provided by financing activities activities		1,434,775		3,496,405
Net change in cash and cash equivalents		(5,063,348)		4,390,211
Foreign exchange effect on cash and cash equivalents		22,981		
Cash and cash equivalents at beginning of year		5,462,996		1,072,785
Cash and cash equivalents at end of year	\$	422,629	\$	5,462,996
·				
Supplemental cash flow information: Cash paid for interest	\$	_	\$	3,960
waste paired for interests	*		*	0,000
Noncash investing and financing activities:				
Property and equipment acquired using tenant improvement allowance	\$	400,000	\$	-
Recognition of operating lease right-of-use asset	\$	4,057,432	\$	-
Recognition of operating lease liability	\$	4,457,432	\$	-

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

No Assurance Provided

#### Notes to Consolidated Financial Statements

 Organization and significant accounting policies Organization: Off-World, Inc., ("Off-World") was incorporated in the state of Delaware on January 25, 2016. Off-World is headquartered in Altadena, California and its operations during the years ended December 31, 2022 and 2021, primarily comprised performing research and development activities ("R&D") to develop industrial robotics technologies for use in mining. Off-World Africa (PTY) Ltd. ("Africa") was incorporated in South Africa on July 16, 2020, and during the years ended December 31, 2022 and 2021, primarily provided R&D services on behalf of Off-World to its two principal customers. Off-World SARL ("SARL") was incorporated in Luxembourg on May 16, 2017. As of December 31, 2022 and 2021, SARL had no significant operations.

**Principles of consolidation:** The accompanying consolidated financial statements include the accounts of Off-World and its wholly owned subsidiaries, Africa and SARL, collectively the "Company". All significant intercompany balances and transactions have been eliminated in consolidation.

**Basis of accounting:** The consolidated financial statements of the Company have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Use of accounting estimates: The preparation of consolidated financial statements in conformity with GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition: The Company engages in contracts to research, design, develop and test a new product or product enhancement to develop its robotic technologies. The Company develops integrated robotic platforms including both software and hardware components. During the years ended December 31, 2022 and 2021, revenues derived from these contracts comprised a single major revenue stream: collaboration towards the goal of designing and constructing a Robotic Mining System. The Company performs services under various types of contracts, including time and materials ("T&M") and firm-fixed-price ("FFP") contracts. The Company generally bills monthly or based on billing milestones specified in each contract. Revenues are recognized when control of these services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services.

#### Notes to Consolidated Financial Statements

The Company accounts for revenue contracts with customers by applying the requirements of ASC 606, Revenue from Contracts with Customers, which includes the following steps:

- Identification of the contract, or contracts, with a customer (Step 1)
- Identification of the performance obligation(s) in each contract (Step 2)
- Determination of the transaction price (Step 3)
- Allocation of the transaction price to the performance obligation(s) in the contract (Step 4)
- Recognition of revenue when, or as, the Company satisfies a performance obligation (Step 5)

To determine the proper revenue recognition, the Company first evaluates whether it has a duly approved and enforceable contract with a customer, in which the rights of the parties and payment terms are identified, and collectability is probable. The Company also evaluates whether two or more contracts should be combined and accounted for as a single contract. In addition, the Company assesses contract modifications to determine whether the changes to existing contracts should be accounted for as part of the original contract or as a separate contract. The Company considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Contract modifications are accounted for as a separate contract if the modification adds distinct goods or services and increases the contract value by their standalone selling prices. Modifications that are not determined to be a separate contract are accounted for either as a prospective adjustment to the original contract if the goods or services in the modification are distinct from those transferred before the modification, or as a cumulative adjustment if the goods and services are not distinct and are part of a single performance obligation that is partially satisfied.

During the year ended December 31, 2021, substantially all of the Company's revenue was earned from purchase orders placed under a Framework Joint Development Agreement (the "FJDA") entered into with a single customer. Under the FJDA, the Company and the customer enter into a number of 'learning cycles' with the ultimate goal of developing a robotic mining system ("RMS"). Each learning cycle comprises a number of interdependent R&D, project management and other tasks, and is deemed to be a separate performance obligation. During the year ended December 31, 2022, substantially all of the Company's revenue was earned from purchase orders placed under the FJDA and a similar contract, the 'Pilot Collaboration', with a separate customer.

The Company also enters into contracts to provide labor hours to customers under T&M arrangements. The various services provided under such contracts are deemed to comprise a single performance obligation.

#### Notes to Consolidated Financial Statements

The transaction prices associated with the Company's T&M contracts are variable. These variable amounts are estimated at the most likely amount that the Company expects to be entitled to based largely on an assessment of the Company's anticipated performance and all information (historical, current, and forecasted) that is reasonably available and the potential of significant reversal of revenue.

The Company generally does not need to allocate the transaction price of a contract to separate performance obligations as there is a single performance obligation in substantially all contracts and each contract is considered to approximate a competitive market-based price.

The Company generally recognizes revenue on the performance obligation within each contract over time as there is continuous transfer of control to the customer over the duration of the contract as the Company performs the promised services.

As all, or substantially all, of the Company's performance obligations result in revenue recognition over time, the Company uses a method that measures the extent of progress towards completion of a performance obligation, principally using an input-based method. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the products or services provided. In most instances for T&M contracts, revenue is recognized based on a right to invoice practical expedient as the Company is able to invoice the customer in an amount that corresponds directly with the value received by a customer for the Company's performance completed to date. In certain instances, typically for FFP contracts where the practical expedient cannot be applied, a cost-based input method is used to recognize revenue over time, because it best depicts the transfer of control to the customer which occurs as the Company incurs costs on the contracts. Under the cost-based input measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recorded proportionally as costs are incurred.

#### Other information

Amounts that have been invoiced are recorded in accounts receivable and in deferred revenue or revenue, depending on whether transfer of control to customers has occurred. Deferred revenue primarily consists of billings or payments received in advance of revenue recognition and is recognized as revenue when transfer of control to customers has occurred. Unbilled receivables are related to revenue recognized on contracts for which billings have not yet been presented to customers. Revenue is recognized net of sales taxes.

#### Notes to Consolidated Financial Statements

Cost of revenue: Cost of revenue primarily consists of costs related to performing R&D and project management services, which primarily includes personnel and related costs, third-party contractor costs, and materials.

Research and development: Research and development expenses consist primarily of personnel and related expenses associated with the development of new and existing products and services. The Company expenses research and development costs as incurred.

Cash and cash equivalents: For purposes of consolidated financial statement presentation, the Company considers all highly liquid debt instruments with initial maturities of three months or less to be cash equivalents.

Concentration of credit risks arising from cash deposits in excess of insured limits: The Company maintains cash balances at three commercial banks and these balances can exceed the FDIC insured deposit limit of \$250,000 per financial institution. At December 31, 2022 and 2021, the Company's cash balances held at the commercial banks exceeded the FDIC limit by approximately \$0 and \$4,871,000, respectively. The Company has not experienced any losses through the date when the consolidated financial statements were available to be issued. In addition, the Company holds cash in foreign bank accounts. The amounts not covered by the related countries' insurance program were not material as of December 31, 2022 and 2021.

Accounts receivable and allowance for doubtful accounts: Accounts receivable are recorded at the invoiced amount, are granted on an unsecured basis and are typically considered past due if the invoice has been outstanding thirty to sixty days upon a customer's receipt of invoice. The Company does not typically charge interest on accounts receivable.

The face amount of accounts receivable is reduced by an allowance for doubtful accounts. The allowance for doubtful accounts reflects the best estimate of probable losses determined principally on the basis of historical experience and specific allowances for known troubled accounts. All accounts or portions thereof that are deemed to be uncollectible or that require an excessive collection cost are written off to the allowance for doubtful accounts. At December 31, 2022 and 2021, no allowance for doubtful accounts was deemed necessary.

**Property and equipment:** Property and equipment are recorded at their original cost and are depreciated on a straight-line basis over estimated useful lives of five years.

#### Notes to Consolidated Financial Statements

Long-lived assets and impairments: The Company periodically evaluates the carrying value of long-lived assets, including, but not limited to, property and equipment and other assets, when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flows from such an asset are separately identifiable and are less than its carrying value. In that event, a loss is recognized to the extent that the carrying value exceeds the fair value of the long-lived asset. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. As of December 31, 2022 and 2021, the Company determined that there have been no events or circumstances that warrant review of long-lived assets for impairment.

Fair value of Financial Instruments: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The accounting guidance establishes a defined three-tier hierarchy to classify and disclose the fair value of assets and liabilities on both the date of their initial measurement as well as all subsequent periods. Whenever available, fair value is based on or derived from observable market prices. When observable prices or inputs are not available, unobservable prices or inputs are used to estimate the fair value, often using an internal valuation model. These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the item being valued. The three levels of the fair value measurement hierarchy are as follows:

Level 1 inputs: Quoted market prices in active markets for identical assets or liabilities.

Level 2 inputs: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g. interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 inputs: Unobservable inputs that are not corroborated by market data.

#### Notes to Consolidated Financial Statements

A Simple Agreement for Future Equity ("SAFE") liability is marked to market each reporting period. The fair value of the SAFE liability as of December 31, 2022 and 2021, was determined based on a probability-weighted model with four possible outcomes considered to include: 1) a liquidity event; 2) equity financing of preferred stock; 3) a negotiated settlement in cash or 4) dissolution (Level 2). Refer to Note 6 for more information about the SAFE liability. There are no other assets or liabilities that are required to be carried at fair value in the Company's consolidated financial statements.

Income taxes: Current income tax expense is the amount of income taxes expected to be payable for the current year. Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each year end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable earnings. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts more likely than not to be realized.

The Company evaluates uncertainty in income tax positions taken or expected to be taken on a tax return based on a more-likely-than-not recognition standard. If that threshold is met, the tax position is then measured at the largest amount that is greater than 50% likely of being realized upon ultimate settlement and is recognized in the Company's consolidated financial statements. To the extent that the Company's estimates change or the final tax outcome of these matters is different than the amounts that have been recorded, such differences will impact the income tax provision when such determinations are made. If applicable, the Company records interest and penalties as a component of income tax expense. As of December 31, 2022 and 2021, there were no accruals for uncertain tax positions. Tax years from December 31, 2019 through the current year remain open for examination by federal and state tax authorities.

**Stock-based compensation:** The Company measures compensation expense for its stock-based compensation plans based on the grant date fair value of the equity instruments, which is recognized as compensation expense ratably over the requisite service period. Stock-based compensation expense is determined using the Black-Scholes model, with the following significant assumptions for the years ended December 31:

#### Notes to Consolidated Financial Statements

	2022	2021
Volatility	65%	65%
Expected term	6.25 years	6.25 years
Annual dividend rate	0%	0%
Risk-free interest rates	1.35 - 2.90%	1.33 - 1.35%

Volatility was determined by reference to the historical volatility of similar publicly traded technology companies, as the Company's own shares lack sufficient trading history to determine volatility. Expected term represents the midpoint between the vesting period and contractual term. The annual dividend rate is based on management's expectation of not paying dividends in the foreseeable future. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant with a term approximating the expected term of the options. The Company accounts for forfeitures when they occur.

Foreign currency translation and exchange gains and losses: Non-U.S. assets and liabilities are translated into U.S. dollars using period-end exchange rates. Revenues and expenses are translated into U.S. dollars using average annual exchange rates. Realized gains and losses from foreign currency transactions are included in other expense in the accompanying Consolidated Statements of Operations in the period in which they arise. Foreign currency translation gains for the years ended December 31, 2022 and 2021, totaled \$22,981 and \$0, respectively.

Newly adopted accounting pronouncement: The Company adopted the Financial Accounting Standards Board (the "FASB") Accounting Standards Codification ("ASC") Topic 842, Leases ("ASC 842" or "Topic 842"), effective January 1, 2022 using a modified retrospective transition approach. As permitted by ASC 842, the Company elected not to reassess (i) whether any expired or existing contracts are leases or contain leases, (ii) the lease classification of any expired or existing leases, and (iii) the initial direct costs for existing leases.

The Company leases certain assets, consisting primarily of office space and equipment, and assesses at contract inception whether a contract is, or contains, a lease, based on a number of criteria including whether the contract identifies property and equipment, and whether the Company has the right to direct the use of the identified asset(s) and to obtain substantially all of the economic benefits from the use of such asset(s). The Company has elected to allocate the consideration payable under its office space and equipment leases for non-lease components, including common area maintenance and repairs, to each contract's lease component. For the year ended December 31, 2022, each of the the Company's office and equipment leases included a single lease component.

#### Notes to Consolidated Financial Statements

A right-of-use ("ROU") asset and lease liability is recorded on the accompanying December 31, 2022 Consolidated Balance Sheet for all leases except those with an original lease term of twelve months or less. The Company's office operating leases had lease terms of approximately three to seven years, and the Company's equipment finance lease has a lease term at commencement of three years. At lease commencement, the Company assesses whether it is reasonably certain to exercise a renewal option, or reasonably certain not to exercise a termination option, by considering various economic factors. Options that are reasonably certain of being exercised are factored into the determination of the lease term, and related payments are included in the calculation of the right-of-use asset and lease liability.

Operating leases are included in operating lease right-of-use assets, and in operating lease liabilities which is classified further within current and long-term liabilities. Operating lease expense is recognized on a straight-line basis over the lease term and is recorded primarily within selling, general and administrative expenses on the accompanying Consolidated Statements of Operations. Finance leases are recognized at the lease commencement date based on the present value of the lease payments over the lease terms. The lease liabilities resulting from finance leases are included in finance lease liability on the accompanying Consolidated Balance Sheet at December 31, 2022.

In calculating the fair value of the lease liability, the Company uses the incremental borrowing rate if the implicit rate cannot be readily determined. The weighted average incremental borrowing rate utilized as of December 31, 2022 was 3.25%. The right-of-use asset and lease liability are not remeasured as a result of any subsequent change in the rate unless remeasurement is required for another reason.

The adoption of Topic 842 had a material impact on the Company's Consolidated Balance Sheet due to the recognition of an operating lease ROU asset of \$177,155 and an operating lease liability totaling \$177,155 at the adoption date. See Note 9 for new disclosures and policy information related to the Company's leases. Because of the transition method the Company used to adopt Topic 842, Topic 842 will not be applied to periods prior to adoption, and the adoption of Topic 842 had no impact on the Company's previously reported results, or on opening equity at January 1, 2022.

**Subsequent events:** Management has evaluated subsequent events for disclosure in these consolidated financial statements through January \_\_\_\_, 2024, which is the date that these consolidated financial statements were available to be issued.

#### Notes to Consolidated Financial Statements

## 2. Major customers

For the year ended December 31, 2022, sales to two customers comprised approximately 94% of total revenue. At December 31, 2022, these customers accounted for approximately 100% of accounts receivable.

For the year ended December 31, 2021, sales to one customer comprised approximately 97% of total revenue. At December 31, 2021, this customer accounted for approximately 86% of accounts receivable.

#### 3. Property and equipment

Property and equipment consisted of the following at December 31:

	2022	2021
Furniture, office equipment and vehicles \$	941,240	\$ 670,552
Computer equipment	446,382	310,029
Total	1,387,622	980,581
Less: Accumulated depreciation	(548,848)	(331,834)
Total property and equipment, net	838,774	\$ 648,747

Depreciation expense was approximately \$220,000 and \$175,000 for the years ended December 31, 2022 and 2021, respectively.

#### 4. Debt financing arrangements

**Auto loan:** The Company has a loan used to purchase, and secured on, a vehicle. The loan bears interest at 9.04% and requires monthly payments of \$448 through December 2024.

Equipment loan: The Company has a loan used to purchase, and secured on, computer equipment. The loan has no stated interest and interest is not deemed significant to the consolidated financial statements. The loan requires monthly payments of \$366 through October 2023.

**Software license loans:** The Company has two loans used to purchase, and secured on software licenses obtained in 2022 and 2021, respectively. The loans have no stated interest and interest is not deemed significant to the consolidated financial statements. The loans require monthly payments of \$4,413 and \$6,687 through April 2025 and August 2022, respectively.

**Promissory note:** In December 2022, The Company received \$200,000 under a promissory note with a financial institution, that matured in June 2023. The promissory note bore interest at 13% over the first three months and at 19% over the last three months, with all outstanding principal and accrued but unpaid interest due at maturity.

Notes payable consisted of the following at December 31:

#### Notes to Consolidated Financial Statements

	2022	 2021
Principal balance - auto loan	\$ 3,603	\$ 14,058
Principal balance - equipment loan	3,322	7,349
Principal balance - software license loans	77,780	51,517
Principal balance – promissory note	200,000	-
Total notes payable	\$ 284,705	\$ 72,924

At December 31, 2022, the estimated scheduled maturities of long-term debt arrangements is as follows:

Year Ending December 31,		Amount
2023		\$ 231,221
2024		35,832
2025		17,652
Total		\$ 284,705

#### 5. Note payable – Paycheck Protection Program

In April 2021 ("2021 PPP Loan") and April 2020 ("2020 PPP Loan"), the Company received loans totaling \$408,175 and \$228,635, respectively, from two separate financial institutions pursuant to the Paycheck Protection Program ("PPP") under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), administered by the U.S. Small Business Administration (the "SBA"). The 2021 PPP Loan had a five-year term and the 2020 PPP Loan had a two-year term. Both loans bore interest at 1.00% per annum. Monthly principal and interest payments were deferred for ten and six months after the date of disbursement, respectively. The PPP loans could be prepaid at any time prior to maturity with no significant prepayment penalties. The CARES Act provides that PPP loans may be partially or wholly forgiven if the funds are used for certain qualifying expenses as described in the CARES Act.

In July 2021, the Company's 2020 PPP loan was fully forgiven by the SBA. The loan forgiveness is included within other income on the accompanying 2021 Consolidated Statement of Operations.

In February 2022, the Company's 2021 PPP loan was fully forgiven by the SBA. The loan forgiveness is included within other income on the accompanying 2022 Consolidated Statement of Operations.

Total interest expense associated with these loans was not significant to the consolidated financial statements.

#### Notes to Consolidated Financial Statements

6. Stockholders'
equity and
simple
agreements for
future equity

During the years ended 2022 and 2021, the Company entered into Simple Agreement for Future Equity ("SAFE") agreements with certain investors that provided to the Company total gross proceeds of \$1,275,000 and \$3,045,000, respectively, (in aggregate the 'Purchase Amount'). The SAFEs do not accrue a dividend and are non-voting. In the event there is an Equity Financing before the termination of the SAFEs, the SAFEs automatically convert into the number of shares of Safe Preferred Stock equal to the Purchase Amount divided by the Conversion Price. The Conversion Price is either i) the Safe Price, or ii) the Discount Price – whichever calculation results in a greater number of shares of Safe Preferred Stock. The Safe Price is the price per share equal to the Post-Money Valuation Cap divided by the Company Capitalization. The Discount Price is the price per share of Standard Preferred Stock sold in the next round of equity financing x the Discount Rate of 80%. All capitalized terms as defined in the SAFE agreements. If there is a Liquidity Event, the SAFE holders are entitled to receive the greater of (i) cash payment equal to the Purchase Amount or (ii) the amount payable on the number of shares of Common Stock equal to the Purchase Amount divided by the Liquidity Price. The Liquidity Price is the price per share of the Post-Money Valuation Cap divided by the Liquidity Capitalization.

In accordance with FASB ASC 480, Distinguishing Liabilities from Equity ("ASC 480"), the Company concluded that the SAFEs are freestanding financial instruments within the scope of ASC 480. The Company has determined the SAFEs should be classified as a liability, and recorded the SAFEs as long-term liabilities in the accompanying Consolidated Balance Sheets at December 31, 2022 and 2021, as the SAFEs were not required or expected to be converted prior to 2024.

The Company is authorized to issue 20,000,000 shares of Class A Common Stock at \$0.00001 par value per share and 10,000,000 shares of Class F Common Stock at \$0.00001 par value per share. The Company's Class A and Class F (collectively, "Common Stock") have the following rights:

Dividend rights: The holders of Common Stock shall be entitled to receive, on a pari passu basis, when and as declared by the Board of Directors, out of any assets of the Company legally available therefore, such dividends as may be declared from time to time by the Board of Directors; provided, however, that in the event that such dividends are paid in the form of shares of Common Stock or rights to acquire Common Stock, the holders of shares of Class F Common Stock shall receive shares of Class F Common Stock or rights to acquire shares of Class F Common Stock, as the case may be, and the holders of shares of Class A Common Stock shall receive shares of Class A Common Stock or rights to acquire shares of Class A Common Stock, as the case may be.

#### Notes to Consolidated Financial Statements

**Liquidation rights:** In the event of a voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Company, the holders of Common Stock shall be entitled to share equally, on a per share basis, in all assets of the Company of whatever kind available for distribution to the holders of Common Stock.

Voting rights: The holders of Common Stock shall at all times vote together as one class on all matters submitted to a vote or for consent of the stockholders of the Company. Each holder of shares of Class F Common Stock shall be entitled to one hundred votes for each share of Class F Common Stock held. Each holder of shares of Class A Common Stock shall be entitled to one vote for each share of Class A Common Stock held.

## 7. Equity incentive plan

The Company's 2017 Equity Incentive Plan (the "Plan") provides for granting stock awards to employees, directors and consultants, which generally vest over two to four years and have a contractual term of ten years. The Plan permits the granting of stock awards to acquire 7,500,000 shares with 2,007,320 stock awards available to be granted at December 31, 2022.

The following summarizes information about the stock options outstanding at December 31, 2022:

		Weighted-Average	
Exercise	Options	Remaining	Options
Price	Outstanding	Contractual Life	Exercisable
\$0.05	50,000	4.00 years	50,000
\$0.10	40,000	4.78 years	40,000
\$1.00	107,500	5.63 years	105,030
\$1.50	1,029,680	8.41 years	496,195
\$1.58	4,250,000	1.33 years	2,833,333
	5,477,180		3,524,558

The following summarizes information about the stock options outstanding at December 31, 2021:

	Weighted-	
	Average	
Options	Remaining	Options
Outstanding	Contractual Life	Exercisable
50,000	5.00 years	50,000
40,000	5.78 years	40,000
117,500	6.69 years	95,302
699,930	8.81 years	344,674
907,430		529,976
	Outstanding 50,000 40,000 117,500 699,930	Options         Average           Outstanding         Contractual Life           50,000         5.00 years           40,000         5.78 years           117,500         6.69 years           699,930         8.81 years

#### Notes to Consolidated Financial Statements

The following table summarizes activity in the stock option plan for the years ended December 31, 2022 and 2021:

	Number of Options	Weighted- Average Option Price Per Share
Outstanding, January 1, 2021	740,000	\$1.22
Granted	202,430	\$1.50
Forfeited	(22,500)	\$1.28
Exercised	(12,500)	\$0.10
Options outstanding, December 31, 2021	907,430	\$1.29
Granted	4,620,750	\$1.57
Forfeited	(51,000)	\$1.40
Exercised	-	\$ -
Options outstanding, December 31, 2022	5,477,180	\$1.53
Options exercisable, December 31, 2022	3,524,558	\$1.51

Options issued in 2022 and 2021 had a weighted-average grant date fair value of \$1.12 and \$1.09 per share, respectively. The total stock-based compensation expense related to the Company's stock option activity recognized for the years ended December 31, 2022 and 2021 was approximately \$3,467,000 and \$139,000, respectively. Stock-based compensation expense remaining to be recognized in future years at December 31, 2022 was approximately \$2,077,000. This cost is expected to be recognized over a weighted-average period of approximately 1.41 years. In accordance with Company policy, shares issued related to the exercise of stock options were issued from a pool of shares reserved for issuance under the Plan.

#### 8. Warrants

In January 2022, as consideration for services provided, the Company issued warrants to a shareholder of the Company to purchase 2,250,000 shares of Class F common stock, of which no shares were exercised during 2022. The warrants have an exercise price of \$2.86 per share and a ten-year term. The fair value of the warrants granted during 2022 was approximately \$981,000 and was recognized as stock-based compensation expense in the accompanying Consolidated Statements of Operations for the year ended December 31, 2022.

#### Notes to Consolidated Financial Statements

#### 9. Leases

Finance lease: The Company leases equipment and furniture under an agreement that is classified as a finance lease.

As of and for the year ended December 31, 2022, the components of total lease cost and other supplemental lease information from the adoption of ASU No. 2016-2, *Leases (Topic 842)* are presented in the following tables:

	For t	the year ended
	Dece	mber 31, 2022
Components of lease cost:		
Amortization of assets, included in depreciation and		
amortization	\$	10,633
Interest, included in interest expense	\$	645
Cash paid for amounts included in the measurement of lease liability:		
Financing cash flows from finance lease	\$	11,290
Lease liability arising from ROU assets (subsequent to		
adoption):	\$	191,382
Weighted average remaining lease terms and discount rates are presented in the following table:		
Weighted average remaining lease term:		2.83 Years
Weighted average discount rate (annual):		4.17%

At December 31, 2022, the scheduled future maturities of the lease liability under the arrangement are as follows:

2023	\$ 67,743
2024	67,743
2025	56,452
Total payments	191,938
Less: imputed interest	(11,201)

#### Notes to Consolidated Financial Statements

**Operating leases:** The Company is obligated, as a lessee, under non-cancelable operating leases for its offices. These leases require monthly payments of rent, and in some cases, operating expenses. One of the leases also contains an escalation clause. The Company's operating leases expire at various dates through July 2027.

As of and for the year ended December 31, 2022, the components of total lease cost and other supplemental lease information from the adoption of ASU No. 2016-02, *Leases (Topic 842)* are presented in the following tables:

		For the year ended December 31, 2022	
Components of lease cost:			
Operating lease costs	\$	1,608,347	
Cash paid for amounts included in the measurement of			
lease liabilities:			
Operating cash flows from operating leases	\$	443,775	
Lease liabilities arising from ROU assets (subsequent to			
adoption):	\$	4,457,432	
Weighted average remaining lease terms and discount rates			
are presented in the following table:			
Weighted average remaining lease term:		4.34 Years	
Weighted average discount rate (annual):		3.25%	

At December 31, 2022, the scheduled future maturities of lease liabilities under these arrangements are as follows:

\$ 995,472
1,015,164
990,597
1,020,315
610,903
4,632,451
(336,233)
\$ 4,296,218

#### Notes to Consolidated Financial Statements

The following is a schedule by year of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of December 31, 2021:

Year En	ding	December	31,
---------	------	----------	-----

2022	\$ 254,649
2023	64,978
2024	51,600
Total	\$ 371,227

Total lease expense, including month-to-month or other short-term leases, totaled \$1,608,347 and \$335,069 for the years ended December 31, 2022 and 2021, respectively.

#### 10. Income taxes

The components of the benefit from income taxes consisted of the following for the year ended December 31:

_	2022	2021
Current Federal tax (benefit) expense Current state expense (benefit)	\$ (112,300) 31,200	\$ 8,300 (294)
Deferred Federal tax benefit	-	(253,800)
Benefit from income taxes	\$ (81,100)	\$ (245,794)

The differences between the amount of income tax benefit that would result from applying domestic federal and state statutory income tax rates to the pretax loss and what is reported is primarily related to the benefits of general business credits, permanent items and changes in the valuation allowance. The benefit from income taxes for the years ended December 31, 2022 and 2021 reflected in the accompanying Consolidated Statements of Operations varies from the amount which would have been computed using statutory rates as follows:

	2022	2021
Federal tax benefit at statutory rate	\$(2,136,300)	\$ (129,500)
State tax benefit at statutory rate, net of federal tax benefit	-	(200)
Tax benefit of general business credit	(432,900)	(209,200)
Permanent differences	643,400	57,006
Change in valuation allowance and other	1,448,600	36,100
Benefit from income taxes	\$(1,205,300)	\$ (245,794)

#### Notes to Consolidated Financial Statements

The deferred income tax liability represents an estimate of the income tax that will be due in future periods from cumulative temporary differences recognized for financial reporting purposes from that recognized for income tax reporting purposes. At December 31, 2022 and 2021, the components of these temporary differences and the net deferred tax asset (liability) were as follows:

	2022	2021
Cash to accrual timing differences	\$ (42,900)	\$ (12,300)
Fixed asset basis differences	284,400	(42,300)
Lease liability differences	878,800	-
Warrant basis difference	206,000	-
General business credits carried forward	518,700	85,800
Valuation allowance	(1,845,000)	(31,200)
Total net deferred tax asset	\$ -	\$ -

## 11. Revenue from contracts with customers

**Disaggregation of revenues:** The Company disaggregates revenues by customer as this best represents how the nature, timing and uncertainty of the Company's revenue and cash flows are affected by the customers' procurement environment and economic factors.

Disaggregated revenue is as follows for the years ended December 31:

	2022	2021
Anglo American PLC	\$ 3,988,904	\$ 6,474,210
BHP Group Limited	1,932,216	151,000
National Science Foundation	252,433	-
National Aeronautics and Space		
Administration	96,781	-
Total revenue	\$ 6,270,334	\$ 6,625,210

Contract balances: The components of contract balances consisted of the following at:

	December 31,		December 31,		January 1,	
		2022		2021		2021
Accounts receivable, billed	\$	327,786	\$	818,822	\$	227,300
Unbilled receivables		681,820		471,767		1,275,000
Deferred revenue		86,471		1,185,371		-

Billed and unbilled accounts receivable are included in the accounts receivable line item on the accompanying Consolidated Balance Sheets. Deferred revenue is in the line item of the same name in the accompanying Consolidated Balance Sheets.

#### Notes to Consolidated Financial Statements

#### 12. Retirement plan

The Company sponsors a retirement plan for all eligible employees. Under the plan, employees can contribute up to the maximum permitted under applicable tax rules. The Company did not match any employee contributions under the plan during the years ended December 31, 2022 and 2021.

## 13. Subsequent events

In January 2023, the Company obtained debt funding totaling \$300,000 under a new debt facility with a financial institution, with similar terms as the Company's December 2022 promissory note (Note 4).

In May 2023, the Company obtained equity funding totaling \$2,000,000 from issuance of a SAFE with similar terms to the SAFEs described in Note 6.

In July 2023, the Company signed a lease agreement for equipment. The total value of the equipment is approximately \$51,700. The lease agreement is for a sixtymonth term. The monthly payments are approximately \$1,026. The Company has the option to purchase the equipment for \$1 at the end of the lease.

In September 2023, the Company signed a lease for furniture. The total value of the furniture is approximately \$47,100. The lease agreement is for a thirty-six-month term. The monthly payments are approximately \$1,418. The Company has the option to purchase the furniture for \$1 at the end of the lease.

In September 2023, the Company signed a lease agreement for office space in Luxembourg. The lease agreement is for 16-month term, commencing on September 1, 2023. The base rental amount is approximately \$6,900 per month.

## 14. Correction of an error

During the year ended December 31, 2022, management determined that there were errors in certain account balances as of January 1, 2021. A prior period adjustment has been made to correct errors resulting in an understatement of additional paid in capital and an overstatement of retained earnings, due to an understatement of stock-based compensation previously recorded for the year ended December 31, 2020 in the amount of \$209,267.

The following captions in the December 31, 2020 consolidated financial statements were affected:

	As reported	Adjustment	Restated
Stockholders' Deficit Additional paid-in capital	\$ 121,239	\$ 209,267	\$ 330,506
Retained earnings	2,567,752	(209,267)	2,358,485
Statement of Operations			
Stock compensation expense	70,474	209,267	279,741
Net income	2,031,640	(209,267)	1,822,373

EXHIBIT C TO FORM C

PROFILE SCREENSHOTS

[See attached]

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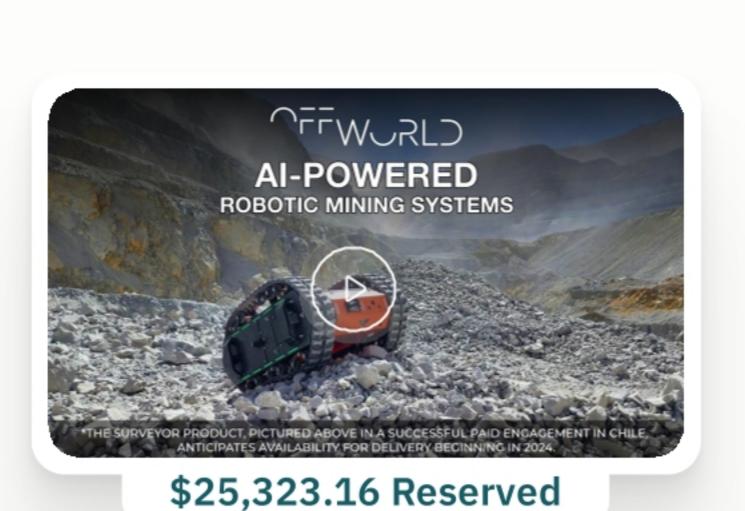
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OffWorld's AI-powered swarm robotic solution aims to remove human workers from the mine and unlock mineral production not available with conventional technologies.

REWARDS

OffWorld's solution addresses the huge need for critical materials to achieve Net Zero targets. Our addressable market on Earth is >\$400B, including Nickel, Platinum, Cobalt, Copper, Gold, and Lithium mines.\*

We have \$40M+ in lifetime revenue, 20+ pending global patents, contracts with blue-chip mining companies, and recent programs with NASA & the NSF.

\*Market statistics were calculated internally based on OffWorld's analysis of all applicable markets.

DISCUSSION

INVESTING FAQS

OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE RECEIVED UNTIL THE OFFERING STATEMENT IS FILED AND ONLY THROUGH AN INTERMEDIARY'S PLATFORM. AN INDICATION OF INTEREST INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. "RESERVING" SECURITIES IS SIMPLY AN INDICATION OF INTEREST.

NO MONEY OR OTHER CONSIDERATION IS BEING SOLICITED, AND IF SENT IN RESPONSE, WILL NOT BE ACCEPTED. NO

## **ABOUT**

HEADQUARTERS 540 W. Woodbury Rd. Pasadena, CA 91001

WEBSITE View Site 🗹

OffWorld is developing autonomous mining robots for critical materials on Earth and in space.

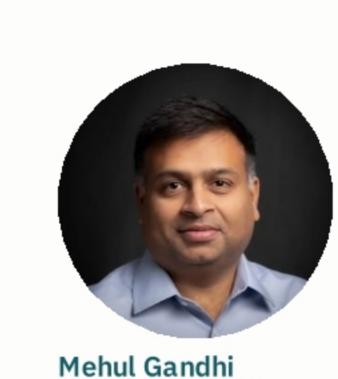
## TEAM



James (Jim) Keravala CEO, Chief Architect, Board

Member Jim Keravala is co-founder, Chief Executive Officer, and Chief Architect of OffWorld, Inc. By connecting the program requirements of the future with the economic drivers of the present, Jim is able to establish programs that bridge the technological and market gaps with robust step by step implementation with short-term milestones of success. Jim studied aerospace engineering, spacecraft engineering and physics at University of London, Surrey University, Aachen Technical University and International Space University. He was faculty at Singularity University and is on advisory boards and Board of Directors of a number of space institutes including the National Space Society, The International Moonbase Alliance and the Moon





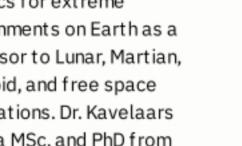
Chief Financial Officer

Prior to joining OffWorld, Mehul spent 10+ years as an investment banker at Morgan Stanley, coleading its coverage of North American mobility technology and industrial technology sectors. During his tenure at Morgan Stanley, Mehul advised public and private companies on capital raising and strategic alternatives / transactions (including domestic & cross-border M&A, asset acquisitions and divestitures). Mehul has advised on 60+ transactions with an aggregate transaction value of \$125+ billion. Prior to Morgan Stanley, Mehul was a member of Sapient's technology consulting practice serving clients across Financial Services, Media, and Technology industries. in

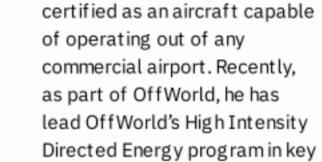


Alicia Kavelaars Chief Technology Officer, **Board Member** 

Dr. Kavelaars is Co-Founder and Chief Technology Officer at OffWorld. Dr. Kavelaars has made contributions to the aerospace and robotics sectors for over two decades, developing and successfully launching systems for NASA, NOAA and commercial customers in the Telecommunications and Mining industries. Since 2016, Dr. Kavelaars has led the technology development at OffWorld of AI based mobile robotics for extreme environments on Earth as a precursor to Lunar, Martian, asteroid, and free space applications. Dr. Kavelaars holds a MSc. and PhD from Stanford University and a BSc.



in Theoretical Physics from UAM, Spain.



wave tools.

**James Murray** 

Member

Chief Engineer, Board

Bringing a background of

Commercial Spaceflight

International Leadership of

initiatives, James spent his

developing rocket engine

systems for the Skylon

Spaceplane and then the

European Ariane 5 launch

knowledge to start BOOSTER,

which headed a trans-Atlantic

develop a hydrogen-powered

technologies related to high-

power pulse and continuous

consortium of companies to

sub-orbital rocketship,

vehicle. He used that

formative professional years



## **Chief Strategy Officer** Mark Nall is a Co-Founder and

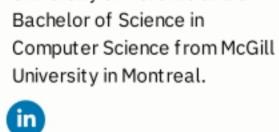
Chief Strategy Officer at Off-World, Inc. He has spent six years developing swarm robotic mining systems for the mining industry. Mark obtained his Bachelor's Degree in Aerospace Engineering from West Virginia University and his Master of Science in Systems Management from the University of Southern California. Previously, Mark was Manager of the NASA Space Part nership Development Program. This program, comprised of 12 Research Partnership Centers, specialized in industry, academia, and governmental partnerships that developed technology solutions to problems of common interest. Before NASA, Mark was a Research Pilot for the United States Air Force.





General Counsel with 25 years of experience. Josh currently acts as a Co-Founder and General Counsel of OffWorld, Inc. Prior to his current role, Josh was General Counsel of the aerospace and defense businesses at ATK, a Fortune 500 provider of aerospace and defense products. Before ATK, Josh was General Counsel at Versar and Deputy General Counsel at Alion Science and Technology. Josh received an MBA with honors from Georgetown University. He holds a law degree from the University of Toronto and a

Josh is an entrepreneur and



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**James Weckerly** 

**FUNDS** 

**FUNDS** 

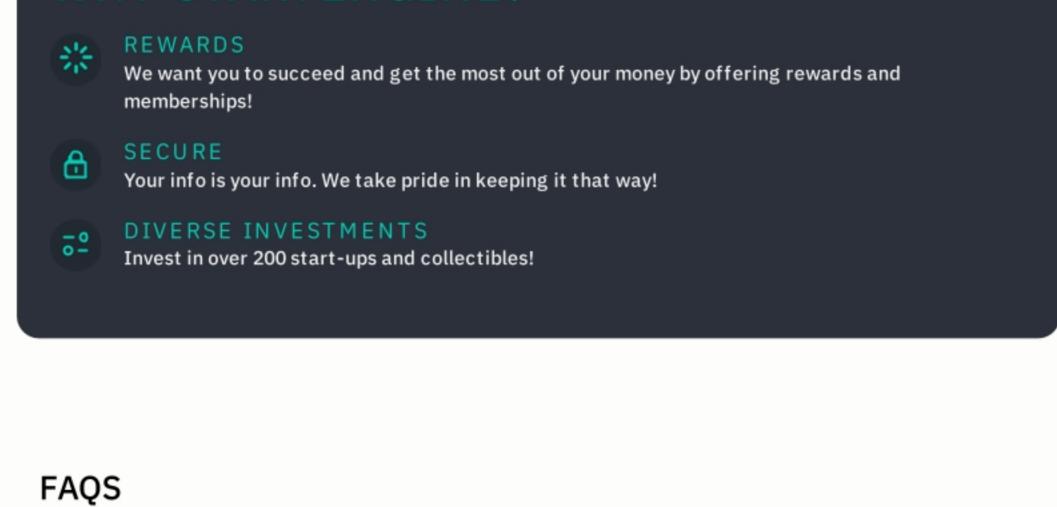
INVESTED

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Important Message IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. INVESTMENTS ON

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#### EXHIBIT D TO FORM C

#### VIDEO TRANSCRIPT

Big things rarely happen all at once. Extinctions, revolutions, migrations. These reality shifting events happen piece by piece. A series of nearly imperceptible micro actions that, when taken together, create a new reality. Big things happen in small ways. At Offworld, we're going super small, and we think these small moves are going to change the world in a big way.

We make robots that can take the mining industry from this to this. OffWorld's Intelligent robots extract minerals from the Earth without furthering destruction of our planet. Our footprint is small, which means we can go anywhere. The mining industry is facing existential challenges. From phones, drones, and EVs, the global demand for batteries will only continue to grow. Over the next 15 years, we are looking at a significant spike in demand of critial minerals, a need which they cannot meet with the current methods.

Mining today begins when geologists, engineers and project managers establish a multi-year mine plan. They drill holes and insert explosives into the rock. Then boom... it's called drill and blast. After the dust from the explosion settles, the goods are put onto trucks or conveyor belts and hauled up to 60 miles where they're crushed, processed and refined.

And of course, there's also thousands of people facilitating this process. Driving trucks, working machinery and doing the incredibly dangerous work of entering and excavating the mine. It's a massive, massive operation. We're shrinking it with robots. We call our process SRM - swarm robotic mining. That means our mining robots are able to communicate with each other, taking on specialist tasks, acting as a team, but can operate autonomously in these dark and dangerous environments.

Our surveyor, our collector, our excavator and our hauler, we can use these robots with our intelligent Offworld operating system to now reach \$25 billion of stranded assets of mineral worth that is so needed for our net zero future. It is time to take people out of harm's way and build the fully robotic mines of the future.

Today, we're partnered with some of the top mining companies in the world and with NASA and the European Space Agency and we believe we are one of the first companies to have mining development contracts on two celestial bodies - here on Earth and out there on the moon. Wait, The moon? Oh, yeah. We're going to the moon.

#### STARTENGINE SUBSCRIPTION PROCESS (Exhibit E)

#### Platform Compensation

- As compensation for the services provided by StartEngine Capital, the issuer is required to pay to StartEngine Capital a fee consisting of a 5.5-13% (five and one-half to thirteen) commission based on the dollar amount of securities sold in the Offering and paid upon disbursement of funds from escrow at the time of closing. The commission is paid in cash and in securities of the Issuer identical to those offered to the public in the Offering at the sole discretion of StartEngine Capital. Additionally, the issuer must reimburse certain expenses related to the Offering. The securities issued to StartEngine Capital, if any, will be of the same class and have the same terms, conditions, and rights as the securities being offered and sold by the issuer on StartEngine Capital's website.
- As compensation for the services provided by StartEngine Capital, investors are also required to pay StartEngine Capital a fee consisting of a 0-3.5% (zero to three and a half percent) service fee based on the dollar amount of securities purchased in each investment.

#### Information Regarding Length of Time of Offering

- Investment Cancellations: Investors will have up to 48 hours prior to the end of the
  offering period to change their minds and cancel their investment commitments for any
  reason. Once within 48 hours of ending, investors will not be able to cancel for any
  reason, even if they make a commitment during this period.
- Material Changes: Material changes to an offering include but are not limited to: A
  change in minimum offering amount, change in security price, change in management,
  material change to financial information, etc. If an issuer makes a material change to the
  offering terms or other information disclosed, including a change to the offering deadline,
  investors will be given five business days to reconfirm their investment commitment. If
  investors do not reconfirm, their investment will be canceled and the funds will be
  returned.

#### Hitting The Target Goal Early & Oversubscriptions

 StartEngine Capital will notify investors by email when the target offering amount has hit 25%, 50%, and 100% of the funding goal. If the issuer hits its goal early, the issuer can create a new target deadline at least 5 business days out. Investors will be notified of the new target deadline via email and will then have the opportunity to cancel up to 48 hours before the new deadline.

- Oversubscriptions: We require all issuers to accept oversubscriptions. This may not be
  possible if: 1) it vaults an issuer into a different category for financial statement
  requirements (and they do not have the requisite financial statements); or 2) they reach
  \$5M in investments. In the event of an oversubscription, shares will be allocated at the
  discretion of the issuer, with priority given to StartEngine Owners Bonus members.
- If the sum of the investment commitments does not equal or exceed the target offering amount at the offering deadline, no securities will be sold in the offering, investment commitments will be canceled and committed funds will be returned.
- If a StartEngine issuer reaches its target offering amount prior to the deadline, it may
  conduct an initial closing of the offering early if they provide notice of the new offering
  deadline at least five business days prior to the new offering deadline (absent a material
  change that would require an extension of the offering and reconfirmation of the
  investment commitment). StartEngine will notify investors when the issuer meets its
  target offering amount. Thereafter, the issuer may conduct additional closings until the
  offering deadline.

#### Minimum and Maximum Investment Amounts

- In order to invest, commit to an investment or communicate on our platform, users must open an account on StartEngine Capital and provide certain personal and non-personal information including information related to income, net worth, and other investments.
- Investor Limitations: There are no investment limits for investing in crowdfunding offerings for accredited investors. Non-accredited investors are limited in how much they can invest in all crowdfunding offerings during any 12-month period. The limitation on how much they can invest depends on their net worth (excluding the value of their primary residence) and annual income. If either their annual income or net worth is less than \$124,000, then during any 12-month period, they can invest either \$2,500 or 5% of their annual income or net worth, whichever is greater. If both their annual income and net worth are equal to or more than \$124,000, then during any 12-month period, they can invest up to 10% of annual income or net worth, whichever is greater, but their investments cannot exceed \$124,000.