Pangea Natural Foods Inc.

FINANCIAL STATEMENTS

For the years ended October 31, 2024, and 2023

(Expressed in Canadian dollars)

SHIM

SHIM & Associates LLP
Chartered Professional Accountants
Suite 900 – 777 Hornby Street
Vancouver, B.C. V6Z 1S4
T: 604 559 3511 **|** **F:** 604 559 3501

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Pangea Natural Foods Inc.

Opinion

We have audited the financial statements of Pangea Natural Foods Inc. (the "Company"), which comprise the statement of financial position as at 31 October 2024, and the statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 October 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the Company as at 31 October 2023, and for the year ended 31 October 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 28 February 2024.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31 October 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except as described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditor's report.

Other Information
Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Dong H Shim.

"SHIM & Associates LLP"

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
28 February 2025

Pangea Natural Foods Inc
Statements of Financial Position
As at October 31, 2024 and 2023
(Expressed in Canadian dollars)

	Notes		**October 31, 2024**		October 31, 2023
ASSETS					
Current assets					
Cash		**$**	**140,093**	$	51,644
Accounts receivable and other receivables	5		**24,443**		48,473
Prepaid expenses			**17,750**		16,555
Inventory	6,11		**-**		59,772
			182,286		176,444
Equipment and right-of-use asset	7		**-**		15,275
Total assets		**$**	**182,286**	$	191,719
LIABILITIES					
Current liabilities					
Bank overdraft		**$**	**17,827**	$	-
Accounts payable and accrued liabilities	8,11		**714,909**		329,998
			732,736		329,998
SHAREHOLDERS' DEFICIENCY					
Share capital	9		**2,460,905**		1,802,680
Share subscriptions	9		**-**		95,500
Share-based payments reserve	9		**981,058**		924,862
Deficit			**(3,992,413)**		(2,961,321)
Total shareholders' deficiency			**(550,450)**		(138,279)
Total liabilities and shareholders' deficiency		**$**	**182,286**	$	191,719

Nature of operations and going concern (Note 1)
Subsequent Events (Note 18)

Approved and authorized for issue by the Board of Directors on February 28, 2025:

"Pratapvir Sandhu" Director *"Ajit Bhatti"* Director

Pangea Natural Foods Inc.
Statements of Loss and Comprehensive Loss
For the years Ended October 31, 2024 and 2023
(Expressed in Canadian dollars)

	Notes		**Year ended October 31, 2024**		Year ended October 31, 2023
Revenue	10	**$**	**12,202**	$	285,590
Cost of sales	6		**(5,297)**		(318,383)
Gross profit (loss)			**6,905**		(32,793)
Expenses					
Advertising and promotion	11		**41,421**		381,030
Bad debt	5,13		**33,346**		31,695
Depreciation	7		**431**		4,157
Office and administration	11		**42,613**		54,107
Professional fees	11		**512,115**		599,134
Rent	11		**42,000**		41,625
Research and development	11		**25,997**		-
Salaries and wages	11		**154,149**		151,850
Share-based payments	9,11		**108,886**		346,900
Total operating expenses			**(960,958)**		1,610,498
Loss before other items			**(954,053)**		(1,643,291)
Other items					
Foreign exchange gain (loss)			**37**		(8,795)
Impairment of equipment	7		**(11,773)**		-
Impairment of intangible assets			**-**		(8,200)
Impairment of inventory	6		**(65,303)**		-
			(77,039)		(16,995)
Net loss and comprehensive loss for the year		**$**	**(1,031,092)**	$	(1,660,286)
Weighted average number of shares – Basic and diluted			6,682,358		5,684,171
Loss per share – Basic and diluted		**$**	(0.15)	$	(0.29)

The accompanying notes are an integral part of these financial statements

Pangea Natural Foods Inc.
Statements of Changes in Shareholders' Deficiency
For the years Ended October 31, 2024 and 2023
(Expressed in Canadian dollars)

	Share capital					
	Number of common shares	**Share capital**	**Share subscriptions**	**Share-based payments reserve**	**Deficit**	**Total shareholders' deficiency**
Balance, October 31, 2022	4,605,833	$ 801,197	$ -	$ 718,571	$ (1,301,035)	$ 218,733
Units issued from private placement	1,275,000	765,000	-	-	-	765,000
Share issuance costs	-	(42,517)	-	12,391	-	(30,126)
Shares issued for exercised warrants	205,000	201,000	-	(75,000)	-	126,000
Shares issued for exercised RSUs	72,222	78,000	-	(78,000)	-	-
Share subscriptions received	-	-	95,500	-	-	95,500
Share-based payments	-	-	-	346,900	-	346,900
Net loss and comprehensive loss for the year	-	-	-	-	(1,660,286)	(1,660,286)
Balance, October 31, 2023	6,158,055	1,802,680	95,500	924,862	(2,961,321)	(138,279)
Units issued from private placement	1,339,500	446,425	(95,500)	159,110	-	510,035
Shares issued for exercised RSUs	207,778	211,800	-	(211,800)	-	-
Share-based payments	-	-	-	108,886	-	108,886
Net loss and comprehensive loss for the year	-	-	-	-	(1,031,092)	(1,031,092)
Balance, October 31, 2024	**7,705,333**	**$ 2,460,905**	**$ -**	**$ 981,058**	**$ (3,992,413)**	**$ (550,450)**

Pangea Natural Foods Inc.
Statements of Cash Flows
For the years Ended October 31, 2024 and 2023
(Expressed in Canadian dollars)

		Year ended October 31, 2024		Year ended October 31, 2023
Operating activities				
Net loss for the year	$	(1,031,092)	$	(1,660,286)
Items not affecting cash:				
Bad debt		33,346		31,695
Depreciation		3,502		7,228
Impairment of equipment		11,773		-
Impairment of intangible assets		-		8,200
Impairment of inventory		65,303		45,357
Share-based payments		108,886		346,900
Non-cash working capital items:				
Accounts receivable and other receivables		(9,316)		51,309
Prepaid expenses		(1,195)		160,025
Inventory		(5,531)		(16,774)
Accounts payable and accrued liabilities		384,911		45,665
Net cash used in operating activities		(439,413)		(980,681)
Financing activities				
Bank overdraft		17,827		-
Proceeds from subscriptions received		-		95,500
Proceeds from issuance of units		510,035		765,000
Share issuance costs		-		(30,126)
Proceeds from exercised warrants		-		126,000
Net cash provided by financing activities		527,862		956,374
Change in cash		88,449		(24,307)
Cash, beginning of year		51,644		75,951
Cash, end of year	$	140,093	$	51,644
Supplemental cash flow information:				
Finder’s warrants issued	$	-	$	12,391
Fair value of RSUs exercised	$	211,800	$	78,000
Interest received	$	-	$	1,060

1. NATURE OF OPERATIONS AND GOING CONCERN

Pangea Natural Foods Inc. ("Pangea" or the "Company") was incorporated on April 10, 2021 under the laws of the British Columbia Business Corporations Act. The registered records office of Pangea is located at 10th Floor, 595 Howe Street, Vancouver B.C. V6C 2T5. On July 4, 2022, the Company listed its common shares on the Canadian Securities Exchange under the trading symbol "PNGA".

The Company manufactures and distributes high quality food products that are nutritious and free of GMO ingredients, fillers, antibiotics, hormones, and bioengineered ingredients.

The financial statements have been prepared on the basis on accounting principles applicable to a going concern which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company's ability to continue as a going concern and to realize assets at their carrying values is dependent upon its ability to obtain financing and generate profits and positive cash flows from operations in order to cover its operating costs.

The Company incurred a loss of $1,031,092 for the year ended October 31, 2024 (2023 – $1,660,286), and as of that date the Company's accumulated deficit was $3,992,413 (2023 – $2,961,321). The Company will periodically need to raise funds to continue its operations and although it has been successful in doing so in the past, there is no assurance that it will be able to continue to do so in the future. These events and conditions indicate a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements. These adjustments could be material.

On February 18, 2025, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every six pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, restricted share units, warrants and per share amounts are stated on an adjusted basis (Note 9).

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements were approved and authorized for issuance on February 28, 2025 by the Board of Directors.

b) Basis of measurement

These financial statements have been prepared on a historical cost basis, except for any financial assets and liabilities measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars, unless otherwise noted.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied and consistently presented in these financial statements, unless otherwise indicated.

a) Foreign currency transactions

Functional and presentation currency
The functional currency of the Company is determined based on the currency of the primary economic environment in which the Company operates. The functional currency of the Company is the Canadian dollar. The presentation currency of the Company is the Canadian dollar.

Transactions and balances
At the transaction date, each asset, liability, revenue, and expense denominated in a foreign currency is translated into the functional currency using the exchange rate in effect at that date. At the reporting period end date, monetary assets and liabilities are translated into the functional currency using the exchange rate in effect at that date and the related translation differences are recognized in the statement of loss and comprehensive loss.

b) Earnings (loss) per share

Basic loss per share is calculated by dividing the Company's net loss for the period by the weighted average number of shares outstanding. Diluted earnings per share is calculated by dividing the Company's net earnings by the sum of the weighted average number of shares issued and outstanding, assuming all additional shares that would have been outstanding if potentially dilutive instruments were converted. Diluted loss per share excludes potentially dilutive instruments from the calculation, as their inclusion would be anti-dilutive. Therefore, diluted loss per share is equivalent to basic loss per share.

c) Revenue recognition

The Company primarily generates revenue from the sale of its plant-based patty, Munchie mix, Ghee and Energy gel products (Wholesale distributor revenue) and other food products ((Wholesale broker revenue).

The Company follows IFRS 15, Revenue from Contracts with Customers ("IFRS 15"), to recognize its revenue. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, the Company's accounting policy for revenue recognition is as follows: i) identify the contract with the customer; ii) identify the performance obligation(s) in the contract; iii) determine the transaction price; iv) allocate the transaction price to the performance obligation(s); and (v) recognize revenue when (or as) performance obligations are satisfied.

Revenue is recognized at the point in which the performance obligation under the terms of a contract with the customer has been satisfied and control has been transferred. The Company's performance obligation is typically defined as the accepted purchase order with the customer, which requires the Company to deliver the requested products at agreed-upon prices at the time and location of the customer's choice. The Company satisfies its performance obligation and transfers control to the customer upon customer receipt of the product either at their warehouse or picked up by the customer from the Company's warehouse. Billings rendered in advance of performance under contracts are recorded as deferred revenue.

3. MATERIAL ACCOUNTING POLICIES (continued)

c) Revenue recognition (continued)

Based on the terms of the Company’s arrangements with suppliers regarding agency relationships, the Company has determined that it acts as a principal relating to wholesale broker revenue. As such, revenues are accounted for on a gross basis. Revenue is measured at the fair value of the consideration received or receivable, net of estimated returns and discounts. None of the Company's customer contracts contain a significant financing component.

d) Inventories and cost of sales

Inventories are recorded at the lower of cost or net realizable value. Cost is determined using the weighted average method. In addition to product costs, inventory costs include direct expenditures such as direct labour, shipping and freight supplies and expenses and any third-party costs, as well as indirect expenditures such as rent and depreciation of production equipment. Inventories are comprised primarily of raw materials purchase costs and direct labour. The Company reviews the quantities and conditions of the inventory on hand on a regular basis and records a provision for spoiled inventory when it is incurred. Any write-down recorded of inventory is included in cost of sales within the statement of loss and comprehensive loss.

e) Financial instruments

Recognition, classification and measurement
Financial assets and liabilities are classified and measured based on the business model for managing the financial instruments and the contractual cash flow characteristics of the financial instruments. IFRS 9 contains three primary measurement categories for financial instruments: amortized cost, fair value through other comprehensive income (“FVTOCI”) and fair value through profit or loss (“FVTPL”). Derivative financial instruments entered into by the Company that do not meet hedge accounting criteria are classified as FVTPL.

Financial assets are recognized in the statements of financial position if the Company has a contractual right to receive cash or other financial assets from another entity. All financial liabilities are recognized initially on the transaction date at which the Company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially recognized at fair value plus or minus transaction costs, unless the financial instrument is carried at FVTPL, in which case transaction costs are expensed in the statement of loss and comprehensive loss.

Financial assets and financial liabilities are offset, and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial instruments are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. MATERIAL ACCOUNTING POLICIES (continued)

e) Financial instruments (continued)

The Company has classified its accounts receivable, and accounts payable and accrued liabilities as financial assets and financial liabilities measured at amortized cost. Such assets and liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial instrument, or where appropriate, a shorter period.

The Company has classified its cash as a financial asset measured at FVTPL. The Company has no financial instruments classified as at FVTOCI.

Derecognition
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognized in its statements of financial position but retains either all or substantially all of the risks and rewards of the transferred assets, then the transferred assets are not derecognized.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in the statement of loss and comprehensive loss.

Impairment of financial assets
The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. Loss allowances for accounts receivable are measured at an amount equal to lifetime expected credit losses if the amount is not considered fully recoverable. A financial asset carried at amortized cost is considered credit-impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Individually significant financial assets are tested for credit-impairment on an individual basis. The remaining financial assets are assessed collectively.

3. MATERIAL ACCOUNTING POLICIES (continued)

e) Financial instruments (continued)

Impairment of financial assets
An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

When an event causes the amount of an impairment loss to decrease, subsequent to the initial recognition of that loss, the decrease in impairment loss is reversed through the statement of loss and comprehensive loss in the period in which the decrease occurs.

f) Income taxes

Tax expense comprises current income tax and deferred tax. Current income tax is recognized in the statement of loss and comprehensive loss, except to the extent that it relates to items recognized in other comprehensive loss or directly in equity. In this case the current income tax is also recognized in other comprehensive loss or directly in equity, respectively.

Current income tax
Current income tax for the period is measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is recognized on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that future taxable income will be available to allow all or part of the temporary differences to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted and are expected to apply by the end of the reporting period. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred taxes relate to income taxes levied by the same taxation authority, and the Company intends to and has the ability to settle its current tax assets and liabilities on a net basis.

3. MATERIAL ACCOUNTING POLICIES (continued)

g) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the obligation amount can be made. The amount recognized is the best estimate of the consideration required to settle the present obligation at the statements of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount receivable can be measured reliably.

h) Equipment

Equipment is recorded at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. This includes the purchase price, any other costs directly attributable to bringing the assets to a working condition for intended use and the costs of dismantling and removing the items and restoring the site on which they are located.

Where an item of equipment comprises significant parts with useful lives that are significantly different from that of the asset as a whole, the parts are accounted for as separate items of equipment and depreciated accordingly. An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from derecognizing an asset determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized through the statement of loss and comprehensive loss.

Equipment is depreciated over its estimated useful life. Costs for normal repairs and maintenance that do not extend economic life or improve service potential are expensed as incurred. Costs of improvements that extend economic life or improve service potential are capitalized and depreciated over the estimated remaining useful life.

The Company commences recording depreciation when the assets are in a working condition ready for use using the straight-line method:

Class	Useful Life
Computer Equipment	3 years
Production Equipment	7 years

3. MATERIAL ACCOUNTING POLICIES (continued)

i) Impairment of assets

The carrying amount of the Company's non-financial assets (which include equipment and inventory) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash- generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

j) Intangible assets

Intangible assets with finite lives are measured on initial recognition at cost, which comprises the purchase price plus any directly attributable costs of preparing the asset for intended use. Following initial recognition, such intangible assets are carried as cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether this status continues to be appropriate.

Class	Useful Life
Formula	Indefinite

k) Share capital

The Company records proceeds from common share and unit issuances net of issue costs and any related tax effects. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units.

3. MATERIAL ACCOUNTING POLICIES (continued)

k) Share capital (continued)

Proceeds from unit offerings, which consist of common shares and share purchase warrants, are bifurcated using the residual value approach whereby the common share component of the unit is measured at fair value based on the most recent equity financing prior to the Company becoming a reporting issuer on June 20, 2022, and based on the quoted trading price of the Company's common shares thereafter, and the warrant component is measured by reference to the residual value, if any. Any value allocated to the warrant component is credited to share-based payments reserve.

l) Share-based payments

The Company grants stock options to purchase common shares of the Company to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee. The fair value of stock options is measured on the grant date using the Black-Scholes option pricing model and is recognized over the vesting period. Share-based payments are initially recorded to share-based payments reserve. Subsequently, the amount together with the consideration received for the shares on the exercise of the stock options are credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments to non employees are measured at the fair value of goods or services received. The restricted share units ("RSUs") entitle directors, officers, employees, and consultants to either the issuance of common shares or cash payments payable upon vesting based on vesting terms determined by the Company's Board of Directors at the time of the grant. The Company reserves the right to change the form of payment at anytime until payment is made. The RSUs are measured at the fair value of awards on the grant date using the closing price. Amounts recorded for forfeited unvested RSUs are unrecognized in the period the forfeiture occurs. The expense is recognized on a graded vesting basis over the vesting period, with a corresponding charge to the statement of loss and comprehensive loss.

m) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lessees are permitted to make an election for leases with a term of 12 months or less, or where the underlying asset is of low value, and not recognize lease assets and lease liabilities. For short term leases, the Company has elected to use this election, and has recognized rent expense associated with these leases on a straight-line basis over the lease term within the statement of loss and comprehensive loss.

3. MATERIAL ACCOUNTING POLICIES (continued)

m) Leases (continued)

Right-of-use asset
The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use assets are subsequently amortized from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term using the straight-line method.

Lease liability
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's borrowing rate.

Lease payments included in the measurement of the lease liability are comprised of the following payments during the lease term: fixed payments (including in-substance fixed payments), and the exercise price under a purchase option that the Company is reasonably certain to exercise.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising mainly if the Company changes its assessment of whether it will exercise a purchase, renewal or termination option, or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the statement of loss and comprehensive loss if the carrying amount of the right-of-use asset has been reduced to zero.

n) New standards and interpretations not yet applied

New accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. MANAGEMENT'S USE OF JUDGEMENTS AND ESTIMATES

The preparation of these financial statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amount of income and expenses during the period. Actual results could differ from these estimates.

These financial statements include estimates which, by their nature are uncertain. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. MANAGEMENT'S USE OF JUDGEMENTS AND ESTIMATES (continued)

Judgements

Judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements are outlined below.

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

Estimates

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods are outlined below.

Valuation of inventory

In calculating final inventory values, management is required to determine an estimate of spoiled, obsolete or expired inventory and compares the inventory cost to estimated net realizable value. The Company must determine if the cost of any inventory exceeds its net realizable value, such as cases where prices have decreased or inventory has spoiled or has otherwise been damaged.

Fair value calculation of share-based payments

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependant on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

Expected credit losses

In assessing whether an allowance is necessary, the Company uses historical trends to determine the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends. Given the nature, balances and the collection history of the Company's accounts receivable, management has applied a loss allowance of $65,272 (2023 - $31,694) as at October 31, 2024.

Deferred income taxes

The measurement of the deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of deferred taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company's deferred tax assets and tax provisions could be affected.

(Expressed in Canadian dollars)

5. ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

		October 31, 2024		October 31, 2023
Accounts receivable (Note 11)	**$**	**68,086**	$	71,864
Expected credit loss (Note 13)		**(65,272)**		(31,694)
Sales tax recoverable		**21,629**		8,303
	$	**24,443**	$	48,473

6. INVENTORY

		October 31, 2024		October 31, 2023
Finished goods	**$**	-	$	2,638
Packaging materials		-		57,134
	$	-	$	59,772

During the year ended October 31, 2024, the Company impaired 100% of its remaining inventory on hand due to market condition changes and the Company's inability to compete with the prices of its competitors, causing an inability to sell its products. As a result, the Company recognized an impairment loss in inventory of $65,303 (2023 - $Nil).

During the year ended October 31, 2023, the Company expensed $265,256 of inventory in cost of sales and recorded $7,744 of inventory wastage as cost of sales within the statement of loss and comprehensive loss. The Company also recognized an impairment loss in cost of sales of $37,613 due to damage and inventory no longer needed.

7. EQUIPMENT AND RIGHT-OF-USE ASSET

		Computer equipment		Production equipment		Right-of-use asset		Total
Cost								
Balance, October 31, 2023 and 2022	$	2,481	$	21,500	$	43,394	$	67,375
Impairment		-		(21,500)		-		(21,500)
Balance, October 31, 2024	**$**	**2,481**	**$**	**-**	**$**	**43,394**	**$**	**45,875**
Accumulated depreciation								
Balance, October 31, 2022	$	1,223	$	3,585	$	40,064	$	44,872
Depreciation		827		3,071		3,330		7,228
Balance, October 31, 2023		2,050		6,656		43,394		52,100
Depreciation		431		3,071		-		3,502
Impairment		-		(9,727)		-		(9,727)
Balance, October 31, 2024	**$**	**2,481**	**$**	**-**	**$**	**43,394**	**$**	**45,875**
Carrying amounts								
At October 31, 2023	$	431	$	14,844	$	-	$	15,275
At October 31, 2024	**$**	**-**	**$**	**-**	**$**	**-**	**$**	**-**

(Expressed in Canadian dollars)

7. EQUIPMENT AND RIGHT-OF-USE ASSET (continued)

During the year ended October 31, 2024, $3,071 (2023 - $3,071) of depreciation was allocated to inventory as overhead.

During the year ended October 31, 2024, the Company recorded an impairment loss of $11,773 (2023 - $Nil) related to production equipment.

During the year ended October 31, 2023, the Company had fully amortized the right-of-use asset related to a lease expired on November 30, 2022.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		October 31, 2024		October 31, 2023
Trade payables (Notes 11, 13)	**$**	**492,741**	$	235,339
Accrued liabilities (Notes 11, 13)		**127,688**		80,654
Payroll payable		**94,480**		14,005
	$	**714,909**	$	329,998

9. SHARE CAPITAL

On February 18, 2025, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every six pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, restricted share units, warrants and per share amounts are stated on an adjusted basis (Note 1).

Authorized capital

The Company is authorized to issue an unlimited number of commons shares without par value.

Issued and outstanding capital

As at October 31, 2024, there were 7,705,333 (2023 – 6,158,055) common shares issued and outstanding.

For the year ended October 31, 2024

On November 7, 2023, the Company closed a non-brokered private placement. The Company issued 272,833 units at a price of $0.90 per unit for gross proceeds of $245,550. Each unit consists of one common share and one-half of one common share purchase warrant. Each warrant entitles the warrant holder to acquire one additional common share of the Company at an exercise price of $1.50 for a period of 24 months from the date of closing. The warrants were valued using the residual value method and assigned a value of $49,110.

On January 26, 2024, the Company closed a non-brokered private placement. The Company issued 66,667 units at a price of $0.90 per unit for gross proceeds of $60,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each warrant entitles the warrant holder to acquire one additional common share of the Company at an exercise price of $1.50 for a period of 24 months from the date of closing. The warrants were valued using the residual value method and assigned a value of $20,000.

9. SHARE CAPITAL (continued)

Issued and outstanding capital (continued)

For the year ended October 31, 2024 (continued)

On September 17, 2024 the Company closed a non-brokered private placement, whereby the Company issued 1,000,000 units at a price of $0.30 per unit for gross proceeds of $300,000. Each unit consists of one common share and one transferrable share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at an exercise price of $0.36 for a period of 12 months from the date of closing. The warrants were valued using the residual value method and assigned a value of $90,000.

During the year ended October 31, 2024, the Company issued 207,778 common shares pursuant to the exercise of 207,778 RSUs. In connection with the issuance, $211,800 was transferred from share-based payments reserve to share capital.

For the year ended October 31, 2023

On November 21, 2022, the Company issued 116,667 common shares pursuant to the exercise of warrants at a price of $0.60 per common share for gross proceeds of $70,000. In connection with the issuance, $42,000 was transferred from share-based payments reserve to share capital.

On February 13, 2023, the Company completed a private placement, issuing 1,275,000 units at a price of $0.60 per unit for gross proceeds of $765,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each warrant entitles the warrant holder to acquire one additional common share of the Company at an exercise price of $1.20 for a period of 24 months commencing on the date of issuance. In connection with the private placement, the Company issued 21,333 finder's warrants, paid a cash finder's fee of $12,800 and legal fees of $17,326. The finder's warrants have the same terms as those in the private placement unit.

On February 17, 2023, the Company issued 5,000 common shares pursuant to the exercise of warrants at a price of $1.20 per common share for gross proceeds of $6,000. In connection with the issuance, $3,000 was transferred from share-based payments reserve to share capital.

On May 3, 2023, the Company issued 83,333 common shares pursuant to the exercise of warrants at a price of $0.60 per common share for gross proceeds of $50,000. In connection with the issuance, $30,000 was transferred from share-based payments reserve to share capital.

On September 5, 2023, the Company issued 72,222 common shares pursuant to the exercise of 72,222 RSUs. In connection with the issuance, $78,000 was transferred from share-based payments reserve to share capital.

As at October 31, 2023, the Company has received $95,500 in subscription receipts for a non-brokered private placement that closed on November 7, 2023.

(Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

Escrowed common shares

As at October 31, 2024, the Company had 1,130,000 (2023 – 2,310,000) common shares held in escrow. The common shares are being released from escrow 10% on the listing date of July 4, 2022 and 15% every six months after the listing date. All securities will be released from escrow by thirty-six months after the listing date.

Warrants

Continuity of the Company's warrants is as follows:

	Number of warrants	Weighted average exercise price
Outstanding, October 31, 2022	1,402,917	$ 0.84
Issued	658,833	1.20
Exercised*	(205,000)	0.60
Expired	(1,185,417)	0.90
Outstanding, October 31, 2023	671,333	1.20
Issued	1,169,750	0.53
Expired	(12,500)	1.20
Outstanding, October 31, 2024	**1,828,583**	**$ 0.77**

*The weighted average market price of the Company's common shares on the date of exercise was $0.90.

As at October 31, 2024, the following warrants were outstanding:

Grant Date	Number of warrants	Exercise price	Expiry date	Remaining contractual life (years)
February 13, 2023	637,500	$1.20	February 13, 2025	0.29
February 13, 2023	21,333*	$1.20	February 13, 2025	0.29
November 7, 2023	136,417	$1.50	November 7, 2025	1.02
January 26, 2024	33,333	$1.50	January 26, 2026	1.24
September 17, 2024	1,000,000	$0.36	September 17, 2025	0.88
	1,828,583	$0.77		0.68

*Finder's warrants

As at October 31, 2023, the following warrants were outstanding:

Grant Date	Number of warrants	Exercise price	Expiry date	Remaining contractual life (years)
November 17, 2021	12,500	$1.20	November 17, 2023	0.05
February 13, 2023	637,500	$1.20	February 13, 2025	1.29
February 13, 2023	21,333*	$1.20	February 13, 2025	1.29
	671,333	$1.20		1.28

*Finder's warrants

(Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

Warrants (continued)

The Company uses the Black-Scholes option pricing model to estimate the fair value of the finder’s warrants granted during the year ended October 31, 2023. The following assumptions were used:

	2023
Stock price	$1.08
Exercise price	$1.20
Dividend yield	Nil
Forfeiture rate	Nil
Annualized volatility	105%
Risk-free interest rate	4.07%
Expected life	2 years

Annualized volatility was derived from a sample of similar publicly traded companies.

Options

On February 13, 2023, the Company's Board of Directors approved the adoption of a new rolling 15% omnibus share incentive plan (the "Plan") to supersede the Company's existing rolling 10% incentive stock option plan. The Plan provides for the award of additional share-based payments in addition to incentive stock options, including restricted share units, performance share units and deferred share units to directors, officers, employees and consultants of the Company.

The aggregate number of shares reserved for issuance pursuant to awards granted under this Plan shall not exceed 15% of the Company’s total issued and outstanding common shares. If any outstanding award expires or otherwise terminates for any reason without having been exercised or settled in cash, the number of shares in respect of such expired or terminated award shall again be available for issuance under the Plan.

The grant date and the expiry date of an option shall be the dates fixed by the Board at the time the options are granted, with the expiry date not exceeding ten years from the grant date and shall be set out in the option certificate issued in respect of such option. The exercise price shall also be determined by the Board and set out in the certificate issued in respect of the option and shall not be less than the greater of the closing market price prevailing on the date prior to the date of grant and the date of grant of such option.

During the year ended October 31, 2024, share-based payments in the amount of $Nil (2023 - $133,026) were recognized on the issuance and vesting of stock options.

Continuity of the Company’s options is as follows:

	Number of options	**Weighted average exercise price**
Outstanding, October 31, 2022	383,333	$ 0.60
Granted	174,625	1.08
Forfeited	(141,666)	0.72
Outstanding, October 31, 2024 and 2023	**416,292**	**$ 0.76**

(Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

Options (continued)

As at October 31, 2024, the following options were outstanding:

Options outstanding	Options exercisable	Exercise price	Expiry date	Remaining contractual life (years)
275,000*	275,000	$0.60	February 14, 2027	2.29
141,292	141,292	$1.08	February 13, 2026	1.29
416,292	416,292	$0.76		1.95

*Of which 41,667 options will be forfeited subsequent to the year-end due to the termination of the optionee's relationship with the Company.

As at October 31, 2023, the following options were outstanding:

Options outstanding	Options exercisable	Exercise price	Expiry date	Remaining contractual life (years)
275,000	275,000	$0.60	February 14, 2027	3.29
141,292	141,292	$1.08	February 13, 2026	2.29
416,292	416,292	$0.76		2.95

The Company uses the Black-Scholes option pricing model to estimate the fair value of the options granted. There were no stock options granted during the year ended October 31, 2024. The following assumptions were used for options granted during the year ended October 31, 2023:

	2023
Stock Price	$1.08
Exercise price	$1.08
Dividend yield	Nil
Forfeiture rate	Nil
Annualized volatility	117%
Risk-free interest rate	3.75%
Expected life	3 years

Annualized volatility was derived from a sample of similar publicly traded companies.

Restricted Share Units ("RSUs")

On January 16, 2024, 30,000 RSUs were granted to a consultant of the Company. The granted RSUs will vest over 6 months from the grant date, with a sixth vesting every month.

On December 8, 2023, 30,000 RSUs were granted to a consultant of the Company. The granted RSUs will vest over 6 months from the grant date, with a sixth vesting every month.

(Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

RSUs (continued)

On September 22, 2023, the Company granted 44,000 RSUs to a consultant of the Company. The granted RSUs will vest over 6 months from the date of grant, with a sixth vesting every month.

On February 13, 2023, pursuant to the Company's Plan, the Company granted 341,666 RSUs to consultants of the Company. 308,333 of the RSUs will vest over 18 months from the date of grant, with a third vesting every six months. The remaining 33,333 RSUs were vested on April 16, 2024.

The fair value of the RSUs is determined by the quoted market price of the Company's common shares at date of grant. Share-based payment is recognized in the statement of loss and comprehensive loss over the vesting period.

At the discretion of the Board of Directors, RSUs may be settled in equity, cash or a combination of both. The fair value of RSUs, which are settled in equity, is recognized as a share-based payment with a corresponding increase in share-based payments reserve, over the vesting period. The fair value of RSUs, when settled in cash, is recognized as a share-based payment with a corresponding increase in liabilities, over the vesting period.

During the year ended October 31, 2024, the Company recognized share-based payments of $108,886 (2023 – $213,874) relating to the vesting of the RSUs.

As at October 31, 2024, the Company had 30,000 RSUs outstanding (2023 – 221,778), which were all vested.

Continuity of the Company's RSUs is as follows:

	Number of Restricted Share Units
Balance, October 31, 2022	-
Granted	385,666
Exercised	(72,222)
Forfeited	(91,666)
Balance, October 31, 2023	221,778
Granted	60,000
Exercised	(207,778)
Forfeited	(44,000)
Balance, October 31, 2024	30,000

10. REVENUE

The Company generates revenue primarily from the sale of its plant-based patties and Old-Fashioned Ghee. The Company also generates revenue from the sale of other food products as well as the sale of raw food products.

During the year ended October 31, 2024, the Company completed sales of raw materials to a company owned by a director of the Company in the amount of $Nil (2023 - $126,229).

Revenue is currently generated in one geographical market, being Canada, and is recognized upon delivery of purchase orders to customers.

(Expressed in Canadian dollars)

11. RELATED PARTY TRANSACTIONS

Related parties consist of the directors, officers and companies owned or controlled in whole or in part by them. Related parties and related party transactions impacting the financial statements not disclosed elsewhere in these financial statements are summarized below.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. Key management personnel comprise officers and directors of the Company.

Remuneration attributed to key management personnel is summarized as follows:

		Year ended October 31, 2024		Year ended October 31, 2023
Advertising and promotion	**$**	**-**	$	10,000
Office and administration		**546**		-
Professional fees		**60,032**		129,762
Rent		**-**		35,000
Research and development		**25,997**		-
Salaries and wages		**115,385**		128,030
Share-based payments		**-**		12,411
	$	**201,960**	$	315,203

As at October 31, 2024, included in accounts payable and accrued liabilities was $108,789 (2023 – $20,464) owed to the CEO of the Company, $24,088 (2023 - $45,866) owed to companies that the CEO of the Company has significant influence over, $59,265 (2023 – $50,563) owed to a management entity for the provision of the former CFO services, and $Nil (2023 - $3,311) owed to a company owned by a director of the Company.

As at October 31, 2024, included in accounts receivable was $Nil (2023 - $433) owed by a company that the CEO of the Company has significant influence over.

Other transactions

During the year ended October 31, 2024, the Company incurred $Nil (2023 - $12,052) for purchases of inventory and completed sales of raw of materials to a company owned by a director of the Company in the amount of $Nil (2023 - $126,229).

During the year ended October 31, 2024, the Company incurred $Nil (2023 – $53,304) for purchases of inventory, $Nil (2023 - $1,620) for labour included in inventory, $Nil (2023 - $35,000) for rent of which $Nil (2023 - $875) is included in inventory, $25,997 (2023 - $Nil) for research and development of new products, and $Nil (2023 - $413) in sales to companies that the CEO of the Company has significant influence over.

12. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to support its business plan, as well as to ensure that the Company is able to meet its financial obligations as they become due. The Company considers its capital for this purpose to be shareholders' equity.

12. CAPITAL MANAGEMENT (continued)

The basis for the Company's capital structure is dependent on the Company's expected business growth and changes in business environment. To maintain or adjust the capital structure, the Company may seek additional funding.

The Company believes it will be able to raise capital as required but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital. There have been no changes in the way in which the Company manages capital in the year. As at October 31, 2024, the Company expects its capital resources to support its capital requirements on an ongoing basis. As at October 31, 2024, there were no externally imposed restrictions on the capital, or management thereof, of the Company.

13. FINANCIAL RISK MANAGEMENT

Fair values
The Company's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. Cash is carried at fair value through profit or loss, while accounts receivable, and accounts payable and accrued liabilities are carried at amortized cost. The fair values of accounts receivable, and accounts payable and accrued liabilities approximate their carrying values due to their short terms to maturity.

The Company classifies its financial assets at FVTPL according to the fair value hierarchy as follows:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at October 31, 2024 and 2023, cash was measured at FVTPL in accordance with Level 1 of the fair value hierarchy. The Company had no transfers between levels of the fair value hierarchy during the year ended October 31, 2024.

Financial risks
The Company is exposed in varying degrees to a variety of financial instrument-related risks. Significant risks that are relevant to the Company, as well as methods to manage the various types of risk to which it is exposed, are discussed below.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprised three types of risk: foreign currency risk, interest rate risk and other price risk.

13. FINANCIAL RISK MANAGEMENT (continued)

Market Risk (continued)

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Company's functional and presentation currency is the Canadian dollar and financings, and major purchases are transacted in Canadian dollars. As a result of a change in the Company's business operations, the Company's exposure to the foreign currency risk is not considered to be material.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest earned on cash is insignificant and the Company does not rely on interest income to fund its operations. As a result, the Company's exposure to interest rate risk is not considered to be material. The Company has not had a material change in or management of this risk during the year ended October 31, 2024.

Other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company does not hold equity investments in other entities and therefore is not exposed other price risk. The Company's exposure to and management of this risk has not changed materially during the year ended October 31, 2024.

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and accounts receivable are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with either major financial institutions or reputable institutions with a sufficiently long operating history to be considered reliable for credit worthiness purposes. The Company mitigates credit risk by monitoring its exposure for credit losses with customers. As a result of a change in the Company's business operations as at October 31, 2024, the Company has determined that a provision of $65,272 (2023 - $31,694) for expected credit losses is required as the amount is considered not collectible.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk through the management of its capital structure. The Company addresses its liquidity by raising capital through the issuance of equity to supplement revenues from operations. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

(Expressed in Canadian dollars)

13. FINANCIAL RISK MANAGEMENT (continued)

Liquidity Risk (continued)
The tables below summarize the maturity profile of the Company's financial liabilities based on the remaining period to the contractual maturity date as at October 31, 2024 and 2023.

October 31, 2024	On-demand	Less than 1 year	1-3 years	Total
Bank overdraft	$ 17,827	$ -	$ -	$ 17,827
Accounts payable and accrued liabilities	$ -	$ 714,909	$ -	$ 714,909

October 31, 2023	On-demand	Less than 1 year	1-3 years	Total
Accounts payable and accrued liabilities	$ -	$ 329,998	$ -	$ 329,998

14. ECONOMIC DEPENDENCE

During the year ended October 31, 2024, one key customer (2023 – three) contributed more than 10% to the Company's revenue for a total of $8,424 or 69% (2023 – $244,099 or 85%).

	Year ended October 31, 2024	Year ended October 31, 2023
Customer A	**$ -**	$ 126,229
Customer B	**-**	61,441
Customer C	**8,424**	55,316
	$ 8,424	$ 242,986

15. SEGMENTED INFORMATION

The Company currently has one reportable operating segment, being the manufacturing and distribution of food products in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts. All long-term assets of the Company are located in Canada.

16. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2023 – 27%) to the effective tax rate is as follows:

	Year ended October 31, 2024	Year ended October 31, 2023
Net loss before taxes	**$ (1,031,092)**	$ (1,660,286)
Expected income tax recovery	**(278,000)**	(448,000)
Permanent differences and other	**47,000**	115,000
Financing fee charged to equity	**-**	(8,000)
Research and development expenses	**7,000**	-
Change in estimate	**-**	(3,000)
Change in tax benefits not recognized	**224,000**	344,000
	$ -	$ -

(Expressed in Canadian dollars)

16. INCOME TAXES (continued)

Unrecognized deferred tax asset

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amounts of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

		October 31, 2024		October 31, 2023
Share issuance costs	**$**	**8,000**	$	11,000
Equipment	**$**	**18,000**	$	14,000
Bad debt	**$**	**18,000**	$	9,000
Non-capital losses	**$**	**843,000**	$	629,000

The Company has approximately $3,120,000 of non-capital income losses available, which begin to expire in 2041 through to 2044 and may be applied against future taxable income.

The Company has not recorded deferred tax assets related to these unused non-capital loss carryforwards as it is not probable that future taxable profits will be available to utilize these loss carryforwards.

17. PROPOSED TRANSACTION

On April 21, 2023, the Company had entered into a share exchange agreement with Glory Organic Juice Company Inc., Glory Juice Co. Vancouver Ltd. (collectively, “Glory Juice”) and the shareholders of Glory Juice (“Vendors”). Pursuant to the agreement, the Company shall acquire all the issued and outstanding shares of Glory Juice and upon completion of the acquisition, each of the Glory Juice entities would become wholly-owned subsidiaries of the Company. On May 23, 2024, the Company decided to forego the acquisition of Glory Juice.

18. SUBSEQUENT EVENTS

On February 4, 2025, the Company closed a non-brokered private placement. The Company issued 3,333,333 common shares at a price of $0.15 per share for gross proceeds of $500,000. At the same time, the Company closed debt settlements, whereby the Company issued to certain creditors of the Company an aggregate of 3,333,333 common shares at a price of $0.15 per share, in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of $500,000.

18. SUBSEQUENT EVENTS (continued)

On February 11, 2025, the Company entered into a non-binding letter of intent ("LOI") with Amino Innovations Corp. ("Amino"), pursuant to which the Company proposes to acquire 100% of the common shares in the capital of Amino. Amino is a newly formed company dedicated to advancing health and wellness by providing consumers with innovative peptide therapies through effective and accessible delivery systems. Amino's product line includes peptide formulations for sports recovery, autoimmune support, skin repair and sleep health. The proposed transaction is expected to be structured as a share exchange transaction pursuant to which the Company will acquire 100% of the issued and outstanding common shares in the capital of Amino by the issuance of an aggregate of 12,000,000 common shares in the capital of the Company on closing of the transaction to shareholders of Amino. Following the closing of the proposed transaction, it is expected that shareholders of Amino will collectively own approximately 45.5% of the issued and outstanding shares of the Company. The common shares of the Company issued to shareholders of Amino will be subject to escrow and resale restrictions to be agreed upon by the Company and Amino. In addition, the Company will loan an aggregate of US$300,000 to Amino by way of a non-interest-bearing promissory note as follows: (i) US$150,000 on the date of acceptance of the LOI by Amino (paid); and (ii) US$150,000 on the date that is one week following the date of acceptance of the LOI by Amino (US$100,000 paid).