AI/ML INNOVATIONS INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

APRIL 30, 2024 AND 2023

(EXPRESSED IN CANADIAN DOLLARS)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of AI/ML Innovations Inc.:

Opinion

We have audited the consolidated financial statements of AI/ML Innovations Inc. and its subsidiaries (together the "Company"), which comprise the consolidated statements of financial position as at April 30, 2024 and 2023, and the consolidated statements of operations and comprehensive loss, consolidated statements of changes in (deficiency) equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at April 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

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 Consolidated 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 consolidated 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 in the consolidated financial statements, which describes conditions indicating 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended April 30, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section of our auditor's report, we have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators of the investment in Tech2Heal SAS ("Tech2Heal")	
Refer to note 4	Our approach to addressing the matter involved the following procedures, among others:
As at April 30, 2024, the carrying amount of the Company's investment in Tech2Heal was $nil. At each reporting period, management assesses whether there is any objective evidence that its net investment in the associate is impaired. Management assesses the investment for impairment based on, at minimum, the presence of observable data of the following indicators: (i) significant financial difficulty of the associate; (ii) a breach of contract, such as a default or delinquency in payments by the associate; (iii) the Company, for economic or legal reasons relating to the associate's financial difficulty, granting to the associate a concession that the Company would not otherwise consider; (iv) it becoming probable that the associate will enter bankruptcy or other financial reorganization; or (v) the disappearance of an active market for the net investment because of financial difficulties of the associate. An impairment was identified for Tech2Heal. The carrying amount exceeded the recoverable amount of the investment and for the year ended April 30, 2024, an impairment of $1,439,108 was recognized. We considered this a key audit matter due to the significance of the investment and the judgments made by management in their assessment of indicators of impairment related to the investment. These factors have resulted in a high degree of subjectivity in performing audit procedures, related to the judgment applied by management.	Evaluating the judgments made by management in assessing impairment of the investment, which included the following: • Assessed whether there was evidence of significant financial difficulty at Tech2Heal by reviewing financial information of Tech2Heal as at and for the year ended April 30, 2024. • Assessed the completeness of events that could be considered indicators of impairment of the investment in the associate by considering evidence obtained in other areas of the audit. • Obtained and reviewed management's calculation of the recoverable amount of the investment. • Assessed the appropriateness and completeness of the related disclosures in the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion & Analysis filed with the relevant Canadian securities commissions.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information 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 in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated 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 Doris Yingying Cen.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
September 26, 2024

AI/ML INNOVATIONS INC.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
AS AT APRIL 30,

		2024		2023
ASSETS				
Current assets				
Cash	**$**	**201,452**	$	4,530
Marketable securities (Note 5)		**15,408**		10,033
Commodity tax recoverable		**50,995**		17,628
Accounts receivable (Note 11)		**21,087**		97,512
Prepaid expenses (Note 6)		**37,892**		94,333
Inventory		**2,854**		3,317
Total current assets		**329,688**		227,353
Non-current assets				
Right of use assets (Note 9)		**-**		42,052
Investment in associate (Note 4)		**-**		1,238,520
Total assets	**$**	**329,688**	$	1,507,925
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (Notes 7 and 11)	**$**	**541,207**	$	716,034
Notes payable (Note 10)		**117,000**		157,000
Due to related parties (Note 11)		**869,228**		852,346
Loan payable (Note 8)		**12,220**		12,220
Lease liabilities (Note 9)		**-**		50,612
Total liabilities		**1,539,655**		1,788,212
SHAREHOLDERS' DEFICIENCY				
Share capital (Note 12)		**27,118,501**		25,794,801
Reserves (Notes 12, 13 and 14)		**6,517,045**		5,697,185
Deficit		**(34,807,122)**		(31,739,445)
Shareholders' deficiency attributable to the shareholders of the Company		**(1,171,576)**		(247,459)
Non-controlling interest (Note 3)		**(38,391)**		(32,828)
Total shareholders' deficiency		**(1,209,967)**		(280,287)
Total shareholders' deficiency and liabilities	**$**	**329,688**	$	1,507,925

Nature of operations and going concern (Note 1)
Subsequent events (Note 20)

Approved on behalf of the Board on September 26, 2024:

(Signed) "Tim Daniels" Director　　(Signed) "Nick Watters" Director

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

AI/ML INNOVATIONS INC.

Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)
Year Ended April 30,

	2024	2023
Revenue		
Goods	**$ 3,265**	$ 13,928
License fee	**161,998**	159,553
Services	**434,874**	314,023
	600,137	487,504
Cost of goods sold	**(305,273)**	(21,490)
Gross Profit	**294,864**	466,014
Operating expenses		
Advertising and promotion	**274,529**	241,882
Consulting	**396,144**	377,966
Depreciation (Note 9)	**42,052**	42,052
Office expenses	**223,351**	160,887
Management and director fees (Note 11)	**250,321**	120,000
Professional (Note 11)	**252,713**	198,012
Research and development (Note 17)	**172,369**	162,964
Salaries and benefits (Note 11)	**359,615**	419,182
Share-based payments (Notes 11 and 13)	**30,710**	88,607
Total operating expenses	**(2,001,804)**	(1,811,552)
Other income (expense)		
Foreign exchange gain (loss)	**866**	(20,941)
Grant income	**85,567**	-
Impairment of subscriptions receivable	**-**	(25,000)
Impairment of intangible asset (Note 4)	**-**	(113,304)
Impairment of investment in associate (Note 4)	**(1,439,108)**	-
Interest expense (Notes 9, 10 and 11)	**(52,024)**	(58,463)
Derecognition of accounts payable (Note 7)	**(5,250)**	143,366
Loss on settlement of debt (Note 7)	**(63,523)**	-
Other income (Note 10)	**10,000**	-
Share of loss on investment in associate (Note 4)	**(125,391)**	(32,614)
Unrealized gain (loss) on marketable securities (Note 5)	**5,375**	(40,134)
Total other expense	**(1,583,488)**	(147,090)
Net loss and comprehensive loss for the year	**$ (3,290,428)**	$ (1,492,628)
Net loss and comprehensive loss for the year attributed to:		
Shareholders of the Company	**$ (3,284,865)**	$ (1,422,266)
Non-controlling interest	**(5,563)**	(70,362)
	$ (3,290,428)	$ (1,492,628)
Basic and diluted net loss per share	**$ (0.06)**	$ (0.04)
Weighted average number of common shares outstanding – basic and diluted	**58,013,737**	37,226,918

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

AI/ML INNOVATIONS INC.

Consolidated Statements of Changes in (Deficiency) Equity
(Expressed in Canadian Dollars)

	Share capital							
	Number of shares	Amount	Subscriptions receivable	Reserves	Deficit	Total attributed to shareholders of the Company	Non-controlling interest	Total
Balance, April 30, 2022	**34,930,270**	**$25,278,619**	**$ (25,000)**	**$ 6,530,131**	**$ (30,699,872)**	**$ 1,083,878**	**$ (595,081)**	**$ 488,797**
Additional interest purchased in Health Gauge Inc. (Note 3)	-	-	-	(598,624)	-	(598,624)	598,624	-
Private placement units	4,867,748	183,098	-	108,967	-	292,065	-	292,065
Share issuance costs	-	(9,807)	-	-	-	(9,807)	-	(9,807)
Warrants exercised	1,845,000	187,578	-	(49,203)	-	138,375	-	138,375
Shares issued for AI/RX Inc. (Note 4)	1,762,500	79,313	-	-	-	79,313	33,991	113,304
Share-based payments	-	-	-	88,607	-	88,607	-	88,607
Share issued for services	800,000	76,000	-	-	-	76,000	-	76,000
Options expired/cancelled	-	-	-	(382,693)	382,693	-	-	-
Impairment of receivable	-	-	25,000	-	-	25,000	-	25,000
Net loss and comprehensive loss	-	-	-	-	(1,422,266)	(1,422,266)	(70,362)	(1,492,628)
Balance, April 30, 2023	**44,205,518**	**25,794,801**	**-**	**5,697,185**	**(31,739,445)**	**(247,459)**	**(32,828)**	**(280,287)**
Private placement units	30,518,545	1,288,556	-	920,678	-	2,209,234	-	2,209,234
Share issuance costs	-	(184,610)	-	85,660	-	(98,950)	-	(98,950)
Warrants exercised	1,225,000	122,500	-	-	-	122,500	-	122,500
Shares issued for services	1,131,134	73,524	-	-	-	73,524	-	73,524
Shares issued for debt	339,000	23,730	-	-	-	23,730	-	23,730
Share-based payments	-	-	-	30,710	-	30,710	-	30,710
Options expired/cancelled	-	-	-	(217,188)	217,188	-	-	-
Net loss and comprehensive loss	-	-	-	-	(3,284,865)	(3,284,865)	(5,563)	(3,290,428)
Balance, April 30, 2024	**77,419,197**	**$27,118,501**	**$ -**	**$ 6,517,045**	**$ (34,807,122)**	**$ (1,171,576)**	**$ (38,391)**	**$ (1,209,967)**

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

AI/ML INNOVATIONS INC.

Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

Year ended April 30,		2024		2023
Operating activities				
Net loss for the year	**$**	**(3,290,428)**	$	(1,492,628)
Items not involving cash:				
Interest expense		**57,673**		58,463
Depreciation		**42,052**		42,052
Foreign exchange (gain) loss		**(866)**		-
Loss on settlement of debt		**63,523**		-
Other income		**(10,000)**		-
Share of loss on investment in associate		**125,391**		32,614
Shares for services		**73,524**		76,000
Share-based payments		**30,710**		88,607
Impairment of intangible asset		**-**		113,304
Impairment of investment in associate		**1,439,108**		-
Impairment of subscriptions receivable		**-**		25,000
Derecognition of accounts payable		**5,250**		(143,366)
Unrealized (gain) loss on marketable securities		**(5,375)**		40,134
Changes in non-cash working capital items:				
Accounts payable and accrued liabilities		**(271,028)**		364,500
Receivables (commodity tax recoverable and accounts receivable)		**43,058**		(90,356)
Inventory		**463**		1,368
Prepaid expenses		**56,441**		236,171
Net cash used in operating activities		**(1,640,504)**		(648,137)
Investing activity				
Investment in Tech2Heal		**(325,979)**		(210,637)
Net cash used in investing activity		**(325,979)**		(210,637)
Financing activities				
Loan repayment		**(30,000)**		-
Payment of lease liabilities		**(56,261)**		(56,261)
Proceeds from exercise of warrants		**122,500**		148,375
Proceeds from private placement		**2,209,234**		292,065
Share issuance costs		**(98,950)**		(9,807)
Advances from related parties		**16,882**		13,861
Net cash provided by financing activities		**2,163,405**		388,233
Net change in cash		**196,922**		(470,541)
Cash, beginning of year		**4,530**		475,071
Cash, end of year	**$**	**201,452**	$	4,530
Supplemental Information:				
Interest paid	**$**	**-**	$	-
Income taxes paid		**-**		-
Fair value of options expired		**217,188**		382,693
Fair value of share purchase warrants issued as part of private placement units		**-**		108,967
Fair value of broker’s warrants		**85,660**		49,203
Acquisition of AI/RX Inc.		**-**		33,991
Additional interest purchased in Health Gauge Inc.		**-**		598,624
Shares issued for debt		**23,730**		-
Fair value of unit warrants		**920,678**		-

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

1. Nature of Operations and Going Concern

AI/ML Innovations Inc. (the "Company") was incorporated under the British Columbia Business Corporations Act and having its registered and records office at 850 – 2nd Street SW, 15th Floor, Bankers Court, Calgary, Alberta, T2P 0R8 and head office at Suite 203, 645 Fort Street, Victoria, BC, V8W 1G2.

In December 2020, the Company completed a share purchase agreement with Health Gauge Inc. ("Health Gauge"), which is a private technology company based in Edmonton, Alberta. Health Gauge holds the rights to intellectual property in the area of wearable technologies, and the application and methods associated with the applied AI/ML (artificial intelligence/machine learning) software using accelerometers, ECG (electrocardiogram), PPG (photoplethysmogram – used to measure blood volume changes in tissue), and other forms of physiological sensors to measure heart rate, heart rate variability, pulse oximetry, pulse wave velocity, pulse transit time, blood pressure, and activity. Health Gauge's intellectual property also includes proprietary methods and IP relating to behavioral tagging for the purposes of psychometric analysis.

These consolidated financial statements have been prepared on the assumption that the Company will 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. Continued operations of the Company are dependent on the Company's ability to receive financial support, complete additional equity financing, and generate profitable operations in the future. Management believes it will be successful in raising the necessary funding to continue operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. There is a material uncertainty related to these conditions that may cast significant doubt on the Company's ability to continue as a going concern. The consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company incurred a net loss and comprehensive loss of $3,290,428 during the year ended April 30, 2024 (2023 - $1,492,628). As at April 30, 2024, the Company had a deficit of $34,807,122 (2023 - $31,739,445).

2. Material Accounting Policies

Statement of Compliance and Basis of Presentation

The Company applies IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation issued by the IFRS Interpretations Committee ("IFRICs").

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value, and on an accrual basis except for cash flow information, and are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries.

2. Material Accounting Policies (continued)

Basis of Consolidation

The consolidated financial statements include the financial statements of AI/ML Innovations Inc. and its subsidiaries, Health Gauge Inc. (formerly Salu Design Group Inc.) and AI RX Inc. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists when an entity is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. All intercompany balances and transactions have been eliminated.

Name of Subsidiary	Country of Incorporation	Principal Activity	Proportion of Ownership Interest April 30, 2024	Proportion of Ownership Interest April 30, 2023
Health Gauge Inc.	Canada	Digital health software and wearable technologies	98.56%	98.56%
AI RX Inc.	Canada	Holding company	70%	70%

Estimates and Judgments

The preparation of these consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes. Although these judgments, estimates and assumptions are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

Judgments

i) Significant influence and impairment in investment in associate
Management applied judgment in determining if the Company has significant influence over Tech2Heal SAS. Pursuant to the assessment it was determined that the Company has significant influence by way of a common director and officer (Note 4). Also, Management applied judgment in determining if the Company has indicators of impairment in its investment in associate. Pursuant to the assessment of indicators, it was determined that the Company has indicators of impairment. The carrying amounts exceed the recoverable amount and the significant investment was impaired to Nil.

ii) Asset acquisition versus business combination
Management applied judgment in determining whether the transaction with Health Gauge was considered an asset acquisition or business combination. Management assessed the inputs, processes and outputs of the company acquired at the time of acquisition. Pursuant to the assessment, the transaction was considered to be a business combination (Note 3).

2. Material Accounting Policies (continued)

Estimates and Judgments (continued)

Estimates

i) Share-based payments
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. These estimates include the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such estimates are inherently uncertain. Changes in these estimates affect the fair value of share-based compensation.

ii) Performance warrants
The Company recognizes the fair value of performance warrants using the Black-Scholes option pricing model at the date of grant and applies an estimated percentage of the likelihood of the completion of the performance event.

Cash

Cash is comprised of cash on deposit with major banks in Canada.

Foreign Currency Translation

The functional currency of the Company and each subsidiary is the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the period end date exchange rates. Income and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

Inventory

Inventories are valued at the lower of cost or net realizable value. Costs comprise direct materials and where applicable, direct labor and overhead that has been incurred in bringing the inventories to their present location and condition. Cost is determined using the first-in first-out method.

Government Grants

Government grants are recognized when there is reasonable assurance that the grant will be received, and all conditions associated with the grant are met.

Forgivable Loans

A forgivable loan from the government is treated as government assistance when there is reasonable assurance that the Company will meet the terms for forgiveness of the loan. The government assistance is presented in profit or loss as other income. If there is no reasonable assurance that the Company will meet the terms for forgiveness of the loan, the loan is recognized as a liability in accordance with IFRS 9 – Financial Instruments. The liability would become a government grant (forgivable loan) when there is reasonable assurance that the Company will meet the terms for forgiveness. Refer to Note 10.

2. Material Accounting Policies (continued)

Research and Development and Investment Tax Credits

The Company incurs costs on activities that relate to research and development of new products. Research and development costs are expensed except in cases where development costs meet certain identifiable criteria for deferral. The Company has not capitalized any such development costs to date. Related refundable investment tax credits are recorded as a reduction of the related research and development expense when the Company has reasonable assurance that the credit will be realized.

Business Combination

The Company applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a business is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree or assumed and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is a liability is recognized either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the fair value of consideration transferred over the fair value of identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

Call Option over Non-Controlling Interest

As part of the business acquisition agreement with Health Gauge Inc., the Company had an option to acquire the remaining outstanding shares from non-controlling shareholders. The call option did not give the Company present access to returns associated with the ownership interest in the shares subject to the call. Accordingly, the call option was accounted for in accordance with IFRS 9 – Financial Instruments as a derivative asset and has a value of Nil as of April 30, 2024 and 2023.

Impairment of Non-Financial Assets

At the end of each reporting period the carrying amounts of the Company's long-lived assets, are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

2. Material Accounting Policies (continued)

Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affects neither accounting nor taxable loss, or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease liabilities are recognized at the lease commencement date at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, and otherwise at the Company's incremental borrowing rate. At the commencement date, a right of use asset is measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability. Except where the costs are included in the carrying amount of another asset, the Company recognizes in profit or loss (a) the interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs. The Company subsequently measures the right of use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability Right of use assets are depreciated over the shorter of the asset's useful life or the lease term, except where the lease contains a bargain purchase option a right of use asset is depreciated over the asset's useful life.

2. Material Accounting Policies (continued)

Financial Instruments

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flows characteristics of the financial asset.

The Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

The classification of debt instruments is driven by the business model for managing the financial assets and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest.

If the business model is not to hold the debt instrument, it is classified as fair value through profit or loss ("FVTPL"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income ("FVTOCI").

FVTPL – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the profit or loss in the period in which they arise. Derivatives are categorized as FVTPL unless they are designated as hedges.

FVTOCI - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of cumulative fair value gains to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently measured at amortized cost, using the effective interest method, less any impairment. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial asset, or where appropriate, a shorter period.

The following table shows the classification and measurement of the Company's financial instruments:

Financial assets/liabilities	Classification and measurement
Cash	Fair value through profit or loss
Accounts receivable	Amortized cost
Marketable securities	Fair value through profit or loss
Accounts payable and accrued liabilities	Amortized cost
Notes payable	Amortized cost
Due to related parties	Amortized cost
Loan payable	Amortized cost
Call option over non-controlling interest	Fair value through profit or loss

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability.

2. Material Accounting Policies (continued)

Impairment of financial assets at amortized cost

The Company utilizes the expected credit losses ("ECL") model on a forward-looking basis on financial assets that are measured at amortized cost, contract assets and debt instruments carried at FVTOCI.

At each reporting date, the Company measures the ECL for the financial asset at an amount equal to the lifetime ECL if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the ECL for the financial asset at an amount equal to the twelve month ECL. The Company applies the simplified method and measures a loss allowance equal to the lifetime ECL for trade receivables.

The Company recognizes in profit or loss, as an impairment gain or loss, the amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized. The loss allowance was $25,000 as at April 30, 2024 and $25,000 as at April 30, 2023.

Derecognition of Financial Assets and Financial Liabilities

A financial asset is derecognized when the contractual right to the asset's cash flows expire; or if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

The Company derecognizes a financial liability when its obligations are discharged, cancelled or expired.

Revenue recognition

The Company recognizes revenue in accordance with IFRS 15 – Revenue from Contracts with Customers. Revenue represents the fair value of consideration received or receivable from customers for the transfer of control of goods or services by the Company, net of discounts and sales taxes. The Company generates revenue from goods, services and licensing technology. Revenue is recognized when persuasive evidence of an arrangement exists, the fee is fixed or determinable, and collectability is reasonably assured.

For each contract with a customer, the Company applies the following five step model:
1. Identify the contract with a customer;
2. Identify the performance obligation in the contract;
3. Determine the transaction price which takes into account estimates of variable consideration and the time value of money;
4. Allocate the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
5. Recognize revenue when the performance obligation is satisfied and in a manner that depicts the transfer of the goods or services promised to the customer.

Services income is recognized in profit or loss over time when the services have been provided and control of the deliverable has been transferred to the customer. Payments received prior to the transfer of control of the deliverable are recorded as deferred revenue and recognized in profit or loss as the related services are provided. Management estimates the pace of revenue recognition based on contract milestones. The Company's arrangements with customers are evidenced by contracts with customers. The Company evaluates these arrangements to determine the appropriate unit of accounting (performance obligation) for revenue recognition purposes based on whether the service is distinct from some or all of the other services in the arrangement. A service is distinct if the customer can benefit from it on its own or together with other readily available resources and the Company's promise to transfer the service is separately identifiable from other promises in the contractual arrangement with the customer. Non-distinct services are combined with other services until they are distinct as a bundle and therefore form a single performance obligation. The Company earns revenues from the provision of consulting services that include one distinct performance obligation. The customer is simultaneously receiving and consuming the economic benefits arising from the Company's performance and the right to payment for work performed to date plus a reasonable profit to deliver services that do not have an alternative use to the Company. Based on the nature of these contractual arrangements, control is transferred over time and revenue is recognized in profit or loss over time.

The Company will recognize revenue by measuring progress toward completion of that performance obligation. Revenue from fixed billing rate and cost reimbursable contracts is recognized in profit or loss using the input method with reference to costs incurred.

2. Material Accounting Policies (continued)

Revenue recognition (continued)

Licensing income is recorded in deferred revenue upon invoicing and is recognized in profit or loss ratably over the contract term, and begins when the customer has the right-to-use the software. Revenue from usage-based fees is recognized in profit or loss in the period in which the customer incurs the usage, at a point in time.

Goods income is recognized in profit or loss when control of the product has been transferred to the customer.

Loss Per Share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method to compute diluted loss per share, whereby the dilutive effect of options, warrants and similar instruments are added to the weighted average number of common shares outstanding during the year. Under this method, the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. For the current and prior fiscal year this calculation proved to be anti-dilutive.

Share-Based Payments

The Company grants stock options to acquire 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 date of grant, using the Black-Scholes option pricing model, and is recognized in share-based payment reserve over the vesting period. On exercise of stock options, consideration paid for the shares along with the fair value recorded in reserves at the date of grant is credited to share capital. When vested options are cancelled, forfeited, or are not exercised by the expiry date, the amount previously recognized in reserves is reclassified to deficit. The Company estimates a forfeiture rate and adjusts the corresponding expense each period based on an updated forfeiture estimate.

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 the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Share Capital and Reserves

Equity financing transactions may involve the issuance of units. Units comprise common shares and share purchase warrants. The Company accounts for unit offering financing using the relative fair value method. Under this method, the fair values of the shares and share purchase warrants are determined separately and prorated to the actual proceeds received. The fair value of the shares is determined using the quoted share price at the issue date. The fair value of share purchase warrants is measured using the Black-Scholes option pricing model at the issue date.

Share Issuance Costs

Share issuance costs are deferred and charged directly to share capital on completion of the related financing. If the financing is not completed, share issuance costs are included in profit or loss.

2. Material Accounting Policies (continued)

Investments in associates

Associates are entities over which the Company exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but without control or joint control over those policies. The Company accounts for associates using the equity method of accounting. Interests in associates are initially recognized at cost. Subsequent to initial recognition, the carrying value of the Company's interest in an associate is adjusted for the Company's share of comprehensive income and distributions of the investee. The carrying value of associates is assessed for impairment at each statement of financial position date whether there is any objective evidence that the investment in associate is impaired and determine if necessary, to recognize any impairment loss.

Adoption of new and future accounting standards

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has not yet completed its assessment on the potential impact of adopting these accounting standards on its financial statements.

These amendments are effective for reporting periods beginning on or after January 1, 2024.

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

These future amendments are effective for reporting periods beginning on or after January 1, 2027.

IFRS 18 - Presentation and Disclosure in Financial Statements.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its consolidated financial statements.

The Company adopted the following accounting standards in 2024:

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. The implementation of these amendments reduced disclosures in the notes to the consolidated financial statements.

Amendments to IAS 8 – Definition of Accounting Estimates

These amendments clarify how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, whereas changes in accounting estimates are applied prospectively. Further, the amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. There was no significant impact to the consolidated financial statements as a result of the implementation of these amendments.

(Expressed in Canadian Dollars)

3. Health Gauge Inc. Acquisition

During the year ended April 30, 2023, the Company acquired an additional 28.5647% interest in Health Gauge by issuing 1,712,808 performance warrants which are exercisable into 1,712,808 common shares, free of cost, if Health Gauge generated $526,250 of revenue from designated contracts by October 15, 2023. Of the 1,712,808 warrants 1,272,114 were issued to individuals who are also key management personnel of the Company. During the year ended April 30, 2024, the warrants had expired since the Company was not able to meet the revenue target by the agreed upon date.

The fair value of the performance warrants was estimated using the Black-Scholes option pricing model on the following assumptions: forfeiture rate of 0% as management expects the revenue target to be achieved, dividend yield of 0%; annual volatility 144%; risk-free interest rate of 3.89%; and an expected life of 0.9 years.

Effective November 15, 2022, the Company's ownership interest in Health Gauge was 98.5647%.

Summary statement of financial position of Health Gauge as at April 30, 2024 and 2023:

	As At April 30, 2024	As At April 30, 2023
Cash	$ 42,277	$ -
Other current assets	37,201	107,613
Non-current assets	-	42,052
Total assets	79,478	149,665
Current liabilities	(246,086)	(426,804)
Non-current liabilities	(3,479,455)	(2,994,790)
Net assets	$ (3,646,063)	$ (3,271,929)

Summary statement of loss of Health Gauge for the years ended April 30, 2024 and 2023:

	For the year ended April 30, 2024	For the year ended April 30, 2023
Loss from operations attributed to shareholders of the Company		
Shareholders of the Company	$ (387,606)	$ (380,469)
Non-controlling interest	(5,563)	$ (36,371)
Net loss and comprehensive loss	(393,169)	(416,840)

Summary statement of cash flow of Health Gauge for the years ended April 30, 2024 and 2023:

	For the year ended April 30, 2024	For the year ended April 30, 2023
Net cash used in operating activities	$ (385,778)	$ (160,289)
Net cash provided by financing activities	428,452	147,600
Net change in cash	42,674	(12,689)
Cash (cash indebtedness), beginning of year	(397)	12,292
Cash (cash indebtedness), end of year	$ 42,277	$ (397)

(Expressed in Canadian Dollars)

4. Investment in Associate

On September 22, 2021, the Company entered into a share purchase agreement with Tech2Heal SAS ("Tech2Heal"), an arm's length, private technology company based in Paris, France, to acquire a 22.22% interest in Tech2Heal's common shares equity in consideration of €2,000,000 as follows:

	Percentage Interest (%)
€750,000 ($1,086,975) upon closing of the transaction (paid)	8.333% (acquired)
€250,000 on or before March 23, 2022 (paid)	2.778% (acquired)
€500,000 on or before September 23, 2022	5.555%
€500,000 on or before March 23, 2023	5.555%
€2,000,000	22.22%

During the year ended April 30, 2024, the Company had an 11.11% (April 30, 2023 – 8.333%) interest in Tech2Heal, a company engaged in developing health based technology. As a result of the Company holding a seat on the Board it was determined that the Company exercises significant influence over Tech2Heal and has accounted for its investment in Tech2Heal using the equity method. At April 30, 2024, the Company performed an assessment of indicators of impairment in the investment and recorded impairment loss of $1,510,668 as a result of the significant financial difficulty of Tech2Heal.

		Investment in associate
Balance as at April 30, 2022		1,060,497
Share of loss on investment in associate (8.333% of net loss)		(32,614)
Partial payment towards 2.778% additional interest		210,637
Balance as at April 30, 2023		1,238,520
Share of loss on investment in associate (11.11% of net loss)		(125,391)
Remaining payment towards 2.778% additional interest		325,979
Impairment		(1,439,108)
Balance as at April 30, 2024	$	-

(Expressed in Canadian Dollars)

4. Investment in Associate (continued)

Summary statement of financial position of Tech2Heal as at year ended April 30, 2024 and 2023:

	April 30, 2024	April 30, 2023
Cash	$ 54,692	$ 94
Other current assets	132,943	133,807
Non-current assets	156,256	772,242
Total assets	343,891	906,143
Current liabilities	(1,175,605)	(609,224)
Net assets (liabilities)	$ (831,714)	$ 296,919

Summary statement of loss of Tech2Heal for the years ended April 30, 2024 and 2023:

	For the year ended April 30, 2024	For the year ended April 30, 2023
Loss from operations	$ (1,128,634)	$ (391,352)
Net loss and comprehensive loss	(1,128,634)	(391,352)

Purchase of shares in AI RX Inc.

During the year ended April 30, 2023, the Company issued 1,762,500 common shares with a fair value of $79,313 to purchase 70% of AI Rx Inc., a corporation that has been granted the exclusive commercial use of all products, brands, and trademarks of Tech2Heal in North America in perpetuity. The transaction was recorded as an asset acquisition. At the date of acquisition, AI RX Inc. had net assets consisting of intangible assets of $113,304 offset by non-controlling interest of $33,991. At April 30, 2023, the Company did an assessment and determined that the intangible asset was impaired. During the year ended April 30, 2024 and 2023 there was no activity in the subsidiary.

5. Marketable Securities

On May 20, 2016, the Company received 71,666 common shares of Carolina Rush Corporation (formerly Pancontinental Gold Corporation), a publicly traded company listed on the TSX Venture Exchange, with a fair value of $53,750.

The common shares are held-for-trading and as of April 30, 2024, the fair value of the common shares was $15,408 (2023 - $10,033). During the year ended April 30, 2024, the Company recorded an unrealized gain of $5,375 (2023 – unrealized loss of $40,134) which has been recorded in profit or loss.

6. Prepaid Expenses

As at April 30, 2024, prepaid expenses included prepayments of $27,406 towards future advertising and promotion operating costs.

As at April 30, 2023, prepaid expenses consisted of prepayments of $84,680 towards future advertising and promotion operating costs and a $9,653 security deposit for office lease.

(Expressed in Canadian Dollars)

7. Accounts Payable and Accrued Liabilities

	April 30, 2024	April 30, 2023
Trade payables	$ 368,450	$ 563,009
Accrued liabilities	60,000	52,000
Interest payable	112,757	101,025
Total accounts payable and accrued liabilities	$ 541,207	$ 716,034

During the year ended April 30, 2024, the Company entered into a debt settlement agreement with a vendor and recorded loss on settlement of $63,523 (2023 – $Nil) in profit or loss for consideration of 339,000 common share of the Company.

During the year ended April 30, 2024, the Company derecognized $5,250 (2023 – expense of $143,366) of payables that passed the British Columbia term for statute of limitations.

8. Loan Payable

As at April 30, 2024, the Company owes the amount of $12,220 (2023 - $12,220) to an unrelated party, which is non-interest bearing, unsecured, and with no fixed repayment terms.

9. Right-of-use Assets and Lease Liabilities

During the year ended April 30, 2021, the Company entered into an agreement for a premises lease. Lease liabilities were calculated with a discount rate of 20%.

Lease Type	Date of Maturity
Edmonton, Alberta office	April 30, 2024

Right of use asset, April 30, 2022	$ 84,104
Depreciation of right of use asset	(42,052)
Right of use asset, April 30, 2023	42,052
Depreciation of right of use asset	(42,052)
Right of use asset, April 30, 2024	$ -

Lease liabilities, April 30, 2022	$ 92,118
Accretion of interest	14,755
Payment of lease liabilities	(56,261)
Lease liabilities, April 30, 2023	50,612
Accretion of interest	5,649
Payment of lease liabilities	(56,261)
Lease liabilities – April 30, 2024	$ -

(Expressed in Canadian Dollars)

10. Notes Payable

i) During the year ended April 30, 2021, the Company received $40,000 from the Government of Canada sponsored Canada Emergency Business Account (CEBA) in the form of a line of credit. This loan was a two-year, interest free loan, to be repaid by January 18, 2024. If the Company repaid the CEBA loan on or before January 18, 2024, the Company may repay only $30,000 of the principal balance. Any unpaid principal portion of the CEBA loan after January 18, 2024 would be converted into a three-year loan with an annual interest rate of 5%. During the year ended April 30, 2024 the Company repaid $30,000 and the $10,000 forgivable portion was included in profit and loss as other income.

ii) As at April 30, 2024, the Company owed $117,000 (2023 - $117,000) to an unrelated company, which is unsecured, bears simple interest at 10% per annum, and is due on demand. Total interest accrued during the year ended April 30, 2024 was $11,732 (2023 - $11,700).

11. Related Party Transactions

Related parties include the Board of Directors, Executive Officers and any companies owned or controlled by them.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers and directors.

Remuneration of directors and key management personnel of the Company was as follows:

		For the year ended April 30, 2024		For the year ended April 30, 2023
Management and director fees	$	250,321	$	120,000
Professional fees		65,815		62,754
Office expenses		75,315		-
Salaries and benefits		183,574		150,473
Share-based payments		-		83,207
	$	541,246	$	416,434

As at April 30, 2024, the Company owed:

i) $821,672 (2023 - $789,577) to a company controlled by a former director of the Company for management fees and expenses. Of the total amount owing, $640,150 is unsecured and bears interest at 5% per annum and repayable by December 31, 2022 (not yet repaid). Prior to January 31, 2021, the loan was non-interest bearing. During the year ended April 30, 2024, the Company accrued interest of $32,095 (2023 - $32,008) and at April 30, 2024 $113,022 (2023 - $80,927) of interest was payable.

The remaining amount owing of $68,500 (2023 - $68,500) is unsecured, non-interest bearing with no fixed terms of repayment.

ii) $15,750 (2023 - $82,730) to the former Chief Executive Officer and director of the Company, which is unsecured, non-interest bearing, with no fixed terms of repayment.

iii) $Nil (2023 - $7,644) owing to the spouse of a director, which is unsecured, non-interest bearing, with no fixed terms of repayment.

iv) $Nil (2023 - $7,376) owing to a director, which is unsecured, non-interest bearing, with no fixed terms of repayment.

v) $Nil (2023 - $10,851) owing to a partnership in which the former Chief Financial Officer has an interest.

vi) $8,142 (2023 - $25,961) to the Chief Technology Officer and former director of the Company, which is unsecured, non-interest bearing, with no fixed terms of repayment.

vii) $78,674 (2023 - $125,254) to a director of the Company and his spouse, which is unsecured, non-interest bearing, with no fixed terms of repayment.

11. Related Party Transactions (continued)

During the year ended April 30, 2024, the Company earned $161,998 (2023 - $159,553) of license fee revenue and $433,167 (2023 - $293,020) of services revenue from a related company which has a common officer and a common former director and is therefore considered to be a related party. As at April 30, 2024, $21,087 (2023 - $95,811) of this amount was included in accounts receivable.

12. Share Capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value.

b) Common shares issued

For the year ended April 30, 2024, the Company:

i) issued 339,000 shares valued at $23,730 to settle $27,120 of debt, which resulted in a gain of $3,390 recorded in profit or loss.

ii) completed a private placement of 4,016,000 units at a price of $0.075 per unit, for gross proceeds of $301,200 of which $128,211 was allocated to the warrant portion of the unit and recorded in reserves. Each unit consists of one common share and one common share purchase warrant exercisable for five years and entitles the holder to purchase one warrant share at a price of $0.10 for the first year from the date of closing, $0.20 for the second year, $0.30 for the third year, $0.40 for the fourth year, and $0.50 for the fifth year following the closing date. The Company paid finders fees of $3,750 and issued 67,500 broker warrants (fair valued at $7,340), which are on the same terms as the warrants forming part of the units.

iii) issued 1,225,000 common shares upon exercise of warrants at an exercise price of $0.10 per common share for gross proceeds of $122,500.

iv) completed a private placement of 10,811,792 units at a price of $0.075 per unit, for gross proceeds of $810,884, of which $353,070 was allocated to the warrant portion of the unit and recorded in reserves. Each unit consists of one common share and one common share purchase warrant exercisable for five years and will entitle the holder to purchase one share at a price of $0.10 for the first year from the date of closing, $0.20 for the second year, $0.30 for the third year, $0.40 for the fourth year, and $0.50 for the fifth year following the closing date. The Company paid finders fees in relation to the second tranche of $48,520 and issued 344,300 broker warrants (valued at $49,120), which are on the same terms as the warrants forming part of the units.

v) completed a private placement of 3,114,087 units at a price of $0.11 per unit, for gross proceeds of $342,550, of which $138,753 was allocated to the warrant portion of the unit and recorded in reserves. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at $0.20 for a period of two years from the date of closing. The Company paid finders fees of $2,970 and issued 27,000 broker warrants (fair valued at $2,600), which are on the same terms as the warrants forming part of the units.

vi) completed a private placement of 12,576,666 units at a price of $0.06 per unit, for gross proceeds of $754,600, of which $300,644 was allocated to the warrant portion of the unit and recorded in reserves. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at $0.12 for a period of two years from the date of closing. The Company paid finders fees of $44,710 and issued 618,500 broker's warrants (valued at $26,600), which are on the same terms as the warrants forming part of the units.

vii) issued 1,131,134 common shares valued at $73,524 for cancellation of an advertising and marketing contract, which resulted in a loss of $66,913 recorded in profit or loss.

(Expressed in Canadian Dollars)

12. Share Capital (continued)

For the year ended April 30, 2023, the Company:

i) issued 1,762,500 common shares with a fair value of $79,313 to purchase 70% of AI Rx Inc. (Note 4).

ii) issued 1,845,000 shares relating to a warrant exercise incentive program at a price of $0.075 per common share.

iii) issued 800,000 common shares with a fair value of $76,000 as per agreements for advertising and marketing services.

iv) issued 1,845,000 common shares pursuant to the exercise of warrants for proceeds of $138,375 and paid $5,540 in solicitation fees. This issuance was part of a Warrant Exercise Incentive Program and the Company issued 1,845,000 incentive warrants pursuant to this exercise. Each incentive warrant can be exercised for one common share of the Company with an exercise price of $0.10 and an expiration date of January 19, 2024.

v) closed a non-brokered private placement and issued 4,867,748 units at a price of $0.06 per unit, for gross proceeds of $292,065. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at $0.10 expiring March 14, 2025. The relative fair value of the share purchase warrants issued was $108,967 and was calculated using the Black-Scholes option pricing model assuming an expected life of 2 years, volatility of 134%, risk free rate of 3.72%, and no expected dividends or forfeitures. The Company paid cash solicitation fees of $4,267.

vi) impaired $25,000 in subscriptions receivables as the Company deemed the amount uncollectible.

vii) As at April 30, 2024, the Company had Nil (2023 – 718,438) common shares remaining in escrow.

13. Stock Options

The Company has adopted a stock option plan pursuant to which options may be granted to directors, officers, employees, and consultants of the Company to a maximum of 10% of the then issued and outstanding common shares, and not exceeding 5% granted to any individual. The stock options have a maximum term of ten years and cannot be assigned or transferred.

The following table summarizes the continuity of the Company's stock options:

	Number of stock options	Weighted average exercise price	
Balance, April 30, 2022	3,150,000	$	0.36
Issued	1,300,000		0.20
Cancelled/Expired	(1,950,000)		0.34
Balance, April 30, 2023	2,500,000		0.30
Issued	1,700,000		0.20
Cancelled/Expired	(1,100,000)		0.42
Balance, April 30, 2024	3,100,000	$	0.20

The weighted average fair value of options granted during the year ended April 30, 2024 was $0.04 (2023 - $0.05).

The weighted average remaining life of the options outstanding as at April 30, 2024 was 2.63 years (2023 – 3.33 years).

(Expressed in Canadian Dollars)

13. Stock Options (continued)

During the year ended April 30, 2024, the Company:

- granted an aggregate of 300,000 stock options to a consultant of the Company at an exercise price of $0.20 per share, exercisable for a period of one year. The options vested immediately. The estimated fair value of these options at the grant date was $19,600 using the Black-Scholes option pricing model. The underlying assumptions used in the estimation of fair value in the Black-Scholes option pricing model are as follows: expected dividend yield of 0%; share price of $0.12; expected volatility of 181% based on historical one-year trends; risk-free interest rate of 3.74%; and an expected average life of one year.

- granted an aggregate of 1,400,000 stock options to directors and officers of the Company at an exercise price of $0.20 per share, exercisable for a period of one year. 300,000 options vested immediately, 100,000 options will vest 50% every six months over one year period and 1,000,000 options will vest 12.5% every three months over 24 months period. The estimated fair value of these options at the grant date was $54,300 using the Black-Scholes option pricing model. The underlying assumptions used in the estimation of fair value in the Black-Scholes option pricing model are as follows: expected dividend yield of 0%; share price of $0.065; expected volatility of 162% based on historical two-year trends; risk-free interest rate of 3.19%; and an expected average life of two years. During the year ended April 30, 2024, $30,710 was expensed.

During the year ended April 30, 2023, the Company:

- granted an aggregate of 300,000 stock options to a consultant of the Company at an exercise price of $0.20 per share, exercisable for a period of 1 year. The options vested immediately. The estimated fair value of these options at the grant date was $5,400 using the Black-Scholes option pricing model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes option pricing model are as follows: expected dividend yield of 0%; share price of $0.06; expected volatility of 154% based on historical 1-year trends; risk-free interest rate of 3.74%; and an expected average life of 1 years. During the year ended April 30, 2023, $5,400 was expensed.

- granted 1,000,000 stock options to directors and officers of the Company at an exercise price of $0.20 per share, exercisable for a period of 5 years. The options vested immediately. The estimated fair value of these options at the grant date was $62,800 using the Black-Scholes option pricing model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes option pricing model are as follows: expected dividend yield of 0%; share price of $0.075; expected volatility of 143% based on historical 5-year trends; risk-free interest rate of 3.19%; and an expected average life of 5 years. During the year ended April 30, 2023, $62,800 was expensed.

As at April 30, 2024, the following stock options were outstanding:

Expiry date	Exercise price	Remaining contractual Life (years)	Number of options outstanding	Exercisable
November 29, 2025	$0.20	1.58	1,400,000	475,000
April 30, 2027	$0.20	2.95	700,000	700,000
March 12, 2028	$0.20	3.87	1,000,000*	1,000,000
		2.63	3,100,000	2,175,000

* 500,000 options subsequently cancelled

(Expressed in Canadian Dollars)

14. Warrants

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of warrants	Weighted average exercise price	
Balance, April 30, 2022	20,648,000	$	0.38
Issued (Note 12 (b))	8,425,556		0.08
Exercised(1)	(2,470,000)		0.06
Expired/cancelled	(13,178,000)		0.52
Balance, April 30, 2023	13,425,556		0.05
Issued (Note 12 (b))	31,575,845		0.12
Expired	(7,782,808)		0.01
Exercised(2)	(1,225,000)		0.10
Balance, April 30, 2024	35,993,593	$	0.12

(1)The weighted average trading price on the exercise date was $0.08.
(2)The weighted average trading price on the exercise date was $0.189.

The weighted average remaining life of the warrants outstanding as at April 30, 2024 was 0.88 years (2023 – 1.07 years).

As at April 30, 2024, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price	Expiry date
4,517,748	0.10	March 14, 2025
3,141,087	0.20	July 12, 2025
13,195,166	0.12(3)	December 19, 2025
3,983,500	0.10(1)	June 8, 2028
11,156,092	0.10(2)	July 4, 2028
35,993,593	$ 0.12	

1) $0.10 on or before June 8, 2024, $0.20 on or before June 8, 2025, $0.30 on or before June 8, 2026, $0.40 on or before June 8, 2027, and $0.50 on or before June 8, 2028.
2) $0.10 on or before July 4, 2024, $0.20 on or before July 4, 2025, $0.30 on or before July 4, 2026, $0.40 on or before July 4, 2027, and $0.50 on or before July 4, 2028.
3) Subject to the Company's right to accelerate expiry upon 30 days' notice if the shares trade at $0.30 for a 10 day period.

15. Capital Management

The Company's policy is to maintain a strong capital base as to maintain investor and creditor confidence, safeguard the Company's ability to support the development of its projects and to sustain future development of the business. The capital structure of the Company consists of shareholders' deficiency of $1,171,576 (2023 – deficiency of $247,459). There are no external restrictions on the Company's capital. There were no changes in the Company's approach to capital management during the year.

(Expressed in Canadian Dollars)

16. Financial Instruments and Risk Management

Fair value

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 - Fair value measurements are derived from quoted prices in active markets or identical assets or liabilities;

Level 2 - Fair value measurements are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

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

The fair value of the Company's accounts receivable, and accounts payable and accrued liabilities, notes payable, due to related parties and loan payable approximate their carrying value, due to their short-term maturities. The Company's cash and marketable securities are measured at fair value in accordance with level 1 of the fair value hierarchy. The Company's call option is measured at fair value in accordance with level 2 of the fair value hierarchy and at $Nil.

Risks

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Company's management team approves and monitors the risk management processes, with guidance from the Audit Committee under policies approved by the Board of Directors. There were no changes in the Company's approach to risk management during the year. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and accounts receivable. The majority of cash is maintained at a major financial institution with reputable credit and the therefore management believes credit risk to be minimal. The maximum exposure to credit risk is the aggregate carrying amount of accounts receivable and the Company has recorded an expected credit loss of $nil.

b) 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's approach to managing liquidity risk is to ensure it has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company ensures that sufficient funds are raised from private placements, option exercises and warrant exercises to meet its working capital requirements, after taking into account existing cash and expected exercise of share purchase warrants and options.

Management believes that it will be successful in raising the necessary funds however, given the current market conditions, management believes that the raising of the required funds will take longer than is normal and will be at prices that may be less than desirable. There are no assurances that additional funds will be available on terms acceptable to the Company or at all. The Company have a significant liquidity risk as the Company has a working capital deficiency of $1,209,967 (2023 - $1,560,859). The ability of the Company to continue its activities relies upon the support of its suppliers and obtaining additional financing.

The following is an analysis of the contractual maturities of the Company financial liabilities as at April 30, 2024:

		Within one year
Accounts payable and accrued liabilities	$	541,207
Notes payable		117,000
Due to related parties		869,228
Loan payable		12,220
	$	1,539,655

16. Financial Instruments and Risk Management (continued)

c) 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 comprises three types of risk: currency risk, interest rate risk and other price risk.

i) 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. As of April 30, 2024, the Company had notes payable of $117,000 that bears interest at fixed rates. Management considers this risk to be immaterial.

ii) Currency risk

Currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign currency rates or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. At April 30, 2024 and 2023, the Company's major purchases are transacted in Canadian dollars.

The Company has cash and accounts payable and accrued liabilities denominated in US dollars (USD). The carrying value of these items may change due to fluctuations in foreign exchange rates. As at April 30, 2024, the Company did not have any significant monetary assets or liabilities in foreign currencies. Management estimates that the effect of a 10% change in the US dollar against the Canadian dollar would be immaterial.

iii) 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. There is price risk associated with the Company's marketable securities. A 10% change in the market price of the Company's marketable securities would have an immaterial impact on profit or loss.

17. Research and Development

	For the year ended April 30, 2024	For the year ended April 30, 2023
Consultants/developers/other	$ 172,369	$ 162,964

18. Segmented Reporting

Geographic information
The Company operates in one reportable segment in Canada, being the research and development of health and wearable technologies, and the sale of licenses and consulting services related to those technologies.

Economic dependence
Approximately over 90% of the Company's sales from one customer for the years ended April 30, 2024 and 2023 relate to MedWatch Technologies Inc.

(Expressed in Canadian Dollars)

19. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred tax assets and liabilities, are as follows:

	Year ended April 30, 2024	Year ended April 30, 2023
Net loss	$ (3,290,428)	$ (1,492,628)
Canadian statutory income tax rate	27%	27%
Income tax recovery at statutory rate	(888,000)	(403,000)
Tax effect of:		
Impact of different provincial tax rates	16,000	12,000
Share-based payments	8,000	24,000
Unrecognized items for tax purposes	141,000	-
Share issuance costs	(27,000)	(3,000)
Change in unrecognized deferred tax assets	750,000	370,000
Income tax provision	$ -	$ -

The significant components of deferred tax assets and liabilities are as follows:

	Year ended April 30, 2024	Year ended April 30, 2023
Deferred tax assets (liabilities)		
Non-capital losses carried forward	$ 4,145,000	$ 3,807,000
Other	479,000	82,000
Share issuance costs	31,000	16,000
Resource pools	1,073,000	1,073,000
Total deferred tax assets	5,728,000	4,978,000
Unrecognized deferred tax assets	(5,728,000)	(4,978,000)
Net deferred tax assets	-	-

(Expressed in Canadian Dollars)

19. Income Taxes (continued)

As at April 30, 2024, the Company has non-capital losses carried forward of $15,741,000, which are available to offset future years' taxable income. These losses expire as follows:

2026	$ 95,000
2027	159,000
2028	241,000
2029	133,000
2030	211,000
2031	945,000
2032	1,167,000
2033	995,000
2034	804,000
2035	954,000
2036	928,000
2037	106,000
2038	228,000
2039	245,000
2040	279,000
2041	927,000
2042	4,671,000
2043	1,427,000
2044	1,226,000
	$ 15,741,000

20. Subsequent events

Subsequent to April 30, 2024, the Company:

i) entered into an independent contractor agreement with Moonshot Inc. (the "Contractor") to set out the terms and conditions of the Contactor's ongoing services as Chief Executive Officer of the Company. In consideration of performing the services to the Company, payable to or as directed by the executives as follows:

- $125,000 payable in common shares in the capital of the Company on the effective date of the agreement (issued 3,333,333 common shares)
- $125,000 payable in common shares on the second anniversary of the effective date of the agreement.

In addition to monthly fees, the Company will also pay annual retention fees of $250,000 (issued 1,250,000 common shares for $62,500, remaining $187,500 outstanding) and $300,000 over the first 2 years of the agreement, payable quarterly in common shares.

Upon signing of the agreement, the Company granted to the Contractor options to purchase up to 1,500,000 common shares with an exercise price of $0.20 per share and a term of five years. The options will vest in three equal installments contingent on the Company achieving given milestones.

ii) entered into a finder's agreement with Wonderful Ventures LLC to assist the Company in the search of a new Chief Executive Officer for the Company. The Company paid cash of $30,000 and issued 750,000 common shares of the Company (fair valued at $37,600).

20. Subsequent events (continued)

iii) entered into a definitive agreement on June 4, 2024 for asset purchase of cutting-edge technology from Naiad Lab Inc. in consideration of the following:

- issuance 6,700,000 common shares of the Company.
- incorporated a new operating subsidiary to hold the newly acquired assets.
- agreed to a streaming royalty (the "Royalty") to Naiad Lab Inc for up to a 20-year period, as per the following terms:
    i. a 2% Royalty which is payable on gross revenue of not less than $1,500,000 and not greater than $5,000,000 inclusive per fiscal year, if and only if such revenue is directly attributable to third-party licensing of the Long ECG Neural Net.
    ii. a 3% Royalty which is payable on all gross revenue above $5,000,000 per fiscal year, if and only if such revenue is directly attributable to third-party licensing of the Long ECG Neural Net.
    iii. the Company, at its sole discretion, may purchase the royalty from Naiad at any time for $1,000,000.
- granted 700,000 stock options for 5 years at a $0.20 exercise price to management members of Naiad.
- entered into consulting/management agreements with certain key members of Naiad Labs.
- issued 3,000,000 Contingent Payment Shares to Naiad Labs for a 12-month period, which are convertible into 3,000,000 Common Shares from Treasury at a cost of $0.00 per share, subject to the following terms
    i. the Long ECG Neural Net has formally entered the US FDA approval process;
    ii. the Long ECG Neural Net generates gross revenue of not less than $1,000,000.

The acquisition will be accounted for as an asset acquisition.

iv) closed a non-brokered private placement and issued 9,200,000 units at a price of $0.05 per unit, for gross proceeds of $460,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at $0.10 expiring July 1, 2027, subject to the Company's right to accelerate expiry upon 30 days' notice if the shares trade at $0.25 for a 10 day period. Securities issued on this closing are subject to a statutory hold period until November 2, 2024. The Company paid share issuance costs of $29,850 and issued 417,000 broker warrants, which are on the same terms as the warrants forming part of the units.

v) closed a non-brokered private placement and issued 10,230,000 units at a price of $0.05 per unit, for gross proceeds of $511,500. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at $0.10 expiring July 17, 2027, subject to the Company's right to accelerate expiry upon 30 days' notice if the shares trade at $0.25 for a for a period of at least 30 consecutive trading days. The Company paid share issuance costs of $26,478 and issued 529,550 broker warrants, which are on the same terms as the warrants forming part of the units.

vi) issued 949,200 common shares pursuant to a share for debt agreement to settle indebtedness of $47,460 of services with an arm-length vendor.

vii) closed a non-brokered private placement and issued 7,845,000 units at a price of $0.05 per unit, for gross proceeds of $392,250. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at $0.10 expiring August 19, 2026, subject to the Company's right to accelerate expiry upon 30 days' notice if the shares trade at $0.25 for a for a period of at least 20 consecutive trading days. The Company paid share issuance costs of $18,200 and issued 364,000 broker warrants, which are on the same terms as the warrants forming part of the units.

viii) issued 393,334 common shares pursuant to exercise of warrants.

20. Subsequent events (continued)

ix) granted an aggregate of 100,000 stock options to a consultant of the Company at an exercise price of $0.20 per share, exercisable for a period of 1 year.

x) granted an aggregate of 1,500,000 stock options to an officer of the Company at an exercise price of $0.20 per share, exercisable for a period of 1 year.