SCRYB INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

SEPTEMBER 30, 2023 AND 2022

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INDEX

Jackson & Co., LLP
Chartered Professional Accountants
Licensed Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To The Shareholders of Scryb Inc.

Opinion

We have audited the financial statements of Scryb Inc. (formerly Relay Medical Corp.) and its subsidiaries (the "Company"), which comprise the statement of financial position as at September 30, 2023 and September 30, 2022, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Canadian International Financial Reporting 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 Corporation 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 Concerns

We draw attention to Note 1 in the financial statements, which indicates that the Company is experiencing, and has experienced, negative operating cash flows. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate 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.

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 Canadian accounting standards for private enterprises, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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.

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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 misstatements 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 Corporation'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 material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation'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 Corporation 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 out audit.

The engagement partner on the audit resulting in this independent auditor's report is Jeffrey Jackson.

Jackson & Co., LLP

Jackson & Co., LLP
Chartered Professional Accountants
Licensed Public Accountants

February 4, 2024
Toronto, Ontario

SCRYB INC.

(Formerly Relay Medical Corp.)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2023

	2023	2022
	$	$
CURRENT ASSETS		
Cash	369,227	368,223
Accounts receivable (note 5)	660,228	284,123
Prepaid expenses	2,394,191	259,461
Due from related parties (note 16)	527,000	2,918,426
	3,950,646	3,830,233
NON-CURRENT ASSETS		
Reclamation bonds (note 12)	79,068	75,584
Property, plant and equipment (note 7)	13,023	36,294
Right-of-use asset (note 8)	224,136	410,806
Investments in associates (note 6)	1,149,922	1,367,988
Intangible assets (notes 9, 10)	4,114,104	5,497,475
Due from related parties (note 16)	3,440,464	
	9,020,717	7,388,147
TOTAL ASSETS	12,971,363	11,218,380
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	3,091,137	1,110,990
Current portion of lease liability (note 11)	154,277	158,459
Unearned revenue	540,994	61,224
Government loan (note 13)	60,000	60,000
Due to related parties (note 16)	1,432,933	151,800
	5,279,341	1,542,473
NON-CURRENT LIABILITIES		
Lease liability (note 11)	-	104,826
Government loan (note 13)	124,212	113,178
Advances from Pima Zinc Corp.	-	3,716,982
	124,212	3,934,986
TOTAL LIABILITIES	5,403,553	5,477,459
SHAREHOLDERS' EQUITY		
Capital stock (note 14 (a))	53,434,407	44,582,532
Warrant reserve	8,127,124	2,836,268
Contributed surplus	22,955,348	20,601,699
Deficit	(75,949,841)	(62,279,578)
Total equity attributable to shareholders of the Company	8,567,038	5,740,921
Non-controling interests	(999,228)	-
TOTAL SHAREHOLDERS' EQUITY	7,567,810	5,740,921
TOTAL LIABILITIES and SHAREHOLDERS' EQUITY	12,971,363	11,218,380

Going Concern Note 1
Subsequent Events Note 20

APPROVED ON BEHALF OF THE BOARD OF DIRECTOR:

"*Greg Van Staveren*" Director "*Michael Minder*" Director

SCRYB INC.

(Formerly Relay Medical Corp.)

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	2023	2022
	$	$
REVENUE		
Product sales	971,650	61,609
Royalties and management fees	540,410	83,748
Other revenue	81,187	513,875
Government grants and subsidies (note 13)	-	9,541
	1,593,247	668,773
EXPENSES		
Advertising and promotions	1,538,407	521,539
Amortization expense	1,383,371	699,686
Consulting and management fees	2,085,548	1,743,216
Depreciation	212,441	250,664
Insurance	66,607	62,147
Interest and accretion	236,430	82,370
Loss on foreign exchange	1,130	12,179
Loss (gain) in investment in associate (note 6)	1,039,829	792,057
Office expenses	631,727	654,499
Product research and development costs	1,454,603	724,308
Professional fees	681,073	491,095
Salaries and benefits	6,877,837	5,190,556
Sales bonus and commissions	174,957	57,323
Share-based compensation (note 14(b))	4,688,992	212,861
Shareholder communications and marketing	86,260	229,553
Transfer agent and filing fees	207,596	88,729
	21,366,808	11,812,782
NET LOSS AND COMPREHENSIVE LOSS	(19,773,561)	(11,144,009)
LOSS PER SHARE		
Basic and diluted (note 20)	(0.08)	(0.05)
Weighted average number of common shares outstanding, basic and diluted	248,111,312	240,051,037

SCRYB INC.
(Formerly Relay Medical Corp.)

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	Capital Stock		Warrant Reserve	Contributed Surplus	Cummulative Translation Gain	Deficit	Total Equity
	Number of shares	$	$	$	$	$	$
Balance - October 1, 2021	**241,278,673**	**44,913,345**	**7,655,043**	**14,936,216**	**-**	**(50,648,017)**	**16,856,587**
Share-based compensation	-	-	-	212,861	-	-	212,861
Warrant modification	-	-	633,847	-	-	(487,552)	146,295
Share buyback (NCIB)	(1,586,001)	(330,813)	-	-	-	-	(330,813)
Expiration of warrants	-	-	(5,452,622)	5,452,622	-	-	-
Net loss for the year	-	-	-	-	-	(11,144,009)	(11,144,009)
Balance - September 30, 2022	**239,692,672**	**44,582,532**	**2,836,268**	**20,601,699**	**-**	**(62,279,578)**	**5,740,921**
Opening balances prior to business combination (note 10)	-	2,935,662	915,093	251,990	20,443	(4,356,690)	(233,502)
Business combination elimination	-	(3,178,750)	-	-	-	9,612,121	6,433,371
Shares issued on settlement of debt	-	170,624	999,530	-	-	-	1,170,154
Units issued for cash, net of issuance costs	-	5,779,872	1,485,899	-	-	-	7,265,771
Units issued from business combination	-	718,416	2,362,890	-	-	(5,446,833)	(2,365,527)
Shares issued from private placement	17,590,000	1,631,610	567,140	-	-	-	2,198,750
Shares issued on the exercise of warrants (note 14 (c))	-	563,181	(138,717)	-	-	-	424,464
Shares issued on the exercise of options (note 14 (b))	-	247,637	-	(106,947)	-	-	140,690
Share based compensation	-	(322,599)	-	2,938,044	-	-	2,615,445
Adjustment	-	105,695	14,114	(598,599)	(2,776)	-	(481,566)
Expiration of warrants	-	-	(915,093)	-	-	-	(915,093)
Cancellation of options	-	-	-	(130,839)	-	-	(130,839)
Foreign exchange adjustment	-	200,527	-	-	(17,667)	-	182,860
Net loss for the year	-	-	-	-	-	(13,478,861)	(13,478,861)
Balance - September 30, 2023	257,282,672	53,434,407	8,127,124	22,955,348	-	(75,949,841)	8,567,038
Non-controlling interest in Cybeats Technologies Corp	-	6,890,585	3,166,507	1,810,097	-	(12,866,417)	(999,228)
Balance - September 30, 2023	**257,282,672**	**60,324,992**	**11,293,631**	**24,765,445**	**-**	**(88,816,258)**	**7,567,810**

SCRYB INC.

(Formerly Relay Medical Corp.)

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2023	2022
	$	$
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net loss and comprehensive loss for the year	(19,773,561)	(11,144,009)
Item not involving cash from operations:		
Depreciation	212,441	250,664
Amortization	1,383,371	699,686
Porportionate share of loss from Fionet Rapid Response Group	94,317	-
Dilution loss (gain) on investment in associate	123,750	792,056
Share-based compensation	4,688,992	212,861
Warranty modification	-	9,924
Interest and accretion net	186,670	28,010
Government grant revenue	-	(9,541)
	(13,084,020)	(9,160,349)
Changes in non-cash working capital items		
Decrease in prepaid expenses	(2,134,730)	227,504
(Increase) in amounts receivable	(376,105)	(296,272)
Increase in accounts payable and accrued liabilities	1,980,148	681,811
(Increase) in reclamation bonds	-	(2,153)
Advances from Pima Zinc Corp.	(3,716,982)	3,716,982
Increase (decrease) in due from related parties	2,330,171	-
Increase (decrease) in unearned revenue	479,770	-
Pima Zinc Corp. net working capital acquired	(318,875)	-
	(14,840,623)	(4,832,477)
INVESTING ACTIVITIES		
Investment in associate Glow Lifetech Corp.	-	321,887
Interest earned on reclamation bond	(3,484)	-
Purchase of property and equipment	(189,170)	(348,277)
	(192,654)	(26,390)
FINANCING ACTIVITIES		
Proceeds from private placement, net of cash based issue costs	14,188,254	-
Interest on government loans	11,035	-
Proceeds from warrant exercise	709,000	-
Proceeds from options exercise	235,000	-
Proceeds from government loans	-	(9,541)
Share buyback (NCIB)	-	(330,813)
Net payments on leases	(109,008)	(119,645)
	15,034,281	(459,999)
NET INCREASE (DECREASE) IN CASH FOR THE PERIOD	1,004	(5,318,866)
CASH, beginning of period	368,223	5,687,089
CASH, end of period	369,227	368,223

1. NATURE OF OPERATIONS AND GOING CONCERN

Scryb Inc., formerly Relay Medical Corp., ("the Company") was incorporated in British Columbia and is a technology company that provides its platform to power businesses and technologies with applied intelligence, real-time analytics, and actionable insights headquartered in Toronto, Ontario. On January 31, 2017, the Company filed Articles of Amalgamation under the Business Corporations Act (Ontario), whereby the Company was amalgamated with ChroMedX to form an amalgamated corporation operating under the name of "Relay Medical Corp." On December 8, 2021 the Company filed articles of amendment to change its name to Scryb Inc. All amounts herein reflect the financial effects of the amalgamation. The principal business address of the Company is 65 International Blvd., Suite 202, Toronto, Ontario, M9W 6L9.

While these financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business, a material uncertainty exists that may cast doubt on the issuers ability to continue as a going concern. As at September 30, 2023 the Company has a working capital deficiency of $1,328,696 (2022 - a surplus of $2,287,760) and has reported a loss from operations of $19,773,561 (2022 - $11,144,009). In order to meet its corporate and administrative expenses for the coming year the Company will be required to raise additional funds through equity, additional borrowings or the sale of certain assets.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements of the Company for the year for the year ended September 30, 2023 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on February 4, 2024.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries, Cybeat's Technologies Corp., UX Data Sciences Corp., Osprey Device Networks Corp. and HemoPalm Corp. UX Data Sciences Corp., Osprey Device Networks Corp. and HemoPalm Corp. are inactive wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated on consolidation.

The financial statements of Scryb have been prepared on a consolidated basis with Cybeats Technologies Corp., in accordance with International Financial Reporting Standards (IFRS) 10 - Consolidated Financial Statements. Scryb is deemed to have control over Cybeats Technologies Corp. as it owns 59.87% of the outstanding shares of Cybeats Technologies Corp. As such, Scryb consolidates the financial results of Cybeats into its financial statements. The non-controlling portion of Cybeats Technologies Corp. of 40.13% was adjusted on the balance sheet, income statement and statement of equity.

Subsidiaries

Subsidiaries are entities over which the Company has control. Control is defined as when the Company is exposed or has rights to the variable returns from the subsidiary and has the ability to affect those returns through its power over the subsidiary. Power is defined as existing rights that give the Company the ability to direct the relevant activities of the subsidiary. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases.

Non-controlling interests

A non-controlling interest is initially recognized as the proportionate share of the identifiable net assets of the subsidiary on the date of its acquisition and is subsequently adjusted for the noncontrolling interest's share in changes of the acquired subsidiary's earnings and capital. Effects of transactions with non-controlling interests are recorded in equity if there is no change in control.

Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and Presentation Currency

The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently to all periods presented in these consolidated financial statements:

(a) IMPAIRMENT

At each financial position reporting date, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired at a cash generating unit level. If any such indication exists, the recoverable amount of the cash generating unit is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use, which is the present value of future cash flows expected to be derived. If the recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

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 so that the increased carrying amount 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.

(b) INTANGIBLE ASSETS

The Company records intangible assets at fair value at the date of acquisition. An intangible asset is capitalized when the economic benefit associated with an asset is probable and when the cost can be measured reliably. Intangible assets are carried at cost less accumulated depreciation and impairment losses. Cost consists of expenditures directly attributable to the acquisition of the assets. Intangible assets with finite lives are amortized over the related benefit period. Those with indefinite lives are not amortized and are tested for impairment on an annual basis. The Company's intangible assets consist of patents, patent applications and research and development costs that are amortized over their five-year estimated useful life commencing with their utilization in revenue generating activities.

(c) RESEARCH AND DEVELOPMENT COSTS

Costs associated with the development of the Company's products are capitalized where the following criteria are met:

- the technical feasibility of completing the intangible asset so it will be available for use or sale;
- its intention to complete and its ability to use or sell the assets;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably of the expenditure during development.

All research and development costs incurred by the Company were expensed in the year.

(d) SHARE-BASED PAYMENTS

The Company accounts for share-based payments using the fair value method. Under this method, employee stock options recognized as compensation expense are measured at fair value on the date of grant using the Black-Scholes option pricing model, and are recognized as an expense or capitalized, depending on the nature of the grant, with a corresponding increase in equity, over the period that the employees earn the options. The amount recognized as an expense is adjusted to reflect the number of share options expected to vest. The Black-Scholes option pricing model requires the input of subjective assumptions, including the expected term of the option and stock price volatility.

For transactions with employees and others providing similar services, the Company measures the fair value of the services received by reference to the fair value of the services rendered. For transactions with parties other than employees, the Company measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. When the Company cannot estimate reliably the fair value of the goods or services received, it measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

(e) FOREIGN CURRENCY TRANSLATION

The Company's functional and presentation currency is the Canadian dollar. Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At closing date, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the closing date exchange rate, and non-monetary assets and liabilities at the historical rates. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in profit or loss.

(f) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL").

Below is a summary showing the classification and measurement basis of financial instruments;

Asset or Liability	Measurement
Cash and funds held in trust	Fair value
Other receivables	Amortized cost
Convertible debentures	Amortized cost
Reclamation bonds	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Government loans	Amortized cost

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Company determines the classification of its financial assets at initial recognition.

(i) Financial assets recorded at FVTPL
Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost of FVTOCI. Gains or losses on these items are recognized in profit or loss. The Company's cash and cash equivalents are classified as financial assets measured at FVTPL.

(ii) Amortized cost
Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at FVTPL: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely

payments of principal and interest". The Company's reclamation bonds are classified as financial assets measured at amortized cost.

(iii) Fair Value through other comprehensive income
Investments recorded at fair value through other comprehensive income (FVTOCI) on initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVTOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis.

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

(i) Amortized cost
Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination. The Company's accounts payable and accrued liabilities do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

(ii) Financial liabilities recorded FVTPL
Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Expected credit loss impairment model

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application. The adoption of the expected credit loss impairment model had no impact on the Company's consolidated financial statements.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Financial instruments at fair value through profit and loss

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

Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities:
Level 2 – valuation techniques based on inputs other than quoted prices included in 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 – valuation techniques using inputs for the asset or liability that are not based on observable market date (unobservable inputs).

Cash and funds held in trust are measured at fair value using Level 1 inputs.

As at September 30, 2023 and 2022, the fair value of the financial liabilities approximates the carrying value, due to the short-term nature of the instruments.

(g) CASH

Cash consists of deposits in banks and funds held in trust.

(h) REVENUE RECOGNITION

Product sales revenue is recognized when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is recognized on a time-proportion basis using the effective interest method.

(i) FUNDS HELD IN TRUST

Funds held in trust consists of cash on hand, deposits in banks and funds held in trust by the Company's external legal counsel. Funds held in trust are not restricted and can be used for working capital purposes.

(j) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of loss and comprehensive loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss in the period.

Amortization is calculated on a straight-line basis at the following annual rates:

Laboratory and technical equipment	3 years
Office, furniture and equipment	3 years
Computer equipment	2 years

(k) INCOME TAXES

Income tax on profit or loss for the year comprises of current and deferred tax. Current tax is the expected tax paid or payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax paid or payable in respect of 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. 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. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The effect on deferred income tax assets and liabilities of a change in income tax rates is recognized in the period that includes the date of the enactment or substantive enactment of the change. Deferred tax assets and liabilities are presented separately except where there is a right of set off within fiscal jurisdictions.

(l) BASIC AND DILUTED INCOME (LOSS) PER SHARE

Basic income (loss) per share has been calculated using the weighted average number of common shares outstanding during the year. Diluted income (loss) per share has been calculated using the weighted average number of common shares that would have been outstanding during the respective period had all of the stock options and warrants outstanding at year end having a dilutive effect been converted into shares at the beginning of the year and the proceeds used to repurchase the Company's common shares at the average market price for the year. If these computations prove to be antidilutive, diluted income (loss) per share is the same as basic income (loss) per share.

(m) COMPREHENSIVE INCOME (LOSS)

Comprehensive income (loss) consists of net income (loss) and other comprehensive income (loss) and represents the change in shareholders' equity which results from transactions and events from sources other than the Company's shareholders. Income or loss from an investment in associate is included in other comprehensive income (loss). Accumulated other comprehensive income (net of income taxes) is included on the consolidated statements of financial position as a component of common shareholders' equity.

(n) INVESTMENT IN ASSOCIATES

Investment in associate is accounted for using the equity method based on the Company's ability to exercise significant influence over the operating and financial policies of the investee.

Investments of this nature are recorded at original cost and adjusted periodically to recognize the Company's proportionate share of the associate's net income or losses after the date of investment, additional contributions made and dividends received. Investments are written down when there has been a significant or prolonged decline in fair value.

(o) LEASES

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for leases of low value assets and leases with a duration of twelve months or less. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the term of the lease with the discount rate determined by using the incremental borrowing rate on commencement of the lease. Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the remaining lease term.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these consolidated financial statements in conformity with IFRS requires that management make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the interim non-consolidated financial statements. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

Share based payments and warrants

The fair value of stock options and warrants issued are subject to the limitation of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Useful life of intangible assets

Management has exercised their judgment in determining the useful life of its patents, patent applications, intellectual property, and research and development costs. The estimate is based on the expected period of benefit of the patent and the expected life of the product in the market place.

(ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Determination of functional currency
In accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates, management has determined that the functional currency of the Company is the Canadian dollar.

Evaluation of going concern
The preparation of the consolidated financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1.

Impairment of intangible assets
Management has exercised their judgment in determining if the patents are impaired. The judgment is based on the expected future benefit of the intangible assets and intellectual property.

Income taxes
Management has exercised their judgment in determining the provision for future income taxes. The judgment is based on the Company's current understanding of the tax law as it relates to the transactions and activities entered into by the Company.

Acquisition of an asset or business combination

In accordance with IFRS 3, management has exercised their judgment in determining the acquisition of Cybeats Technologies Inc. was considered an asset acquisition as it did not meet the definition of a business.

5. ACCOUNTS RECEIVABLE

As at September 30, 2023 and 2022, accounts receivable were comprised of the following:

	2023	**2022**
	$	$
Trade receivables	332,984	49,832
HST receivable	127,772	158,405
Other receivables	199,472	75,886
	660,228	284,123

6. INVESTMENT IN ASSOCIATES

As at September 30, 2023 and September 30, 2022, Investment in Associates was comprised of the following:

	September 30, 2023	**September 30, 2022**
	$	$
Investment in Fionet Rapid Response Group	613,672	707,988
Investment in Glow LifeTech Corp.	536,250	660,000
	1,149,922	**1,367,988**

Fionet Rapid Response Group:

On August 19, 2020, Scryb announced the establishment of a joint venture ("JV") with Fio Corporation ("Fio") to accelerate adoption and delivery of Fio's proven data-and-device platform, Fionet, as a COVID-19 pandemic testing, data collection and reporting solution. The JV will operate under the name "Fionet Rapid Response Group" and be headquartered in Toronto, Canada. Scryb and Fionet Rapid Response Group previously announced the signing of a Memorandum of Understanding May 15, 2020. The Fionet Rapid Response Group will enable mass distributed testing and automated aggregation, triage, and tracking to contain COVID-19, for deployment by public health agencies, retail health providers and private sector companies in Canada, the United States, Europe, Africa, and elsewhere.

On December 22, 2020, Fionet Rapid Response Group ("FRR") was incorporated in Ontario. As part of the Joint Venture agreement Scryb was to invest $1,500,000 into FRR through the provision of consulting services with another $500,000 to be given in the form of a repayable loan. With this investment Scryb is entitled to receive a 33% royalty on all FRR revenue related to individual testing and a 20% royalty on all FRR revenue related to FRR platform solutions. In addition to the revenue royalty, Scryb also owns 33% of the FRR while Fio owns the remaining balance. Scryb recognized an investment in associate, as a result of the Company's ability to significantly influence FRR. The investment in associate has been initially valued and recognized at its cost of $1,500,000 less the Company's share of markup on certain consulting services provided of $57,114.

A summary of the Company's investment in FRR is as follows:

	September 30, 2023	September 30, 2022
	$	$
Investment, beginning of year	707,988	795,488
Share of equity loss for the year	(94,316)	(87,500)
Investment, end of year	613,672	707,988

Glow Lifetech Corp. (formerly Glow Lifetech Ltd.):

On March 3, 2021, Glow Lifetech Ltd. completed its reverse takeover of Ateba Resources Inc. ("Ateba"), an inactive company, pursuant to the terms of a Business Combination Agreement. The reverse takeover transaction was completed by way of a three-cornered amalgamation between Glow Ltd. and Ateba whereby Ateba acquired all of the issued and outstanding shares of Glow Ltd. in exchange for 47,334,379 common shares of Ateba, resulting in Glow Lifetech Ltd. becoming a wholly owned subsidiary of the Ateba.

In connection with the reverse takeover transaction, Glow Lifetech Ltd. completed a non-brokered private placement financing of 17,138,432 units of Glow Lifetech Ltd. at a price of $0.30 per unit for gross proceeds of $5,141,530. Each unit was comprised of one common share in the capital of Glow Lifetech Ltd. and one-half of one whole common share purchase warrant, with each warrant exercisable at a price of $0.40 per common share for a period of two years from the date of issuance. On February 9, 2021, the Company acquired 2,000,000 units of Glow Lifetech Ltd. at a price of $0.30 per unit for a total investment of $600,000.

Prior to the completion of the reverse takeover transaction Ateba changed its name to Glow Lifetech Corp. ("Glow Corp."). Upon completion of the reverse takeover transaction the common shares of Glow Corp. became listed on the Canadian Stock Exchange under the symbol "GLOW".

On September 30, 2021 the Company held 8,250,000 commons shares of Glow Corp. or 14.57% of the issued and outstanding common shares.

Prior to March 3, 2021, Scryb valued its investment in Glow Corp. (formerly Glow Ltd.) using the equity method. As a result of the dilution of the Company's holdings of Glow Corp. to 14.57% (September 30, 2020 - 22.2%) and Managements assessment that its significant influence over the operating and financial policy decisions of Glow Corp. ceased on March 3, 2021, the Company recorded a dilution loss of $21,868 and adopted the fair value method of accounting for its investment in Glow Corp. effective March 3, 2021

Scryb's investment in Glow Corp. has been valued at $0.065 per common share which was the listed price per share as at September 30, 2023 (September 30, 2022 - $0.08 per common share).

	September 30, 2023	September 30, 2022
	$	$
Investment, beginning of year	660,000	1,567,500
Fair value gain (loss) for the year	(123,750)	(907,500)
Investment, end of year	536,250	660,000

7. PROPERTY PLANT AND EQUIPMENT

	Laboratory equipment	Office furniture & equipment	Computer equipment	Total
	$	$	$	$
Cost				
As at October 1, 2020	-	149,673	8,119	157,792
Additions	23,861	26,890	6,219	56,970
As at September 30, 2021	**23,861**	**176,563**	**14,338**	**214,762**
Additions	18,066	30,531	-	48,597
As at September 30, 2022	**41,927**	**207,094**	**14,338**	**263,359**
Additions	**2,499**	**-**	**-**	**2,499**
As at September 30, 2023	**44,426**	**207,094**	**14,338**	**265,858**
Accumulated amortization				
As at October 1, 2020	-	84,479	8,119	92,598
Amortization for the period	18,503	49,034	3,752	71,289
As at September 30, 2021	**18,503**	**133,513**	**11,871**	**163,887**
Amortization for the period	6,923	53,788	2,467	63,178
As at September 30, 2022	**25,426**	**187,301**	**14,338**	**227,065**
Amortization for the period	9,762	16,008	-	**25,770**
As at September 30, 2023	**35,188**	**203,309**	**14,338**	**252,835**
Net book value				
As at October 1, 2020	-	**65,194**	-	**65,194**
As at September 30, 2021	**5,358**	**43,050**	-	**50,875**
As at September 30, 2022	**16,501**	**19,793**	**-**	**36,294**
As at September 30, 2023	**9,238**	**3,785**	**-**	**13,023**

8. RIGHT OF USE ASSETS

Right-of-use assets consist of the lease for the Company's office and laboratory and are amortized over a period of 74 months.

	2023	2022
	$	$
Opening balance	410,806	299,652
Additions	-	283,679
Depreciation	(186,670)	(172,525)
Ending balance	**224,136**	**410,806**

9. INTANGIBLE ASSETS

The following is a summary of patents as at September 30, 2023 and 2022:

	Software license	Intellectual property	Total
	$	$	$
Balance, September 30, 2021	**43,990**	**6,153,171**	**6,197,161**
Amortization	(16,000)	(683,686)	(699,686)
Balance, September 30, 2022	**27,990**	**5,469,485**	**5,497,475**
Amortization	(16,000)	(1,367,371)	(1,383,371)
Balance, September 30, 2023	**11,990**	**4,102,114**	**4,114,104**

10. BUSINESS COMBINATION

On March 18, 2021, the Company acquired all the issued and outstanding shares of Cybeats Technologies Inc. (“Cybeats”) pursuant to the Share Exchange Agreement signed March 2, 2021. The acquired business was purchased for $7,180,000, paid by the issuance of 10,950,819 common shares, valued at $0.61 per share and $500,000 in cash. As Cybeats did not meet the definition of a business per IFRS 3, the acquisition has been accounted for as an asset acquisition, whereby Scryb is considered to issue shares in return for the net assets of Cybeats at their fair value as follows;

Intellectual property represents technologies developed by Cybeats.

Net assets acquired	
	$
Receivables and prepaids	331,862
Property, plant and equipment	9,985
Accounts payable	1,296
Intellectual property	6,836,857
	7,180,000

Pursuant to the share exchange agreement dated March 2, 2021 (the "Share Exchange Agreement"), between Scryb, Cybeats Technologies Inc., and the former shareholders of Cybeats with respect to the payment and the issuance of the aggregate performance consideration (the "Aggregate Performance Consideration") upon the closing of the Proposed Transaction. Pima Corp. and Scryb Inc. acknowledge and agree that those persons who are entitled to the payment and issuance of the Aggregate Performance Consideration must agree to receive payment from Pima Corp. In the event that they do not agree, Scryb Inc. will continue its obligations pursuant to the Share Exchange Agreement and complete the Aggregate Performance Consideration for such persons. In the event that the persons who are entitled to the payment and issuance of the Aggregate Performance Consideration do not agree to receive payment from Pima Corp., Pima Corp. shall issue such number of common shares in the capital of Pima Corp. to Scryb Inc. equal in value to the number of common shares in the capital of Scryb Inc. that Scryb Inc. issues pursuant to the Aggregate Performance Consideration.

Completion of Cybeats Technologies Inc. Public Listing

On December 10, 2021, Scryb Inc. (formerly Relay Medical Corp.), the parent and sole shareholder of the Company, entered into a non-binding letter of intent (“LOI”) with Pima Zinc Corp. (“Pima Corp.”), pursuant to which the Pima Corp. will acquire all of the issued and outstanding common shares in the capital of the Company from Scryb Inc.

On August 11, 2022, the Company entered into an amalgamation agreement (the "Amalgamation Agreement") with Scryb Inc., 2635212 Ontario Inc. (“Subco”), and Pima Corp. pursuant under which Pima Corp. acquired all of the issued and outstanding common shares and preferred shares of the Company pursuant to a three-cornered amalgamation in accordance with Section 174 of the Business Corporations Act (Ontario) (the "Transaction"). As consideration for the Transaction, Pima Corp. issued Scryb Inc. an aggregate of 60,000,000 common shares in the capital of the Pima Corp. The parties entered into an amending agreement (“Amending Agreement”) dated November 1, 2022, whereas Pima Corp. also issued Scryb Inc. 10,000,000 common share purchase warrants. Each warrant will entitle Scryb Inc. to acquire one additional common share of Pima Corp. at a price of CDN $0.60 per common share for a period of 18 months following the completion of the Transaction. In addition, pursuant to the Amending Agreement, the termination date for the Amalgamation Agreement was extended to December 31, 2022.

Pursuant to the Amalgamation Agreement the following, among other things, requirements were satisfied:

(i) Pima Corp. changed its name to "Cybeats Technologies Corp." on November 9, 2022;

(ii) Subco completed a non-brokered private placement financing (the "Financing") for minimum gross proceeds of CDN$7,000,000. The Financing was completed on November 4, 2022, through the issuance of 13,323,800 units (each, a "PP Unit") at a price of $0.50 (the "Issue Price") per PP Unit for gross proceeds of $6,661,900. Each PP Unit is comprised of one common share in the capital of Subco (each, a "Subco Share") and one Subco Share purchase warrant (each, a "PP Warrant"). Each PP Warrant shall entitle the holder thereof to acquire one Common Share at a price of $0.60 per Common Share for a period of 18 months following the completion of the Proposed Transaction. In addition, the Company issued 3,411,000 subscription receipts (the "Subscription Receipts") in the capital of Subco at a price of $0.50 per Subscription Receipt for gross proceeds of $1,705,500. Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration, one unit (each, a Unit"). Each Unit shall be comprised of one Subco Share and PP Warrant. In connection with the Financing, Pima Corp. paid certain eligible persons (each, a "Finder") a cash commission of $40,000 equal to 8% of the gross proceeds of the PP Units delivered by the Finder and issued 80,000 broker warrants (the "Broker Warrants") equal to 8% of the number of PP Units delivered by the Finders pursuant to the Offering. Each Broker Warrant entitles the holder thereof to acquire one common share of the Company at a price of $0.50 per common share for a period of 18 months from the completion of the Proposed Transaction. In addition, Pima Corp. paid Finders a cash commission of $102,330 equal to 6% of the gross proceeds of the Subscription Receipts.

(iii) Subco, a corporation formed solely for the purpose of facilitating the Transaction, will merge with and into Cybeats Technologies Corp., pursuant to which, among other things, all outstanding Subco Shares and all securities convertible into Subco Shares shall be exchanged for replacement securities of the resulting issuer, on a one-for-one basis, exercisable in accordance with their terms and conditions.

In addition, pursuant to the Amalgamation Agreement, Pima Corp. assumed all of the obligations of the Company pursuant to the share exchange agreement dated March 2, 2021 (the "Share Exchange Agreement"), between the Company, Cybeats Technolgies Inc., and the former shareholders of the Cybeats Technologies Inc. with respect to the payment and the issuance of the aggregate performance consideration (the "Aggregate Performance Consideration") upon the closing of the Proposed Transaction. Pima Corp. and the Company acknowledged and agreed that those persons who are entitled to the payment and issuance of the Aggregate Performance Consideration must agree to receive payment from Pima Corp. In the event that they do not agree, the Company will continue its obligations pursuant to the Share Exchange Agreement and complete the Aggregate Performance Consideration for such persons. In the event that the persons who are entitled to the payment and issuance of the Aggregate Performance Consideration do not agree to receive payment from Pima Corp., Pima Corp. shall issue such number of common shares in the capital of Pima Corp. to the Company equal in value to the number of common shares in the capital of the Company that are issued pursuant to the Aggregate Performance Consideration.

Cybeats Technologies Corp. commenced trading on the CSE under the symbol "CYBT" on November 21, 2022.

The net gain arising upon business combination is as follows:

	Amount
	$
FMV of assets acquired from business combination	6,836,857
Satisfied by:	
Issuance of 60 million common shares at $0.02 per share	(1,200,000)
Issuance of 10 million share warrants at $0.15 per warrant	(1,470,992)
	4,165,865
Pima Zinc Inc.'s investment in Cybeats Technologies Inc.	6,836,857
Cybeats Technologies Inc.'s paid-up value of common stock	(3,100,807)
	3,736,050
Net gain on business combination	429,815

11. LEASE LIABILITY

On November 1, 2018, the Company entered into a 60-month lease to lease office and laboratory facilities. For the period ended September 30, 2023, the lease payments were $13,280 per month.

	Office lease
	$
Balance, September 30, 2021	382,930
Interest payments	50,279
Lease payments	(169,924)
Balance, September 30, 2022	**263,285**
Interest payments	49,458
Lease payments	(158,466)
Balance, September 30, 2023	**154,277**

The Company has recorded these leases as right-of-use assets (note 8) and lease liability in the statement of financial position as at September 30, 2023 and 2022. At the commencement date of the lease, the lease liability was measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an interest rate of 15%, which was the Company's incremental borrowing rate.

Maturity Analysis - Contractual Undiscounted Cash Flows

As of	September 30, 2023	September 30, 2022
	$	$
Less than one year	154,277	158,459
Greater than one year	-	104,826
Total undiscounted lease obligation	**154,277**	**263,285**

The continuity of the lease liability as at September 30, 2022 is presented in the table below:

	Under 1 year	Total
	$	$
Office lease	154,277	154,277

12. RECLAMATION BONDS

The Company holds reclamation bonds with the Alberta Energy Regulator as required by section 1.100(2) of the Oil and Gas Conservation Regulations and Directive 006: License Liability Rating Program and License Transfer Process. The reclamation bonds are held for the purposes of the future well abandonment, related to the business of the Company prior to the reverse takeover transaction. The Company has performed all requested remediation work at the site and is currently engaged with the regulator for the return of these funds to the Company.

13. GOVERNMENT LOANS

Canadian Emergency Business Account ("CEBA") Loan:

The Company applied for and received the CEBA loan for amounts totaling $60,000. The CEBA loan was implemented by the Government of Canada to provide relief measures to small businesses adversely effected by COVID-19. Under the extended terms of the CEBA loan, proceeds received are interest free up until December 31, 2022. If a minimum of 66.7% of the principal balance is repaid on or prior to, December 31, 2022, the remaining 33.3% shall be forgiven. On January 12, 2022, the Government of Canada announced that the repayment deadline of December 31, 2022 for CEBA loans to qualify for for the 33.3% forgiveness is being extended to December 31, 2023, for all eligible borrowers in good standing. On September 14, 2023, the Government of Canada annonced that the partial loan forgiveness of up to 33.3% is being further extended from December 31, 2023, to January 18, 2024.

The Company has identified that they do not qualify for the CEBA loan forgivable portion and as a result, the Company has not recognized any grant revenue or interest benefit in the statement of loss and comprehensive loss in connection with this loan.

Regional Relief and Recovery Fund ("RRRF") Loan:

On November 27, 2020 the Company applied for and received a RRRF loan for amounts totaling $103,563. The RRRF loan was implemented by the Government of Canada to provide financial relief measures to small businesses in Southern Ontario adversely effected by COVID-19. Under the terms of the RRRF loan, proceeds received are interest free and repayable in sixty (60) equal monthly payments, commencing on January 15, 2023.

According to the loan amortization schedule, an accretion expense of $11,034 was accrued from January 15, 2023 to September 30, 2023. In the preceding fiscal year, the interest benefit amounting to $9,541 was assessed and recorded based on a fair market interest rate of 16.5% due to the loan being interest - free until January 15, 2023.

The continuity of the government loans as at September 30, 2023 is presented in the table below:

	$
Balance October 1, 2021	182,719
Accretion	(9,541)
Balance, September 30, 2022	**173,178**
Accretion	11,034
Balance, September 30, 2023	**184,212**
Current	60,000
Non-current	124,212
Balance, September 30, 2023	**184,212**

As at September 30, 2023, the Company is in default of the repayment terms of the loan having not made the required monthly payments of $3,500 for the period January 15, 2023 to January 15, 2024.

14. CAPITAL STOCK

(a) Common shares

Authorized

The authorized capital stock of the Company consists of an unlimited number of common shares.

Scryb Inc.

Issued and Outstanding

	Number
Balance - September 30, 2021	**241,278,673**
Shares repurchased under NCIB (vii)	(1,586,001)
Balance - September 30, 2022	**239,692,672**
Shares issued on private placement (i)	17,590,000
Balance - September 30, 2022	**257,282,672**

(i) During the year ended September 30, 2022, the Company purchased 1,588,001 common shares under the Normal-Course Issuer Bid ("NCIB") stock buyback program used by companies listed in Canada for total costs of $330,813. These shares have been returned to treasury and cancelled;

(ii) On March 20, 2023, the Company closed a non-brokered private placement financing for gross proceeds of $1,319,375 through the issuance of 10,555,000 Units (each "Unit") at a price of $0.125 per unit; certain eligible persons (the "Finders") were issued 210,000 units representing a cash commission in the amount of $26,250. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a "Warrant). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.15 on or before 18 months from the date of issuance;

(iii) On May 10, 2023, the Company closed a non-brokered private placement financing for gross proceeds of $845,625 through the issuance of 6,765,000 Units (each "Unit") at a price of $0.125 per unit; certain eligible persons (the "Finders") were issued 60,000 units representing a cash commission in the amount of $7,500. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a "Warrant). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.15 on or before 18 months from the date of issuance;

(b) Stock option plan and share-based compensation

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants enabling them to acquire up to 20% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price, minimum price, or a discounted price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 10 years.

The following table summarizes activity within the Company's stock option plan during the year:

	Number of Options Outstanding	Black-Scholes Value	Weighted Average Exercise Price
		$	$
Balance September 30, 2021	**38,851,500**	**11,713,090**	**0.29**
Granted	2,000,000	212,861	0.20
Exercised	-	-	-
Expired	(1,100,000)	(164,487)	0.15
Cancelled	(2,152,500)	(402,089)	0.19
Corrections	322,500	-	-
Balance September 30, 2022	**37,921,500**	**11,359,375**	**0.30**
Expired	(2,155,500)	(601,052)	0.27

Cancelled	(3,526,000)	(739,639)	0.21
Adjustments	-	(346,609)	-
Balance September 30, 2023	**32,240,000**	**9,672,075**	**0.31**

On May 17, 2022, the Company granted an aggregate of 2,000,000 options to purchase common shares of the Company with an estimated fair value of $212,861 exercisable at a price of $0.20 per common share, vesting immediately and expiring on May 17, 2027, to certain directors, employees, officers and consultants of the Company.

During the year ended September 30, 2023, 3,525,000 options expired with an average exercise price of $0.27.

The following common share purchase options are outstanding as at September 30, 2023:

Date of Grant	Number of Options Outstanding	Exercise Price ($)	Weighted Average Remaining Life (years)	Expiry Date	Number of Options Exercisable
February 18, 2020	5,360,000	0.200	1.39	February 19, 2025	5,360,000
August 18, 2020	3,700,000	0.205	1.88	August 18, 2025	3,700,000
August 26, 2020	650,000	0.230	1.91	August 26, 2025	650,000
December 18, 2020	2,900,000	0.225	2.22	December 18, 2025	2,900,000
January 8, 2021	650,000	0.305	2.28	January 8, 2026	650,000
January 22, 2021	2,550,000	0.335	2.32	January 22, 2026	2,550,000
March 3, 2021	3,875,000	0.740	2.42	March 3, 2026	3,875,000
April 26, 2021	1,165,000	0.500	2.57	April 26, 2026	1,165,000
July 22, 2021	5,490,000	0.250	2.81	July 22, 2026	5,490,000
August 4, 2021	2,500,000	0.250	2.85	August 4, 2026	2,500,000
September 8, 2021	500,000	0.250	2.94	September 8, 2026	500,000
September 17, 2021	400,000	0.250	2.97	September 17, 2026	400,000
September 21, 2021	500,000	0.270	2.98	September 21, 2026	500,000
May 17, 2022	2,000,000	0.200	3.63	May 17, 2027	2,000,000
	32,240,000	**0.307**	**2.35**		**32,240,000**

Share based compensation during the September 30, 2023 fiscal year totaled $762,437 (2022 - $212,861).

The fair value of options granted during the period ended September 30, 2023, was estimated at the date of grant using a Black Scholes Option Pricing Model with the following assumptions.

	December 9 2022	May 17 2022
Share price	$ 0.16	$ 0.16
Risk free interest rate	3.24%	2.82%
Expected life of options	5 years	5 years
Annualized volatility	84%	89%
Dividend rate	Nil	Nil
Forfeiture rate	0%	0%

Cybeats Technologies Corp.

Cybeats Corp. has a stock option plan under which it is authorized to grant options to directors, employees and consultants enabling them to acquire up to 20% of the issued and outstanding common shares of Cybeats Corp. Under the plan, the exercise price of each option equals the market price, minimum price, or a discounted price of the Company's shares as calculated on the date of grant.

The following table summarizes activity within the Cybeats Technologies Corp. stock option plan during the period:

	Number of Options Outstanding	Black-Scholes Value	Weighted Average Exercise Price
		$	$
Balance October 1, 2021			
Granted	18,450,000	7,012,485	0.50
Balance September 30, 2022	**18,450,000**	**7,012,485**	**0.50**
Granted	440,000	384,580	1.35
Exercised	(470,000)	(178,638)	0.50
Cancelled	(575,000)	(218,546)	0.50
Balance September 30, 2023	**17,845,000**	**6,999,881**	**0.52**

On November 11, 2022, the Company granted an aggregate of 18,455,000 options to purchase common shares of the Company with an estimated fair value of $7,012,485 exercisable at a price of $0.50 per common share, vesting immediately and expiring on November 11, 2027, to certain directors, employees, officers and consultants of the Company.

On May 16, 2023, the Company granted an aggregate of 440,000 options to purchase common shares of the Company with an estimated fair value of $384,580 exercisable at a price of $1.35 per common share, vesting immediately and expiring on May 16, 2028, to certain directors, employees, officers and consultants of the Company.

During the year ended September 30, 2023, 475,000 options were exercised at an average exercise price of $0.50 per option.

During the year ended September 30, 2023, 575,000 options were cancelled.

As of September 30, 2023, the non-controlling portion of the above contributed surplus from the grant of options represents $2.96 million (40.13%) of the total value $7.4 million.

The following common share purchase options are outstanding as at September 30, 2023:

Date of Grant	Number of Options Outstanding	Exercise Price ($)	Weighted Average Remaining Life (years)	Expiry Date	Number of Options Exercisable
November 11, 2022	17,405,000	0.500	4.12	November 11, 2027	14,270,716
May 16, 2023	440,000	1.350	4.63	May 16, 2028	440,000
	17,845,000	**0.521**	**4.13**		**14,710,716**

Share based compensation during the September 30, 2023 fiscal year totaled $384,580 (2022 - $7,012,485).
The fair value of options granted during the period ended September 30, 2023, was estimated at the date of grant using a Black Scholes Option Pricing Model with the following assumptions.

	May 16 2023	November 11 2022
Share price	$ 1.35	$ 0.50
Risk free interest rate	3.33%	3.34%
Expected life of options	5 years	5 years
Annualized volatility	82%	88%
Dividend rate	Nil	Nil
Forfeiture rate	0%	0%

(c) Warrants

The following table summarizes warrants that have been issued, exercised or have expired during the period ended September 30, 2023:

Scryb Inc.

	Number of Warrants Outstanding	Black-Scholes Value	Weighted Average Exercise Price
		$	$
Balance September 30, 2021	**56,223,809**	**5,452,622**	**0.29**
Extended	6,105,445	633,847	0.20
Expired	(56,223,809)	(5,452,622)	0.30
Balance September 30, 2022	**6,105,445**	**633,847**	**0.20**
Granted	17,590,000	567,140	0.15
Balance September 30, 2023	**23,695,445**	**1,200,987**	**0.16**

The fair value of warrants granted during the year ended September 30, 2023, was estimated at the date of grant using a Black Scholes Option Pricing Model with the following assumption:

	Investor and Broker Warrants May 2023	**Investor and Broker Warrants March 2023**	**Investor and Broker Warrants September 2022**
Share price	$0.15	$0.15	$0.11
Risk-free interest rate	2.99%	2.89%	3.42%
Time to maturity	1.5	1.5	1.5
Annualized volatility	81%	79%	79%
Dividend yield	Nil	Nil	Nil

On August 15, 2022, the Company extended the expiry date of an aggregate of 6,105,445 previously issued warrants at an exercise price of $0.20 for an additional 18 months, with the expiry date now being March 17, 2024. The exercise price of the warrants remains unchanged. In connection with this modification, an incremental change in the fair value was determined to be $633,847.

On March 17, 2023, the Company granted an aggregate of 10,765,000 warrants to purchase common shares of the Company with an estimated fair value of $342,158 exercisable at a price of $0.15 per common share, expiring on August 17, 2024.

On May 10, 2023, the Company granted an aggregate of 6,825,000 warrants to purchase common shares of the Company with an estimated fair value of $224,982 exercisable at a price of $0.15 per common share, expiring on November 10, 2024.

As at September 30, 2023, there were 23,695,445 (September 30, 2022 - 6,105,445) warrants outstanding.

Cybeats Technologies Corp.

The following table summarizes warrants that have been issued, exercised or have expired during the period ended September 30, 2023:

	Number of Warrants Outstanding	Black-Scholes Value	Weighted Average Exercise Price
		$	$
Balance October 1, 2022	**7,328,153**	**3,198,077**	**0.52**
Granted	26,814,800	3,946,835	0.60
Exercised	(200,000)	(29,420)	0.60
Expired	(203,153)	(1,528,519)	1.27
Balance December 31, 2022	**33,739,800**	**5,586,973**	**0.60**
Granted	6,286,200	2,505,536	1.40
Exercised	(1,068,000)	(202,284)	0.55
Balance September 30, 2023	**38,958,000**	**7,890,225**	**0.71**

On April 21, 2023, the Company granted an aggregate of 2,118,100 warrants to purchase common shares of the Company with an estimated fair value of $738,149 exercisable at a price of $1.40 per common share, expiring on April 6, 2025.

On May 10, 2023, the Company granted an aggregate of 4,168,100 warrants to purchase common shares of the Company with an estimated fair value of $1,767,387 exercisable at a price of $1.40 per common share, expiring on May 10, 2025.

The fair value of warrants granted during the year ended September 30, 2023, was estimated at the date of grant using a Black Scholes Option Pricing Model with the following assumption:

	Investor and Broker Warrants May 2023	**Investor and Broker Warrants April 2023**	**Investor and Broker Warrants November 2022**	**Investor and Broker Warrants April 2022**
Share price	$1.20	$1.06	$0.60	$0.50
Risk-free interest rate	3.72%	2.90%	3.83%	3.83%
Time to maturity	2.0	2.0	1.5	1.5
Annualized volatility	70%	73%	71%	71%
Dividend yield	Nil	Nil	Nil	Nil

15. INCOME TAXES

A reconciliation of current income taxes at statutory rates with the reported taxes is as follows:

	September 30, 2023	**September 30, 2022**
	$	$
Net loss before income taxes	(19,773,561)	(11,144,009)
Combined Canadian federal and provincial tax rate	26.5%	26.5%
Expected income tax recovery at statutory tax rates	(5,239,994)	(2,953,161)
Share-based compensation and non-deductible expenses	1,242,666	212,861
Other	443,523	23,186
Change in unrecognized deferred tax assets	3,553,805	2,717,114
Provision for income tax	**-**	**-**

Significant components of deductible and taxable temporary differences, unused tax losses and unused tax credits that have not been included on the statement of financial position are as follows:

	September 30, 2023	**September 30, 2022**
	$	$
Exploration and evaluation assets	2,608,354	2,608,354
Share issuance costs	970,447	41,982
Intangible assets	3,257,727	4,609,099
Non-capital losses	56,585,590	33,754,622
	63,422,118	**41,014,057**

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits there from. Non-capital loss carry forwards expire as rated in the table below. Share issue costs will be fully amortized in 2025. The remaining deductible temporary differences may be carried forward indefinitely.

As at September 30, 2023, the Company has non-capital losses of $56,585,590 (2022 - 33,754,622) that can be used to reduce future taxable income. These losses expire as follows:

	$
2036	5,813
2037	7,420,684
2038	4,114,186
2039	7,918,607
2040	4,714,585
2041	8,155,680
2042	10,428,358
2043	13,827,677
	56,585,590

16. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, Corporate Officers and Vice Presidents.

During the year ended September 30, 2023, $1,432,933 (2022 - $151,800) was due to key management and companies controlled by or related to key management.

Remuneration of key management of the Company the year ended September 30, 2023 was as follows:

	September 30, 2023	**September 30, 2022**
	$	$
Consulting and management fees	2,038,850	483,287
	2,038,850	**483,287**

At September 30, 2023, the following intercompany balances were outstanding:

	September 30, 2023	**September 30, 2022**
	$	$
Advances to Glow LifeTech Corp.	1,098,742	464,609
Demand loan receivable Fio Corp	210,284	228,547
Demand loan receivable Fionet Rapid Response Group	500,000	500,000
Advances to Fionet Rapid Response Group (note 6)	2,158,438	1,725,270
Total due from related parties	3,967,464	2,918,426
Less current portion	527,000	2,918,426
Long term portion due from related parties	3,440,464	-

The demand loan receivable is due from Fio Corp. is non-interest bearing with no fixed terms of repayment.

The demand loan receivable is due from Fionet Rapid Response Group and the demand loan bears interest at the annual rate of 8% with no fixed terms of repayment.

17. FINANCIAL RISK FACTORS

The Company manages its exposure to a number of different financial risks arising from its operations as well as its use of financial instruments including market risks, credit risk and liquidity risk through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility.

Financial risks are primarily managed and monitored through operating and financing activities and, if required. The financial risks are evaluated regularly with due consideration to changes in the key economic indicators and up-to-date market information.

The Company’s financial instruments primarily consist of cash, other receivables, reclamation bonds, accounts payable and accrued liabilities, government loans. The fair value of the Company’s other receivables, accounts payable and accrued liabilities, and government loans approximate their carrying value, due to their short-term maturities or ability of prompt liquidation.

The Company’s cash is recorded at fair value, under the fair value hierarchy, based on level one quoted prices in active markets for identical assets of liabilities. The Company's other receivables, reclamation bonds, accounts payable and accrued liabilities, government loans are measured at amortized cost.

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis.

(i) Interest Rate Risk

The Company has cash balances and is not at a significant risk to fluctuating interest rates. The Company’s current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company monitors the credit worthiness of the debtor and is satisfied with the debtor’s ability to repay the amount owing.

(ii) Foreign currency risk

As at September 30, 2023, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars and therefore is not at a significant risk to fluctuating exchange risks.

Liquidity Risk

Liquidity risk encompasses the risk that a company cannot meet its financial obligations in full. The Company's main source of liquidity is derived from its common stock issuances. These funds are primarily used to finance working capital, operating expenses, capital expenditures, and acquisitions.

The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash and cash equivalents. As at September 30, 2023 the Company held cash in banks and cash in trust of $369,227 (September 30, 2022 - $368,223) to settle current liabilities of $5,279,342 (September 30, 2022 - $1,542,473); the Company has a working capital deficiency of $1,328,696 (2022 - a surplus of $2,287,760) and the Company has reported a loss from operations for the year ended September 30, 2023 of $19,773,561 (2022 - $11,144,009), therefore, liquidity risk is considered high.

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. Financial instruments that potentially subject the Company to credit risk consist of cash. The Company has reduced its credit risk by investing its cash in trust with Canadian chartered banks.

18. CAPITAL MANAGEMENT

Due to the development stage of the Company and its reliance on equity funding at this time, the Company defines capital as its common stock. As at September 30, 2023, the Company's capital stock was $53,434,407 (September 30, 2022 - $44,582,532).

There were no changes in the Company's approach to capital management during the year ended September 30, 2023, and the Company is not subject to any externally imposed capital requirements.

Management has expectations that it will be required to raise additional funds through equity, additional borrowings or the sale of certain assets in the coming year in order to meet its cash flow requirements.

The Company's objectives when managing capital are:

(a) To safeguard the Company's financial capacity and liquidity for future earnings in order to continue to provide an appropriate return to shareholders and other stakeholders;

(b) To maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk; and

(c) To enable the Company to maximize growth by meeting its capital expenditure budget, to expand its budget to accelerate projects, and to take advantage of acquisition opportunities.

The Company regularly monitors and reviews the amount of capital in proportion to risk and future opportunities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

19. BASIC AND DILUTED LOSS PER SHARE

Basic loss per share has been calculated by dividing the net loss per the financial statements by the weighted average number of shares outstanding during the year. The fully diluted loss per share would be calculated using a common share balance increased by the number of common shares that could be issued on the exercise of outstanding warrants and options of the Company. As the Company is in a loss position for years ended September 30, 2023, and 2022, this would be anti-dilutive.

20. SUBSEQUENT EVENTS

On January 25, 2024, Cybeats Technologies Corp closed its non-brokered private placement through the issuance of 2,025 debenture units (each, a "Debenture Unit") in the capital of the Company at a price of $1,000 per Debenture Unit for gross proceeds of $2,025,000 (the "Offering"), as further detailed below.

Each Debenture Unit was comprised of: (i) a $1,000 in principal amount of unsecured convertible debentures (the "Debentures"); and (ii) 3,333 common share purchase warrants (each, a "Warrant"). Each Warrant shall entitle the holder to purchase one common share (each, a "Warrant Share") in the capital of the Company at an exercise price of $0.40 per Warrant Share for a period of twenty-four (24) months from the date of issuance (the "Issue Date").

The Principal Amount of the Debentures, and any accrued and unpaid interest, will mature and become due and payable in cash on the date that is 24 months from the Issue Date (the "Maturity Date"). The Principal Amount owing under the Debentures will accrue interest from the date of issuance at 12% per annum, payable every twelve (12) months in cash. The first interest payment will be made twelve (12) months from the Issue Date and will consist of interest accrued from and including the Issue Date. The Principal Amount on the Debenture is convertible into common shares in the capital of the Company (each, a "Share") at the option of the holder, in whole or in part, at any time following the Issue Date at the conversion price of $0.30 per Share (the "Conversion Price").

Scryb's investment in Glow Corp. has been valued at $0.065 per common share which was the listed price per share as at September 30, 2023 (September 30, 2022 - $0.08 per common share).

The current market value of Scryb's investment in Glow Corp. based on a price of $0.03 per common share which was the listed price per share as at February 2, 2024 is $247,500. This results in a fair value loss of $288,750 for the period October 1, 2023 to February 2, 2024.

21. COMPARATIVE BALANCES

Certain comparative figures for the year ended September 30, 2022, have been reclassified to conform to the presentation adopted for the year ended September 30, 2023.