Scryb Inc.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE- AND NINE-MONTH PERIOD ENDED JUNE 30, 2024, AND 2023

INDEX

Scryb Inc.
Management's Responsibility of Financial Reporting
June 30, 2024

Notice of No Auditor Review of Condensed Interim Consolidated Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company on August 29, 2024. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Scryb Inc.
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian dollars)

As at	June 30, 2024	September 30, 2023
Assets		
Current assets		
Cash	$ **65,263**	$ 369,227
Other receivables (note 5)	**169,972**	660,228
Due from related parties (note 15)	**537,000**	527,000
Prepaid expenses	**324,422**	2,394,191
	1,096,657	3,950,646
Non-current assets		
Reclamation bonds (note 11)	**79,068**	79,068
Property, plant and equipment (note 7)	**-**	13,023
Right-of-use asset (note 8)	**41,351**	224,136
Investment in associates (note 6)	**8,082,069**	1,149,922
Due from related parties (note 15)	**3,284,362**	3,440,464
Intangible assets (notes 9)	**-**	4,114,104
Total assets	**12,583,508**	12,971,363
Current Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**1,575,696**	3,091,137
Unearned revenue	**-**	540,994
Equity deposits	**80,000**	-
Current portion of lease liability (note 10)	**39,328**	154,277
Due to related parties	**-**	1,432,933
Current portion of government loans (note 12)	**60,000**	60,000
	1,755,025	5,279,341
Non-Current Liabilities		
Government loans (note 12)	**131,599**	124,212
Total liabilities	**1,822,679**	5,403,553
Shareholders' equity		
Capital stock (note 13)	**43,608,176**	53,434,407
Warrant reserve	**3,218,622**	8,127,124
Contributed surplus	**20,888,935**	22,955,348
Deficit	**(56,954,904)**	(75,949,841)
Non controlling interest (note 19)	**-**	(999,228)
Total equity attributable to shareholders of Scryb Inc.	**10,760,828**	7,567,810
Total liabilities and shareholders equity	$ **12,583,508**	$ 12,971,363

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

"Greg Van Staveren"
Director

"Michael Minder"
Director

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

Scryb Inc.
CONSOLIDATED INTEIRM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE-MONTHS ENDED JUNE 30, 2024, AND 2023
(Unaudited - Expressed in Canadian dollars)

	Three months ended		Nine months ended	
	June 30, 2024	June 30, 2023	**June 30, 2024**	June 30, 2023
	Note 6		*Note 6*	
Revenues				
Royalties and management fees	**$ -**	$ 24,115	**$ 138,872**	$ 209,968
Other revenue	**8,245**	15,049	**30,235**	22,158
	8,245	39,164	**169,107**	232,126
Expenses				
Amortization expense	**3,990**	349,843	**695,676**	1,049,528
Consulting and management fees	**143,866**	680,829	**349,744**	1,215,130
Depreciation	**24,244**	45,871	**72,732**	113,948
Foreign currency loss	**239**	72	**239**	1,207
Insurance expenses	**13,582**	13,100	**45,014**	41,586
Interest and accretion	**25,158**	9,062	**72,733**	29,591
Loss in investment in associate	**444,790**	41,250	**847,003**	(432,980)
Office, general and administrative	**7,788**	67,367	**41,540**	170,999
Product research and development costs	**358**	1,155	**1,259**	12,196
Professional fees	**22,376**	28,409	**85,396**	79,976
Salaries and benefits	**192,564**	386,906	**929,087**	1,166,653
Share-based compensation (note 13b)	**-**	-	**-**	762,437
Shareholder communications and marketing	**18,028**	20,827	**29,264**	52,851
Transfer agent and filing fees	**5,705**	45,041	**14,785**	80,974
Net loss from Operations	**(894,442)**	(1,650,565)	**(3,015,365)**	(4,111,971)
Other Comprehensive Income				
Gain on equity dilution in Cybeats Technologies Inc.	**-**	-	**-**	757
Gain on loss of control in Cybeats Technologies Corp.	**(4,463,620)**	-	**(4,463,620)**	-
Net income (loss) and other comprehensive income (loss)	**$ 3,569,178**	$ (1,650,565)	**$ 1,448,255**	$ (4,112,728)
Income (loss) per share				
Basic and diluted (note 18)	**$ 0.01**	$ (0.01)	**$ 0.01**	$ (0.02)
Weighted average number of common shares outstanding, basic and diluted	**279,865,872**	254,325,172	**261,005,177**	245,009,235

Scryb Inc.
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE AND NINE-MONTHS ENDED JUNE 30, 2024, AND 2023
(Unaudited - Expressed in Canadian dollars)

	Capital Stock		Warrant reserve	Contributed surplus	Deficit	Total Equity
	Number of shares	Amount				
Balance - October 1, 2022	**239,692,672**	**44,582,532**	**2,836,268**	**20,601,699**	**(62,279,579)**	**5,740,918**
Business combination elimination	-	(3,100,808)	-	-	8,086,572	**4,985,764**
Shares issued from private placement	17,590,000	1,631,610	567,140	-	-	**2,198,750**
Adjustment	-	119,809	-	(346,609)	(22)	**(226,822)**
Net loss for the period	-	-	-	-	(4,088,582)	**(4,088,582)**
Balance - September 30, 2023	**257,282,672**	**$ 43,233,146**	**$ 3,403,407**	**$ 20,255,090**	**$ (58,281,611)**	**$ 8,610,027**
Balance - October 1, 2023	**257,282,672**	**43,233,146**	**3,403,407**	**20,255,090**	**(58,281,611)**	**8,610,027**
Shares issued from private placement	33,874,800	375,030	449,060	-	-	**824,090**
Expiration of warrants	-	-	(633,845)	633,845	-	**-**
Adjustment	-	-	-	-	(121,550)	**(121,550)**
Net loss for the period	-	-	-	-	1,448,255	**1,448,255**
Balance - June 30, 2024	**291,157,472**	**$ 43,608,176**	**$ 3,218,622**	**$ 20,888,935**	**$ (56,954,904)**	**$ 10,760,828**

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

Scryb Inc.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE AND NINE-MONTHS ENDED JUNE 30, 2024, AND 2023
(Unaudited - Expressed in Canadian dollars)

	June 30, 2024	June 30, 2023
Cash flows from (used in) operating activities		
Net loss for the period	**$ 1,448,255**	$ (15,736,573)
Items not affecting cash from operations:		
Depreciation	**182,785**	179,600
Amortization	**695,676**	1,049,528
Proportionate share of loss from FRR	**108,014**	(354,455)
Proportionate share of loss from Cybeats	**553,138**	757
Unrealized loss on investment in associate	**123,750**	82,500
Share-based compensation	**-**	5,261,712
Interest and accretion, net	**139,213**	153,232
Changes in non-cash working capital items:		
Decrease in prepaid expenses	**2,069,769**	(3,091,971)
Decrease in amounts receivable	**490,257**	(1,799,181)
Increase in accounts payable and accrued liabilities	**(1,515,440)**	1,985,411
Decrease in due to related parties	**(1,286,831)**	-
Decrease in unearned service revenue	**(540,994)**	-
Advances from Pima Zinc Corp.	**-**	(3,716,982)
Net cash used in operating activities	**2,467,592**	(15,986,421)
Cash flows used in investing activities		
Decrease in intangibles	**3,418,428**	-
Investment in associate Fionet Rapid Response Group	**-**	(165,352)
Investment in associate Cybeats Technologies Corp.	**(7,328,911)**	-
Purchase of property, plant and equipment	**13,023**	(171,589)
Net cash used in investing activities	**(3,897,460)**	(336,941)
Cash flows from (used in) financing activities		
Units issued for cash, net of issuance costs	**-**	15,713,989
Proceeds from private placement, net of issue costs	**1,217,411**	-
Interest on government loans	**7,386**	-
Proceeds from warrant exercise	**-**	554,000
Proceeds from options exercise	**-**	177,500
Increase in equity deposits	**80,000**	-
Pima Zinc Corp. net working capital acquired	-	(318,875)
Net payments on leases	**(178,893)**	(91,657)
Net cash from financing activities	**1,125,904**	16,034,957
Decrease in cash for the period	**(303,963)**	(288,403)
Cash - beginning of period	**369,227**	368,223
Cash - end of period	**$ 65,263**	$ 79,820

1. NATURE OF OPERATIONS

Scryb Inc. (“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.

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 nine-month period ended June 30, 2024, were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on August 29, 2024.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, UX Data Sciences Corp., Osprey Device Networks Corp. and HemoPalm Corp. In the prior period Cybeats Technologies Corp. was consolidated under Scryb. As of May 28, 2024, Cybeats Technologies Corp. (“Cybeats Corp.”) (formerly Pima Zinc Corp.) (note 6 and note 20) is not consolidated but presented as an equity invested due to the dilution from the most recent Cybeats Technologies Corp financing. All significant intercompany balances and transactions have been eliminated on consolidation.

<u>Subsidiaries</u>

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.

<u>Non-controlling interests</u>

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 except for certain financial instruments which are measured at fair value. 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 accounting polices set out below 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 tested 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, software license and research and development costs that are amortized over their five-year estimated useful life.

(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 asset;
- 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.

(a) Share-based Payments

The Company accounts for share-based payment using the fair value method. Under this method, compensation expense is measured at fair value on the date of grant using the Black-Scholes option pricing model, and is 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 equity instruments granted. 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 bases 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 or FVTOCI. Gains or losses on these items are recognized in profit or loss.

(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".

(iii) Fair Value through other comprehensive income

Investments recorded at fair value through other comprehensive income (FVOCI) On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI 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.

(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 is measured at fair value using Level 1 inputs.

As at June 30, 2024 and 2023, 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.

(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 anti-dilutive, 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
Investments in associates are 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 JUDGEMENTS 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 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, software license 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 marketplace.

(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 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.

(Unaudited - Expressed in Canadian dollars)

5. OTHER RECEIVABLES

Other receivables were comprised of the following:

	June 30 2024	September 30 2023
Trade receivables	97,872	332,984
HST receivable	-	127,772
Other receivables	72,100	199,472
	169,972	**660,228**

6. INVESTMENT IN ASSOCIATES

Investment in Associates was comprised of the following:

	June 30 2024	September 30 2023
Investment in Fionet Rapid Response Group	505,658	613,672
Investment in Glow LifeTech Corp.	247,500	536,250
Investment in Cybeats Technologies Corp.	7,328,911	-
	8,082,069	**1,149,922**

Fionet Rapid Response Group:

On August 19, 2020, Scryb established 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 operates under the name "Fionet Rapid Response Group" and is headquartered in Toronto, Canada. Scryb and Fionet Rapid Response Group signed a Memorandum of Understanding for this JV. The Fionet Rapid Response Group enables 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 for the purposes of establishing the Joint Venture. As part of the Joint Venture agreement Scryb invested $1,500,000 into FRR through the provision of consulting services with another $500,000 given in the form of a repayable loan. In exchange for the investment Scryb owns 33% of FRR with a 33% royalty on all FRR revenue related to individual testing and a 20% royalty on all FRR revenue related to FRR platform solutions and 10% royalty on all FRR revenue related to data revenue. Fio owns the remaining 67% of FRR. The investment in associate has been initially recorded and recognized at its cost of $1,500,000 less the Company's share of markup on certain consulting services provided.

	June 30, 2024	September 30, 2023
Initial Investment	613,672	707,988
Share of equity loss	(108,014)	(94,316)
	505,657	613,672

(Unaudited - Expressed in Canadian dollars)

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

During the September 30, 2020 fiscal year, Glow LifeTech Ltd. (Glow Ltd.) completed a series of private placements for gross proceeds of $2,411,115 through the issuance of 12,120,000 common shares at a price of $0.20 per share. In connection with these private placements, as of September 30, 2020, Scryb's ownership in Glow Ltd. was diluted to 22.2% (September 30, 2019 – 39.1%). During this period Glow was operated as a division of Scryb.

On March 3, 2021, Glow 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 Ltd. becoming a wholly-owned subsidiary of the Ateba.

In connection with the reverse takeover transaction, Glow Ltd. completed a non-brokered private placement financing of 17,138,432 units of Glow 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 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. In connection with this raise, the Company acquired 2,000,000 units of Glow 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 June 30, 2024, the Company held 8,250,000 commons shares of Glow Corp. or 10.1% 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 Management's 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 $0.03 per common which was the listed price per share at June 30, 2024 share (down from $0.07 at September 30, 2023).

	June 30, 2024	**September 30, 2023**
Opening balance	536,250	660,000
Fair value gain (loss)	(288,750)	(123,750)
	247,500	536,250

(Unaudited - Expressed in Canadian dollars)

Cybeats Technologies Corp. (formerly Cybeats Technologies Inc.)

On November 21, 2022, the Company successfully completed the public listing of Cybeats Technologies Corp. (CSE: CYBT) via a reverse takeover transaction with Pima Zinc. And Cybeats Technologies Inc., for which the Company holds 60,000,000 of the issued and outstanding shares with 10,000,000 common share purchase warrants at a strike price of $0.50 expiring on May 11, 2024.

On November 4, 2022, Pima Zinc Corp.("Pima") completed a non-brokered private placement financing in the capital of Pima Subco 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 consists of one common share in the capital of Pima Subco (each, a "Pima Subco Share") and one Pima 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 eighteen-(18) months following the completion of the Proposed Transaction.

In addition, Pima Zinc issued 3,411,000 subscription receipts (the "Subscription Receipts") in the capital of Pima 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") upon satisfaction of the escrow release conditions ("Escrow Release Conditions"). Each Unit shall be comprised of one Pima Subco Share and PP Warrant.

On May 28, 2024, Cybeats Technologies Corp. completed a private placement resulting in a dilution of the Company's ownership interest to a loss of control (September 30, 2023 – 60%). As a result, $4,463,620 was recognized as a gain on loss of control in Cybeats Technologies Corp. This consisted of a gain on loss of control of the subsidiary in the amount of $11,459,950 and a net loss from Cybeats operations to the date control was lost, of $6,996,330. As a result of a loss of control of Cybeats, the investment in Cybeats is now presented as equity pickup method.

Carrying Value of Net Liabilities Disposed:		
Cash	103,655	
Accounts receivable	786,818	
Prepaid expenses	1,535,070	
Property, plant, and equipment	6,926	
Long-term assets	59,259	
Accounts payable and accrued liabilities	(2,797,752)	
Deferred revenues	(1,510,958)	
Long-term payables	(1,661,397)	
Intellectual Property	3,418,429	
Net Liabilities Disposed:		**59,950**
Fair Market Value of Cybeats Technologies Corp.		
at the time control was lost		**11,400,000**
Gain on Loss of Control of Subsidiary		**11,459,950**

(Unaudited - Expressed in Canadian dollars)

Operating results of Cybeats Technologies Corp. from October 1, 2023 (beginning of the fiscal year) to May 28, 2024 (date control was lost), have been classified as other comprehensive income in the consolidated statements of loss and comprehensive loss.

Net loss from Cybeats Technologies Corp.	**June 30, 2024**
Revenues	
Product Sales	1,269,673
	1,269,673
Operating Expenses	
Advertising and promotion	1,714,183
Depreciation	54,370
Foreign currency loss (gain)	14,124
Interest and accretion	301,748
Office, general and administrative	112,349
Product research and development costs	471,804
Professional fees	204,275
Salaries and benefits	2,962,058
Share-based compensation (note 14b)	2,400,679
Transfer agent and filing fees	30,413
	8,266,003
Net loss for the period	(6,996,330)

(Unaudited - Expressed in Canadian dollars)

7. PROPERTY, PLANT AND EQUIPMENT

	Office furniture & equipment	Computer equipment	Total
	$	$	$
Cost			
As at September 30, 2022	**198,701**	**14,338**	**213,039**
Additions	-	-	-
As at September 30, 2023	**198,701**	**14,338**	**213,039**
Additions	-	-	-
As at June 30, 2024	**198,701**	**14,338**	**213,039**

	Office furniture & equipment	Computer equipment	Total
	$	$	$
Amortization for the period			
As at September 30, 2022	**183,639**	**14,338**	**227,065**
Amortization for the period	15,061	-	15,061
As at September 30, 2023	**198,701**	**14,338**	**242,126**
Amortization for the period	-	-	-
As at June 30, 2024	**198,701**	**14,338**	**242,126**

	Office furniture & equipment	Computer equipment	Total
	$	$	$
Net book value			
As at September 30, 2022	**15,061**	**-**	**15,061**
As at September 30, 2023	**-**	**-**	**-**
As at June 30, 2024	**-**	**-**	**-**

8. RIGHT-OF-USE ASSET

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

	Period ended June 30, 2024	Period ended September 30, 2023
Opening Balance	114,072	202,507
Depreciation	(72,720)	(88,435)
Ending Balance	**41,352**	**114,072**

(Unaudited - Expressed in Canadian dollars)

9. INTANGIBLE ASSETS

The following is a summary of patents as of June 30, 2024:

	Software License	Intellectual Property	Total
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**
Amortization	(11,990)	(1,025,529)	(1,037,519)
Disposals	-	(3,076,585)	(3,076,585)
Balance June 30, 2024	**-**	**-**	**-**

10. LEASE LIABILITY

On September 1, 2017, the Company entered into a 36-month lease agreement to lease office and laboratory facilities. On July 15, 2019, the Company entered into a sub-lease agreement to lease this space to a third party for the remainder of the original lease term, ending August 30, 2020.

On November 1, 2018, the Company entered into a 60-month lease agreement to lease an office and laboratory facilities. During the three months ended, December 31, 2023, the lease payments were $14,180 per month.

		Office & laboratory lease		Total
Balance, September 30, 2022	**$**	**263,285**	**$**	**263,285**
Interest expense		49,458		49,458
Lease payments		(158,466)		(158,466)
Balance, September 30, 2023	**$**	**154,277**	**$**	**154,277**
Interest expense		11,773		11,773
Lease payments		(126,722)		(126,722)
Balance, June 30, 2024	**$**	**39,328**	**$**	**39,328**

The Company has recorded these leases as right-of-use assets (note 8) and lease liability in the statement of financial position as at June 30, 2024. 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 at		**June 30, 2024**		**September 30, 2023**
Less than one year	$	42,541	$	154,277
Total undiscounted lease obligation	**$**	**42,541**	**$**	**154,277**

The continuity of the undiscounted lease liability is presented in the table below:

		Under 1 year		Total
Office Lease	$	42,541	$	42,541

(Unaudited - Expressed in Canadian dollars)

11. 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.

12. GOVERNMENT LOANS

Canadian Emergency Business Account ("CEBA") Loan:

The Company applied for a received a 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 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 the 33.3% forgiveness is being extended to December 31, 2023, for all eligible borrowers in good standing.

The Company has identified that they do not qualify for the CEBA loan 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 (September 30, 2020 - $168,000). 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, 2022.

In connection with the interest free term on the loan, the interest benefit has been valued at $7,387 (September 30, 2023 - $11,034) based on a fair market interest rate of 16.5% (September 30, 2023 - 16.5%). The continuity of the government loans as at June 30, 2024 is presented as follows:

	June 30, 2024	September 30, 2023
Opening Balance	184,212	173,178
Accretion	7,387	11,034
Closing Balance	**191,599**	**184,212**
Current	60,000	60,000
Non-Current	131,599	124,212
Closing Balance	**191,599**	**184,212**

(Unaudited - Expressed in Canadian dollars)

13. 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, 2022	**239,692,672**	**44,582,532**
Business combination elimination	-	(3,100,808)
Shares issued from private placement	17,590,000	1,631,610
Adjustment	-	119,809
Balance - September 30, 2023	**257,282,672**	**43,233,146**
Shares issued from private placement	33,874,800	375,030
Balance - June 30, 2024	**291,157,472**	**43,608,176**

i. 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.

iv. On May 31, 2024, the Company closed a non-brokered private placement financing for gross proceeds of $846,870 through the issuance of 33,874,800 Units (each "Unit") at a price of $0.025 per unit; certain eligible persons (the "Finders") were issued 1,151,200 units representing a cash commission in the amount of $22,780. 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 $0.05 on or before 18 months from the date of issuance.

(Unaudited - Expressed in Canadian dollars)

(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 following table summarizes activity within the Company's stock option plan during the period:

	Number of Options Outstanding	Black-Scholes Value		Weighted Average Exercise Price
Balance - October 1, 2022	**37,921,500**	**11,359,375**	**$**	**0.30**
Expired	(2,155,500)	(601,052)		0.27
Cancelled	(3,525,000)	(739,639)		0.21
Adjustment	(1,000)	(346,609)		-
Balance - September 30, 2023	**32,240,000**	**9,672,075**	**$**	**0.31**
Balance - June 30, 2024	**32,240,000**	**9,672,075**	**$**	**0.31**

i. During the year ended September 30, 2023, 2,155,000 options expired with an average exercise price of $0.27, and 3,525,000 options expired with an average exercise price of $0.21.

The following common share purchase options are outstanding as at June 30, 2024:

Date of Grant	Number Of Options Outstanding		Exercise Price	Average Remaining life (years)	Expiry Date	Number Of Options Exercisable
February 18, 2020	5,360,000		0.200	0.64	February 18, 2025	5,360,000
August 18, 2020	3,700,000		0.205	1.13	August 18, 2025	3,700,000
August 26, 2020	650,000		0.230	1.16	August 26, 2025	650,000
December 18, 2020	2,900,000		0.225	1.47	December 18, 2025	2,900,000
January 8, 2021	650,000		0.305	1.53	January 8, 2026	650,000
January 22, 2021	2,550,000		0.335	1.56	January 22, 2026	2,550,000
March 3, 2021	3,875,000		0.740	1.67	March 3, 2026	3,875,000
April 26, 2021	1,165,000		0.500	1.82	April 26, 2026	1,165,000
July 22, 2021	5,490,000		0.250	2.06	July 22, 2026	5,490,000
August 4, 2021	2,500,000		0.250	2.10	August 4, 2026	2,500,000
September 8, 2021	500,000		0.250	2.19	September 8, 2026	500,000
September 17, 2021	400,000		0.250	2.22	September 17, 2026	400,000
September 21, 2021	500,000		0.270	2.23	September 21, 2026	500,000
May 17, 2022	2,000,000		0.200	2.88	May 17, 2027	2,000,000
	32,240,000	**$**	**0.307**	**1.60**		**32,240,000**

Share based compensation during the period ended June 30, 2024 was NIL (September 30, 2023 - $762,437).

(Unaudited - Expressed in Canadian dollars)

The fair value of options granted during the nine months ended June 30, 2024 was estimated at the date of grant using a Black Scholes Option Pricing Model with the following assumptions.

	Dec 7 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%

(c) Warrants

The following table summarizes warrants that have been issued, exercised or have expired during the nine months ended June 30, 2024:

Scryb Inc.

	Number of Warrants Outstanding		Black-Scholes Value		Weighted Average Exercise Price
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**	**$**	**1,200,987**	**$**	**0.15**
Granted	35,026,000		449,060		0.05
Expired	(6,105,445)		(633,847)		0.20
Balance - June 30, 2024	**52,616,000**	**$**	**1,016,200**	**$**	**0.08**

The fair value of warrants granted during each period were estimated at the date of grant using a Black Scholes Option Pricing Model with the following assumptions:

Investor Warrants	May 2024	May 2023	March 2023
Share price	0.05	0.15	0.11
Risk-free interest rate	3.67%	2.99%	2.89%
Time to maturity	1.5 years	1.5 years	1.5 years
Annualized volatility	148%	81%	79%
Dividend yield	Nil	Nil	Nil

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.

On March 17, 2024, a total of 6,105,445 warrants with a grant date of March 17, 2022 had expired.

(Unaudited - Expressed in Canadian dollars)

On May 31, 2024, the Company granted an aggregate of 35,026,000 warrants to purchase common shares of the Company with an estimated fair value of $449,060 exercisable at a price of $0.05 per common share, expiring on November 30, 2025.

As at June 30, 2024, there were 52,616,000 (September 30, 2023 – 23,695,445) warrants outstanding with an average strike price of $0.08.

14. 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.

(Unaudited - Expressed in Canadian dollars)

As at year-ended 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

15. 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 nine months ended June 30, 2024, $299,790 (period ended September 31, 2023 - $602,000) was due to key management and companies controlled by or related to key management. Remuneration of key management of the Company was as follows:

	June 30, 2024	September 30, 2023
Consulting and management fees	**299,790**	602,000
	$ 299,790	$ 602,000

At June 30, 2024, the following intercompany balances were outstanding:

	June 30 2024	September 30 2023
Advances to Glow LifeTech Corp.	1,092,938	1,098,742
Advances from Cybeats Technologies Corp.	(33,220)	-
Demand loan receivable Fio Corp	210,284	210,284
Demand loan receivable Fionet Rapid Response Group	500,000	500,000
Advances to Fionet Rapid Response Group (note 6)	2,051,360	1,725,270
Total due from related parties	**3,821,362**	**3,534,296**
Less current portion	537,000	527,000
Total due from related parties	**3,284,362**	**3,007,296**

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.

16. 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.

a) 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.

b) Foreign currency risk

As at June 30, 2024, 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 June 30, 2024, the Company held cash of $65,263 (September 30, 2023 - $369,227) to settle current liabilities of $1,755,025 (September 30, 2023 - $5,279,341).

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 with Canadian chartered banks.

17. CAPITAL MANAGEMENT

Due to the development stage of the Company the primary form of funding is equity financing of its capital stock. As at June 30, 2024, the Company's capital stock was $43,608,176 (September 30, 2023 - $53,434,407). The Company will need to raise additional funds to support the commercial and development activities.

There were no changes in the Company's approach to capital management during the nine months ended June 30, 2024 and the Company is not subject to any externally imposed capital requirements. Management has no expectations that it will raise debt in the coming year.

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.

18. 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 the periods ended June 30, 2024 and 2023, this would be anti-dilutive.

19. Subsequent Events

Private placement

On August 6, 2024, the Company announced that it intends to complete a non-brokered private placement financing for gross proceeds of up to $1,000,000 through the issuance of up to 40,000,000 units in the capital of the company at a price of $0.025 per unit. Each unit shall be comprised of one common share in the capital of the Company and one whole Common Share purchase warrant. Each Warrant entitles the holder thereof to acquire one Common Share at a price of $0.05 per Common Share until the date that is eighteen months from the date of issuance.