ONCO-INNOVATIONS LIMITED

(FORMERLY AURORA SKY VENTURES CORP.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended January 31, 2025

(Expressed in Canadian Dollars)

(Unaudited)

Notice to Reader

The accompanying unaudited condensed interim financial statements of Onco-Innovations Limited ("the Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the nine months ended January 31, 2025, have not been reviewed by the Company's auditors.

ONCO-INNOVATIONS LIMITED
(FORMERLY AURORA SKY VENTURES CORP.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

AS AT	Notes	(Unaudited) **January 31, 2025**	(Audited) **April 30 2024**
		$	**$**
ASSETS			
Current			
Cash		1,411,652	447,856
Prepaid expenses	5	764,795	-
Total assets		2,176,447	447,856
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	9	170,290	128,949
Total liabilities		170,290	128,949
Shareholders' Equity			
Share capital	8	3,260,820	50,000
Share subscription received	8	1,000,000	400,162
Reserves	8	783,514	-
Deficit		(3,038,177)	(131,255)
Total shareholders' equity		2,006,157	318,907
Total liabilities and shareholders' equity		2,176,447	447,856

Nature of operations and going concern (Note 1)
Subsequent events (Note 14)

Approved and authorized for issuance on behalf of the Board of Directors on March 31, 2025:

"Zachary Stadnyk" — *Zachary Stadnyk*, Director

"Richard Heinzl" — Richard Heinzl, Director

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

ONCO-INNOVATIONS LIMITED

(FORMERLY AURORA SKY VENTURES CORP.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
(Unaudited)

	Notes	Three Months Ended January 31, 2025	Nine Months Ended January 31, 2025	Period from incorporation on January 10, 2024 to January 31, 2024
Expenses			$	
Consulting and director fees	9, 13	463,886	496,736	-
General and administrative	13	56,524	57,374	2
Investor relations		829,887	860,115	-
Professional fees	13	121,411	301,339	-
Research and development	7,13	115,629	212,097	-
Transfer agent and filing fees		86,864	87,331	-
Foreign exchange		5,349	5,349	-
Share-based compensation	8	754,307	756,437	-
Total expenses		2,433,857	2,776,778	2
Net loss before other items		(2,433,857)	(2,776,778)	(2)
Transaction consideration	6	24,885	(130,144)	-
Total other items		24,885	(130,144)	-
Net loss and comprehensive loss for the period		(2,408,972)	(2,906,922)	(2)
Loss per share				
Basic and diluted		(0.06)	(0.08)	-
Weighted average number of common shares				
Basic and diluted		39,672,520	38,080,582	-

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

ONCO-INNOVATIONS LIMITED
(FORMERLY AURORA SKY VENTURES CORP.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)
(Unaudited)

	Number of common shares	Share Capital $	Share subscriptions received $	Reserves $	Deficit $	Total shareholders' equity (deficit) $
Balance, January 10, 2024 (date of incorporation)	-	-	-	-	-	-
Share subscription received	-	-			-	-
Net loss for the period	-	-	-	-	(2)	(2)
Balance, January 31, 2024	-	-	-	-	(2)	(2)

	Number of common shares	Share Capital $	Share subscriptions received $	Reserves $	Deficit $	Total shareholders' equity (deficit) $
Balance, April 30, 2024	10,000,000	50,000	400,162	-	(131,255)	318,907
Private placements	29,000,000	2,980,000	(400,162)	-	-	2,579,838
Share issue costs - cash	-	(120,100)	-	-	-	(120,100)
Share issue costs - warrants	-	(35,900)	-	35,900	-	-
Share subscriptions received	-	-	1,000,000	-	-	1,000,000
Shares issued pursuant to acquisition (Note 6)	4,375,000	87,500	-	45,947	-	133,447
Shares issued for success fee	300,000	150,000	-	-	-	150,000
Shares issued upon conversion of RSUs	50,000	170	-	(170)	-	-
Shares issued upon exercise of warrants	325,500	22,550	-	-	-	22,550
Shares issued upon exercise of options	60,000	126,600	-	(54,600)	-	72,000
Share-based compensation	-	-	-	756,437	-	756,437
Net loss for the period	-	-	-	-	(2,906,922)	(2,906,922)
Balance, January 31, 2025	44,110,500	3,260,820	1,000,000	783,514	(3,038,177)	2,006,157

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

ONCO-INNOVATIONS LIMITED

(FORMERLY AURORA SKY VENTURES CORP.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
(Unaudited)

	Nine months ended January 31, 2025	Period from incorporation on January 10, 2024 to January 31, 2024
	$	
Operating activities		
Net loss for the period	(2,906,922)	(2)
Non cash items:		
Share-based compensation	756,437	-
Shares for service	150,000	-
Transaction consideration	130,144	-
Changes in non-cash working capital:		
Prepaid expenses	(758,045)	-
Accounts payable and accrued liabilities	(53,317)	2
Cash flows used in operating activities	(2,681,703)	-
Investing activities		
Cash acquired from RTO	91,211	-
Cash flows provided by investing activities	91,211	-
Financing activities		
Common shares issued for cash	2,579,838	-
Share issue costs	(120,100)	-
Share subscriptions received	1,000,000	-
Exercise of warrants	22,550	-
Exercise of options	72,000	-
Cash flows provided by financing activities	3,554,288	-
Change in cash	963,796	-
Cash, beginning of period	447,856	-
Cash, end of period	1,411,652	-
Supplemental cash flow information:		
Fair value of finder warrants	35,900	-
Fair value of options exercised	54,600	-
Reallocation of share subscriptions	400,162	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Onco-Innovations Limited (formerly: Aurora Sky Ventures Corp). ("Onco" or the "Company") was incorporated on September 16, 2021, pursuant to the provisions of the Business Corporations Act (British Columbia) and is the parent company of Onco-Innovation Operations Inc. (formerly: Onco-Innovations Inc.) ("OIOI" or "Onco Operations"), a company incorporated in British Columbia on January 10, 2024. The Company's head office is located at 1309 – 7th Street SW, Calgary, Alberta, Canada, T2R 1A5 and registered records office is Suite 2300 – 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 2B5. Effective July 25, 2024, the Company changed its name from Aurora Sky Ventures Corp. to Onco-Innovations Limited. The Company commenced trading on the Canadian Securities Exchange on November 26, 2024, under the trading symbol "ONCO."

The Company is a pre-clinical stage biotechnology company working on developing drug candidates that can increase the effectiveness of current cancer treatments. The Company has obtained an exclusive license from the University of Alberta for a Polynucleotide Kinase 3′-Phosphatase ("PNKP") inhibitor technology (the "PNKP Inhibitor Technology"). PNKP has been identified as a key enzyme that repairs cancer cell DNA after treatment with chemotherapy or radiation therapy. By inhibiting PNKP, the Company's PNKP Inhibitor Technology has the potential to be developed into a drug that prevents cancer cells from repairing themselves after cancer treatments, therefore making current treatments more effective. PNKP inhibitors also have several potential novel use cases in the treatment of cancer.

On July 12, 2024, the Company acquired all the issued and outstanding shares of OIOI by way of reverse takeover (the "Acquisition"). Pursuant to the Acquisition, OIOI became a wholly owned subsidiary of Onco for legal purposes and the Company changed its name to Onco-Innovation Limited from Aurora Sky Ventures Corp.

Upon closing of the Acquisition, the shareholders of OIOI had control of the Company and as a result, the Acquisition is considered a reverse acquisition of Onco by OIOI. For accounting purposes, OIOI is considered the acquirer and Onco, the acquiree; therefore, the Company and these condensed interim consolidated financial statements are a continuation of the financial statements of OIOI. The net assets of Onco at the date of the reverse acquisition are deemed to have been acquired by OIOI and these condensed interim consolidated financial statements include the results of operations of Onco from July 12, 2024. See Note 5 for additional details.

These condensed interim consolidated financial statements have been prepared with the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. During the nine months ended January 31, 2025, the Company had no revenues and incurred a net loss of $2,906,922. As at January 31, 2025, the Company had an accumulated deficit of $3,038,177. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient equity financing, and generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these condensed interim consolidated financial statements. The impact of these adjustments could be material.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), Interpretations issued by the International Financing Reporting Interpretations Committee ("IFRIC"), and in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*.

b) Basis of measurement

These condensed interim consolidated financial statements have been prepared on a historical basis, except for certain financial instruments that have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The condensed interim consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company.

c) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary at the end of the reporting period:

	Incorporated	Nature	Ownership January 31, 2025	Ownership April 30, 2024
Onco-Innovation Operations Inc.	British Columbia	Research and Development	100%	NIL

These consolidated financial statements are a continuation of the financial statements of Onco Operations. The net assets of Onco at the date of the reverse acquisition are deemed to have been acquired by Onco Operations and these condensed interim consolidated financial statements include the results of operations of Onco from July 12, 2024.

The results of the wholly owned subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated on consolidation.

3. MATERIAL ACCOUNTING POLICIES

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements for the period ended April 30, 2024. The accompanying unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the period ended April 30, 2024.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgments

Management has made critical judgments in the process of applying accounting policies, including:

i. Going concern – The assessment of the Company's ability to continue as a going concern and its ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

ii. Business combination – The determination of whether a set of assets acquired and liabilities assumed in an acquisition constitutes a business may require the Company to make certain judgements, considering all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or economic benefits. The Company bases its estimates and judgments on current facts and various other factors that it believes to be reasonable under the circumstances. The actual results experienced by the Company may differ materially and adversely from the Company's estimates and could affect future results of operations and cash flows.

Significant estimates

Management has made critical estimates in the process of applying accounting policies, including:

i. Share-based compensation – The Company uses the Black-Scholes option pricing model to value options and warrants granted during the year. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. The model requires management to make estimates that are subjective and may not be representative.

(Expressed in Canadian dollars)

5. PREPAID EXPENSES

On January 27, 2025, the Company entered into a marketing agreement with MCS Communication Services GmbH for a total of $764,795 (€500,000). The services related to digital marketing until May 28, 2025 or until the marketing budget is fully utilized.

6. ACQUISITION OF ONCO-INNOVATIONS OPERATIONS INC. ("OIOI")

On July 12, 2024, Onco completed the acquisition of all issued and outstanding shares of OIOI in exchange for the issuance of 34,000,000 common shares of the Company. As a result of the acquisition, the former shareholders of OIOI held 89% of the outstanding common shares of the Company, and, for accounting purposes, are considered to have acquired control of the Company. The acquisition has been accounted for as an asset acquisition for accounting purposes, as the transaction is considered to be outside of the scope of IFRS 3, Business Combinations, as Onco did not have an active business prior to the transaction. As such, the acquisition is accounted for in accordance with IFRS 2, Share-based Payments, whereby OIOI is deemed to have issued common shares in exchange for the net assets of Onco. The accounting for the acquisition includes the consolidated financial information of Onco and OIOI, but are issued under the legal parent, Onco, but are considered a continuation of the financial statements of the legal subsidiary, OIOI. These condensed interim consolidated financial statements include the accounts of the Company as at July 12, 2024, and the historical accounts of the business of OIOI. since its incorporation on January 10, 2024. As OIOI is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the condensed interim consolidated financial statements at their historical carrying values.

The total consideration of the common shares, and share purchase warrants have been allocated to the fair value of the net assets acquired and liabilities assumed, as follows:

	July 12, 2024
	$
Fair value of 4,375,000 common shares at $0.02 per share	87,500
Fair value of 4,375,000 warrants	45,947
	133,447
Cash	91,211
Prepaid expenses	6,750
Accounts payable	(94,658)
Net assets	3,303
Transaction consideration	130,144

(Expressed in Canadian dollars)

7. LICENSE AGREEMENT

On July 5, 2024, the Company ("Licensee") entered into a licensing agreement with The Governors of the University of Alberta, ("Licensor" or the "University) granting the exclusive rights to use the technology to distribute, market, sell, lease, license and/or sublicense products derived or developed from such technology for a term of 20 years. The Company shall pay to the University of Alberta a royalty of 3% of cumulative net sales up to $5,000,000 and 5% of cumulative net sales greater than $5,000,000. In addition, the Company shall pay the University of Alberta a minimum annual advance on earned royalties according to the anniversary date of the licensing agreement. Such minimum annual advances paid will be considered a credit against future Royalty payments due in future years.

Anniversary Year from the Date of Commencement	Amount
1st through 4th year	$10,000
5th year and every year thereafter	$20,000

During the nine months ended January 31, 2025, the Company paid the initial license fee of $25,000 and retainer fees of $5,048, which have been recognized as research and development expenses.

8. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued

Nine months ended January 31, 2025:

On July 12, 2024, the Company issued 4,375,000 common shares with a fair value of $87,500 pursuant to an acquisition transaction (refer to Note 6).

On May 5, 2024, the Company closed a non-brokered private placement of 24,000,000 common shares at a price of $0.02 per share for gross proceeds of $480,000, of which $400,162 was received as at April 30, 2024.

On November 26, 2024, the Company's common shares were listed for trading on Canadian Securities Exchange under the symbol "ONCO". The Company completed a private placement of 5,000,000 units at a price of $0.50 per unit for gross proceeds of $2,500,000 pursuant to the final prospectus filed with the Alberta Securities Commission. Each unit consisted of one common share and one-half of one share purchase warrant. Each whole warrant is exercisable at a price of $0.60 per common share until November 26, 2027. The Company incurred $120,000 in finder's fees and issued 240,000 finder's warrants related to the private placement with a fair value of $35,900.

On November 26, 2024, the Company issued 300,000 shares for service pursuant to an advisory services agreement with a company controlled by the Company's former CFO. The shares were recorded at a fair value of $150,000 as consulting expense.

On November 26, 2024, the Company issued 50,000 common shares upon the conversion of RSUs, 40,000 common shares of which were issued to directors and officers of the Company.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Period from January 10, 2024 (date of incorporation) to April 30, 2024:

As at April 30, 2024, the Company received proceeds of $400,162 related to the issuance of common shares at $0.02 per share, which included $51,706 received from directors of the Company.

On March 23, 2024, the Company closed a non-brokered private placement of 10,000,000 common shares at a price of $0.005 per share for proceeds of $50,000, which included 1,867,649 common shares issued to directors of the Company for proceeds of $9,338.

Warrants

The table below summarizes the information on the outstanding warrants of the Company for the period ended January 31, 2025:

	Number of Warrants	Weighted Average Exercise Price
		$
Balance at April 30, 2024	-	0.00
Acquired from reverse takeover (Note 5)	4,375,000	0.05
Issued	2,740,000	0.60
Exercised	(325,500)	0.07
Balance at January 30, 2025	6,789,500	0.27

As at January 31, 2025 the Company's outstanding share purchase warrants expire as follows:

Expiry date	Number of Warrants	Exercise Price
		$
November 26, 2027	3,800,000	0.05
November 26, 2027	249,500	0.10
November 26, 2027	2,500,000	0.60
November 26, 2027	240,000	0.60
	6,789,500	

The weighted average contractual life remaining of the outstanding warrants at January 31, 2025 is 2.82 years.

The weighted average Black-Scholes inputs for finders warrants granted are as follows:

	January 31, 2023	**January 31, 2022**
Risk-free interest rate	2.50%	n/a
Expected life (years)	2	n/a
Annualized volatility	100%	n/a
Dividend rate	0%	n/a
Weighted average fair value per warrant	$0.30	n/a

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Restricted Share Unit Awards (“RSUs”)

The Company has an equity incentive plan (the “Plan”) that permits the grant of stock options, deferred share units, restricted share units, and performance share units up to 20% of the issued and outstanding common shares of the Company to directors, officers, key employees, and consultants. Terms of the options granted are subject to determination and approval by the Board of Directors.
The table below summarizes the information on the outstanding RSUs of the Company for the six months ended January 31, 2025:

	Number of RSUs
Balance at April 30, 2024	-
Granted	1,350,000
Converted to common shares	(50,000)
Balance at January 31, 2025	1,300,000

On July 12, 2024, the Company issued 300,000 RSUs to officers and directors of the Company, under which the holder has the right to receive an aggregate of 300,000 shares of the Company. These RSUs vest 10% on the date the Company achieves a public listing and 15% every six months thereafter, such that all RSUs will vest 36 months following the listing date.

On July 13, 2024, the Company issued 200,000 RSUs to officers and directors of the Company, under which the holder has the right to receive an aggregate of 200,000 shares of the Company. These RSUs vest 10% on the date the Company achieves a public listing and 15% every six months thereafter, such that all RSUs will vest 36 months following the listing date.

On January 9, 2025, the Company issued 850,000 RSUs to officers, directors, and consultants of the Company, under which the holder has the right to receive an aggregate of 850,000 shares of the Company. These RSUs vest on May 9, 2025.

During the period ended January 31, 2025, the Company recorded share-based compensation of $182,215 relating to the vesting period for the issued RSUs.

Stock options

Stock options transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
		$
Balance at April 30, 2024	-	0.00
Granted	630,000	1.20
Exercised	(60,000)	1.20
Balance at January 31, 2025	570,000	1.20

The weighted average remaining contractual life of outstanding options at January 31, 2025 was 4.95 years.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Stock options (continued)

At January 31, 2025 the Company had the following stock options outstanding:

Expiry date	Number of Options	Number of Exercisable Options	Exercise Price
			$
January 9, 2030	570,000	570,000	1.20

During the nine-month period ended January 31, 2025, the Company recognized share-based payments expense of $574,222 in connection with the vesting of stock options granted in the period.

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of stock options granted during the periods ended were as follows:

	January 31, 2025	January 31, 2024
Risk-free interest rate	2.50%	n/a
Expected life of options (years)	5	n/a
Annualized volatility	100.00%	n/a
Dividend rate	0%	n/a
Weighted average fair value per option	$ 0.90	n/a

9. RELATED PARTY TRANSACTIONS

Key management personnel include those people who have authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Key management personnel compensation for the nine-month periods was:

	January 31, 2024	January 31, 2023
	$	$
Consulting fees to officers and directors	89,525	-
Shares for service - advisory agreement	150,000	-
Professional fees to former CFO	80,069	-
Share-based compensation	237,392	-
Total	556,986	-

On November 26, 2024, the Company issued 300,000 common shares to a company controlled by the former CFO pursuant to an advisory agreement with a fair value of $150,000.

As at January 31, 2025, the Company had $Nil (April 30, 2024 - $39,375) owing to a company controlled by the former Chief Financial Officer of the Company. The amounts owing are unsecured, non-interest bearing, and due on demand.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Fair values

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 - Quoted Prices in Active Markets for Identical Assets
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Significant Other Observable Inputs
Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 - Significant Unobservable Inputs
Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The carrying values of cash, and accounts payable and accrued liabilities approximate their fair values due to their short-term nature.

b) Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit risk the Company is exposed to is 100% of its cash. The Company’s cash is held at a large Canadian financial institution.

c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The accounts payable and accrued liabilities are typically due in 30 days, which are settled using cash.

At present, the Company’s operations do not generate positive cash flow. The Company’s primary source of funding has been the issuance of equity securities. Despite previous success in acquiring required financing, there is no guarantee that the Company will continue to be successful in obtaining future financing.

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(Expressed in Canadian dollars)

11. COMMITMENT

On July 5, 2024, the Company signed a 20-year licensing agreement with The Governors of the University of Alberta granting the exclusive rights to use a technology. The Company committed to pay royalty fees as follows, which are due every July and December annually:

	Rate
Cumulative net sales up to $5,000,000	3%
Cumulative net sales greater than $5,000,000	5%

The Company shall pay a minimum annual royalty fee of:

	Amount ($)
From July 5, 2025 to June 30, 2029	10,000
From July 1, 2029, onwards	20,000

In addition to royalty fees, the Company shall make the following milestone payments:

	Milestones	Payments ($)
a)	Raise US$1,000,000 in financing to advance the development of the Technology by January 5, 2025.	10,000
b)	Filing of an Investigational New Drug Applications with the FDA, or equivalent, for first Product by July 5, 2029.	–
c)	Completion of Phase 1 clinical trial for first Product by July 5, 2030	50,000
d)	Completion of Phase 1 clinical trial for first Product by July 5, 2033	100,000
e)	First commercial sale of any Product in any jurisdiction by July 5, 2036	250,000

If the technology is sublicensed to other parties, the Company shall pay the University of Alberta a percentage of non-royalty consideration received from sublicensing based on the development stage:

	Stage of development at the time of sublicense	Percentage
a)	Prior to completion of the first GLP animal study	30%
b)	After the completion of the first GLP animal study	20%
c)	After enrollment in a phase 1 clinical trial and prior to enrollment of the first patient in a phase 3 clinical trial.	15%
d)	After enrollment in a phase 3 clinical trial	10%
e)	After regulatory approval (by FDA or equivalent) in any jurisdiction	5%

(Expressed in Canadian dollars)

12. CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the development of its research projects; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk. The Company's financial strategy is formulated and adapted according to market conditions to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the prior year.

13. NATURE OF EXPENSES

Consulting and director fees	**January 31, 2025**
	$
Mangement and director fees	89,525
Corporate advisory and business development	177,142
Corporate administration	80,069
Corporate administration - shares for service	150,000
Total	496,736

General and administrative	**January 31, 2025**
	$
Office and administrative	1,018
Bank charges	2,142
Meals and entertainment	364
IT services	10,854
Rent	42,000
Travel	996
Total	57,374

Professional fees	**January 31, 2025**
	$
Legal fees	260,826
Audit fees	40,513
Total	301,339

(Expressed in Canadian dollars)

13. NATURE OF EXPENSES (Continued)

General and administrative	**January 31, 2025**
	$
Office and administrative	1,018
Bank charges	2,142
Meals and entertainment	364
IT services	10,854
Rent	42,000
Travel	996
Total	57,374

14. SUBSEQUENT EVENTS

Subsequent to January 31, 2025, the Company entered the following transactions:

a) On February 3, 2025, the Company completed a private placement of 408,163 units at a price of $2.45 per unit for gross proceeds of $1,000,000. Each unit consists of one common share and one-half share purchase warrant. Each whole warrant is exercisable at a price of $2.55 per common share until February 3, 2027.

b) On February 3, 2025, the Company entered into a share purchase agreement to acquire 100% of issued and outstanding shares of Inka Health Corp. in exchange for 1,775,147 common shares of the Company.

c) Subsequent to the period ended January 31, 2025, the Company issued 3,877,000 common shares pursuant to the exercise of warrants for proceeds of $211,200.